




# RNS Rate Effective January 1, 2024

PTO AC – Rates Working Group Presentation  
NEPOOL RC/TC Summer Meeting  
July 18, 2023

# Presentation Overview

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-  Settled Formula Rate Review
-  General Rate Overview: January 1, 2024 RNS Rate
-  Appendix

# Settled Formula Rate Review

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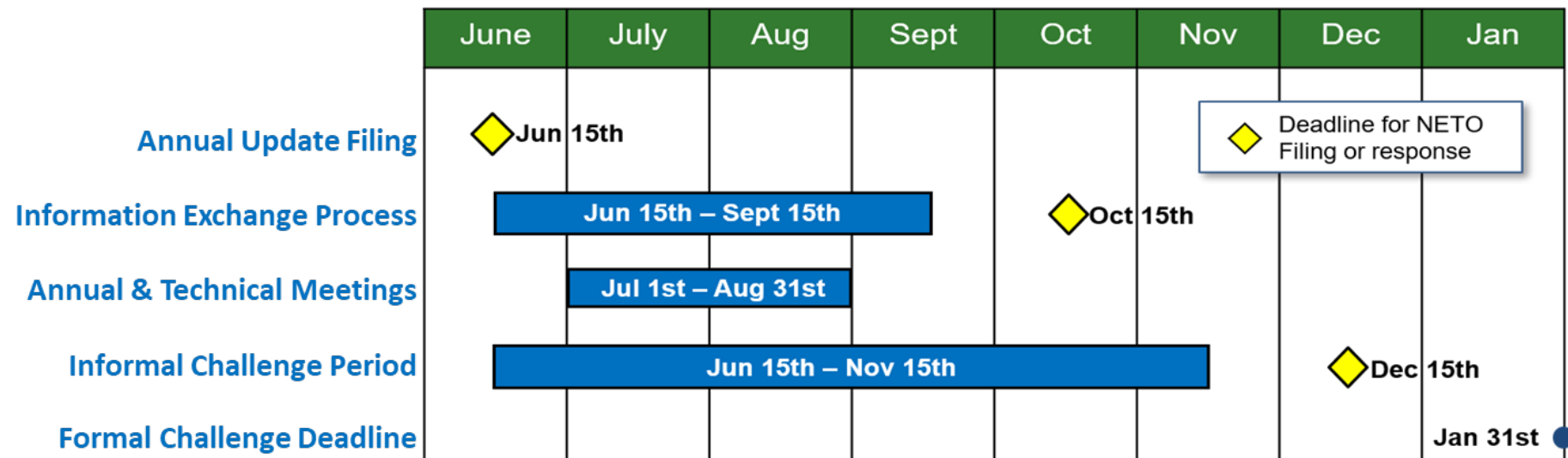
# Settled Formula Rate Review

## ❑ Settled Formula Rate (“SFR”)

- Full implementation of the SFR template used to calculate actual (true-up) 2022 revenue requirements in the RNS Rate effective January 1, 2024
  - Prior years utilized a Transition Forecast Template for setting rates effective in 2022 and 2023

## ❑ Annual Protocol Process Timeline

- Pursuant to the Tariff Protocols, today's Annual Meeting provides the PTOs the opportunity to explain the RNS rate change generally and will be followed by a Technical Session (July 25, 2023) where interested parties can seek additional information and clarifications on the revenue requirement and RNS Rate change



# General Rate Overview: January 1, 2024 RNS Rate

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# Summary of 2024 RNS Rate Change

RNS Rate (\$/kW-year) at January 1, 2023<sup>(a)</sup> =

**\$141.64**

## 2023/2024 Forecast (slide 8)

- PTO's 2023 & 2024 5Q average Regional project additions ~\$1.8B
- Incremental forecasted revenue requirements ~\$195M

