

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
TRANSMISSION RATES PROPOSED FOR EFFECT ON AUGUST 1, 2019**

Rate	Blocks	(A) Current Rates Effective 08/01/2018 (1)	(B) Proposed Rates Effective 08/01/2019 (2)
R	All KWH	\$ 0.02039	\$ 0.02241
Uncontrolled Water Heating	All KWH	\$ 0.01578	\$ 0.01735
Controlled Water Heating	All KWH	\$ 0.01578	\$ 0.01735
R-OTOD	On-peak KWH	\$ 0.02039	\$ 0.02241
	Off-peak KWH	\$ 0.01331	\$ 0.01463
G	Load charge (over 5 KW)	\$ 5.26	\$ 5.78
	First 500 KWH	\$ 0.01900	\$ 0.02089
	Next 1,000 KWH	\$ 0.00715	\$ 0.00786
	All additional KWH	\$ 0.00383	\$ 0.00421
Space Heating	All KWH	\$ 0.01900	\$ 0.02089
G-OTOD	Load charge	\$ 3.47	\$ 3.81
LCS	Radio-controlled option	\$ 0.01578	\$ 0.01735
	8-hour option	\$ 0.01578	\$ 0.01735
	10 or 11-hour option	\$ 0.01578	\$ 0.01735
GV	First 100 KW	\$ 7.04	\$ 7.74
	All additional KW	\$ 7.04	\$ 7.74
LG	Demand charge	\$ 6.93	\$ 7.62
B (3)	Demand charge	\$ 0.83	\$ 1.02
OL, EOL	All KWH	\$ 0.01394	\$ 0.01532

Notes:

- (1) Current rates are based on a retail average transmission rate of 1.864 ¢/KWH.
(2) Proposed rates are based on a retail average transmission rate of 2.051 ¢/KWH.
(3) The calculation of the Rate B charge is shown on Attachment EAD-4. All other rates have been calculated by adjusting current rates by an equal percentage necessary to recover the remaining transmission revenue requirement.

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Base Component Revenue Requirement

Total Transmission Revenue Requirement	\$ 160,396,966	ELM/DFB-1, Page 1, Line 16
Times Base Component Ratio	<u>0.32287%</u>	EAD-2, Page 2, Line 33
Base Component Forecasted Revenue Requirement	\$ 517,868	Line 14 x Line 16
Base Component Reconciliation	<u>\$ 176,064</u>	EAD-2, Page 3, Line 32
Base Component Revenue Requirement	\$ 693,933	Line 18 + Line 20
Rate B Projected Billing Demand	1,360,955	
Rate B Base Component per kW or kVA	\$ 0.51	Line 22/Line 24

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

**Contribution to Legacy NU System Peak (KW)
Period Ending 7/31/19**

	Rate B	Total PSNH	Ratio of Rate B to Total PSNH
Aug-18	966	1,700,761	
Sep	4,370	1,526,481	
Oct	7,693	1,164,130	
Nov	4,115	1,179,267	
Dec	8,290	1,270,077	
Jan 2019	4,114	1,382,451	
Feb	2,314	1,244,754	
Mar	1,441	1,202,384	
Apr	5,517	1,010,513	
May	8,387	1,071,107	
Jun ⁽¹⁾	2,833	1,499,215	
Jul ⁽¹⁾	1,399	1,680,250	
Average	4,286	1,327,616	0.32287%

