

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
TRANSMISSION RATES PROPOSED FOR EFFECT ON JULY 1, 2014

		(1) Current Rates Effective 07/01/2013	(2) Proposed Rates Effective 07/01/2014
1			
2			
3			
4			
5	<u>Rate</u>	<u>Blocks</u>	
6			
7	R	All KWH	\$ 0.01863
8			\$ 0.01786
9			
10	Uncontrolled Water Heating	All KWH	\$ 0.01440
11			\$ 0.01381
12			
13	Controlled Water Heating	All KWH	\$ 0.01440
14			\$ 0.01381
15			
16	R-OTOD	On-peak KWH	\$ 0.01863
17		Off-peak KWH	\$ 0.01215
18			\$ 0.01165
19			
20	G	Load charge (over 5 KW)	\$ 4.81
21			\$ 4.61
22		First 500 KWH	\$ 0.01734
23		Next 1,000 KWH	\$ 0.00653
24		All additional KWH	\$ 0.00350
25			\$ 0.00336
26			
27	Space Heating	All KWH	\$ 0.01734
28			\$ 0.01663
29			
30	G-OTOD	Load charge	\$ 3.17
31			\$ 3.04
32			
33	LCS	Radio-controlled option	\$ 0.01440
34		8-hour option	\$ 0.01440
35		10 or 11-hour option	\$ 0.01440
36			\$ 0.01381
37			
38	GV	First 100 KW	\$ 6.44
39		All additional KW	\$ 6.44
40			\$ 6.17
41			
42	LG	Demand charge	\$ 6.33
43			\$ 6.07
44			
45	B	Demand charge	\$ 0.95
46			\$ 0.81
47			
48	OL, EOL	All KWH	\$ 0.01274
			\$ 0.01221

Notes:

- (1) Current rates are based on a retail average transmission rate of 1.714 ¢/KWH.
  - (2) Proposed rates are based on a retail average transmission rate of 1.642 ¢/KWH.
- The calculation of the Rate B charge is shown on Attachment LBJ-4. All other rates have been calculated by equi-proportionally adjusting current rates by the ratio necessary to recover the remaining transmission revenue requirement.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
RATE B CUSTOMERS**

1	<b>Base Component Revenue Requirement</b>		
2			
3	Total Transmission Revenue Requirement	\$ 131,497,000	MLS-1, Page 1, Line 16
4			
5	Times Base Component Ratio	<u>0.45973%</u>	LBJ-2, Page 2
6			
7	Base Component Forecasted Revenue Requirement	\$ 604,534	
8			
9	Base Component Reconciliation	\$ <u>(110,323)</u>	LBJ-2, Page 3
10			
11	Base Component Revenue Requirement	\$ 494,211	
12			
13	Rate B Projected Billing Demand	1,209,048	
14			
15	Rate B Base Component (L11/L13)	\$ 0.41	per kW or kVA

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
RATE B CUSTOMERS**

<b>1 Contribution to NU System Peak (KW)</b>			
<b>2 Period Ending 6/30/14</b>			
			Ratio of
	<u>Rate B</u>	<u>Total PSNH</u>	<u>Rate B to</u>
			<u>Total PSNH</u>
3			
4			
5			
6 Jul '13	327	1,695,212	
7 Aug	1,701	1,430,468	
8 Sep	4,233	1,577,157	
9 Oct	4,314	1,121,522	
10 Nov	8,494	1,296,481	
11 Dec	3,595	1,457,952	
12 Jan '14	10,485	1,424,113	
13 Feb	5,374	1,323,639	
14 Mar	6,662	1,309,132	
15 Apr	21,048	1,060,678	
16 May	6,736	1,014,447	
17 Jun (1)	1,056	1,391,187	
18 Average	6,169	1,341,832	0.45973%

