

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
TRANSMISSION RATES PROPOSED FOR EFFECT ON AUGUST 1, 2020**

Rate	Blocks	(A) Current Rates Effective 08/01/2019 (1)	(B) Proposed Rates Effective 08/01/2020 (2)
R	All KWH	\$ 0.02241	\$ 0.02924
Uncontrolled Water Heating	All KWH	\$ 0.01735	\$ 0.02264
Controlled Water Heating	All KWH	\$ 0.01735	\$ 0.02264
R-OTOD	On-peak KWH	\$ 0.02241	\$ 0.02924
	Off-peak KWH	\$ 0.01463	\$ 0.01909
G	Load charge (over 5 KW)	\$ 5.78	\$ 7.54
	First 500 KWH	\$ 0.02089	\$ 0.02726
	Next 1,000 KWH	\$ 0.00786	\$ 0.01026
	All additional KWH	\$ 0.00421	\$ 0.00549
Space Heating	All KWH	\$ 0.02089	\$ 0.02726
G-OTOD	Load charge	\$ 3.81	\$ 4.97
LCS	Radio-controlled option	\$ 0.01735	\$ 0.02264
	8-hour option	\$ 0.01735	\$ 0.02264
	10 or 11-hour option	\$ 0.01735	\$ 0.02264
GV	First 100 KW	\$ 7.74	\$ 10.10
	All additional KW	\$ 7.74	\$ 10.10
LG	Demand charge	\$ 7.62	\$ 9.94
B (3)	Demand charge	\$ 1.02	\$ 1.51
OL, EOL	All KWH	\$ 0.01532	\$ 0.01999

Notes:

- (1) Current rates are based on a retail average transmission rate of 2.051 ¢/KWH.
- (2) Proposed rates are based on a retail average transmission rate of 2.679 ¢/KWH.
- (3) The calculation of the Rate B charge is shown on Attachment JAU-4. All other rates have been calculated by adjusting current rates by an equal percentage necessary to recover the remaining transmission revenue requirement.

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

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Base Component Revenue Requirement

Total Transmission Revenue Requirement	\$ 207,243,987	ELM-1, Page 1, Line 16
Times Base Component Ratio	<u>0.38480%</u>	JAU-2, Page 2, Line 33
Base Component Forecasted Revenue Requirement	\$ 797,483	Line 14 x Line 16
Base Component Reconciliation	<u>\$ 241,886</u>	JAU-2, Page 3, Line 32
Base Component Revenue Requirement	\$ 1,039,369	Line 18 + Line 20
Rate B Projected Billing Demand	<u>1,228,722</u>	
Rate B Base Component per kW or kVA	\$ 0.85	Line 22/Line 24

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

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**Contribution to Coincident System Peak (KW)
Period Ending 7/31/20**

	Rate B	Total PSNH	Ratio of Rate B to Total PSNH
Aug-19	2,711	1,524,262	
Sep	2,663	1,208,957	
Oct	1,564	1,000,350	
Nov	7,479	1,217,750	
Dec	9,369	1,303,444	
Jan-20	10,036	1,248,370	
Feb	4,214	1,170,844	
Mar	1,441	1,082,364	
Apr ⁽¹⁾	4,278	1,040,322	
May ⁽¹⁾	10,906	1,351,753	
Jun ⁽¹⁾	2,335	1,446,984	
Jul ⁽¹⁾	1,724	1,664,075	
Average	4,893	1,271,623	0.38480%

⁽¹⁾ Estimated data

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

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Estimated Base Component Reconciliation, 12 months Ending July 31, 2020

Prior Period Transmission Revenue Requirement:			
Retail Transmission Operating Costs	\$ 166,887,951		ELM-1, Page 4, line 21 and Page 5, line 21
(Over)/Underrecovery, 12 month period ending 7/31/2019	(11,595,422)		ELM-1, Page 3, line 44
Return on monthly (over)/underrecovery, 12 month period ending 7/31/2020	<u>(244,036)</u>		ELM-1, Page 4, line 40 and Page 5, line 40
Prior Period Transmission Revenue Requirement	\$ 155,048,493		Sum of Lines 16 to 18
Base Component Ratio	<u>0.38480%</u>		JAU-2, Page 2, Line 33
Prior Period Base Component Revenue Requirement	\$ 596,632		Line 20 x Line 22
Base Component Reconciliation for 12-Month Period Ending 7/31/2019	<u>174,955</u>		JAU-2, Page 5, line 32
Total Base Component Revenue Requirement	\$ 771,587		Line 24 + Line 26
Base Component Revenue (actual through May 2020; June and July 2020 estimated)	<u>529,701</u>		
Estimated Base Component Reconciliation, 12 months Ending 7/31/2020	\$ 241,886		Line 28 - Line 30

