



November 24, 2015

VIA HAND DELIVERY & ELECTRONIC MAIL

Mark D. Marini  
Department of Public Utilities  
One South Station, 5<sup>th</sup> Floor  
Boston, MA 02110

RE: Nantucket Electric Company 2016 Cable Facilities Surcharge; D.P.U. 15-\_\_\_\_

Dear Secretary Marini:

On behalf of Nantucket Electric Company d/b/a National Grid (“Company”), I am enclosing the Company’s proposal for the cable facilities surcharge (“CFS”) effective January 1, 2016 related to the two submarine cables serving the Island of Nantucket. This filing consists of the pre-filed joint testimony of Melissa A. Little and Joseph E. Morse. I am also submitting my appearance of counsel in this matter, as well as witness affidavits of Ms. Little and Mr. Morse.

This year’s CFS filing includes a proposal to reduce the CFS rates approved by the Department in D.P.U. 11-124, following a similar set of CFS rates approved by the Department as part of a Settlement Agreement between the Company and the Attorney General’s Office in D.T.E. 06-106. The Company is proposing to reduce the current average CFS rate of 1.865¢ per kilowatt-hour approved in D.P.U. 11-124 to an average of 0.763¢ per kWh, and proposes to fix these rates until the end of 2026. This proposal will allow the Company to avoid over-recovering cable facilities costs from customers while still fully recovering the cost of the first cable by the end of its depreciable life in 2016, after which recovery of the second cable would revert to full cost of service.

As explained in Ms. Little’s and Mr. Morse’s testimony, the Company has recovered more than the originally-estimated revenue requirement streams for both submarine cables forecasted in D.P.U. 11-124 due to lower actual debt rates than estimated in that proceeding. The Company calculates that maintaining the CFS rates at their current levels through the end of 2016 will further increase the estimated over-recovery balance of the Combined Cable Facilities by December 31, 2016. Therefore, the Company believes it is in the best interest of customers to decrease CFS rates now and avoid the creation of a significant regulatory liability on its general ledger.

Furthermore, the Company estimates that this proposal provides an immediate customer benefit totaling approximately \$1.8 million, before interest, in 2016, when compared to the current average CFS rates. A residential customer using 600 kWh per month would experience a 5.2 percent decrease of \$7.52 in the summer and a 3.2 percent decrease of \$4.44 in the winter, assuming all other rates are held constant at their present levels.

As explained in more detail in Ms. Little's and Mr. Morse's testimony, the Company believes this proposal is consistent with the terms of the Settlement Agreement, which provides for an adjustment to these levelized rates, following Department review and approval.<sup>1</sup>

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in blue ink that reads "Meabh Purcell". The signature is written in a cursive, flowing style.

Meabh Purcell

cc: Karen Robinson, Hearing Officer  
Nathan Forster, Deputy Division Chief, Office of the Attorney General

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<sup>1</sup> See Settlement Agreement dated June 15, 2007 at page 3 (D.T.E. 06-106).

**THE COMMONWEALTH OF MASSACHUSETTS**

**DEPARTMENT OF PUBLIC UTILITIES**

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Nantucket Electric Company d/b/a National Grid )  
2016 Cable Facilities Surcharge )

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D.P.U. 15-xxx

**NOTICE OF APPEARANCE**

In the above-entitled proceeding, I hereby appear for and on behalf of Nantucket Electric Company d/b/a National Grid.



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Date: November 24, 2015

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

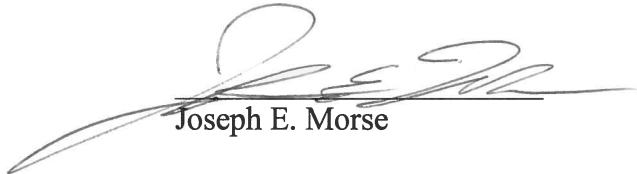
D.P.U. 15-XXX

Affidavit of Joseph E. Morse

I, Joseph E. Morse, do attest and swear to the following:

1. I am a Senior Analyst for New England Electric Pricing in the Regulation and Pricing Department of National Grid. In my current position, I am responsible for performing rate-related services for the various National Grid companies, including Nantucket Electric Company (together "National Grid" or the "Company").
2. I am familiar with National Grid's 2016 Cable Facilities Surcharge Filing.
3. I have reviewed the filing, and the representations made therein are true and correct to the best of my knowledge.

Signed under the pains and penalties of perjury,



Joseph E. Morse

Date: November 24, 2015

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF PUBLIC UTILITIES

D.P.U. 15-XXX

Affidavit of Melissa A. Little

I, Melissa A. Little, do attest and swear to the following:

1. I am a Lead Specialist for New England Revenue Requirements in the Regulation and Pricing Department of National Grid. In my current position, I am responsible for performing cost of service and revenue requirement services for the National Grid USA distribution companies in New England, including Nantucket Electric Company (together "National Grid" or the "Company").
2. I am familiar with National Grid's 2016 Cable Facilities Surcharge Filing.
3. I have reviewed the filing, and the representations made therein are true and correct to the best of my knowledge.

Signed under the pains and penalties of perjury,

  
Melissa A. Little

Date: November 24, 2015

Nantucket Electric Company  
d/b/a National Grid

2016 Cable Facilities Surcharge Filing

Testimony and Exhibits  
of  
Melissa A. Little  
Joseph E. Morse

November 24, 2015

Submitted to:  
Massachusetts Department of  
Public Utilities  
Docket No. D.P.U. 15-\_\_\_\_

Submitted by:

**nationalgrid**



**PRE-FILED DIRECT TESTIMONY**

**OF**

**MELISSA A. LITTLE**

**AND**

**JOSEPH E. MORSE**



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1 **I. Introduction and Qualifications of Melissa A. Little**

2 **Q. Please state your full name and business address.**

3 A. My name is Melissa A. Little. My business address is 40 Sylvan Road, Waltham,  
4 Massachusetts 02451.

5

6 **Q. By whom are you employed and in what position?**

7 A. I am Lead Specialist of New England Revenue Requirements for National Grid USA  
8 Service Company, Inc. (“National Grid”), which provides various accounting, financial,  
9 engineering, planning, administrative, and other technical support to its affiliates,  
10 including Nantucket Electric Company (“Nantucket” or the “Company”).

11

12 **Q. Please provide a brief summary of your educational background and training.**

13 A. In 2000, I earned a Bachelor of Science degree in Accounting Information Systems from  
14 Bentley University in Waltham, Massachusetts.

15

16 **Q. Please describe your professional experience.**

17 A. From 2000 through November 2004, I was employed by PricewaterhouseCoopers LLP as  
18 an assurance associate. In November 2004, I joined National Grid as an analyst in  
19 Accounting Services, primarily supporting National Grid USA Service Company, Inc.  
20 After the merger of National Grid and KeySpan, I joined the Regulation & Pricing group  
21 as a senior analyst in the Regulatory Accounting function, also supporting the Niagara

1 Mohawk Power Corporation gas and electric revenue requirements teams. I was  
2 promoted to my current position in July 2011.

3  
4 **Q. What is your relationship to the Company?**

5 A. My current duties include supporting the cost of service and revenue requirement  
6 analyses for the National Grid USA distribution companies in New England, including  
7 the Company.

8  
9 **Q. Have you previously testified before the Massachusetts Department of Public  
10 Utilities (the “Department”)?**

11 A. I submitted pre-filed direct testimony in Nantucket’s last filing to propose a new  
12 levelized Cable Facilities Surcharge (“CFS”) in D.P.U. 11-124. I also provided pre-filed  
13 testimony in D.P.U. 14-136 and D.P.U. 15-154 on behalf of the Company regarding the  
14 revenue requirement on the capital investment component of its Revenue Decoupling  
15 Mechanism.

16  
17 **II. Introduction and Qualifications of Joseph E. Morse**

18 **Q. Please state your full name and business address.**

19 A. My name is Joseph E. Morse. My business address is 40 Sylvan Road, Waltham,  
20 Massachusetts 02451.

21  
22 **Q. By whom are you employed and in what position?**

1 A. I am a Senior Analyst in the New England Electric Pricing group of the Regulation and  
2 Pricing department of National Grid.  
3

4 **Q. Please provide a brief summary of your educational background and training.**

5 A. In 1999, I received a Bachelor of Science in Business Administration with Finance major  
6 from the University of Florida in Gainesville, Florida. In 2003, I received a Master of  
7 Arts in Agribusiness from Washington State University in Pullman, Washington.  
8

9 **Q. Please describe your professional experience.**

10 A. From 2000 to 2006, I held various positions in the financial services industry. From 2006  
11 to 2012, I served with the United States Department of Agriculture's National  
12 Agricultural Statistics Service as a Statistician in the Albany, New York field office. In  
13 2012, I joined The Berkshire Gas Company ("Berkshire") as Lead Analyst – Regulatory  
14 Support, supporting the gas supply and retail access functions as well as several  
15 regulatory filing requirements. In March of 2015, I joined National Grid in my current  
16 position.  
17

18 **Q. What is your relationship to the Company?**

19 A. My current duties include supporting the various rates and tariffs for the National Grid  
20 USA distribution companies in Massachusetts, including the Company.  
21

1 **Q. Have you previously testified before the Massachusetts Department of Public**  
2 **Utilities (the “Department”)?**

3 A. Yes. I testified before the Department in Berkshire’s 2012 Forecast and Supply Plan,  
4 D.P.U. 12-62, and submitted pre-filed testimony in National Grid’s proposed three year  
5 energy efficiency program plan for the period January 2016 through December 2018,  
6 D.P.U. 15-168.

7  
8 **III. Purpose of Testimony**

9 **Q. What is the purpose of this testimony?**

10 A. Our testimony presents the Company’s proposed CFS rates beginning in 2016 for the two  
11 submarine cables serving the Island of Nantucket. The Company’s customers receive  
12 electric service from two submarine cables (together the “Combined Cable Facilities”)  
13 that connect Nantucket’s distribution system to the mainland. Recovery of the first  
14 submarine cable (“First Cable”) is provided by the merger agreement in the purchase of  
15 Nantucket by New England Electric System that was approved by the Department on  
16 October 10, 1995 in Docket D.P.U. 95-67 (“Merger Agreement”) and was placed in  
17 service on December 31, 1996. The second submarine cable (“Second Cable”) project  
18 was approved by the Department on December 21, 2004 in Docket D.T.E. 04-10 and was  
19 placed in service on April 18, 2006, with recovery approved in Docket D.T.E. 06-106. In  
20 support of the Company’s proposal, we also present the calculation of the revenue  
21 requirements associated with the First Cable and Second Cable. Finally, we also present  
22 the bill impacts of the proposed CFS rates.

1 **Q. Briefly summarize the Company’s proposal with respect to recovery of the**  
2 **Combined Cable Facilities revenue requirements.**

3 A. The Company is proposing to reduce the CFS rates beginning in 2016 from the current  
4 average of 1.865¢ per kilowatt-hour (“kWh”) to an average of 0.763¢ per kWh, and  
5 proposes to fix these rates until the end of 2026. As we discuss in more detail below, the  
6 Company has recovered more than the estimated revenue requirement streams initially  
7 forecasted in Docket D.P.U. 11-124 due to lower actual debt rates than what were  
8 estimated in that filing.

9

10 **Q. Please describe how your testimony is organized.**

11 A. First we describe the current recovery of the Combined Cable Facilities, including the  
12 status of that recovery. Next, we present the Company’s proposal in this filing, which is  
13 very similar to what the Company proposed in Docket D.P.U. 11-124, and the principles  
14 underlying the Company’s proposal. Finally, underlying all of the analysis contained in  
15 this filing and forming the basis for its proposal, the Company describes the calculation  
16 of the revenue requirements for the First Cable and Second Cable, the calculation of the  
17 proposed CFS rates, and the bill impacts of the Company’s proposal on Nantucket’s  
18 customers.

