

**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, 2016**

			(1) Current Rates Effective 07/01/2015	(2) Proposed Rates Effective 07/01/2016
	<u>Rate</u>	<u>Blocks</u>		
1				
2				
3				
4				
5	R	All KWH	\$ 0.01957	\$ 0.02390
6				
7				
8				
9				
10	Uncontrolled Water Heating	All KWH	\$ 0.01514	\$ 0.01849
11				
12				
13	Controlled Water Heating	All KWH	\$ 0.01514	\$ 0.01849
14				
15				
16	R-OTOD	On-peak KWH	\$ 0.01957	\$ 0.02390
17		Off-peak KWH	\$ 0.01277	\$ 0.01560
18				
19				
20	G	Load charge (over 5 KW)	\$ 5.05	\$ 6.17
21				
22		First 500 KWH	\$ 0.01823	\$ 0.02227
23		Next 1,000 KWH	\$ 0.00686	\$ 0.00838
24		All additional KWH	\$ 0.00368	\$ 0.00449
25				
26				
27	Space Heating	All KWH	\$ 0.01823	\$ 0.02227
28				
29				
30	G-OTOD	Load charge	\$ 3.33	\$ 4.07
31				
32				
33	LCS	Radio-controlled option	\$ 0.01514	\$ 0.01849
34		8-hour option	\$ 0.01514	\$ 0.01849
35		10 or 11-hour option	\$ 0.01514	\$ 0.01849
36				
37				
38	GV	First 100 KW	\$ 6.76	\$ 8.26
39		All additional KW	\$ 6.76	\$ 8.26
40				
41				
42	LG	Demand charge	\$ 6.65	\$ 8.12
43				
44				
45	B	Demand charge	\$ 0.52	\$ 1.53
46				
47				
48	OL, EOL	All KWH	\$ 0.01338	\$ 0.01634

Notes:

- (1) Current rates are based on a retail average transmission rate of 1.785 ¢/KWH.
 - (2) Proposed rates are based on a retail average transmission rate of 2.193 ¢/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	\$ 175,173,000	DFB-1, Page 1, Line 15
4			
5	Times Base Component Ratio	<u>0.52448%</u>	LBJ-2, Page 2
6			
7	Base Component Forecasted Revenue Requirement	\$ 918,750	
8			
9	Base Component Reconciliation	\$ <u>368,297</u>	LBJ-2, Page 3
10			
11	Base Component Revenue Requirement	\$ 1,287,047	
12			
13	Rate B Projected Billing Demand	1,295,131	
14			
15	Rate B Base Component (L11/L13)	\$ 0.99	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 Legacy NU System Peak (KW)			
2 Period Ending 6/30/16			
3			Ratio of
4	<u>Rate B</u>	<u>Total PSNH</u>	Rate B to
5			<u>Total PSNH</u>
6 Jul '15	1,327	1,592,111	
7 Aug	1,870	1,582,635	
8 Sep	5,155	1,537,272	
9 Oct	10,475	1,127,587	
10 Nov	2,515	1,242,586	
11 Dec	2,561	1,282,724	
12 Jan '16	2,497	1,317,785	
13 Feb	9,146	1,305,546	
14 Mar	35,474	1,225,009	
15 Apr	6,040	1,149,097	
16 May (1)	5,183	1,238,842	
17 Jun (1)	2,442	1,545,390	
18 Average	7,057	1,345,549	0.52448%

(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, 2016		
2			
3	Prior Period Transmission Revenue Requirement:		
4			
5	Retail Transmission Operating Costs	\$ 151,986,000	DFB-1, Page 4, line 19 and Page 5, line 19
6	(Over)/Underrecovery, period ending 6/30/15	\$ (1,501,000)	DFB-1, Page 3, line 42
7	Return on monthly (over)/underrecovery, period ending 6/30/16	<u>\$ 88,000</u>	DFB-1, Page 4, line 38 and Page 5, line 38
8			
9	Prior Period Transmission Revenue Requirement	\$ 150,573,000	
10			
11	Times Base Component Ratio	<u>0.52448%</u>	LBJ-2, Page 2
12			
13	Prior Period Base Component Revenue Requirement	\$ 789,727	
14			
15	Base Component Reconciliation for 12-Month Period Ending 6/30/15	<u>\$ (312,153)</u>	LBJ-2, Page 5, line 21
16			
17	Total Base Component Revenue Requirement	\$ 477,575	
18			
19	Base Component Revenue (actual through 5/16; 6/16 estimated)	<u>\$ 109,277</u>	
20			
21	Estimated Base Component Reconciliation, 12 months ending 6/30/16	\$ 368,297	

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

1 Actual Contribution to Legacy NU System Peak (KW)			
2 Period Ending 6/30/15			Ratio of
3			Rate B to
4	<u>Rate B</u>	<u>Total PSNH</u>	<u>Total PSNH</u>
5			
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	10,248	1,432,077	
17 Jun	2,447	1,306,000	
18			
19 Average	3,877	1,334,252	0.29055%

