

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 22-031

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY**

Petition for Recovery of Storm Expenses

**Order *Nisi* Approving Recovery of Costs as Modified by Assented-To
Disallowances**

O R D E R N O. 26,789

March 23, 2023

In this order *nisi*, the Commission approves the petition by Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource or the Company) to recover costs from the Major Storm Cost Reserve (MSCR) for five major storms and three pre-staging events which occurred between August 2020 and June 2021, subject to removal of \$24,262 in costs, assented to by the Company and based on the conclusions of an audit report performed by the New Hampshire Department of Energy (DOE). This order is being issued on a *nisi* basis to ensure that interested persons receive notice and have the opportunity to comment or request a hearing before the order becomes effective.

The Company's petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, are posted to the Commission's website at:

<https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-031.html>

I. BACKGROUND

Eversource maintains its MSCR pursuant to the settlement agreement in Docket No. DE 99-099 and the pre-staging criteria approved in Docket No. DE 12-320.

The MSCR is an account with allowed recovery from customers of a specified annual amount in distribution rates that is used to offset costs incurred if a qualifying major storm or pre-staging event occurs. Simultaneously, Eversource records a liability equal to the amount it recovers from customers so that the recovery does not result in earnings accruing to the Company. When a qualifying major storm¹ or qualifying pre-staging event² occurs, costs related to restoring electric service are charged to the MSCR and all charges to the MSCR are audited by the Audit Division staff of the DOE and approved by the Commission.

II. SUMMARY OF FILINGS

On May 2, 2022, Eversource filed a petition for recovery of costs associated with five storm and three storm pre-staging events that occurred between August 2020 and June 2021 from its MSCR account. Accompanying its petition, Eversource pre-filed the direct testimony of Marisa B. Paruta and Dean C. Desautels. Eversource requested recovery of \$45,361,397 over this period. Eversource Petition at Bates Page 14.

On December 20, 2022, after a series of Commission procedural orders requesting DOE input regarding the Company's filing, subsequent DOE requests for extensions of deadlines regarding same, and Commission procedural orders granting DOE's requested relief, the DOE filed a Technical Statement of Stephen R. Eckberg, a member of the DOE's Division of Regulatory Support personnel (DOE Technical Statement). The DOE Technical Statement presented a general recommendation of Commission approval of the Eversource MSCR petition as accurate and complying with the MSCR program, with the proviso that \$24,262 costs be disallowed, based on

¹ A "Major Storm" is defined as an event that results in either: a) 10% or more of Eversource's retail customers being without power in conjunction with more than 200 reported troubles; or b) more than 300 reported troubles during the event. *Public Service Company of New Hampshire*, Order No. 25,465 at 1 (February 26, 2013).

² A "Qualifying Pre-Staging Event" is defined as a severe weather event with high probability, greater than 60%, of reaching an Energy Event Index Level of 3. *Id.* at 4.

the findings of the DOE's Audit Division in their Report of July 18, 2022. See Attachment 1 of DOE Technical Statement. Four audit issues, as identified by the DOE, resulted in the recommended disallowance (DOE Technical Statement at Pages 3-4):

- 1) Supporting documentation which pre-dated or post-dated the corresponding storm (\$7,403);
- 2) Several charges to the MSCR that did not have supporting documentation, or which provided documentation that did not support the charge in question (\$10,954);
- 3) Several invoiced amounts which did not match amounts charged to the MSCR (\$5,595); and
- 4) Certain charges found "not applicable" for storm-related recovery, as not directly related to the restoration of power (\$310).

On January 3, 2023, Eversource filed a letter (Eversource Assent Letter), stating that it assented to DOE's recommended disallowances totaling \$24,262, and requesting approval of recovery of \$45,337,135 in MSCR costs, along with appropriate carrying charges as of March 31, 2022.

Other than procedural matters, no other filings were received in this matter.

III. COMMISSION ANALYSIS

The Commission has reviewed Eversource's filings and the DOE's audit report and recommendations, as presented in the DOE Technical Statement. Based on its review, the Commission disallows \$24,262 in costs as identified through the DOE's audit and assented to by Eversource. The Commission therefore approves Eversource's recovery of the remaining storm costs incurred between August 2020 and June 2021, identified by the DOE Technical Statement and Eversource Assent Letter

as totaling \$45,337,135, as well as appropriate carrying charges.³ This amount represents Eversource's storm costs related to storm restoration and pre-staging events from between August 2020 and June 2021, which have been audited and reviewed by the DOE. Eversource shall notify both the DOE and the Commission when the Company has determined the amount of appropriate carrying charges, and it shall confirm the amount of the recovery and balance of the MSCR fund.

Based upon the foregoing, it is hereby

ORDERED NISI, that Eversource is authorized cost recovery in the amount of \$45,337,135 from the MSCR fund, as well as appropriate carrying charges; and it is

FURTHER ORDERED, that Eversource shall cause a copy of this order to be published on its website within one business day of this order, and to be documented by affidavit filed with the Commission on or before April 7, 2023; and it is


FURTHER ORDERED, that persons interested in responding to this order be notified that they may submit their comments or file a written request for hearing, stating the reason and basis for a hearing, no later than April 7, 2023 for the Commission's consideration; and it is

FURTHER ORDERED, that any person interested in responding to such comments or request for hearing shall do so no later than April 14, 2023; and it is

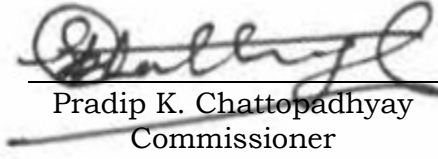
FURTHER ORDERED, that this order shall be effective April 21, 2023, unless Eversource fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

³ There is a typographical error on the first page of the DOE Technical Statement recommending Commission approval of \$45,361,397 of costs. The correct figure of \$45,337,135, which incorporates the DOE-recommended \$24,262 disallowance, is presented in Table 3 on Page 4 of the DOE Technical Statement.

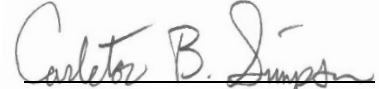
By order of the Public Utilities Commission of New Hampshire this twenty-third day of March, 2023.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 22-031

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Email Addresses

ClerksOffice@puc.nh.gov
Energy-Litigation@energy.nh.gov
thomas.c.frantz@energy.nh.gov
nhregulatory@eversource.com
elizabeth.r.nixon@energy.nh.gov
amanda.o.noonan@energy.nh.gov
ocalitigation@oca.nh.gov
marisa.paruta@eversource.com
jralston@keeganwerlin.com
mary.e.schwarzer@energy.nh.gov
mark.p.tosciano@energy.nh.gov
dvenora@keeganwerlin.com
david.wiesner@eversource.com