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July 22, 2020

Debra Howland  
Executive Director  
New Hampshire Public Utilities Commission  
21 South Fruit Street, Suite 10  
Concord, NH 03301-2429

RE: Docket No. DE 20-085  
Public Service Company of New Hampshire d/b/a Eversource Energy  
2020 Transmission Cost Adjustment Mechanism  
**Response to Record Request – Exhibit 2**

Dear Director Howland:

On July 22, 2020, a hearing was held on Public Service Company of New Hampshire d/b/a Eversource Energy's ("Eversource") Transmission Cost Adjustment Mechanism ("TCAM") rate. During that hearing it was noted that the rate calculations proposed by Eversource included an under-recovery of LNS costs spread out over 24 months, as described on Bates pages 18-19. It was further noted that the Staff did not support the use of 24 months and advocated for the under-recovery to be addressed as it would traditionally have been handled where the impact would be included in the TCAM rate over the next 12-month period.

Limited information about the impact of a change from 24 to 12 months was provided during the hearing, but the Commission held Exhibit 2 open for a record request submission that would more fully demonstrate the rate and bill impacts of using the traditional recovery method rather than the 24-month method. Accordingly, enclosed for filing are updates to the rates calculation pages of Eversource's TCAM submission to reflect the adjustment to the TCAM rate using the traditional recovery method. It is Eversource's position that the rates as reflected in this submission are just and reasonable and that they should be approved by the Commission should the Commission elect to require the under-recovery to be addressed over 12 months. If you have any questions, please do not hesitate to contact me. Thank you for your assistance with this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to be "M. Fossum", with a long horizontal flourish extending to the right.

Matthew J. Fossum  
Senior Regulatory Counsel

Enclosures  
CC: Service List

Docket No. DE 20-085  
 Dated: July 22, 2020  
 Attachment ELM-1  
 Page 1

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

(Dollars in 000s)

1	<b>TCAM Rate Calculation</b>	<b>Forecast</b>	<b>Reference:</b>
2	<b>August 2020 Through July 2021</b>	<b>Summary</b>	<b>Attachment ELM-1</b>
3	Regional Network Service (RNS)	\$ 170,758	Page 2
4	Scheduling and Dispatch (S&D)	2,312	Page 2
5	Local Network Service (LNS)	27,371	Page 2
6	Reliability	6,048	Page 2
7	Hydro-Quebec Interconnection Capacity Credits	(6,409)	Page 2
8	Hydro-Quebec Support Costs	4,969	Page 2
9	Return on TCAM Working Capital	(481)	Page 2
10	Revenue Credits	(4,969)	Page 2
11			
12	Total Forecasted Costs	\$ 199,597	
13			
14	Cumulative Estimated (Over) / Under Recovery	13,821	Page 5
15			
16	Total Costs	\$ 213,418	
17			
18	Forecasted Retail MWH Sales	7,737,205	Page 2
19			
20	Forecasted TCAM Rate--cents per kWh	2.758	
21			
22			
23			
24	Amounts shown above may not add due to rounding.		

Docket No. DE 20-085  
Dated: July 22, 2020  
Attachment ELM-1  
Page 1a

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

(Dollars in 000s)

**Note: This schedule is provided as an aid to analysis and is not part of the rate calculation**

	(A)	(B)	(C)
TCAM Rate Calculation	Forecast	Currently Allowed (1)	(A)-(B)=(C)
	12 mths-07/2021	12 mths-07/2020	Delta
1 <b>Comparison of Forecast to Currently Allowed</b>			
2			
3 Regional Network Service (RNS)	\$ 170,758	\$ 148,526	\$ 22,232
4 Scheduling and Dispatch (S&D)	2,312	2,110	202
5 Local Network Service (LNS)	27,371	20,640	6,731
6 Reliability	6,048	5,238	810
7 Hydro-Quebec Interconnection Capacity Credits	(6,409)	(8,294)	1,885
8 Hydro-Quebec Support Costs	4,969	4,137	832
9 Return on TCAM Working Capital	(481)	(555)	73
10 Revenue Credits	(4,969)	(4,137)	(832)
11			
12 Sub-total	\$ 199,597	\$ 167,664	\$ 31,933
13			
14 Prior Period (Over) / Under Recovery	13,821	(7,268)	21,089
15			
16 Total	\$ 213,418	\$ 160,396	\$ 53,022
17			
18 Retail MWH Sales	7,737,205	7,822,136	
19			
20 TCAM Rate--cents per kWh	2.758	2.051	
21			
22 (1) DE 19-106; Order # 26,276 dated July 30, 2019			
23			
24 Amounts shown above may not add due to rounding.			