19

20 **IV. Current Cable Facilities Recovery**

21 **Q. How is the Company currently recovering the Combined Cable Facilities revenue**  
22 **requirement?**

1 A. Per the settlement agreement approved by the Department in Docket D.T.E. 06-106  
2 (“Settlement Agreement”), the Company was allowed to charge CFS rates that resulted in  
3 an average rate of 2.584¢ per kWh for the period beginning January 1, 2007 and were to  
4 be fixed through 2017. These fixed CFS rates, that were lower than the revenue  
5 requirement of the Combined Cable Facilities, were to be charged until such time as any  
6 deferrals incurred as a result of billing the fixed CFS rates were fully recovered. Based  
7 upon the Company’s estimate in 2006, the Company anticipated this levelized approach  
8 would last through 2017. During this period, the Company was allowed a return on that  
9 deferral at a rate equal to the lower of the interest rate the Company paid on customer  
10 deposits or the overall pre-tax rate of return the Company used to arrive at the Second  
11 Cable revenue requirement. In November 2011 in Docket D.P.U. 11-124, the Company  
12 sought approval to reduce the CFS rates approved in Docket D.T.E. 06-106 to an average  
13 rate of 1.865¢ per kWh because the Company had recovered more than the originally-  
14 estimated revenue requirement for both cables due to lower actual debt rates than those  
15 estimated in 2006. The Company further proposed to fix CFS rates at this 1.865¢ per  
16 kWh average until the end of the recovery period of the First Cable, or December 2016,  
17 at which time the CFS rates would revert to full cost of service recovery for the Second  
18 Cable through the end of its remaining life. The Department approved the Company’s  
19 request to reduce the CFS rates, which resulted in the average of 2.584¢ per kWh  
20 decreasing to 1.865¢ per kWh, effective January 1, 2012 so that the Company would  
21 avoid a significant over-recovery of cable costs. D.P.U. 11-124-A (2013).

1 **Q. Please update the status of the CFS recovery since the Department's order in**  
2 **Docket D.P.U. 11-124-A.**

3 A. Exhibit NG-2 illustrates the recovery of the annual actual and estimated Combined Cable  
4 Facilities revenue requirement and actual and estimated CFS revenue at the current  
5 average CFS rate of 1.865¢ per kWh. All CFS revenue, revenue requirement amounts,  
6 and debt rates reflect actual amounts through October 2015. The Company estimates its  
7 December 31, 2015 deferral balance would be an over-recovery of \$1,806,638, as shown  
8 on line (10), column (l), based on the actual data through October 31, 2015 and estimated  
9 revenue for the months of November and December 2015. The Combined Cable  
10 Facilities 2016 revenue requirement would be \$2,465,902, as indicated on line (11),  
11 column (c).

12  
13 **Q. What would be the result if the Company were to continue to bill out the CFS rates**  
14 **currently in effect and that average 1.865¢ per kWh?**

15 A. As Exhibit NG-2 indicates, maintaining the CFS rates at their current levels through the  
16 end of 2016 will further increase the estimated over-recovery balance of the Combined  
17 Cable Facilities by December 31, 2016, after which recovery would revert to full cost of  
18 service. The estimated over-recovery balance at December 31, 2016 is \$2,360,616, as  
19 shown on line (11), column (l) of Exhibit NG-2.

20  
21 **Q. Why is the Company requesting a change to the current CFS rates at this time?**



1 A. The Company is concerned about the estimated over-recovery of its cable facilities costs  
2 by the end of 2016. The acceleration of recovery is the result of lower debt costs, which  
3 have driven the reduction in the actual Combined Cable Facilities revenue requirement  
4 compared to the estimated Combined Cable Facilities revenue requirement as filed in  
5 Docket D.P.U. 11-124, resulting in lower annual revenue requirements and,  
6 consequently, avoided an under-recovery of cable facilities costs anticipated in the design  
7 of the current fixed CFS rates. Therefore, the Company believes it is in the best interest  
8 of customers to decrease CFS rates to avoid the unnecessary level of revenue. By doing  
9 so, the Company will also avoid the estimated increase in the regulatory liability on its  
10 general ledger.

11

12 **Q. Does the Company believe the Settlement Agreement allows it to make the proposal**  
13 **presented in this filing?**

14 A. Yes. Consistent with the testimony in Docket D.P.U. 11-124, under Article 2.1 of the  
15 Settlement Agreement, the Company is allowed, subject to Department review and  
16 approval, to adjust its CFS rates should circumstances warrant such an adjustment or until  
17 such time as the deferrals incurred in the early years of the current mechanism are  
18 recovered through the normal operation of the mechanism. The Company believes these  
19 two criteria have been met, based upon the analysis we discuss above.

20

21 **V. Proposed Cable Facilities Surcharge**

22 **Q. What is the Company's proposal?**

1 A. The Company is proposing to re-set the CFS rates approved in Docket D.P.U. 11-124 for  
2 2012 through 2016 in order to avoid further over-recovering cable facilities costs from  
3 customers while still fully recovering the cost of the First Cable by the end of its  
4 depreciable life in 2016. The Company is proposing the CFS rates calculated in Exhibit  
5 NG-3 for the period 2016 through 2026, resulting in an average CFS rate of 0.763¢ per  
6 kWh. We discuss Exhibit NG-3 in more detail later in our testimony.

7

8 **Q. How does this level of recovery compare to the recovery of cable facilities costs at**  
9 **the rates approved in Docket D.P.U. 11-124?**

10 A. The proposed CFS rates are designed to flow the December 31, 2015 estimated over-  
11 recovery back to customers over the period 2016 through 2026 and result in a decrease in  
12 the average CFS rate in the first year for which the Second Cable recovery reverts to full  
13 cost of service, or 2027. Therefore, the estimated \$1.8 million over-recovery at  
14 December 31, 2015 is used to reduce the recovery of the sum of the annual revenue  
15 requirements for the years 2016 through 2026.

16

17 **Q. Is the Company proposing any changes to how the proposal would operate as**  
18 **compared to how it has operated since 2007?**

19 A. Yes, in only one respect. Rather than the lower of the interest rate the Company pays on  
20 customer deposits or the overall pre-tax rate of return the Company used to arrive at the  
21 Second Cable revenue requirement, the Company is proposing to use the overall pre-tax  
22 rate of return on the Second Cable. This rate has been higher than the interest rate on

1 customer deposits since 2010 and since the Company anticipates the deferral to remain an  
2 over-recovery, the Company believes it is reasonable to use this rate to accrue carrying  
3 charges on the deferral balance. The Company is proposing to fix the CFS rates at their  
4 proposed 2016 level and anticipates that they would remain at this level would through  
5 2026 until such time as the over-recovery is credited back to customers or if  
6 circumstances warrant an adjustment to these fixed rates.

7  
8 **Q. Please describe Exhibit NG-4 in more detail.**

9 A. Exhibit NG-4 provides an illustration of the proposal along with estimated deferral  
10 balances. Columns (a) and (b) of Exhibit NG-4 are the actual and forecasted annual  
11 revenue requirements for the First Cable, recovery of which is complete at the end of  
12 2016, from Page 1 of Exhibit NG-5, and the Second Cable from Page 1 of Exhibit NG-6,  
13 respectively. Column (c) represents the Combined Cable Facilities revenue requirements.  
14 Column (d) represents the Company's forecast of kWh deliveries. Column (e) includes  
15 the 2016 average CFS rate for the years 2007 through 2011, 2012 through 2015, and the  
16 average CFS of 0.763¢ per kWh based upon the proposed CFS rates for the years 2016  
17 through 2026. Since the Company is proposing to fix the CFS rates beyond 2016, the  
18 average rate in column (e) is also fixed until such time as the deferral balance, as shown  
19 in column (l), is reduced to as close to zero as possible while at the same time providing  
20 for a reduction in the average CFS rate after the end of the fixed rate period. Once the  
21 deferral balance is essentially eliminated, the CFS rates would revert to full cost of  
22 service rates for the remainder of the recovery period. Column (f) reflects both actual

1 CFS revenue based on the billing of approved CFS rates and projected CFS revenue  
2 equal to the CFS Average Rate from column (e) times forecasted kWh deliveries from  
3 column (d). Columns (h) through (l) provide the estimated deferral balances, with return,  
4 beginning in 2016, determined at the pre-tax rate of return related to the Second Cable as  
5 shown in column (m). As shown on Exhibit NG-4, based on current projections, the  
6 2016 average CFS rate of 0.763¢ per kWh would be effective through 2026, at which  
7 time reverting recovery to full cost of service on the Second Cable would provide for an  
8 estimated average CFS rate of 0.752¢ per kWh for 2027 (line (22), column (e)), a slight  
9 decrease from the 2016 average CFS rate of 0.763¢ per kWh.

10  
11 **Q. How does the Company propose to monitor this proposal?**

12 A. The Company proposes to continue its current practice of annual reconciliation filings.  
13 The Company will file, no later than March 1 its annual reconciliation report with the  
14 Department reconciling actual Cable Facilities revenue requirements and CFS revenue  
15 from the preceding calendar year. This reconciliation report will update actual CFS  
16 revenue and actual and forecasted revenue requirements for the First Cable and Second  
17 Cable as contained in Exhibit NG-4, Exhibit NG-5, and Exhibit NG-6, and will allow the  
18 Company and Department to monitor the level of deferrals generated over time.

19  
20 **VI. Combined Cable Facilities Revenue Requirement**

21 **Q. Please describe the Combined Cable Facilities revenue requirement for 2016?**

1 A. The Combined Cable Facilities revenue requirement for 2016 is \$2,465,902, consisting of  
2 the final year of the First Cable's revenue requirement of \$1,301,736, and the Second  
3 Cable's revenue requirement of \$1,164,166. A summary of the revenue requirement for  
4 the First Cable is provided in Exhibit NG-5. A summary of the revenue requirement for  
5 the Second Cable is provided in Exhibit NG-6.

6  
7 **Q. Has the Company prepared an estimated cost of service for the First Cable for**  
8 **2016?**

9 A. Yes. Exhibit NG-5 contains the calculation of the estimated cost of service for 2016 and  
10 is calculated in accordance with the Merger Agreement.

11  
12 **Q. What is the 2016 cost of service for the First Cable and what does it include?**

13 A. The 2016 estimated cost of service of \$1,301,736 includes: (1) return and taxes on rate  
14 base, (2) depreciation expense, (3) amortization of financing costs, and (4) a credit for  
15 fiber optic rental revenue.

16  
17 **Q. How is the rate base calculated?**

18 A. The rate base consists of the estimated average beginning and ending year balance of net  
19 rate base for the First Cable. This is consistent with the filings submitted for the 2007  
20 CFS rates in Docket D.T.E. 06-106 and the 2012 CFS rates in Docket D.P.U. 11-124.  
21 The 2016 rate base, consisting of the average estimated year-end balances at December  
22 31, 2015 and December 31, 2016, can be found in Exhibit NG-5, Page 2. It consists of

1 the investment in the First Cable less the accumulated provision for depreciation and  
2 amortization, less accumulated deferred income taxes, plus materials and supplies, and  
3 costs associated with securing the financing less accumulated amortization. All rate base  
4 items are solely related to the First Cable.

5  
6 As shown on Page 2 of Exhibit NG-5, the calculation of the forecasted rate base assumes  
7 a 20-year life for the First Cable, which is consistent with all of the CFS filings involving  
8 the First Cable, and follows the financing schedule of the \$28 million in bonds issued to  
9 finance the First Cable. Debt issuance costs are also assumed to be amortized over the 20  
10 year issuance period of the current tax exempt bonds. Amortization of debt issuance  
11 costs and the average unamortized amounts by year are detailed on Page 5 of Exhibit  
12 NG-5. The calculation of accumulated deferred tax reserves, as detailed on Page 4 of  
13 Exhibit NG-5, are based on 20 year utility plant tax depreciation rates.

14  
15 Finally, materials and supplies were held at the 2007 estimated level for the balance of  
16 the recovery period.

17  
18 Under the terms of the Merger Agreement, unamortized fiber optic revenue, if any, is  
19 included in the rate base calculation. The Company has three lease agreements under  
20 which it receives proceeds from leasing fiber optic capacity, with each lease commencing  
21 in May 1998, November 1, 2003, and March 1, 2006. Since the lease payments are

1 received on a “pay-as-you-go” basis, there is not a prepaid amount of fiber optic revenue  
2 to be applied against rate base.  
3

4 The lease revenue is flowed directly through the cost of service calculations in its entirety  
5 and is estimated to be \$230,151 for 2016, as reflected in Exhibit NG-5, Page 1.  
6

7 **Q. What return and tax percentage is used in the estimated cost of service for 2016?**

8 A. The pre-tax rate of return for the 2016 First Cable cost of service is 0.97 percent as shown  
9 in Exhibit NG-5, Page 1, column (b). The cost of debt reflects the weighted average cost  
10 of the initial \$28 million of bonds with rates ranging from 4.10 percent to 6.75 percent  
11 and maturities ranging from 1997 to 2017 that were issued to provide permanent  
12 financing for the First Cable. The pre-tax rate of return, or ROR, calculation is contained  
13 on Page 3 of Exhibit NG-5. As shown on that page, for any given year, the assumed  
14 equity component of the capital structure is equal to the First Cable’s estimated average  
15 rate base less average outstanding debt, but not less than zero. Consequently, if  
16 outstanding debt exceeds the First Cable’s average rate base, it is assumed that 100  
17 percent of the First Cable is financed with debt. Column (g) of Page 3 reflects a forecast  
18 of variable rate tax exempt debt rates for the remainder of 2015 and 2016.  
19

20 These rates are applied to the debt weighting reflected in column (f) to arrive at the  
21 weighted cost of debt in column (h). The calculated equity ratio shown in column (j)  
22 times the return on equity in column (k) produces the weighted equity cost shown in

1 column (l). Income taxes associated with the weighted equity component, if any, are  
2 shown in column (m). The total ROR is shown in column (n). These annual actual and  
3 estimated RORs are applied to average rate base to arrive at the annual return and taxes  
4 amount shown on Page 1 of Exhibit NG-5 in column (c).

