

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
AUGUST 1, 2022 REGULATORY RECONCILIATION ADJUSTMENT (RRA) RATE SETTING
VEGETATION MANAGEMENT PROGRAM (VMP) COST
CALENDAR YEAR 2021**

Line	Work Order	Program Description	Reference	Actual Jan-21	Actual Feb-21	Actual Mar-21	Actual Apr-21	Actual May-21	Actual Jun-21	Actual Jul-21	Actual Aug-21	Actual Sep-21	Actual Oct-21	Actual Nov-21	Actual Dec-21	Total
1	CUSTR006	Customer Request	Company Records	\$ -	\$ -	\$ 9,276	\$ 6,870	\$ 31,127	\$ 12,419	\$ (7,564)	\$ 30,776	\$ 7,396	\$ 23,539	\$ (16,022)	\$ 39,146	\$ 136,963
2	ETRE0006	Scheduled Maintenance Trimming (SMT)	Company Records	1,374,235	1,114,195	362,335	1,232,538	1,420,783	1,009,411	2,312,831	1,418,983	1,329,125	1,145,734	800,427	1,981,961	15,502,557
3	HSPOT006	Hot Spot Trimming	Company Records	-	-	-	-	-	4,086	234	27,692	10,541	14,293	(25,743)	349	31,451
4	MCYCL006	Midcycle Trimming	Company Records	-	-	-	5,608	8,001	1,358	1	2,863	2,052	2,585	0	-	22,467
5	MSFK0006	Make Safe	Company Records	-	-	-	-	-	-	-	-	-	-	-	-	-
6	ROMOW006	ROW Mowing	Company Records	-	-	107,844	278,690	47,797	30,261	195,981	113,019	115,600	6,673	77,627	221,188	1,194,680
7	STRIM006	ROW Side Trimming	Company Records	-	-	141,525	110,119	293,467	65,689	215,315	143,411	382,506	126,845	290,542	314,764	2,084,183
8	TMNT0006	ETT MAINTENANCE Tree Trimming	Company Records	51,623	22,879	824,072	(163,783)	106,047	10,296	49,103	153,728	50,679	176,294	273,522	(12,680)	1,541,781
9		Subtotal: SMT	Sum of Lines 1 to 8	\$ 1,425,858	\$ 1,137,074	\$ 1,445,051	\$ 1,470,042	\$ 1,907,222	\$ 1,133,520	\$ 2,765,901	\$ 1,890,472	\$ 1,897,898	\$ 1,495,963	\$ 1,400,353	\$ 2,544,727	\$ 20,514,082
10	NHETOM06	Enhanced Tree Trimming (ETT)	Company Records	\$ 331,518	\$ 78,146	\$ (218,614)	\$ 128,236	\$ 424,203	\$ 245,593	\$ (46,835)	\$ 117,960	\$ 80,000	\$ 117,757	\$ 204,608	\$ (172,399)	\$ 1,290,173
11	NHRMV006	Hazard Tree Removal	Company Records	(573,834)	3,182,554	377,318	1,131,835	329,085	808,759	1,233,689	1,080,448	494,430	1,180,961	772,420	668,965	10,686,632
12	NHROW006	Full Width ROW Clearing	Company Records	1,844,220	(1,528,891)	(74,718)	292,920	222,998	189,046	64,454	426,883	(47,604)	281,300	320,201	107,156	2,097,963
13		Subtotal: REP	Sum of Lines 10 to 12	\$ 1,601,904	\$ 1,731,810	\$ 83,986	\$ 1,552,991	\$ 976,286	\$ 1,243,397	\$ 1,251,308	\$ 1,625,291	\$ 526,825	\$ 1,580,019	\$ 1,297,228	\$ 603,722	\$ 14,074,768
14		Total Actual VMP Costs	Line 9 + Line 13	\$ 3,027,763	\$ 2,868,884	\$ 1,529,038	\$ 3,023,033	\$ 2,883,508	\$ 2,376,918	\$ 4,017,209	\$ 3,515,763	\$ 2,424,724	\$ 3,075,982	\$ 2,697,581	\$ 3,148,449	\$ 34,588,850
15		Less: Reimbursable VMP Costs	Company Records	885,893	540,935	379,325	3,429,094	(1,070,465)	(339,225)	1,204,932	509,481	777,354	706,146	779,445	488,972	8,291,887
16		Actual VMP Costs, Net	Line 14 - Line 15	\$ 2,141,870	\$ 2,327,949	\$ 1,149,713	\$ (406,061)	\$ 3,953,973	\$ 2,716,143	\$ 2,812,277	\$ 3,006,282	\$ 1,647,370	\$ 2,369,836	\$ 1,918,136	\$ 2,659,477	\$ 26,296,963
17		VMP Cost Recovery in Base Distribution Rates	(A)	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	27,100,000
18		Total Recoverable/(Refundable) VMP Costs	Line 16 - Line 17	\$ (116,464)	\$ 69,616	\$ (1,108,621)	\$ (2,664,395)	\$ 1,695,640	\$ 457,809	\$ 553,944	\$ 747,948	\$ (610,964)	\$ 111,502	\$ (340,197)	\$ 401,144	\$ (803,037)