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
August 2020 through July 2021**

(Dollars in 000s)

		Forecast						Six Months	
		August	September	October	November	December	January	August-January	
		2020	2020	2020	2020	2020	2021	Subtotal	
1	<b>Retail Transmission Cost</b>								
2									
3	Regional Network Service (RNS)	18,053	16,955	15,587	11,763	13,023	13,885	89,265	
4									
5	Scheduling and Dispatch (S&D)	244	230	211	159	176	188	1,209	
6									
7	Local Network Service (LNS) (1)	2,281	2,281	2,281	2,281	2,281	2,281	13,685	
8									
9	Reliability	499	499	499	499	499	499	2,993	
10									
11	Hydro-Quebec Interconnection Capacity Credits	(546)	(546)	(546)	(546)	(546)	(546)	(3,273)	
12									
13	Hydro-Quebec Support Costs	414	414	414	414	414	414	2,485	
14									
15	Return on TCAM Working Capital Allowance (2))	(60)	(54)	(47)	(27)	(34)	(38)	(260)	
16									
17	(Over) Recovery TCAM, previous TCAM Year	13,821	-	-	-	-	-	13,821	
18									
19	Revenue Credits (3)	(414)	(414)	(414)	(414)	(414)	(414)	(2,485)	
20									
21	Retail Transmission Operating Costs	\$ 34,293	\$ 19,364	\$ 17,984	\$ 14,129	\$ 15,399	\$ 16,269	\$ 117,438	
22									
23	Estimated Retail MWH Sales	720,362	608,001	608,508	604,191	679,307	707,777	3,928,145	
24									
25									
26									
27									
28									
29	<b>Retail Transmission Cost</b>								
30									
31	Regional Network Service (RNS)	14,535	13,464	12,979	11,669	13,277	15,569	81,493	170,758
32									
33	Scheduling and Dispatch (S&D)	197	182	176	158	180	211	1,103	2,312
34									
35	Local Network Service (LNS) (1)	2,281	2,281	2,281	2,281	2,281	2,281	13,686	27,371
36									
37	Reliability	499	511	511	511	511	511	3,055	6,048
38									
39	Hydro-Quebec Interconnection Capacity Credits	(546)	(546)	(546)	(546)	(476)	(476)	(3,135)	(6,409)
40									
41	Hydro-Quebec Support Costs	414	414	414	414	414	414	2,485	4,969
42									
43	Return on TCAM Working Capital Allowance (2)	(42)	(36)	(34)	(27)	(36)	(47)	(221)	(481)
44									
45	(Over) Recovery TCAM, previous TCAM Year	-	-	-	-	-	-	-	13,821
46									
47	Revenue Credits (3)	(414)	(414)	(414)	(414)	(414)	(414)	(2,485)	(4,969)
48									
49	Retail Transmission Operating Costs	\$ 16,924	\$ 15,857	\$ 15,368	\$ 14,046	\$ 15,737	\$ 18,049	\$ 95,980	\$ 213,418
50									
51	Estimated Retail MWH Sales	617,101	647,671	581,724	590,301	639,702	732,561	3,809,060	7,737,205
52									
53	Note 1 - LNS includes the following:								
54									
55		August	September	October	November	December	January	August-January	
56		2020	2020	2020	2020	2020	2021	Subtotal	
56	LNS - ISO-NE Current Month	\$ 2,046	\$ 2,046	\$ 2,046	\$ 2,046	\$ 2,046	\$ 2,046	\$ 12,275	
57	LNS - ISO-NE Prior Year True-Up	-	-	-	-	-	-	-	
58	LNS - HQ Current Month	235	235	235	235	235	235	1,410	
59	LNS Total	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 13,685	
60									
61									
62		February	March	April	May	June	July	February-July	
63		2021	2021	2021	2021	2021	2021	Subtotal	
63	LNS - ISO-NE Current Month	2,046	2,046	2,046	2,046	2,046	2,046	\$ 12,276	
64	LNS - ISO-NE Prior Year True-Up	-	-	-	-	-	-	-	
65	LNS - HQ Current Month	235	235	235	235	235	235	1,410	
66	LNS Total	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 13,686	
67									
68	Note 2 - The return on the working capital allowance is based on the calculation provided in the Lead/Lag Analysis Attachment ELM-2, Page 1, Line 21.								
69									
70	Note 3 - Revenue credits represent Hydro-Quebec (H-Q) revenues associated with the H-Q support contract through July 2021.								
71									
72									
73	Amounts shown above may not add due to rounding.								

