

RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

RATE RAAC

1.01 Purpose

The purpose of the Residential Assistance Adjustment Clause (“RAAC”) is to provide NSTAR Electric Company d/b/a/ Eversource Energy (“Company”) a mechanism for the recovery of lost revenue, on an annual basis and subject to the jurisdiction of the Department of Public Utilities (the “Department”), based on the following:

- 1) the reduced or discounted revenue associated with a fixed percentage of the total bill calculated in currently effective rates, and applied to customers taking service under the Residential Low Income tariff rates; and
- 2) incremental expenses directly related to the Company’s Residential Arrearage Management Program.

The RAAC would be subject to annual reconciliation/true-up based on actual sales and revenue.

1.02 Applicability

The RAAC shall be applicable to all firm electricity, as measured in kilowatt-hours (“kWhs”), delivered by the Company under retail tariffs unless otherwise designated. For billing purposes in Eastern Massachusetts, the Residential Assistance Adjustment Factor (“RAAF”), as provided for herein, shall be included in the Distribution Charge.

1.03 Effective Date of Annual Adjustment Factor

The RAAF shall be effective on the first day of each calendar year pursuant to the reconciliation as described herein, unless otherwise ordered by the Department.

1.04 Definitions

The following terms shall be used in this tariff as defined in this section, unless the context requires otherwise.

- (1) “Distribution Company” or “Company” is NSTAR Electric Company d/b/a/ Eversource Energy .
- (2) “Residential Low Income tariffs” means the Residential Rates R-2 and R-4.
- (3) ”Low Income Discounts” is the reduced or discounted revenue associated with a fixed percentage of the total bill calculated in currently effective rates, and applied to customers taking service under the Residential Low Income tariff rates plus expenses associated with the Residential Arrearage Management Program.

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- (4) “Year” is the 12-month period ending December 31st for which the RAAF will apply.
(5) “Prior Year” is the 12-month period ending December 31st prior to the Year.

1.05 Residential Assistance Adjustment Factor Formula

$$RAAF_C = \frac{[(Cust_x \times Cust\$_x \times D\%) + (Cust_x \times AvgUse_x \times Use\$_x \times D\%) + RAMP_x] + HPR + RA}{BDRA_C / FkWh_C}$$

where

RAAF_C = The annual Residential Assistance Adjustment Factor by Rate Class

RA = The Reconciliation Adjustment shall be the difference between the actual Low Income Discounts and the actual revenue recovered through the RAAF in the Prior Year. Reconciliations shall be performed annually and interest shall be calculated on the average monthly reconciling balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to the reconciling balance

Cust = Estimated number of customers enrolled on the Company’s Residential Low Income tariffs during the Year

Cust\$ = The monthly customer charge for the applicable rate schedules

AvgUse = The estimated average kWh usage per customer under the Residential Low Income tariffs

Use\$ = The volumetric charges, including base rate volumetric charges, and any other volumetric charges for the applicable rate schedules

D% = The applicable fixed discount percentage applied to the total billing calculated at the applicable rates of customers under the Residential Low Income tariffs

RAMP = The estimated expenses associated with the operation and administration of the Residential Arrearage Management Program during the Year

HPR = A credit of any payments made by customers or write-offs related to arrearage management programs toward hardship protected balances that the Company has amortized

BDRA_C = The Base Distribution Revenue Allocator for each Rate Class

FkWh_C = Total Forecast kWh sales by Rate Class

x = Year

Effective February 1, 2018, the RAAF shall be calculated separately for the Eastern and Western

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Massachusetts territories. The revenue requirement calculated herein for Eastern Massachusetts and Western Massachusetts shall be allocated to all rate classes in each territory by applying the Base Distribution Revenue Allocator as follows:

Service Territory/Area	Rate Classes	Distribution Revenue Allocator
Eastern Massachusetts	R-1/R-2	40.726%
Eastern Massachusetts	R-3/R-4	4.088%
Greater Boston	G-1/T-1	3.879%
Greater Boston	G-2/T-2	31.309%
Greater Boston	G-3/SBG3/WR	9.384%
Cambridge	G-0/G-1/G-6	0.972%
Cambridge	G-2	1.559%
Cambridge	G-3/SB1/SBG3	1.005%
Cambridge	G-4	0.014%
Cambridge	G-5	0.021%
South Shore, Cape Cod, Martha's Vineyard	G-1/G-7	4.612%
South Shore, Cape Cod, Martha's Vineyard	G-2	1.277%
South Shore, Cape Cod, Martha's Vineyard	G-3	0.715%
South Shore, Cape Cod, Martha's Vineyard	G-4	0.009%
South Shore, Cape Cod, Martha's Vineyard	G-5	0.062%
South Shore, Cape Cod, Martha's Vineyard	G-6	0.009%
Eastern Massachusetts	S-1/S-2	0.359%
Total		100.000%

Service Territory/Area	Rate Classes	Distribution Revenue Allocator
Western Massachusetts	R-1/R-2	48.027%
Western Massachusetts	R-3/R-4	8.114%
Western Massachusetts	23/24/G-0/T-0	19.596%
Western Massachusetts	G-2/T-4	8.650%
Western Massachusetts	T-2	11.156%
Western Massachusetts	T-5	3.720%
Western Massachusetts	S-1/S-2	0.707%
Total		100.000%

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Effective January 1, 2019, the revenue requirement calculated herein shall be combined for Eastern Massachusetts and Western Massachusetts and allocated to all rate classes by applying the Base Distribution Revenue Allocator for each territory as shown below.

Service Territory/Area	Rate Classes	Distribution Revenue Allocator
All	R-1/R-2	41.145%
All	R-3/R-4	4.575%
Greater Boston	G-1/T-1	3.446%
Greater Boston	G-2/T-2	27.907%
Greater Boston	G-3/WR	7.998%
Cambridge	G-0/G-1/G-6	0.829%
Cambridge	G-2	1.329%
Cambridge	G-3/SB1	0.856%
Cambridge	G-4	0.012%
Cambridge	G-5	0.018%
South Shore, Cape Cod, Martha's Vineyard	G-1/G-7	3.930%
South Shore, Cape Cod, Martha's Vineyard	G-2	1.088%
South Shore, Cape Cod, Martha's Vineyard	G-3	0.610%
South Shore, Cape Cod, Martha's Vineyard	G-4	0.008%
South Shore, Cape Cod, Martha's Vineyard	G-5	0.053%
South Shore, Cape Cod, Martha's Vineyard	G-6	0.008%
Western Massachusetts	23/24/G-0/T-0	2.626%
Western Massachusetts	G-2/T-4	1.159%
Western Massachusetts	T-2	1.495%
Western Massachusetts	T-5	0.498%
Eastern Massachusetts	S-1/S-2	0.315%
Western Massachusetts	S-1/S-2	0.095%
Total		100.000%

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department at least thirty (30) days before the date on which a new RAAF is to be effective. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.