5  
6 **Q. What rate of return on common equity is used in the estimated 2016 cost of service?**

7 A. A return on common equity of 10.35 percent is used for the estimated 2016 cost of  
8 service, as reflected in Exhibit NG-5, Page 3, to calculate the rate of return and taxes to  
9 be applied to the total First Cable investment base. As specified in the Merger  
10 Agreement, the Company uses the most recent rate of return on common equity  
11 established for Massachusetts Electric Company (“Mass Electric”). Consequently, the  
12 Company is using the rate of return on common equity established in Mass Electric’s  
13 most recent base distribution rate case filing in Docket D.P.U. 09-39. The approved rate  
14 of return on common equity in that case was 10.35 percent. However, as the average rate  
15 base of the First Cable is less than the average long term debt outstanding, there is no  
16 equity component in the 2016 capital structure of the First Cable.

17  
18 **Q. Has the Company determined a revenue requirement for the Second Cable for**  
19 **2016?**

20 A. Yes. The estimated 2016 revenue requirement for the Second Cable is \$1,164,166 as  
21 shown on Exhibit NG-6, Page 1, line (11).



1 **Q. What is the basis for the Second Cable’s 2016 estimated cost of service and what**  
2 **does it include?**

3 A. The Second Cable estimated cost of service for 2016 is calculated in the same fashion as  
4 the cost of service for the First Cable and in accordance with the Merger Agreement. It  
5 includes (1) return and taxes on average rate base, (2) depreciation expense, (3)  
6 amortization of financing costs, and (4) a credit for fiber optic rental revenue.

7  
8 **Q. How is the rate base calculated?**

9 A. The rate base calculation for the Second Cable follows the same calculation described  
10 above for the First Cable as reflected in Exhibit NG-6, Page 2. The net rate base includes  
11 the total investment in the Second Cable, less the provision for depreciation and  
12 amortization, less accumulated deferred income taxes, plus costs associated with securing  
13 the financing less accumulated amortization, and allowances related to materials and  
14 supplies. All such rate base items are related solely to the Second Cable.

15  
16 As shown on Page 2 of Exhibit NG-6, the calculation of the forecasted rate base assumes  
17 a 40-year life for the Second Cable, which is consistent with the CFS filing in Docket  
18 D.T.E. 06-106, as well as industry practice of using 40 years as a “design life” for cable  
19 systems. Further, the Company’s cable specifications requested that manufacturers  
20 provide a cable that will maintain its electrical performance characteristics for a  
21 minimum of 40 years. Debt issuance costs are assumed to be amortized over the 35-year  
22 issuance period of the current tax exempt bonds. Amortization of debt issuance costs and

1 the average unamortized amounts by year are detailed on Page 5 of Exhibit NG-6. For  
2 purposes of the forecast, the tax exempt bonds issued to finance the Second Cable project  
3 are assumed to be refunded at like terms after year 35. The calculation of accumulated  
4 deferred tax reserves, as detailed on Page 4 of Exhibit NG-6, is based on 20-year utility  
5 plant tax depreciation rates. Finally, materials and supplies were held at the 2007  
6 estimated level for the balance of the recovery period.

7  
8 **Q. How was the Pre-tax Rate of Return calculated?**

9 A. The pre-tax rate of return, or ROR, calculation is contained on Page 3 of Exhibit NG-6.  
10 As shown on that page, and consistent with the calculation of the pre-tax rate of return  
11 calculation for the First Cable, for any given year, the assumed equity component of the  
12 capital structure is equal to the Second Cable's estimated average rate base less average  
13 outstanding debt, but not less than zero. Consequently, if outstanding debt exceeds the  
14 Second Cable's average rate base, it is assumed that 100 percent of the Second Cable is  
15 financed with debt. Column (f) of Page 3 reflects a forecast of variable rate tax exempt  
16 debt rates. These rates are applied to the debt weighting reflected in column (e) to arrive  
17 at the weighted cost of debt in column (g). The calculated equity ratio shown in column  
18 (i) times the return on equity rate in column (j) produces the weighted equity cost shown  
19 in column (k). Income taxes associated with the weighted equity component, if any, are  
20 shown in column (l). The total ROR is shown in column (m). These annual estimated  
21 RORs are applied to average rate base to arrive at the annual return and taxes amount  
22 shown on Page 1 of Exhibit NG-6 in column (c).

1 **Q. What is the effective cost of debt used in the Second Cable cost of service?**

2 A. The Company secured \$38 million of 35-year, variable rate tax-exempt debt financing to  
3 support the Second Cable project, consisting of \$10 million issued in December 2004 and  
4 \$28 million issued in December 2005. Individual tranches of each issue are remarketed  
5 for periods ranging from one to 270 days. The effective cost of debt for the variable rate  
6 bonds is estimated to be 0.97 percent for 2016 as shown on Page 3 of Exhibit NG-6. This  
7 estimated effective cost of debt is based on a weighted average of actual variable rate  
8 placements to date. The estimated weighted average rate will be reconciled in subsequent  
9 years' CFS filings when the final weighted average rate for the remainder of 2015 and  
10 2016 is known.

11  
12 **Q. What rate of return on common equity is used in the Second Cable cost of service?**

13 A. A return on equity of 10.35 percent is used for the 2016 estimated cost of service for the  
14 Second Cable. This is the same rate used for the First Cable cost of service, is consistent  
15 with the Merger Agreement, and represents the last approved rate of return on common  
16 equity for Mass. Electric.

17  
18 **Q. What is the depreciation period used in the rate base calculation for the Second  
19 Cable?**

20 A. The depreciable life of the Second Cable is 40 years, as shown at Exhibit NG-6, Page 4.  
21 This is consistent with the depreciation period utilized in Docket D.P.U. 06-106 and  
22 Docket D.P.U. 11-124.

1 **Q. What are the other components of the estimated annual revenue requirements**  
2 **contained on Page 1 of Exhibit NG-6?**

3 A. As mentioned earlier, the annual revenue requirements also include depreciation expense,  
4 based on a 40-year useful life, and amortization of debt issuance costs, based on the 35-  
5 year issuance period of the current tax exempt bonds, as shown in columns (d) and (e),  
6 respectively, on Page 1. Commencing in 2010, the cost of service also includes a credit  
7 for fiber optic lease revenues, as shown in column (f). The total annual revenue  
8 requirement, equal to the sum of return and taxes, depreciation and amortization of debt  
9 issuance cost, less fiber lease revenue, is shown in column (g).

10

11 **Q. Please describe the fiber optic proceeds included in the estimated 2016 Second Cable**  
12 **cost of service.**

13 A. On December 1, 2009, the Company entered into a 10-year fiber optic lease agreement  
14 having a three percent escalation annually. On March 1, 2012, the Company entered into  
15 a second fiber optic lease agreement having a three percent annual escalation. Since the  
16 lease payments are received on a “pay as-you-go” basis, there is not a prepaid amount of  
17 fiber optic revenue to be applied against rate base. The lease revenue is flowed directly  
18 through the cost of service calculations in its entirety and is estimated to be \$175,902 for  
19 2016, as reflected in Exhibit NG-6, Page 1.

20

21 **VII. Combined Cable Facilities Surcharge**

22 Combined Cable Facilities Revenue Requirement (2016 – 2026)

1 **Q. Please describe the 2016 to 2026 Revenue Requirements for the Combined Cable**  
2 **Facilities.**

3 A. We have described above how the Company has calculated the revenue requirements for  
4 each cable. The revenue requirement for the remaining year of the First Cable, or 2016,  
5 is calculated in Exhibit NG-5 and reflected in Exhibit NG-4, Page 1, column (a). The  
6 Company calculated the annual revenue requirements for the Second Cable in Exhibit  
7 NG-6 and has reflected these annual amounts in Exhibit NG-4, Page 1, column (b). The  
8 2016 revenue requirement for the Combined Cable Facilities is \$2,465,902, which is the  
9 sum of the revenue requirements for 2016 for the two cables. After 2016, the annual  
10 estimated revenue requirement shown in Exhibit NG-4 represents only recovery of the  
11 Second Cable.

12  
13 Cable Facilities Surcharge

14 **Q. How did the Company use these estimates to design the proposed CFS rates?**

15 A. The calculation of the proposed CFS rates is the same as that performed in Docket D.P.U.  
16 11-124. The Company took the aggregate of the annual estimated Combined Cable  
17 Revenue Requirements for the applicable years, less the estimated over-recovery balance  
18 at December 31, 2015, less interest during the same period, and used this net amount as  
19 the basis for the rate design. This calculation is performed in Exhibit NG-3, lines (1)  
20 through (4). On Line 1 of Exhibit NG-3, the Estimated Combined Cable Cost of Service  
21 for the calendar years 2016 to 2026 is \$16,363,798. This represents the sum of the

1 revenue requirements for the years 2016 to 2026 for both the First Cable and Second  
2 Cable as illustrated in Exhibit NG-4, column (c).

3  
4 **Q. Please continue.**

5 A. Line (2) of Exhibit NG-3 is the estimated over-recovery of the Combined Cable Facilities  
6 cost of service through December 31, 2015 from Exhibit NG-4, line (10), column (l). By  
7 reflecting this over-recovery in Exhibit NG-3, the Company is proposing to credit  
8 customers this amount over the period 2016 to 2026.

9  
10 Line (3) of Exhibit NG-3 accounts for the interest estimated to accrue on the over-  
11 recovery balance from 2016 to 2026 based on the proposed CFS rates which average  
12 0.763¢ per kWh and the pre-tax rate of return the Company uses to arrive at the Second  
13 Cable revenue requirement. Exhibit NG-4, column (k) shows the interest on the deferral  
14 balance each year. The interest estimated to accrue from 2016 to 2026 is an additional  
15 credit to customers of \$76,362.

16  
17 Therefore, the Total Combined Cable Cost of Service for years 2016 to 2026 that  
18 accounts for the above is \$14,480,797 as shown on Exhibit NG-3, line (4).

19  
20 **Q. How does the average 2016 through 2026 CFS rate produced by the proposed CFS**  
21 **rates compare to the average CFS rate produced by the CFS rates in effect since**  
22 **January 2012?**

1 A. The Company is proposing to decrease and fix the CFS rates through 2026 in order to  
2 both minimize the over-recovery of the Combined Cable Facilities revenue requirement  
3 in 2016 and to provide rate stability in passing back the over-recovery to customers over  
4 time. All of the proposed CFS rates specific to a given rate class and season will also  
5 decrease relative to the currently effective rates.

6

7 Allocation of Revenue Requirement to Rate Classes

8 **Q. How is the Combined Cable Facilities revenue requirement for the years 2016 to**  
9 **2026 allocated to the different rate classes?**

10 A. The Company proposes to allocate the Combined Cable Facilities revenue requirement of  
11 \$14,480,799 for the years 2016 to 2026 to the Company's rate classes based on the  
12 amount of CFS revenue each rate class has contributed during 2015. This allocation  
13 method is consistent with the allocation methodology used for the CFS since its  
14 inception. Nantucket has developed an allocator based on actual CFS revenue billed to  
15 customers during the period of January 2015 through October 2015 and the estimated  
16 CFS revenue for the months of November and December of 2015. The accumulation of  
17 revenue by month is shown in Exhibit NG-3, Page 2. The allocator based on this revenue  
18 is shown in Exhibit NG-3, Page 1, line (6). The allocation of the revenue requirement to  
19 each rate class is located on Exhibit NG-3, line (7).