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY  
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION  
February 2020 - July 2020

(Dollars in 000s)

	Balance 01/31/2020	Actual				Forecast		Total	Reference
		February 2020	March 2020	April 2020	May 2020	June 2020	July 2020		
1 <b>Retail Transmission Costs</b>									
2									
3 Retail Transmission Operating Revenues		\$ (12,266)	\$ (12,900)	\$ (11,208)	\$ (11,866)	\$ (12,873)	\$ (14,990)	\$ (76,104)	ELM-1, Pg 8
4									
5 Regional Network Service (RNS)		11,609	10,893	10,073	9,679	11,688	16,179	70,120	
6									
7 Scheduling and Dispatch (S&D)		165	155	143	138	166	219	986	
8									
9 Local Network Service (LNS) (1)		2,231	2,237	2,341	2,358	17,945	2,281	29,393	
10									
11 Reliability		505	514	497	481	499	499	2,995	
12									
13 Hydro-Quebec Interconnection Capacity Credits		(709)	(717)	(718)	(743)	(546)	(546)	(3,978)	
14									
15 Hydro-Quebec Support Costs		365	293	338	370	419	414	2,199	
16									
17 Return on TCAM Working Capital (2)		(42)	(40)	(35)	(33)	(16)	(62)	(228)	
18									
19 Revenue Credits (3)		(365)	(293)	(338)	(370)	(419)	(414)	(2,199)	
20									
21 Retail Transmission Operating Costs		\$ 13,759	\$ 13,042	\$ 12,302	\$ 11,880	\$ 29,736	\$ 18,570	\$ 99,288	
22									
23 (Over) / Under-Recovery		\$ 1,492	\$ 142	\$ 1,094	\$ 14	\$ 16,863	\$ 3,580	\$ 23,184	
24									
25 Cumulative (Over) / Under-Recovery		\$ (9,295)	\$ (7,829)	\$ (7,687)	\$ (6,593)	\$ (6,580)	\$ 10,283	\$ 13,863	
26									
27 <b>Calculation of Return/Deferral</b>									
28									
29 Average Balance		(8,562)	(7,758)	(7,140)	(6,587)	1,852	12,073		
30									
31 Deferred tax calculation--									
32 Deferred tax rate		27.083%	27.083%	27.083%	27.083%	27.083%	27.083%		
33									
34 ADIT on the average balance		\$ 2,319	\$ 2,101	\$ 1,934	\$ 1,784	\$ (502)	\$ (3,270)		
35									
36 Average Balance, Net of Accum. Def. Income Taxes		\$ (6,243)	\$ (5,657)	\$ (5,206)	\$ (4,803)	\$ 1,350	\$ 8,803		
37									
38 x Return at Prime Rate		0.3958%	0.3150%	0.2708%	0.2708%	0.2708%	0.2708%		
39									
40 Return-Monthly		\$ (25)	\$ (18)	\$ (14)	\$ (13)	\$ 4	\$ 24	\$ (42)	
41									
42 Cumulative Return		\$ (25)	\$ (43)	\$ (57)	\$ (70)	\$ (66)	\$ (42)		
43									
44 Cumulative (Over) / Under Recovery, Including Return		\$ (7,854)	\$ (7,730)	\$ (6,650)	\$ (6,650)	\$ 10,217	\$ 13,821		
45									
46 Note 1 - LNS includes the following:									
47 LNS - ISO-NE Current Month		\$ 2,022	\$ 2,026	\$ 2,025	\$ 2,049	2,046	2,046	\$ 12,212	
48 LNS - ISO-NE Prior Year True-Up		-	-	-	-	15,546	-	15,546	
49 LNS - HQ Current Month		209	211	317	310	353	235	1,635	
50 LNS Total		\$ 2,231	\$ 2,237	\$ 2,341	\$ 2,358	\$ 17,945	\$ 2,281	\$ 29,393	
51									

52 Note 2 - The return on the working capital allowance per Attachment ELM-2, Page 4, Line 21.

53

54 Note 3-- Revenue credits include Hydro-Quebec revenues.

55

56 Amounts shown above may not add due to rounding.

Public Service Company of New Hampshire d/b/a Eversource Energy  
Retail Transmission Cash Working Capital Requirement  
For the 12 Months Ending July 31, 2021  
Monthly Working Capital Allowance Calculation  
(S in 000s)