⁽¹⁾ Estimated data

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

Estimated Base Component Reconciliation, 12 months Ending July 31, 2019

Prior Period Transmission Revenue Requirement:			
Retail Transmission Operating Costs	\$ 154,430,619	ELM/DFB-1, Page 4, line 21 and Page 5, line 21	
(Over)/Underrecovery, 13 month period ending 7/31/2018	(14,731,866)	ELM/DFB-1, Page 3, line 44	
Return on monthly (over)/underrecovery, 12 month period ending 7/31/2019	<u>(398,708)</u>	ELM/DFB-1, Page 4, line 40 and Page 5, line 40	
Prior Period Transmission Revenue Requirement	\$ 139,300,045	Sum of Lines 16 to 18	
Times Base Component Ratio	<u>0.32287%</u>	EAD-2, Page 2, Line 38	
Prior Period Base Component Revenue Requirement	\$ 449,753	Line 20 x Line 22	
Base Component Reconciliation for 13-Month Period Ending 7/31/2018	<u>189,265</u>	EAD-2, Page 5, line 32	
Total Base Component Revenue Requirement	\$ 639,018	Line 24 + Line 26	
Base Component Revenue (actual through May 2019; June and July 2019 estimated)	<u>462,954</u>		
Estimated Base Component Reconciliation, 12 months Ending 7/31/2019	\$ 176,064	Line 28 - Line 30	

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

12 **Contribution to Legacy NU System Peak (KW)**
13 **Period Ending 7/31/2018**

	<u>Rate B</u>	<u>Total PSNH</u>	<u>Ratio of Rate B to Total PSNH</u>
17 Jul '17	1,561	1,465,729	
18 Aug	6,367	1,488,089	
19 Sep	1,470	1,412,642	
20 Oct	2,588	1,145,145	
21 Nov	2,806	1,167,569	
22 Dec	979	1,379,370	
23 Jan '18	9,256	1,329,112	
24 Feb	1,252	1,229,589	
25 Mar	2,891	1,139,328	
26 Apr	3,038	1,056,931	
27 May	13,424	1,159,715	
28 Jun	1,631	1,442,913	
29 Jul '18	1,071	1,560,048	
30 Average	3,898	1,292,538	0.30156%

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
RATE B CUSTOMERS**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

Actual Base Component Reconciliation, 13 months Ending July 31, 2018

Prior Period Transmission Revenue Requirement:		
Retail Transmission Operating Costs	\$ 179,644,071	ELM/DFB-1, P3, Line 21 & 2018 CJG-1 P4, Line 19
(Over)/Underrecovery, period ending 6/30/2017	5,184,826	2018 CJG-1, P3, Line 42
Return on monthly (over)/underrecovery, period Ending 7/31/2018	<u>(92,733)</u>	ELM/DFB-1, P3, Line 40 & 2018 CJG-1, P4, Line 38
Prior Period Transmission Revenue Requirement	\$ 184,736,163	Sum of Lines 16 to 18
Times Base Component Ratio	<u>0.30156%</u>	EAD-2, Page 4, Line 30
Prior Period Base Component Revenue Requirement	\$ 557,093	Line 20 x Line 22
Base Component Reconciliation for 12-Month Period Ending 6/30/2017	<u>(361,041)</u>	2018 RJB-2, P5, Line 21
Total Base Component Revenue Requirement	\$ 196,052	Line 24 + Line 26
Actual Base Component Revenue, 13 Month Period Ending 7/31/2018	<u>6,787</u>	
Actual Base Component Reconciliation, 13 months Ending 7/31/2018	\$ 189,265	Line 28 - Line 30

**TRANSMISSION COST ADJUSTMENT MECHANISM (TCAM) CALCULATION
ALLOCATION OF AUGUST 1, 2019 TRANSMISSION REVENUE TO CLASS
BASED ON 2014 BILLING DETERMINANTS**

		Source
2014 retail billed delivery sales	7,906,557 MWH	
Forecasted TCAM Rate	\$ 0.02051 per KWH	Attachment ELM/DFB-01, Page 1, Line 20
Target transmission revenue	\$ 162,128 (000)	Line 13 x Line 14
Rate B Base Component Revenue	\$ 602 (000)	Attachment EAD-4, Line 27
Transmission revenue to be recovered from all other classes	\$ 161,526 (000)	Line 15 - Line 16