20

21 **Q. Does the Company propose any changes in its allocation and rate design of the CFS**  
22 **rate?**

1 A. Yes. In this filing, the Company is also proposing to transfer the customers classified on  
2 Limited Residential Electric Space Heating Rate E (“Rate E”) to Residential Regular R-1  
3 (“Rate R-1”). Rate E was a rate that Nantucket offered to customers prior to its merger  
4 with New England Electric System. To ensure that the customers on Rate E were not  
5 unintentionally harmed by transferring onto Mass. Electric’s rates and rate structures,  
6 Nantucket retained Rate E for customers receiving service under this tariff at the time of  
7 the merger, but closed Rate E for new customers after that date. Rate E provides for  
8 separately-metered space heating service to residential customers at their location. These  
9 customers are billed all of the same charges as Rate R-1 except for the CFS, which is  
10 slightly lower than that for Rate R-1. Currently, there are 54 customers on Rate E. As  
11 the number of customers on Rate E has declined in the 19 years since the merger, and the  
12 Company or Mass. Electric do not offer end-use rates, the Company believes this filing is  
13 the right time to bill the usage read by Rate E meters at the rates for Rate R-1. With the  
14 significant reduction proposed for the CFS rates, the Company is able to reduce the  
15 proposed CFS rates sufficiently to be able to provide reduced CFS rates to all customers.

16

17 **Q. After the Company codes the usage at a Rate E customer’s meter as Rate R-1, what**  
18 **would the customer be billed?**

19 A. Upon changing the rate classification of a Rate E customer’s meter, it will be billed the  
20 same energy charges as those of Rate R-1, which it does today except for the CFS. But  
21 after the reclassification, a Rate E customer will be billed the same CFS as a Rate R-1  
22 customer. It is possible that by adding the usage from the two meters together for billing



1 purposes could result in some usage being billed at the second or tail block energy  
2 charge, which is a higher charge than that for the first 600 kWh. However, the Company  
3 would not bill the customer for two customer charges, which it does today, but rather one  
4 customer charge. Coupled with the proposed reduction in the CFS, the Company  
5 anticipates no increases in bills as a result of this proposed change.

6  
7 Therefore, for purposes of allocating the Combined Cable Facilities revenue requirement  
8 and designing the proposed CFS rates, the Company is combining Rate R-1 and Rate E  
9 CFS revenue and forecasted kWh deliveries, thereby treating the two rate classes as one.

10  
11 **Q. Why has the Company chosen to allocate the Combined Cable Facilities revenue**  
12 **requirement in this manner?**

13 A. The Company believes that allocating the Combined Cable Facilities cost to rate classes  
14 based on relative revenue contribution ensures equity among rate classes and avoids any  
15 potential rate shock that might be experienced under an alternative allocation method. In  
16 the first year of the CFS (1997), the Merger Agreement required that the CFS be set at  
17 such a level that customers would not be paying, on average, more than they were paying  
18 prior to the in-service date of the cable. The original 1997 design of the CFS, as  
19 continued under the CFS rate established in Docket D.P.U. 11-124, protected customers  
20 from significant swings in average rates. The proposed revised CFS for 2016 to 2026  
21 follows the same method used in Docket D.P.U. 11-124 and continues to insulate  
22 customers from significant swings in average rates.

1 **Q. Is the 2016 to 2026 revenue requirement allocated to all rate classes?**

2 A. No. As in the past, Nantucket has not allocated any of the cost of the Combined Cable  
3 Facilities to the R-4 Residential Time-of-Use rate class. No cost is allocated to Rate R-4  
4 since there are no customers served on this rate class.

5

6 Allocation of Revenue Requirement to Seasons

7 **Q. Why is the Company allocating each rate class' revenue requirement to the summer  
8 and winter seasons?**

9 A. The current CFS contains seasonal rates. This seasonal differential is directly attributable  
10 to the seasonal rates in effect prior to the in-service date of the First Cable, and was  
11 continued through the design of the CFS in 1997. The Company is proposing to continue  
12 the seasonal differential in the CFS in order to maintain consistency with the Company's  
13 historic rate structure.

14

15 **Q. How is each rate class' revenue requirement allocated to the summer and winter  
16 seasons?**

17 A. Just as the revenue requirement is allocated to rate classes based on revenue contribution  
18 by each rate class, the Company has allocated the revenue requirement by season based  
19 on the revenue contribution by season within each rate class. Revenue for 2015 is  
20 accumulated by season and by rate class as shown on Page 2 of Exhibit NG-3 to allocate  
21 the revenue requirement on line (7) into a summer revenue requirement and a winter

1 revenue requirement, as shown on line (9), based on the proportionate share of each  
2 season's revenue to the total revenue shown on line (8).

3  
4 Calculation of the 2016 to 2026 CFS

5 **Q. How is the proposed 2016 to 2026 CFS calculated?**

6 A. On Page 1 of Exhibit NG-3, lines (9) through (11), the seasonal revenue requirement for  
7 each rate class (line (9)) is divided by the forecasted seasonal kWh deliveries (line (10))  
8 to arrive at the proposed seasonal CFS by rate class (line (11)). The only exception to the  
9 setting of seasonal CFS rates is in the case of street lighting customers, where a uniform  
10 CFS rate is proposed for both summer and winter. The Company's forecasted kWh  
11 deliveries from January 2016 through December 2026, accumulated by month of the year  
12 and separated by rate class, are presented on Page 2 of Exhibit NG-3.

13  
14 Implementation of the 2016 to 2026 CFS

15 **Q. How is the Company proposing to implement the proposed 2016 to 2026 CFS?**

16 A. The Company is proposing to implement the proposed 2016 CFS rates on a bills rendered  
17 basis during the billing month of January 2016. This is consistent with the  
18 implementation of all prior CFS rate changes. The Company is proposing to fix the CFS  
19 rates at 2016 levels from 2017 to 2026.

20  
21 The Company will continue to provide the Department with annual reconciliations and  
22 updates to the proposed CFS recovery incorporating actual data and revised forecasts to

1 allow both the Company and Department to monitor the adequacy of the CFS recovery  
2 and to appropriately reset the CFS rates periodically, if deemed necessary.  
3

4 **VIII. Impact on Customers**

5 **Q. Has the Company prepared an analysis that shows the effect of the proposed 2016**  
6 **CFS rates on customer bills?**

7 A. Yes. Typical bills are included in this filing in Exhibit NG-7 and Exhibit NG-8. Exhibit  
8 NG-7 presents the typical bills based on the proposed summer CFS rates, while Exhibit  
9 NG-8 presents the typical bills based on the proposed winter CFS rates. The bill  
10 calculations in these exhibits reflect the proposed CFS rates for each rate class, with all  
11 other rates and charges held at their currently effective levels. While the Rate E impacts  
12 in these exhibits do combine usage of Rate E with Rate R-1, as there would be no  
13 “typical” usage levels to present such an analysis, the Company has priced all Rate E  
14 usage at the tail block distribution energy charge for a conservative estimate of the bill  
15 impact associated with Rate E usage. In addition, they are for customers on Basic  
16 Service. A residential customer using 600 kWh per month would experience a 5.2  
17 percent decrease of \$7.52 in the summer and a 3.2 percent decrease of \$4.44 in the  
18 winter, assuming all other rates are held constant at their present levels.  
19

20 **IX. Proposed Tariffs**

21 **Q. Has the Company prepared revised tariffs reflecting the factors proposed in this**  
22 **filing?**

1 A. Yes, it has. The Company is including a proposed Summary of Electric Delivery Service  
2 Rates tariff page in Exhibit NG-9. The Company is also requesting the Department to  
3 approve the termination of Rate E and for the metered usage on a Rate E meter to be  
4 added to the metered usage on the companion Rate R-1 meter for billing purposes.

5

6 **X. Conclusion**

7 Q. Does this conclude your testimony?

8 A. Yes, it does.



Nantucket Electric Company  
 Combined Cable Facilities  
 Projected Deferral Balances Under Current CFS Rates

Year	First Cable Rev Req (a)	Second Cable Rev Req (b)	Comb Cable Rev Req (c)	Forecasted kWh Deliveries (d)	Combined CFS Avg Rate (e)	Combined CFS Revenue (f)	COS Recovery (g)	Over/(Under) Begin Bal (h)	Over/(Under) Ending Bal Before Int (i)	Balance Sub to Int (j)	Interest Pre-Tax ROR (k)	Over/(Under) Ending Bal (l)	Pre-Tax ROR (m)	Customer Deposit Rate (n)
(1)	2006	Second Cable Only	\$1,667,196	n/a		\$232,043	(\$1,435,153)	\$0	(\$1,435,153)	(\$717,576)	(\$18,311)	(\$1,453,463)	3.61%	3.85%
(2)	2007	\$2,046,686	\$3,037,385	\$5,084,071	n/a	\$3,696,947	(\$1,387,124)	(\$1,453,463)	(\$2,840,587)	(\$2,147,025)	(\$102,628)	(\$2,943,214)	4.78%	4.82%
(3)	2008	\$1,605,444	\$2,104,177	\$3,709,621	n/a	\$3,769,493	\$59,872	(\$2,943,214)	(\$2,883,342)	(\$2,913,278)	(\$76,037)	(\$2,959,379)	2.61%	4.36%
(4)	2009	\$1,495,063	\$1,584,843	\$3,079,906	n/a	\$3,625,926	\$546,020	(\$2,959,379)	(\$2,413,358)	(\$2,686,368)	(\$36,187)	(\$2,449,545)	1.35%	2.01%
(5)	2010	\$1,435,447	\$1,321,125	\$2,756,572	n/a	\$3,797,942	\$1,041,370	(\$2,449,545)	(\$1,408,175)	(\$1,928,860)	(\$18,517)	(\$1,426,692)	0.97%	0.96%
(6)	2011	\$1,406,163	\$1,251,061	\$2,657,224	n/a	\$3,787,874	\$1,130,650	(\$1,426,692)	(\$296,042)	(\$861,367)	(\$6,030)	(\$302,072)	0.82%	0.70%
(7)	2012	\$1,373,717	\$1,117,304	\$2,491,021	n/a	\$2,806,490	\$315,470	(\$302,072)	\$13,398	(\$144,337)	(\$650)	\$12,749	0.56%	0.45%
(8)	2013	\$1,353,813	\$1,075,117	\$2,428,930	n/a	\$2,876,895	\$447,965	\$12,749	\$460,714	\$236,731	\$663	\$461,377	0.51%	0.28%
(9)	2014	\$1,336,209	\$1,005,682	\$2,341,891	n/a	\$2,926,649	\$584,758	\$461,377	\$1,046,135	\$753,756	\$2,337	\$1,048,472	0.32%	0.31%
(10)	2015	\$1,333,044	\$1,048,422	\$2,381,466	n/a	\$3,133,081	\$751,615	\$1,048,472	\$1,800,087	\$1,424,279	\$6,552	\$1,806,638	0.50%	0.46%
(11)	2016	\$1,301,736	\$1,164,166	\$2,465,902	161,411,045	\$3,010,316	\$544,414	\$1,806,638	\$2,351,053	\$2,078,846	\$9,563	\$2,360,616	0.97%	0.46%
(12)	2017	\$0	\$1,230,409	\$1,265,252	164,372,877	\$1,229,509	(\$899)	\$2,360,616	\$2,359,716	\$2,360,166	\$10,857	\$2,370,573	1.30%	0.46%
(13)	2018	\$0	\$1,265,252	\$1,265,252	166,722,590	\$0,00758	(\$1,494)	\$2,370,573	\$2,369,078	\$2,369,826	\$10,901	\$2,379,980	1.54%	0.46%
(14)	2019	\$0	\$1,290,884	\$1,290,884	168,812,602	\$0,00764	(\$1,155)	\$2,379,980	\$2,378,824	\$2,379,402	\$10,945	\$2,389,770	1.77%	0.46%
(15)	2020	\$0	\$1,453,724	\$1,453,724	170,308,380	\$0,00853	(\$993)	\$2,389,770	\$2,388,776	\$2,389,273	\$10,991	\$2,399,767	2.02%	0.46%
(16)	2021	\$0	\$1,461,910	\$1,461,910	171,932,412	\$0,00850	(\$484)	\$2,399,767	\$2,399,525	\$2,399,525	\$11,038	\$2,410,321	2.21%	0.46%
(17)	2022	\$0	\$1,462,822	\$1,462,822	174,060,304	\$0,00840	(\$715)	\$2,410,321	\$2,409,606	\$2,409,963	\$11,086	\$2,420,692	2.39%	0.46%
(18)	2023	\$0	\$1,455,144	\$1,455,144	176,479,875	\$0,00824	(\$949)	\$2,420,692	\$2,419,742	\$2,420,217	\$11,133	\$2,430,875	2.53%	0.46%
(19)	2024	\$0	\$1,434,929	\$1,434,929	179,040,229	\$0,00801	(\$816)	\$2,430,875	\$2,430,055	\$2,430,467	\$11,180	\$2,441,239	2.66%	0.46%
(20)	2025	\$0	\$1,411,563	\$1,411,563	181,767,887	\$0,00776	(\$1,044)	\$2,441,239	\$2,440,195	\$2,440,717	\$11,227	\$2,451,423	2.77%	0.46%
(21)	2026	\$0	\$1,431,263	\$1,431,263	184,195,669	\$0,00777	(\$62)	\$2,451,423	\$2,451,360	\$2,451,392	\$11,276	\$2,462,637	3.19%	0.46%
(22)	2027	\$0	\$1,414,222	\$1,414,222	187,910,940	\$0,00752	(\$1,131)	\$2,462,637	\$2,461,505	\$2,462,071	\$11,326	\$2,472,831	3.29%	0.46%
(23)	2028	\$0	\$1,386,890	\$1,386,890	195,119,780	\$0,00710	(\$1,539)	\$2,472,831	\$2,472,326	\$2,472,579	\$11,374	\$2,483,700	3.38%	0.46%
(24)	2029	\$0	\$1,371,559	\$1,371,559	198,771,319	\$0,00689	(\$1,824)	\$2,483,700	\$2,482,161	\$2,482,930	\$11,421	\$2,493,582	3.47%	0.46%
(25)	2030	\$0	\$1,352,613	\$1,352,613	201,868,733	\$0,00670	(\$92)	\$2,493,582	\$2,491,758	\$2,492,670	\$11,466	\$2,503,224	3.56%	0.46%
(26)	2031	\$0	\$1,331,961	\$1,331,961	205,136,102	\$0,00649	(\$627)	\$2,503,224	\$2,503,132	\$2,503,178	\$11,515	\$2,514,647	3.63%	0.46%
(27)	2032	\$0	\$1,309,599	\$1,309,599	208,456,365	\$0,00628	(\$493)	\$2,514,647	\$2,514,020	\$2,514,333	\$11,566	\$2,525,586	3.69%	0.46%
(28)	2033	\$0	\$1,286,506	\$1,286,506	211,830,378	\$0,00607	(\$695)	\$2,525,586	\$2,525,093	\$2,525,339	\$11,617	\$2,536,709	3.74%	0.46%
(29)	2034	\$0	\$1,262,683	\$1,262,683	215,259,012	\$0,00586	(\$1,205)	\$2,536,709	\$2,536,014	\$2,536,362	\$11,667	\$2,547,681	3.79%	0.46%
(30)	2035	\$0	\$1,245,361	\$1,245,361	218,743,151	\$0,00569	(\$712)	\$2,547,681	\$2,546,417	\$2,547,049	\$11,716	\$2,558,133	3.84%	0.46%
(31)	2036	\$0	\$1,218,756	\$1,218,756	222,283,694	\$0,00548	(\$641)	\$2,558,133	\$2,557,421	\$2,557,777	\$11,766	\$2,569,187	4.00%	0.46%
(32)	2037	\$0	\$1,191,545	\$1,191,545	225,881,555	\$0,00527	(\$1,149)	\$2,569,187	\$2,568,546	\$2,568,866	\$11,817	\$2,580,363	4.04%	0.46%
(33)	2038	\$0	\$1,155,851	\$1,155,851	229,537,660	\$0,00503	(\$1,277)	\$2,580,363	\$2,579,214	\$2,579,788	\$11,867	\$2,591,081	4.08%	0.46%
(34)	2039	\$0	\$1,124,135	\$1,124,135	233,252,954	\$0,00481	(\$2,188)	\$2,591,081	\$2,589,804	\$2,590,443	\$11,916	\$2,601,720	4.11%	0.46%
(35)	2040	\$0	\$1,079,839	\$1,079,839	237,028,395	\$0,00455	(\$2,091)	\$2,601,720	\$2,600,626	\$2,600,626	\$11,963	\$2,611,495	4.15%	0.46%
(36)	2041	\$0	\$1,063,060	\$1,063,060	240,864,956	\$0,00432	(\$1,380)	\$2,611,495	\$2,610,135	\$2,610,815	\$12,010	\$2,622,145	4.17%	0.46%
(37)	2042	\$0	\$1,037,083	\$1,037,083	244,763,628	\$0,00404	(\$2,091)	\$2,622,145	\$2,620,054	\$2,621,099	\$12,057	\$2,632,111	4.17%	0.46%
(38)	2043	\$0	\$1,110,981	\$1,110,981	248,725,416	\$0,00446	(\$1,666)	\$2,632,111	\$2,631,421	\$2,631,421	\$12,105	\$2,642,836	4.18%	0.46%
(39)	2044	\$0	\$1,084,752	\$1,084,752	252,751,341	\$0,00429	(\$449)	\$2,642,836	\$2,641,170	\$2,642,003	\$12,153	\$2,653,323	4.19%	0.46%
(40)	2045	\$0	\$339,844	\$339,844	256,842,443	\$0,00132	(\$812)	\$2,663,032	\$2,662,267	\$2,664,673	\$12,257	\$2,676,525	4.20%	0.46%

