**Bucksport Generation, LLC**

**ISO-NE Schedule 17**

**Pre-filing Summary**

**April 17, 2023**

By Order dated March 17, 2021 in Docket No. ER21-957, the Federal Energy Regulatory Commission (“FERC”) accepted Bucksport Generation LLC’s (“Bucksport”) rate schedule allowing Bucksport to commence, beginning March 29, 2021, the recovery period for certain Interconnection Reliability Operating Limits Critical Infrastructure Protection Costs (“IROL-CIP Costs”) under Schedule 17 of the ISO New England Inc. (“ISO-NE”) Transmission, Markets and Services Tariff. In December 2014, ISO-NE notified Bucksport that it had been designated by ISO-NE as critical to the derivation of Interconnection Reliability Operating Limits (“IROL”). This means that Bucksport must comply with NERC CIP Reliability Standards for medium impact Bulk Electric Systems.

At this time, Bucksport provides to ISO-NE this summary description of its proposed filing pursuant to Bucksport’s FERC-approved rate schedule, Schedule 17 of the ISO-NE tariff, for recovery of IROL-CIP Costs incurred during the period March 29, 2021through March 31, 2023. This summary description includes calculations, workpapers and supporting data used to develop Bucksport’s IROL-CIP Costs revenue requirement. Bucksport requests ISO-NE post this material on its website.

1. Any entity that wishes to participate in an interactive briefing session required under Schedule 17 and described in Section 2.1 (B), which is scheduled for May 11, 2023 at 10 AM via Zoom, should contact via email Bucksport’s counsel at Legal@JeraAmericas.com. The purpose of the interactive briefing is for Bucksport to review the summary materials provided herein and to examine the IROL-CIP Costs proposed for recovery.
2. Any entity that wishes to participate as an Interested Party in this pre-filing review process described in Sections 2.1(B) and (C) of Schedule 17 should contact via email Bucksport’s counsel at Legal@JeraAmericas.com to request Interested Party status by no later than May 21, 2023.

Pursuant to the Schedule 17 pre-filing review process, following the interactive briefing session described above, Bucksport shall provide an additional sixty (60) days for: (i) Interested Parties to raise issues or request further information, and (ii) Bucksport to provide the requested information and seek to address any issues presented by Interested Parties. Bucksport shall be free to submit its Section 205 filing for recovery of IROL-CIP Costs under this Schedule 17 no sooner than the earlier of: (i) the conclusion of the 60-day period, (ii) the eleventh day following the interactive briefing session described above, if no entity contacted Bucksport seeking to participate in the pre-filing review process as an Interested Party, or (iii) the date by which all Interested Parties have informed Bucksport that they no longer desire additional pre-filing time to review Bucksport’s IROL-CIP Cost information. Bucksport will provide notice of its FERC filing to Interested Parties via email.

**Bucksport’s IROL-CIP Cost Recovery Proposal**

Attachment 1 is Bucksport’s IROL-CIP Costs revenue requirements model. It is provided as cost support for the requested IROL-CIP Cost recovery. Worksheet 1 is a summary of rate base and the revenue requirement, which is $277,874 during the period March 29, 2021 through March 31, 2023. Rate base is comprised of capitalized IROL-CIP Costs and cash working capital. Worksheet 2 determines the return on rate base using Bucksport’s parent company’s capitalization and interest costs during the March 2021 through March 2023 period and a base return on equity of 10.57%, the current return on equity of the New England Transmission Owners used in their transmission formula rate. Worksheet 3 contains rate base items and calculates the cash working capital amount based upon 1/8ths of operations and maintenance expenses (i.e. an average of 45 days per year outstanding; 45 days / 360 days per year = 1/8 or .125), consistent with how cash working is determined in most transmission formula rates across the United States. Worksheet 4 contains depreciation expense on the capitalized IROL-CIP Costs along with operation and maintenance expenses and interest to compensate for the time value of money from the date the operation and maintenance costs were incurred to the date when these costs are expected to be recovered. Worksheet 5 contains the monthly detail of capitalization and interest expense. Worksheet 6 shows the plant in service, accumulated depreciation and depreciation expense on the capitalized IROL-CIP Costs. Worksheet 7 contains the accumulated deferred income tax calculations on the capitalized IROL-CIP Costs. Worksheet 8 provides the operation and maintenance expenses for the period March 29, 2021 through March 31, 2023, along with the interest calculation compensating for the time value of money. Worksheets 9 through 12 are the worksheets required by Schedule 17. Worksheet 9 is Schedule 17, Table 1, which contains general information, the cost recovery period (March 29, 2021 through March 31, 2023) and a summary of the IROL-CIP Costs by category. Worksheet 10 is Schedule 17, Table 2 and contains further information on each category of operation and maintenance expenses that are not assigned a specific CIP standard. Worksheet 11 is Schedule 17, Table 3 and provides IROL-CIP operation and maintenance costs by CIP standard. Labor amounts on this worksheet are determined by multiplying the hours from Worksheet 12, Schedule 17, Table 4 by the hourly rates on the top of Worksheet 11. The labor rates include the costs of wages, bonuses and benefits. Worksheet 12, Schedule 17, Table 4 contains the most granular detail of labor hours and outside services costs by CIP standard incurred to meet medium level IROL-CIP requirements.

Bucksport will request from FERC recovery of the revenue requirement during the period March 29, 2021 through March 31, 2023 over a 12-month period.