

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

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- 1 TCAM Rate Calculation - July 2016 through June 2017
- 1a TCAM Rate Calculation - Comparison of Forecast to Currently Allowed TCAM
- 2 Forecasted Costs - July 2016 through June 2017
- 3 Actual Costs - January 2015 through June 2015
- 4 Actual Costs - July 2015 through December 2015
- 5 Actual and Forecasted Costs - January 2016 through June 2016
- 6 Actual Revenues - January 2015 through June 2015
- 7 Actual Revenues - July 2015 through December 2015
- 8 Actual and Forecasted Revenues - January 2016 through June 2016

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

(Dollars in 000s)

1	TCAM Rate Calculation	Forecast	Reference:
2	July 2016 Through June 2017	Summary	Attachment DFB-1
3	Regional Network Service (RNS)	\$ 139,932	Page 2
4	Scheduling and Dispatch (S&D)	2,433	Page 2
5	Local Network Service (LNS)	12,884	Page 2
6	Reliability	7,037	Page 2
7	Hydro-Quebec Support Costs	3,407	Page 2
8	Return on TCAM Working Capital	2,240	Page 2
9	Revenue Credits	(3,407)	Page 2
10		<hr/>	
11	Total Forecasted Costs	\$ 164,526	
12			
13	Cumulative Estimated (Over) / Under Recovery	<hr/> 10,647	Page 5
14			
15	Total Costs	\$ 175,173	
16			
17	Forecasted Retail MWH Sales	<hr/> 7,989,073	Page 2
18			
19	Forecasted TCAM Rate--cents per kWh	<hr/> <hr/> 2.193	
20			
21			
22			
23	Amounts shown above may not add due to rounding.		

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

(Dollars in 000s)

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

	(A)	(B)	(C)
TCAM Rate Calculation	Forecast	Currently Allowed (1)	(A)-(B)=(C)
1 <u>Comparison of Forecast to Currently Allowed</u>	<u>12 mths-06/2017</u>	<u>12 mths-06/2016</u>	<u>Delta</u>
2			
3 Regional Network Service (RNS)	\$ 139,932	\$ 130,317	\$ 9,615
4 Scheduling and Dispatch (S&D)	2,433	2,142	291
5 Local Network Service (LNS)	12,884	6,225	6,660
6 Reliability	7,037	5,424	1,613
7 Hydro-Quebec Support Costs	3,407	4,098	(691)
8 NHPUC Assessment	-	-	-
9 Return on TCAM Working Capital	2,240	2,004	236
10 Revenue Credits	<u>(3,407)</u>	<u>(4,098)</u>	<u>691</u>
11			
12 Sub-total	\$ 164,526	\$ 146,111	\$ 18,415
13			
14 Prior Period (Over) / Under Recovery	<u>10,647</u>	<u>(3,427)</u>	<u>14,074</u>
15			
16 Total	\$ 175,173	\$ 142,684	\$ 32,489
17			
18 Retail MWH Sales	<u>7,989,073</u>	<u>7,992,498</u>	
19			
20 TCAM Rate--cents per kWh	<u>2.193</u>	<u>1.785</u>	

22 (1) DE 15-136; Order # 25,794 dated June 25, 2015

23

24 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
July 2016 through June 2017

(Dollars in 000s)

