

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
TRANSMISSION RATES PROPOSED FOR EFFECT ON JULY 1, 2015**

			(1) Current Rates Effective 07/01/2014	(2) Proposed Rates Effective 07/01/2015
	<u>Rate</u>	<u>Blocks</u>		
	R	All KWH	\$ 0.01786	\$ 0.01957
	Uncontrolled Water Heating	All KWH	\$ 0.01381	\$ 0.01514
	Controlled Water Heating	All KWH	\$ 0.01381	\$ 0.01514
	R-OTOD	On-peak KWH	\$ 0.01786	\$ 0.01957
		Off-peak KWH	\$ 0.01165	\$ 0.01277
	G	Load charge (over 5 KW)	\$ 4.61	\$ 5.05
		First 500 KWH	\$ 0.01663	\$ 0.01823
		Next 1,000 KWH	\$ 0.00626	\$ 0.00686
		All additional KWH	\$ 0.00336	\$ 0.00368
	Space Heating	All KWH	\$ 0.01663	\$ 0.01823
	G-OTOD	Load charge	\$ 3.04	\$ 3.33
	LCS	Radio-controlled option	\$ 0.01381	\$ 0.01514
		8-hour option	\$ 0.01381	\$ 0.01514
		10 or 11-hour option	\$ 0.01381	\$ 0.01514
	GV	First 100 KW	\$ 6.17	\$ 6.76
		All additional KW	\$ 6.17	\$ 6.76
	LG	Demand charge	\$ 6.07	\$ 6.65
	B	Demand charge	\$ 0.81	\$ 0.52
	OL, EOL	All KWH	\$ 0.01221	\$ 0.01338

Notes:

- (1) Current rates are based on a retail average transmission rate of 1.642 ¢/KWH.
- (2) Proposed rates are based on a retail average transmission rate of 1.785 ¢/KWH.
The calculation of the Rate B charge is shown on Attachment LBJ-4. All other rates have been calculated by adjusting current rates by an equal percentage necessary to recover the remaining transmission revenue requirement.

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

1 Base Component Revenue Requirement

2

3 Total Transmission Revenue Requirement \$ 142,684,000 MLS-1, Page 1, Line 15

4

5 Times Base Component Ratio 0.28750% LBJ-2, Page 2

6

7 Base Component Forecasted Revenue Requirement \$ 410,224

8

9 Base Component Reconciliation \$ (321,816) LBJ-2, Page 3

10

11 Base Component Revenue Requirement \$ 88,408

12

13 Rate B Projected Billing Demand 1,163,162

14

15 Rate B Base Component (L11/L13) \$ 0.08 per kW or kVA

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

1 Contribution to NU System Peak (KW)			
2 Period Ending 6/30/15			
3			Ratio of
4	<u>Rate B</u>	<u>Total PSNH</u>	<u>Rate B to</u>
5			<u>Total PSNH</u>
6 Jul '14	2,526	1,629,360	
7 Aug	1,482	1,475,711	
8 Sep	3,024	1,415,281	
9 Oct	1,661	1,131,917	
10 Nov	2,324	1,238,101	
11 Dec	4,697	1,333,626	
12 Jan '15	6,061	1,362,570	
13 Feb	3,862	1,342,547	
14 Mar	6,479	1,233,349	
15 Apr	1,710	1,110,485	
16 May (1)	10,419	1,440,474	
17 Jun (1)	2,530	1,555,549	
18 Average	3,898	1,355,748	0.28750%

(1) Estimated data

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

1 Estimated Base Component Reconciliation, 12 months ending June 30, 2015

2

3 Prior Period Transmission Revenue Requirement:

4

5	Retail Transmission Operating Costs	\$ 138,370,000	MLS-1, Page 4, line 21 and Page 5, line 19
6	(Over)/Underrecovery, period ending 6/30/14	\$ (12,468,000)	MLS-1, Page 3, line 44
7	Return on monthly (over)/underrecovery, period ending 6/30/15	<u>\$ (136,000)</u>	MLS-1, Page 4, line 40 and Page 5, line 38

8

9	Prior Period Transmission Revenue Requirement	\$ 125,766,000
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10

11	Times Base Component Ratio	<u>0.28750%</u>	LBJ-2, Page 2
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12

13	Prior Period Base Component Revenue Requirement	\$ 361,583
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14

15	Base Component Reconciliation for 12-Month Period Ending 6/30/14	<u>\$ (183,469)</u>	LBJ-2, Page 5, line 21
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16

17	Total Base Component Revenue Requirement	\$ 178,114
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18

19	Base Component Revenue (actual through 5/15; 6/15 estimated)	<u>\$ 499,930</u>
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20

21	Estimated Base Component Reconciliation, 12 months ending 6/30/14	\$ (321,816)
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**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1	Actual Contribution to NU System Peak (KW)		
2	Period Ending 6/30/14		
3			Ratio of
4	<u>Rate B</u>	<u>Total PSNH</u>	<u>Rate B to</u>
5			<u>Total PSNH</u>
6	Jul '13	327	1,695,212
7	Aug	1,701	1,430,468
8	Sep	4,233	1,577,157
9	Oct	4,314	1,121,522
10	Nov	8,494	1,296,481
11	Dec	3,595	1,457,952
12	Jan '14	10,485	1,424,113
13	Feb	5,374	1,323,639
14	Mar	6,662	1,309,132
15	Apr	8,189	1,071,344
16	May	475	1,014,807
17	Jun	9,412	1,467,888
18			
19	Average	5,272	1,349,143
			0.39076%