Line	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug-Jul Total	Source
<b>Retail Transmission Cost</b>														
1 Regional Network Service (RNS)	\$ 18,053	\$ 16,955	\$ 15,587	\$ 11,763	\$ 13,023	\$ 13,885	\$ 14,535	\$ 13,464	\$ 12,979	\$ 11,669	\$ 13,277	\$ 15,569	\$ 170,758	Attachment ELM-1, Page 2, Lines 3 and 31
2 (RNS) Working Capital Allowance Percent	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	Attachment ELM-2, Page 5, Line 1
3 (RNS) Working Capital Allowance \$	\$ (975)	\$ (916)	\$ (842)	\$ (636)	\$ (704)	\$ (750)	\$ (785)	\$ (727)	\$ (701)	\$ (630)	\$ (717)	\$ (841)	\$ (9,226)	Line 1 * Line 2
4 Scheduling and Dispatch (S&D)	\$ 244	\$ 230	\$ 211	\$ 159	\$ 176	\$ 188	\$ 197	\$ 182	\$ 176	\$ 158	\$ 180	\$ 211	\$ 2,312	Attachment ELM-1, Page 2, Lines 5 and 33
5 (S&D) Working Capital Allowance Percent	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	-5.40%	Attachment ELM-2, Page 5, Line 2
6 (S&D) Working Capital Allowance \$	\$ (13)	\$ (12)	\$ (11)	\$ (9)	\$ (10)	\$ (10)	\$ (11)	\$ (10)	\$ (9)	\$ (9)	\$ (10)	\$ (11)	\$ (125)	Line 4 * Line 5
7 Local Network Service (LNS)	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 2,281	\$ 27,371	Attachment ELM-1, Page 2, Lines 7 and 35
8 (LNS) Working Capital Allowance Percent	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	13.14%	Attachment ELM-2, Page 5, Line 3
9 (LNS) Working Capital Allowance \$	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300	\$ 3,596	Line 7 * Line 8
10 Reliability	\$ 499	\$ 499	\$ 499	\$ 499	\$ 499	\$ 499	\$ 499	\$ 511	\$ 511	\$ 511	\$ 511	\$ 511	\$ 6,048	Attachment ELM-1, Page 2, Lines 9 and 37
11 (Reliability) Working Capital Allowance Percent	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	-5.43%	Attachment ELM-2, Page 5, Line 4
12 (Reliability) Working Capital Allowance \$	\$ (27)	\$ (27)	\$ (27)	\$ (27)	\$ (27)	\$ (27)	\$ (27)	\$ (28)	\$ (28)	\$ (28)	\$ (28)	\$ (28)	\$ (329)	Line 10 * Line 11
13 Hydro-Quebec (HQ) Support Costs	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 414	\$ 4,969	Attachment ELM-1, Page 2, Lines 13 and 41
14 (HQ Support Costs) Working Capital Allowance Percent	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	12.32%	Attachment ELM-2, Page 5, Line 5
15 (HQ Support Costs) Working Capital Allowance \$	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 51	\$ 612	Line 13 * Line 14
16 Hydro-Quebec Interconnection Capacity Credits (HQICC)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (546)	\$ (476)	\$ (476)	\$ (6,409)	Attachment ELM-1, Page 2, Lines 11 and 39
17 (HQ ICC) Working Capital Allowance Percent	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	-5.41%	Attachment ELM-2, Page 5, Line 6
18 (HQ ICC) Working Capital Allowance \$	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 26	\$ 26	\$ 347	Line 16 * Line 17
19 Monthly Working Capital Allowance \$	\$ (636)	\$ (575)	\$ (500)	\$ (291)	\$ (360)	\$ (407)	\$ (443)	\$ (385)	\$ (358)	\$ (287)	\$ (378)	\$ (504)	\$ (5,124)	Line 3 + Line 6 + Line 9 + Line 12 + Line 15 + Line 18
20 Rate of Return	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%	Authorized Return per DE 09-035 including tax gross up
21 Monthly Return on Working Capital	\$ (60)	\$ (54)	\$ (47)	\$ (27)	\$ (34)	\$ (38)	\$ (42)	\$ (36)	\$ (34)	\$ (27)	\$ (36)	\$ (47)	\$ (481)	Line 19 * Line 20

Public Service Company of New Hampshire d/b/a Eversource Energy  
Retail Transmission Cash Working Capital Requirement  
For the 6 Months Ending July 31, 2020  
Monthly Working Capital Allowance Calculation  
(\$ in 000s)