**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, 2015		
2			
3	Prior Period Transmission Revenue Requirement:		
4			
5	Retail Transmission Operating Costs	\$ 140,406,000	DFB-1, P3, L19 & 2015 MLS-1 P4, L21
6	(Over)/Underrecovery, period ending 6/30/14	\$ (12,468,000)	2015 MLS-1, P3, L44
7	Return on monthly (over)/underrecovery, period ending 6/30/15	<u>\$ (135,000)</u>	DFB-1, P3, L38 & 2015 MLS-1, P4, L40
8			
9	Prior Period Transmission Revenue Requirement	\$ 127,803,000	
10			
11	Times Base Component Ratio	<u>0.29055%</u>	LBJ-2, Page 4
12			
13	Prior Period Base Component Revenue Requirement	\$ 371,335	
14			
15	Base Component Reconciliation for 12-Month Period Ending 6/30/14	<u>\$ (183,469)</u>	2015 LBJ-2, P5, L21
16			
17	Total Base Component Revenue Requirement	\$ 187,866	
18			
19	Actual Base Component Revenue, Period Ending 6/30/15	<u>\$ 500,018</u>	
20			
21	Actual Base Component Reconciliation, 12 months ending 6/30/15	\$ (312,153)	

**PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE D/B/A EVERSOURCE ENERGY
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
ALLOCATION OF JULY 1, 2016 TRANSMISSION REVENUE TO CLASS
BASED ON 2014 BILLING DETERMINANTS**

1	2014 retail billed delivery sales			7,906,557	MWH
2	Forecasted TCAM Rate (from Attachment DFB-1, Page 1, Line 19)			\$ 0.02193	per KWH
3	Target transmission revenue: Line (1) x Line (2)			\$ 173,391	(000)
4	Rate B Base Component Revenue (from Attachment LBJ-4)			\$ 1,168	(000)
5	Transmission revenue to be recovered from all other classes: Line (3) - Line (4)			\$ 172,222	(000)
6					
7					
8					
9		(1)	(2)	(3)	(4)
10					
11		Revenue at	07/01/2016		
12	Transmission revenue	07/01/2015	Revenue		<u>Change</u>
13	excluding Rate B Base Component	<u>Rate Level</u>	<u>Target</u>	\$	%
14					
15	Residential Rates R, R-OTOD	\$ 61,634	\$ 75,282	\$ 13,648	22.14%
16					
17	General Service Rates G, G-OTOD	31,020	37,888	6,869	22.14%
18					
19	Primary General Service Rate GV	28,523	34,839	6,316	22.14%
20	GV Rate B - incremental component only	20	25	4	22.14%
21					
22	Large General Service Rate LG	18,786	22,946	4,160	22.14%
23	LG Rate B - incremental component only	499	610	111	22.14%
24					
25	Outdoor Lighting Rates OL, EOL	<u>518</u>	<u>633</u>	<u>115</u>	<u>22.14%</u>
26					
27	Total	\$ 141,000	\$ 172,222	\$ 31,222	22.14%
28					
29					
30	Rate B Base Component				
31	GV Rate B - base component	\$ 4	\$ 45	\$ 42	1137.37%
32	LG Rate B - base component	91	1,123	1,032	1137.50%
33	Total	\$ 94	\$ 1,168	\$ 1,074	1137.50%
34					
35					
36	Total, all customers	\$ 141,095	\$ 173,391	\$ 32,296	22.89%
37					
38					
39	Total Rate B, incremental plus base:				
40	Rate GV: Line (20) + Line (31)	\$ 24	\$ 70	\$ 46	193.74%
41	Rate LG: Line (23) + Line (32)	<u>\$ 590</u>	<u>1,733</u>	<u>1,143</u>	<u>193.74%</u>
42	Total	\$ 614	\$ 1,803	\$ 1,189	193.74%

Notes:

- (1) The result of applying rates effective July 1, 2015 to 2014 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
2014 BILLING DETERMINANTS**

	(1)	(2)	(3)	(4)	(5)	(6)
				Allocated		Total Base
	2014	Base	Revenue from	Revenue from	Incremental	Plus
	Billing	Component	Base	Incremental	Component	Incremental
	<u>Demand</u>	<u>of Rate</u>	<u>Component</u>	<u>Component</u>	<u>of Rate</u>	<u>Rate</u>
7 Rate B customers on Rate GV	45,945	\$ 0.99	\$ 45,485.55	\$ 24,691.23	\$ 0.54	\$ 1.53
10 Rate B customers on Rate LG	<u>1,134,264</u>	\$ 0.99	<u>1,122,921.36</u>	<u>609,587.03</u>	\$ 0.54	\$ 1.53
13 Total Rate B customers	1,180,209		\$ 1,168,406.91	\$ 634,278.26		

- (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).