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

1 **Actual Base Component Reconciliation, 12 months ending June 30, 2014**

2		
3	Prior Period Transmission Revenue Requirement:	
4		
5	Retail Transmission Operating Costs	\$ 126,192,000 MLS-1, P3, L21 & 2014 MLS-1 P4, L21
6	(Over)/Underrecovery, period ending 6/30/13	\$ (2,107,000) 2014 MLS-1, P3, L44
7	Return on monthly (over)/underrecovery, period ending 6/30/14	\$ <u>(29,000)</u> MLS-1, P3, L40 & 2014 MLS-1, P4, L40
8		
9	Prior Period Transmission Revenue Requirement	\$ 124,056,000
10		
11	Times Base Component Ratio	<u>0.39076%</u> LBJ-2, Page 4
12		
13	Prior Period Base Component Revenue Requirement	\$ 484,757
14		
15	Base Component Reconciliation for 12-Month Period Ending 6/30/13	\$ <u>(124,432)</u> 2014 LBJ-2, P5, L21
16		
17	Total Base Component Revenue Requirement	\$ 360,325
18		
19	Actual Base Component Revenue, Period Ending 6/30/14	\$ <u>543,794</u>
20		
21	Actual Base Component Reconciliation, 12 months ending 6/30/14	\$ (183,469)

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
ALLOCATION OF JULY 1, 2015 TRANSMISSION REVENUE TO CLASS
BASED ON BILLING DETERMINANTS FOR THE 2014 TEST YEAR**

1	Retail delivery sales for the 2014 test year			7,906,557	MWH
2	Forecasted TCAM Rate (from Attachment MLS-1, Page 1, Line 19)			\$	0.01785 per KWH
3	Target transmission revenue based on the test year: Line (1) x Line (2)			\$	141,132 (000)
4	Rate B Base Component Revenue, based on the test year (from Attachment LBJ-4)			\$	94 (000)
5	Transmission revenue to be recovered from all other classes: Line (3) - Line (4)			\$	141,038 (000)
6					
7					
8					
9		(1)	(2)	(3)	(4)
10					
11		Revenue at	07/01/2015		
12	Transmission revenue	07/01/2014	Revenue	<u>Change</u>	
13	excluding Rate B Base Component	<u>Rate Level</u>	<u>Target</u>	\$	%
14					
15	Residential Rates R, R-OTOD	\$ 56,247	\$ 61,645	\$ 5,398	9.60%
16					
17	General Service Rates G, G-OTOD	28,314	31,031	2,717	9.60%
18					
19	Primary General Service Rate GV	26,034	28,532	2,498	9.60%
20	GV Rate B - incremental component only	18	20	2	9.60%
21					
22	Large General Service Rate LG	17,147	18,793	1,646	9.60%
23	LG Rate B - incremental component only	454	497	44	9.60%
24					
25	Outdoor Lighting Rates OL, EOL	<u>473</u>	<u>518</u>	<u>45</u>	<u>9.60%</u>
26					
27	Total	\$ 128,688	\$ 141,038	\$ 12,350	9.60%
28					
29					
30	Rate B Base Component				
31	GV Rate B - base component	\$ 19	\$ 4	\$ (15)	-80.49%
32	LG Rate B - base component	<u>465</u>	<u>91</u>	<u>(374)</u>	<u>-80.49%</u>
33	Total	\$ 484	\$ 94	\$ (389)	-80.49%
34					
35					
36	Total, all customers	\$ 129,171	\$ 141,132	\$ 11,961	9.26%
37					
38					
39	Total Rate B, incremental plus base:				
40	Rate GV: Line (20) + Line (31)	\$ 37	\$ 24	\$ (13)	-36.00%
41	Rate LG: Line (23) + Line (32)	<u>\$ 919</u>	<u>588</u>	<u>(331)</u>	<u>-36.00%</u>
42	Total	<u>\$ 956</u>	<u>\$ 612</u>	<u>\$ (344)</u>	<u>-36.00%</u>

Notes:

- (1) The result of applying rates effective July 1, 2014 to test year billing determinants.
- (2) The Rate B base component was taken from Attachment LBJ-4. Revenue targets for all other classes were calculated by adjusting current revenues for each class by an equal percentage.
- (3) Column (2) - Column (1).
- (4) Column (3) / Column (1).

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
CALCULATION OF TRANSMISSION REVENUE AND RATES FOR RATE B CUSTOMERS
BASED ON DE 06-028 SETTLEMENT AGREEMENT ARTICLE V, SECTION 5.1.1. AND
BILLING DETERMINANTS FOR THE 2014 TEST YEAR**

	(1)	(2)	(3)	(4)	(5)	(6)
	Test Year	Base	Revenue from	Allocated	Incremental	Total Base
	Billing	Component	Base	Revenue from	Component	Plus
	<u>Demand</u>	<u>of Rate</u>	<u>Component</u>	<u>Incremental</u>	<u>of Rate</u>	<u>Incremental</u>
				<u>Component</u>		<u>Rate</u>
7 Rate B customers on Rate GV	45,945	\$ 0.08	\$ 3,675.60	\$ 20,141.73	\$ 0.44	\$ 0.52
10 Rate B customers on Rate LG	<u>1,134,264</u>	\$ 0.08	<u>90,741.12</u>	<u>497,248.06</u>	\$ 0.44	\$ 0.52
13 Total Rate B customers	1,180,209		\$ 94,416.72	\$ 517,389.80		

(2) From Attachment LBJ-2, Page 1.

(3) Column (1) x Column (2).

(4) From Attachment LBJ-3, Column (2), Lines 20 and 23.

(5) Column (4) / Column (1).

(6) Column (2) + Column (5).