Line	Retail Transmission Cost	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Feb-Jul Total	Source
1	Regional Network Service (RNS)	\$ 11,609	\$ 10,893	\$ 10,073	\$ 9,679	\$ 11,688	\$ 16,179	\$ 70,120	Attachment ELM-1, Page 5, Line 5
2	(RNS) Working Capital Allowance Percent	-4.61%	-4.61%	-4.61%	-4.61%	-4.61%	-4.61%		DE 19-106 Attachment ELM-2, Page 1, Line 2
3	(RNS) Working Capital Allowance \$	\$ (535)	\$ (502)	\$ (465)	\$ (446)	\$ (539)	\$ (746)	\$ (3,234)	Line 1 * Line 2
4	Scheduling and Dispatch (S&D)	\$ 165	\$ 155	\$ 143	\$ 138	\$ 166	\$ 219	\$ 986	Attachment ELM-1, Page 5, Line 7
5	(S&D) Working Capital Allowance Percent	-4.60%	-4.60%	-4.60%	-4.60%	-4.60%	-4.60%		DE 19-106 Attachment ELM-2, Page 1, Line 4
6	(S&D) Working Capital Allowance \$	\$ (8)	\$ (7)	\$ (7)	\$ (6)	\$ (8)	\$ (10)	\$ (45)	Line 4 * Line 5
7	Local Network Service (LNS)	\$ 2,231	\$ 2,237	\$ 2,341	\$ 2,358	\$ 17,945	\$ 2,281	\$ 29,393	Attachment ELM-1, Page 5, Line 9
8	(LNS) Working Capital Allowance Percent	1.77%	1.77%	1.77%	1.77%	1.77%	1.77%		DE 19-106 Attachment ELM-2, Page 1, Line 6
9	(LNS) Working Capital Allowance \$	\$ 39	\$ 40	\$ 41	\$ 42	\$ 317	\$ 40	\$ 520	Line 7 * Line 8
10	Reliability	\$ 505	\$ 514	\$ 497	\$ 481	\$ 499	\$ 499	\$ 2,995	Attachment ELM-1, Page 5, Line 11
11	(Reliability) Working Capital Allowance Percent	-4.61%	-4.61%	-4.61%	-4.61%	-4.61%	-4.61%		DE 19-106 Attachment ELM-2, Page 1, Line 8
12	(Reliability) Working Capital Allowance \$	\$ (23)	\$ (24)	\$ (23)	\$ (22)	\$ (23)	\$ (23)	\$ (138)	Line 10 * Line 11
13	Hydro-Quebec Support Costs	\$ 365	\$ 293	\$ 338	\$ 370	\$ 419	\$ 414	\$ 2,199	Attachment ELM-1, Page 5, Line 15
14	(HQ Support Costs) Working Capital Allowance Percent	13.15%	13.15%	13.15%	13.15%	13.15%	13.15%		DE 19-106 Attachment ELM-2, Page 1, Line 12
15	(HQ Support Costs) Working Capital Allowance \$	\$ 48	\$ 39	\$ 44	\$ 49	\$ 55	\$ 54	\$ 289	Line 13 * Line 14
16	Hydro-Quebec Interconnection Capacity Credits	\$ (709)	\$ (717)	\$ (718)	\$ (743)	\$ (546)	\$ (546)	\$ (3,978)	Attachment ELM-1, Page 5, Line 13
17	(HQ ICC) Working Capital Allowance Percent	-4.48%	-4.48%	-4.48%	-4.48%	-4.48%	-4.48%		DE 19-106 Attachment ELM-2, Page 1, Line 10
18	(HQ ICC) Working Capital Allowance \$	\$ 32	\$ 32	\$ 32	\$ 33	\$ 24	\$ 24	\$ 178	Line 16 * Line 17
19	Monthly Working Capital Allowance	\$ (447)	\$ (423)	\$ (376)	\$ (351)	\$ (173)	\$ (660)	\$ (2,429)	Line 3 + Line 6 + Line 9 + Line 12 + Line 15 + Line 18
20	Rate of Return	9.40%	9.40%	9.40%	9.40%	9.40%	9.40%		Authorized Return per DE 09-035 including tax gross up
21	Monthly Return on Working Capital	\$ (42)	\$ (40)	\$ (35)	\$ (33)	\$ (16)	\$ (62)	\$ (228)	Line 19 * Line 20

Testimony of Jennifer A. Ullram  
Docket No. DE 20-085  
July 14, 2020  
Page 5 of 6

1 charges for all other customer classes were determined by adjusting all currently-  
2 effective revenue and rates by an equal percentage to result in the amount necessary to  
3 recover the transmission revenue requirement net of the Rate B base amount. The  
4 allocation of transmission revenue to each rate class under this methodology is shown  
5 on Attachment JAU-3, lines 27 to 39.