Column Notes:

- (a) Exhibit MAL-5-Refinanced-2012 Update, Page 1, Col (7)
- (b) 2007 reflects prior year overcollections; agrees to Exh MDL-1-Final
- (c) at D.P.U. 08-26 Filed March 6, 2008.
- (d) Exhibit MAL-6-2012 Update, Page 1, Column (7)
- (e) Column (a) + Column (b)
- (f) Per Company Forecast.
- (g) Column (c) - Column (d)
- (h) Prior year Column (f)
- (i) Rate for 2007-2011 is the combined average CFS Rate per Exhibit SMM-4, Page 1.
- (j) in D.T.E. 06-106. Rate for 2012-2016 is the annual average CFS Rate per
- (k) Exhibit MJC-2, Page 1, in D.P.U. 11-124. Rates for 2017-2046 equal Column (c) + Column (d)
- (l) Column (d) x Column (e)
- (m) Column (e) - Column (f)
- (n) Column (g) + Column (h)
- (o) Column (g) + 1/2 of Column (h)
- (p) Column (i) x the lesser of Columns (m) or (n)
- (q) Column (9) + Column (11)
- (r) Exhibit NG-6, Page 3, Column (m)
- (s) Per Federal Reserve Statistical Release, H.15





**NANTUCKET ELECTRIC COMPANY**  
**2016 - 2026 Cable Facilities Surcharge Calculation**

	<u>Total</u> (a)	<u>R-1/E</u> (b)	<u>R-2</u> (c)	<u>G-1</u> (d)	<u>G-2</u> (e)	<u>G-3</u> (f)	<u>Streetlights</u> (g)
(1) 2016 - 2026 Estimated Combined Cable Cost of Service	\$16,363,798						
(2) Estimated Over-recovery at December 31, 2015	(\$1,806,638)						
(3) Estimated Interest 2016 - 2026	<u>(\$76,360)</u>						
(4) Total 2016 - 2026 Combined Cable Recovery	\$14,480,799						
<hr/>							
(5) 2015 Cable Facilities Surcharge Revenue	\$3,133,081	\$1,808,652	\$27,882	\$524,342	\$482,365	\$288,402	\$1,439
(6) Revenue Allocator	100.00%	57.73%	0.89%	16.74%	15.40%	9.21%	0.05%
(7) Allocated 2016 - 2026 Combined Cable Recovery	\$14,480,799	\$8,359,419	\$128,867	\$2,423,458	\$2,229,443	\$1,332,964	\$6,648
<hr/>							
(8) Cable Revenue by Season							
(8a) Summer Revenue	\$1,555,145	\$966,596	\$10,783	\$227,566	\$222,308	\$127,502	\$390
(8b) Winter Revenue	<u>\$1,577,936</u>	<u>\$842,057</u>	<u>\$17,098</u>	<u>\$296,776</u>	<u>\$260,057</u>	<u>\$160,899</u>	<u>\$1,049</u>
	\$3,133,081	\$1,808,652	\$27,882	\$524,342	\$482,365	\$288,402	\$1,439
(9) 2016 - 2026 Combined Cable Recovery by Season							
(9a) Summer Cost	\$7,187,729	\$4,467,513	\$49,840	\$1,051,789	\$1,027,484	\$589,302	\$1,801
(9b) Winter Cost	<u>\$7,293,070</u>	<u>\$3,891,906</u>	<u>\$79,027</u>	<u>\$1,371,669</u>	<u>\$1,201,959</u>	<u>\$743,662</u>	<u>\$4,847</u>
	\$14,480,799	\$8,359,419	\$128,867	\$2,423,458	\$2,229,443	\$1,332,964	\$6,648
(10) 2016 - 2026 Forecasted kWh Deliveries by Season							
(10a) Summer kWh Sales	734,514,623	476,777,589	9,320,997	106,495,762	76,410,370	64,687,469	822,436
(10b) Winter kWh Sales	<u>1,164,589,267</u>	<u>758,047,991</u>	<u>24,876,004</u>	<u>159,218,518</u>	<u>114,472,651</u>	<u>105,866,728</u>	<u>2,107,375</u>
	1,899,103,891	1,234,825,580	34,197,001	265,714,280	190,883,020	170,554,197	2,929,811
(11) (2016-2026) Cable Surcharge by Season							
(11a) Summer CFS	\$0.00979	\$0.00937	\$0.00534	\$0.00987	\$0.01344	\$0.00910	\$0.00226
(11b) Winter CFS	\$0.00626	\$0.00513	\$0.00317	\$0.00861	\$0.01049	\$0.00702	\$0.00226
(11c) Annual Average CFS	\$0.00763	\$0.00676	\$0.00376	\$0.00912	\$0.01167	\$0.00781	\$0.00226

- (1) Exhibit NG-4, Page 1, Column (c) sum of years 2016 through 2026  
(2) Exhibit NG-4, Page 1, Column (l) Ending balance as of December 31, 2015  
(3) Exhibit NG-4, Page 1, Column (k) sum of years 2016 through 2026  
(4) Line (1) + Line (2) + Line (3)  
(5) Page 2, Line (3)  
(6) Line (5) as a percentage of the total of Line (5)  
(7) Line (4) allocated by Line (6)  
(8a) Page 2, Line (5)  
(8b) Page 2, Line (4)  
(9a) Line (7) allocated by Line (8a) as a total of Lines (8a) + (8b)  
(9b) Line (7) allocated by Line (8b) as a total of Lines (8a) + (8b)  
(10a) Page 2, Line (31)  
(10b) Page 2, Line (18)  
(11a) Line (9a) ÷ Line (10a), truncated after 5 decimal places  
(11b) Line (9b) ÷ Line (10b), truncated after 5 decimal places  
(11c) Total Line (9) ÷ Total Line (10)

**Nantucket Electric Company  
Combined Cable Facilities  
Seasonal 2015 CFS Revenue and 2016 - 2026 Forecasted kWh Deliveries**

	<u>R-1</u>	<u>E</u>	<u>Total</u> <u>R-1/E</u>	<u>R-2</u>	<u>G-1</u>	<u>G-2</u>	<u>G-3</u>	<u>S</u>	<u>Total</u> <u>Revenue</u>
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<b><u>2015 Revenue</u></b>									
(1) Actual	\$1,460,948	\$2,651	\$1,463,599	\$21,750	\$406,480	\$366,745	\$220,080	\$1,024	\$2,479,677
(2) Forecasted	<u>\$344,425</u>	<u>\$629</u>	<u>\$345,054</u>	<u>\$6,132</u>	<u>\$117,861</u>	<u>\$115,620</u>	<u>\$68,322</u>	<u>\$415</u>	<u>\$653,404</u>
(3) Total	\$1,805,373	\$3,280	\$1,808,652	\$27,882	\$524,342	\$482,365	\$288,402	\$1,439	\$3,133,081
(4) Winter	\$840,074	\$1,983	\$842,057	\$17,098	\$296,776	\$260,057	\$160,899	\$1,049	\$1,577,936
(5) Summer	\$965,299	\$1,297	\$966,596	\$10,783	\$227,566	\$222,308	\$127,502	\$390	\$1,555,145