	(1)	(2)	(3)	(4)
	Revenue at 08/01/2018 Rate Level	08/01/2019 Revenue Target	Change	
			Amount	Percent Change
Transmission revenue excluding Rate B Base Component				
Residential Rates R, R-OTOD	\$ 64,221	\$ 70,596	\$ 6,374	9.9%
General Service Rates G, G-OTOD	32,329	35,538	3,209	9.9%
Primary General Service Rate GV	29,736	32,688	2,951	9.9%
GV Rate B - incremental component only	21	23	2	9.9%
Large General Service Rate LG	19,571	21,514	1,943	9.9%
LG Rate B - incremental component only	523	574	52	9.9%
Outdoor Lighting Rates OL, EOL	540	594	54	9.9%
Total (Sum of Lines 27 to 37)	\$ 146,942	\$ 161,526	\$ 14,585	9.9%
Rate B Base Component				
GV Rate B - base component	\$ 17	\$ 23	\$ 6	37.8%
LG Rate B - base component	420	578	159	37.8%
Total (Line 43 + Line 44)	\$ 437	\$ 602	\$ 165	37.8%
Total, all customers (Line 39 + Line 45)	\$ 147,378	\$ 162,128	\$ 14,750	10.0%
Total Rate B, incremental plus base:				
Rate GV: Line 32 + Line 43	\$ 38	\$ 47	\$ 9	22.4%
Rate LG: Line 35+ Line 44	942	1,153	211	22.4%
Total	\$ 980	\$ 1,200	\$ 219	22.4%

- Notes:
- (1) The result of applying rates effective August 1, 2018 to 2014 billing determinants.
 - (2) The Rate B base component was taken from Attachment EAD-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).

**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
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

	(A) 2014 Billing Demand	(B) Base Component of Rate	(C) = (A) x (B) Revenue from Base Component	(D) Allocated Revenue from Incremental Component	(E) = (D) / (A) Incremental Component of Rate	(F) = (B) + (E) Total Base Plus Incremental Rate
Rate B customers on Rate GV	45,945	\$ 0.51	\$ 23,432	\$ 23,269	\$ 0.51	\$ 1.02
Rate B customers on Rate LG	1,134,264	\$ 0.51	\$ 578,475	\$ 574,459	\$ 0.51	\$ 1.02
Total Rate B customers	1,180,209		\$ 601,907	\$ 597,728		

Column (B) is from Attachment EAD-2, Page 1, Line 26
Column (D) is from Attachment EAD-3, Column (B), Lines 32 and 35.

**Comparison of Rates Effective August 1, 2018 and Proposed Rates for Effect August 1, 2019
for Residential Service Rate R**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66

(A) Effective Date	(B) Charge	(C) Distribution Charge	(D) Transmission Charge	(E) Stranded Cost Recovery Charge	(F) System Benefits Charge	(G) Electricity Consumption Tax	(H) Energy Service Charge	(I) Total Rate
August 1, 2018	Customer charge (per month)	\$ 12.69						\$ 12.69
	Charge per kWh	\$ 0.04141	\$ 0.02039	\$ 0.02067	\$ 0.00455	\$ 0.00055	\$ 0.09412	\$ 0.18169
August 1, 2019 (Proposed)	Customer charge (per month)	\$ 13.81						\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.02241	\$ 0.01770	\$ 0.00586	\$ -	\$ 0.08825	\$ 0.17930

Calculation of 550 kWh monthly bill, by rate component:

	08/01/2018	08/01/2019	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 35.47	\$ 38.60	\$ 3.13	8.8%	2.8%
Transmission	11.21	12.33	1.12	10.0%	1.0%
Stranded Cost Recovery Charge	11.37	9.74	(1.63)	-14.3%	-1.4%
System Benefits Charge	2.50	3.22	0.72	28.8%	0.6%
Electricity Consumption Tax	0.30	-	(0.30)	-100.0%	-0.3%
Delivery Service	\$ 60.85	\$ 63.89	\$ 3.04	5.0%	2.7%
Energy Service	51.77	48.54	(3.23)	-6.2%	-2.9%
Total	\$ 112.62	\$ 112.43	\$ (0.19)	-0.2%	-0.2%

