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Via Electronic Mail Only

New Hampshire Department of Energy
Molly M. Lynch, Esq.
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RE: **CPT 2023-002**, Complaint of Community Power Coalition of New Hampshire against
Public Service Company of New Hampshire d/b/a Eversource Energy
Eversource reply to CPCNH supplemental complaint

Attorney Lynch:

On May 15, 2024, the Community Power Coalition of New Hampshire (“CPCNH” or the “Coalition”) filed a revised, 26-page supplement to the complaint filed with the Department in June of 2023 (“Supplement”). Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) provides its response here for the Department’s review and consideration.

Eversource has tirelessly continued its efforts to facilitate and accommodate all community power aggregations (“CPAs”), including tending to a large number of special requests coming specifically from the Coalition. Despite these good faith efforts, the Coalition continues to have multiple grievances, as reflected in its May 15 filing. However, it is the Company’s position that these grievances are mischaracterized. What the Coalition is asserting as violations of various laws, Commission orders, and administrative rules are nothing of the sort. Eversource continues to comply with all Commission orders, rules and laws applicable to CPAs to the extent the Company is able. The Coalition’s dissatisfaction with the progress of its particular business objectives is not the equivalent of a regulatory or legal violation. The Coalition has ambitious business objectives regarding billing services and rate design, to which it is certainly entitled and which the Company acknowledges and respects.

But compliance with the Puc 2200 rules must be kept distinct from those objectives: that the rules, as well as RSA 53-E, enable the formation and operation of CPAs, including CPCNH as their agent, to do certain things does not inherently create a compliance obligation for the utility to be the vehicle through which any particular CPA gets to implement its desired business processes or specialized service options. A line must be drawn between a utility’s compliance obligations under the rules, and the service preferences of the Coalition and the CPAs it represents. All customers will bear the costs for the regulated utilities to comply with the Puc 2200 rules,¹ but

¹ Eversource maintains its position, made in Docket Nos. DE 22-072, DE 23-062 and DE 23-063 that it is constitutionally entitled to recover all prudently-incurred costs to comply with the state-mandated Puc 2200 rules.

the same should not hold true for the complex optional functionality the Coalition wishes to have available to it, and to require Eversource to bear those costs without recovery from some group of customers would be confiscatory. Ultimately, after review of the Supplement, Eversource's position continues to be that it is in good faith fulfilling all applicable requirements of the Puc 2200 rules that are within the Company's current capabilities, and that the Supplement contains no valid allegation of any rule, Commission order, or law. Eversource therefore disputes the allegations of the Supplement in their entirety.

To maintain some focus on the complaint that is the subject of this matter, this reply does not address the Supplement's section on the "relevance and status of the NH EBT/EDI Working Group and Docket No. DE 23-063," it only addresses the section pertaining to the claims included in the complaint, and anything that the Coalition has added to it in the Supplement. Eversource's silence on the former section, however, does not mean that the Company agrees with or assents to or concedes anything asserted in that section. This reply follows the numbering convention presented in the Supplement where possible to facilitate review. In support of this position, Eversource respectfully provides the information that follows.

SECTION 1 – Net metering: negative usage data and load settlement

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- Puc 2203.02(b)(1) and 2203.02(d): The Company is working to confirm that this data is extractable from both billing systems and able to be retrofitted into the Puc 2203.02 report.
- Puc 2204.02(a)(2): interval data is available through Eversource's EPO subscription service, consistent with Eversource's tariff, and so Eversource is compliant with this rule. Nothing in the Puc 2200 rules requires that Eversource provide this data to aggregations free of charge, and the tariff requires a subscription to access this data—it is not available from the Company otherwise. However, EPO provides interval data only for energy consumed by the customer. Assuming the Commission's ruling that "usage data" includes energy exported to the grid by customer-generators, EPO cannot provide such data, nor can Eversource at this time without significant information technology ("IT") work and modifications to existing systems, the full extent of which is currently unknown. Eversource seeks guidance from the Department for input on the necessity of interval data for customer exports in the Large Power Billing system.