Source: March 1, 2022 filing, Docket No. DE 22-010, Attachment RDA/JH/RDJ-1, Page 5 of 19 (Bates Page 29)

(A) DE 19-057 Settlement Agreement language approved on December 15, 2020 per Order No. 26,433 is as follows:

SECTION 6. VEGETATION MANAGEMENT PROGRAM (VMP)

6.1 The Company shall be allowed to include \$27.1 million annually in rates for vegetation management. Of this amount, \$11.6 million annually is associated with enhanced tree trimming ("ETT") and hazard tree removal; \$14.0 million annually is associated with scheduled maintenance trimming ("SMT"); and \$1.5 million annually is associated with full-width right-of-way ("ROW") clearing.

6.2 The following terms apply to annual reconciliation of vegetation management program costs:

(a) The Company may request recovery of its actual annual vegetation management expenses up to 10 percent over, or any amount under, the total amount allowed in base rates (\$27.1 million), credited to or recovered through the annual Regulatory Reconciliation Adjustment Mechanism as further described in Section 9 below.

(b) The Company shall submit a detailed vegetation management plan on or by November 15th each year starting in November 2020 for the following calendar year's vegetation work. The Company shall provide a summary of budgeted costs by program (i.e. ETT/Hazard Tree Removal, SMT and Full-Width ROW Clearing). Further details relating to the contents of the vegetation management plan are included as Appendix 3.

(c) The previous calendar year's actual vegetation activity shall be reconciled to the budget each year in an annual report submitted to the Commission by March 1. If the actual expense incurred in the prior calendar year is less than the amount in base rates (\$27.1 million) the Company may request either to carry that amount into the budget each year in an annual report submitted to the Commission by March 1. If the actual expense incurred in the prior calendar year is less than the amount in base rates (\$27.1 million) the Company may request either to carry that amount into the next program year as an offset to the current year's expenditures or to return the under-spent amount to customers as a credit to the Regulatory Reconciliation Adjustment, subject to Commission approval. If the actual expense incurred in the prior calendar year is greater than the amount in base rates, the Company shall be allowed to recover amounts up to 10 percent of the amount in base rates through the Regulatory Reconciliation Mechanism (\$2.71 million + \$27.1 million = \$29.81 million total), subject to Commission approval. Amounts greater than 10 percent over the amount in base rates shall not be recovered through the Regulatory Reconciliation Adjustment Mechanism or any other recovery mechanism.

(d) The first actual base rate reconciliation to be performed in the March 1, 2021 filing shall reconcile the costs from the period July 1, 2020 through December 31, 2020. The period January 1, 2020 through June 30, 2020 shall be reflected in the Company's recoupment adjustment.

6.3 The Company shall undertake a review of ETT and Hazard Tree Removal activities in an engineering review described in Section 11. The engineering review shall assess the benefits and costs of ETT and Hazard Tree Removal and make recommendations for targeted application of those programs and may result in adjustment to ETT/ Hazard Tree Removal budget after the review has been completed, as determined by the Commission pursuant to Section 11.5 of this Settlement.

SECTION 9.1 ANNUAL REGULATORY RECONCILIATION ADJUSTMENT MECHANISM (VMP)

(b) Vegetation management program variances as described in Section 6 above. The RRA shall include the calendar year over- or under-collection from the Company's Vegetation Management Program. The over- or under-collection shall be credited or charged to the RRA on August 1 of the following year. The Company may request transfer of unspent amounts to the subsequent year's Vegetation Management Program budgets. The amount in base rates shall be \$27.1 million for ETT, Hazard Tree Removal, ROW and SMT programs. **The amount to be recovered in the RRA shall be based on the overall vegetation management program variance for the prior calendar year, rather than variances for individual activities within the overall program.** The first RRA shall recover any over/under recoveries for the July 1, 2020 – December 31, 2020 vegetation management program associated with activities related to ETT, Hazard Tree Removal, and ROW clearing consistent with the expenditures noted in extension of the Temporary Rates Settlement Agreement as described in the Staff's March 24, 2020 letter in this docket. **The first full year of the \$27.1 million total vegetation management program reconciliation shall begin in the 2021 annual reconciliation.**

Docket No. DE 23-021
Dated: 05/01/2023
Attachment MBP/SRA-3
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AUGUST 1, 2023 REGULATORY RECONCILIATION ADJUSTMENT (RRA) RATE SETTING
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CALENDAR YEAR 2022**

