

THE STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION
PREPARED TESTIMONY OF JENNIFER A. ULLRAM
TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM)
Docket No. DE 20-085

1 **Q. Please state your name, business address and your present position.**

2 A. My name is Jennifer A. Ullram. My business address is 107 Selden Street, Berlin, CT
3 06037. I am employed by Eversource Energy Service Company as Manager of the
4 Connecticut and New Hampshire Rates Departments. In that position I provide service
5 to Eversource Energy's Connecticut and New Hampshire subsidiaries, including Public
6 Service Company of New Hampshire d/b/a Eversource Energy ("Eversource" or the
7 "Company").

8 **Q. Have you previously testified before the Commission?**

9 A. No, I have not previously testified before the Commission in New Hampshire, however;
10 I am responsible for the development, support and implementation of the Company's
11 New Hampshire rate and tariff filings, including the distribution rate case submitted by
12 Eversource to the New Hampshire Public Utilities Commission. In addition, I have
13 testified numerous times in Connecticut at the Public Utilities Regulatory Authority on
14 rate and tariff related matters.

15 **Q. What are your current responsibilities?**

16 A. I am responsible for the Company's rate calculations and design and administration of
17 its Delivery Service tariff.

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

2 A. The purpose of my testimony is to propose transmission prices effective August 1, 2020
3 under the Transmission Cost Adjustment Mechanism (“TCAM”). My testimony
4 proposes specific rates and charges for transmission based on the transmission revenue
5 requirement contained in the attachments to Ms. Menard’s and Mr. Mathews’ testimony.

6 **Q. Have you calculated specific rates and charges for transmission for all rate classes?**

7 A. Yes, I have. The proposed rates and charges are included in Attachment JAU-1.

8 **Q. Please describe generally the transmission pricing rate design contained in**
9 **Attachment JAU-1.**

10 A. The rates have been calculated as required by the settlement agreement in Docket No.
11 DE 06-028, in the same manner that they have been calculated since the approval of this
12 settlement. In general, other than Backup Delivery Service Rate B, the Company adjusts
13 all transmission rates by an equal percentage to achieve the overall average transmission
14 rate, in this case, 2.679 cents/kWh.

15 For Rate B, the settlement agreement provides that transmission costs be recovered
16 through a demand charge, which splits the demand charge into two components for rate
17 calculation purposes: a base component and an incremental component¹. To calculate
18 the base component, a portion of the TCAM costs are allocated to Rate B based on the
19 class contribution to the Company’s demands at the time of the corresponding monthly

¹ For billing purposes, the two components are summed so only one demand charge is billed.

1 system peaks. These costs are reconciled against actual revenue for the class, with any
2 resulting over- or under-recovery flowing into the rate calculation. The incremental
3 component of the rate is adjusted by the same percentage applied to all other rates. The
4 total demand charges are provided in Attachment JAU-4.

5 **Q. Please describe how the base component of the Rate B demand charge was**
6 **determined.**

7 A. Please refer to Attachment JAU-2. First, the ratio of average Rate B demands to average
8 total Company demands at the time of the corresponding monthly system peaks was
9 calculated. The calculation of that ratio is shown on Attachment JAU-2, Page 2. The
10 Rate B base component revenue requirement for the forecast period was determined by
11 multiplying the total transmission revenue requirement for the forecast period included in
12 Ms. Menard's Attachment ELM-1, line 16 by the ratio calculated in Attachment JAU-2,
13 Page 2. The result is shown in Attachment JAU-2, Page 1, line 18. The base component
14 reconciliation from the prior period was then added to the base component forecasted
15 revenue requirement to determine the total revenue requirement (Attachment JAU-2, Page
16 1, line 22). The Rate B base component rate was then determined by dividing the total
17 base component revenue requirement by the projected billing demand. As shown on
18 Attachment JAU-2 Page 1, line 26, that calculation produces a Rate B base component
19 rate of \$0.85 per kW or kVA per month.

20 **Q. How did you calculate the base component reconciliation?**

21 A. The base component reconciliation calculation is shown on Page 3 of Attachment JAU-
22 2 and was calculated by multiplying the estimated transmission revenue requirement for

1 the twelve-month period August 2019 through July 2020 by the base component ratio for
2 the same period. The base component reconciliation for the prior period August 2018
3 through July 2019 was then added to the base component revenue requirement. The
4 result is shown in Attachment JAU-2, Page 3 line 28. The estimated base component
5 revenue for the period August 2019 through July 2020 was then subtracted from the total
6 base component revenue requirement to determine the base component reconciliation (in
7 this case, an under-recovery of \$241,886).

8 **Q. How did you forecast the data to perform the calculations described above?**

9 A. For the contribution to the monthly system peaks, historical data was used as a proxy for
10 what will occur in the prospective period because there is no reliable way to forecast Rate
11 B contributions to peak load. The projected billing demand for Rate B was based on
12 actual historical data, with adjustments that could reasonably be anticipated. The total
13 transmission revenue requirement is based on the forecast provided in Ms. Menard's and
14 Mr. Mathews' testimony.

15 **Q. How did you calculate all other transmission rates and charges?**

16 A. The transmission rate calculations were based on 2014 actual billing determinants. The
17 forecasted TCAM rate of 2.679 cents/kWh provided in ELM-1 was multiplied by 2014
18 MWH sales to produce the target transmission revenue (Attachment JAU-3, line 15).
19 The Rate B base component revenue shown on Attachment JAU-4 was then subtracted
20 from the target transmission revenue which results in the amount to be recovered from
21 all other customers (Attachment JAU-3, line 17). Revenue and the resulting rates and

1 charges for all other customer classes were determined by adjusting all currently-
2 effective revenue and rates by an equal percentage to result in the amount necessary to
3 recover the transmission revenue requirement net of the Rate B base amount. The
4 allocation of transmission revenue to each rate class under this methodology is shown on
5 Attachment JAU-3, lines 27 to 39.

6 **Q. Please explain why 2018 sales and demands filed in the PSNH Permanent rate case**
7 **were not used to calculate bill impacts or used to develop billing determinants.**

8 A. The 2018 Test Year information used in the permanent rate case has not been litigated or
9 approved by the Commission. Based on the current schedule, approval will not occur
10 until later in 2020. Therefore, the Company believes it is appropriate to update
11 transmission class allocations and corresponding billing determinants and after approval
12 of distribution rates in the permanent rate case. Accordingly, the Company plans to
13 incorporate updates consistent with the Commission's approval of revenue allocations
14 and rate design in proposed changes in the July 2021 TCAM filing for rates effective
15 August 1, 2021.

16 **Q. Please describe the bill impacts for a residential customer using 600 kWh per**
17 **month.**

18 A. A residential customer using 600 kWh per month will see a total bill decrease of \$3.89
19 per month if the customer is taking Default Energy Service from Eversource. This
20 assumes the Commission approves the Company's proposal to spread the 2019 Local
21 Network Service true-up over 24-months as well as approving the Stranded Cost

1 Recovery Charge as filed. The residential bill impacts are shown in Attachment JAU-6.
2 The proposal related to the 2019 LNS true-up is discussed in more detail in Ms. Menard's
3 and Mr. Mathews' testimony.

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

5 A. Yes, it does.