		Forecast						Six Months	
		July 2016	August 2016	September 2016	October 2016	November 2016	December 2016	July-December Subtotal	
1	Retail Transmission Cost								
2									
3	Regional Network Service (RNS)	13,299	14,806	13,893	11,905	9,908	10,734	74,545	
4									
5	Scheduling and Dispatch (S&D)	231	257	242	207	172	187	1,296	
6									
7	Local Network Service (LNS)	1,087	1,087	1,087	1,087	1,087	1,087	6,520	
8									
9	Reliability	580	580	580	580	580	580	3,482	
10									
11	Hydro-Quebec Support Costs	305	305	305	305	305	305	1,829	
12									
13	Return on TCAM Working Capital Allowance (1)	210	230	218	190	163	174	1,185	
14									
15	(Over) Recovery TCAM, previous TCAM Year	10,647	-	-	-	-	-	10,647	
16									
17	Revenue Credits (2)	(305)	(305)	(305)	(305)	(305)	(305)	(1,829)	
18									
19	Retail Transmission Operating Costs	\$ 26,054	\$ 16,961	\$ 16,020	\$ 13,969	\$ 11,910	\$ 12,762	\$ 97,676	
20									
21	Estimated Retail MWH Sales	740,884	739,048	629,924	620,374	624,967	718,932	4,074,129	
22									
23									
24									
25									
26									
27	Retail Transmission Cost								
28									
29	Regional Network Service (RNS)	11,500	12,120	11,552	10,924	9,383	9,908	65,386	139,932
30									
31	Scheduling and Dispatch (S&D)	200	211	201	190	163	172	1,137	2,433
32									
33	Local Network Service (LNS)	1,061	1,061	1,061	1,061	1,061	1,061	6,364	12,884
34									
35	Reliability	584	580	598	598	598	598	3,555	7,037
36									
37	Hydro-Quebec Support Costs	263	263	263	263	263	263	1,579	3,407
38									
43	Return on TCAM Working Capital Allowance (1)	184	192	185	176	155	162	1,055	2,240
44									
45	(Over) Recovery TCAM, previous TCAM Year	-	-	-	-	-	-	-	10,647
46									
47	Revenue Credits (2)	(263)	(263)	(263)	(263)	(263)	(263)	(1,579)	(3,407)
48									
49	Retail Transmission Operating Costs	\$ 13,529	\$ 14,164	\$ 13,596	\$ 12,948	\$ 11,359	\$ 11,901	\$ 77,497	\$ 175,173
50									
51	Estimated Retail MWH Sales	725,421	644,258	658,342	611,908	613,222	661,793	3,914,944	7,989,073
52									

53 Note 1 - The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

54
55 Note 2 - Revenue credits represent Hydro-Quebec (H-Q) revenues associated with the H-Q support contract through June 2017.

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57
58 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January - June 2015

(Dollars in 000s)

	Balance 12/31/2014	Actual						Total	Reference
		January 2015	February 2015	March 2015	April 2015	May 2015	June 2015		
1 Retail Transmission Costs									
2									
3 Retail Transmission Operating Revenues		\$ (11,679)	\$ (10,517)	\$ (11,228)	\$ (9,425)	\$ (10,304)	\$ (10,600)	\$ (63,753)	DFB-1, Pg 6
4									
5 Regional Network Service (RNS)		9,318	8,368	9,821	8,843	7,842	9,525	53,717	
6									
7 Scheduling and Dispatch		163	176	181	169	152	197	1,038	
8									
9 Local Network Service (LNS) (1)		929	901	1,002	1,069	5,316	1,092	10,309	
10									
11 Reliability		442	457	451	485	409	392	2,635	
12									
13 Hydro-Quebec Support Costs		361	372	356	271	391	336	2,087	
14									
15 Return on TCAM Working Capital Allowance (2)		152	139	160	146	191	156	943	
16									
17 Revenue Credits (3)		(366)	(372)	(357)	(271)	(391)	(336)	(2,093)	
18									
19 Retail Transmission Operating Costs		\$ 10,999	\$ 10,041	\$ 11,614	\$ 10,711	\$ 13,909	\$ 11,362	\$ 68,636	
20									
21 (Over) / Under-Recovery		\$ (680)	\$ (476)	\$ 386	\$ 1,286	\$ 3,605	\$ 762	\$ 4,883	
22									
23 Cumulative (Over) / Under-Recovery		\$ (6,331)	\$ (7,010)	\$ (7,486)	\$ (7,100)	\$ (5,814)	\$ (2,209)	\$ (1,447)	
24									
25 Calculation of Return/Deferral									
26									
27 Average Balance		(6,671)	(7,248)	(7,293)	(6,457)	(4,012)	(1,828)		
28									
29 Deferred tax calculation--									
30 Deferred tax rate		40.525%	40.525%	40.525%	40.525%	40.525%	40.525%		
31									
32 ADIT on the average balance		\$ 2,703	\$ 2,937	\$ 2,955	\$ 2,617	\$ 1,626	\$ 741		
33									
34 Average Balance, Net of ADIT		\$ (3,967)	\$ (4,311)	\$ (4,337)	\$ (3,840)	\$ (2,386)	\$ (1,087)		
35									
36 x Return at Prime Rate		0.2708%	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%		
37									
38 Return-Monthly		\$ (11)	\$ (12)	\$ (12)	\$ (10)	\$ (6)	\$ (3)	\$ (54)	
39									
40 Cumulative Return		\$ (11)	\$ (22)	\$ (34)	\$ (45)	\$ (51)	\$ (54)		
41									
42 Cumulative (Over) / Under Recovery, Including Return		\$ (7,021)	\$ (7,509)	\$ (7,134)	\$ (5,859)	\$ (2,260)	\$ (1,501)		
43									

44 Note 1--May 2015 LNS includes a \$4.3 M charge for the FY 2014 Schedule 21 true-up.

45
46 Note 2-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

47
48 Note 3-- Revenue credits include Hydro-Quebec revenues.

