

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
TRANSMISSION RATES PROPOSED FOR EFFECT ON JULY 1, 2017

			(1) Current Rates Effective <u>07/01/2016</u>	(2) Proposed Rates Effective <u>07/01/2017</u>
	<u>Rate</u>	<u>Blocks</u>		
1				
2				
3				
4				
5				
6				
7	R	All KWH	\$ 0.02390	\$ 0.02542
8				
9				
10	Uncontrolled Water Heating	All KWH	\$ 0.01849	\$ 0.01967
11				
12				
13	Controlled Water Heating	All KWH	\$ 0.01849	\$ 0.01967
14				
15				
16	R-OTOD	On-peak KWH	\$ 0.02390	\$ 0.02542
17		Off-peak KWH	\$ 0.01560	\$ 0.01659
18				
19				
20	G	Load charge (over 5 KW)	\$ 6.17	\$ 6.56
21				
22		First 500 KWH	\$ 0.02227	\$ 0.02369
23		Next 1,000 KWH	\$ 0.00838	\$ 0.00891
24		All additional KWH	\$ 0.00449	\$ 0.00478
25				
26				
27	Space Heating	All KWH	\$ 0.02227	\$ 0.02369
28				
29				
30	G-OTOD	Load charge	\$ 4.07	\$ 4.33
31				
32				
33	LCS	Radio-controlled option	\$ 0.01849	\$ 0.01967
34		8-hour option	\$ 0.01849	\$ 0.01967
35		10 or 11-hour option	\$ 0.01849	\$ 0.01967
36				
37				
38	GV	First 100 KW	\$ 8.26	\$ 8.78
39		All additional KW	\$ 8.26	\$ 8.78
40				
41				
42	LG	Demand charge	\$ 8.12	\$ 8.64
43				
44				
45	B	Demand charge	\$ 1.53	\$ 0.66
46				
47				
48	OL, EOL	All KWH	\$ 0.01634	\$ 0.01738

Notes:

- (1) Current rates are based on a retail average transmission rate of 2.193 ¢/KWH.
 - (2) Proposed rates are based on a retail average transmission rate of 2.318 ¢/KWH.
- The calculation of the Rate B charge is shown on Attachment LBJ-4. All other rates have been calculated by adjusting current rates by an equal percentage necessary to recover the remaining transmission revenue requirement.

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1	Base Component Revenue Requirement		
2			
3	Total Transmission Revenue Requirement	\$ 181,433,000	CJG-1, Page 1, Line 15
4			
5	Times Base Component Ratio	<u>0.26406%</u>	LBJ-2, Page 2
6			
7	Base Component Forecasted Revenue Requirement	\$ 479,095	
8			
9	Base Component Reconciliation	\$ <u>(368,984)</u>	LBJ-2, Page 3
10			
11	Base Component Revenue Requirement	\$ 110,111	
12			
13	Rate B Projected Billing Demand	1,181,847	
14			
15	Rate B Base Component (L11/L13)	\$ 0.09	per kW or kVA

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1 Contribution to Legacy NU System Peak (KW)			
2 Period Ending 6/30/17			
			Ratio of
	<u>Rate B</u>	<u>Total PSNH</u>	Rate B to
			<u>Total PSNH</u>
3			
4			
5			
6 Jul '16	1,861	1,591,017	
7 Aug	1,729	1,680,873	
8 Sep	4,906	1,468,891	
9 Oct	6,436	1,122,129	
10 Nov	2,464	1,197,770	
11 Dec	6,778	1,335,797	
12 Jan '17	1,489	1,328,399	
13 Feb	1,142	1,232,357	
14 Mar	929	1,175,660	
15 Apr	6,248	1,057,083	
16 May	5,486	1,289,612	
17 Jun (1)	2,859	1,549,541	
18 Average	3,527	1,335,761	0.26406%

(1) Estimated data

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1	Estimated Base Component Reconciliation, 12 months ending June 30, 2017		
2			
3	Prior Period Transmission Revenue Requirement:		
4			
5	Retail Transmission Operating Costs	\$ 166,135,000	CJG-1, Page 4, line 19 and Page 5, line 19
6	(Over)/Underrecovery, period ending 6/30/16	\$ 11,545,000	CJG-1, Page 3, line 42
7	Return on monthly (over)/underrecovery, period ending 6/30/17	<u>\$ 128,000</u>	CJG-1, Page 4, line 38 and Page 5, line 38
8			
9	Prior Period Transmission Revenue Requirement	\$ 177,808,000	
10			
11	Times Base Component Ratio	<u>0.26406%</u>	LBJ-2, Page 2
12			
13	Prior Period Base Component Revenue Requirement	\$ 469,523	
14			
15	Base Component Reconciliation for 12-Month Period Ending 6/30/16	<u>\$ 406,446</u>	LBJ-2, Page 5, line 21
16			
17	Total Base Component Revenue Requirement	\$ 875,969	
18			
19	Base Component Revenue (actual through 5/17; 6/17 estimated)	<u>\$ 1,244,953</u>	
20			
21	Estimated Base Component Reconciliation, 12 months ending 6/30/17	\$ (368,984)	