\$10.59

## Load Impact (slide 10)

- Decrease in 12CP Average Monthly RNL of 492,554 MW or ~2.6%

\$3.79

## True-Up (slide 9)

- Difference between prior year billed, including forecast, and current year actual costs
- Overcollection \$27.5M or ~1.0% of \$2.7B billed

\$1.14

## Other Revenue Requirements (slide 10)

- Difference between actual and forecasted incremental RR ("base")
- PTO-specific Prior Year adjustment variances

(\$2.81)

**\$12.71**

RNS Rate (\$/kW-year) at January 1, 2024 =

**\$154.35**

(a) RNS Rate effective January 1, 2023 was revised on January 31, 2023 in a Supplemental Informational Filing (Docket Nos. RT04-2-000, ER20-2054, *et al.*) to reflect revised forecasted data for New England Power Company and The Narragansett Electric Company d/b/a Rhode Island Energy for 2022 and 2023.

# Summary Annual Transmission Revenue Requirements (“ATRR”)

Columns (B), (C), and (D) in Millions of \$						
(A)	(B)	(C)	(D) = (C) - (B)	(E) = (C) / (C Ln 17) – (B) / (B Ln 17)		
PTO	ATRR 1/1/2023	ATRR 1/1/2024	ATRR Change Incr./Decr.)	RNS Rate Change Incr./Decr.) (\$/kW-year)		
1	Central Maine Power Company	\$ 218.5	\$ 176.9	\$ (41.6)	\$ (1.95)	
2	The Connecticut Light & Power Company	717.0	744.1	27.1	2.48	
3	CT Transmission Municipal Electric Energy	9.2	9.8	0.6	0.05	
4	Maine Electric Power Company	26.8	25.6	(1.2)	(0.03)	
5	MA Municipal Wholesale Electric Company	2.6	4.7	2.1	0.12	
6	The Narragansett Electric Co. d/b/a RI Energy	129.7	130.3	0.6	0.22	
7	New England Power Company	360.5	422.1	61.6	3.85	
8	New Hampshire Transmission, LLC	24.9	26.3	1.4	0.11	
9	NSTAR Service Company (East)	335.8	391.7	55.9	3.51	
10	NSTAR Service Company (West)	185.7	198.4	12.7	0.95	
11	Public Service Company of New Hampshire	274.7	327.7	53.0	3.26	
12	The United Illuminating Company	153.4	144.1	(9.3)	(0.29)	
13	Vermont Transco, LLC	185.2	186.9	1.7	0.35	
14	Versant Power	38.3	38.9	0.6	0.09	
15	All Other PTOs	18.1	17.4	(0.7)	(0.01)	
16	<b>Total (Sum of Line 1 thru Line 15)</b>	<b>\$ 2,680.4</b>	<b>\$ 2,844.9</b>	<b>\$ 164.5</b>	<b>\$ 12.71</b>	
17	2022 12CP Average Monthly RNL (kW)	18,923,722	18,431,168	(492,554)		
18	<b>RNS Rate Impact (\$/kW-year)</b>	<b>\$ 141.64</b>	<b>\$ 154.35</b>		<b>\$ 12.71</b>	

Note: The RNS Rate above reflects the impact of transmission projects that enabled rate reductions associated with 1) Congestion Charges, 2) Daily Reliability Payments and 3) elimination of Reliability Must Run Agreements

