

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 23-063

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY,
LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. d/b/a LIBERTY,
AND UNITIL ENERGY SYSTEMS, INC.**

**Petition for Waiver of Certain Provisions of the Puc 2200 Rules and
Request to Recover Costs of Implementing the Puc 2200 Rules**

**COMMENCEMENT OF ADJUDICATIVE PROCEEDING
AND NOTICE OF PREHEARING CONFERENCE**

On June 14, 2023, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource), Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (Liberty), and Unitil Energy Systems, Inc. (UES) (together, the Joint Utilities) filed a petition requesting that the Commission, among other things, waive certain provisions of the Chapter Puc 2200 “Municipal and County Aggregation Rules” (Puc 2200 rules) pursuant to Puc 2201.03(b) and Puc 201.05. In support of their petition, the Joint Utilities filed the joint direct testimony of representatives of each utility (Joint Testimony). The initial filing and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission’s website at www.puc.nh.gov/regulatory/Docketbk/2023/23-063.html.

I. BACKGROUND AND PROCEDURAL HISTORY

The Puc 2200 rules, adopted by the Commission in Docket No. DRM 21-142, became effective on October 12, 2022. The purpose of the Puc 2200 rules is to implement certain provisions of RSA chapter 53-E providing for the “implementation and operation of community power aggregation programs [(CPAs)] and their interactions with electric distribution utilities.” N.H. Admin. R., Puc 2201.01. Puc

2201.03(a) requires the Commission to determine requests to waive any of the Puc 2200 rules pursuant to Puc 201.05.

Puc 2205.16(d)(1) allows CPAs that choose to use consolidated billing to

[c]alculate the charges or credits for electricity supply and services for the customer in accordance with the CPA's customer classes or rate structures, based upon customer usage data provided by the customer's utility, and provide such charges or credits to the utility for presentment on the customer's bill.

As explained in the Joint Testimony, this type of consolidated billing, known as "bill-ready billing," would require a utility to provide "usage data" to a third party, such as a CPA, which would calculate the charges or credits for individual customers and report them to the utility to be included on the utility's bills. Joint Testimony at Bates pages 029-031. According to the Joint Testimony, however, the Joint Utilities' billing systems are unable to provide bill-ready billing at this time. The Joint Utilities seek a temporary waiver of Puc 2205.16(d)(1), because they are presently unable to comply with it. *Id.* at Bates pages 031 and 044.

The Joint Utilities stated that it would cost approximately \$8.9 million statewide for the changes, including significant upgrades to their billing systems, necessary for them to implement Puc 2205.16(d)(1) and provide this customized version of billing. Petition (Pet.), ¶¶ 5-6. They estimated their individual costs of implementing bill-ready billing, and the amount of time that would be required, as follows: \$4.7 million and 15 months for Eversource; \$3.1 million and 8 months for Liberty; and \$1,043,882, plus an estimated annual maintenance cost of \$63,600, and 18-24 months for UES. Joint Testimony at Bates page 037. They requested that the Commission grant them a permanent waiver of Puc 2205.16(d)(1), if the Commission determines that compliance with this rule would not be in the public interest under Puc 201.05, given the costs and time required for implementing it. Pet., ¶ 9. The Joint

Utilities contended that the costs of implementation would be borne by all utility customers, whether or not they participate in a CPA that elects bill-ready billing. *Id.*, ¶ 10.

The Joint Utilities maintained that it is unclear under the Puc 2200 rules whether the term “usage data,” which is also used in Puc 2203.02(d), includes data relating to exports to the grid from customer generators. Pet. at 1, ¶¶ 12-13. According to the petition, Liberty and UES can provide this data, but Eversource estimated that it would cost approximately \$40,000 and take three months to complete the necessary updates to its systems to do so. *Id.*, ¶ 14. In the event the Commission determines that the Puc 2200 rules require utilities to provide CPAs with “usage data,” then Eversource requested a temporary waiver of Puc 2204.02(a)(2) and Puc 2205.13(a)(7) until it can complete the updates necessary to provide this data. Pet., ¶ 14.

The Joint Utilities also represented that there is a potential conflict between Puc 2205.16(d)(1), which allows CPAs to provide customers with “charges or credits,” and provisions of Puc 1203.06(b), which specify the information required in customer bills, including “[a]ll factors necessary to compute the charges.” Pet., ¶ 8. If the Commission does not grant a waiver of Puc 2205.16(d)(1), the Joint Utilities asked that the Commission require CPAs using bill-ready billing to comply with Puc 1203.06(b). Pet., ¶ 8, page 13.