Source: Exhibit NG-4, Page 2

**Forecasted kWh Deliveries**

<u>Winter</u>									
(6)	2016		63,665,537	1,679,541	14,500,294	10,171,203	8,429,088	188,328	98,633,991
(7)	2017		65,070,476	1,861,727	14,459,323	10,255,758	8,837,901	187,713	100,672,899
(8)	2018		66,204,550	2,055,114	14,260,415	10,205,969	9,196,883	187,098	102,110,028
(9)	2019		67,201,890	2,267,216	14,035,809	10,141,152	9,560,874	186,482	103,393,422
(10)	2020		68,424,074	2,505,946	13,862,012	10,117,567	9,970,068	185,867	105,065,534
(11)	2021		68,743,754	2,734,170	13,557,283	9,986,866	10,306,925	185,249	105,514,248
(12)	2022		69,661,186	2,285,992	14,515,535	10,436,171	9,651,592	192,124	106,742,601
(13)	2023		70,678,570	2,319,379	14,696,566	10,566,327	9,771,963	194,520	108,227,325
(14)	2024		71,737,948	2,354,143	14,895,414	10,709,291	9,904,179	197,152	109,798,127
(15)	2025		72,842,086	2,390,376	15,117,593	10,869,030	10,051,909	200,093	111,471,087
(16)	2026		73,817,921	2,422,399	15,318,276	11,013,314	10,185,346	202,749	112,960,005
(17)	2027								0
(18)			758,047,991	24,876,004	159,218,518	114,472,651	105,866,728	2,107,375	1,164,589,267
<u>Summer</u>									
(19)	2016		40,340,750	634,688	9,738,324	6,807,550	5,182,074	73,668	62,777,054
(20)	2017		41,022,567	699,748	9,668,868	6,827,465	5,407,971	73,360	63,699,978
(21)	2018		41,767,711	775,285	9,545,479	6,812,845	5,638,189	73,052	64,612,562
(22)	2019		42,411,968	851,804	9,425,894	6,799,154	5,857,616	72,744	65,419,180
(23)	2020		42,385,179	924,780	9,161,673	6,683,841	6,014,937	72,435	65,242,845
(24)	2021		43,219,766	1,023,636	9,096,030	6,705,489	6,301,116	72,127	66,418,165
(25)	2022		43,813,707	856,558	9,708,939	6,966,133	5,897,387	74,979	67,317,703
(26)	2023		44,453,595	869,067	9,830,025	7,053,012	5,970,937	75,914	68,252,550
(27)	2024		45,119,895	882,094	9,963,027	7,148,440	6,051,724	76,942	69,242,122
(28)	2025		45,814,348	895,670	10,111,635	7,255,066	6,141,992	78,089	70,296,800
(29)	2026		46,428,103	907,669	10,245,865	7,351,375	6,223,525	79,126	71,235,664
(30)	2027								0
(31)			476,777,589	9,320,997	106,495,762	76,410,370	64,687,469	822,436	734,514,623
<u>Total</u>									
(32)	2016		104,006,287	2,314,229	24,238,618	16,978,753	13,611,163	261,995	161,411,045
(33)	2017		106,093,043	2,561,475	24,128,191	17,083,223	14,245,872	261,073	164,372,877
(34)	2018		107,972,261	2,830,399	23,805,894	17,018,815	14,835,072	260,150	166,722,590
(35)	2019		109,613,857	3,119,019	23,461,703	16,940,306	15,418,490	259,226	168,812,602
(36)	2020		110,809,253	3,430,726	23,023,685	16,801,408	15,985,006	258,302	170,308,380
(37)	2021		111,963,520	3,757,806	22,653,314	16,692,355	16,608,042	257,377	171,932,412
(38)	2022		113,474,893	3,142,550	24,224,474	17,402,305	15,548,979	267,103	174,060,304
(39)	2023		115,132,165	3,188,446	24,526,591	17,619,339	15,742,899	270,434	176,479,875
(40)	2024		116,857,843	3,236,237	24,858,441	17,857,731	15,955,903	274,093	179,040,249
(41)	2025		118,656,434	3,286,046	25,229,228	18,124,096	16,193,901	278,182	181,767,887
(42)	2026		120,246,024	3,330,068	25,564,141	18,364,690	16,408,871	281,875	184,195,669
(43)	2027		0	0	0	0	0	0	0
(44)			1,234,825,580	34,197,001	265,714,280	190,883,020	170,554,197	2,929,811	1,899,103,891



Nantucket Electric Company  
Combined Cable Facilities  
Projected Deferral Balance

Year	First Cable Rev Req (a)	Second Cable Rev Req (b)	Comb Cable Rev Req (c)	Forecasted kWh Deliveries (d)	CFS Avg Rate (e)	CFS Revenue (f)	Over/(Under) COS Recovery (g)	Over/(Under) Begin Bal (h)	Over/(Under) Ending Bal Before Int (i)	Balance Sub to Int (j)	Interest Pre-Tax ROR (k)	Over/(Under) Ending Bal (l)	Pre-Tax ROR (m)	Customer Deposit Rate (n)
(1) 2006	Second Cable Only													
(2) 2007	\$2,046,686	\$1,667,196	n/a	n/a		\$232,043	(\$1,435,153)	\$0	(\$1,435,153)	(\$717,576)	(\$18,311)	(\$1,453,463)	3.61%	3.85%
(3) 2008	\$1,605,444	\$3,037,385	\$5,084,071	n/a		\$3,696,947	(\$1,387,124)	(\$1,453,463)	(\$2,840,587)	(\$2,147,025)	(\$102,628)	(\$2,943,214)	4.78%	4.82%
(4) 2009	\$1,495,063	\$2,104,177	\$3,709,621	n/a	\$0.02584	\$3,769,493	\$59,872	(\$2,943,214)	(\$2,883,342)	(\$2,913,278)	(\$76,037)	(\$2,959,379)	2.61%	4.36%
(5) 2010	\$1,435,447	\$1,584,843	\$3,079,906	n/a	\$0.02584	\$3,625,926	\$546,020	(\$2,959,379)	(\$2,413,358)	(\$2,686,368)	(\$36,187)	(\$2,449,545)	1.35%	2.01%
(6) 2011	\$1,406,163	\$1,321,125	\$2,756,572	n/a	\$0.02584	\$3,787,874	\$1,041,370	(\$2,449,545)	(\$1,408,175)	(\$1,928,860)	(\$18,517)	(\$1,426,692)	0.97%	0.96%
(7) 2012	\$1,373,717	\$1,251,061	\$2,657,224	n/a	\$0.02584	\$3,787,874	\$1,130,650	(\$1,426,692)	(\$296,042)	(\$861,367)	(\$6,030)	(\$302,072)	0.82%	0.70%
(8) 2013	\$1,353,813	\$1,117,304	\$2,491,021	n/a	\$0.01865	\$2,806,490	\$315,470	(\$302,072)	\$13,398	(\$144,337)	(\$65)	\$12,749	0.56%	0.45%
(9) 2014	\$1,336,209	\$1,075,117	\$2,428,930	n/a	\$0.01865	\$2,876,895	\$447,965	\$12,749	\$460,714	\$236,731	(\$663)	\$461,377	0.51%	0.28%
(10) 2015	\$1,333,044	\$1,005,682	\$2,341,891	n/a	\$0.01865	\$2,926,649	\$584,758	\$461,377	\$1,046,135	\$753,756	\$2,337	\$1,048,472	0.32%	0.31%
(11) 2016	\$1,301,736	\$1,048,422	\$2,381,466	n/a	\$0.01865	\$3,133,081	\$751,615	\$1,048,472	\$1,800,087	\$1,424,279	\$6,552	\$1,806,638	0.50%	0.46%
(12) 2017	\$1,230,409	\$1,164,166	\$2,465,902	161,411,045	\$0.00763	\$1,231,566	(\$1,234,336)	\$1,806,638	\$572,303	\$1,189,470	\$11,538	\$583,841	0.97%	0.46%
(13) 2018	\$0	\$1,230,409	\$1,230,409	164,372,877	\$0.00763	\$1,254,165	\$23,756	\$583,841	\$607,597	\$595,719	\$7,744	\$615,341	1.30%	0.46%
(14) 2019	\$0	\$1,265,252	\$1,265,252	166,722,590	\$0.00763	\$1,272,093	\$6,841	\$615,341	\$622,183	\$618,762	\$9,529	\$631,712	1.54%	0.46%
(15) 2020	\$0	\$1,290,884	\$1,290,884	168,812,602	\$0.00763	\$1,288,040	(\$2,844)	\$631,712	\$628,868	\$630,290	\$11,156	\$640,024	1.77%	0.46%
(16) 2021	\$0	\$1,453,724	\$1,453,724	170,308,380	\$0.00763	\$1,299,453	(\$154,271)	\$640,024	\$485,753	\$562,889	\$11,370	\$497,123	2.02%	0.46%
(17) 2022	\$0	\$1,461,910	\$1,461,910	171,932,412	\$0.00763	\$1,311,844	(\$150,066)	\$497,123	\$347,058	\$422,090	\$9,328	\$356,386	2.21%	0.46%
(18) 2023	\$0	\$1,462,822	\$1,462,822	174,060,304	\$0.00763	\$1,328,080	(\$134,742)	\$356,386	\$221,644	\$289,015	\$6,907	\$228,551	2.39%	0.46%
(19) 2024	\$0	\$1,455,144	\$1,455,144	176,479,875	\$0.00763	\$1,346,541	(\$108,603)	\$228,551	\$119,949	\$174,250	\$4,443	\$124,392	2.55%	0.46%
(20) 2025	\$0	\$1,434,929	\$1,434,929	179,040,249	\$0.00763	\$1,366,077	(\$68,852)	\$124,392	\$55,540	\$89,966	\$2,393	\$57,933	2.66%	0.46%
(21) 2026	\$0	\$1,411,563	\$1,411,563	181,767,887	\$0.00763	\$1,386,889	(\$24,674)	\$57,933	\$33,259	\$45,596	\$1,263	\$34,522	2.77%	0.46%
(22) 2027	\$0	\$1,431,263	\$1,431,263	184,195,669	\$0.00763	\$1,405,413	(\$25,850)	\$34,522	\$32,597	\$25,597	\$689	\$9,362	3.19%	0.46%
(23) 2028	\$0	\$1,414,222	\$1,414,222	187,910,940	\$0.00752	\$1,413,090	(\$1,132)	\$9,362	\$8,230	\$8,796	\$289	\$8,519	3.29%	0.46%
(24) 2029	\$0	\$1,401,177	\$1,401,177	191,872,837	\$0.00752	\$1,400,672	(\$505)	\$8,519	\$8,215	\$8,267	\$279	\$8,294	3.38%	0.46%
(25) 2030	\$0	\$1,386,890	\$1,386,890	195,119,780	\$0.00710	\$1,385,350	(\$1,540)	\$8,294	\$6,754	\$7,524	\$261	\$7,015	3.47%	0.46%
(26) 2031	\$0	\$1,371,359	\$1,371,359	198,771,319	\$0.00689	\$1,369,534	(\$1,825)	\$7,015	\$5,190	\$6,103	\$217	\$5,407	3.56%	0.46%
(27) 2032	\$0	\$1,352,613	\$1,352,613	201,868,733	\$0.00670	\$1,352,521	(\$92)	\$5,407	\$5,316	\$5,361	\$195	\$5,511	3.63%	0.46%
(28) 2033	\$0	\$1,331,961	\$1,331,961	205,136,102	\$0.00649	\$1,331,333	(\$628)	\$5,511	\$4,883	\$5,197	\$192	\$5,075	3.69%	0.46%
(29) 2034	\$0	\$1,309,599	\$1,309,599	208,456,365	\$0.00628	\$1,309,106	(\$493)	\$5,075	\$4,583	\$4,829	\$181	\$4,764	3.74%	0.46%
(30) 2035	\$0	\$1,286,506	\$1,286,506	211,830,378	\$0.00607	\$1,285,810	(\$696)	\$4,764	\$4,068	\$4,416	\$167	\$4,235	3.79%	0.46%
(31) 2036	\$0	\$1,262,683	\$1,262,683	215,259,012	\$0.00586	\$1,261,418	(\$1,265)	\$4,235	\$2,970	\$3,603	\$138	\$3,108	3.84%	0.46%
(32) 2037	\$0	\$1,245,361	\$1,245,361	218,743,151	\$0.00569	\$1,244,649	(\$712)	\$3,108	\$2,397	\$2,752	\$110	\$2,507	4.00%	0.46%
(33) 2038	\$0	\$1,218,756	\$1,218,756	222,283,694	\$0.00548	\$1,218,115	(\$641)	\$2,507	\$1,866	\$2,187	\$88	\$1,954	4.04%	0.46%
(34) 2039	\$0	\$1,191,545	\$1,191,545	225,881,555	\$0.00527	\$1,190,396	(\$1,149)	\$1,954	\$806	\$1,380	\$56	\$862	4.08%	0.46%
(35) 2040	\$0	\$1,155,851	\$1,155,851	229,537,660	\$0.00503	\$1,154,574	(\$1,277)	\$862	(\$415)	\$223	\$9	(\$406)	4.11%	0.46%
(36) 2041	\$0	\$1,124,135	\$1,124,135	233,252,954	\$0.00481	\$1,121,947	(\$2,188)	(\$406)	(\$2,595)	(\$1,500)	(\$62)	(\$2,657)	4.13%	0.46%
(37) 2042	\$0	\$1,079,839	\$1,079,839	237,028,395	\$0.00455	\$1,078,479	(\$1,360)	(\$2,657)	(\$4,017)	(\$3,337)	(\$138)	(\$4,155)	4.15%	0.46%
(38) 2043	\$0	\$1,163,060	\$1,163,060	240,864,956	\$0.00482	\$1,160,969	(\$2,091)	(\$4,155)	(\$6,246)	(\$5,201)	(\$217)	(\$6,463)	4.17%	0.46%
(39) 2044	\$0	\$1,137,083	\$1,137,083	244,763,626	\$0.00464	\$1,135,703	(\$1,380)	(\$6,463)	(\$7,153)	(\$7,153)	(\$299)	(\$8,142)	4.18%	0.46%
(40) 2045	\$0	\$1,110,981	\$1,110,981	248,725,416	\$0.00446	\$1,109,315	(\$1,666)	(\$7,153)	(\$9,808)	(\$8,975)	(\$376)	(\$10,184)	4.19%	0.46%
(41) 2046	\$0	\$1,084,752	\$1,084,752	252,751,341	\$0.00429	\$1,084,303	(\$449)	(\$10,184)	(\$10,633)	(\$10,409)	(\$437)	(\$11,070)	4.20%	0.46%
(42) 2047	\$0	\$339,844	\$339,844	256,842,443	\$0.00132	\$339,032	(\$812)	(\$11,070)	(\$11,881)	(\$11,476)	(\$482)	(\$12,363)	4.20%	0.46%