# January 1, 2024 RNS Rate Regional Forecast Summary

		Columns (B), (C) and (E) in Millions of \$				
(A)	(B)	(C)	(D)	(E) = ((B) + (C)) * (D)		
PTO	2023 Forecasted Regional Additions	2024 5Q Average Regional Additions	Carrying Charge Factor (2023 /2024 Blended)	2023 + 2024 Forecasted Regional Rev. Reqmnts.		
1	Central Maine Power Company	\$ 24.5	\$ 14.7	8.14%	\$ 3.2	
2	The Connecticut Light & Power Company	239.4	140.0	14.34%	54.4	
3	CT Transmission Municipal Electric Energy	4.5	12.8	7.12%	1.2	
4	Maine Electric Power Company	5.8	2.4	17.78%	1.5	
5	MA Municipal Wholesale Electric Company	3.3	0.0	11.21%	0.4	
6	The Narragansett Electric Co. d/b/a RI Energy	38.1	24.4	14.15%	8.8	
7	New England Power Company	139.2	46.6	14.62%	27.2	
8	New Hampshire Transmission, LLC	24.9	0.3	18.90%	4.8	
9	NSTAR Service Company (East)	406.4	67.3	13.38%	63.4	
10	NSTAR Service Company (West)	81.2	35.2	14.30%	16.6	
11	Public Service Company of New Hampshire	222.5	96.6	16.53%	52.7	
12	The United Illuminating Company <sup>(1)</sup>	88.7	26.3	15.23%	17.5	
13	Vermont Transco, LLC	32.7	17.3	15.69%	7.8	
14	Versant Power	1.7	24.9	12.04%	3.2	
15	All Other PTOs	2.6	0.4	20.71%	0.7	
16	<b>Total (Sum of Line 1 thru Line 15)</b>	<b>\$ 1,315.5</b>	<b>\$ 509.2</b>		<b>\$ 263.4</b>	
17	Less: 2023 5Q Average Forecasted Revenue Requirements in 1/1/23 Rate				(68.2)	
18	<b>Total Incremental Forecasted Revenue Requirements</b>				<b>195.2</b>	
19	2022 12CP Average Monthly RNL (kW)				18,431,168	
20	<b>RNS Rate Impact (\$/kW-year)</b>				<b>\$ 10.59</b>	

<sup>(1)</sup> United Illuminating Forecasted Regional Additions include CWIP related to the Pequonnock Station approved by FERC for inclusion in regional rates.



# January 1, 2024 RNS Rate Annual True-Up Summary

		Columns (B) – (D) in Millions of \$				
(A)	(B)	(C)	(D) = (C) - (B)	(E) = (D) / Load		
PTO	Regional 2021 True-up	Regional 2022 True-up	Difference (Over)/Under Collection	1/1/24 RNS Rate Impact (\$/kW-yr.)		
1	Central Maine Power Company	\$ (7.5)	\$ (17.2)	\$ (9.7)	\$ (0.53)	
2	The Connecticut Light & Power Company	(14.6)	(23.1)	(8.5)	(0.46)	
3	CT Transmission Municipal Electric Energy	(0.3)	(0.5)	(0.2)	(0.01)	
4	Maine Electric Power Company	(0.2)	0.9	1.1	0.06	
5	MA Municipal Wholesale Electric Company	0.2	1.1	0.9	0.05	
6	The Narragansett Electric Co. d/b/a RI Energy	-	-	-	-	
7	New England Power Company	0.4	30.0	29.6	1.60	
8	New Hampshire Transmission, LLC	0.1	(0.3)	(0.4)	(0.02)	
9	NSTAR Service Company (East)	(10.4)	(1.8)	8.6	0.47	
10	NSTAR Service Company (West)	(1.2)	(0.1)	1.1	0.06	
11	Public Service Company of New Hampshire	(1.1)	11.1	12.2	0.66	
12	The United Illuminating Company	(13.0)	(24.3)	(11.3)	(0.61)	
13	Vermont Transco, LLC	(1.0)	(1.6)	(0.6)	(0.03)	
14	Versant Power	(0.4)	(2.0)	(1.6)	(0.09)	
15	All Other PTOs	0.4	0.3	(0.1)	(0.01)	
16	<b>Total (Sum of Line 1 thru Line 15)</b>	<b>\$ (48.6)</b>	<b>\$ (27.5)</b>	<b>\$ 21.1</b>	<b>\$ 1.14</b>	
17	Interest on Difference			(0.1)	(0.00)	
18	<b>Total True-up</b>			<b>\$ 21.0</b>	<b>\$ 1.14</b>	
19	2022 12CP Average Monthly RNL (kW)				18,431,168	