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1 Actual Contribution to Legacy NU System Peak (KW)			
2 Period Ending 6/30/16			Ratio of
3			Rate B to
4	<u>Rate B</u>	<u>Total PSNH</u>	<u>Total PSNH</u>
5			
6 Jul '15	1,327	1,592,111	
7 Aug	1,870	1,582,635	
8 Sep	5,155	1,537,272	
9 Oct	10,475	1,127,587	
10 Nov	2,515	1,242,586	
11 Dec	2,561	1,282,724	
12 Jan '16	2,497	1,317,785	
13 Feb	9,146	1,305,546	
14 Mar	35,474	1,225,009	
15 Apr	6,040	1,149,097	
16 May	5,121	1,262,832	
17 Jun	3,591	1,085,803	
18			
19 Average	7,148	1,309,249	0.54594%

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1	Actual Base Component Reconciliation, 12 months ending June 30, 2016	
2		
3	Prior Period Transmission Revenue Requirement:	
4		
5	Retail Transmission Operating Costs	\$ 153,076,000 CJG-1, P3, L19 & 2016 DFB-1 P4, L19
6	(Over)/Underrecovery, period ending 6/30/15	\$ (1,501,000) 2016 DFB-1, P3, L42
7	Return on monthly (over)/underrecovery, period ending 6/30/16	<u>\$ 89,000</u> CJG-1, P3, L38 & 2016 DFB-1, P4, L38
8		
9	Prior Period Transmission Revenue Requirement	\$ 151,664,000
10		
11	Times Base Component Ratio	<u>0.54594%</u> LBJ-2, Page 4
12		
13	Prior Period Base Component Revenue Requirement	\$ 827,995
14		
15	Base Component Reconciliation for 12-Month Period Ending 6/30/15	<u>\$ (312,153)</u> 2016 LBJ-2, P5, L21
16		
17	Total Base Component Revenue Requirement	\$ 515,842
18		
19	Actual Base Component Revenue, Period Ending 6/30/16	<u>\$ 109,396</u>
20		
21	Actual Base Component Reconciliation, 12 months ending 6/30/16	\$ 406,446

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
ALLOCATION OF JULY 1, 2017 TRANSMISSION REVENUE TO CLASS
BASED ON 2014 BILLING DETERMINANTS**

1	2014 retail billed delivery sales			7,906,557	MWH
2	Forecasted TCAM Rate (from Attachment CJG-1, Page 1, Line 19)			\$ 0.02318	per KWH
3	Target transmission revenue: Line (1) x Line (2)			\$ 183,274	(000)
4	Rate B Base Component Revenue (from Attachment LBJ-4)			\$ 106	(000)
5	Transmission revenue to be recovered from all other classes: Line (3) - Line (4)			\$ 183,168	(000)
6					
7					
8					
9		(1)	(2)	(3)	(4)
10					
11		Revenue at	07/01/2017		
12	Transmission revenue	07/01/2016	Revenue		<u>Change</u>
13	excluding Rate B Base Component	<u>Rate Level</u>	<u>Target</u>	\$	%
14					
15	Residential Rates R, R-OTOD	\$ 75,271	\$ 80,054	\$ 4,783	6.35%
16					
17	General Service Rates G, G-OTOD	37,891	40,299	2,408	6.35%
18					
19	Primary General Service Rate GV	34,853	37,067	2,215	6.35%
20	GV Rate B - incremental component only	25	26	2	6.35%
21					
22	Large General Service Rate LG	22,939	24,396	1,458	6.35%
23	LG Rate B - incremental component only	613	651	39	6.35%
24					
25	Outdoor Lighting Rates OL, EOL	<u>633</u>	<u>673</u>	<u>40</u>	<u>6.35%</u>
26					
27	Total	\$ 172,223	\$ 183,168	\$ 10,945	6.35%
28					
29					
30	Rate B Base Component				
31	GV Rate B - base component	\$ 45	\$ 4	\$ (41)	-90.91%
32	LG Rate B - base component	<u>1,123</u>	<u>102</u>	<u>(1,021)</u>	<u>-90.91%</u>
33	Total	\$ 1,168	\$ 106	\$ (1,062)	-90.91%
34					
35					
36	Total, all customers	\$ 173,392	\$ 183,274	\$ 9,882	5.70%
37					
38					
39	Total Rate B, incremental plus base:				
40	Rate GV: Line (20) + Line (31)	\$ 70	\$ 31	\$ (40)	-56.58%
41	Rate LG: Line (23) + Line (32)	<u>\$ 1,735</u>	<u>754</u>	<u>(982)</u>	<u>-56.58%</u>
42	Total	\$ 1,806	\$ 784	\$ (1,022)	-56.58%

Notes:

- (1) The result of applying rates effective July 1, 2016 to 2014 billing determinants.
- (2) The Rate B base component was taken from Attachment LBJ-4. Revenue targets for all other classes were calculated by adjusting current revenues for each class by an equal percentage.
- (3) Column (2) - Column (1).
- (4) Column (3) / Column (1).

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
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
2014 BILLING DETERMINANTS**

	(1)	(2)	(3)	(4)	(5)	(6)
	2014 Billing Demand	Base Component of Rate	Revenue from Base Component	Allocated Revenue from Incremental Component	Incremental Component of Rate	Total Base Plus Incremental Rate
1						
2						
3						
4						
5						
6						
7	Rate B customers on Rate GV	45,945	\$ 0.09	\$ 4,135.05	\$ 26,387.12	\$ 0.57
8						
9						
10	Rate B customers on Rate LG	<u>1,134,264</u>	\$ 0.09	<u>102,083.76</u>	<u>651,426.23</u>	\$ 0.57
11						
12						
13	Total Rate B customers	1,180,209		\$ 106,218.81	\$ 677,813.35	

(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).