49
50 Amounts shown above may not add due to rounding.

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
July - December 2015

(Dollars in 000s)

	Balance 06/30/2015	Actual						Total	Reference
		July 2015	August 2015	September 2015	October 2015	November 2015	December 2015		
1 Retail Transmission Costs									
2									
3 Retail Transmission Operating Revenues		\$ (12,537)	\$ (13,467)	\$ (12,042)	\$ (11,264)	\$ (10,787)	\$ (12,147)	\$ (72,244)	DFB-1, Pg 7
4									
5 Regional Network Service (RNS)		10,197	13,095	12,985	12,611	9,247	10,196	68,331	
6									
7 Scheduling and Dispatch		175	213	212	206	151	166	1,122	
8									
9 Local Network Service (LNS)		567	888	315	893	928	995	4,585	
10									
11 Reliability		442	394	457	449	436	593	2,770	
12									
13 Hydro-Quebec Support Costs		350	311	342	310	750	328	2,392	
14									
15 Return on TCAM Working Capital (1)		159	201	193	196	156	166	1,071	
16									
17 Revenue Credits (2)		(350)	(311)	(342)	(328)	(751)	(264)	(2,347)	
18									
19 Retail Transmission Operating Costs		\$ 11,540	\$ 14,791	\$ 14,162	\$ 14,336	\$ 10,917	\$ 12,179	\$ 77,925	
20									
21 (Over) / Under-Recovery		\$ (997)	\$ 1,324	\$ 2,120	\$ 3,073	\$ 129	\$ 32	\$ 5,680	
22									
23 Cumulative (Over) / Under-Recovery		\$ (1,501)	\$ (2,499)	\$ (1,175)	\$ 945	\$ 4,018	\$ 4,147	\$ 4,179	
24									
25 Calculation of Return/Deferral									
26									
27 Average Balance		(2,000)	(1,837)	(115)	2,481	4,082	4,163		
28									
29 Deferred tax calculation--									
30 Deferred tax rate		40.525%	40.525%	40.525%	40.525%	40.525%	40.525%		
31									
32 ADIT on the average balance		\$ 811	\$ 744	\$ 47	\$ (1,006)	\$ (1,654)	\$ (1,687)		
33									
34 Average Balance, Net of ADIT		\$ (1,190)	\$ (1,092)	\$ (68)	\$ 1,476	\$ 2,428	\$ 2,476		
35									
36 x Return at Prime Rate		0.2708%	0.2708%	0.2708%	0.2708%	0.2708%	0.2708%		
37									
38 Return-Monthly		\$ (3)	\$ (3)	\$ (0)	\$ 4	\$ 7	\$ 7	\$ 11	
39									
40 Cumulative Return		\$ (3)	\$ (6)	\$ (6)	\$ (2)	\$ 4	\$ 11		
41									
42 Cumulative (Over) / Under Recovery, Including Return		\$ (2,502)	\$ (1,181)	\$ 939	\$ 4,015	\$ 4,151	\$ 4,190		
43									

44 Note 1-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)

45

46 Note 2-- Revenue credits include Hydro-Quebec revenues.

47

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January - June 2016

(Dollars in 000s)