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

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**Contribution to Legacy NU System Peak (KW)
Period Ending 7/31/2019**

	<u>Rate B</u>	<u>Total PSNH</u>	Ratio of Rate B to <u>Total PSNH</u>
Aug-18	4,370	1,526,481	
Sep	7,693	1,164,130	
Oct	4,115	1,179,267	
Nov	8,290	1,270,077	
Dec	4,114	1,382,451	
Jan-19	2,314	1,244,754	
Feb	1,441	1,202,384	
Mar	5,517	1,010,513	
Apr	8,387	1,071,107	
May	2,833	1,499,215	
Jun	1,324	1,680,250	
Jul	1,552	1,560,048	
Average	4,329	1,315,890	0.32899%

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

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Actual Base Component Reconciliation, 13 months Ending July 31, 2019

Prior Period Transmission Revenue Requirement:		
Retail Transmission Operating Costs	\$ 163,658,004	ELM-1, P3, Line 21 & 2019 ELM/DFB-1 P4, Line 21
(Over)/Underrecovery, period ending 6/30/2018	(14,731,866)	2019 ELM/DFB-1, P3, Line 44
Return on monthly (over)/underrecovery, period Ending 7/31/2019	<u>(448,089)</u>	ELM-1, P3, Line 40 & 2019 ELM/DFB-1, P4, Line 40
Prior Period Transmission Revenue Requirement	\$ 148,478,049	Sum of Lines 16 to 18
Base Component Ratio	<u>0.32899%</u>	JAU-2, Page 4, Line 30
Prior Period Base Component Revenue Requirement	\$ 488,474	Line 20 x Line 22
Base Component Reconciliation for 13-Month Period Ending 7/31/2018	<u>189,265</u>	2019 EAD-2, Page 5, Line 32
Total Base Component Revenue Requirement	\$ 677,739	Line 24 + Line 26
Actual Base Component Revenue, 12 Month Period Ending 7/31/2019	<u>502,784</u>	
Actual Base Component Reconciliation, 12 months Ending 7/31/2019	\$ 174,955	Line 28 - Line 30

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
ALLOCATION OF AUGUST 1, 2020 TRANSMISSION REVENUE TO CLASS
BASED ON 2014 BILLING DETERMINANTS**

			Source		
13	2014 retail billed delivery sales	7,906,557	MWH		
14	Forecasted TCAM Rate	\$ 0.02679	per KWH	Attachment ELM-01, Page 1, Line 20	
15	Target transmission revenue	\$ 211,780	(000)	Line 13 x Line 14	
16	Rate B Base Component Revenue	\$ 1,003	(000)	Attachment JAU-4, Column C, Line 27	
17	Transmission revenue to be recovered from all other classes	\$ 210,777	(000)	Line 15 - Line 16	
21		(1)	(2)	(3)	(4)
24	Transmission revenue	Revenue at	08/01/2020	Change	
25	excluding Rate B Base Component	08/01/2019	Revenue	Amount	Percent Change
		Rate Level	Target		
27	Residential Rates R, R-OTOD	\$ 70,596	\$ 92,121	\$ 21,525	30.5%
29	General Service Rates G, G-OTOD	35,538	46,373	10,836	30.5%
31	Primary General Service Rate GV	32,688	42,655	9,967	30.5%
32	GV Rate B - incremental component only	23	30	7	30.5%
34	Large General Service Rate LG	21,514	28,074	6,560	30.5%
35	LG Rate B - incremental component only	574	750	175	30.5%
37	Outdoor Lighting Rates OL, EOL	594	775	181	30.5%
39	Total (Sum of Lines 27 to 37)	\$ 161,526	\$ 210,777	\$ 49,251	30.5%
42	Rate B Base Component				
43	GV Rate B - base component	\$ 23	\$ 39	\$ 16	66.7%
44	LG Rate B - base component	578	964	386	66.7%
45	Total (Line 43 + Line 44)	\$ 602	\$ 1,003	\$ 401	66.7%
48	Total, all customers (Line 39 + Line 45)	\$ 162,128	\$ 211,780	\$ 49,652	30.6%
51	Total Rate B, incremental plus base:				
52	Rate GV: Line 32 + Line 43	\$ 47	\$ 69	\$ 23	48.6%
53	Rate LG: Line 35+ Line 44	1,153	1,714	561	48.6%
54	Total	\$ 1,200	\$ 1,783	\$ 584	48.6%

Notes:

- (1) The result of applying rates effective August 1, 2019 to 2014 billing determinants.
(2) The Rate B base component was taken from Attachment JAU-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).

