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October 9, 2020

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

RE: Docket No. DE 19-057
Public Service Company of New Hampshire d/b/a Eversource Energy
Notice of Intent to File Rate Schedules

Step Adjustment

Dear Director Howland:

Consistent with the terms of the settlement agreement filed contemporaneously with this filing, enclosed please find the testimony and supporting information of Public Service Company of New Hampshire d/b/a Eversource Energy pertaining to its first step adjustment in the above-captioned matter.

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 read "Matthew J. Fossum", with a long horizontal flourish extending to the right.

Matthew J. Fossum
Senior Regulatory Counsel

Enclosures
CC: Service List

STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

Public Service Company of New Hampshire d/b/a Eversource Energy

DOCKET NO. DE 19-057

NOTICE OF INTENT TO FILE RATE SCHEDULES

Petition for Step Adjustment

Consistent with the terms of the Settlement Agreement presented to the New Hampshire Public Utilities Commission (“Commission”) in this docket contemporaneous with this filing, Public Service Company of New Hampshire d/b/a Eversource Energy (“PSNH” or the “Company”) hereby petitions for the Commission to approve a step adjustment as called for in the Settlement Agreement effective for service rendered on and after January 1, 2020 and for such other relief as requested. In support of this Petition, PSNH states the following:

1. The full procedural history of this docket is set out in the Settlement Agreement filed contemporaneously with this petition. In brief, on March 22, 2019, PSNH filed with the Commission its Notice of Intent to File Rate Schedules pursuant to N.H. Code Admin. Rule Puc 1604.05 pertaining to its request for temporary rates. On May 8, 2019 the Commission issued Order No. 26,250, suspending PSNH’s proposed tariff for a temporary rate increase pending further investigation and on May 28, 2019, the Company submitted its permanent rate filing seeking an increase in rates of approximately \$70 million effective July 1, 2019, inclusive of the temporary rate increase. Over the ensuing year and a half (including the extension created by Governor Sununu’s extension of the Commission’s authority to suspend rate schedules by six months, from 12 to 18 months in his April 24, 2020, Emergency Order #29, issued pursuant to Executive Order 2020-04), PSNH and numerous parties engaged in discovery, technical sessions,

and other discussions culminating in the Settlement Agreement on permanent rates that is filed with the Commission contemporaneous with this submission.

2. Pursuant to Section 10 of that Settlement Agreement, PSNH is to be allowed three step increases to account for plant placed in service in calendar years 2019, 2020, and 2021. This filing represents the first of those step increases, and is intended and designed to take effect at coincident with the effective date of permanent rates as contained in the Settlement Agreement.

3. Under the terms of the Settlement Agreement relating to this first step:

the Company shall make a filing at or around the time of the filing of this Settlement Agreement with testimony and supporting information describing the capital projects placed in service in calendar year 2019, as well as testimony and supporting information describing the proposed rate impact, using the documentation available at the time of the filing. In addition, the Company's initial filing shall provide a summary list of capital projects, excluding new business projects, showing, at least: the project name and description; initial budget by project; variances from the initial budget; and final actual costs.

October 9, 2020 Settlement Agreement in Docket No. DE 19-057, Section 10.2. Included with this submission are:

- Testimony of Lee G. Lajoie, Manager of System Resiliency, and David L. Plante, Manager of the New Hampshire Project Management Department, discussing the capital projects and the processes in place at the Company pertaining to project management and budgeting; and
- Testimony of Erica L. Menard, Manager of New Hampshire Revenue Requirements, and Edward A. Davis, Director of Rates, describing the revenue requirement calculations, rate design and rate impacts from this first step increase related to the relevant plant additions.

4. As described through the above-identified testimony, and the accompanying attachments and other information, this filing demonstrates relevant support for the additions to

the Company's plant-in-service in calendar year 2019 consistent with the terms of the Settlement Agreement.

5. Pursuant to the terms of the Settlement Agreement, the step adjustment is capped at \$11 million in revenue requirement, and any revenue requirement above that amount would be deferred for some other means of recovery. If, however, the revenue requirement came in under \$11 million, then only the actual amount would be recovered. As described in the included testimony and attachments, the requested revenue requirement increase in this step is \$10,650,642 and is intended to be effective at the same time as the overall distribution rate increase called for in the Settlement Agreement.

6. The rate adjustments requested by the Company in this filing result in rates that are just and reasonable and in the public interest and should, therefore, be approved.

WHEREFORE, PSNH respectfully requests that the Commission:

- A. Grant the Company's request for a permanent rate increase of \$10,650,642 as described in the included testimony and supporting information; and
- B. Order such further relief as may be just and equitable.

Respectfully submitted,

Public Service Company of New Hampshire d/b/a Eversource Energy
By Its Attorney



Dated: October 9, 2020

By: _____
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CERTIFICATE OF SERVICE

I hereby certify that, on the date written below, I caused the attached Motion to be served pursuant to N.H. Code Admin. Rule Puc 203.11.

October 9, 2020

Date



Matthew J. Fossum

STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DOCKET NO. DE 19-057
REQUEST FOR PERMANENT RATES

DIRECT TESTIMONY OF
LEE G. LAJOIE and DAVID L. PLANTE

Step Adjustment

On behalf of Public Service Company of New Hampshire
d/b/a Eversource Energy

October 9, 2020

Public Service Company of New Hampshire
d/b/a Eversource Energy
Docket No. DE 19-057
Testimony of Lee G. Lajoie and David L. Plante
October 9, 2020

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STATE OF NEW HAMPSHIRE
BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
DIRECT TESTIMONY OF
LEE G. LAJOIE and DAVID L. PLANTE
PETITION OF PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY
REQUEST FOR PERMANENT RATES

Docket No. DE 19-057

I. INTRODUCTION

Q. Mr. Lajoie, please state your full name, position and business address.

A. My name is Lee G. Lajoie. I am employed by Eversource Energy Service Company as Manager of System Resiliency. My business address is 780 North Commercial Street, Manchester, New Hampshire.

Q. What are your principal responsibilities in this position?

A. As the Manager of System Resiliency, I provide services to Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”). I am primarily responsible for the Company’s capital budgeting process. In recent years, I have also had responsibility for the REP plan, which supported up to \$40 million of capital investment annually targeted at reliability projects. As the REP program matured and tapered off, I have taken on broader responsibility for the capital budgeting process. In

Public Service Company of New Hampshire
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1 addition, there are two internal groups that report to me, which are the reliability reporting
2 group and the distribution automation group.

3 **Q. Mr. Plante, please state your full name, position and business address.**

4 A. My name is David L. Plante. I am Manager of the New Hampshire Project Management
5 Department for Eversource Energy Service Company. My business address is 13 Legends
6 Drive, Hooksett, New Hampshire.

7 **Q. What are your principal responsibilities in this position?**

8 A. In this role, I am responsible for managing the Project Management Department as well as
9 the overall capital program for the transmission business in New Hampshire. I also have
10 direct project management responsibilities for a significant number of large transmission
11 and distribution projects in New Hampshire.

12 **Q. Did you both previously sponsor testimony in this docket that contains additional**
13 **information on your professional experience and educational backgrounds?**

14 A. Yes, Mr. Lajoie provided joint testimony with Company witness Joseph Purington as part
15 of the Company's initial request for permanent rates on May 28, 2019 and we both provided
16 joint rebuttal testimony with Company witness Erica L. Menard on March 4, 2020.

17 **Q. What is the purpose of your testimony?**

18 A. The purpose of our testimony is to support the Company's request for a step adjustment to
19 distribution rates to be effective January 1, 2021, as provided in Section 10 of the
20 Settlement Agreement filed on October 9, 2020 in this docket. This is the first step
21 adjustment under the Settlement Agreement and pertains to certain projects placed in

1 service during calendar year 2019. Our testimony will describe the capital projects and the
2 processes in place at the Company pertaining to project management and budgeting. In
3 support of the step adjustment, the Company is also filing joint testimony from Company
4 witnesses Erica L. Menard and Edward A. Davis on the step adjustment revenue
5 requirement and rate impacts, respectively.

6 **Q. Are you presenting any attachments in support of your testimony?**

7 A. Yes, we are presenting Attachment LGL/DJP-1 containing the capital additions for
8 calendar year 2019 by project.

9 **Q. How is your testimony organized?**

10 A. Following this introduction, Section II discusses the Company's capital planning and
11 approval process and describes how the construction budget is developed and managed.
12 Section III describes the capital projects and costs included in the step adjustment and the
13 documentation being provided in support of those projects.

14 **II. CAPITAL PLANNING AND APPROVAL PROCESS**

15 **A. Authorization Procedures**

16 **Q. What is the Company's project authorization process?**

17 A. The Company evaluates all capital projects in accordance with a Project Authorization
18 Policy ("PAP"). In its initial request for permanent rates filed in Docket No. DE 19-057
19 on May 28, 2019 (the "Initial Filing"), Attachment ELM-5 provided the current version of
20 the PAP. The purpose of the PAP is to provide a framework to guide decision-making,
21 evaluation and approval of all capital and reimbursable project spending. Within this

1 framework, the Company is able to identify key corporate spending initiatives; enable the
2 evaluation of all major projects; and prioritize the utilization of corporate financial
3 resources.

4 Capital projects subject to the PAP include, but are not limited to, electric operations, real
5 estate/facilities, customer care and information technology. The Company modified the
6 PAP in 2015 to adopt the common process for project authorization and funding across the
7 Eversource Energy organization. The Company primarily follows APS-1, a copy of which
8 was provided in Attachment ELM-5 to the Initial Filing, and utilizes the PowerPlan®
9 system as the repository for project authorizations. Authorizations are approved in
10 accordance with the Delegation of Authority (“DOA”), a copy of which was provided in
11 Attachment ELM-6 to the Initial Filing. This process is based on Eversource Energy’s
12 enterprise-wide project-authorization process, which is centralized and standardized across
13 the organization. As an additional measure, the Company still conducts capital project
14 reviews through a committee to monitor spending against the overall capital budget.

15 **Q. What are the steps in the Company’s project authorization process?**

16 A. The Company’s project authorization process starts with a mid-year meeting of the
17 business planning group (the “Planning Group”). The Planning Group meets to review
18 potential capital spending over the upcoming five-year period and develop a strategic plan
19 (the “Strategic Plan”) for presentation to senior management for approval. Each operating
20 area presents its capital spending and resource requirements to the Planning Group for its
21 consideration. The specific capital spending requests made by the operating areas are input

1 into the five-year planning models and the results are compared to financial and
2 performance targets. In addition, spending requests for annual projects and programs are
3 funded using historical spending levels. Together, the specific projects and the annual
4 projects and programs make up the body of work that the Company expects to execute over
5 the five-year period. The Planning Group uses this analysis to develop capital spending
6 levels that balance the Company's financial and performance targets. The Strategic Plan
7 is then presented to senior management for approval. Once approved, the Strategic Plan is
8 used as the foundation for the annual planning process.

9 During the annual planning process, projects are reviewed and modified as needed and
10 become the basis for the annual budget. Throughout the year, projects are presented at the
11 appropriate Project Approval Committee ("PAC") meeting for discussion and approval by
12 a quorum of committee members who review the technical merits of each specific project.
13 Once authorized by the PAC, the project is routed for financial approval in the financial
14 system (PowerPlan®) according to the Delegation of Authority.

15 **Q. How are budgets developed for capital projects?**

16 A. Budgets for annual blanket projects and programs are typically based on historical
17 spending levels, adjusted for known changes for the next year. Specific projects are
18 identified by engineering and operations groups within the Company and are individually
19 reviewed by a group of Managers and Directors in New Hampshire. This group evaluates
20 the merits and need for each proposed project and develops a priority ranking. Projects

1 with the most significant benefits or that address the most significant needs are included in
2 the capital budget.

3 **Q. How does the Company prioritize capital projects?**

4 A. From an overall perspective, the Company's objective is to arrive at a capital budget that
5 represents the optimal balance of executing investments necessary to maintain and improve
6 the performance of the system, while assuring a cost-efficient use of the Company's limited
7 resources. At the same time, Eversource must maintain a level of flexibility in the budget
8 process to deal with contingencies that inevitably occur during the year. On an annual
9 basis, the Company develops the capital plan by each operating area in collaboration with
10 the engineering and operations departments to identify specific needs in each area. A
11 variety of factors are considered during the prioritization process, including but not limited
12 to aging infrastructure needs; system conditions; reliability improvements and initiatives;
13 new customer growth; and resource availability. The portfolio of projects is ultimately
14 evaluated by the Company's senior executives through an extensive budget-review process
15 conducted near the end of each year. Annual projects, service to new customers, and load
16 driven projects are considered necessary and included in the budget. Projects to improve
17 reliability are evaluated based on anticipated impact on performance. Aging asset projects
18 are prioritized based on a number of factors, including safety concerns, age of the asset,
19 difficulty in maintaining the asset or in obtaining spare parts, and other similar
20 considerations.

1 **B. Project Authorization Process**

2 **Q. Please describe the approval requirements for the Company's capital project**
3 **authorizations applicable to the proposed step adjustment.**

4 A. Commencing in 2015, projects proposed for inclusion in the capital budget by an operating
5 area require a request for project authorization to be submitted for approval to the senior
6 manager of the relevant operating area in accordance with the PAP. The project sponsor,
7 typically a project originator or a project manager, is responsible for preparing the
8 necessary documentation for approval. As part of the annual budget process, each
9 operating area submits a budget encompassing the requests for project authorization
10 (although project authorizations may be granted throughout the year as circumstances
11 warrant). In addition, a budget for annual projects and annual programs is developed based
12 on historical costs associated with work on the distribution system. The proposed operating
13 area budget must conform to the overall budget amount set by the senior executives. In
14 addition, all capital projects are reviewed and approved by the Plant Accounting
15 department to ensure proper capital and expense classification, project justification and
16 unit of property accounting.

