

THE STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

PREPARED TESTIMONY OF JENNIFER A. ULLRAM

TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM)

Docket No. DE 21-109

1 **Q. Please state your name, business address and your present position.**

2 A. My name is Jennifer A. Ullram. My business address is 107 Selden Street, Berlin, CT 06037.
3 I am employed by Eversource Energy Service Company as Manager of the Connecticut and
4 New Hampshire Rates Departments. In that position I provide service to Eversource
5 Energy's Connecticut and New Hampshire subsidiaries, including Public Service Company
6 of New Hampshire d/b/a Eversource Energy ("Eversource" or the "Company").

7 **Q. Have you previously testified before the Commission?**

8 A. Yes, I have previously testified before the Commission in New Hampshire in the Docket No.
9 DE 20-085 TCAM filing, and have supported several New Hampshire rate and tariff filings,
10 including the Docket No. DE 19-057 distribution rate case. In addition, I have testified
11 numerous times in Connecticut at the Public Utilities Regulatory Authority.

12 **Q. What are your current responsibilities?**

13 A. I am responsible for the Company's rate calculations and design and administration of its
14 Delivery Service tariff.

15 **Q. What is the purpose of your testimony?**

16 A. The purpose of my testimony is to propose transmission prices effective August 1, 2021
17 under the TCAM. My testimony proposes specific rates and charges for transmission based

1 on the transmission revenue requirement contained in the attachments to Ms. Menard's and
2 Mr. Mathews' testimony.

3 **Q. Have you calculated specific rates and charges for transmission for all rate classes?**

4 A. Yes, I have. The proposed rates and charges are included in Attachment JAU-1.

5 **Q. Please describe generally the transmission pricing rate design contained in Attachment**
6 **JAU-1.**

7 A. The rates have been calculated as required and approved by the settlement agreement in the
8 Company's recent base distribution rate case in Docket No. DE 19-057. In general, other
9 than Backup Delivery Service Rate B, the Company adjusts all transmission rates by an equal
10 percentage to achieve the overall average transmission rate, in this case, 2.813 cents/kWh.

11 For Rate B, the Company continues to calculate rates consistent with the settlement
12 agreement in Docket No. DE 06-028. That settlement agreement provides that transmission
13 costs be recovered through a demand charge, which splits the demand charge into two
14 components for rate calculation purposes: a base component and an incremental component¹.
15 To calculate the base component, a portion of the TCAM costs are allocated to Rate B based
16 on the class contribution to the Company's demands at the time of the corresponding monthly
17 system peaks. These costs are reconciled against actual revenue for the class, with any
18 resulting over- or under-recovery flowing into the rate calculation. The incremental
19 component of the rate is adjusted by the same percentage applied to all other rates

20 **Q. Please describe how the base component of the Rate B demand charge was determined.**

21 A. Please refer to Attachment JAU-2. First, the ratio of average Rate B demands to average total
22 Company demands at the time of the corresponding monthly system peaks was calculated.
23 The calculation of that ratio is shown on Attachment JAU-2, Page 2. The Rate B base
24 component revenue requirement for the forecast period was determined by multiplying the

¹ For billing purposes, the two components are summed so only one demand charge is billed.

1 total transmission revenue requirement for the forecast period included in Ms. Menard's
2 Attachment ELM-1, line 16 by the ratio calculated in Attachment JAU-2, Page 2. The result
3 is shown in Attachment JAU-2, Page 1, line 18. The base component reconciliation from the
4 prior period was then added to the base component forecasted revenue requirement to
5 determine the total revenue requirement (Attachment JAU-2, Page 1, line 22). The Rate B
6 base component rate was then determined by dividing the total base component revenue
7 requirement by the projected billing demand. As shown on Attachment JAU-2 Page 1, line
8 26, that calculation produces a Rate B base component rate of \$1.67 per kW or kVA per
9 month.

10 **Q. How did you calculate the base component reconciliation?**

11 A. The base component reconciliation calculation is shown on Page 3 of Attachment JAU-2 and
12 was calculated by multiplying the estimated transmission revenue requirement for the
13 twelve-month period August 2020 through July 2021 by the base component ratio for the
14 same period. The base component reconciliation for the prior period August 2019 through
15 July 2020 was then added to the base component revenue requirement. The result is shown
16 on line 28 of JAU-2. The estimated base component revenue for the period August 2020
17 through July 2021 was then subtracted from the total base component revenue requirement
18 to determine the base component reconciliation (in this case, an under-recovery of \$946,772).

19 **Q. How did you forecast the data to perform the calculations described above?**

20 A. For the contribution to the monthly system peaks, historical data was used as a proxy for
21 what will occur in the prospective period because there is no reliable way to forecast Rate B
22 contributions to peak load. The projected billing demand for Rate B was based on actual
23 historical data, with adjustments that could reasonably be anticipated. The total transmission
24 revenue requirement is based on the forecast provided in Ms. Menard's and Mr. Mathews'
25 testimony.

1 **Q. How did you calculate all other transmission rates and charges?**

2 A. The transmission rate calculations were based on 2018 actual billing determinants. The
3 forecasted TCAM rate of 2.813 cents/kWh provided in ELM-1 was multiplied by 2018
4 MWH sales to produce the target transmission revenue (Attachment JAU-3, line 15). The
5 Rate B base component revenue shown on Attachment JAU-4 was then subtracted from the
6 target transmission revenue which results in the amount to be recovered from all other
7 customers (Attachment JAU-3, line 17). Revenue and the resulting rates and charges for all
8 other customer classes were determined by adjusting all currently-effective revenue and rates
9 by an equal percentage to result in the amount necessary to recover the transmission revenue
10 requirement net of the Rate B base amount. The allocation of transmission revenue to class
11 under this methodology is shown on Attachment JAU-3, lines 27 to 39.

12 **Q. Please describe the bill impacts for a residential customer using 600 kWh per month.**

13 A. A residential customer using 600 kWh per month will see a total bill increase of \$13.59 per
14 month if the customer is taking Default Energy Service from Eversource. This impact
15 assumes no other changes. If the Commission approves the Company's TCAM proposal,
16 Stranded Cost Recovery Charge, Regulatory Reconciliation Adjustment and Step 2
17 Distribution Adjustment as filed the impact to a residential customer using 600 kWh per
18 month would be a total bill increase of \$10.60.

19 **Q. Does this complete your testimony?**

20 A. Yes, it does.