6 **Q. Please explain why 2018 sales and demands filed in the PSNH Permanent rate case**  
7 **were not used to calculate bill impacts or used to develop billing determinants.**

8 A. The 2018 Test Year information used in the permanent rate case has not been litigated  
9 or approved by the Commission. Based on the current schedule, approval will not occur  
10 until later in 2020. Therefore, the Company believes it is appropriate to update  
11 transmission class allocations and corresponding billing determinants and after approval  
12 of distribution rates in the permanent rate case. Accordingly, the Company plans to  
13 incorporate updates consistent with the Commission's approval of revenue allocations  
14 and rate design in proposed changes in the July 2021 TCAM filing for rates effective  
15 August 1, 2021.

16 **Q. Please describe the bill impacts for a residential customer using 600 kWh per**  
17 **month.**

18 A. A residential customer using 600 kWh per month will see a total bill decrease of \$2.33  
19 per month if the customer is taking Default Energy Service from Eversource. This  
20 assumes the Commission approves the Company's proposal to spread the 2019 Local  
21 Network Service true-up over 24-months as well as approving the Stranded Cost



Public Service Company of New Hampshire,  
d/b/a Eversource Energy  
Docket No. DE 20-085  
Dated: July 22, 2020  
Attachment JAU-1  
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**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	\$ 0.03011
Uncontrolled Water Heating	All KWH	\$ 0.01735	\$ 0.02331
Controlled Water Heating	All KWH	\$ 0.01735	\$ 0.02331
R-OTOD	On-peak KWH	\$ 0.02241	\$ 0.03011
	Off-peak KWH	\$ 0.01463	\$ 0.01966
G	Load charge (over 5 KW)	\$ 5.78	\$ 7.77
	First 500 KWH	\$ 0.02089	\$ 0.02807
	Next 1,000 KWH	\$ 0.00786	\$ 0.01056
	All additional KWH	\$ 0.00421	\$ 0.00566
Space Heating	All KWH	\$ 0.02089	\$ 0.02807
G-OTOD	Load charge	\$ 3.81	\$ 5.12
LCS	Radio-controlled option	\$ 0.01735	\$ 0.02331
	8-hour option	\$ 0.01735	\$ 0.02331
	10 or 11-hour option	\$ 0.01735	\$ 0.02331
GV	First 100 KW	\$ 7.74	\$ 10.40
	All additional KW	\$ 7.74	\$ 10.40
LG	Demand charge	\$ 7.62	\$ 10.24
B (3)	Demand charge	\$ 1.02	\$ 1.59
OL, EOL	All KWH	\$ 0.01532	\$ 0.02058

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 2.758 ¢/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.

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

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**Base Component Revenue Requirement**

Total Transmission Revenue Requirement	\$ 213,418,100	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	\$ 821,241	Line 14 x Line 16
Base Component Reconciliation	<u>\$ 296,831</u>	JAU-2, Page 3, Line 32
Base Component Revenue Requirement	\$ 1,118,072	Line 18 + Line 20
Rate B Projected Billing Demand	<u>1,228,722</u>	
Rate B Base Component per kW or kVA	\$ 0.91	Line 22/Line 24

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**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	\$ 181,123,164	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	(200,553)	ELM-1, Page 4, line 40 and Page 5, line 40
Prior Period Transmission Revenue Requirement	\$ 169,327,189	Sum of Lines 16 to 18
Times Base Component Ratio	0.38480%	JAU-2, Page 2, Line 33
Prior Period Base Component Revenue Requirement	\$ 651,577	Line 20 x Line 22
Base Component Reconciliation for 12-Month Period Ending 7/31/2019	174,955	JAU-2, Page 5, line 32
Total Base Component Revenue Requirement	\$ 826,532	Line 24 + Line 26
Base Component Revenue (actual through May 2020; June and July 2020 estimated)	529,701	
Estimated Base Component Reconciliation, 12 months Ending 7/31/2020	\$ 296,831	Line 28 - Line 30