17 Projects are authorized by the Company's management in accordance with the Delegation
18 of Authority on the basis of a Project Authorization Form ("PAF"). A PAF is required
19 where a specific project estimate is expected to exceed the threshold outlined in the PAP.

20 A PAF includes the following sections:

- 21 • Project Description and Objectives: This section provides a high-level overview of
22 the project and why it should be undertaken.

- 1 • Scope and Justification: This section provides a detailed summary of the project
2 scope, resource requirements and customer and Company impact.
- 3 • Financial Evaluation: This section provides an economic analysis of the proposed
4 project. The nature of the economic analysis differs depending on the nature of the
5 project. For example, projects may be evaluated on the basis of a cost-benefit
6 analysis, an alternatives analysis, a cost analysis or another approach appropriate
7 for the type of project under consideration.
- 8 • Risk Assessment: This section provides an identification of any special
9 management, technical or operational issues and risks involved in the project.
- 10 • Alternatives Considered: This section evaluates alternatives where the project is a
11 non-revenue project and feasible alternatives exist.
- 12 • Technology Assessment (Information System Projects only): This section
13 discusses the technology to be employed in the project, internal and external
14 resource requirements and an architectural review of system specifications.
- 15 • Project Schedule, Milestones and Implementation Plan: This section describes any
16 timing implications and start-up schedules.

17 Because operating area budgets are prepared in advance for the next year, PAFs are
18 generally prepared and authorized on the basis of conceptual estimates. As described
19 below, the attachment accompanying our testimony listing the Eversource projects in the
20 step adjustment includes descriptions of projects where the initial authorization differed
21 from the pre-construction/post-design cost estimates.

22 **Q. At what point do projects receive formal approval in the construction budget?**

23 A. Prior to the start of the calendar year, the level of funding for the capital construction budget
24 is finalized and projects that have been proposed and approved by the Engineering,
25 Operations, and Shared Services groups are added to the budget. Once projects are ready
26 for construction with refined project cost estimates, projects are presented to the PAC. The
27 PAC meets at least monthly to review projects from an engineering, schedule, and cost

1 perspective as well as reviewing any projects that require supplemental funding. The PAC
2 consists of a chairperson plus representatives from various disciplines including
3 Engineering, Operations, Major Projects, Investment Planning and Integrated Planning &
4 Scheduling. Once the PAC has approved a project for initial or supplemental funding, the
5 project is then approved within the PowerPlan® system based on Delegation of Authority
6 approval limits, as shown in Attachment ELM-6 to the Initial Filing.

7 **C. Cost Control Procedures**

8 **Q. Once the construction budget is finalized, does the Company have measures in place**
9 **to control costs as the projects are designed and completed?**

10 A. Yes. Monthly meetings are held to discuss the status and cost of individual projects within
11 the capital budget. The Company's process requires a Supplement Request Form with
12 revised cost and justification when it becomes likely that the project cost is expected to
13 increase from the original authorized dollar amount in accordance with certain threshold
14 criteria. For Distribution Operations projects up to \$250,000, this threshold is an increase
15 in direct costs of \$25,000 or more. For projects over \$250,000 the threshold is 10 percent
16 of direct costs. Supplement Request Forms are reviewed by the Project Authorization
17 Committee and, if approved, routed for approval in PowerPlan® in the same manner as the
18 original PAF.

III. STEP ADJUSTMENT CAPITAL PROJECTS

Q. What is the scope of projects for which the Company is seeking to commence cost recovery in this first step increase, as provided for in the Settlement Agreement?

A. The Company is seeking approval to commence cost recovery for the revenue requirement associated with \$125.2 million of plant additions placed in service in calendar year 2019 as described below.

Q. What is your understanding of the Commission's standard for inclusion of plant investment in rate base?

A. It is our understanding that the Commission's long-standing standard for the inclusion of capital additions in rate base is that the capital expenditures must be prudently incurred and the resulting plant must be "used and useful" in providing service to customers. A prudence review involves a determination of whether the utility's actions, based on all that the utility knew or should have known at the time, were reasonable and prudent in light of the circumstances. The Commission considers plant to be "used and useful" if the plant is in service and provides benefits to customers. As demonstrated below and in the attachment that accompanies our testimony, the Company's capital additions placed in service in calendar year 2019 are consistent with the Commission's standard.

Q. Please explain how the Company has categorized its plant additions for purposes of the step adjustment.

A. As an initial matter, the Company has segregated all capital additions into three distinct categories for review purposes: (1) specific projects; (2) specific carryover projects; and (3) annual blanket and program projects. Each category of capital additions has distinct capital addition documentation requirements.

1 Specific projects are projects where a stand-alone project is being constructed. Examples
2 of these projects include new substation, new lines, and circuit conversions. Specific
3 projects have defined start and end dates for construction with a defined project cost and
4 may be managed by a project manager and have unique project names for the specific body
5 of work to be executed. For purposes of project review as part of the step increase, the
6 Company has segmented the specific projects into current and carryover categories.
7 Current specific projects are projects that were not reviewed as part of the rate case and
8 had a substantial portion of plant placed in service in 2019. Carryover projects are projects
9 that had a majority of the work orders placed in service prior to 2019 and therefore the
10 2019 plant additions are related to carryover work that continued into 2019 or where there
11 are closeout adjustments made during the plant accounting closeout. In other words,
12 carryover project costs are for projects that were in service and included as part of the rate
13 case review in Docket No. 19-057, but have charges that have 'carried over' into 2019 that
14 are now in service and being included in the calculation of the step adjustment in this filing.
15 Carrying charges may also be credits (or reductions) to costs for adjustments that have been
16 made in 2019.

17 Annual blanket projects are defined as projects that are high-volume and low dollar in
18 nature. An annual project funds a variety of activities intended to address a particular
19 issue. For example, an annual blanket project addressing the issue of voltage outside
20 regulatory limits may involve activities such as the placement of regulators or capacitors,
21 the replacement of conductors, or other activities. Work orders for annual projects are

1 typically under \$100,000 in direct costs. Examples of annual projects are new services,
2 capital tools, obsolescence and asset renewal, line relocations, and service work. These
3 projects are funded at a consistent level from year to year and utilize the same project
4 names each year.

5 Annual program projects support a particular body of work and are typically lower in
6 volume but higher in cost. An annual program funds the same type of work in many
7 different locations, such as reject pole replacements (the work associated with this program
8 is always pole replacements due to an inspection that finds the pole has decayed). Other
9 examples of annual programs include oil-circuit breaker replacements, direct-buried cable
10 replacements, vehicle purchases, and tools and equipment projects. These projects are
11 typically funded at a consistent level from year to year but can vary depending on the nature
12 of the work to be completed in the year. These projects also utilize the same project names
13 each year.

14 **Q. Please describe the documentation you are providing in support of the Company's**
15 **step adjustment.**

16 **A.** Attachment LGL/DLP-1 identifies the capital projects placed in service in calendar year
17 2019 that are not currently in rate base. The attachment contains the following information:

- 18 • Page 1 contains a summary of the 2019 plant additions by category.
- 19 • Pages 2-3 contain the list of projects identified as current specific projects. For
20 each project, the associated plant accounts(s), 2019 plant in service amount, pre-
21 construction authorization amount and any supplemental authorizations and project

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1 life-to-date costs through December 31, 2019 are provided. Dollar and percentage
2 variances are calculated between the actual project life-to-date amount and initial
3 pre-construction authorized amount, the last supplemental authorized amount and
4 the pre-construction estimate amount, and the actual project life-to-date amount and
5 last supplemental authorized amount. Also provided is an indicator of whether the
6 project is considered final or still has expected charges in future years. An indicator
7 of “106” means that one or more work orders within that project are either in
8 Construction Work in Progress (“CWIP”)/FERC Account 107 or Construction
9 Complete not Categorized (“CCNC”)/FERC Account 106. Work orders in
10 Account 107 are not in service as of December 31, 2019 and are not part of this
11 step increase. Work orders in Account 106 are in service as of December 31, 2019
12 and therefore are included in this step increase, but have not been through the
13 completion, closeout and unitization process for accounting purposes. Projects
14 with the 106 indicators can still accept charges. An indicator of “101” means that
15 all of the work orders within the project are in Plant in Service/FERC Account 101.
16 Work orders under projects with this status have gone through the completion
17 process from a project management perspective and plant accounting unitization
18 process and, in general, should not be incurring any additional charges and can be
19 considered final. A reason for the revised authorization is also included to identify
20 at a high level the reasons for needing supplemental funding to complete the
21 project.

- 1 • Page 4 contains the list of projects identified as annual blanket and program
2 projects. For each project, the associated plant accounts(s), 2019 plant in service
3 amount, annual authorization amount and any supplemental authorizations and
4 project life-to-date costs are provided. Dollar and percentage variances are
5 calculated between the actual annual amount and initial annual authorized amount,
6 the last supplemental authorized amount and the initial annual authorized amount,
7 and the actual annual cost and final supplemental authorized amount. Additions
8 included in 2019 can be for construction from the current year or carried over from
9 prior years.

- 10 • Pages 5-7 contain the list of projects identified as carryover specific projects. For
11 each project, the associated plant accounts(s), 2019 plant in service amount, current
12 authorized amount and actual project life-to-date costs are provided. Dollar and
13 percentage variances are calculated between the actual project life-to-date cost and
14 current authorized amount. Also provided is an indicator of whether the project is
15 final or still has expected charges in future years. An indicator of “106” means that
16 one or more work orders within that project are in either CWIP/FERC Account 107
17 or CCNC/FERC Account 106. Work orders in Account 107 are not in service as
18 of yet and are not part of this step increase. Work orders in Account 106 are in
19 service and therefore are included in this step increase, but have not been through
20 the completion, closeout and unitization process. Projects with the 106 indicator
21 can still accept charges. An indicator of “101” means that all of the work orders

1 within that project are in Plant in Service/FERC Account 101. Work orders under
2 projects with this status have gone through the completion process from a project
3 management perspective and plant accounting unitization process and, in general,
4 should not be incurring any additional charges and can be considered final. A
5 reason for any projects with plant in service greater than \$50,000 or having a
6 variance between the actual project life-to-date cost and the current authorized
7 amount of greater than 10 percent is also included.

8 After the Company's initial filing of this step adjustment proposal, and upon the request of
9 Staff, the Company shall provide further information related to a sampling of the
10 Company's projects, including but not limited to Project Authorization Forms,
11 Supplemental Request Forms, and work order cost detail summarized at the project level
12 by cost category over the life of the project.

13 **Q. Please summarize the costs of the plant additions included in the step adjustment.**

14 A. Table 1 below provides capital projects by category placed in service in 2019, excluding
15 new business, and included in the step adjustment:

1

Table 1

Project Category	Plant Additions as of December 31, 2019
Specific Current Projects	\$74,851,135
Specific Carryover Projects	\$4,911,104
Annual Blanket and Program Projects	\$45,441,214
Total Plant Additions	\$125,203,453

2 **Q. Is the level of documentation provided in this filing similar to the documentation**
3 **provided previously in this docket for the Company's permanent rate request?**

4 A. Yes. Given the timing of the filing and the historic nature of the investments, the scope of
5 documentation is the same or similar to what was provided by the Company in support of its
6 permanent rate request. However, in the proposed Settlement Agreement, the Company has
7 agreed to a business process audit. If the Settlement Agreement is approved, the audit may
8 recommend some changes to the way we create and keep project documentation. The
9 Company will be working with the Staff, OCA, and the auditor in the coming months on that
10 review and will be looking for ways to make its project documentation most useful for
11 regulatory review. The Company has worked with Commission Staff to develop an interim
12 template to provide a format that allows for a productive review of these historical projects.

13 **Q. Are all of the investments used and useful in providing service to customers?**

14 A. Yes, all of the investments placed in service in calendar year 2019 are used and useful in
15 the provision of service to Eversource customers.

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1 **Q. Were all of the costs for these investments prudently incurred?**

2 A. Yes. As described earlier, the Company follows a comprehensive process for project
3 authorization and cost-control in developing and implementing its capital program.

