

RNS Rate Forecast Overview

NEPOOL RC/TC Summer Meeting
July 18, 2023

RNS Rate Forecast - Disclaimer

The 2025-2028 forecast herein provides an indicative RNS Rate trend solely related to incremental revenue requirements attributable to forecasted capital investments; it should be used for illustrative purposes only. The forecast calculations performed were based on estimated data, and do not contain all the provisions set forth in Attachment F of the ISO-NE OATT.

The estimated data utilized by the PTO AC to develop this forecast of RNS Rates is based upon estimated capital additions provided by all the New England Participating Transmission Owners to the Rates Working Group. Estimates for 2023 capital additions will be trued up during the normal annual update for the RNS Rate effective January 1, 2025 to reflect actual capital additions.

The PTO AC acknowledges that this 2025-2028 forecast is based on a number of assumptions and variables including, among others, estimated project need, design, scope, labor & materials costs, inflation, site & permitting approvals, transmission in-service dates, estimated carrying charges and coincident peak network loads. It is therefore expected that such estimates and assumptions will change over time as more current data becomes available.

In addition, the 2025-2028 forecast reflects gross costs and does not include assumptions pertaining to savings (e.g., associated with congestion, unlocked capacity, etc.) or prior year true-up adjustments.

RNS Rate Forecast – Summary

	(A)	(B)	(C)	(D)	(E)	(F)
		1/1/2024	1/1/2025	1/1/2026	1/1/2027	1/1/2028
1	Estimated RNS Rate Impact (\$/kW-Yr) (Line (5) / CY Load ⁽¹⁾ held constant)	\$ 11	\$ 11	\$ 11	\$ 11	\$ 11
2	Estimated RNS Rate Forecast (\$/kW-Yr)	\$ 154 ⁽²⁾	\$ 163 ⁽³⁾	\$ 174	\$ 185	\$ 196
3	Estimated RNS Rate Forecast (\$/kWh) (Assumes a 54.5% ⁽⁴⁾ Load Factor)	\$ 0.024	\$ 0.025	\$ 0.027	\$ 0.029	\$ 0.030
4	Estimated Incremental Additions In-Service and CWIP (\$ in Millions) ⁽⁵⁾	\$ 1,382 ⁽⁶⁾	\$ 1,384	\$ 1,253	\$ 1,295	\$ 1,275
5	Forecasted Revenue Requirement (\$ in Millions) (Line 4 * Carry Charge Factor)	\$ 195	\$ 210	\$ 195	\$ 209	\$ 194

⁽¹⁾ 2022 12CP Average Monthly RNL (kW) = 18,431,168 (kW)

⁽²⁾ Forecasted RNS Rate effective January 1, 2024 to be filed with FERC on July 31, 2023 utilizing Attachment F of the ISO-NE OATT

⁽³⁾ January 1, 2025 RNS Rate excludes \$2 kW-Yr related to the prior true-up and PTO-specific prior year adjustments

⁽⁴⁾ ISO-NE Internal Market Monitor: [2022 Annual Markets Report](#)

⁽⁵⁾ Forecasted incremental additions for 2025 through 2028 are the forecasted Regional additions projected in the respective year without considering averaging as PTOs do not forecast long range additions by quarter

⁽⁶⁾ January 1, 2024 RNS Rate includes the incremental change in 2023 forecasted Regional plant in-service and CWIP additions (as compared to the 2023 5Q average Regional plant in-service and CWIP additions included in the January 1, 2023 RNS Rate), plus the 5Q average 2024 forecasted Regional plant in-service and CWIP additions

Disclaimer: Forecasted rates for 2025-2028 are preliminary and for illustrative purposes only. Estimated data is consistent with the March 2023 RSP and does not reflect revised ISO forecasts. The forecast calculations performed were based on estimated data, and do not contain all the provisions set forth in Attachment F of the ISO-NE OATT.