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- Puc 2205.05(b): CPCNH is able to successfully enroll net metered customers; nothing is preventing that. It is more accurate to say that CPCNH's cannot offer its own net metering credits for energy supply through a specific type of billing modality it would like to utilize to offer such credits, but the rule does not require the utility to enable any particular additional functionality a CPA may desire. "Successfully enroll" should be assigned its plain meaning, or better yet, the meaning assigned to it by Puc 2202.12: "the commencement of a customer's electricity supply service from a CPA serving as an LSE, or a CEPS serving a CPA under contract, effective on the meter read date described in Puc 2004.10(a) following successful EDI notification by a CEPS or a CPA serving as an LSE to the utility." The Puc 2200 rules explicitly state that EDI notification and the commencement of service are all that are entailed in enrolling a customer, and CPCNH can do this with net metered customers, just as with any other customer. To read the rule in

the manner CPCNH recommends would be to interpret “successfully enroll” effectively to mean “enable the aggregation to provide its customers with whatever services and functionality may be desired by the aggregation.” This would create an unenforceably vague compliance obligation for the utility, and as a practical matter could be used as a limitless loophole for CPAs to leverage utility resources to act as their own back-office staff at the cost of all utility customers.

- Puc 2205.13(a)(7): The rule does not state a frequency or interval at which the report must be supplied. Eversource is able to provide the report quarterly, though it is already incurring incremental costs to do so. Eversource has two billing systems, and currently there are 37 active Coalition aggregations, for a total of 74 reports just for this one reporting obligations (and there are four others). The Coalition wants the reports monthly so it can offer net metering supply credits to its customers, but nowhere in the Puc 2200 rules is there an obligation of the utility to facilitate the process or the logistics surrounding a CPA net metering credit program. Eversource is supplying the reports required under this provision, and so it is the Company’s position that it is complying with this rule and would ask the DOE to allow Eversource to continue to provide these reports quarterly until providing net metering data on demand in an automated fashion is enabled via EDI, as requiring them any more frequently will be onerous. If the DOE determines that the Company is required to provide these reports as frequently as monthly, the Company would ask that it require so only upon request of the aggregation and not automatically, as automatic reporting will result in a substantial effort to generate a great number of reports, many of which may not be put to any use.

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- Compliance with NH EDI standards and PUC Order 22,919: Eversource maintains its position in its response to the original complaint in this matter, and also supports the general proposition that the NH EDI standards are merely standards and not a mandate in themselves. Order No. 22,919 directed the utilities to implement the recommendations of the EDI Working Group Report, and the Working Group Report qualified that supplier billing offerings would be properly constrained by the existing capabilities of the utility’s billing systems. The EDI sample forms and inputs contained within the report were provided as a guide, to be implemented sufficiently to provide service to competitive suppliers—the EDI sample forms are not something that the Company can be out of compliance with.

While no one currently works at the Company that can speak to what exactly was done over 25 years ago, the Company can assert that it did stand up EDI properly as it did in fact begin providing service to competitive suppliers without complaint, and has continued to do so since that time, again without any complaints about the Company not providing negative numbers through EDI. CPCNH is asserting that the Company should have implemented functionality that was beyond that of the Company’s existing systems, which is already problematic, but the problem is compounded when considering the facts that 1) no one was seeking to receive negative numbers, and 2) more importantly, ***negative customer usage data did not exist 25 years ago***, as the launch of EDI predated the implementation of on-bill net metering credits, and prior to on-bill crediting with NEM 2.0, Eversource billing systems did not deal with negative usage data. The only net metering offered prior to the 2017 approval of NEM 2.0 was that of the company “running the meter

backwards” and any “negative” balance, wasn’t depicted as a negative balance but instead was recorded as zero usage and a positive number of kWh “banked” to the customer’s account for either application to a future bill or to be issued a check for the avoided cost value of the banked kWh, which was a separate manual process. Customer bill values never ran negative, customer generation was simply accumulated in the kWh bank on the bill. So, in EDI, the lowest number conveyed to a supplier would be zero when customer generation exceeded usage because that is what was billed, and kWh were added to the customer’s bank.

