Public Service Company of New Hampshire d/b/a Eversource Energy Docket No. DE 22-039

Date Request Received: January 18, 2023 Date of Response: January 19, 2023

Data Request No. RR-001 Page 1 of 3

Request from: New Hampshire Public Utilities Commission

Witness: Anderson, Scott, Paruta, Marisa B

Request:

Please reconcile, in narrative form and with illustrative calculations, the figures presented in Hearing Exhibit 3, Attachment MBP-13, Page 1 of 7 (Bates Page 30), with the figures presented in Attachment MBP-1, Page 1 of 7 (Bates Page 66).

Response:

For illustrative purposes, the Company will use the Rate R figure presented in Exhibit 3, Attachment MBP-1, Page 1 of 7 (Bates Page 30), line 16, of <u>0.687 cents/kWh</u> and reconcile to Exhibit 3, Attachment MBP-13, Page 1 of 7 (Bates Page 66), line 19, of <u>\$0.00694</u>. This same calculation applies to all five Rate Classifications. The Company has used this same set of calculations in the past as SCRC rates have been updated. The basis for the calculation is from the Settlement Agreement in Docket DE 14-238.

Attachment MBP-1, page 1 of 7 (Bates Page 30) shows the average SCRC rates for all <u>five customer Rate Classifications</u>. The SCRC rate of <u>0.687 cents per kWh</u> on line 16 is the average rate for the <u>Residential customer class</u>, which includes the following rate classes: (1) Residential Rate R; (2) Residential Optional Time of Day; (3) Residential Load Control Service; and (4) Residential Water Heating. Consistent with the Company's tariff and methodology employed for calculating SCRC rates, it uses these class averages to compute an adjustment factor for each class, shown in Attachment MBP-13, Page 3 of 7 (Bates Page 68), which is 1.30635 (line 21) for the <u>Residential customer class</u>. The Company then uses this *rate adjustment factor* to adjust all SCRC components in the rate classes included in the overall customer class by the same amount, shown in Attachment MBP-13, Page 2 of 7 (Bates Page 67), which results in a rate of <u>\$0.00694</u> (line 16) for Residential Rate R. The rate classes for each of the other <u>Residential customer classes</u> are adjusted in a similar manner.

The value of <u>.687 cents/kWh</u> is the average SCRC rate for the <u>Residential customer class</u> calculated by the revenue requirements department using the financial models provided in Attachments MBP-1 through MBP-10. This general Residential customer class rate goes through additional ratio calculations to convert it into the specific SCRC rate design used for Residential Rate R. Those calculations are developed in Attachment MBP-13, Pages 1 through 3, and are discussed further below.

Public Service Company of New Hampshire d/b/a Eversource Energy Docket No. DE 22-039

Date Request Received: January 18, 2023 Date of Response: January 19, 2023

Data Request No. RR-001 Page 2 of 3

The conversion factor from the general proposed SCRC rates to SCRC rates specific to the Company's rate schedules begins on Attachment MBP-13, Page 3 of 7 (Bates Page 68), where each current and proposed SCRC rate for the broad Rate Classifications (Residential, General, Primary General, Large General and Outdoor Lighting Services) are split into two pieces. The current Residential SCRC rate is split into the RGGI Adder of \$(0.005350)/kWh and the residual value of \$0.00803/kWh. Combined, they sum to the current Residential SCRC rate of \$0.00268/kWh as shown on Page 21B of the tariff currently in effect, which was also disclosed in the Company's testimony in Exhibit 3, Bates Page 12, first table (Rate R, current rate of 0.268 cents/kWh). Similarly, the proposed Residential SCRC rate is split into the RGGI Adder of \$(0.00362)/kWh and the residual value of \$0.01049/kWh. Combined, they sum to the proposed average SCRC rate of \$0.00687/kWh for the Residential customer class.

	\$ 0.00268	Current Residential SCRC rate (\$/kWh)		\$ 0.00687	Proposed Residential SCRC rate (\$/kWh)
Less:	\$(0.00535)	Current RGGI Adder (\$/kWh)	Less:	\$(0.00362)	Proposed RGGI Adder (\$/kWh)
	\$ 0.00803	Current Residual Residential SCRC rate (\$/kWh)		\$ 0.01049	Proposed Residual Residential SCRC rate (\$/kWh)

The SCRC Rate Adjustment Factors are then calculated for each of the five Rate Classifications in column (E) of Attachment MBP-13, page 3 of 7 (Bates Page 68). These rate adjustment factors are the ratio of the Proposed Residual SCRC rate over Current Residual SCRC rates. For the Residential customer class, the SCRC Rate Adjustment Factor is 1.30635, which is carried over to Attachment MBP-13, Page 2 of 7 (Exhibit 3, Bates Page 67).

		\$0.01049	Proposed Residual Residential SCRC rate (\$/kWh)
1.30635	=		
		\$0.00803	Current Residual Residential SCRC rate (\$/kWh)

Attachment MBP-13, Page 2 of 7 (Bates Page 67) uses the five SCRC Rate Adjustment Factors calculated for the five Rate Classifications and applies those factors to the current rate schedule specific SCRC rates (excluding the RGGI Adders). For Rate R, the current SCRC rate of \$0.00273/kWh is split into a RGGI component and a residual component. The Residential SCRC Rate Adjustment Factor is then multiplied by the current residual component to produce a proposed Rate R residual rate of \$0.01056/kWh. As a final step, the proposed RGGI Adder is added back, resulting in a total proposed SCRC rate of \$0.00694/kWh for the Residential Rate R rate schedule. A similar calculation is done for each of the rate schedules using current SCRC rates specific to each rate class (including demand charges for some) as shown on Attachment MBP-13, page 2 of 7 (Bates Page 67). The resulting total current and proposed SCRC rates are then presented on Attachment MBP-13, page 1 of 7 (Bates Page 66).

Public Service Company of New Hampshire d/b/a Eversource Energy Docket No. DE 22-039

Date Request Received: January 18, 2023
Data Request No. RR-001
Date of Response: January 19, 2023
Page 3 of 3

	\$ 0.00273	Current Rate R SCRC rate (\$/kWh)
Less:	\$(0.00535)	Current RGGI Adder (\$/kWh)
	\$ 0.00808	Current Residual Rate R SCRC rate (\$/kWh)
	\$ 0.00808	Current Residual Rate R SCRC rate (\$/kWh)
*	1.30635	Residential Rate Adjustment Factor
	\$ 0.01056	Proposed Residual Rate R SCRC rate (\$/kWh)
	\$ 0.01056	Proposed Residual Rate R SCRC rate (\$/kWh)
+	\$(0.00362)	Proposed RGGI Adder (\$/kWh)
	\$ 0.00694	Total Rate R SCRC rate (\$/kWh)