4 **Q. Does this conclude your testimony?**

5 A. Yes, it does.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
Summary of Projects Placed in Service in 2019, excluding New Business projects

<u>Line</u>	<u>Category Description</u> Col. A	Step 1 - Calendar Year 2019	
		<u>Plant Additions</u> Col. B	<u>Reference</u> Col. C
1	Specific Projects	\$ 74,851,135	Pages 2-3
2	Specific Carryover Projects	4,911,104	Pages 5-7
3	Annual Blanket Projects and Programs	45,441,214	Page 4
4	Total Plant Additions	<u><u>\$ 125,203,453</u></u>	

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
Specific Projects Placed in Service in 2019, excluding New Business Projects
Comparison of Budget to Actual

														Total Cost (direct and indirect, includes install and cost of removal)																
Line	Year Col. A	Plant Type Col. B	Project Type Col. C	Specific Project No. Col. D	Project Description Col. E	First In Service Event Col. F	Plant Account(s) Col. G	2019 Plant In Service Col. H	Pre-Construction Authorization Col. I	First Supplemental Authorization Col. J	Second Supplemental Authorization Col. K	Third Supplemental Authorization Col. L	Actual Project Life to Date Costs Col. M	Actual Final Cost to Pre-Construction Estimate Variance		Last Supplement to Pre-Construction Estimate Variance		Actual Final Cost to Final Supplement Variance		As of 12/31/19 Plant Account 101 or 106 Col. T	Reason for Revised Authorization Basis Col. U									
														(\$) Col. N Col. M - Col. I	% Col. O Col. N / Col. I	(\$) Col. P Col. (J, K or L) - Col. I	% Col. Q Col. P / Col. I	(\$) Col. R Col. M - Col. (J, K or L) R / Col. (I, K or L)	% Col. S Col. S											
1	2019	General	Specific	18734	Garage Addition	2019	390	\$	915,755	\$	800,000		\$	918,075	\$	118,075	15%	\$	-	0%	\$	-	0%	101						
2	2019	General	Specific	19707	2019 PSNHD Facilities LOB projects under \$500k	2019	390, 391, 394, 398 371, 393, 394, 397,	\$	830,653	\$	1,246,500		\$	1,114,902	\$	(131,598)	-11%	\$	-	0%	\$	-	0%	106						
3	2019	General	Specific	19726	ML PSNH-D 2019 LOB - General Plant	2019	398	\$	123,184		N/A		\$	144,980		N/A	N/A	\$	-	N/A	\$	-	0%	106						
4	2019	General	Specific	19757	Bow Mobile Substation Garage Bay	2019	390	\$	405,672		N/A		\$	405,672		N/A	N/A	\$	-	N/A	\$	-	0%	101						
5	2019	Distribution	Specific	A08W49	Keene Downtown UG Replacement Project	2013	364, 365, 366, 367, 368, 369	\$	498,989	\$	4,712,000		\$	4,407,953	\$	(304,047)	-6%	\$	-	0%	\$	-	0%	106						
6	2019	Distribution	Specific	A16E06	West Rye S/S Re-build	2018	361, 362, 364, 365	\$	552,607	\$	1,304,000	\$	1,590,000	\$	2,302,118	\$	3,190,715	\$	3,190,715	\$	1,886,715	145%	\$	1,886,715	145%	\$	-	0%	101	Construction and testing bids were higher than estimated. Right-of-way clearing and environmental monitoring scope added.
7	2019	Distribution	Specific	A16N02	Second transformer at Lost Nation S/S	2019	362	\$	5,634,544	\$	3,912,000	\$	4,558,049	\$	5,759,118	\$	5,933,178	\$	2,021,178	52%	\$	1,847,118	47%	\$	174,060	3%	106	Additional scope required for design/construction of expanded trench/conduit system. Testing costs increased due to extended duration on site.		
8	2019	Distribution	Specific	A16X01	ESCC Control of Generation	2017	362, 364, 365, 367, 369, 371	\$	593,354	\$	765,000	\$	1,439,292	\$	1,383,146	\$	618,146	81%	\$	674,292	88%	\$	(56,146)	-4%	106	Increased scope of work identified during preliminary engineering and schedule extended to coordinate with generation divestiture process which concluded nearly two years later than expected.				
9	2019	Distribution	Specific	A17C21	Pine Hill S/S PLC Auto Scheme Replacement	2019	362	\$	1,615,396	\$	1,765,000	\$	2,000,000	\$	2,023,323	\$	258,323	15%	\$	235,000	13%	\$	23,323	1%	101	Contract pricing for testing and commissioning was not available at the time of the full funding estimate. Required on-site durations greater than durations assumed in the original estimate.				
10	2019	Distribution	Specific	A17C26	328 Line Reconductor	2019	364, 365, 368	\$	4,249,364	\$	4,264,000	\$	4,263,997	\$	4,737,122	\$	4,567,210	\$	303,210	7%	\$	473,122	11%	\$	(169,912)	-4%	106	Additional scope required including additional environmental work		
11	2019	Distribution	Specific	A17E01	Rye Area 4KV Study	2019	364, 365, 366, 367, 368, 369, 371	\$	2,158,824	\$	1,859,000	\$	4,672,000	\$	3,492,968	\$	1,633,968	88%	\$	2,813,000	151%	\$	(1,179,032)	-25%	106	Additional scope and project costs due to pole maintenance changes.				
12	2019	Distribution	Specific	A17E09	Rochester 4KV Conversion	2018	364, 365, 366, 367, 369	\$	1,503,600	\$	5,236,000			\$	3,328,808	\$	(1,907,192)	-36%	\$	-	0%	\$	-	0%	106					
13	2019	Distribution	Specific	A17E20	Ocean Rd S/S 34.5KV OCB Replacement	2019	362, 364, 365	\$	2,626,627	\$	2,555,000	\$	2,850,000	\$	2,850,741	\$	295,741	12%	\$	295,000	12%	\$	741	0%	101					
14	2019	Distribution	Specific	A17N02	Messer St - Replace TB70	2018	362, 364, 365, 368	\$	5,195,995	\$	5,329,000	\$	5,992,000	\$	6,167,702	\$	838,702	16%	\$	663,000	12%	\$	175,702	3%	101	Initial estimate based on results of competitive bid. Contractor originally chosen was unable to perform work causing an increase versus original estimate. Additional environmental remediation required for soil testing and removal.				
15	2019	Distribution	Specific	A17N22	Beebe River S/S Cap Switcher Replacement	2019	362	\$	861,017	\$	986,000			\$	957,462	\$	(28,538)	-3%	\$	-	0%	\$	-	0%	106					
16	2019	Distribution	Specific	A17W19	North Rd S/S Equipment Replacement	2019	362	\$	1,853,955	\$	836,000	\$	1,758,489	\$	2,102,000	\$	2,262,782	\$	1,426,782	171%	\$	1,266,000	151%	\$	160,782	8%	106	Competitive bids received higher than estimated, engineering reviews identified required additional scope		
17	2019	Distribution	Specific	A17W23	Monadnock S/S Cap Switcher Replacement	2019	362	\$	878,369	\$	1,174,000			\$	965,226	\$	(208,774)	-18%	\$	-	0%	\$	-	0%	101					
18	2019	Distribution	Specific	A17X01	Mobile 115-34.5KV Substation	2019	362	\$	3,505,095	\$	2,500,000			\$	3,505,095	\$	1,005,095	40%	\$	-	0%	\$	-	0%	101					
19	2019	Distribution	Specific	A18DA	Distribution Automation - Pole Top	2018	364, 365, 368, 369, 371	\$	9,795,317	\$	17,500,000			\$	19,164,635	\$	1,664,635	10%	\$	-	0%	\$	-	0%	106					
20	2019	Distribution	Specific	A18E12	Circuit Ties 3172X1 - 3112X3	2019	364, 365, 369	\$	702,926	\$	518,000	\$	742,984	\$	747,361	\$	229,361	44%	\$	224,984	43%	\$	4,377	1%	106	Competitive bids received were higher than estimated				
21	2019	Distribution	Specific	A18E23	Rochester Comcast Make Ready	2018	364, 365, 366, 367, 369, 371	\$	742,004	\$	688,000	\$	929,000	\$	889,834	\$	201,834	29%	\$	241,000	35%	\$	(39,166)	-4%	106	Additional scope added by Comcast				
22	2019	Distribution	Specific	A18W11	316K1 Circuit Tie Eastman Development	2019	364, 365, 366, 367, 369	\$	885,429	\$	1,091,000			\$	1,003,549	\$	(87,451)	-8%	\$	-	0%	\$	-	0%	101					
23	2019	Distribution	Specific	A18W22	Peterborough Roadway and Bridge Project	2019	364, 365, 366, 367, 369	\$	372,121	\$	364,000			\$	530,251	\$	166,251	46%	\$	-	0%	\$	-	0%	106					
24	2019	Distribution	Specific	A18X08	S Milford Relay Replacement	2019	362	\$	384,785	\$	219,200	\$	373,000	\$	416,003	\$	196,803	90%	\$	153,800	70%	\$	43,003	12%	101	Received competitive bids higher than estimated, additional scope added due to revised Acceptance Testing Guidelines				
25	2019	Distribution	Specific	A19C05	Reconductor Copper St Anselm Drive	2019	364, 365, 366, 367	\$	208,670	\$	210,000	\$	241,000	\$	241,203	\$	31,203	15%	\$	31,000	15%	\$	203	0%	106	Received competitive bids higher than estimated, additional scope added due to pole maintenance changes				
26	2019	Distribution	Specific	A19C25	Reconductor Bedford Road, 360X7	2019	364, 365, 367	\$	303,500	\$	300,000			\$	304,411	\$	4,411	1%	\$	-	0%	\$	-	0%	101					
27	2019	Distribution	Specific	A19DA	Distribution Automation - Pole Top	2019	364, 365, 366, 369	\$	10,073,842	\$	16,743,000			\$	14,396,024	\$	(2,346,976)	-14%	\$	-	0%	\$	-	0%	106					
28	2019	Distribution	Specific	A19E11	Circuit Ties-Wakefield 362 to 3157	2019	364, 365, 366, 367, 369	\$	1,524,459	\$	2,700,000			\$	2,289,175	\$	(410,825)	-15%	\$	-	0%	\$	-	0%	106					
29	2019	Distribution	Specific	A19E26	Convert Four Rod Road in Rochester	2019	364, 365, 367, 368	\$	174,247		N/A			\$	182,902		N/A	N/A	\$	-	N/A	\$	-	0%	101					
30	2019	Distribution	Specific	A19E39	Replace Failed Cable Spring Rd Rye	2019	366, 367, 369	\$	232,949	\$	562,000			\$	232,949	\$	(329,051)	-59%	\$	-	0%	\$	-	0%	101					
31	2019	Distribution	Specific	A19L5	Distribution Automation - Line Sensors	2019	365	\$	62,634		N/A			\$	100,592		N/A	N/A	\$	-	N/A	\$	-	0%	106					
32	2019	Distribution	Specific	A19N09	Relocate 1W1 Main Line onto Route 3	2019	364, 365, 369	\$	266,119	\$	319,000			\$	291,699	\$	(27,301)	-9%	\$	-	0%	\$	-	0%	106					
33	2019	Distribution	Specific	A19N50	346K1 Defective SFCA Replacement	2019	364, 365	\$	153,638	\$	178,000			\$	188,699	\$	10,699	6%	\$	-	0%	\$	-	0%	106					
34	2019	Distribution	Specific	A19S08	Relocate 3168X Bridge St S/S	2019	364, 365, 366, 367, 369	\$	705,570	\$	521,000	\$	766,000	\$	777,401	\$	256,401	49%	\$	245,000	47%	\$	11,401	1%	101	Received competitive bids higher than estimated, project delays from City of Nashua & Railroad				
35	2019	Distribution	Specific	A19S27	Relocate 314 Line around Heron Pond	2019	364	\$	884,659	\$	700,000	\$	928,000	\$	927,819	\$	227,819	33%	\$	228,000	33%	\$	(181)	0%	106	Change in scope due to NHDES permitting requirements required additional materials.				

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
Specific Projects Placed in Service in 2019, excluding New Business projects
Comparison of Budget to Actual

Total Cost (direct and indirect, includes install and cost of removal)																										
Line	Year	Plant Type	Project Type	Specific Project No. Col. D	Project Description Col. E	First In Service Event Col. F	Plant Account(s) Col. G	2019 Plant In Service Col. H	Pre-Construction Authorization Col. I	First Supplemental Authorization Col. J	Second Supplemental Authorization Col. K	Third Supplemental Authorization Col. L	Actual Project Life to Date Costs Col. M	Actual Final Cost to Pre-Construction Estimate Variance		Last Supplement to Pre-Construction Estimate Variance		Actual Final Cost to Final Supplement Variance		As of 12/31/19 Plant Account 101 or 106 Col. T	Reason for Revised Authorization Basis Col. U					
														(S) Col. N Col. M - Col. I	% Col. O Col. N / Col. I	(S) Col. P Col. (J, K or L) - Col. I	% Col. Q Col. P / Col. I	(S) Col. R Col. M - Col. (J, K or L) R / Col. (J, K or L)	% Col. S Col. S Col. (I, K or L)							
36	2019	Distribution	Specific	A19546	South Ave Derry Step Overload	2019	364, 365, 369	\$	255,135	\$	119,000	\$	199,000	\$	274,631	\$	155,631	131%	\$	80,000	67%	\$	75,631	38%	106	Costs of apprentices were not included in original estimate plus poles required hand digging due to the amount of underground utilities in the ground.
37	2019	Distribution	Specific	A19W03	Replace Open Wire with Spacer Cable Route 63	2019	364, 365, 369	\$	289,763	\$	1,000,000	\$	1,668,000	\$	1,555,675	\$	555,675	56%	\$	668,000	67%	\$	(112,325)	-7%	106	Additional scope identified during construction
38	2019	Distribution	Specific	A19W10	Relocate Feed to Hinsdale Wastewater	2019	364, 365, 366, 367	\$	303,925	\$	250,000	\$	292,000	\$	325,619	\$	75,619	30%	\$	42,000	17%	\$	33,619	12%	106	Received competitive bids higher than estimated, internal crews completed one part of job
39	2019	Distribution	Specific	A19X20	Replace Lattice Steel Towers	2019	365	\$	205,723	\$	250,000			\$	298,546	\$	48,546	19%	\$	-	0%	\$	-	0%	101	
40	2019	Distribution	Specific	A19X221	Animal Protection at Thornton S/S	2019	362	\$	56,463		N/A			\$	56,463		N/A	N/A	\$	-	N/A	\$	-	0%	101	
41	2019	Distribution	Specific	A19X32	NH Lateral Initiative	2019	365	\$	5,263,152	\$	5,000,000			\$	5,658,936	\$	658,936	13%	\$	-	0%	\$	-	0%	106	
42	2019	Distribution	Specific	A19X64	S/S Security Upgrades CIPS NH	2019	362	\$	26,890		N/A			\$	26,890		N/A	N/A	\$	-	N/A	\$	-	0%	106	
					UCONN Damage Prediction Model																					
43	2019	Intangible	Specific	DPMNHAMP	Expansion	2019	303	\$	160,112	\$	106,000	\$	160,112	\$	160,112	\$	54,112	51%	\$	54,112	51%	\$	-	0%	106	Time to complete analysis was underestimated
44	2019	General	Specific	IASC1904	1580 CIP PSP Expansion	2019	390	\$	26,915		N/A			\$	28,330		N/A	N/A	\$	-	N/A	\$	-	0%	101	
45	2019	General	Specific	IT18450	2018 Win10 PC Lifecycle - PSNH	2019	391	\$	892,606	\$	1,055,795			\$	892,606	\$	(163,189)	-15%	\$	-	0%	\$	-	0%	101	
46	2019	Distribution	Specific	NHMTIR19	NH Annual Meter Project for 2019	2019	370	\$	3,065,665	\$	3,242,000			\$	3,065,665	\$	(176,335)	-5%	\$	-	0%	\$	-	0%	101	
							364, 365, 367, 368, 369	\$																		
47	2019	Distribution	Specific	R18CTC01	W185 - 4W1 Circuit Tie	2019		\$	878,806	\$	1,240,000	\$	1,360,000	\$	1,349,320	\$	109,320	9%	\$	120,000	10%	\$	(10,680)	-1%	106	Contractor costs incurred as a result of competitive bid were higher than estimated labor costs included in initial project estimate
							364, 365, 366, 367, 368, 369	\$																		
48	2019	Distribution	Specific	R18CTC02	3178X Circuit Tie Hinsdale	2019		\$	1,950,111	\$	1,534,000	\$	2,069,000	\$	2,080,475	\$	546,475	36%	\$	535,000	35%	\$	11,475	1%	106	Project scope additions plus contractor costs incurred as a result of competitive bid were higher than estimated labor costs included in initial project estimate
49																										
50	2019 Total							\$	74,851,135																	

