

STATE OF NEW HAMPSHIRE

Inter-Department Communication

DATE: April 30, 2019

AT (OFFICE): NHPUC

FROM: Rich Chagnon
Utility Analyst – Electric Division

SUBJECT: DE 19-073, Joint Petition of New Hampshire Electric Cooperative, Inc. and Public Service Company of New Hampshire d/b/a Eversource Energy to Alter Their Franchise Areas in Laconia, New Hampshire

TO: Commissioners
Debra Howland, Executive Director

CC: Tom Frantz, Director, Electric Division
Amanda Noonan, Director, Consumer Services and External Affairs
Les Stachow, Assistant Director, Electric Division
Mary Schwarzer, Staff Attorney

Summary

On April 2, 2019, New Hampshire Electric Cooperative (NHEC) and Eversource Energy (Eversource) filed a joint petition with the New Hampshire Public Utilities Commission (Commission) in which they requested the Commission issue an order approving a change in the franchise areas served by the two utilities in the city of Laconia, New Hampshire, so as to accommodate the request of NHEC to have Eversource provide electric service to Tax Lot 37-260-4.3 (hereinafter the “Cantin residence off Tyler Shore Road” or the “Cantin residence” or the “Site”).

Staff has reviewed the petition and recommends that the Commission grant the joint petition by NHEC and Eversource to alter the franchise territory in Laconia to allow Eversource to provide service to this Site, and find that it is in the public good. See RSA 374:26 (the Commission shall grant such permission to alter a franchise territory when it is in the public good to do so).

Staff also recommends that the Commission grant such approval without hearing as all parties are in agreement. See RSA 374:26 (when all parties agree, the Commission may grant the permission request without a hearing). Furthermore, Staff recommends that the Commission approved the joint petition on a *nisi* basis to ensure that all interested parties

receive notice and have the opportunity to comment or request a hearing before the order becomes effective.

Background

On April 2, 2019, NHEC and Eversource filed a joint petition with the New Hampshire Commission in which they requested the Commission issue an order approving a change in the franchise areas served by the two utilities in the city of Laconia, so as to accommodate the request of NHEC to have Eversource provide electric service to the Cantin residence off Tyler Shore Road.

The petition states that the public interest would be served by the amendment of their respective franchise areas in the area of Laconia, so as to permit Eversource to provide service to the Site.

NHEC and Eversource (hereafter collectively the "Utilities") each serve portions of Laconia. The NHEC lines located on the property adjacent to the Site to the east, i.e. on Mr. Longo's property, are physically closer to the Site owner's residence than are the Eversource lines on Tax Lot 36-260-10, which is adjacent to the Site to the west. However, NHEC cannot extend the existing lines across Mr. Longo's property without bisecting it and negatively affecting Mr. Long's current efforts to sell his property, thereby creating a hardship for Mr. Longo.

If NHEC were to attempt to construct a line to the Site from a different point, such construction would increase the number of new easements that would be required. Moreover, the increased footage would increase the costs to the Site owner to obtain NHEC service. Accordingly, the Site owner wishes to obtain service from Eversource.

NHEC and Eversource also intend to use this opportunity to re-draw the franchise line nearby to reflect the current state of service. For many years in the area near the Site, Eversource has already been serving four lots within the NHEC service territory.

In light of the specific circumstances described above, NHEC and Eversource agree to adjust their respective franchise areas in Laconia in order to accommodate NHEC's request, and place the Site within Eversource's franchise area. As has been done previously in similar circumstances, the Site will be identified on the franchise maps with a notation that the Site is to be served by Eversource. Moreover, NHEC and Eversource intend to adjust the franchise lines as shown on Attachment C in the petition to reflect the actual status of service in the area.

NHEC and Eversource understand that the Site owner, Mr. Cantin, agrees with the proposed franchise alteration.

RSA 374:22 (I) provides that no person or business entity may commence business as a public utility in New Hampshire or exercise any right or privilege under any franchise without first obtaining the Commission's approval. The Commission may approve a

franchise request, after due hearing or without a hearing when all interested parties are in agreement, if it finds the franchise would be for the public good. RSA 374:26. NHEC and Eversource noted that RSA 374:22 does not apply to NHEC, pursuant to RSA 362:2.

Recommendation

Staff has reviewed the petition and concludes that amending the franchise line to connect the Site to Eversource's facilities is substantially less costly for the Site owner than other available options. Servicing the Site from the opposite direction, i.e. the Site's westerly abutter, avoids crossing Mr. Longo's property entirely, and as a result, avoids creating a hardship for Mr. Longo, the adjacent easterly property owner. Amending the franchise line at this time also creates an opportunity for the Utilities to re-draw the franchise line nearby to reflect the current state of service. Therefore, Staff concludes that the franchise alteration is reasonable and appropriate, and therefore would be for the public good.

Staff has reviewed the petition and recommends that the Commission grant the joint petition by NHEC and Eversource to alter the franchise territory in Laconia to allow Eversource to provide service to this Site, and further find that it is in the public good. See RSA 374:26 (the Commission shall grant such permission to alter a franchise territory when it is in the public good to do so).

Staff also recommends that the Commission grant such approval without hearing as all parties are in agreement. See RSA 374:26 (when all parties agree, the Commission may grant the permission request without a hearing). Furthermore, Staff recommends that the Commission approved the joint petition on a *nisi* basis to ensure that all interested parties receive notice and have the opportunity to comment or request a hearing before the order becomes effective.

Please contact me if you have any questions regarding this recommendation.

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