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

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			Source	
2014 retail billed delivery sales		7,906,557	MWH	
Forecasted TCAM Rate		\$ 0.02758	per KWH	Attachment ELM-1, Page 1, Line 20
Target transmission revenue		\$ 218,089	(000)	Line 13 x Line 14
Rate B Base Component Revenue		\$ 1,074	(000)	Attachment JAU-4, Column C, Line 27
Transmission revenue to be recovered from all other classes		\$ 217,015	(000)	Line 15 - Line 16
	(1)	(2)	(3)	(4)
	Revenue at	08/01/2020		
	08/01/2019	Revenue	Change	
<b>Transmission revenue</b>	<b>Rate Level</b>	<b>Target</b>	<b>Amount</b>	<b>Percent Change</b>
<b>excluding Rate B Base Component</b>				
Residential Rates R, R-OTOD	\$ 70,596	\$ 94,847	\$ 24,252	34.4%
General Service Rates G, G-OTOD	35,538	47,746	12,208	34.4%
Primary General Service Rate GV	32,688	43,917	11,229	34.4%
GV Rate B - incremental component only	23	31	8	34.4%
Large General Service Rate LG	21,514	28,904	7,391	34.4%
LG Rate B - incremental component only	574	772	197	34.4%
Outdoor Lighting Rates OL, EOL	594	798	204	34.4%
<b>Total (Sum of Lines 27 to 37)</b>	\$ 161,526	\$ 217,015	\$ 55,489	34.4%
<b>Rate B Base Component</b>				
GV Rate B - base component	\$ 23	\$ 42	\$ 18	78.4%
LG Rate B - base component	578	1,032	454	78.4%
<b>Total (Line 43 + Line 44)</b>	\$ 602	\$ 1,074	\$ 472	78.4%
<b>Total, all customers (Line 39 + Line 45)</b>	\$ 162,128	\$ 218,089	\$ 55,961	34.5%
Total Rate B, incremental plus base:				
Rate GV: Line 32 + Line 43	\$ 47	\$ 73	\$ 26	56.5%
Rate LG: Line 35+ Line 44	1,153	1,804	651	56.5%
Total	\$ 1,200	\$ 1,877	\$ 677	56.5%

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).

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**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)	(B)	(C) = (A) x (B)	(D)	(E) = (D) / (A)	(F) = (B) + (E)
	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
Rate B customers on Rate GV	45,945	\$ 0.91	\$ 41,810	\$ 31,263	\$ 0.68	\$ 1.59
Rate B customers on Rate LG	1,134,264	\$ 0.91	\$ 1,032,180	\$ 771,804	\$ 0.68	\$ 1.59
Total Rate B customers	1,180,209		\$ 1,073,990	\$ 803,067		

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**

(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)	\$ 13.81						\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.02241	\$ 0.01764	\$ 0.00586	\$ -	\$ 0.08825	\$ 0.17924
August 1, 2020 (Proposed)	Customer charge (per month)	\$ 13.81		\$ 0.01098	\$ 0.00743	\$ -	\$ 0.07068	\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.03011	\$ 0.01098	\$ 0.00743	\$ -	\$ 0.07068	\$ 0.16428

**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	16.56	4.23	34.3%	3.8%
Stranded Cost Recovery Charge	9.70	6.04	(3.66)	-37.7%	-3.3%
System Benefits Charge	3.22	4.09	0.87	27.0%	0.8%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 63.85	\$ 65.29	\$ 1.44	2.3%	1.3%
Energy Service	48.54	38.87	(9.67)	-19.9%	-8.6%
Total	\$ 112.39	\$ 104.16	\$ (8.23)	-7.3%	-7.3%

**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	18.07	4.62	34.3%	3.8%
Stranded Cost Recovery Charge	10.58	6.59	(3.99)	-37.7%	-3.3%
System Benefits Charge	3.52	4.46	0.94	26.7%	0.8%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 68.41	\$ 69.98	\$ 1.57	2.3%	1.3%
Energy Service	52.95	42.41	(10.54)	-19.9%	-8.7%
Total	\$ 121.36	\$ 112.39	\$ (8.97)	-7.4%	-7.4%

**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	19.57	5.00	34.3%	3.8%
Stranded Cost Recovery Charge	11.47	7.14	(4.33)	-37.8%	-3.3%
System Benefits Charge	3.81	4.83	1.02	26.8%	0.8%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 72.96	\$ 74.65	\$ 1.69	2.3%	1.3%
Energy Service	57.36	45.94	(11.42)	-19.9%	-8.8%
Total	\$ 130.32	\$ 120.59	\$ (9.73)	-7.5%	-7.5%