Column Notes:

- (a) 2007: includes prior year over-recovery; agrees to Exh MDL-1-Final at D.P.U. 08-26 filed March 6, 2008, 2008-2016: Exh NG-5, Col (g)
- (b) Exhibit NG-6, Column (g)
- (c) Column (a) + Column (b)
- (d) Per Company Forecast
- (e) 2007-2011: per Exh SMM-4, Page 1, D.T.E. 06-106
- (f) 2015: Page 2, 2016-2046: Column (d) x Column (e)
- (g) Column (c) - Column (f)
- (h) Prior year Column (f)
- (i) Column (g) + Column (h)
- (j) 2012-2015: annual average CFS Rate per Exhibit MJC-2, Page 1, D.P.U. 11-1124
- (k) 2016-2046: Exhibit NG-3, Line 11(c), Total
- (l) 2016-2046: Column (j) x the lesser of Columns (m) or (n)
- (m) 2016-2046: Column (j) x Column (m)
- (n) Exhibit NG-6, Page 3, Column (m)
- (o) Per Federal Reserve Statistical Release, H.15

**Nantucket Electric Company  
Combined Cable Facilities  
Calendar Year 2015 CFS Revenue**

		<u>R-1</u>	<u>E</u>	Total <u>R-1/E</u>	<u>R-2</u>	<u>G-1</u>	<u>G-2</u>	<u>G-3</u>	<u>S</u>	Total <u>Revenue</u>
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
<b><u>Actual</u></b>										
(1)	Jan-15	\$104,639	\$289	\$104,928	\$2,505	\$36,995	\$30,087	\$20,647	\$168	\$195,330
(2)	Feb-15	\$114,767	\$377	\$115,144	\$2,519	\$38,253	\$28,992	\$18,568	\$134	\$203,610
(3)	Mar-15	\$107,743	\$318	\$108,061	\$2,382	\$36,735	\$28,885	\$19,537	\$119	\$195,719
(4)	Apr-15	\$92,457	\$241	\$92,699	\$2,062	\$35,637	\$28,391	\$18,011	\$110	\$176,910
(5)	May-15	\$76,042	\$129	\$76,171	\$1,498	\$31,295	\$28,082	\$15,815	\$103	\$152,964
(6)	Jun-15	\$158,428	\$224	\$158,652	\$2,389	\$41,683	\$42,203	\$31,600	\$85	\$276,612
(7)	Jul-15	\$217,731	\$253	\$217,984	\$2,463	\$51,214	\$51,851	\$28,388	\$89	\$351,988
(8)	Aug-15	\$288,789	\$423	\$289,212	\$2,708	\$65,432	\$62,027	\$32,809	\$102	\$452,290
(9)	Sep-15	\$300,351	\$397	\$300,748	\$3,223	\$69,237	\$66,228	\$34,705	\$114	\$474,255
(10)	Oct-15	\$163,760	\$264	\$164,024	\$2,218	\$49,859	\$53,234	\$25,246	\$124	\$294,705
<b><u>Forecasted</u></b>										
(11)	Nov-15	\$76,656	\$94	\$76,750	\$1,582	\$31,812	\$32,347	\$16,677	\$144	\$159,312
(12)	Dec-15	\$104,009	\$271	\$104,280	\$2,332	\$36,190	\$30,039	\$26,399	\$147	\$199,387
(13)	Total	\$1,805,373	\$3,280	\$1,808,652	\$27,882	\$524,342	\$482,365	\$288,402	\$1,439	\$3,133,081
<b><u>Forecasted Revenue</u></b>										
(14)	CFS-Summer	\$0.02190	\$0.02947		\$0.01757	\$0.02262	\$0.03161	\$0.02518	\$0.00545	M.D.P.U. No. 567
(15)	CFS-Winter	\$0.01254	\$0.00844		\$0.01091	\$0.02069	\$0.02510	\$0.02027	\$0.00545	M.D.P.U. No. 567
<b><u>Forecasted kWh Deliveries:</u></b>										
(16)	Nov-15	6,112,883	11,179		144,981	1,537,555	1,288,738	822,719	26,368	Company Forecast
(17)	Dec-15	8,294,142	32,099		213,749	1,749,135	1,196,773	1,302,371	26,936	Company Forecast
<b><u>Revenue:</u></b>										
(18)	Nov-15	\$76,656	\$94		\$1,582	\$31,812	\$32,347	\$16,677	\$144	
(19)	Dec-15	\$104,009	\$271		\$2,332	\$36,190	\$30,039	\$26,399	\$147	



**Nantucket Electric Company  
First Cable  
Cost of Service  
Revenue Requirement Forecast**

	<u>Year</u>	<u>Average Rate Base</u> (a)	<u>Pre-tax ROR</u> (b)	<u>Total Ret. &amp; Taxes</u> (c)	<u>Book Depr.</u> (d)	<u>Issue Costs Amort</u> (e)	<u>Fiber Lease Revenue</u> (f)	<u>Total Rev Req</u> (g)
(1)	2006	\$15,540,380	5.98%	\$929,315	\$1,477,425	\$52,920	(\$186,524)	\$2,273,136
(2)	2007	\$14,141,314	5.12%	\$724,035	\$1,477,425	\$60,435	(\$195,143)	\$2,066,752
(3)	2008	\$12,768,642	2.04%	\$260,480	\$1,477,425	\$70,956	(\$203,417)	\$1,605,444
(4)	2009	\$11,288,251	1.35%	\$152,391	\$1,477,425	\$70,956	(\$205,709)	\$1,495,063
(5)	2010	\$9,807,803	0.97%	\$95,136	\$1,477,425	\$70,956	(\$208,070)	\$1,435,447
(6)	2011	\$8,327,355	0.82%	\$68,284	\$1,477,425	\$70,956	(\$210,502)	\$1,406,163
(7)	2012	\$6,846,907	0.56%	\$38,343	\$1,477,425	\$70,956	(\$213,007)	\$1,373,717
(8)	2013	\$5,366,459	0.51%	\$27,369	\$1,477,425	\$70,956	(\$221,937)	\$1,353,813
(9)	2014	\$3,882,260	0.32%	\$12,423	\$1,477,425	\$70,956	(\$224,595)	\$1,336,209
(10)	2015	\$2,398,906	0.50%	\$11,995	\$1,477,425	\$70,956	(\$227,332)	\$1,333,044
(11)	2016	\$1,018,360	0.97%	\$9,878	\$1,477,427	\$44,582	(\$230,151)	\$1,301,736

**Column Notes:**

- (a) Page 2, Column (g)
- (b) Page 3, Column (n)
- (c) Column (a) x Column (b)
- (d) Page 4, Column (e)
- (e) Page 5, Column (e)
- (f) Estimated annual Fiber Lease revenue stream
- (g) Column (c) + Column (d) + Column (e) + Column (f)

**Nantucket Electric Company**  
**First Cable**  
**Cost of Service**  
**Rate Base**

	<u>Year</u>	<u>Utility Plant</u> (a)	<u>Less: Cumul Bk Depreciation</u> (b)	<u>Less: Cumul Def Taxes</u> (c)	<u>Year-end</u> (d)	<u>Avg M&amp;S</u> (e)	<u>Avg Unamort Issue Costs</u> (f)	<u>Avg Rate Base</u> (g)	
(1)	2006	\$29,595,309	\$14,458,892	\$845,311	\$14,291,106	\$15,000	\$529,290	\$15,540,380	(a)
(2)	2007	\$29,595,309	\$15,936,317	\$777,385	\$12,881,607	\$15,000	\$539,957	\$14,141,314	(b)
(3)	2008	\$29,595,309	\$17,413,742	\$709,395	\$11,472,172	\$15,000	\$576,752	\$12,768,642	
(4)	2009	\$29,595,309	\$18,891,167	\$641,405	\$10,062,737	\$15,000	\$505,796	\$11,288,251	
(5)	2010	\$29,595,309	\$20,368,592	\$573,529	\$8,653,188	\$15,000	\$434,840	\$9,807,803	
(6)	2011	\$29,595,309	\$21,846,017	\$505,539	\$7,243,753	\$15,000	\$363,884	\$8,327,355	
(7)	2012	\$29,595,309	\$23,323,442	\$437,663	\$5,834,204	\$15,000	\$292,928	\$6,846,907	
(8)	2013	\$29,595,309	\$24,800,867	\$369,673	\$4,424,769	\$15,000	\$221,972	\$5,366,459	
(9)	2014	\$29,595,309	\$26,278,292	\$309,299	\$3,007,718	\$15,000	\$151,016	\$3,882,260	
(10)	2015	\$29,595,309	\$27,755,717	\$239,619	\$1,599,973	\$15,000	\$80,060	\$2,398,906	
(11)	2016	\$29,595,309	\$29,233,144	\$0	\$362,165	\$15,000	\$22,291	\$1,018,360	

(a) Per Exhibit MDL-3, Page 1, included in 2007 CFS filing (D.T.E. 06-106).  
(b) Includes August 2007 refinancing for partial year.

Column Notes:

- (a) First cable investment amount
- (b) Page 4, Column (f)
- (c) Page 4, Column (j)
- (d) Column (a) - Column (b) - Column (c)
- (e) Estimated Materials and Supplies balances
- (f) Page 5, Column (g)
- (g) Average of Prior and Current Year Column (d) + Column (e) + Column (f).



