

**STATE OF NEW HAMPSHIRE
DEPARTMENT OF ENERGY**

INV 2023-001

Investigative Proceeding Relative to Energy Service Procurement

ORDER OF NOTICE

On May 8, 2023, the Public Utilities Commission (Commission) issued a *Report On New Hampshire Energy Commodity Procurement* (Report). The Report was issued in the Commission's Docket No. IR 22-053 (IR Docket) pursuant to a Procedural Order issued by the Commission on April 24, 2023 (Order). The Order stated that, "any participant or interested person may file a response within 10 days of the date the report is filed to the docket." Accordingly, on May 18, 2023, the Department of Energy (Department) filed a letter containing its comments responsive to the Report as it pertains to New Hampshire's regulated electric utilities. In the Department's letter, the Department indicated that it would open an investigation to delve further into several important issues raised by the Report. This Order of Notice serves to formally open the investigation and provide information regarding next steps.

The Report presents a summary of information provided by electric utilities and other stakeholders who participated in the IR Docket. The Department believes it is important to look more closely at several important issues involving default energy procurement. Thus, the Department expects to solicit responses to detailed questions related to the following issues:

1. Are current energy service procurement methodologies adequately addressing the restructuring policy principles identified in RSA 374-F:3 or would an alternative method provide a better opportunity to accomplish the policy principles?

2. More analysis of the methodologies used by other restructured states that provide default/ provider of last resort energy service.
3. The potential benefits and risks of using self-supply for default service as a replacement for the current, six-month competitive procurement method.
4. Whether the current procurement methodologies are providing sufficiently market-based pricing for energy service by accurately representing risks that market participants face when responding to energy service requests for proposals issued by New Hampshire's regulated utilities.
5. Whether an alternative procurement methodology might provide a more robust approach at delivering prices with lower risk premium amounts under a variety of market conditions.
6. Would a change to an alternative energy service procurement method create market disturbances resulting in undesired market outcomes?

Pursuant to the Department's investigative powers established in RSA 12-P:2, IV and RSA 12-P:10, the Department opens this proceeding and directs the participation of all three regulated electric distribution utilities; Public Service Company of New Hampshire d/b/a Eversource Energy, Unitil Energy Systems, Inc., and Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty. Furthermore, the Department anticipates outreach to other interested persons, including but not limited to wholesale energy suppliers and the New Hampshire Electric Cooperative, and would invite their participation as well. Participants can expect to receive specific questions relative to the issues listed above by **June 30, 2023**, and the Department plans to provide an opportunity to submit reply comments after participants respond to Department inquiries. In addition to written inquires, stakeholder sessions may also be organized if the Department decides these may be helpful in exploring the issues surrounding default service.

The Department's goal is to issue a report by **December 1, 2023**, to inform policy makers on issues related to energy service procurement under the current paradigm of electric utility restructuring.

Petitions to intervene are not required to submit comments. Persons wishing to be on the service list for this proceeding should request that an email address be added to the service list by emailing Proceedings@energy.nh.gov. Inquiries regarding this proceeding may also be directed to Proceedings@energy.nh.gov.

Based upon the foregoing, it is hereby

ORDERED, that the three regulated electric distribution utilities of this State shall be mandatory participants to this investigation; and it is

FURTHER ORDERED, a copy of this order of notice shall be posted on the Department's website no later than May 26, 2023; and it is

FURTHER ORDERED, Inquiries regarding this proceeding may be directed to Proceedings@energy.nh.gov.

So ordered, this 24th day of May, 2023.



Jared S. Chicoine
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Department of Energy, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-3670; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made no later than one week prior to the scheduled event.