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1	CUSTR006	Customer Request	Company Records	\$ 5,841	\$ 2,454	\$ 9,501	\$ 19,552	\$ 3,171	\$ 18,035	\$ 25,381	\$ 13,295	\$ 30,105	\$ 42,626	\$ 18,422	\$ 33,538	\$ 221,923
2	ETRE0006	Scheduled Maintenance Trimming (SMT)	Company Records	774,865	1,155,941	793,635	1,529,500	1,013,807	2,083,472	1,491,118	1,329,138	1,136,105	1,000,740	1,724,144	923,588	14,956,053
3	HSPOT006	Hot Spot Trimming	Company Records	-	3,373	19,219	(1,829)	4,952	12,366	7,291	23,732	11,069	280	-	11,235	91,688
4	MCYCL006	Midcycle Trimming	Company Records	-	-	-	-	13,063	5,546	0	-	11,426	(0)	-	1,981	32,016
5	MSFK0006	Make Safe	Company Records	-	-	-	-	-	-	-	-	-	-	-	-	-
6	ROMOW006	ROW Mowing	Company Records	103,532	145,010	136,442	91,223	93,350	9,701	18,921	-	-	-	70,359	96,260	764,798
7	STRIM006	ROW Side Trimming	Company Records	106,130	90,530	83,649	13,116	18,107	15,815	-	-	-	-	-	-	327,347
8	TMNT0006	ETT MAINTENANCE Tree Trimming	Company Records	95,316	44,765	79,314	159,653	137,218	158,697	143,287	74,099	162,730	95,434	144,622	334,790	1,629,923
9		Subtotal: SMT	Sum of Lines 1 to 8	\$ 1,085,684	\$ 1,442,074	\$ 1,121,761	\$ 1,811,215	\$ 1,283,667	\$ 2,303,631	\$ 1,685,998	\$ 1,440,264	\$ 1,351,435	\$ 1,139,080	\$ 1,957,547	\$ 1,401,392	\$ 18,023,748
10	NHETOM06	Enhanced Tree Trimming (ETT)	Company Records	\$ -	\$ 455,356	\$ 127,934	\$ 96,266	\$ 793,527	\$ 42,636	\$ 374,562	\$ 71,404	\$ 20,656	\$ 423,772	\$ 0	\$ -	\$ 2,406,112
11	NHRMV006	Hazard Tree Removal	Company Records	1,011,293	1,380,932	1,187,510	1,499,855	1,325,783	618,976	706,408	476,219	513,994	1,305,821	672,375	498,792	11,197,958
12	NHROW006	Full Width ROW Clearing	Company Records	174,027	279,364	171,328	144,308	224,397	131,324	97,581	101,806	2,201	136,380	(0)	-	1,462,715
13		Subtotal: REP	Sum of Lines 10 to 12	\$ 1,185,320	\$ 2,115,652	\$ 1,486,771	\$ 1,740,429	\$ 2,343,707	\$ 792,936	\$ 1,178,551	\$ 649,429	\$ 536,851	\$ 1,865,972	\$ 672,375	\$ 498,792	\$ 15,066,786
14		Total Actual VMP Costs	Line 9 + Line 13	\$ 2,271,004	\$ 3,557,725	\$ 2,608,532	\$ 3,551,644	\$ 3,627,374	\$ 3,096,567	\$ 2,864,549	\$ 2,089,693	\$ 1,888,287	\$ 3,005,052	\$ 2,629,922	\$ 1,900,184	\$ 33,090,533
15		Less: Reimbursable VMP Costs	Company Records	648,620	1,005,790	952,984	842,972	707,484	435,218	762,260	417,611	618,648	704,805	486,811	533,712	8,116,914
16		Actual VMP Costs, Net	Line 14 - Line 15	\$ 1,622,384	\$ 2,551,936	\$ 1,655,547	\$ 2,708,672	\$ 2,919,890	\$ 2,661,349	\$ 2,102,289	\$ 1,672,082	\$ 1,269,639	\$ 2,300,248	\$ 2,143,111	\$ 1,366,472	\$ 24,973,619
17		VMP Cost Recovery in Base Distribution Rates	(A)	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	2,258,333	27,100,000
18		Total VMP Costs Carried over into 2023	Line 16 - Line 17	\$ (635,949)	\$ 293,602	\$ (602,786)	\$ 450,339	\$ 661,557	\$ 403,016	\$ (156,044)	\$ (586,251)	\$ (988,695)	\$ 41,914	\$ (115,222)	\$ (891,862)	\$ (2,126,381)

Source: March 1, 2023 filing, Docket No. DE 23-021, Attachment RDA/EN/RD1-1, Page 6 of 44 (Bates Page 33)

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