It wasn’t until the advent of the NEM 2.0 tariff in 2017 instituting on-bill crediting, that “negative numbers” were created for the purposes of Eversource billing systems. Under NEM 2.0, there is no more kWh banking, and the calculation of the customer’s generation against usage must be done monthly. This creates the possibility of a “negative” usage value, which must be conveyed on the bill. Accommodating on-bill crediting was no small feat, and it took the better part of two years for the two Eversource billing systems to even *internally* recognize and process negative numbers for the purpose of NEM 2.0 customer billing. And at no time during that intensive implementation effort, nor during the development of NEM 2.0, was the provision of negative numbers from the utility to third-party suppliers raised as a priority or even a topic of interest by the supplier community. The Coalition’s position is that the Company should have incurred costs and undertake efforts to 1) create functionality in its billing systems that did not exist, to 2) implement functionality that had no practical application at the time of implementation and that no one has asked for until this instant matter. To make such an investment would have been by definition imprudent, as that functionality would not have been used or useful for many years.

To the extent that Unitil and NHEC are able to provide negative numbers representing customer-generator exports via EDI, the critical difference is that both of those companies have advanced metering infrastructure (“AMI”), which requires billing systems that are capable of supporting AMI. Each utility has different customer information and billing systems to serve their customers, and investments in those enterprise information technology systems that have been approved by the Commission as prudent in the case of the regulated utilities. There is no statewide requirement for utilities to have the same billing or metering functionality, so each of the utilities has differing capabilities when it comes to what customer usage data it can or cannot provide. EDI standards are meant to accommodate these differing capabilities, they are not a rigid mandate, and not a mandate of any kind. EDI standards are a technical means to an end – but they do not define that end, nor are they regulatory requirements in and of themselves. This combined with the practical and logistical issues surrounding the existence and availability of “negative” usage data provide ample proof that the Coalition’s allegation on this issue is unfounded.

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- Puc 2205.15 and RSA 362-A:9, II: These rules provisions enable aggregations to offer their own net metering programs and require that any adjustment to load settlement reporting be approved by the Commission. Neither the rule nor the law creates an obligation for the utility to accommodate any particular method a given CPA sees fit to implement to provide such a net metering credit service offering, including modifying an enterprise-wide company system and the process for which load is reported to and settled by ISO New England, which is uniform across every state in New England. To read the law and rule

this way would again create an unpredictable and unwieldy or limitless compliance obligation for the utility, which is unreasonable. The fact that changing load settlement reporting requires Commission approval under RSA 362-A:9, II necessarily means that the method with which to modify such load settlement likewise requires Commission approval. This is also consistent with the fact that the utilities are answerable to and take direction from the Commission, not CPAs or the Coalition, and so would not change a region-wide wholesale load process with ISO-NE, an entity under federal regulatory and not state jurisdiction, without clear direction from their state regulators on how to do so.

SECTION 2 – Time-of-Use (TOU) data and billing

(PAGES 19-20)

The Coalition asks the Department to direct Eversource to “standardize provision of data such that what the utility provides CPAs pursuant to Puc 2205.13(a) contains the same granularity of data that is provided via EDI in this case. CPCNH also recommends that DOE direct Eversource to resolve instances where not all EDI files associated with the same customer contain the same granularity of data (specifically, by ensuring that the most granular data is employed to populate EDI files).”

This request cites to no violation, it is simply stating a desired preference of the Coalition that Eversource overhaul not just its Puc 2205.13 report, but also its EDI forms 810 and 867. This is an unreasonable and unnecessary request. As a first matter, to the extent that the Coalition is complaining that usage information is not being provided by peak and off-peak, that complaint is in error. While Eversource was not required by the rules to do so, it accommodated the Coalition’s desire for this information some time ago: TOU customers’ usage information is provided in peak/off-peak form in the Puc 2205.13 report. It should also be noted that Eversource designed its custom reports to comply with the Puc 2200 rules using the only appropriate standard—the relevant provision of the Puc 2200 rules. Directing Eversource to overhaul its Puc 2205.13 report to match what Eversource provides through EDI is inappropriate, but for what it’s worth, the Puc 2205.13 report provides more data than either the EDI810 or EDI867. And the modification of Eversource’s EDI forms is outside the scope of this matter; instead, it is an issue to be taken up with the EDI working group, which actively meets under the leadership of the Department. EDI changes would not be made absent an order from the Commission.

