



Public Service of New Hampshire d/b/a Eversource Energy
Docket No. DE 19-108

Date Request Received: 07/19/2019

Date of Response: 07/23/2019

Request No. RR 1-001

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Request from: New Hampshire Public Utilities Commission Staff

Witness: Erica L. Menard

Request:

Exhibit 5 - Please provide an explanation of the calculation of the OL/EOL rate and why it decreases while the other rates are increasing?

Response:

On Attachment ELM/DFB-1, Page 1, the Updated Average SCRC Rates (Line 10) are calculated by the following methodology:

Line 1) Part 1 costs for each rate class are taken directly from Attachment ELM/DFB-1, Page 3. These are a combination of actual RRB payment data and the product of updated forecast sales multiplied by the respective RRB rate for each rate class.

Line 2) Total Part 2 costs from Attachment ELM/DFB-1, Page 5 are multiplied by the allocation percentages as defined in Docket No. DE 14-238 (identified on ELM/DFB, Page 1) for each rate class.

Line 3) The estimated prior year under/(over) recovery from Attachment ELM/DFB-2, Page 1, Line 6 is multiplied by the allocation percentages as defined in Docket No. DE 14-238 for each rate class.

Line 4) Total updated SCRC costs equals the sum of Lines 1 through 3.

Line 5) Total updated SCRC revenues from Attachment ELM/DFB-1, Page 2, Line 5 are multiplied by the allocation percentages as defined in Docket No. DE 14-238 for each rate class.

Line 6) Total SCRC under/(over) recovery equals Line 4 minus Line 5.

Line 7) Total forecasted sales for August 2019 through January 2020 found on Attachment ELM/DFB-1 Page 2, Line 7. Sales for each individual rate class are per the Company forecast.

Line 8) Average SCRC rates equals Line 6 divided by Line 7.

Line 9) Current average SCRC rates are from Docket No. DE 18-182.

Line 10) Updated average SCRC rates equals the sum of Lines 8 and 9.

If Lines 1, 2, 3 and 5 -- the inputs that constitute the calculation of the updated revenue requirements -- all applied the Docket No. 14-238 allocation percentages, then it would be expected that each rate class would have been impacted the same. However, since Line 1 is calculated as noted above, this is not necessarily true. In this updated filing, the Part 1 costs for Rate OL/EOL decrease, while the the Part 1 costs for all other classes increase. As a result, the rate for OL/EOL decreases, while the rates for all other classes increase.