Forecasted 2023 Regional Investments

Columns (B) - (E) in Whole Dollars						
(A)	(B)	(C)	(D)	(E) = (B) + (C) + (D)		
	PTO	Regional System Plan Projects	Asset Condition Listing Projects	Other Projects ⁽¹⁾	Total	
1	Central Maine Power Company	\$ -	\$ -	\$ 24,526,270	\$ 24,526,270	
2	The Connecticut Light and Power Company	81,158,000	142,833,000	15,383,000	239,374,000	
3	Connecticut Transmission Municipal Electric Energy	2,800,000	1,700,000	-	4,500,000	
4	Maine Electric Power Company	-	-	5,800,000	5,800,000	
5	Massachusetts Municipal Wholesale Electric Company	3,050,070	-	287,198	3,337,268	
6	The Narragansett Electric Co d/b/a Rhode Island Electric	10,405,819	10,311,199	17,368,164	38,085,182	
7	New England Power Company	39,240,523	76,929,032	23,056,258	139,225,813	
8	New Hampshire Transmission, LLC	22,861,441	-	2,033,552	24,894,993	
9	NSTAR Service Company (East)	321,431,000	77,566,000	7,386,000	406,383,000	
10	NSTAR Service Company (West)	-	63,384,000	17,769,000	81,153,000	
11	Public Service of New Hampshire	59,383,000	97,148,000	65,927,000	222,458,000	
12	The United Illuminating Company	-	80,279,344	8,450,809	88,730,153	
13	Vermont Transco, LLC	-	20,453,000	12,203,000	32,656,000	
14	Versant Power	-	-	1,708,899	1,708,899	
15	All Other PTOs	-	-	2,650,551	2,650,551	
16	Total (Sum of Line 1 thru Line 15)	\$ 540,329,853	\$ 570,603,575	\$ 204,549,701	\$ 1,315,483,129	

(1) Regional projects that do not qualify for listing on the Asset Condition List or Regional System Plan Project list. Generally, this includes projects with an estimated total cost of less than \$5M and certain physical security upgrades.

Note: Regional project details are referenced in Attachment 6 Transparency Requirement #11 of the Annual Update posted on June 15th

Forecasted 2024 Regional Investments

Columns (B) - (E) in Whole Dollars						
(A)	(B)	(C)	(D)	(E) = (B) + (C) + (D)		
	PTO	Regional System Plan Projects	Asset Condition Listing Project	Other Projects ⁽¹⁾	Total	
1	Central Maine Power Company	\$ 63,600,000	\$ -	\$ 9,689,577	\$ 73,289,577	
2	The Connecticut Light and Power Company	-	325,247,000	515,000	325,762,000	
3	Connecticut Transmission Municipal Electric Energy	6,000,000	6,846,000	-	12,846,000	
4	Maine Electric Power Company	-	-	12,016,000	12,016,000	
5	Massachusetts Municipal Wholesale Electric Company	-	-	56,148	56,148	
6	The Narragansett Electric Co d/b/a Rhode Island Electric	28,609,160	24,341,400	14,537,942	67,488,502	
7	New England Power Company	13,375,425	68,988,343	37,669,159	120,032,927	
8	New Hampshire Transmission, LLC	-	-	420,852	420,852	
9	NSTAR Service Company (East)	99,603,000	52,390,000	45,051,000	197,044,000	
10	NSTAR Service Company (West)	-	75,902,000	16,742,000	92,644,000	
11	Public Service of New Hampshire	62,688,000	191,617,000	17,327,000	271,632,000	
12	The United Illuminating Company	-	116,246,097	15,493,784	131,739,881	
13	Vermont Transco, LLC	-	27,952,100	8,773,500	36,725,600	
14	Versant Power	42,028,566	-	-	42,028,566	
15	All Other PTOs	-	-	1,920,947	1,920,947	
16	Total (Sum of Line 1 thru Line 15)	\$ 315,904,151	\$ 889,529,940	\$ 180,212,908	\$ 1,385,647,000	

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Note: Regional project details are referenced in Attachment 6 Transparency Requirement #11 of the Annual Update posted on June 15th