**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)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Effective Date	Charge	Distribution Charge	Transmission Charge	Stranded Cost Recovery Charge	System Benefits Charge	Electricity Consumption Tax	Energy Service Charge	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		\$ 0.01098	\$ 0.00743	\$ -	\$ 0.07068	\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.03011	\$ 0.01098	\$ 0.00743	\$ -	\$ 0.07068	\$ 0.16428

**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	16.56	4.23	34.3%	4.0%
Stranded Cost Recovery Charge	5.60	6.04	0.44	7.9%	0.4%
System Benefits Charge	4.09	4.09	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 60.62	\$ 65.29	\$ 4.67	7.7%	4.4%
Energy Service	45.68	38.87	(6.81)	-14.9%	-6.4%
Total	\$ 106.30	\$ 104.16	\$ (2.14)	-2.0%	-2.0%

**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	18.07	4.62	34.3%	4.0%
Stranded Cost Recovery Charge	\$ 6.11	6.59	0.48	7.9%	0.4%
System Benefits Charge	\$ 4.46	4.46	-	0.0%	0.0%
Electricity Consumption Tax	\$ -	-	-	0.0%	0.0%
Delivery Service	\$ 64.88	\$ 69.98	\$ 5.10	7.9%	4.4%
Energy Service	49.84	42.41	(7.43)	-14.9%	-6.5%
Total	\$ 114.72	\$ 112.39	\$ (2.33)	-2.0%	-2.0%

**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	19.57	5.00	34.3%	4.1%
Stranded Cost Recovery Charge	6.62	7.14	0.52	7.9%	0.4%
System Benefits Charge	4.83	4.83	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 69.13	\$ 74.65	\$ 5.52	8.0%	4.5%
Energy Service	53.99	45.94	(8.05)	-14.9%	-6.5%
Total	\$ 123.12	\$ 120.59	\$ (2.53)	-2.1%	-2.1%

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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%	7.1%	0.7%	0.0%	0.0%	7.9%
General Service	0.0%	7.9%	0.5%	0.0%	0.0%	8.5%
Primary General Service	0.0%	11.4%	1.1%	0.0%	0.0%	12.5%
GV Rate B	0.0%	7.4%	0.5%	0.0%	0.0%	7.9%
Total Primary General Service	0.0%	11.4%	1.1%	0.0%	0.0%	12.5%
Large General Service	0.0%	12.6%	2.1%	0.0%	0.0%	14.7%
LG Rate B	0.0%	18.1%	2.2%	0.0%	0.0%	20.3%
Total Large General Service	0.0%	12.9%	2.1%	0.0%	0.0%	15.0%
Outdoor Lighting Rate OL	0.0%	1.7%	-0.4%	0.0%	0.0%	1.2%
Energy Efficient Outdoor Lt. Rate EOL	0.0%	1.9%	-0.5%	0.0%	0.0%	1.4%
Total Outdoor Lighting	0.0%	1.8%	-0.4%	0.0%	0.0%	1.3%
Total Retail	0.0%	8.4%	0.8%	0.0%	0.0%	9.2%



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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%	4.0%	0.4%	0.0%	0.0%	-6.5%	-2.1%
General Service	0.0%	4.1%	0.3%	0.0%	0.0%	-7.2%	-2.8%
Primary General Service	0.0%	4.8%	0.4%	0.0%	0.0%	-7.1%	-1.8%
GV Rate B	0.0%	5.6%	0.4%	0.0%	0.0%	-3.1%	2.8%
Total General Service	0.0%	4.8%	0.4%	0.0%	0.0%	-7.1%	-1.8%
Large General Service	0.0%	4.6%	0.8%	0.0%	0.0%	-7.8%	-2.4%
LG Rate B	0.0%	8.2%	1.0%	0.0%	0.0%	-6.7%	2.5%
Total Large General Service	0.0%	4.8%	0.8%	0.0%	0.0%	-7.7%	-2.2%
Outdoor Lighting Rate OL	0.0%	1.3%	-0.3%	0.0%	0.0%	-3.1%	-2.1%
Energy Efficient Outdoor Lt. Rate EOL	0.0%	1.5%	-0.4%	0.0%	0.0%	-3.4%	-2.3%
Total Outdoor Lighting	0.0%	1.4%	-0.3%	0.0%	0.0%	-3.3%	-2.2%
Total Retail	0.0%	4.2%	0.4%	0.0%	0.0%	-6.9%	-2.2%