Calculation of 600 kWh monthly bill, by rate component:

	08/01/2018	08/01/2019	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 37.54	\$ 40.86	\$ 3.32	8.8%	2.7%
Transmission	12.23	13.45	1.22	10.0%	1.0%
Stranded Cost Recovery Charge	12.40	10.62	(1.78)	-14.4%	-1.5%
System Benefits Charge	2.73	3.52	0.79	28.9%	0.6%
Electricity Consumption Tax	0.33	-	(0.33)	-100.0%	-0.3%
Delivery Service	\$ 65.23	\$ 68.45	\$ 3.22	4.9%	2.6%
Energy Service	56.47	52.95	(3.52)	-6.2%	-2.9%
Total	\$ 121.70	\$ 121.40	\$ (0.30)	-0.2%	-0.2%

Calculation of 650 kWh monthly bill, by rate component:

	08/01/2018	08/01/2019	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 39.61	\$ 43.11	\$ 3.50	8.8%	2.7%
Transmission	13.25	14.57	1.32	10.0%	1.0%
Stranded Cost Recovery Charge	13.44	11.51	(1.93)	-14.4%	-1.5%
System Benefits Charge	2.96	3.81	0.85	28.7%	0.6%
Electricity Consumption Tax	0.36	-	(0.36)	-100.0%	-0.3%
Delivery Service	\$ 69.62	\$ 73.00	\$ 3.38	4.9%	2.6%
Energy Service	61.18	57.36	(3.82)	-6.2%	-2.9%
Total	\$ 130.80	\$ 130.36	\$ (0.44)	-0.3%	-0.3%

**Comparison of Rates Effective February 1, 2019 and Proposed Rates for Effect August 1, 2019
for Residential Service Rate R**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66

(A) Effective Date	(B) Charge	(C) Distribution Charge	(D) Transmission Charge	(E) Stranded Cost Recovery Charge	(F) System Benefits Charge	(G) Electricity Consumption Tax	(H) Energy Service Charge	(I) Total Rate
February 1, 2019	Customer charge (per month)	\$ 12.69						\$ 12.69
	Charge per kWh	\$ 0.04141	\$ 0.02039	\$ 0.01398	\$ 0.00586	\$ -	\$ 0.09985	\$ 0.18149
August 1, 2019 (Proposed)	Customer charge (per month)	\$ 13.81						\$ 13.81
	Charge per kWh	\$ 0.04508	\$ 0.02241	\$ 0.01770	\$ 0.00586	\$ -	\$ 0.08825	\$ 0.17930

Calculation of 550 kWh monthly bill, by rate component:

	02/01/2019	08/01/2019	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 35.47	\$ 38.60	\$ 3.13	8.8%	2.8%
Transmission	11.21	12.33	1.12	10.0%	1.0%
Stranded Cost Recovery Charge	7.69	9.74	2.05	26.7%	1.8%
System Benefits Charge	3.22	3.22	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 57.59	\$ 63.89	\$ 6.30	10.9%	5.6%
Energy Service	54.92	48.54	(6.38)	-11.6%	-5.7%
Total	\$ 112.51	\$ 112.43	\$ (0.08)	-0.1%	-0.1%

Calculation of 600 kWh monthly bill, by rate component:

	02/01/2019	08/01/2019	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 37.54	\$ 40.86	\$ 3.32	8.8%	2.7%
Transmission	12.23	13.45	1.22	10.0%	1.0%
Stranded Cost Recovery Charge	8.39	10.62	2.23	26.6%	1.8%
System Benefits Charge	3.52	3.52	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 61.68	\$ 68.45	\$ 6.77	11.0%	5.6%
Energy Service	59.91	52.95	(6.96)	-11.6%	-5.7%
Total	\$ 121.59	\$ 121.40	\$ (0.19)	-0.2%	-0.2%

Calculation of 650 kWh monthly bill, by rate component:

