

**STATE OF NEW HAMPSHIRE**  
**before the**  
**PUBLIC UTILITIES COMMISSION**

Public Service Company of New Hampshire d/b/a Eversource Energy

**DOCKET NO. DE 19-XXX**

WESTMORELAND CLEAN INNOVATION PROJECT

**Petition for Project Preauthorization**

Pursuant to N.H. Code Admin. Rules PART Puc 203.06 and Order No. 26,124 (April 30, 2018),<sup>1</sup> Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) hereby petitions the Commission to preauthorize the development of a clean innovation project as described herein, and for such other relief as requested. In support of this Petition, Eversource states the following:

1. On May 28, 2019, Eversource submitted a request for permanent rates in Docket No. DE 19-057, including among its proposals the Grid Transformation and Enablement Program (“GTPE”). The GTPE encompasses a series of initiatives to raise the condition of the Company’s electric distribution system to a level that is necessary to meet the growing expectations of customers for a reliable and resilient system, while at the same time reducing greenhouse gas emissions and promoting advanced technology solutions. As part of the GTPE proposal, the Company submitted the joint testimony of Charlotte B. Ancel and Jennifer A. Schilling describing two clean innovation projects that would be funded through the cost recovery mechanism established in the rate case.

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<sup>1</sup> Order No. 26,124 (April 30, 2018) at page 16 states as follows: “The stakeholders should also consider implementing one or more demonstration projects using DG plus storage to address distribution system capacity upgrade avoidance or deferral. Any such demonstration project would be implemented only if it were filed as a formal proposal and approved by the Commission.”

2. On July 31, 2019, the Company filed a letter in Docket No. DE 19-057 to inform the Commission that, based on input from the rate case parties, Eversource would move its request for preauthorization of the two clean innovation projects to separate dockets, and would do so on a staggered schedule. This Petition constitutes the Company's request for preauthorization of the first of the two clean innovation projects.

3. This Petition is accompanied by the following testimony and attachments:

- Testimony and attachments of Charlotte B. Ancel, Director of Clean Energy Strategy, Policy, and Development for Eversource Energy Service Company, discussing the Company's proposed demonstration project, known as the Westmoreland Clean Innovation Project; and
- Testimony and attachment of Eric H. Chung, Director, Revenue Requirements (New Hampshire) and Regulatory Projects, discussing the revenue requirement for the project and the Company's proposal to recover the project costs through a rate mechanism to be established in Docket No. DE 19-057.

4. As described in Ms. Ancel's testimony and attachments, the Westmoreland Clean Innovation Project is a proposal to provide a solution to a reliability challenged area of the Company's service territory through the integration of battery storage, distributed energy resources, and enhanced energy efficiency. This demonstration project will serve as an important learning opportunity as the Company continues to enable the integration of new and emerging clean energy technologies into the electric distribution system. The Westmoreland Clean Innovation Project is designed to provide back-up power for hundreds of rural customers and critical town facilities, while avoiding construction of a new electric distribution line and helping to reduce peak energy costs and greenhouse gas emissions for all New Hampshire customers. The

project is a non-wires alternative project, which will serve as an important demonstration for future energy storage projects in New Hampshire. For these reasons, the Company included this demonstration project in the GTEP proposal in Docket No. DE 19-057, and by this Petition seeks preauthorization of the project.

5. The Westmoreland Project will involve the creation of a coordinated portfolio comprised of three components: energy efficiency; demand response in the form of a “bring-your-own-device” program that provides incentives for customer-owned batteries and thermostats; and an Eversource-owned battery-storage unit. The Company is requesting approval of the project components as follows:

- For the energy efficiency component, consistent with RSA 374-F:4, VIII(e), Eversource is requesting approval to utilize additional marketing and outreach efforts to target energy efficiency projects in Westmoreland;
- For the “bring-your-own-device” demand-response component, Eversource intends to propose a Residential Demand Reduction Initiative, similar to the Commercial and Industrial Demand Response Initiative approved earlier this year, as part of the 2020 Update for energy efficiency programs to be submitted in September 2019 as part of Docket No. DE 17-136. The targeted component of the Westmoreland Clean Innovation Project will present customer opportunities for participation. Eversource does not request specific approval of the demand response component in this docket; and
- For the Eversource-owned battery storage component, Eversource is requesting that the Commission review the Company’s proposed Westmoreland Clean Innovation Project in this case and preauthorize the Company’s capital

expenditure related to this project, estimated at \$7 million, as well as annual average of \$140,000 in O&M expense for the battery component, as it did in Docket No. DE 17-189 for a project by Liberty Utilities. For clarity, the Company is not seeking cost recovery in this docket, nor is it proposing to recover these amounts through the base rates that the Commission will set in Docket No. DE 19-057. Instead, the Company is requesting the Commission's approval of a separate rate mechanism in Docket No. DE 19-057 through which recovery of costs for projects such as the Westmoreland Clean Innovation Project would take place. In granting preauthorization in this proceeding, the Commission would deem the Company's decision to commence development of the project to be prudent. The Commission would retain the authority to review whether the Company's execution of the development of the project was reasonable and prudent when the Company seeks rate recovery of the fully commissioned project at a later date.

6. The Company respectfully requests that, given the relationship between the Westmoreland Project and the proposed rate mechanisms in Docket No. DE 19-057, an order be issued by the Commission regarding the Westmoreland Project no later than the date of a final order setting permanent rates in that rate case.

**WHEREFORE**, Eversource respectfully requests that the Commission:

- A. Grant the Company's request for project preauthorization of the Westmoreland Clean Innovation Project, as described in the supporting testimony and attachments; and
- B. Order such further relief as may be just and equitable.

Respectfully submitted,

Public Service Company of New Hampshire d/b/a Eversource Energy  
By Its Attorney



By: \_\_\_\_\_

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Dated: July 31, 2019

## **CERTIFICATE OF SERVICE**

I hereby certify that, on the date written below, I caused the attached Petition to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

July 31, 2019

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Date



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Matthew J. Fossum