STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DE 18-177

PUBLIC SERVICE CO. OF NEW HAMPSHIRE d/b/a EVERSOURCE ENERGY

Petition for the Continuation of the Reliability Enhancement Program

ORDER OF NOTICE

On November 16, 2018, Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or Company) filed a petition to continue the reliability enhancement program (REP), which would otherwise expire at the end of calendar year 2018. The REP program consists of activities designed to prevent damage to the Company's distribution facilities. With its petition, Eversource filed a technical statement and supporting exhibits.

Eversource's petition requests approval of the following: (1) continuation of the REP operations and maintenance programs (O&M) consisting of the vegetation management program for enhanced tree trimming (ETT), hazard tree removal, and full-width right-of-way (ROW) clearing for calendar year 2019 at a budget of $16.8 million; (2) continuation of the troubleshooter program for 2019 at a budget of $2 million; (3) continuation of support for REP capital investments made through 2018; and (4) distribution rate adjustments to account for changes in the Commission's assessment, recovery of consultant costs, and removal of a Medicare tax deferral credit. In addition, Eversource said that it now plans to file a full distribution rate case in 2019, based on a 2018 test year.

For 2019, Eversource proposes to budget $5 million for ETT, $10 million for hazard tree removal, and $1.8 million for full-width ROW clearing. Eversource said that these amounts are reasonable based on prior year experience with these programs, and will all be treated as expense.

Eversource said that the $2 million budged for the trouble-shooter program is consistent with that budgeted for 2018. Eversource claimed that the trouble-shooter program had proven successful in helping to achieve the Company's reliability goals and said that the $2 million would allow the program to continue in 2019 pending its further review in the next distribution rate case.

According to the petition, the 2019 annual revenue requirement to continue the program is $33,933,068, including the support for the previously approved REP capital investments through December 31, 2018. The current REP funding of $18,063,000 and a forecasted December 31, 2018 over-recovery of $957,837 results in an incremental annual revenue deficiency for 2019 of $14,912,232.

Rather than adjust distribution rates to account for this deficiency, Eversource proposes that the costs be deferred until the sooner of: a) the effective date of an exogenous events submission relating to the changes attributable to the 2018 tax law changes and any other applicable exogenous changes; or b) the effective date of new rates in a comprehensive rate review filing in 2019. According to Eversource, making no rate adjustment at this time allows these important programs to continue for the benefit of Eversource's customers while avoiding a January 1, 2019 rate increase.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at http://www.puc.nh.gov/Regulatory/Docketbk/2018/18-177.html.

The filing raises, inter alia, issues related to whether the REP plan for 2019 filed by Eversource is reasonable and designed to promote system reliability for the benefit of customers; whether the proposed O&M budget is reasonable; and whether the resulting rates are just and reasonable as required by RSA 378:5 and 7. Each party is entitled to representation by counsel at its own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Hearing, pursuant to N.H. Code Admin. Rules Puc 203.12, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on December 18, 2018 at 1:30 p.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Eversource shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than December 10, 2018, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before December 14, 2018; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Unitil and the Office of the Consumer Advocate on or before December 14, 2018, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rule Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before December 18, 2018.

By order of the Public Utilities Commission of New Hampshire this December 5, 2018.

Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, 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.