Definitions:
Col. A: Plant in Service Year
Col. B: Plant Type (Distribution/General Plant)
Col. C: Specific project, Annual program/blanket project or Specific carryover project with trailing charges
Col. D: Internal Company project identifier
Col. E: Description of project work
Col. F: Year when first work order was placed in service for project
Col. G: Plant account(s) for work orders contained within project
Col. H: Amount of plant additions placed in service for the plant year identified in Col. A.
Col. I: Fully funded Pre-construction authorization used to begin construction on project for projects that meet the criteria for needing an authorization based on Company policy
Col. J: First supplemental funding project authorization (direct, indirect, including cost of removal) (or N/A for none applicable) based on Company policy
Col. K: Second supplemental funding project authorization (direct, indirect, including cost of removal) (or N/A for none applicable) based on Company policy
Col. L: Third supplemental funding project authorization (direct, indirect, including cost of removal) (or N/A for none applicable) based on Company policy

Col. M: Actual Project Costs (direct and indirect, including cost of removal) through the year identified in Col. A.
Col. N: Variance (\$) between total actual costs as compared to authorized amount identified in Col. I.
Col. O: Variance (%) between total actual costs as compared to authorized amount identified in Col. I.
Col. P: Variance (\$) between last supplement as compared to pre-construction authorized amount identified in Col. I.
Col. Q: Variance (%) between last supplement as compared to pre-construction authorized amount identified in Col. I.
Col. R: Variance (\$) between total actual costs as compared to final authorized amount.
Col. S: Variance (%) between total actual costs as compared to final authorized amount.
Col. T: Indicates whether one or more work orders are in FERC Account 106 (Completed Construction not Classified (CCNC)) and can still accept charges or FERC Account 101 (Completed and Unitized by Plant Accounting, work orders are closed out and will not allow charges)
Col. U: Variance category
N/A indicates that the estimated project cost is below the threshold for needing a formal project authorization per Eversource Corporate policy

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
Annual Programs and Annual Projects Placed in Service in 2019, excluding New Business projects
Comparison of Budget to Actual

													Total Cost (direct and indirect, includes install and cost of removal)									
Line	Year	Plant Type	Project Type	Annual Project No.	Project Description	Plant Account(s)	2019 Plant in Service	Annual Authorization	First Supplemental Authorization	Second Supplemental Authorization	Calendar Year 2019 Year to Date Costs	Actual Annual Cost to Annual Estimate Variance		Last Supplement to Annual Estimate Variance		Actual Annual Cost to Final Supplement Variance						
												(\$)	%	(\$)	%	(\$)	%	Col. K - Col. H	Col. L / Col. H	Col. (I or J) - Col. H	Col. N / Col. H	Col. (I or J) - Col. K
1	2019	Distribution	Annual Program	6DCIP	NH Avigation Intrusion Detection	362	\$ 143,588	\$ 110,000	\$ 191,000		\$ 143,588	\$ 33,588	31%	\$ 81,000	74%	\$ (47,412)	-25%					
2	2019	Distribution	Annual Program	A04S34	Direct Buried Cable Replacement	364,365,366,367,369,371	\$ (28,604)	N/A			\$ (40,024)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
3	2019	Distribution	Annual Program	A07X45	Reject Pole Replacement	71,373	\$ 2,396,108	\$ 3,172,000			\$ 3,019,469	\$ (152,531)	-5%	\$ -	0%	\$ -	0%					
4	2019	Distribution	Annual Program	A07X98	NESC Capital Repairs	364,365,366,367,368,369	\$ 101,270	N/A			\$ (15,243)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
5	2019	Distribution	Annual Program	A08X45	Replace Steel Towers	364	\$ (43,347)	N/A			\$ (39,521)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
6	2019	Distribution	Annual Program	A09S12	Replace Failed Cable - Post Tested	364,365,366,367,369	\$ (3,579)	N/A			\$ 199,202	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
7	2019	Distribution	Annual Program	A10X04	Direct Buried Cable Injection	365,367	\$ 2,068	N/A			\$ (1,820)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
8	2019	Distribution	Annual Program	A12X01	Substation Battery Replacement	362	\$ 47,309	N/A			\$ (969)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
9	2019	Distribution	Annual Program	A12X02	Substation Ground Grid Upgrades	362,364,365	\$ 195,010	N/A			\$ 33,415	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
10	2019	Distribution	Annual Program	C01PCB	PCB Transformer Changeout Annual Program	364,365,366,367,369	\$ 67,994	N/A			\$ 52,325	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
11	2019	Distribution	Annual Program	C01SPA01	Joint Poles Purchase & Sale	364	\$ 185,754	\$ 200,000			\$ 108,061	\$ (91,939)	-46%	\$ -	0%	\$ -	-					
12	2019	Distribution	Annual Program	C03CTV	Cable TV Project Annual Program	73	\$ 175,295	\$ 500,000			\$ 188,908	\$ (311,092)	-62%	\$ -	0%	\$ -	-					
13	2019	Distribution	Annual Program	C03DOT	NHDOT Project Annual Program	364,365,366,367,368,369,371,373	\$ 2,000,025	\$ 1,850,000			\$ 2,286,845	\$ 436,845	24%	\$ -	0%	\$ -	-					
14	2019	Distribution	Annual Program	C03TEL	Telephone Projects Annual Program	364,365,366,367,368,369	\$ 172,750	\$ 200,000			\$ 236,438	\$ 36,438	18%	\$ -	0%	\$ -	-					
15	2019	Distribution	Annual Program	CO1	New Business Specifics Unknown	366,367	\$ (3,479)	N/A			\$ (3,479)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
16	2019	Distribution	Annual Program	DL9R	Distribution Line ROW Annual Program	364,365,368	\$ 4,326,725	\$ 4,994,000			\$ 4,491,036	\$ (502,964)	-10%	\$ -	0%	\$ -	-					
17	2019	Distribution	Annual Program	DS9RD	Distribution Substation Maintenance Annual Program	361,362	\$ 443,312	\$ 806,000			\$ 837,202	\$ 31,202	4%	\$ -	0%	\$ -	-					
18	2019	Distribution	Annual Program	DS9RE	ROW Replace Failed Equipment	364,365	\$ 1,069,674	\$ 1,200,000			\$ 1,038,875	\$ (161,125)	-13%	\$ -	0%	\$ -	-					
19	2019	Distribution/General	Annual Program	DS9RS	Substation Annual-Substation Engineering group	361,362,390	\$ 745,797	\$ 1,000,000			\$ 933,861	\$ (66,139)	-7%	\$ -	0%	\$ -	-					
20	2019	Distribution	Annual Program	DSPP8001	Distributed Generation Engineering Design and Construction	364,365	\$ 4,262	N/A			\$ 49,603	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
21	2019	General	Annual Program	GF9R	Misc office equipment	391	\$ 43,911	N/A			\$ 3,329	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
22	2019	General	Annual Program	GM9R	Tools/equipment - S/S Operations group	394,398	\$ 71,705	\$ 160,000			\$ 109,386	\$ (50,614)	-32%	\$ -	0%	\$ -	-					
23	2019	General	Annual Program	GT9R	Tools/equipment - Troubleshooter group	394	\$ 17,315	\$ 500,000			\$ 148,169	\$ (351,831)	-70%	\$ -	0%	\$ -	-					
24	2019	General	Annual Program	GX9R	Tools/equipment - Field Operations group	394	\$ 469,358	\$ 1,100,000			\$ 1,049,496	\$ (50,504)	-5%	\$ -	0%	\$ -	-					
25	2019	General	Annual Program	IT60WANA	Telecom WAN Annual - PSNH	397	\$ (3,476)	N/A			\$ 63,175	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
26	2019	Distribution	Annual Program	MINOR9R	Minor Storms Capital PSNH	364,365,366,369	\$ 9,320	N/A			\$ 4,512	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
27	2019	Distribution	Annual Program	NESCR	NESC Patrol/Repair O&M Expense	364,365	\$ 1,438	N/A			\$ 915	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
28	2019	Distribution	Annual Program	NHLC03	NH Line Contractors	364,365	\$ 9,840	N/A			\$ 82,378	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
29	2019	Distribution	Annual Program	NT006	General Expense	362	\$ 276,837	N/A			\$ -	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
30	2019	Distribution	Annual Program	PW9R	Private Work	365	\$ 3,726	N/A			\$ 4,629	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
31	2019	Distribution	Annual Program	ROWLR	ROW Relocations - Reimbursable	364,365	\$ 10,379	N/A			\$ -	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
32	2019	Distribution	Annual Program	STORMCAP	NH Storm Capitalization	364,365	\$ 532,075	\$ 605,100			\$ (3,449)	\$ (608,549)	-101%	\$ -	0%	\$ -	-					
33	2019	Distribution	Annual Program	UB3CAD	Porcelain Changeout	364,365,367	\$ 3,142	N/A			\$ (9,885)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
34	2019	General	Annual Program	VEHICLES	NH Vehicle Purchases Distribution	392	\$ 917,112	\$ 7,430,180			\$ 7,216,801	\$ (213,379)	-3%	\$ -	0%	\$ -	-					
35	2019	Distribution	Annual Project	DA9R	Non-Roadway Lighting (Includes DA9x projects)	364,365,366,367,369,371,373	\$ 246,537	\$ 400,000			\$ 437,764	\$ 37,764	9%	\$ -	0%	\$ -	-					
36	2019	Distribution	Annual Project	DG9R	Distributed Generation Field Design and Construction Reimbursable	364,365,366,369	\$ (222,394)	N/A			\$ (134,774)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
37	2019	Distribution	Annual Project	DH9R	Line Relocations (includes DH9x projects)	71	\$ 1,211,006	\$ 1,000,000			\$ 741,754	\$ (258,246)	-26%	\$ -	0%	\$ -	-					
38	2019	Distribution	Annual Project	DK9R	Maintain Voltage (includes DK9x projects)	364,365,366,367,368,369	\$ 955,421	\$ 700,000	\$ 986,000		\$ 887,866	\$ 187,866	27%	\$ 286,000	41%	\$ (98,134)	-10%					
39	2019	Distribution	Annual Project	DQ9R	System Repairs/Obsolescence (includes DQ9x, DQD89x, DQOH9x, DQU9x, ARDB9x, AROH9x, ARUG9x, IFDB9x, IFOH9x, IFUG9x projects)	364,365,366,367,368,369,370,371,373	\$ 12,844,259	\$ 9,506,000	\$ 13,707,000		\$ 13,707,491	\$ 4,201,491	44%	\$ 4,201,000	44%	\$ 491	0%					
40	2019	Distribution	Annual Project	DR9R	Reliability Improvements (includes DR9x projects)	364,365,366,367,368,369,373	\$ 3,201,794	\$ 2,000,000	\$ 3,015,000		\$ 3,553,900	\$ 1,553,900	78%	\$ 1,015,000	51%	\$ 538,900	18%					
41	2019	Distribution	Annual Project	DT7P	Purchase Transformers and Regulators	368,370	\$ 11,068,512	\$ 10,190,000			\$ 11,160,780	\$ 970,780	10%	\$ -	0%	\$ -	-					
42	2019	Distribution	Annual Project	HP59R/D79R	Roadway Lighting (includes D79x projects)	364,365,366,369,371,373	\$ 48,174	\$ 228,000			\$ 70,228	\$ (157,772)	-69%	\$ -	0%	\$ -	-					
43	2019	Distribution	Annual Project	INS9R	Insurance Claims (includes INSOH9x, INSUG9x, INSD89x projects)	364,365,366,367,368,369,370,371,373	\$ 1,727,291	\$ 600,200	\$ 830,500	\$ 2,603,400	\$ 966,433	\$ 366,233	61%	\$ 2,003,200	334%	\$ (1,636,967)	-63%					
44																						
45	2019	Total					\$ 45,441,214															

Definitions:

Col. A: Plant in Service Year
Col. B: Plant Type (Distribution/General Plant)
Col. C: Specific project, Annual program/blanket project or Specific carryover project with trailing charges
Col. D: Internal Company project identifier
Col. E: Description of project work
Col. F: Plant account(s) for work orders contained within project
Col. G: Amount of plant additions placed in service for the plant year identified in Col. A.
Col. H: Annual authorization for projects that meet the criteria for needed an authorization based on Company policy
Col. I: First supplemental funding project authorization (direct, indirect, including cost of removal) (or N/A for none applicable) based on Company policy

