

STORM RESERVE ADJUSTMENT MECHANISM

1.01 Purpose

The purpose of the Storm Reserve Adjustment Mechanism is to provide a means for the Company to adjust its Storm Reserve Fund (“Storm Fund”) for storm costs incurred after January 1, 2023 that are in excess of the amount of storm reserve funding amortized in base distribution rates.

1.02 Applicability

The Storm Reserve Adjustment Factor (“SRAF”) shall be a per kilowatt-hour (“kWh”) factor applicable to all electricity, measured in kWhs, delivered by the Company to its customers under its Distribution Service tariffs. For billing purposes in Eastern Massachusetts, the SRAF, as provided for herein, shall be included in the Distribution Charge.

1.03 Effective Date

The date on which the annual SRAF becomes effective shall be the first day of January of each calendar year, unless otherwise ordered by the Department. The Company shall submit filings under this tariff as outlined in Section 1.05.

1.04 Cost Recovery

The SRAF shall recover or refund the storm costs in excess of the allowable balance of the Company’s Storm Reserve Fund as approved in D.P.U. 22-22 (“Recoverable Balance”).

Effective January 1, 2023, the Recoverable Balance calculated herein shall be allocated to all rate class groups by applying the Base Distribution Revenue Allocator as shown below.

Rate Class Group	Base Distribution Revenue Allocator
Residential	50.795%
Small General Service/Streetlights	21.268%
Medium General Service	17.654%
Large General Service	10.283%
Total	100.000%

*Total may not foot due to rounding

All revenue billed through the SRAFs shall be credited against the Recoverable Balance. The Recoverable Balance shall accrue interest at the prime rate during the recovery period. The provisions of this tariff will remain in effect until terminated or revised as proposed by the Company and approved by the Department from time to time.

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1.05 Annual SRAF Filings with the Department

The Company shall make a SRAF filing as part of the Company's annual electric reconciliation filing at least forty-five (45) days before January 1st of the next year. Such filing shall include reconciliation of data for prior periods as appropriate.

1.06 Regulatory Authority

This tariff is governed by the provisions of G.L. c. 164, §§ 76 and 94; 220 C.M.R. 5.00 et seq. orders of the MDPU in furtherance thereof or related thereto.