

DE 03-013

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
GRANITE STATE ELECTRIC COMPANY
UNITIL ENERGY SYSTEMS, INC. AND
NEW HAMPSHIRE ELECTRIC COOPERATIVE, INC.

Investigation into Advanced Customer Metering and
Demand Response by Electric Distribution Companies

Order Clarifying Order No. 24,263 in Response
To Motion for Rehearing

O R D E R N O. 24,295

March 12, 2004

The New Hampshire Public Utilities Commission (Commission), on January 9, 2004, issued Order No. 24,263 which approved a Stipulation and Settlement Agreement (Agreement) reached between Public Service Company of New Hampshire (PSNH), Granite State Electric Company (GSEC), Unitil Energy Systems, Inc. (Unitil), the Office of Consumer Advocate (OCA) and the Commission Staff (Staff) regarding advanced metering for electric distribution companies. The docket had been opened in 2003 to explore the technological and economic feasibility of certain customer metering, in furtherance of the electric restructuring policy principles found at RSA 374-F:3.

The New Hampshire Electric Cooperative, Inc. (NHEC) was not a signatory to the Agreement, though it participated in the proceedings and had developed a similar metering plan for its customers. It argued that it was not subject to the Commission's jurisdiction and need not be a signatory to the Agreement as it

is a rural electric cooperative for which a certificate of deregulation is on file, pursuant to RSA 301:57 and therefore subject to only limited Commission jurisdiction pursuant to RSA 362:2, II.

In Order No. 24,263, the Commission found that it had jurisdiction over NHEC as regards advanced metering because of advanced metering's ability to promote competitive provision of electricity, which directly implicates the policy principles of RSA 374-F:3, II and VII. The Commission also held that NHEC need not be a signatory to the Agreement, as NHEC's proposal for advanced metering was comparable to the terms of the Agreement and consistent with RSA 374-F.

On February 9, 2004, NHEC filed a Motion for Rehearing with Regard to Order No. 24,263 (Motion), pursuant to RSA 541:3. NHEC asserted that Order No. 24,263 left it uncertain as to the scope of the Commission's jurisdiction. NHEC also argues that to the extent the order imposed on NHEC any "programmatic, tariff or reporting requirement" that was imposed on the signatories of the Agreement, the Commission had violated NHEC's due process rights and exceeded its statutory authority. There were no responses filed to the Motion.

We hereby clarify Order No. 24,263. Advanced metering has a direct impact on competitive offerings and customer choice of electric suppliers. It is clearly within the scope of the

restructuring principles of RSA 374-F:3, II and VII. The Commission, therefore, found it had jurisdiction over NHEC in this regard and we reaffirm.

The Commission also found that NHEC's proposal for advanced metering was comparable, though not identical, to that of the Agreement and was therefore "in compliance with the Commission's requirements" and hence the policy principles of RSA 374-F. NHEC, however, appears to have transposed this finding into a finding that NHEC is subject to the Agreement. To the extent necessary, we state here that Order No. 24,263 was not intended to make NHEC subject to the Agreement. Therefore, the reporting, tariff and programmatic requirements applicable to the other electric distribution companies are not applicable to NHEC. With respect to NHEC's statement that it needs further guidance, that guidance would be that it should continue to execute its advanced metering implementation strategy.

Given this reiteration, we need not address the additional arguments raised by NHEC in its motion.

Based upon the foregoing, it is hereby

ORDERED, that Order No. 24,263 is clarified as stated herein.

By order of the Public Utilities Commission of New
Hampshire this twelfth day of March, 2004.

Thomas B. Getz
Chairman

Susan S. Geiger
Commissioner

Graham J. Morrison
Commissioner

Attested by:

Debra A. Howland
Executive Director & Secretary