Col. J: Second supplemental funding project authorization (direct, indirect, including cost of removal) (or N/A for none applicable) based on Company policy
Col. K: Actual Year to Date Project Costs (direct and indirect, including cost of removal) for the calendar year identified in Col. A.
Col. L: Variance (\$) between actual annual costs as compared to annual authorized amount identified in Col. H.
Col. M: Variance (%) between actual annual costs as compared to annual authorized amount identified in Col. H.
Col. N: Variance (\$) between last supplement as compared to annual authorized amount identified in Col. H.
Col. O: Variance (%) between last supplement as compared to annual authorized amount identified in Col. H.
Col. P: Variance (\$) between actual annual costs as compared to final authorized amount.
Col. Q: Variance (%) between actual annual costs as compared to final authorized amount.
N/A indicates that the estimated project cost is below the threshold for needing a formal project authorization per Eversource Corporate policy

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Specific Carryover Projects Placed in Service in 2019, excluding New Business projects
Comparison of Budget to Actual

Line	Year	Plant Type	Project Type	Specific Project No.	Project Description	In Service Year	Plant Account(s)	2019 Plant in Service	Current Authorization	Actual Project Life to Date Costs	Current Authorization Variance (\$)	% Col. K Col. J - Col. I	Col. L Col. K / Col. I	Plant Account 101 or 106 Col. M	Reason for Plant in Service > \$50K or Variance > 10% Col. N
1	2019	General	Specific - Carryover	18707	2018 Facilities LOB Building & General Plant	2018	390,394,396,397	\$ 48,525	\$ 2,784,940	\$ 2,744,017	\$ (40,923)	-1%		106	
2	2019	General	Specific - Carryover	18726	ML 2018 PSNH LOB - General Plant	2018	393	\$ 85,669	N/A	\$ 220,163	N/A	N/A		101	This was a carryover credit for a project that did not require supplemental authorization
3	2019	General	Specific - Carryover	18740	Cafe Renovations	2018	390,391	\$ (3,406)	\$ 500,000	\$ 557,288	\$ 57,288	11%	101		
4	2019	Distribution	Specific - Carryover	A09N05	Kingston S/S - Add Breakser Position	2017	362	\$ 15,548	\$ 2,385,300	\$ 2,401,045	\$ 15,745	1%	101		
5	2019	Distribution	Specific - Carryover	A12N01A	Berlin 4KV System Reconfiguration	2013	364,365,366	\$ 14,492	\$ 2,268,000	\$ 2,301,917	\$ 33,917	1%	101		
6	2019	Distribution	Specific - Carryover	A12W05	Replace Laconia Underground Switchgear 70W	2015	365,366,367,368	\$ 18,621	\$ 2,738,791	\$ 2,765,403	\$ 26,612	1%	106		
7	2019	Distribution	Specific - Carryover	A13S01	Rimmon S/S Add 2nd 115-34.5KV 44.8M	2016	362	\$ 414	\$ 11,046,034	\$ 11,523,954	\$ 477,920	4%	106		
8	2019	Distribution	Specific - Carryover	A13X04	Hazard Tree Removal	2013	365	\$ (235)	\$ 3,315,000	\$ 3,315,148	\$ 148	0%	101		
9	2019	Distribution	Specific - Carryover	A14N10	Somersworth 34.5 KV OCB Replacement	2015	362	\$ 86	\$ 1,210,000	\$ 1,042,728	\$ (167,272)	-14%	101		
10	2019	Distribution	Specific - Carryover	A14N21	Berlin Eastside 34.5KV Line Breaker	2017	362,365,364,369	\$ (20,352)	\$ 3,646,037	\$ 3,704,073	\$ 58,036	2%	101		
11	2019	Distribution	Specific - Carryover	A14S08	Garvins S/S Rebuild	2017	362	\$ 43,987	\$ 5,484,926	\$ 5,525,306	\$ 40,380	1%	106		
12	2019	Distribution	Specific - Carryover	A14W02	Daniel S/S (Webster)-34.5KV S/S Upgrade	2018	362	\$ 319,703	\$ 19,690,419	\$ 19,449,866	\$ (240,553)	-1%	101		Completed final transfer trip scheme to Eastman Falls
13	2019	Distribution	Specific - Carryover	A15C02A	388 Line Overload Solution Remote E	2016	362	\$ (12,802)	\$ 605,000	\$ 557,186	\$ (47,814)	-8%	101		
14	2019	Distribution	Specific - Carryover	A15CDA	Central Region 2015 Distribution Automation Program	2015	364,365,366,369	\$ 193,494	\$ 5,584,945	\$ 4,933,494	\$ (651,451)	-12%	106		Devices installed in prior years were commissioned and placed in service in 2019. Project reviewed as part of rate case.
15	2019	Distribution	Specific - Carryover	A15EDA	Eastern Region 2015 Distribution Automation Program	2015	364,365,366,367,369	\$ 721,007	\$ 5,861,000	\$ 5,953,033	\$ 92,033	2%	106		Devices installed in prior years were commissioned and placed in service in 2019. Project reviewed as part of rate case.
16	2019	Distribution	Specific - Carryover	A15NDA	Northern Region 2015 Distribution Automation Program	2015	364,365,366	\$ 78,630	\$ 7,141,006	\$ 9,310,099	\$ 2,169,093	30%	106		Devices installed in prior years were commissioned and placed in service in 2019. Direct charges are under threshold for additional authorization. Project reviewed as part of rate case.
17	2019	Distribution	Specific - Carryover	A15SDA	Southern Region 2015 Distribution Automation Program	2015	364,365	\$ 7,526	\$ 3,470,000	\$ 4,033,072	\$ 563,072	16%	106		Devices installed in prior years were commissioned and placed in service in 2019. Direct charges are under threshold for additional authorization. Project reviewed as part of rate case.
18	2019	Distribution	Specific - Carryover	A15X01	Circuit Switcher TB31 Mobile	2016	362	\$ (54)	N/A	\$ 168,395	N/A	N/A	101		
19	2019	Distribution	Specific - Carryover	A16C02	12H4 West Side Conversion	2017	364,365,368,369	\$ (26,902)	\$ 620,000	\$ 598,570	\$ (21,430)	-3%	101		
20	2019	Distribution	Specific - Carryover	A16C05	Valley St Area Solution	2017	364,365,366,367,369	\$ 1,376	\$ 1,474,000	\$ 1,498,367	\$ 24,367	2%	106		
21	2019	Distribution	Specific - Carryover	A16C09	Blaine St SS add 34.5-12kV 10MVA tr	2018	362	\$ 39,512	\$ 3,987,000	\$ 4,009,771	\$ 22,771	1%	101		
22	2019	Distribution	Specific - Carryover	A16C10	Jackman S/S - Replace Obsolete Equipment	2018	362	\$ 18,999	\$ 7,155,259	\$ 7,151,859	\$ (3,400)	0%	106		
23	2019	Distribution	Specific - Carryover	A16X02	Circuit Tie 3271x2/311x1	2016	364,365,367,369,371	\$ 8,678	\$ 1,332,000	\$ 1,050,844	\$ (281,156)	-21%	101		
24	2019	Distribution	Specific - Carryover	A16X04	CAIDI Improvement	2016	364,365,366,367,369	\$ (863)	\$ 1,959,000	\$ 1,806,166	\$ (152,834)	-8%	106		
25	2019	General	Specific - Carryover	A16X05	NH Energy Park: audio visual equipment	2016	394	\$ 68	\$ 174,100	\$ 133,642	\$ (40,458)	-23%	106		Charges reallocated from project A16X08 due to work order mis-charged, project A16X08 had corresponding credit for 2019 plant in service.
26	2019	General	Specific - Carryover	A16X06	NH SOC/ESCC Backup	2017	390,391,397	\$ 114,540	\$ 961,000	\$ 961,137	\$ 137	0%	101		
27	2019	General	Specific - Carryover	A16X08	1250 Hooksett Rd - AV Project	2017	390	\$ (114,540)	\$ 282,000	\$ 191,852	\$ (90,148)	-32%	106		
28	2019	Distribution	Specific - Carryover	A17C04	Greggs S/S Removal	2019	365	\$ 1,434	\$ 586,000	\$ 336,578	\$ (249,422)	-43%	106		
29	2019	Distribution	Specific - Carryover	A17C13	Blaine St S/S Line Work	2017	364,365,368	\$ (393)	\$ 496,000	\$ 492,924	\$ (3,076)	-1%	106		
30	2019	Distribution	Specific - Carryover	A17C17	Circuit Tie 3115X12 to 3615X1	2018	364,365,366,367,368,369	\$ 37,710	\$ 2,700,000	\$ 2,152,333	\$ (547,667)	-20%	106		
31	2019	Distribution	Specific - Carryover	A17N24	Laconia S/S 24 VDC Control System & Relay	2018	362	\$ (7,062)	\$ 686,000	\$ 743,678	\$ 57,678	8%	101		Devices installed in 2018 were placed in service in 2019. Project reviewed as part of 2018 rate case.
32	2019	Distribution	Specific - Carryover	A17VRP	G&W Viper Warranty Replacement	2017	364,365	\$ 98,567	\$ 462,000	\$ 549,391	\$ 87,391	19%	101		

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
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Comparison of Budget to Actual

Line	Year	Plant Type	Project Type	Specific Project No.	Project Description	In Service Year	Plant Account(s)	2019 Plant in Service	Current Authorization	Actual Project Life to Date Costs	Current Authorization Variance (\$)	%	Plant Account	Reason for
	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G.	Col. H	Col. I	Col. J	Col. K Col. J - Col. I	Col. L Col. K / Col. I	101 or 106 Col. M	Plant in Service > \$50K or Variance > 10% Col. N
33	2019	Distribution	Specific - Carryover	A18C21	Manchester Airport Duct Relocation	2018	364,365,366,367	\$ (6,141)	N/A	\$ 126,050	N/A	N/A	101	
34	2019	Distribution	Specific - Carryover	A18E16	West Rd Overloaded Steps	2018	364,365,366,367,368,369	\$ (816)	\$ 1,409,000	\$ 1,393,282	\$ (15,718)	-1%	101	Final commissioning delayed in coordination with related project. No supplement needed.
35	2019	Distribution	Specific - Carryover	A18N27	Laconia S/S Replace LTC Controls	2018	362	\$ 82,474	\$ 360,000	\$ 275,872	\$ (84,128)	-23%	106	
36	2019	Distribution	Specific - Carryover	A18VRP	Viper Replacement Project-Betterment	2018	362,364,365	\$ 11,631	\$ 9,879,000	\$ 5,960,784	\$ (3,918,216)	-40%	106	
37	2019	Distribution	Specific - Carryover	A18W10	55H1 Peterborough URD	2018	366,367,369	\$ (64,374)	\$ 196,000	\$ 213,826	\$ 17,826	9%	101	
38	2019	Distribution	Specific - Carryover	A18W13	Route 9 Roxbury-Sullivan 10439	2018	364,365,369	\$ (29,235)	\$ 590,000	\$ 680,646	\$ 90,646	15%	106	Trailer credit adjustment to 2019 plant in service for a project with direct costs under the threshold for additional authorization.
39	2019	Distribution	Specific - Carryover	A18W15	316 Line Rebuild	2018	364,365	\$ 147,617	\$ 1,182,000	\$ 1,231,384	\$ 49,384	4%	101	Trailing charges for this project that was reviewed as part of 2018 rate case.
40	2019	Distribution	Specific - Carryover	A18X01	Direct Buried Cable Replacement	2018	364,365,366,367,369	\$ 556,269	\$ 2,324,000	\$ 1,124,606	\$ (1,199,394)	-52%	106	Multi-year project to replace cable at a development in Derry
41	2019	Distribution	Specific - Carryover	A18X20	CAIDI Improvement	2018	364,365,366,367	\$ 574,363	\$ 953,000	\$ 898,696	\$ (54,304)	-6%	101	Additional 2019 plant in service for a project that was reviewed as part of the 2019 rate case.
42	2019	Distribution	Specific - Carryover	A18XDA	Distribution Automation - Substation	2018	362	\$ 82,955	\$ 1,100,000	\$ 1,009,330	\$ (90,670)	-8%	106	Trailing charges for this project that was reviewed as part of 2018 rate case.
43	2019	Distribution	Specific - Carryover	C18ETT	NH ETT 2018	2018	365	\$ 1,322,886	\$ 6,319,000	\$ 4,834,114	\$ (1,484,886)	-23%	101	Additional vegetation management charges in 2019 for this project that was reviewed as part of the 2018 rate case.
44	2019	Distribution	Specific - Carryover	C18HAZ	Hazard Tree Removal	2018	365	\$ (311,153)	\$ 8,839,500	\$ 5,504,188	\$ (3,335,312)	-38%	106	
45	2019	Distribution	Specific - Carryover	C18ROW	NH Full Width ROW Clearing	2018	365	\$ 327,530	\$ 2,841,500	\$ 1,394,052	\$ (1,447,448)	-51%	106	Additional ROW clearing charges for this project that was reviewed as part of 2018 rate case.
46	2019	Distribution	Specific - Carryover	D1249A	Webster S/S Expansion/Cap Bank Sared	2018	362	\$ (18,739)	N/A	\$ -	N/A	N/A	106	
47	2019	Distribution	Specific - Carryover	D1276A	Assets-CE	2017	364,365,366,367,369	\$ (143,896)	N/A	\$ 124,597	N/A	N/A	106	
48	2019	Distribution	Specific - Carryover	D1338A	Distribution Design for F107 Project	2018	365	\$ (2,952)	N/A	\$ -	N/A	N/A	101	
49	2019	Distribution	Specific - Carryover	MS17N006	Distribution Design L176 Line Replacement	2019	364	\$ 94	N/A	\$ 10,259	N/A	N/A	101	
50	2019	Distribution	Specific - Carryover	NHMT17	NH 2017 Storm Event N: Oct 29	2019	364	\$ 94	N/A	\$ 10,259	N/A	N/A	101	Trailing charges for meter purchases. Project well under supplemental threshold. Project reviewed as part of 2018 rate case.
51	2019	Distribution	Specific - Carryover	NHMT18		2018	370	\$ 10,786	\$ 2,320,000	\$ 1,527,602	\$ (792,398)	-34%	101	
52	2019	Distribution	Specific - Carryover	R15CDA	REP3 - 2015-2016 Central Region Distribution Automation	2015	364,365,366,369	\$ 6,888	\$ 6,097,000	\$ 6,651,355	\$ 554,355	9%	106	
53	2019	Distribution	Specific - Carryover	R15CTC	Circuit Tie Construction	2016	364,365,366,367,369	\$ (44,107)	\$ 8,523,222	\$ 8,472,978	\$ (50,244)	-1%	106	
54	2019	Distribution	Specific - Carryover	R15DBI	Direct Buried Cable Injection	2016	365,367	\$ 42	\$ 2,500,000	\$ 1,674,931	\$ (825,069)	-33%	101	
55	2019	Distribution	Specific - Carryover	R15DBR	REP3 Direct Buried Cable Replacement	2016	364,365,366,367,369	\$ (7,585)	\$ 4,389,000	\$ 4,377,411	\$ (11,589)	0%	106	
56	2019	Distribution	Specific - Carryover	R15EDA	REP 3 2015-2016 Eastern Region Distribution Automation	2015	362,364.37	\$ (833)	\$ 4,871,000	\$ 5,848,933	\$ 977,933	20%	106	Trailing credit for 2019 plant in service of \$833 for a project that did not require additional authorization as direct costs were 1% over budget, under the threshold for additional authorization.
57	2019	Distribution	Specific - Carryover	R15HLDR	Hit List Reliability Enhancements	2015	364,365,366,367,368	\$ (22,946)	\$ 4,904,100	\$ 4,275,294	\$ (628,806)	-13%	106	
58	2019	Distribution	Specific - Carryover	R15HLR	Heather-Lite Replacement	2016	364,365,369	\$ 11,857	\$ 2,150,015	\$ 1,482,712	\$ (667,303)	-31%	106	
59	2019	Distribution	Specific - Carryover	R15NDA	REP3 - 2015-2016 Northern Region Distribution Automation	2015	364,365,366,369	\$ 89,332	\$ 3,908,000	\$ 4,140,469	\$ 232,469	6%	101	Trailing charges for this project that was reviewed as part of 2018 rate case.
60	2019	Distribution	Specific - Carryover	R15NESC	NESC Capital Repairs	2015	364,365,366,367,369	\$ (5,665)	\$ 1,152,000	\$ 1,148,577	\$ (3,423)	0%	106	
61	2019	Distribution	Specific - Carryover	R15POR	Porcelain Change-out	2015	365	\$ 5,554	\$ 4,000,000	\$ 2,581,356	\$ (1,418,644)	-35%	106	
62	2019	Distribution	Specific - Carryover	R15RPR	Reject Pole Replacement	2015	364,365,366,367,369	\$ (126,373)	\$ 8,695,000	\$ 8,562,684	\$ (132,316)	-2%	106	