	02/01/2019	08/01/2019	\$ Change	% Change in each Component	Change as a % of Total Bill
Distribution	\$ 39.61	\$ 43.11	\$ 3.50	8.8%	2.7%
Transmission	13.25	14.57	1.32	10.0%	1.0%
Stranded Cost Recovery Charge	9.09	11.51	2.42	26.6%	1.9%
System Benefits Charge	3.81	3.81	-	0.0%	0.0%
Electricity Consumption Tax	-	-	-	0.0%	0.0%
Delivery Service	\$ 65.76	\$ 73.00	\$ 7.24	11.0%	5.5%
Energy Service	64.90	57.36	(7.54)	-11.6%	-5.8%
Total	\$ 130.66	\$ 130.36	\$ (0.30)	-0.2%	-0.2%

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33

Rate Changes Proposed for Effect on August 01, 2019

Impact of Each Change on Delivery Service Bills
Rate Changes Expressed as a Percentage of Total Delivery Revenue for Each Class

Class	Distribution	Transmission	SCRC	System Benefits	Consumption Tax	Total Delivery Service
Residential Rate R	5.4%	2.0%	3.6%	0.0%	0.0%	11.0%
General Service Rate G	5.0%	2.2%	3.0%	0.0%	0.0%	10.2%
Primary General Service Rate GV	3.4%	3.2%	4.2%	0.0%	0.0%	10.8%
GV Rate B	6.8%	2.7%	2.0%	0.0%	0.0%	11.4%
Total Rate GV	3.4%	3.2%	4.2%	0.0%	0.0%	10.8%
Large General Service Rate LG	3.5%	3.9%	1.5%	0.0%	0.0%	8.9%
LG Rate B	4.3%	7.3%	1.7%	0.0%	0.0%	13.3%
Total Rate LG	3.6%	4.1%	1.5%	0.0%	0.0%	9.1%
Outdoor Lighting Rate OL	7.8%	0.5%	-0.1%	0.0%	0.0%	8.1%
Energy Efficient Outdoor Lt. Rate EOL	7.7%	0.5%	-0.1%	0.0%	0.0%	8.1%
Total Outdoor Lighting	7.7%	0.5%	-0.1%	0.0%	0.0%	8.1%
Total Retail	4.9%	2.4%	3.3%	0.0%	0.0%	10.6%

Rate Changes Proposed for Effect on August 01, 2019

Impact of Each Change on Bills including Energy Service
Rate Changes Expressed as a Percentage of Total Revenue for Each Class

Class	Distribution	Transmission	SCRC	System Benefits	Consumption Tax	Energy Service	Total Delivery and Energy
Residential Rate R	2.7%	1.0%	1.8%	0.0%	0.0%	-5.8%	-0.2%
General Service Rate G	2.3%	1.0%	1.4%	0.0%	0.0%	-6.3%	-1.6%
Primary General Service Rate GV	1.1%	1.0%	1.3%	0.0%	0.0%	-17.9%	-14.5%
GV Rate B	4.4%	1.7%	1.3%	0.0%	0.0%	-9.2%	-1.8%
Total Rate GV	1.1%	1.0%	1.3%	0.0%	0.0%	-17.9%	-14.5%
Large General Service Rate LG	0.9%	1.0%	0.4%	0.0%	0.0%	-19.7%	-17.5%
LG Rate B	1.4%	2.3%	0.5%	0.0%	0.0%	-17.9%	-13.8%
Total Rate LG	0.9%	1.0%	0.4%	0.0%	0.0%	-19.6%	-17.3%
Outdoor Lighting Rate OL	5.8%	0.3%	-0.1%	0.0%	0.0%	-2.9%	3.2%
Energy Efficient Outdoor Lt. Rate EOL	5.5%	0.4%	-0.1%	0.0%	0.0%	-3.2%	2.6%
Total Outdoor Lighting	5.7%	0.4%	-0.1%	0.0%	0.0%	-3.1%	2.9%
Total Retail	2.1%	1.0%	1.4%	0.0%	0.0%	-10.3%	-5.8%