AGENDA

1. Introductions
2. Interstate DRIPE
3. New AESC assumptions
   - Oil DRIPE
   - Avoided Transmission and Distribution
   - Value of Reliability
   - 8760 hour analysis
   - Other?
4. Other Potential Changes with Assumptions
   - Southern New England gas estimates for Southern NH
   - Environmental for Gas (since no embedded like electric)
   - Other?

Summary of April 11, 2018 meeting

a. Presentation by Max Chang
   - Max provided a summary of the most recent AESC Study including the results, input assumptions (inflation, discount rate, and wholesale risk premium), new elements (oil DRIPE, Avoided T&D, Value of Reliability), sensitivities, and the 8760 hour model.
   - Should Southern NH, use natural gas data for Southern New England, since getting natural gas from the south, not the north as assumed for Northern New England?
   - The study does not provide an estimate for propane DRIPE, but one could be calculated.
   - Two approaches are discussed for the avoided costs of carbon:
     o $100/ton based on carbon capture and sequestration (CCS) at a coal plant is the global value and the basis for the study.
     o $174/ton based on offshore wind could be used for New England since the building of offshore wind seems more likely than CCS.

b. Presentation by Joe Swift
   - 50% decrease in electric capacity costs.
   - 16% decrease in electric energy costs.
   - 8% decrease in natural gas assumptions.
• DRIPE has increased slightly, but small overall benefit.
• Based on the Eversource’s 2019 plan and 2015 AESC update assumptions, 81% of the Electric benefits are based on AESC values.
• Overall Electric benefits for Eversource’s 2019 plan show a decrease of 3.5% comparing AESC 2015 update and AESC 2018 results.
• Based on Liberty’s 2019 gas plan, 87% of the benefits rely on natural gas prices
• Overall Gas benefits for Liberty’s 2019 plan show a decrease of 7.0% comparing AESC 2015 update and AESC 2018 results.