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January 19, 2023

Daniel Goldner, Chairman New Hampshire Public Utilities Commission 21 S. Fruit Street, Suite 10 Concord, New Hampshire 03301

Re: Docket No. DE 20-161

Public Service Company of New Hampshire d/b/a Eversource Energy 2020 Least Cost Integrated Resource Plan

Status Update

Dear Chairman Goldner:

Public Service Company of New Hampshire d/b/a Eversource Energy (the "Company") submits this letter in response to the New Hampshire Public Utilities Commission's January 17, 2023 procedural order directing the Department of Energy ("DOE") and the Company to provide a status update regarding the likelihood of settlement and/or updates regarding their positions and matters of interest.

The Department of Energy filed a technical statement on January 17, 2023 recommending that the Commission accept the Company's October 18, 2022 supplemental filing and approve the Company's 2020 least cost integrated resource plan with two exceptions. The Company reviewed the DOE's technical statement and responds to the two exceptions as follows:

1. DOE Recommendation: In the next two years, PSNH should investigate lowering its non-wire alternatives ("NWA") threshold to \$1 million for New Hampshire projects.

Company Response: Yes. Eversource will investigate lowering its NWA threshold to \$1M for NH Projects. Eversource will do this by performing its NWA analysis on NH projects using a \$1 million threshold during the next two years to determine whether additional projects would qualify with the lower threshold. In this investigation, Eversource will hold constant other necessary parameters, such as (1) the NWA analysis would not be performed for projects related to replacement of aging or failed equipment; and (2) the NWA analysis would not apply where the project must be completed in less than three years, regardless of the project costs. Should the results of this investigation confirm that \$3 million is the appropriate NWA threshold for New Hampshire, the Company requests that this issue not be revisited for at least five years.

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2. DOE Recommendation: The Commission should note that the DOE's acceptance of the N-1 planning standard for DER interconnection is contingent on the outcome of DOE Docket No. IP 2022-001.

Company Response: Agreed. The use of the N-1 planning standard is critical for utility customers that rely on the system for reliable power and expeditious restoration following large-scale storm events. The N-1 planning standard simply assures that there is redundancy in the electric system to serve customers in the event of a failure of a major distribution system facility. N-1 is a longstanding industry standard and no responsible operator would forego this standard. Therefore, as a responsible operator of the system, Eversource will not agree to eliminate this standard. However, the Company acknowledges that application of the N-1 standard raises issues regarding cost allocation.

For the hearing, Eversource recognizes DOE's position and acknowledges that DOE may issue different recommendations based on the outcome of its investigation in IP 2022-001. The Company plans to participate actively in the DOE's docket IP 2022-001 and agrees that it is the appropriate forum for discussing any potential adjustments to interconnection upgrade cost allocation.

The Company has presented its response to DOE; DOE was not able to provide a response prior to the deadline for submission of this status update. However, the Company appreciates DOE's overall support for its LCIRP filing and will continue to engage with the Department of Energy on these issues in an effort to reach resolution prior to the hearing.

In its rebuttal testimony, the Company proposed a working group to be convened prior to its next LCIRP filing. The Company remains committed to this proposal, subject to further feedback from the Commission, and continues to recommend this working group as the appropriate method for addressing the recommendations presented in this docket by the Office of Consumer Advocate and Clean Energy New Hampshire.

Please contact me if you have any questions. Thank you.

Sincerely,

Jessica Buno Ralston