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NH EDI Standards and Puc 2205.16(c)(2): The Supplement states that “*the record is clear that utilities were expected to enable suppliers to offer TOU supply rates to customers on consolidated billing. CPCNH recommends that DOE deem Eversource out of compliance with NH EDI Standards and direct Eversource to enable TOU supply rates for customers on consolidated billing — and at no additional cost to CPAs or CEPS, so long as the TOU periods conform to those used for utility TOU distribution rates.*”

Eversource refers to the paragraphs in this reply that address the NH EDI sample forms and reiterates that the EDI Standards are not an enforceable mandate with which the Company can be out of compliance. Setting that aside, Puc 2205.16(c)(2) explicitly states that “[a]ll incremental costs incurred to provide any special metering, data management, or billing system modifications shall be assigned to and paid by the CPA” regarding any TOU periods that the CPA wants to define that are “*different from those defined in the utility’s applicable tariffs on file with the commission.*”

The Supplement's lengthy discussion of things that took place over 20 years ago have no bearing on the application of Puc 2205.16(c)(2). The rule is explicit: the costs for establishing any TOU periods other than those of the *currently tariffed rates of the utility* must be paid for by the aggregation. Eversource does not have time-varying supply TOU periods on file with the Commission, therefore the costs for any supply rate with TOU periods proposed must be paid for by the aggregation proposing it.

SECTION 3 – Provision of Interval Data

(PAGES 23-24)

Puc 2203.02(d) and Puc 2204.02(a)(2): Please see Eversource's response to Puc 2204.02(a)(2) in Section 1 of this reply on page 2. There is nothing in the rules that requires the provision of billing-quality data, only that the intervals provided are those used for load settlement. It should also be noted that load settlement uses raw meter data.

SECTION 4 – EDI Testing Requirements

Supplement concedes no issue.

SECTION 5 – EDI Enrollment Requirements

Supplement concedes no issue.

SECTION 6 – Whether CPCNH is an appropriate counterparty to the utility under Eversource's supplier agreement and the extent to which the supplier agreement needs to be modified to conform with Puc 2200 rules and RSA 53-E

(PAGES 27-28)

CPCNH is not the appropriate counterparty to Eversource's supplier services agreement ("SSA"). As mentioned in the Supplement, the Puc 2200 rules allow aggregation services to be provided by either by "a CEPS or a CPA *servicing as an LSE*." Puc 2202.14 defines an LSE as "an entity that is registered with ISO-NE as a market participant and secures and sells electric energy and related services to serve the demand of end-use customers at the distribution level." CPCNH is not the entity registered with ISO-NE as a market participant and does not secure and sell electric energy. The actual LSE, as so defined, therefore is the appropriate counterparty to the SSA and not the Coalition. The Company needs to have privity of contract with the entity *actually servicing the load of the customers of the aggregation*. It would not be appropriate here or in the purchase of receivables ("POR") docket, DE 23-004, for Eversource to enter into the SSA with the Coalition. The agreed-upon scope of changes to the SSA to be considered in the second phase of the POR docket is limited to those "required to be amended in order to implement the POR program . . .," as acknowledged by CPCNH in the Supplement.

It should be emphasized that not being a counterparty to the SSA should not and has not impacted the Coalition's operations in any material adverse manner, as has been demonstrated over the last year that the Coalition has been serving customers.

SECTION 7 – Eversource's refusal to prorate CPA rates on a calendar month basis like they do for their own default energy service

The Supplement cites to no violation of rule or law. Eversource prorates its customers' bills on a calendar month basis because the Company's rates change by order of the Commission to take effect on the first of a calendar month. It is a laborious manual effort. Moreover, prorating customers is only possible if the rate to be prorated applies to groups of accounts, and municipal aggregation customers are individually assigned their rates. Even if the rates for all CPCNH

customers is the same, they would have to be prorated individually on a manual basis, which would be prohibitively burdensome. There is no corresponding mandate, or indeed any mandate of any kind, to prorate rates for CPAs or competitive suppliers, and it is not the Company's practice nor is it practical to do so, as that would involve an additional and intensive manual process that would be disruptive to ordinary utility operations.

SECTION 8 – Compliance with Puc 2205.16(d)(1) enabling bill-ready consolidated billing

The electric utilities' bill-ready proposal is pending before the Commission in Docket No. DE 23-063 and will be adjudicated and determined in that proceeding.

CONCLUSION

The Company appreciates the opportunity to provide this reply. Eversource hopes for a quick resolution to this matter and is happy to provide any additional information desired by the Department upon its request. This reply is only being submitted electronically. Consistent with current policy, paper copies will not follow.

Thank you,



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cc: Clifton Below, Chair CPCNH
Don Kreis, Office of the Consumer Advocate