**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**

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	(A) 2014 Billing Demand	(B) Base Component of Rate	(C) = (A) x (B) Revenue from Base Component	(D) Allocated Revenue from Incremental Component	(E) = (D) / (A) Incremental Component of Rate	(F) = (B) + (E) Total Base Plus Incremental Rate
Rate B customers on Rate GV	45,945	\$ 0.85	\$ 39,053	\$ 30,364	\$ 0.66	\$ 1.51
Rate B customers on Rate LG	1,134,264	\$ 0.85	\$ 964,124	\$ 749,617	\$ 0.66	\$ 1.51
Total Rate B customers	1,180,209		\$ 1,003,178	\$ 779,981		

Column (B) is from Attachment JAU-2, Page 1, Line 26
Column (D) is from Attachment JAU-3, Column (B), Lines 32 and 35.

**Comparison of Rates Effective August 1, 2019 and Proposed Rates for Effect August 1, 2020
for Residential Service Rate R**

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(A) Effective Date	(B) Charge	(C) Distribution Charge	(D) Transmission Charge	(E) Stranded Cost Recovery Charge	(F) System Benefits Charge	(G) Electricity Consumption Tax	(H) Energy Service Charge	(I) Total Rate
August 1, 2019	Customer charge (per month) Charge per kWh	\$ 13.81 \$ 0.04508	\$ 0.02241	\$ 0.01764	\$ 0.00586	\$ -	\$ 0.08825	\$ 13.81 \$ 0.17924
August 1, 2020 (Proposed)	Customer charge (per month) Charge per kWh	\$ 13.81 \$ 0.04508	\$ 0.02924	\$ 0.00927	\$ 0.00743	\$ -	\$ 0.07068	\$ 13.81 \$ 0.16170

Calculation of 550 kWh monthly bill, by rate component:

	08/01/2019	08/01/2020	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 38.60	\$ 38.60	\$ -	0.0%	0.0%
Transmission	12.33	16.08	3.75	30.4%	3.3%
Stranded Cost Recovery Charge	9.70	5.10	(4.60)	-47.4%	-4.1%
System Benefits Charge	3.22	4.09	0.87	27.0%	0.8%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 63.85	\$ 63.87	\$ 0.02	0.0%	0.0%
Energy Service	48.54	38.87	(9.67)	-19.9%	-8.6%
Total	\$ 112.39	\$ 102.74	\$ (9.65)	-8.6%	-8.6%

Calculation of 600 kWh monthly bill, by rate component:

	08/01/2019	08/01/2020	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 40.86	\$ 40.86	\$ -	0.0%	0.0%
Transmission	13.45	17.54	4.09	30.4%	3.4%
Stranded Cost Recovery Charge	10.58	5.56	(5.02)	-47.4%	-4.1%
System Benefits Charge	3.52	4.46	0.94	26.7%	0.8%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 68.41	\$ 68.42	\$ 0.01	0.0%	0.0%
Energy Service	52.95	42.41	(10.54)	-19.9%	-8.7%
Total	\$ 121.36	\$ 110.83	\$ (10.53)	-8.7%	-8.7%

Calculation of 650 kWh monthly bill, by rate component:

	08/01/2019	08/01/2020	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 43.11	\$ 43.11	\$ -	0.0%	0.0%
Transmission	14.57	19.01	4.44	30.5%	3.4%
Stranded Cost Recovery Charge	11.47	6.03	(5.44)	-47.4%	-4.2%
System Benefits Charge	3.81	4.83	1.02	26.8%	0.8%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 72.96	\$ 72.98	\$ 0.02	0.0%	0.0%
Energy Service	57.36	45.94	(11.42)	-19.9%	-8.8%
Total	\$ 130.32	\$ 118.92	\$ (11.40)	-8.7%	-8.7%

**Comparison of Rates Effective February 1, 2020 and Proposed Rates for Effect August 1, 2020
for Residential Service Rate R**

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(A) Effective Date	(B) Charge	(C) Distribution Charge	(D) Transmission Charge	(E) Stranded Cost Recovery Charge	(F) System Benefits Charge	(G) Electricity Consumption Tax	(H) Energy Service Charge	(I) Total Rate
February 1, 2020	Customer charge (per month)	\$ 13.81						\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.02241	\$ 0.01018	\$ 0.00743	\$ -	\$ 0.08306	\$ 0.16816
August 1, 2020 (Proposed)	Customer charge (per month)	\$ 13.81						\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.02924	\$ 0.00927	\$ 0.00743	\$ -	\$ 0.07068	\$ 0.16170

Calculation of 550 kWh monthly bill, by rate component:

	02/01/2020	08/01/2020	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 38.60	\$ 38.60	\$ -	0.0%	0.0%
Transmission	12.33	16.08	3.75	30.4%	3.5%
Stranded Cost Recovery Charge	5.60	5.10	(0.50)	-8.9%	-0.5%
System Benefits Charge	4.09	4.09	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 60.62	\$ 63.87	\$ 3.25	5.4%	3.1%
Energy Service	45.68	38.87	(6.81)	-14.9%	-6.4%
Total	\$ 106.30	\$ 102.74	\$ (3.56)	-3.3%	-3.3%

