STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 24-113

ELECTRIC AND GAS UTILITIES

2025 Adjustments to the Energy Efficiency Portion of System Benefits Charges and Local Distribution Adjustment Charges

Order Nisi Approving Requests to Modify Energy Efficiency Portion of System Benefit Charges and Local Distribution Adjustment Charges

<u>ORDER NO. 27,087</u>

December 12, 2024

In this order, the Commission approves on a *nisi* basis the tariff change filings reflecting a 4.978 percent increase to the energy efficiency charge (EEC) charged to New Hampshire ratepayers and collected by the electric and natural gas utilities, as a component of either the electric-utility System Benefits Charge (SBC) or the gas-utility Local Distribution Adjustment Charges (LDAC). As an illustrative example of bill impacts, a typical residential electric customer of Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (Liberty Electric), using 650 kilowatt-hours (kWh) per month, will see an overall 4 percent increase in the SBC as a result of Liberty Electric's EEC proposal, resulting in an 18-cent monthly increase in bills.

I. BACKGROUND

Pursuant to RSA 374-F, VI-a(d)(2), from November 25, 2024 through December 9, 2024, Liberty Electric; the New Hampshire Electric Cooperative, Inc. (NHEC)²; Unitil

¹ Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource), for unknown reasons, made its EEC adjustment filing separately, as part of its Lost Base Revenue Rate adjustment petition filed in Docket No. DE 24-115 on December 2, 2024. The Commission will consider Eversource's EEC adjustment request in that DE 24-115 proceeding.

² The NHEC is not a rate regulated utility, nevertheless it is subject to the Commission's jurisdiction with regard to provisions of RSA Chapter 374-F relating to energy efficiency. *See* RSA 374-F:4, XII.

Energy Systems, Inc. (Unitil Electric); Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty (Liberty Gas); and Northern Utilities, Inc. (Unitil Gas) (together, the Joint Utilities), filed tariff changes related to the EEC, for effect on January 1, 2025.

These are the proposed and current EEC rates, in cents per kWh for electric utilities, and cents per therm for gas utilities, for residential customers, reflected in the Joint Utilities' petitions, presented in the table below. (Separate Commercial and Industrial ('C&I') EEC rates are assessed to C&I customers of the gas utilities, which will be discussed below the table).

UTILITY	Current EEC Rate	Proposed EEC Rate
Liberty Electric	0.577 cents/kWh	0.606 cents/kWh
NHEC	0.577 cents/kWh	0.606 cents/kWh
Unitil Electric	0.577 cents/kWh	0.606 cents/kWh
Liberty Gas	7.00 cents/therm	7.35 cents/therm
Unitil Gas	5.45 cents/therm	5.72 cents/therm

For C&I customers of Liberty Gas, the EEC is being increased from 4.66 cents per therm to 4.89 cents per therm. For C&I customers of Unitil Gas, the EEC charge is being increased from 2.70 cents per therm to 2.83 cents per therm.

Each Joint Utility's respective tariff change request is posted to the Commission's website at https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-113.html.

II. COMMISSION ANALYSIS

RSA 374-F:3, VI-a(d)(2), as amended, directed the EEC portion of SBC (electric) and LDAC (gas) rates to adjust annually beginning on January 1, 2023 using the CPI-W, which for the current period amounts to a blended 3-year inflation rate of 4.978 percent. (The annual adjustment factor to the EEC must be calculated by the DOE

based on the most recently available 3-year average of the Consumer Price Index (CPI-W) as published by the Bureau of Labor Statistics of the United States Department of Labor). RSA 374-F:3, VI-a(d)(2).

N.H. Code Admin. R. PART 1605 applies to tariff changes outside of full rate cases. The Commission construes the joint utilities' filings as Puc PART 1605 filings and does not invoke Puc PART 1604. The Commission's role in approving these tariff changes is therefore limited to ensuring that the proposed tariff changes are consistent with RSA 374-F:3, VI-a(d)(2) and Puc 1605.03's publication requirements.

The Joint Utilities have proposed a uniform increase in their respective EECs of 4.978 percent. We therefore condition this order *nisi* on the DOE filing a technical statement verifying that it calculate the inflation adjustment factor of 4.978 percent, and that the inflation adjustment factor it calculated was accurately applied by the Joint Utilities in their electric and gas tariff filings, respectively.

We note that Puc 1605.03's publication requirements include publication of the Commission's order of notice in a newspaper of general circulation at least 14 days before the effective date of a new rate. See Puc 1605.03 and 1604.03. The applicable statutory deadlines make these provisions onerous, inapplicable, or both; therefore, the Commission acts of its own motion to waive Puc 1605.03 because we find that waiver serves the public interest and will not disrupt the orderly and efficient resolution of these matters. See Puc 201.05. In lieu of newspaper publication, the Commission directs the customer notice requirements be met by publication of tariff pages and this order nisi by the joint utilities on their respective websites. See Order No. 26,911 (December 11, 2023).

Based upon the foregoing, it is hereby

ORDERED NISI, that subject to the effective date below, the Joint Utilities' tariff filings, increasing the Energy Efficiency Charge collected as a component of the System Benefits Charges and Local Distribution Adjustment Charges pursuant to RSA 374-F:3, VI-a(d)(2), for effect January 1, 2025, are hereby APPROVED; and it is

FURTHER ORDERED, that the Joint Utilities post their respective new tariff provisions and a copy of this order *nisi* on their respective websites no later than December 16, 2024, such posting to be documented by affidavit filed with the Commission on or before December 20, 2024; and it is

FURTHER ORDERED, that a copy of this order *nisi* be posted on the Commission's website within two business days; and it is

FURTHER ORDERED, it is requested that the New Hampshire Department of Energy verify, by filing a technical statement with the Commission on or before December 20, 2024, that it calculated an inflation adjustment pursuant to RSA 374-F:3, VI-a(d)(2) and its calculated adjustment was accurately applied by the Joint Utilities; and it is

FURTHER ORDERED, that all persons interested in responding to this order be notified that they may submit their comments or file a written request for a hearing, stating the reason and basis for a hearing, no later than December 26, 2024 for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than December 30, 2024; and it is

FURTHER ORDERED, that this order shall be effective January 1, 2025, unless any publication or filing obligation set forth above is not complied with or the

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> Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that the Joint Utilities file compliance tariff pages with the Commission on or before January 17, 2025, in accordance with N.H Code Admin. Rules Puc 1603.02(b); the New Hampshire Electric Cooperative, Inc. is not required to file such compliance tariff pages.

By order of the Public Utilities Commission of New Hampshire this twelfth day of December, 2024.

Chairman

Commissioner

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Service List - Docket Related

Docket#: 24-113

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