

**THE STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
D/B/A EVERSOURCE ENERGY**

Docket No. DE 20-095

**PETITION FOR ADJUSTMENT OF STRANDED COST RECOVERY CHARGE
FOR EFFECT ON FEBRUARY 1, 2021**

Pursuant to Puc 202.01(a) and Puc 203.06, Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or “the Company”) hereby petitions the New Hampshire Public Utilities Commission (“Commission”) for a proceeding to adjust its Stranded Cost Recovery Charge (“SCRC”) for effect on February 1, 2021 pursuant to the requirements of RSA 374-F:3 and RSA 369-B:3, the Agreement to Settle PSNH Restructuring (Revised and Conformed) in Docket No. DE 99-099 (“Restructuring Settlement”), the 2015 Public Service Company of New Hampshire Restructuring and Rate Stabilization Agreement in Docket No. DE 14-238 (the “2015 Agreement”), and Order No. 26,099 (January 30, 2018) in Docket No. DE 17-096. In support of its Petition, Eversource says the following:

1. The SCRC was established under the Restructuring Settlement and originally capped at an average of 3.40 cents per kilowatt hour. Once the Part 3 Stranded Costs were fully collected, the Restructuring Settlement provided that the SCRC would be set on a forecasted basis every six months and would include any over- or under-recovery of Part 1 and Part 2 stranded costs from the previous period.

2. In Order No. 24,641 (June 30, 2006), the Commission approved the reduction of the SCRC rate beginning July 1, 2006 to reflect the complete recovery of Part 3 Stranded Costs. The Part 1 costs were fully amortized in 2013 and the final disposition of the funds relating to the Part 1 costs was the subject of Order No. 25,815 (September 18, 2015) which, among other things, permitted the Company to recoup certain of those funds.

When the recoupment was completed in 2016, these initial Part 1 costs were completely recovered.

3. Consistent with the 2015 Agreement, which was approved by the Commission along with a related litigation settlement in Order No. 25,920 (July 1, 2016), Eversource transitioned to procuring and providing Energy Service (“ES”) for customers on a competitive basis, rather than through its traditional method and a settlement agreement relating to competitive procurement was approved by Order No. 26,092 (December 29, 2017) in Docket No. DE 17-113. In relevant part, that settlement provided that Eversource would adjust its SCRC on February 1 and August 1 of each year coincident with the changes to the ES, following an initial adjustment on April 1, 2018.

4. On February 16, 2018 in Docket No. DE 18-023 Eversource submitted a petition and supporting documentation to adjust its SCRC consistent with the settlement approved in Order No. 26,092. Consistent with the 2015 Agreement, the SCRC proposed in that filing contained elements that either had not been included in the SCRC to that point, or that were similar to elements that had previously been included, in particular: costs and market revenues associated with existing Independent Power Producers and the Burgess and Lempster Power Purchase Agreements; as well as estimated class specific RRB charges associated with the then-pending securitization of stranded costs. That petition was approved by the Commission in Order No. 26,116 (March 29, 2018). Thereafter, Eversource has submitted information to update the SCRC to include additional elements to reflect the completion of securitization and other changes.

5. Additionally, on January 31, 2020 the Commission issued Order No. 26,331 in Docket No. DE 19-142, approving an agreement to adjust the PPA between Eversource and Burgess BioPower to implement the terms of 2018 N.H. Laws, Chapter 340, “AN ACT requiring the public utilities commission to revise its order affecting the Burgess BioPower plant in Berlin, ...”. As part of that adjustment, and as described in the included testimony of Erica L. Menard, the forecasted over cap costs as defined in the PPA should

be recovered in current rates rather than waiting until the end of the operating year. Recovery of those costs is accomplished through the “Chapter 340 Adder”.

6. On December 15, 2020, the Commission issued Order No. 26,433 in Docket No. DE 19-057 approving a settlement agreement relating to Eversource’s distribution rates. As part of that settlement certain environmental remediation costs were removed from Eversource’s distribution rates and included within the SCRC. Those costs are included within this filing. Also on December 15, 2020, Eversource filed a settlement agreement in Docket No. DE 20-136 pertaining to the recovery mechanism and rate treatment of various net metering costs. Pursuant to that settlement, if approved, Eversource will include the identified net metering costs for recovery within the SCRC. Those costs are included in this filing pending review and approval of the settlement agreement by the Commission.

7. The pre-filed testimony and attachments enclosed with this Petition support a change in the SCRC rates applicable to the Company’s various rate classes. The increase to the SCRC rates as included in this preliminary filing is attributable primarily to overall higher Part 1 and Part 2 costs and higher revenues as compared to the August 1, 2020 rates as well as the additional costs included related to environmental remediation costs and net metering costs transferred to the SCRC rate.

8. The enclosed attachments and exhibits contain Eversource’s current estimates of the SCRC rates for the Company’s customer classes for effect on February 1, 2021. The preliminary February 1, 2021 average SCRC rates for Part 1 and Part 2 only, and excluding the Ch. 340, RGGI rebate, environmental remediation and net metering adder amounts, provided in this filing are:

Rate Class	Current Rate (cents/kwh)	Preliminary Rate (cents/kwh)
R	0.498	1.373
G	0.407	1.817
GV	0.334	1.108
LG	0.091	0.394
OL/EOL	0.470	1.790

The preliminary February 1, 2021 SCRC rate adders provided in this filing are included below:

Rate Adder	Current Rate (cents/kWh)	Proposed Rate (cents/kWh)
Ch. 340	0.607	0.264
RGGI Rebate	(0.130)	(0.178)
Environmental Remediation	N/A	0.049
Net Metering	N/A	0.215
Total Adders	0.477	0.350

The total February 1, 2021 SCRC by rate class provided in this filing are included below:

Rate Class	Current Rate (cents/kwh)	Preliminary Rate (cents/kwh)
R	0.975	1.723
G	0.884	2.167
GV	0.811	1.458
LG	0.568	0.744
OL/EOL	0.947	2.140

Eversource is not requesting approval of any specific rates at this time, but will update its estimates with more recent data before a hearing on the merits is held.

9. Lastly, Eversource notes that on November 27, 2019 it submitted a Motion to Commence Audit and supporting materials initially in Docket No. DE 17-096 which later became Docket No. DE 20-005. The information contained in that filing relates to the costs securitized, and not securitized, as a result of Eversource's divestiture of its generating assets. A hearing on a settlement agreement in that proceeding was held in November 2020. The Commission's ruling on that settlement is still pending, however the agreed upon \$12 million incremental stranded costs as outlined in the Settlement Agreement have been included in the Part 2 costs in this preliminary SCRC filing.

WHEREFORE, Eversource respectfully requests that the Commission set a schedule for the conduct of this matter, and order such further relief as may be just and equitable.

Respectfully submitted this 17th day of December, 2020.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A
EVERSOURCE ENERGY**



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CERTIFICATE OF SERVICE

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

Dated: December 17, 2020



Matthew J. Fossum