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Comparison of Budget to Actual

Line	Year	Plant Type	Project Type	Specific Project No.	Project Description	In Service Year	Plant Account(s)	2019 Plant in Service	Current Authorization	Actual Project Life to Date Costs	Current Authorization (\$)	Variance %	Plant Account	Reason for
	Col. A	Col. B	Col. C	Col. D	Col. E	First WO Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L	101 or 106 Col. M	Plant in Service > \$50K or Variance > 10% Col. N
											Col. J - Col. I	Col. K / Col. I		
63	2019	Distribution	Specific - Carryover	R15RWM	ROW System Hardening	2015	364,365	\$ 87,112	\$ 3,958,000	\$ 3,958,889	\$ 889	0%	101	Trailing charges for this project that was reviewed as part of 2018 rate case.
64	2019	Distribution	Specific - Carryover	R15SDA	REP3 - 2015-2017 Southern Region Distribution Automation	2016	364,365	\$ 1,309	\$ 5,504,000	\$ 5,408,336	\$ (95,664)	-2%	106	
65	2019	Distribution	Specific - Carryover	R15SSAI	4 & 12 kV Substations	2016	364,365,366,367,368	\$ (2,309)	\$ 3,000,000	\$ 3,019,037	\$ 19,037	1%	101	
66	2019	Distribution/General	Specific - Carryover	R15TDA	Telecom Expansion to Support Distribution Automation	2017	362,365,397	\$ 157,193	\$ 2,562,000	\$ 2,719,156	\$ 157,156	6%	106	Trailing charges for this project that was reviewed as part of 2018 rate case.
67	2019	Distribution	Specific - Carryover	R15WDA	REP3 - 2015-2016 Western Region Distribution Automation	2015	364,365,366	\$ 39,195	\$ 8,069,000	\$ 8,101,979	\$ 32,979	0%	106	
68	2019	Distribution	Specific - Carryover	R16LS	2016 Line Sensor Project	2016	365	\$ (21,768)	\$ 395,000	\$ 373,329	\$ (21,671)	-5%	101	
69	2019	Distribution	Specific - Carryover	R17CTC	REP 4 Circuit Ties	2017	364,365,366,367,369	\$ (4,062)	\$ 3,922,000	\$ 3,697,942	\$ (224,058)	-6%	106	
70	2019	Distribution	Specific - Carryover	R17DA	REP 4 Pole Top Distribution Automation	2017	364,365	\$ (37,696)	\$ 2,340,000	\$ 2,119,717	\$ (220,283)	-9%	106	
71	2019	Distribution	Specific - Carryover	R17HLDR	REP 4 Circuit Reliability Improvements	2017	364,365,366,367,369	\$ 66,270	\$ 785,000	\$ 792,948	\$ 7,948	1%	106	Trailing charges for this project that was reviewed as part of 2018 rate case.
72	2019	Distribution	Specific - Carryover	R17RWH	REP 4 ROW System Hardening	2017	364,365	\$ 5,814	\$ 724,000	\$ 729,597	\$ 5,597	1%	101	
73	2019	Distribution	Specific - Carryover	R18ETT	NH REP ETT	2018	365	\$ 4,552	\$ 3,087,900	\$ 862,900	\$ (2,225,000)	-72%	106	
74	2019	Distribution	Specific - Carryover	R18HAZ	NH Hazard Tree Removal	2018	365	\$ 41,493	\$ 2,264,500	\$ 1,741,486	\$ (523,014)	-23%	101	
75	2019	Distribution	Specific - Carryover	STRM0617N	NH STORM CAP: Oct 29, 2017 event	2017	364,365,369	\$ 140,125	\$ 1,949,600	\$ 2,014,164	\$ 64,564	3%	106	Trailing charges in 2019 for this late 2017 storm project capitalization.
76	2019	Distribution	Specific - Carryover	STRM0618C	NH STORM CAP: Mar 7-8, 2018 event	2019	364,365,368,369	\$ 159,999	\$ 352,000	\$ 350,901	\$ (1,099)	0%	106	Trailing charges in 2019 for this spring 2018 storm project capitalization.
77	2019	Distribution	Specific - Carryover	STRM0618D	NH STORM CAP: Apr 4-5, 2018 event	2019	364,365,369	\$ 2,885	N/A	\$ 79,742	N/A	N/A	106	
78	2019	Distribution	Specific - Carryover	UB1412	2014 Distribution Automation Deployment	2014	364,365,366,367	\$ 47,898	\$ 3,230,000	\$ 4,417,145	\$ 1,187,145	37%	101	Trailing charges for this project that did not require additional authorization as direct charges were over budget by less than 2%. Project was reviewed as part of 2018 rate case.
79	2019	Distribution	Specific - Carryover	UB1501	Replace Defective Viper Reclosers	2015	364,365	\$ 1,767	N/A	\$ 173,335	N/A	N/A	101	
80	2019	Distribution	Specific - Carryover	UB1502	399 Line Relocation Pointe Place	2016	364,365	\$ 16,643	N/A	\$ 1,955	N/A	N/A	101	
81														
82	2019 Total							\$ 4,911,104						

Definitions:

Col. A: Plant in Service Year

Col. B: Plant Type (Distribution/General Plant)

Col. C: Specific project, Annual program/blanket project or Specific carryover project with trailing charges

Col. D: Internal Company project identifier

Col. E: Description of project work

Col. F: Year when first work order was placed in service for project

Col. G: Plant account(s) for work orders contained within project

Col. H: Amount of plant additions placed in service for the plant year identified in Col. A.

Col. I: Current authorization for projects that meet the criteria for needed an authorization based on Company policy

Col. J: Actual Project Costs (direct and indirect, including cost of removal) through the year identified in Col. A.

Col. K: Variance (\$) between total actual costs as compared to current authorized amount identified in Col. I.

Col. L: Variance (%) between total actual costs as compared to current authorized amount identified in Col. I.

Col. M: Indicates whether one or more work orders are in FERC Account 106 (Completed Construction not Classified (CCNC)) and can still accept charges or FERC Account 101 (Completed and Unitized by Plant Accounting, work orders are closed out and will not allow charges)

Col. N: Reason for variance for projects with plant in service greater than \$50,000 or have a variance of greater than 10%

N/A indicates that the estimated project cost is below the threshold for needing a formal project authorization per Eversource Corporate policy

STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DOCKET NO. DE 19-057
REQUEST FOR PERMANENT RATES

DIRECT TESTIMONY OF
ERICA L. MENARD and EDWARD A. DAVIS
Step Adjustment Revenue Requirement and Rates

On behalf of Public Service Company of New Hampshire
d/b/a Eversource Energy

October 9, 2020

Public Service Company of New Hampshire
d/b/a Eversource Energy
Docket No. DE 19-057
Testimony of Erica L. Menard and Edward A. Davis
October 9, 2020

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October 9, 2020
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STATE OF NEW HAMPSHIRE
BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
DIRECT TESTIMONY OF
ERICA L. MENARD and EDWARD A. DAVIS
PETITION OF PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
d/b/a EVERSOURCE ENERGY
REQUEST FOR PERMANENT RATES

Docket No. DE 19-057

I. INTRODUCTION

Q. Ms. Menard, please state your full name, position and business address.

A. My name is Erica L. Menard. I am employed by Eversource Energy Service Company as Manager of New Hampshire Revenue Requirements. My business address is 780 North Commercial Street, Manchester, New Hampshire.

Q. What are your principal responsibilities in this position?

A. In my role as Manager of New Hampshire Revenue Requirements, I am responsible for the coordination and implementation of revenue requirements calculations for Public Service Company of New Hampshire d/b/a Eversource Energy (“Eversource” or the “Company”) in New Hampshire as well as the filings associated with the Company’s Energy Service (“ES”) rate, Stranded Cost Recovery Charge (“SCRC”), Transmission Cost Adjustment Mechanism (“TCAM”), and Distribution Rates.

Public Service Company of New Hampshire
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1 **Q. Mr. Davis, please state your full name, position and business address.**

2 A. My name is Edward A. Davis. I am employed by Eversource Energy Service Company as
3 the Director of Rates. My business address is 107 Selden Street, Berlin, Connecticut.

4 **Q. What are your principal responsibilities in this position?**

5 A. As the Director of Rates, I am responsible for activities related to rate design, cost of service
6 and rates administration for all electric and gas subsidiaries of Eversource Energy,
7 including the Company.

8 **Q. Did you both previously sponsor testimony in this docket that contains additional**
9 **information on your professional experience and educational backgrounds?**

10 A. Yes, Ms. Menard submitted direct testimony as part of the Company's initial request for
11 permanent rates on May 28, 2019 and rebuttal testimony jointly with Company Witnesses
12 Lee G. Lajoie and David L. Plante on March 4, 2020. Mr. Davis submitted direct testimony
13 as part of the Company's temporary rate request on April 26, 2019, as part of the initial
14 request for permanent rates on May 28, 2019, and as part of the Company's rebuttal
15 testimony on March 4, 2020.

16 **Q. What is the purpose of your testimony?**

17 A. The purpose of our joint testimony is to support the request for an increase in distribution
18 rates, to be effective January 1, 2021, as provided in Section 10 of the Settlement
19 Agreement filed on October 9, 2020 in this docket. This is the first requested step increase
20 referenced in the Settlement Agreement and pertains to certain projects placed in service
21 during calendar year 2019. Our testimony addresses the revenue requirement calculations,

rate design and rate impacts from this first step increase related to the relevant plant additions, consistent with the terms of the Settlement Agreement. Documentation on the projects themselves is included with the joint testimony of Messrs. Lajoie and Plante, which accompanies our testimony.

Q. Are you presenting any attachments in support of your testimony?

A. Yes, we are presenting the following attachments in support of this testimony:

Attachment	Description
Attachment ELM-EAD-1	Revenue Requirement
Attachment ELM-EAD-2	Distribution Increase Effective January 1, 2021
Attachment ELM-EAD-3	Permanent Rate Design 2020 Step Adjustment
Attachment ELM-EAD-4	Bill Calculation for Residential Service Rate R

Q. How is your testimony organized?

A. Following this introduction, Section II discusses the Settlement Agreement requirements, Section III explains the revenue requirement calculation, and Section IV provides the rate calculations.