Last, the Joint Utilities requested that the Commission authorize them to recover the costs of any work necessary to implement bill-ready billing and all other incremental costs of implementing the Puc 2200 rules through a reconciling rate mechanism. *Id.*, ¶ 15; Joint Testimony at Bates pages 038-040. Such a rate mechanism would be a non-bypassable adder to distribution rates that is adjusted annually to recover costs that the Commission has reviewed and determined to be

prudently incurred. Pet., ¶ 15; Joint Testimony at Bates pages 039-040. Alternatively, the Joint Utilities requested approval of a regulatory asset. Pet., ¶ 15, page 13; Joint Testimony at Bates page 040.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether the Joint Utilities are entitled to a temporary or permanent waiver of Puc 2205.16(d)(1) under Puc 2201.03(b) and Puc 201.05; whether CPAs electing bill-ready billing must comply with Puc 1203.06(b); whether the term “usage data” in the Puc 2200 rules includes net metered customer export data; if providing such data is required, whether Eversource is entitled to a temporary waiver of Puc 2204.02(a)(2) and Puc 2205.13(a)(7); whether the Joint Utilities are authorized to recover prudently incurred, incremental costs of implementing the Puc 2200 rules through an annual reconciling rate mechanism or a regulatory asset; and, if the Joint Utilities are entitled to recover these costs, whether such cost recovery will result in rates that are just and reasonable, as required by RSA 374:2, and RSA 378:5 and :7, and will not result in unreasonable cross-subsidization of some customers at the expense of one or more rate groups contrary to RSA 378:10. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting the prehearing conference and any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission’s Clerk’s Office no later than fifteen (15) days prior to the prehearing conference or hearing date. If the Commission determines that one or more

individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, New Hampshire Code of Administrative Rules Puc 2201.03(b) and Puc 201.05, RSA 374:2, RSA 378:5, RSA 378:7, RSA 378:10, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a prehearing conference, pursuant to N.H. Admin. R., Puc 203.15, at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on August 17, 2023, at 9:00 a.m., at which each party should be prepared to address any of the issues set forth in N.H. Admin. R., Puc 203.15. In addition, on August 17, 2023, the parties should be prepared to address the issue of whether any of the Joint Utilities is entitled to the requested temporary waivers of the Puc 2200 rules pending a final hearing in this matter; and it is

FURTHER ORDERED, that the New Hampshire Department of Energy shall file its position regarding the Joint Utilities' petition, including the reasons for this position, on or before August 9, 2023; and it is

FURTHER ORDERED, that during the prehearing conference, the Commission will consider the matters listed in Puc 203.15(c) and (d), including the establishment of a procedural schedule governing the remainder of the proceeding. Parties and potential parties are encouraged to facilitate the development of a procedural schedule by conferring prior to the prehearing conference, so that the presiding officer can address any matters on which there is disagreement during the prehearing conference.

Any procedural schedule, however, will not be approved until after the prehearing conference and after consulting the Commission's calendar; and it is

FURTHER ORDERED, that, immediately following the prehearing conference, the Joint Utilities shall make appropriate personnel available for the parties to hold a technical session to review the filing; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to the Joint Utilities and any other parties on the service list, on or before August 4, 2023. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before August 14, 2023; and it is

FURTHER ORDERED, that the parties may submit a stipulation containing a discovery schedule, statement of any additional issues not identified in this order of notice, and at least three dates on which they would be available for a final hearing in this matter, including how much time will be required, with a request that the prehearing conference and technical session be cancelled, on or before August 7, 2023. The Commission may cancel the prehearing conference and technical session upon approval of such a stipulation; and it is

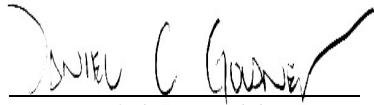
FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

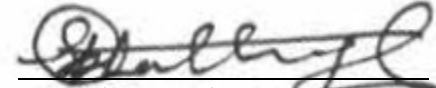
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, the Joint Utilities shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on their individual websites no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before July 28, 2023. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

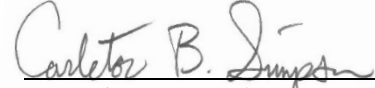
So ordered, this twenty-fourth day of July, 2023.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 23-063

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Email Addresses

ClerksOffice@puc.nh.gov
lisa.carloni@eversource.com
yi-an.chen@eversource.com
jessica.chiavara@eversource.com
dawn.coskren@eversource.com
Energy-Litigation@energy.nh.gov
Daryush.Donyavi@eversource.com
Aaron.Downing@eversource.com
helen.gagnon@eversource.com
sandra.gagnon@eversource.com
donald.m.kreis@oca.nh.gov
jared.lawrence@eversource.com
nhregulatory@eversource.com
ocalitigation@oca.nh.gov
marisa.paruta@eversource.com
katherine.provencher@eversource.com
michael.sheehan@libertyutilities.com
taylorp@unitil.com