



Public Service of New Hampshire d/b/a Eversource Energy  
Docket No. DE 15-464

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Request No. RR 1-001

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Request from: New Hampshire Public Utilities Commission Staff

Witness: Christopher J. Goulding, James E. Mathews

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**Request:**

Please provide an explanation of the revenue to be received pursuant to the PSNH-NPT lease and how it will be accounted for, at the distribution and transmission levels, pursuant to the uniform system of accounts. As part of the explanation, describe and/or provide the relevant portions of the uniform system of accounts and the FERC rate tariff applicable to the revenue.

**Response:**

The rental revenues associated with the PSNH-NPT lease will be recorded to FERC Account 454 on the separate Distribution and Transmission business segments' books. This accounting is prescribed under the Uniform System of Accounts in 18 C.F.R. Part 101. Specifically, the Uniform System of Accounts defines FERC Account 454 as Rent from electric property, and provides the following guidance:

1. *This account shall include rents received for the use by others of land, buildings, and other property devoted to electric operations by the utility.*

As indicated in Exhibit LMC-2, page 2, lines 5 and 6, the Transmission-related lease revenue will be allocated to both PTF and non-PTF customers. PTF-related lease revenue recorded to PSNH account 454 will be reflected as an offset to the PTF revenue requirement recovered through Regional Network Service (RNS) rates. This treatment is consistent with the Attachment F Implementation Rule under ISO New England Inc. Transmission, Markets, and Services Tariff (ISO-NE OATT), Section II.O, which states the following:

*Transmission Rents Received from Electric Property shall equal any Account 454 Rents from electric property, associated with PTF and HTF Transmission Plant as defined in Section II.A.1.(a) above but not reflected as a credit in Transmission Support Revenues in paragraph K of this Attachment.*

Non-PTF lease revenue recorded to PSNH account 454 will be reflected as an offset to the local revenue requirement recovered through Schedule 21-ES, Category A Local Network Service (LNS) rates. This treatment is consistent with Schedule 21-ES, Schedule ES-4, Appendix A of the ISO-NE OATT, which states that the LNS rate shall include:

*The revenues received (expressed in dollars) from the provision of transmission and other related services to others as recorded in FERC Accounts 456.1 and 454 to the extent that such transactions are not included in the determination of load (E),<sup>2</sup> minus any incremental revenues associated with FERC-approved adders for RTO participation and new transmission investment.*

The Transmission rate treatment of NPT lease revenue described above is in compliance with the Uniform System of Accounts and the current FERC approved ISO-NE-OATT.