II. SETTLEMENT AGREEMENT REQUIREMENTS

Q. Could you please describe what the Settlement Agreement provides relative to the step adjustments?

A. Yes. Section 10 of the Settlement Agreement on permanent rates in this docket provides for three step adjustments. This testimony supports the first of those adjustments. Under the Settlement Agreement, this step recovers the costs associated with capital projects

1 placed in service during 2019, excluding new business projects. That is, it excludes
2 projects that were done to support new business on the basis that such projects are expected
3 to support themselves through newly generated revenue.

4 As for the step adjustment itself, it is capped at \$11 million in revenue, and any revenue
5 requirement above that amount would be deferred for some other means of recovery. If
6 the revenue requirement came in under \$11 million, then only the actual amount would be
7 recovered. Also, due to the timing of this step, the rate for this step is designed to recover
8 the total amount of the step adjustment over seven months from January 1, 2021 through
9 August 1, 2021, when the second step adjustment would take effect. The second and third
10 steps will include recovery on a 12-month basis. The rate impact is described in greater
11 detail below.

12 **Q. Does the Settlement Agreement call for a revenue requirement calculation design to**
13 **be used for this step adjustment?**

14 A. As noted in Section 10 of the Settlement Agreement, the method for calculating the revenue
15 requirement for the step adjustment was undertaken in a manner similar to that included at
16 Bates 313-320 (Attachment EHC/TMD-3 (Perm)) of the Company's May 28, 2019
17 permanent rate filing in this case (the "Initial Filing"). However, unlike the Company's
18 Initial Filing, this calculation excludes recovery of Enterprise IT Project costs and Union
19 Contractual Adjustments. For the first step increase, the Company has a cap of \$11 million
20 as defined in the Settlement Agreement. For this step increase, the Company has allocated

1 the overall increase of \$10,651,000 based on the revenue percentage for each rate class as
2 described below.

3 **Q. Does the Settlement Agreement call for a particular rate design to be used for this**
4 **step adjustment?**

5 A. Not directly, no. Section 14 of the Settlement Agreement describes the revenue allocation
6 that will be applied for the permanent rate increase. Specifically, the Settlement Agreement
7 states that costs attributable to the outdoor lighting classes will be directly assigned to those
8 classes, and the remainder of the costs will be allocated to each customer class on an equal
9 percent basis. The recoupment and step increase revenues are allocated among classes on
10 the basis of their respective distribution revenue, which is equivalent to each class receiving
11 an equal percentage allocation of such increase.

12 **III. REVENUE REQUIREMENT CALCULATION**

13 **Q. With the above general understandings, please explain how you calculated the**
14 **revenue requirement for the projects for which you are seeking recovery in this step**
15 **adjustment.**

16 A. As shown in Attachment ELM/EAD-1 on page 1, the revenue requirement for the first step
17 adjustment calculated by first computing the year over year net change in plant between
18 year ending December 31, 2018 and year ending December 31, 2019 as shown on line 5.
19 Then, the return is calculated on net plant as shown on line 8 using the rate of return and
20 gross revenue conversion factor. Depreciation and property taxes are added to calculate
21 the total revenue requirement of \$10,651,000. Since the calculated revenue requirement is
22 below the threshold \$11 million for the first step increase, the entire amount is included in
23 this first step increase.

1 Page 2 of Attachment ELM/EAD-1 provides more detail on the distribution plant placed
2 in service, excluding new business. The detail of the plant additions shown on line 7 are
3 provided by project in the Lajoie/Plante testimony.

4 Page 3 of Attachment ELM/EAD-1 provides the detail on the capital structure as agreed
5 upon in the Settlement Agreement in this docket.

6 Page 4 of Attachment ELM/EAD-1 provides the computation of the Gross Revenue
7 Conversion Factor (GRCF) based on New Hampshire corporate business tax of 7.7 percent
8 and federal income tax rate of 21 percent for the taxable period ending December 31, 2019.
9 The rate of return and GCRF are used to calculate the return on the net plant.

10 Page 5 of Attachment ELM/EAD-1 provides the detail behind the calculation of the
11 composite depreciation rate of 3.15 percent used to apply a depreciation factor to the
12 revenue requirement.

13 Page 6 of Attachment ELM/EAD-1 provides the computation of the property tax rate to
14 apply to the revenue requirement.

15 **IV. RATE CALCULATIONS**

16 **Q. Please explain how you calculated the rates for this step adjustment.**

17 A. Because the revenue requirement recovery period for the first step is less than 12-months,
18 the Company calculated the rate design revenue that rates would be set to in order to
19 recover the step increase over seven months (i.e., January 1, 2021 to July 31, 2021,
20 inclusive). This increase, when allocated to each rate class, is then designed to be recovered

1 through volumetric or demand rates, depending on the distribution rate structure of each
2 rate class. The Company did not adjust the Customer Charge for the step increase. Details
3 of the rate design for each rate class are provided in Appendix 10 of the Settlement
4 Agreement.

5 **Q. What are the impacts related to the rate calculations you have described?**

6 A. The attachments to our testimony provide the percentage impacts of the rate adjustment to
7 each of the customer classes. Attachment ELM/EAD-2 shows the overall impacts,
8 Attachment ELM/EAD-3 shows rate design for the step adjustment, and Attachment
9 ELM/EAD-4 shows the bill impact for a 650 kWh residential customer.

In looking at the rate and bill impacts, it is important to keep in mind the shortened period
of recovery associated with this first step.

10 **Q. Are the revenue requirements and rates just and reasonable?**

11 A. Yes. The revenue requirement calculation and resulting rate impacts are consistent with
12 the Settlement Agreement and result in rates that are just and reasonable.

13 **Q. Does this complete your testimony?**

14 A. Yes, it does.

Public Service Company of New Hampshire
d/b/a Eversource Energy
Docket No. DE 19-057
Settlement Agreement - Step 1 Revenue Requirement
Attachment ELM/EAD-1
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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
CALCULATION OF STEP ADJUSTMENT #1 (EXCLUDES NEW BUSINESS)

Line	Description	(effective 1/1/21)		Reference
		Year-Ending 12/31/2018 (A)	Year-Ending 12/31/2019 (B)	
1	Total Utility Plant in Service	\$ 2,171,045,400	\$ 2,251,194,489	Attachment ELM/EAD-1, Page 2, Line 1
2	Accumulated Provision for Depreciation	<u>602,426,195</u>	<u>610,587,812</u>	Attachment ELM/EAD-1, Page 2, Line 2
3	Net Utility Plant	<u>1,568,619,205</u>	<u>1,640,606,677</u>	Line 1 - Line 2
4	Gross Plant Change		80,149,089	Line 1 Col. (B) - Line 1 Col. (A)
5	Net Plant Change (year over year)		71,987,472	Line 3 Col. (B) - Line 3 Col. (A)
6	Rate of Return		6.87%	Attachment ELM/EAD-1, Page 3, Line 11
7	Gross Revenue Conversion Factor		<u>1.37142</u>	Attachment ELM/EAD-1, Page 4, Line 7
8	Return		6,781,732	Line 5 x Line 6 x Line 7
9	Depreciation Rate		3.15%	Attachment ELM/EAD-1, Page 5, Line 71
10	Depreciation		2,267,605	Line 5 x Line 9
11	Property Tax Rate		2.00%	Attachment ELM/EAD-1, Page 6, Line 3
12	Property Taxes		1,601,305	Line 4 x Line 11
13	Total Revenue Requirement		<u>\$ 10,650,642</u>	Line 8 + Line 10 + Line 12
14	Step 1 Revenue Requirement Cap per Settlement Agreement		\$ 11,000,000	
15	Step 1 Revenue Increase (\$000s)		<u>\$ 10,651</u>	Line 13/1000

Public Service Company of New Hampshire
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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
DISTRIBUTION PLANT**

Line	Description	Year-Ending 12/31/2018 (A)	Year-Ending 12/31/2019 (B)	Reference
1	Total Utility Plant In Service	\$ 2,171,045,400	\$ 2,251,194,489	FERC Form 1 adj to excl New Business
2	Accumulated Provision for Depreciation	602,426,195	610,587,812	FERC Form 1 adj to excl New Business
3	Net Utility Plant	<u>1,568,619,205</u>	<u>1,640,606,677</u>	Line 1 - Line 2
4	Gross Distribution Plant Change (year over year)		<u>80,149,089</u>	Line 1 Col. (B) - Line 1 Col. (A)
5	Net Distribution Plant Change (year over year)		<u>71,987,472</u>	Line 3 Col. (B) - Line 3 Col. (A)
6	Beginning Plant Balance		2,171,045,400	Line 9 Col. (A)
7	Additions (excluding New Business)		125,203,458	FERC Form 1 adj to excl New Business
8	Retirements (excluding New Business)		(45,054,369)	FERC Form 1 adj to excl New Business
9	Ending Plant Balance	<u>\$ 2,171,045,400</u>	<u>\$ 2,251,194,489</u>	Line 6 + Line 7 + Line 8

Public Service Company of New Hampshire
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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
COST OF CAPITAL**

Line	Description	Fixed Percentage	Cost	Rate of Return	Reference
		(A)	(B)	(C) = (A) x (B)	
1					
2					
3	Short-Term Debt	2.44%	2.07%	0.05%	
4	Long-term Debt	43.15%	4.08%	1.76%	
5	Common Equity	54.41%	9.30%	5.06%	
6					
7	Total Capital	100.00%		6.87%	Line 3 + Line 4 + Line 5
8	Weighted Cost of				
9	Debt			1.81%	Line 3 + Line 4
10	Equity			5.06%	Line 5
11	Cost of Capital			6.87%	Line 9 + Line 10

Public Service Company of New Hampshire
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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
COMPUTATION OF GROSS REVENUE CONVERSION FACTOR**

Line	Description	12/31/2018	Step 1 12/31/2019	Reference
1	Operating revenue percentage	100.000%	100.000%	
2	Less: New Hampshire corporate business tax	<u>7.900%</u>	<u>7.700%</u>	
3	Operating revenue percentage after state taxes	92.100%	92.300%	Line 1 - Line 2
4	Federal income tax rate	21.000%	21.000%	
5	Federal income tax	<u>19.341%</u>	<u>19.383%</u>	Line 3 x Line 4
6	Operating income after federal income tax	<u><u>72.759%</u></u>	<u><u>72.917%</u></u>	Line 3 - Line 5
7	Gross revenue conversion factor	<u><u>137.440%</u></u>	<u><u>137.142%</u></u>	1 / Line 6

Note: Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE

SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENT, ORIGINAL COST AND
AND CALCULATED ANNUAL AND ACCRUED DEPRECIATION RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2018
WHOLE LIFE DEPRECIATION - AMR RECOVERY OVER 9 YEARS