Calculation of 600 kWh monthly bill, by rate component:

	02/01/2020	08/01/2020	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 40.86	\$ 40.86	\$ -	0.0%	0.0%
Transmission	13.45	17.54	4.09	30.4%	3.6%
Stranded Cost Recovery Charge	6.11	5.56	(0.55)	-9.0%	-0.5%
System Benefits Charge	4.46	4.46	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 64.88	\$ 68.42	\$ 3.54	5.5%	3.1%
Energy Service	49.84	42.41	(7.43)	-14.9%	-6.5%
Total	\$ 114.72	\$ 110.83	\$ (3.89)	-3.4%	-3.4%

Calculation of 650 kWh monthly bill, by rate component:

	02/01/2020	08/01/2020	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 43.11	\$ 43.11	\$ -	0.0%	0.0%
Transmission	14.57	19.01	4.44	30.5%	3.6%
Stranded Cost Recovery Charge	6.62	6.03	(0.59)	-8.9%	-0.5%
System Benefits Charge	4.83	4.83	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 69.13	\$ 72.98	\$ 3.85	5.6%	3.1%
Energy Service	53.99	45.94	(8.05)	-14.9%	-6.5%
Total	\$ 123.12	\$ 118.92	\$ (4.20)	-3.4%	-3.4%

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Rate Changes Proposed for Effect on August 1, 2020

Impact of Each Change on Delivery Service Bills
Rate Changes Expressed as a Percentage of Total Delivery Revenue for Each Class

Class	Distribution	Transmission	SCRC	System Benefits	Consumption Tax	Total Delivery Service
Residential	0.0%	6.3%	-0.8%	0.0%	0.0%	5.5%
General Service	0.0%	7.0%	-1.4%	0.0%	0.0%	5.6%
Primary General Service	0.0%	10.1%	-1.8%	0.0%	0.0%	8.3%
GV Rate B	0.0%	6.4%	-0.9%	0.0%	0.0%	5.5%
Total Primary General Service	0.0%	10.1%	-1.8%	0.0%	0.0%	8.3%
Large General Service	0.0%	11.2%	-1.4%	0.0%	0.0%	9.7%
LG Rate B	0.0%	15.6%	-1.4%	0.0%	0.0%	14.2%
Total Large General Service	0.0%	11.4%	-1.4%	0.0%	0.0%	10.0%
Outdoor Lighting Rate OL	0.0%	1.5%	-0.9%	0.0%	0.0%	0.5%
Energy Efficient Outdoor Lt. Rate EOL	0.0%	1.7%	-1.1%	0.0%	0.0%	0.6%
Total Outdoor Lighting	0.0%	1.6%	-1.0%	0.0%	0.0%	0.6%
Total Retail	0.0%	7.4%	-1.2%	0.0%	0.0%	6.3%

Rate Changes Proposed for Effect on August 1, 2020

Impact of Each Change on Bills including Energy Service
Rate Changes Expressed as a Percentage of Total Revenue for Each Class

Class	Distribution	Transmission	SCRC	System Benefits	Consumption Tax	Energy Service	Total Delivery and Energy
Residential	0.0%	3.6%	-0.5%	0.0%	0.0%	-6.5%	-3.4%
General Service	0.0%	3.7%	-0.7%	0.0%	0.0%	-7.2%	-4.2%
Primary General Service	0.0%	4.3%	-0.8%	0.0%	0.0%	-7.1%	-3.6%
GV Rate B	0.0%	4.8%	-0.7%	0.0%	0.0%	-3.1%	1.1%
Total General Service	0.0%	4.3%	-0.8%	0.0%	0.0%	-7.1%	-3.6%
Large General Service	0.0%	4.1%	-0.5%	0.0%	0.0%	-7.8%	-4.2%
LG Rate B	0.0%	7.1%	-0.6%	0.0%	0.0%	-6.7%	-0.3%
Total Large General Service	0.0%	4.2%	-0.5%	0.0%	0.0%	-7.7%	-4.0%
Outdoor Lighting Rate OL	0.0%	1.2%	-0.7%	0.0%	0.0%	-3.1%	-2.7%
Energy Efficient Outdoor Lt. Rate EOL	0.0%	1.3%	-0.8%	0.0%	0.0%	-3.4%	-3.0%
Total Outdoor Lighting	0.0%	1.2%	-0.8%	0.0%	0.0%	-3.3%	-2.8%
Total Retail	0.0%	3.8%	-0.6%	0.0%	0.0%	-6.9%	-3.7%