(1) Estimated data

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
RATE B CUSTOMERS**

**1 Estimated Base Component Reconciliation, 12 months ending June 30, 2014**

2

3 Prior Period Transmission Revenue Requirement:

4

5 Retail Transmission Operating Costs \$ 126,983,000 MLS-1, Pages 4 & 5, line 21

6 (Over)/Underrecovery, period ending 6/30/13 \$ (2,107,000) MLS-1, Page 3, line 44

7 Return on monthly (over)/underrecovery, period ending 6/30/14 \$ (30,000) MLS-1, Pages 4 & 5, line 40

8

9 Prior Period Transmission Revenue Requirement \$ 124,846,000

10

11 Times Base Component Ratio 0.45973% LBJ-2, Page 2

12

13 Prior Period Base Component Revenue Requirement \$ 573,957

14

15 Base Component Reconciliation for 12-Month Period Ending 6/30/13 \$ (124,432) LBJ-2, Page 5, line 21

16

17 Total Base Component Revenue Requirement \$ 449,525

18

19 Base Component Revenue (actual through 5/14; 6/14 estimated) \$ 559,848

20

21 Estimated Base Component Reconciliation, 12 months ending 6/30/14 \$ (110,323)

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
RATE B CUSTOMERS**

1 Actual Contribution to NU System Peak (KW)			
2 Period Ending 6/30/13			Ratio of
3			Rate B to
4	<u>Rate B</u>	<u>Total PSNH</u>	<u>Total PSNH</u>
5			
6 Jul '12	34,734	1,501,059	
7 Aug	1,249	1,555,614	
8 Sep	1,080	1,313,386	
9 Oct	12,565	1,103,716	
10 Nov	2,563	1,233,108	
11 Dec	6,749	1,251,569	
12 Jan '13	5,817	1,391,898	
13 Feb	367	1,294,568	
14 Mar	437	1,203,971	
15 Apr	2,830	1,117,563	
16 May	1,128	1,406,175	
17 Jun	885	1,614,323	
18			
19 Average	5,867	1,332,246	0.44039%

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
RATE B CUSTOMERS**

1	<b>Actual Base Component Reconciliation, 12 months ending June 30, 2013</b>	
2		
3	Prior Period Transmission Revenue Requirement:	
4		
5	Retail Transmission Operating Costs	\$ 118,002,000 MLS-1, P3, L21 & 2013 MLS-1 P4, L21
6	(Over)/Underrecovery, period ending 6/30/12	\$ (13,472,000) 2013 MLS-1, P3, L44
7	Return on monthly (over)/underrecovery, period ending 6/30/13	\$ <u>(143,000)</u> MLS-1, P3, L40 & 2013 MLS-1, P4, L40
8		
9	Prior Period Transmission Revenue Requirement	\$ 104,387,000
10		
11	Times Base Component Ratio	<u>0.44039%</u> LBJ-2, Page 4
12		
13	Prior Period Base Component Revenue Requirement	\$ 459,705
14		
15	Base Component Reconciliation for 12-Month Period Ending 6/30/12	\$ <u>(314,222)</u> 2013 SRH-2, P5, L21
16		
17	Total Base Component Revenue Requirement	\$ 145,483
18		
19	Actual Base Component Revenue, Period Ending 6/30/13	\$ <u>269,915</u>
20		
21	Actual Base Component Reconciliation, 12 months ending 6/30/13	\$ (124,432)

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
ALLOCATION OF JULY 1, 2014 TRANSMISSION REVENUE TO CLASS  
BASED ON BILLING DETERMINANTS FOR THE 2009 TEST YEAR**