LINE	PLANT ACCOUNT	DESCRIPTION	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST AS OF DECEMBER 31, 2018	CALCULATED ANNUAL ACCRUAL AMOUNT	RATE (G)=(F)/(E)	CALCULATED ACCRUED DEPRECIATION
	(A)	(B)	(C)	(D)	(E)	(F)	(G)=(F)/(E)	(H)
1								
2								
3		ELECTRIC PLANT						
4								
5		INTANGIBLE PLANT						
6								
7	303.00	MISCELLANEOUS INTANGIBLE PLANT	5-SQ	0	18,278,819.53	1,769,835	9.68	14,600,391
8	303.00	MISCELLANEOUS INTANGIBLE PLANT - AMR	5-SQ	0	2,864,448.00	95,483	3.33	2,660,846
9	303.20	MISCELLANEOUS INTANGIBLE PLANT - 10 YEAR	10-SQ	0	31,771,797.33	486,807	1.53	28,607,554
10								
11		TOTAL INTANGIBLE PLANT			52,915,064.86	2,352,125	4.45	45,868,791
12								
13		DISTRIBUTION PLANT						
14								
15	360.20	LAND AND LAND RIGHTS	75-R4	0	4,123,039.65	54,836	1.33	2,204,822
16	361.00	STRUCTURES AND IMPROVEMENTS	75-R3	(25)	26,387,975.26	438,700	1.66	6,187,652
17	362.00	STATION EQUIPMENT	55-S0.5	(25)	303,092,439.65	6,895,353	2.28	65,238,205
18	362.10	STATION EQUIPMENT - ENERGY MANAGEMENT SYSTEM	25-R2.5	0	3,155,937.71	126,238	4.00	1,015,444
19	364.00	POLES, TOWERS AND FIXTURES	53-R0.5	(90)	303,587,829.37	10,901,646	3.59	110,737,706
20	365.00	OVERHEAD CONDUCTORS AND DEVICES	55-R1	(35)	582,095,624.35	14,302,089	2.46	154,119,837
21	366.00	UNDERGROUND CONDUIT	60-R2	(40)	38,757,668.49	906,154	2.34	9,625,266
22	367.00	UNDERGROUND CONDUCTORS AND DEVICES	54-R1.5	(40)	133,741,822.05	3,463,913	2.59	42,368,714
23	368.00	LINE TRANSFORMERS	40-S0	(2)	262,481,157.73	6,693,270	2.55	73,140,846
24	369.10	OVERHEAD SERVICES	44-R2	(125)	81,721,434.74	4,173,922	5.11	47,501,588
25	369.20	UNDERGROUND SERVICES	55-R1.5	(125)	76,631,011.71	3,138,040	4.10	32,482,673
26	370.00	METERS	18-L1	0	44,821,891.75	2,479,416	5.53	19,961,157
27	370.00	METERS - AMR	18-L1	0	31,614,492.00	2,981,203	9.43	5,819,204
28	371.00	INSTALLATION ON CUSTOMERS' PREMISES	17-L0	(50)	6,563,781.88	578,892	8.82	3,082,834
29	373.00	STREET LIGHTING AND SIGNAL SYSTEMS	27-L0	(10)	5,130,537.46	208,813	4.07	2,083,777
30								
31		TOTAL DISTRIBUTION PLANT			1,903,906,643.80	57,342,485	3.01	575,569,725
32								
33		GENERAL PLANT						
34								
35	389.20	LAND AND LAND RIGHTS	65-R4	0	26,976.55	415	1.54	13,692
36	390.00	STRUCTURES AND IMPROVEMENTS	50-S0.5	(10)	84,363,470.03	1,854,713	2.20	20,052,815
37	390.10	STRUCTURES AND IMPROVEMENTS - LEASEHOLD	20-S0.5	0	50,859.53	2,543	5.00	19,095
38	391.10	OFFICE FURNITURE AND EQUIPMENT	20-SQ	0	9,755,154.62	487,758	5.00	4,695,337
39	391.20	OFFICE FURNITURE AND EQUIPMENT - COMPUTER EQUIPMENT	5-SQ	0	1,672,250.89	243,506	14.56	960,508
40								
41		TRANSPORTATION EQUIPMENT						
42								
43	392.00	OTHER	15-S4	15	30,225.00	1,714	5.67	14,507
44	392.10	CARS	6-L3	15	97,593.41	13,828	14.17	13,479
45	392.20	LIGHT TRUCKS	11-S1	15	8,605,166.97	664,878	7.73	2,687,250
46	392.30	MEDIUM TRUCKS	14-S3	15	2,764,714.96	167,791	6.07	767,426
47	392.40	HEAVY TRUCKS	15-S2.5	15	26,391,434.00	1,496,262	5.67	8,212,511
48	392.50	ROLLING EQUIPMENT	13-L2.5	15	1,321,753.47	86,396	6.54	235,242
49	392.60	TRAILERS	13-L3	15	4,958,571.11	324,117	6.54	1,661,871
50	392.70	ELECTRIC VEHICLE CHARGING STATION	10-R4	0	7,902.10	790	10.00	5,244
51								
52		TOTAL TRANSPORTATION EQUIPMENT			44,177,361.02	2,755,776	6.24	13,597,530
53								
54	393.00	STORES EQUIPMENT	20-SQ	0	3,257,904.89	162,895	5.00	1,109,379
55	394.00	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	0	14,194,677.76	567,787	4.00	4,037,342
56	395.00	LABORATORY EQUIPMENT	20-SQ	0	2,072,746.95	96,433	4.65	1,339,656
57	396.00	POWER OPERATED EQUIPMENT	15-L4	0	159,421.09	10,633	6.67	71,720
58								
59		COMMUNICATION EQUIPMENT						
60								
61	397.10	MICROWAVE	15-SQ	0	5,646,707.11	240,089	4.25	3,854,488
62	397.20	OTHER	15-SQ	0	22,098,802.35	1,279,811	5.79	10,667,691
63	397.30	GPS	5-SQ	0	443,487.30	54,399	12.27	366,151
64								
65		TOTAL COMMUNICATION EQUIPMENT			28,188,996.76	1,574,299	5.58	14,888,330
66								
67	398.00	MISCELLANEOUS EQUIPMENT	20-SQ	0	1,279,168.86	63,958	5.00	658,566
68								
69		TOTAL GENERAL PLANT			189,198,988.95	7,820,716	4.13	61,443,970
70								
71		TOTAL DEPRECIABLE PLANT			2,146,020,697.61	67,515,326	3.15	682,882,486
72								
73		NONDEPRECIABLE PLANT						
74								
75	301.00	ORGANIZATION			45,057.29			
76	360.10	LAND			5,830,013.57			
77	389.10	LAND			4,806,992.04			
78								
79		TOTAL NONDEPRECIABLE PLANT			10,682,062.90			
80								
81		TOTAL ELECTRIC PLANT			2,156,702,760.51	67,515,326		682,882,486
82								
83		* AMR METERS NET BOOK VALUE BEING DEPRECIATED OVER 9 YEARS						
84		** NEW ADDITIONS TO THIS ACCOUNT WILL BE DEPRECIATED USING A 10.00% RATE						
85								
86		Less Transportation Equipment				(2,755,776)		
87		TOTAL ELECTRIC PLANT				64,759,550		

Public Service Company of New Hampshire
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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE
PROPERTY TAX RATE CALCULATION**

<u>Line</u>	<u>Description</u>	<u>Year-Ended 12/31/2019</u>	<u>Reference</u>
1	Total Distribution Property Taxes	\$ 45,186,407	Reflects latest property tax expense
2	Gross Distribution Plant In Service	\$ 2,261,686,403	Reflects total distribution plant @ 12/31/19
3	Gross Property Tax Rate	<u>2.00%</u>	Line 1 / Line 2

Public Service Company of New Hampshire, DBA Eversource Energy
Distribution Increase for 2020 Step Adjustment
Effective January 1, 2021

1					
2					
3					
4					
5					Source:
6	Step 1 Increase	\$	18,258,857	Footnote (a)	
7					
8	Distribution Revenues per Settlement Agreement in Docket No. 19-057	\$	396,054,679	Per Settlement	
9					
10	Percent Adjustment to Distribution Rates		4.61%	Line 6 / Line 7	
11					
12	Total Revenues	\$	414,313,536	Line 6 + Line 8	
13					
14	(a) The step adjustment effective date should have been August 1, 2020. In order to recover the full step adjustment, the				
15	Company adjusted the step increase as follows:				
16	Total Step 1 Adjustment (\$000s)	\$	10,651	Attachment ELM/EAD-1, Page 1, Line 15	
17	Monthly Amount over 7 Month Recovery Period (\$000s)	\$	1,522	Line 16 / 7 mo	
18	Total Amount to Adjust Revenues to Reflect Shortened Recovery Period (\$000s)	\$	18,259	Line 17 x 12 mo	

Public Service Company of New Hampshire, DBA Eversource Energy
Permanent Rate Design 2020 Step Adjustment
Rates Effective January 1, 2021

Rate	Blocks	Permanent Rates 1/1/21	Step Adjustment 1/1/21	Percent Change
R	Customer charge	\$ 13.81	\$ 13.81	0.00%
	All KWH	0.04811	0.05140	6.84%
Uncontrolled				
Water	Meter charge	\$ 4.87	\$ 4.87	0.00%
Heating	All KWH	0.02161	0.02376	9.95%
Controlled				
Water	Meter charge	\$ 6.38	\$ 6.38	0.00%
Heating	All KWH	0.01141	0.01248	9.38%
R-OTOD	Customer charge	\$ 32.08	\$ 32.08	0.00%
	On-peak KWH	\$ 0.14710	\$ 0.15039	2.24%
	Off-peak KWH	0.00513	0.00842	64.13%
G	Single phase customer charge	\$ 16.21	\$ 16.21	0.00%
	Three phase customer charge	32.39	32.39	0.00%
	Load charge (over 5 KW)	\$ 10.49	\$ 11.57	10.30%
	First 500 KWH	\$ 0.02805	\$ 0.02805	0.00%
	Next 1,000 KWH	0.02268	0.02268	0.00%
	All additional KWH	0.01709	0.01709	0.00%
Space	Meter charge	\$ 3.24	\$ 3.24	0.00%
Heating	All KWH	0.03908	0.04102	4.96%
G-OTOD	Single phase customer charge	\$ 41.98	\$ 41.98	0.00%
	Three phase customer charge	60.00	60.00	0.00%
	Load charge	\$ 13.92	\$ 15.00	7.76%
	On-peak KWH	0.05335	0.05335	0.00%
	Off-peak KWH	0.00836	0.00836	0.00%
LCS	Radio-controlled option	\$ 6.99	\$ 6.99	0.00%
	8, 10 or 11-hour option	6.38	6.38	0.00%
	Switch option	6.99	6.99	0.00%
	Radio-controlled option	\$ 0.01141	\$ 0.01248	9.38%
	8-hour option	0.01141	\$ 0.01248	9.38%
	10 or 11-hour option	0.02161	\$ 0.02376	9.95%

Public Service Company of New Hampshire, DBA Eversource Energy
 Permanent Rate Design 2020 Step Adjustment
 Rates Effective January 1, 2021

Rate	Blocks	Permanent Rates 01/01/2021	Step Adjustment 01/01/2021	Percent Change
GV	Customer charge	\$ 211.21	\$ 211.21	0.00%
	First 100 KW	\$ 6.48	\$ 6.93	6.94%
	All additional KW	6.22	6.67	7.23%
	First 200,000 KWH	\$ 0.00657	\$ 0.00656	-0.15%
	All additional KWH	0.00583	0.00583	0.00%
	Minimum Charge	\$ 1,015.00	\$ 1,062.00	4.63%
LG	Customer charge	\$ 660.15	\$ 660.15	0.00%
	Demand charge	\$ 5.51	\$ 5.88	6.72%
	On-peak KWH	\$ 0.00554	\$ 0.00554	0.00%
	Off-peak KWH	0.00468	0.00468	0.00%
	Minimum Charge	\$ 1,076.00	\$ 1,126.00	4.65%
	Discount for Service at 115kV	\$ (0.49)	\$ (0.51)	4.08%
B Service at less than 115 KV	Administrative charge	\$ 372.10	\$ 372.10	0.00%
	Translation charge	62.42	62.42	0.00%
	Demand charge	\$ 5.12	\$ 5.39	5.27%
	All KWH	Energy charges in the standard rate		
B Service at 115 KV or higher	Administrative charge	\$ 372.10	\$ 372.10	0.00%
	Translation charge	62.42	62.42	0.00%
	Demand charge	Not applicable		
	All KWH	Not applicable		

Public Service Company of New Hampshire, DBA Eversource Energy
Permanent Rate Design 2020 Step Adjustment
Rates Effective January 1, 2021

Outdoor Lighting Service Rate OL

			Permanent Rates 01/01/2021	Step Adjustment 01/01/2021	Percent Change
	<u>Lumens</u>	<u>Watts</u>			
For new and existing installations					
High Pressure Sodium	4,000	50	\$ 14.77	\$ 15.45	4.60%
	5,800	70	14.77	15.45	4.60%
	9,500	100	19.64	20.55	4.63%
	16,000	150	27.78	29.06	4.61%
	30,000	250	28.47	29.78	4.60%
	50,000	400	28.79	30.12	4.62%
	130,000	1,000	46.20	48.33	4.61%
Metal Halide	5,000	70	15.41	16.12	4.61%
	8,000	100	21.09	22.06	4.60%
	13,000	150	28.94	30.27	4.60%
	13,500	175	29.55	30.92	4.64%
	20,000	250	29.55	30.92	4.64%
	36,000	400	29.82	31.20	4.63%
	100,000	1,000	44.71	46.77	4.61%
Light Emitting Diode (LED)	2,500	28		10.19	
	4,100	36		10.17	
	4,800	51		10.33	
	8,500	92		11.36	
	13,300	142		12.55	
	24,500	220		15.73	
For existing installations only					
Incandescent	600	105	8.51	8.90	4.58%
	1,000	105	9.50	9.94	4.63%
	2,500	205	12.19	12.75	4.59%
	6,000	448	20.94	21.91	4.63%
Mercury	3,500	100	13.03	13.63	4.60%
	7,000	175	15.68	16.40	4.59%
	11,000	250	19.38	20.28	4.64%
	15,000	400	22.17	23.19	4.60%
	20,000	400	23.94	25.04	4.59%
	56,000	1,000	38.05	39.80	4.60%
Fluorescent	20,000	330	32.47	33.96	4.59%
High Pressure Sodium in existing mercury luminaires					
	12,000	150	20.32	21.25	4.58%
	34,200	360	26.01	27.21	4.61%

Public Service Company of New Hampshire, DBA Eversource Energy
Permanent Rate Design 2020 Step Adjustment
Rates Effective January 1, 2021

Energy Efficient Outdoor Lighting Service Rate EOL

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	<u>Lumens</u>	<u>Watts</u>	<u>Permanent Rates 01/01/2021</u>	<u>Step Adjustment 01/01/2021</u>	<u>Percent Change</u>
High Pressure Sodium	4,000	50	\$ 6.12	\$ 6.31	3.10%
	5,800	70	6.43	6.62	2.95%
	9,500	100	6.85	7.04	2.77%
	16,000	150	7.51	7.70	2.53%
	30,000	250	8.73	8.93	2.29%
	50,000	400	10.44	10.63	1.82%
	130,000	1,000	17.11	17.30	1.11%
Metal Halide	5,000	70	6.45	\$ 6.64	2.95%
	8,000	100	6.79	6.98	2.80%
	13,000	150	7.52	7.71	2.53%
	13,500	175	7.69	7.88	2.47%
	20,000	250	8.55	8.75	2.34%
	36,000	400	10.27	10.46	1.85%
	100,000	1,000	16.93	17.12	1.12%
LED's and other technologies accepted by the Company					
Per fixture charge			3.01	3.21	6.64%
Per watt charge			\$ 0.01058	\$ 0.01058	0.00%

Public Service Company of New Hampshire DBA Eversource Energy

Bill Calculation for Residential Service Rate R

Usage: 650 kWh

	Current Rates (a)	Proposed Rates (b)	Current Bill	Proposed Bill
Customer Charge	\$ 13.81	\$ 13.81	\$ 13.81	\$ 13.81
Distribution Charge per kWh	0.04811	0.05140	31.27	33.41
Transmission Charge per kWh	0.03011	0.03011	19.57	19.57
Stranded Cost Recovery Charge	0.00982	0.00982	6.38	6.38
System Benefits Charge	0.00743	0.00743	4.83	4.83
Energy Service Charge	0.07068	0.07068	45.94	45.94
		Total Bill	\$ 121.81	\$ 123.95
		\$ Increase in 650 kWh Residential Bill		\$ 2.14
		% Increase in 650 kWh Residential Bill		1.76%

(a) Current rates per Settlement Agreement in Docket No. DE 19-057.

(b) Proposed rates for Step 1 effective January 1, 2021