	Balance 12/31/2015	Actual					Forecast	Total	Reference
		January 2016	February 2016	March 2016	April 2016	May 2016	June 2016		
1 Retail Transmission Costs									
2									
3 Retail Transmission Operating Revenues		\$ (12,062)	\$ (11,365)	\$ (10,949)	\$ (10,453)	\$ (11,200)	\$ (11,652)	\$ (67,681)	DFB-1, Pg 8
4									
5 Regional Network Service (RNS)		10,515	10,686	10,835	10,046	9,425	9,359	60,865	
6									
7 Scheduling and Dispatch (S&D)		171	174	177	164	154	153	993	
8									
9 Local Network Service (LNS) (1)		593	555	571	601	3,549	1,087	6,955	
10									
11 Reliability		1,314	672	677	512	489	580	4,244	
12									
13 Hydro-Quebec Support Costs		159	100	189	190	293	179	1,109	
14									
15 Return on TCAM Working Capital (2)		172	165	168	156	188	154	1,003	
16									
17 Revenue Credits (3)		(157)	(91)	(198)	(190)	(293)	(179)	(1,108)	
18									
19 Retail Transmission Operating Costs		\$ 12,767	\$ 12,261	\$ 12,419	\$ 11,478	\$ 13,804	\$ 11,332	\$ 74,061	
20									
21 (Over) / Under-Recovery		\$ 706	\$ 896	\$ 1,470	\$ 1,024	\$ 2,604	\$ (320)	\$ 6,380	
22									
23 Cumulative (Over) / Under-Recovery	\$ 4,190	\$ 4,896	\$ 5,792	\$ 7,261	\$ 8,286	\$ 10,889	\$ 10,570		
24									
25 Calculation of Return/Deferral									
26									
27 Average Balance		4,543	5,344	6,526	7,774	9,587	10,729		
28									
29 Deferred tax calculation--									
30 Deferred tax rate		40.330%	40.330%	40.330%	40.330%	40.330%	40.330%		
31									
32 ADIT on the average balance		\$ (1,832)	\$ (2,155)	\$ (2,632)	\$ (3,135)	\$ (3,867)	\$ (4,327)		
33									
34 Average Balance, Net of Accum. Def. Income Taxes		\$ 2,711	\$ 3,189	\$ 3,894	\$ 4,638	\$ 5,721	\$ 6,402		
35									
36 x Return at Prime Rate		0.2917%	0.2917%	0.2917%	0.2917%	0.2917%	0.2917%		
37									
38 Return-Monthly		\$ 8	\$ 9	\$ 11	\$ 14	\$ 17	\$ 19	\$ 77	
39									
40 Cumulative Return		\$ 8	\$ 17	\$ 29	\$ 42	\$ 59	\$ 77		
41									
42 Cumulative (Over) / Under Recovery, Including Return		\$ 4,904	\$ 5,809	\$ 7,290	\$ 8,328	\$ 10,948	\$ 10,647		
43									
44 Note 1--May 2016 LNS includes a \$2.9M charge for the FY 2015 Schedule 21 true-up.									
45									
46 Note 2-- The return on the working capital allowance is monthly O&M x (45 days/365 days) x 10.9656% (allowed 7.513% incl tax gross-up)									
47									
48 Note 3-- Revenue credits include Hydro-Quebec revenues.									
49									
50 Amounts shown above may not add due to rounding.									

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January - June 2015**

(Dollars in 000s)

	Actual						Total
	January 2015	February 2015	March 2015	April 2015	May 2015	June 2015	
1 Retail Transmission Revenues							
2							
3 Transmission Revenue - Billed	\$ (11,643)	\$ (11,090)	\$ (11,069)	\$ (10,142)	\$ (9,775)	\$ (10,500)	\$ (64,220)
4							
5 Transmission Revenue - Unbilled	\$ (36)	\$ 573	\$ (159)	\$ 717	\$ (529)	\$ (100)	467
6							
7 Total	\$ (11,679)	\$ (10,517)	\$ (11,228)	\$ (9,425)	\$ (10,304)	\$ (10,600)	\$ (63,753)
8							
9							

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
July - December 2015

(Dollars in 000s)

	Actual						Total
	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015	
1 Retail Transmission Revenues							
2							
3 Transmission Revenue - Billed	\$ (11,620)	\$ (13,141)	\$ (12,963)	\$ (11,486)	\$ (10,735)	\$ (11,193)	\$ (71,138)
4							
5 Transmission Revenue - Unbilled	\$ (917)	\$ (326)	\$ 921	\$ 222	\$ (52)	\$ (954)	(1,107)
6							
7 Total	<u>\$ (12,537)</u>	<u>\$ (13,467)</u>	<u>\$ (12,042)</u>	<u>\$ (11,264)</u>	<u>\$ (10,787)</u>	<u>\$ (12,147)</u>	<u>\$ (72,244)</u>
8							
9							

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PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
January - June 2016

(Dollars in 000s)

	Actual					Forecast	Total
	January 2016	February 2016	March 2016	April 2016	May 2016	June 2016	
1 Retail Transmission Revenues							
2							
3 Transmission Revenue - Billed	\$ (11,863)	\$ (11,704)	\$ (11,613)	\$ (10,844)	\$ (10,296)	\$ (11,652)	\$ (67,972)
4							
5 Transmission Revenue - Unbilled	\$ (198)	\$ 339	\$ 664	\$ 390	\$ (904)	\$ -	291
6							
7 Total	<u>\$ (12,062)</u>	<u>\$ (11,365)</u>	<u>\$ (10,949)</u>	<u>\$ (10,453)</u>	<u>\$ (11,200)</u>	<u>\$ (11,652)</u>	<u>\$ (67,681)</u>
8							
9							

10 Amounts shown above may not add due to rounding.