



CORRECTED VERSION - January 24, 2020

Supplemental Exhibit 2 – Commission Record Request made during Prehearing Conference of January 9, 2020

The Commission asked for the monetary impact that implementation of 2018 N.H. Laws, Chapter 340 (SB 577) relating to the Burgess BioPower facility in Berlin would have on a typical Commercial and Industrial (C&I) customer. The Company responded to the Commission’s requests on January 14, 2020. In the prior response, the Company noted that due to the significant diversity amongst Eversource’s customers that take service under Eversource Rates G, GV, and LG, there is no “typical” C&I customer that would reasonably represent the rate impacts of SB 577.

Subsequently, Commission Staff and the OCA have suggested that instead of following the timing of the underlying PPA whereby above-market energy costs paid by Eversource to Burgess for energy during the PPA operating year would be recovered in rates in the following year, those costs should be recovered more-or-less contemporaneous with the payment of those costs by Eversource to Burgess. The Commission is referred to Eversource’s supplemental response to Exhibit 1 for a detailed discussion of the impacts of SB 577 overall.

This Supplemental Exhibit 2 updates the original response to describe how that change would be accomplished and the rate impacts thereof.

The Company has chosen the following usage levels for Rate G, GV and LG classes to demonstrate the impact of how SB 577 would impact C&I customers. Note that Eversource does NOT deem these scenarios to represent any “typical” customer. However, the Company is providing this information to be responsive to the Commission’s request.

February 1, 2020 Illustrative SCRC Impacts of CRF Operation, SB 577, and 2019 Burgess Settlement for Hypothetical Rate G Customer

Scenario Assumes 750 kWh/mo.	SCRC ¢/kWh Impact	750 kWh customer monthly bill impact
Without enactment of SB 577	Negative 0.5019	\$3.76 bill decrease
With SB 577 but without 2019 Burgess Settlement	CRF credit would not be implemented	Customer would not receive the \$3.76 monthly bill decrease
With SB 577 and 2019 Burgess Settlement	Ch. 340 Adder of Positive 0.4350	\$3.76 due to operation of SB 577 Minus 50.18¢ benefit of 2019 Burgess Settlement Equals net increase of \$3.26

**February 1, 2020 Illustrative SCRC Impacts of CRF Operation, SB 577, and 2019 Burgess Settlement
 for Hypothetical Rate GV Customer**

Scenario Assumes 100,000 kWh/mo.	SCRC ¢/kWh Impact	100,000 kWh customer monthly bill impact
Without enactment of SB 577	Negative 0.4139	\$413.89 bill decrease
With SB 577 but without 2019 Burgess Settlement	CRF credit would not be implemented	Customer would not receive the \$413.89 monthly bill decrease
With SB 577 and 2019 Burgess Settlement	Ch. 340 Adder of Positive 0.4350	\$413.89 due to operation of SB 577 plus \$21.11 cost of 2019 Burgess Settlement Equals net increase of \$435.00

**February 1, 2020 Illustrative SCRC Impacts of CRF Operation, SB 577, and 2019 Burgess Settlement
 for Hypothetical Rate LG Customer**

Scenario Assumes 1,000,000 kWh/mo.	SCRC ¢/kWh Impact	1,000,000 kWh customer monthly bill impact
Without enactment of SB 577	Negative 0.1596	\$1,595.72 bill decrease
With SB 577 but without 2019 Burgess Settlement	CRF credit would not be implemented	Customer would not receive the \$1,595.72 monthly bill decrease
With SB 577 and 2019 Burgess Settlement	Ch. 340 Adder of Positive 0.4350	\$1,595.72 due to operation of SB 577 plus \$2,754.28 cost of 2019 Burgess Settlement Equals net increase of \$4,350.00

As discussed in the supplemental response to Exhibit 1, over the three-year suspension period of SB 577 an illustrative average Ch. 340 cost would be 0.356¢/kwh. Hence, the average monthly cost and the approximate total cost of the three-year suspension period of SB 577 for each hypothetical Rate G, GV, and LG customer would be:

