

What the PUC should be saying in DE-20-161

“On top of these base activities, Eversource sought to obtain authorization for investments in resiliency and projects needed to prepare the grid for integration of future advanced energy solutions. Eversource referred to this incremental investment plan as the “Grid Transformation and Enablement Program” (GTEP), which was designed to enable accelerated asset replacements above the pace of the traditional, base capital plans described above. Following discussion with parties throughout the proceeding, Eversource withdrew the GTEP proposal for resubmission in a separate docket, outside of DE 19-057.

In response to Eversource’s proposal, Commission staff raised concerns with several of the asset replacement and upgrade activities described in the base capital plan. Specifically, Staff indicated that Eversource had not properly demonstrated the need for these higher standards of investments or replacements of infrastructure. ³

For both the pole and crossarm standards and right-of-way/reconductoring initiatives, Staff’s view was that there was insufficient analysis or understanding of the value provided to customers through the proposed investments. To support the additional cost, a “cost-benefit analysis” or business case would be needed to quantify the benefits of such investments. For the substation oil circuit breaker replacement initiative, Staff’s view was that the existing breakers have not reached the end of expected useful life or caused issues related to outages, environmental damage, or maintenance costs.”

³ For example, Staff Testimony stated that the “Company has the burden of justifying the increased expenditure that provides little to no measurable benefits, even if the Company cites a standardization requirement.” See Direct Testimony of Kurt Demmer, Docket DE 19-057, December 20, 2019.

https://www.puc.nh.gov/regulatory/Docketbk/2019/19-057/TESTIMONY/19-057_2019-12-23_STAFF_TESTIMONY_DEMMER.PDF

https://www.puc.nh.gov/regulatory/Docketbk/2020/20-161/LETTERS-MEMOS-TARIFFS/20-161_2021-05-28_EVERSOURCE_SYSTEM_ASSESSMENT.PDF