1	Retail delivery sales for the 2009 test year			7,657,472	MWH
2	Forecasted TCAM Rate (from Attachment MLS-1, Page 1, Line 20)			\$ 0.01642	per KWH
3	Target transmission revenue based on the test year: Line (1) x Line (2)			\$ 125,736	(000)
4	Rate B Base Component Revenue, based on the test year (from Attachment LBJ-4)			\$ 399	(000)
5	Transmission revenue to be recovered from all other classes: Line (3) - Line (4)			\$ 125,336	(000)
6					
7					
8					
9		(1)	(2)	(3)	(4)
10					
11		Revenue at	07/01/2014		
12	<b>Transmission revenue</b>	07/01/2013	Revenue		<u>Increase</u>
13	<b>excluding Rate B Base Component</b>	<u>Rate Level</u>	<u>Target</u>	\$	%
14					
15	Residential Rates R, R-OTOD	\$ 56,330	\$ 54,008	\$ (2,322)	-4.12%
16					
17	General Service Rates G, G-OTOD	29,704	28,480	(1,224)	-4.12%
18					
19	Primary General Service Rate GV	27,331	26,204	(1,127)	-4.12%
20	GV Rate B - incremental component only	13	12	(1)	-4.12%
21					
22	Large General Service Rate LG	16,425	15,748	(677)	-4.12%
23	LG Rate B - incremental component only	396	380	(16)	-4.12%
24					
25	Outdoor Lighting Rates OL, EOL	<u>526</u>	<u>504</u>	<u>(22)</u>	<u>-4.12%</u>
26					
27	<b>Total</b>	<b>\$ 130,725</b>	<b>\$ 125,336</b>	<b>\$ (5,389)</b>	<b>-4.12%</b>
28					
29					
30	<b>Rate B Base Component</b>				
31	GV Rate B - base component	\$ 16	\$ 12	\$ (4)	-22.64%
32	LG Rate B - base component	<u>500</u>	<u>387</u>	<u>(113)</u>	<u>-22.64%</u>
33	<b>Total</b>	<b>\$ 516</b>	<b>\$ 399</b>	<b>\$ (117)</b>	<b>-22.64%</b>
34					
35					
36	<b>Total, all customers</b>	<b>\$ 131,241</b>	<b>\$ 125,736</b>	<b>\$ (5,506)</b>	<b>-4.20%</b>
37					
38					
39	Total Rate B, incremental plus base:				
40	Rate GV: Line (20) + Line (31)	\$ 29	\$ 25	\$ (4)	-14.45%
41	Rate LG: Line (23) + Line (32)	<u>\$ 896</u>	<u>767</u>	<u>(130)</u>	<u>-14.45%</u>
42	Total	\$ 925	\$ 792	\$ (134)	-14.45%

Notes:

- (1) The result of applying rates effective July 1, 2013 to test year billing determinants.
- (2) The Rate B base component was taken from Attachment LBJ-4. Revenue targets for all other classes were calculated by equi-proportionally adjusting current revenues.
- (3) Column (2) - Column (1).
- (4) Column (3) / Column (1).

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
CALCULATION OF TRANSMISSION REVENUE AND RATES FOR RATE B CUSTOMERS  
BASED ON DE 06-028 SETTLEMENT AGREEMENT ARTICLE V, SECTION 5.1.1. AND  
BILLING DETERMINANTS FOR THE 2009 TEST YEAR**

	(1)	(2)	(3)	(4)	(5)	(6)
	Test Year	Base	Revenue from	Allocated	Incremental	Total Base
	Billing	Component	Base	Revenue from	Component	Plus
	<u>Demand</u>	<u>of Rate</u>	<u>Component</u>	<u>Incremental</u>	<u>of Rate</u>	<u>Incremental</u>
				<u>Component</u>		<u>Rate</u>
7 Rate B customers on Rate GV	30,468	\$ 0.41	\$ 12,491.88	\$ 12,269.06	\$ 0.40	\$ 0.81
10 Rate B customers on Rate LG	<u>943,642</u>	\$ 0.41	<u>386,893.22</u>	<u>379,992.00</u>	\$ 0.40	\$ 0.81
13 Total Rate B customers	974,110		\$ 399,385.10	\$ 392,261.06		

(2) From Attachment LBJ-2, Page 1.

(3) Column (1) x Column (2).

(4) From Attachment LBJ-3, Column (2), Lines 20 and 23.

(5) Column (4) / Column (1).

(6) Column (2) + Column (5).