RATE	Average monthly cost	Approximate 3-year cost
G – 750 kWh/mo.	\$2.67	\$96
GV – 100,000 kWh/mo.	\$355.66	\$12,804
LG – 1,000,000 kWh/mo.	\$3556.58	\$128,037

CORRECTED VERSION - January 24, 2020 **REDLINED**

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Subsequently, Commission Staff and the OCA have suggested that instead of following the timing of the underlying PPA whereby above-market energy costs paid by Eversource to Burgess for energy during the PPA operating year would be recovered in rates in the following year, those costs should be recovered more-or-less contemporaneous with the payment of those costs by Eversource to Burgess. The Commission is referred to Eversource’s supplemental response to Exhibit 1 for a detailed discussion of the impacts of SB 577 overall.

This Supplemental Exhibit 2 updates the original response to describe how that change would be accomplished and the rate impacts thereof.

The Company has chosen the following usage levels for Rate G, GV and LG classes to demonstrate the impact of how SB 577 would impact C&I customers. Note that Eversource does NOT deem these scenarios to represent any “typical” customer. However, the Company is providing this information to be responsive to the Commission’s request.

February 1, 2020 Illustrative SCRC Impacts of CRF Operation, SB 577, and 2019 Burgess Settlement for Hypothetical Rate G Customer

Scenario Assumes 750 kWh/mo.	SCRC ¢/kWh Impact	750 kWh customer monthly bill impact
Without enactment of SB 577	Negative 0.5019	\$3.76 bill decrease
With SB 577 but without 2019 Burgess Settlement	CRF credit would not be implemented	Customer would not receive the \$3.76 monthly bill decrease
With SB 577 and 2019 Burgess Settlement	Ch. 340 Adder of Positive 0.4350	\$3.76 due to operation of SB 577 Minus 50.18¢ benefit of 2019 Burgess Settlement Equals net increase of \$3.26

February 1, 2020 Illustrative SCRC Impacts of CRF Operation, SB 577, and 2019 Burgess Settlement for Hypothetical Rate GV Customer

Scenario Assumes 100,000 kWh/mo.	SCRC ¢/kWh Impact	100,000 kWh customer monthly bill impact
Without enactment of SB 577	Negative 0.4139	\$413.89 bill decrease
With SB 577 but without 2019 Burgess Settlement	CRF credit would not be implemented	Customer would not receive the \$413.89 monthly bill decrease
With SB 577 and 2019 Burgess Settlement	Ch. 340 Adder of Positive 0.4350	\$413.89 due to operation of SB 577 plus \$21.11 cost of 2019 Burgess Settlement Equals net increase of \$435.00

February 1, 2020 Illustrative SCRC Impacts of CRF Operation, SB 577, and 2019 Burgess Settlement for Hypothetical Rate LG Customer

Scenario Assumes 1,000,000 kWh/mo.	SCRC ¢/kWh Impact	1,000,000 kWh customer monthly bill impact
Without enactment of SB 577	Negative 0.1596	\$1,595.72 bill decrease
With SB 577 but without 2019 Burgess Settlement	CRF credit would not be implemented	Customer would not receive the \$1,595.72 monthly bill decrease
With SB 577 and 2019 Burgess Settlement	Ch. 340 Adder of Positive 0.4350	\$1,595.72 due to operation of SB 577 plus \$2,754.28 cost of 2019 Burgess Settlement Equals net increase of \$4,350.00

As discussed in the supplemental response to Exhibit 1, over the three-year suspension period of SB 577 an illustrative average Ch. 340 cost would be ~~0.3896~~0.356¢/kwh. Hence, the average monthly cost and the approximate total cost of the three-year suspension period of SB 577 for each hypothetical Rate G, GV, and LG customer would be:

RATE	Average monthly cost	Approximate 3-year cost
G – 750 kWh/mo.	\$2.92 <u>2.67</u>	\$105 <u>96</u>
GV – 100,000 kWh/mo.	\$389.61 <u>355.66</u>	\$14,026 <u>12,804</u>
LG – 1,000,000 kWh/mo.	\$3,896.05 <u>3556.58</u>	\$140,258 <u>128,037</u>