# January 1, 2024 RNS Rate Other Revenue Requirements

<u>RNS Load Impact</u>		Regional Rev Req (\$ in Millions)	1/1/24 RNS Rate (\$/kW-year)
1	RNS ATRR @ 1/1/23	\$ 2,680.4	
2	2021 12CP Average Monthly RNL (kW)	18,923,722	\$ 141.64
3	2022 12CP Average Monthly RNL (kW)	18,431,168	145.43
4	<b>RNS Rate Impact (\$kW-year) (Line 3 - Line 2)</b>		<b>\$ 3.79</b>
<u>Other ATRR Variances</u>		Regional Rev Req (\$ in Millions)	1/1/24 RNS Rate (\$/kW-year)
1	Forecasted 2022 Regional Revenue Requirements	\$ 2,671.0	
2	Actual 2022 Regional Revenue Requirements	2,637.1	
3	"Base" Revenue Requirements Variance (Line 2 – Line 1)	\$ (33.9)	\$ (1.84)
4	Prior Years PTO Adjustments in 1/1/23 RNS Rate	\$ (7.4)	
5	Prior Years PTO Adjustments in 1/1/24 RNS Rate	(25.4)	
6	Prior Years PTO Adjustments Variance (Line 4 – Line 5)	\$ (18.0)	\$ (0.97)
7	<b>Total RNS Rate Change due to Other ATRR changes (Lines 3 + 6)</b>		<b>\$ (2.81)</b>



THANK YOU!

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ANY QUESTIONS?

# Appendix

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HISTORICAL RNS RATES

REGIONAL INVESTMENT HISTORY

# Regional Investment (\$ in Millions) and RNS Rates History (\$/kW-year)

	Total	Avangrid	CTMEEC	Eversource	MMWEC	NGRID	NHT	VTransco	Versant Power	All Other PTOs
<b>12/31/2013</b>	9,675.9	1,593.3	61.4	5,424.1	8.2	1,352.6	60.8	713.9	338.2	123.5
<b>12/31/2014</b>	10,599.4	1,948.4	62.1	5,772.3	8.8	1,466.6	62.7	802.5	344.4	131.7
<b>12/31/2015</b>	11,962.5	2,384.3	62.7	6,417.3	9.0	1,702.5	63.5	837.3	355.6	130.3
<b>12/31/2016</b>	12,862.8	2,478.5	64.7	7,071.9	9.2	1,860.4	66.1	814.9	355.7	141.4
<b>12/31/2017</b>	13,730.8	2,538.6	64.9	7,674.7	9.6	1,956.6	69.5	961.5	355.8	99.6
<b>12/31/2018</b>	14,914.0	2,794.4	65.6	8,466.6	11.0	2,018.6	74.3	1,034.8	356.0	92.7
<b>12/31/2019</b>	15,942.1	2,863.6	65.9	9,171.5	13.5	2,202.7	87.5	1,076.3	360.0	101.1
<b>12/31/2020</b>	16,946.6	2,971.9	66.1	9,892.1	16.3	2,317.1	104.8	1,109.9	367.2	101.2
<b>12/31/2021</b>	18,715.7	3,019.4	66.1	10,614.5	16.4	3,263.2	107.0	1,155.8	368.7	104.6
<b>12/31/2022</b>	19,808.3	3,091.0	66.4	11,312.9	20.5	3,519.7	132.6	1,188.7	370.7	105.8
	<b>06/01/15</b>	<b>06/01/16</b>	<b>06/01/17</b>	<b>06/01/18</b>	<b>06/01/19</b>	<b>06/01/20</b>	<b>06/01/21</b>	<b>01/01/22</b>	<b>01/01/23</b>	<b>01/01/24</b>
<b>Historical RNS Rates</b>	98.70	104.10	111.96	110.43	111.94	129.26	140.98	142.78	141.64	154.35