**Nantucket Electric Company  
First Cable  
Cost of Service  
Capital Structure & ROR**

Year	Avg Rate Base (a)	B.O.Y. LTD. Outstand (b)	5.00% Sinker (c)	E.O.Y. LTD. Outstand (d)	Avg LTD. Outstand (e)	Actual Weight (f)	Cost (g)	Weighted LTD Cost (h)	Avg Equity (i)	Equity Weight (j)	Equity Cost (k)	Weighted Eqty Cost (l)	39,225% Taxes (m)	Total ROR (n)
(1) 2006	\$15,540,380	\$16,100,000	\$1,400,000	\$14,700,000	\$15,400,000	99.10%	5.87%	5.82%	\$140,380	0.90%	11.00%	0.10%	0.06%	5.98%
(2) 2007	\$14,141,314	\$14,700,000	\$1,400,000	\$13,300,000	\$14,000,000	99.00%	4.98%	4.93%	\$141,314	1.00%	11.00%	0.11%	0.07%	5.12%
(3) 2008	\$12,768,642	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	2.04%	2.04%	\$0	0.00%	11.00%	0.00%	0.00%	2.04%
(4) 2009	\$11,288,251	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	1.35%	1.35%	\$0	0.00%	11.00%	0.00%	0.00%	1.35%
(5) 2010	\$9,807,803	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.97%	0.97%	\$0	0.00%	10.35%	0.00%	0.00%	0.97%
(6) 2011	\$8,327,355	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.82%	0.82%	\$0	0.00%	10.35%	0.00%	0.00%	0.82%
(7) 2012	\$6,846,907	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.56%	0.56%	\$0	0.00%	10.35%	0.00%	0.00%	0.56%
(8) 2013	\$5,366,459	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.51%	0.51%	\$0	0.00%	10.35%	0.00%	0.00%	0.51%
(9) 2014	\$3,882,260	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.32%	0.32%	\$0	0.00%	10.35%	0.00%	0.00%	0.32%
(10) 2015	\$2,398,906	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.50%	0.50%	\$0	0.00%	10.35%	0.00%	0.00%	0.50%
(11) 2016	\$1,018,360	\$13,300,000	\$0	\$13,300,000	\$13,300,000	100.00%	0.97%	0.97%	\$0	0.00%	10.35%	0.00%	0.00%	0.97%

Column Notes:

- (a) Page 2, Column (g)
- (b) Page 5, Column (a)
- (c) Annual sinking fund requirement
- (d) Column (b) - Column (c)
- (e) Average of Column (b) and Column (d)
- (f) Lesser of Column (e) ÷ by Column (a) or 100%
- (g) Weighted cost of Outstanding Long Term Debt
- (h) Column (f) x Column (g)
- (i) Greater of Column (a) - Column (e) or zero
- (j) 100% - Column (f)
- (k) Last approved Massachusetts Electric Co. ROE
- (l) Column (j) x Column (k)
- (m) Column (l) ÷ (1 - 39.225%) - Column (l)
- (n) Column (h) + Column (l) + Column (m)

**Nantucket Electric Company**  
**First Cable**  
**Cost of Service**  
**Deferred Tax Reserve**

	Tax Depreciation			Book Depreciation			Tax - Book Depreciation (g)	Def Taxes @ 39.225% (h)	Def Taxes @ 40.200% (i)	Cumulative Def Taxes (j)
	Current			Current						
	Year	Rate (a)	Cumulative (c)	Year	Rate ** (d)	Cumulative (f)				
(1)										
(2)										
(3)										
(4)	2006	4.462%	\$1,305,450	Cable Invest	4.99%	\$16,613,923 *	\$1,477,425	(\$67,457)		\$845,311 *
(5)	2007	4.461%	\$1,304,254	Land	4.99%	\$17,918,177	\$1,477,425	(\$67,926)		\$777,385
(6)	2008	4.462%	\$1,304,091	Depreciable Invest	4.99%	\$19,222,268	\$1,477,425	(\$67,990)		\$709,395
(7)	2009	4.461%	\$1,304,091		4.99%	\$20,526,359	\$1,477,425	(\$67,990)		\$641,405
(8)	2010	4.462%	\$1,304,383		4.99%	\$21,830,742	\$1,477,425	(\$67,876)		\$573,529
(9)	2011	4.461%	\$1,304,091		4.99%	\$23,134,833	\$1,477,425	(\$67,990)		\$505,539
(10)	2012	4.462%	\$1,304,383		4.99%	\$24,439,216	\$1,477,425	(\$67,876)		\$437,663
(11)	2013	4.461%	\$1,304,091		4.99%	\$25,743,307	\$1,477,425	(\$67,990)		\$369,673
(12)	2014	4.462%	\$1,304,383		4.99%	\$27,047,690	\$1,477,425	(\$8,202)	(\$52,172)	\$309,299
(13)	2015	4.461%	\$1,304,091		4.99%	\$28,351,781	\$1,477,425	(\$69,680)	(\$69,680)	\$239,619
(14)	2016	2.231%	\$881,363		4.99%	\$29,233,144	\$1,477,427	(\$596,064)	(\$239,619)	\$0

\* Per Exhibit MDL-2, Page 2, included in 2007 CFS filing (D.T.E. 06-106).

Column Notes:

- (a) Annual Tax Depreciation Rate
  - (b) Depreciable Investment x Column (a)
  - (c) Prior Year Column (c) + Column (b)
  - (d) Annual Book Depreciation Rate
  - (e) Depreciable Investment x Column (d)
  - (f) Prior Year Column (f) + Column (e)
  - (g) Column (b) - Column (e)
  - (h) 2006 through 2013: Column (g) x 39.225%. 2014: Column (g) times 39.225% x 3/12ths net of Page 6, Line 13
  - (i) Column (g) x 40.200% change in state tax rate effective April 1, 2014
  - (j) Prior Year Column (j) plus Columns (h) and (i)
- \*\*\* Assumes 20 yr life. Remaining life methodology as was used in the original CFS

**Nantucket Electric Company**  
**First cable**  
**Cost of Service**  
**Outstanding Long Term Debt**

	<u>Year</u>	<u>B.O.Y. LTD Outstanding</u> (a)	<u>Sinker</u> (b)	<u>E.O.Y. LTD Outstanding</u> (c)	<u>B.O.Y. Issue Costs</u> (d)	<u>Annual Amort</u> (e)	<u>E.O.Y. Issue Costs</u> (f)	<u>Avg Unamort Issue Costs</u> (g)
(1)	2006	\$16,100,000	\$1,400,000	\$14,700,000	\$555,750	\$52,920	\$502,830	\$529,290
(2)	2007	\$14,700,000	\$1,400,000	\$13,300,000	\$502,830	\$60,435	\$612,230 *	\$539,957 *
(3)	2008	\$13,300,000	\$0	\$13,300,000	\$612,230	\$70,956	\$541,274	\$576,752
(4)	2009	\$13,300,000	\$0	\$13,300,000	\$541,274	\$70,956	\$470,318	\$505,796
(5)	2010	\$13,300,000	\$0	\$13,300,000	\$470,318	\$70,956	\$399,362	\$434,840
(6)	2011	\$13,300,000	\$0	\$13,300,000	\$399,362	\$70,956	\$328,406	\$363,884
(7)	2012	\$13,300,000	\$0	\$13,300,000	\$328,406	\$70,956	\$257,450	\$292,928
(8)	2013	\$13,300,000	\$0	\$13,300,000	\$257,450	\$70,956	\$186,494	\$221,972
(9)	2014	\$13,300,000	\$0	\$13,300,000	\$186,494	\$70,956	\$115,538	\$151,016
(10)	2015	\$13,300,000	\$0	\$13,300,000	\$115,538	\$70,956	\$44,582	\$80,060
(11)	2016	\$13,300,000	\$0	\$13,300,000	\$44,582	\$44,582	\$0	\$22,291

\*Reflects incremental refinancing costs of \$169,835 incurred in August of 2007.

Column Notes:

- (a) Prior year Column (c)
- (b) Annual Sinking fund requirement
- (c) Column (a) - Column (b)
- (d) Prior year Column (f)
- (e) Annual amortization of issuance costs. Effective August 2007, monthly amortization increased by \$1,502.96.
- (f) Column (d) - Column (e)
- (g) Average of Column (d) and Column (f), except for year 2007

**Nantucket Electric Company**  
**First cable**  
**Cost of Service**  
**Unrecovered Deferred Taxes**

			CY	3 Mos Ended	CY	CY
			<u>2013</u>	<u>Mar-2014</u>	<u>2014</u>	<u>2015</u>
			(a)	(b)	(c)	(d)
<u>Deferred State Tax Calculation:</u>						
Vintage Year Tax Depreciation:						
(1)	Annual State Tax Depreciation	Page 4, Col (b), Lines (11) - (13)	\$1,304,091	\$326,096	\$1,304,383	\$1,304,091
(2)	Cumulative State Tax Depreciation	PY Line (2) + CY Line (1)	\$25,743,307	\$26,069,403	\$27,047,690	\$28,351,781
(3)	Book Depreciation	Page 4, Col (e), Lines (11) - (13)	\$1,477,425	\$369,356	\$1,477,425	\$1,477,425
(4)	Cumulative Book Depreciation	PY Line (5) + CY Line (4)	\$24,800,867	\$25,170,223	\$26,278,292	\$27,755,717
(5)	Cumulative Book / Tax Timer	Line (2) - Line (5)	\$942,440	\$899,180	\$769,398	\$596,064
(6)	Effective State Tax Rate	Per Tax Dept	39.225%	39.225%	40.200%	40.200%
(7)	Deferred State Tax Reserve	Line (7) x Line (8)	<u>\$369,672</u>	<u>\$352,703</u>	<u>\$309,298</u>	<u>\$239,618</u>
(6)	Deferred State Tax Reserve on March 31, 2014 at New Tax Rate	Col (b), Line 5 x New effective State tax rate at Col (c), Line 6		<u>\$361,470</u>		
(7)	Unrecovered Deferred State Taxes	Col (b), Line 7 - Line 8		<u><u>(\$8,767)</u></u>		



**Nantucket Electric Company  
Cost of Service- Second Cable  
Revenue Requirement Forecast**

	<u>Year</u>	<u>Average Rate Base</u> (a)	<u>Pre-tax ROR</u> (b)	<u>Total Ret. &amp; Taxes</u> (c)	<u>Book Depr.</u> (d)	<u>Issue Costs Amort</u> (e)	<u>Fiber Lease Revenue</u> (f)	<u>Total Rev Req</u> (g)
(1)	2006	\$37,466,481	3.61%	\$962,220	\$667,694	\$37,282		\$1,667,196
(2)	2007	\$41,086,563	4.78%	\$1,963,938	\$1,047,412	\$26,035		\$3,037,385
(3)	2008	\$39,393,973	2.61%	\$1,028,183	\$1,049,959	\$26,035		\$2,104,177
(4)	2009	\$37,684,017	1.35%	\$508,734	\$1,050,074	\$26,035		\$1,584,843
(5)	2010	\$36,041,785	0.97%	\$349,605	\$1,050,074	\$26,035	(\$104,589)	\$1,321,125
(6)	2011	\$34,472,925	0.82%	\$282,678	\$1,050,074	\$26,035	(\$107,726)	\$1,251,061
(7)	2012	\$32,971,926	0.56%	\$184,643	\$1,050,074	\$26,035	(\$143,448)	\$1,117,304
(8)	2013	\$31,533,688	0.51%	\$160,822	\$1,050,074	\$26,035	(\$161,814)	\$1,075,117
(9)	2014	\$30,075,542	0.32%	\$96,242	\$1,050,074	\$26,035	(\$166,669)	\$1,005,682
(10)	2015	\$28,618,413	0.50%	\$143,092	\$1,050,074	\$26,035	(\$170,779)	\$1,048,422
(11)	2016	\$27,212,227	0.97%	\$263,959	\$1,050,074	\$26,035	(\$175,902)	\$1,164,166
(12)	2017	\$25,806,041	1.30%	\$335,479	\$1,050,074	\$26,035	(\$181,179)	\$1,230,409
(13)	2018	\$24,399,855	1.54%	\$375,758	\$1,050,074	\$26,035	(\$186,615)	\$1,265,252
(14)	2019	\$22,993,669	1.77%	\$406,988	\$1,050,074	\$26,035	(\$192,213)	\$1,290,884
(15)	2020	\$21,587,482	2.02%	\$436,067	\$1,050,074	\$26,035	(\$58,452)	\$1,453,724
(16)	2021	\$20,181,297	2.21%	\$446,007	\$1,050,074	\$26,035	(\$60,206)	\$1,461,910
(17)	2022	\$18,775,110	2.39%	\$448,725	\$1,050,074	\$26,035	(\$62,012)	\$1,462,822
(18)	2023	\$17,368,925	2.55%	\$442,908	\$1,050,074	\$26,035	(\$63,873)	\$1,455,144
(19)	2024	\$15,962,738	2.66%	\$424,609	\$1,050,074	\$26,035	(\$65,789)	\$1,434,929
(20)	2025	\$14,556,552	2.77%	\$403,216	\$1,050,074	\$26,035	(\$67,762)	\$1,411,563
(21)	2026	\$13,321,283	3.19%	\$424,949	\$1,050,074	\$26,035	(\$69,795)	\$1,431,263
(22)	2027	\$12,462,074	3.29%	\$410,002	\$1,050,074	\$26,035	(\$71,889)	\$1,414,222
(23)	2028	\$11,808,096	3.38%	\$399,114	\$1,050,074	\$26,035	(\$74,046)	\$1,401,177
(24)	2029	\$11,154,117	3.47%	\$387,048	\$1,050,074	\$26,035	(\$76,267)	\$1,386,890
(25)	2030	\$10,500,138	3.56%	\$373,805	\$1,050,074	\$26,035	(\$78,555)	\$1,371,359
(26)	2031	\$9,846,160	3.63%	\$357,416	\$1,050,074	\$26,035	(\$80,912)	\$1,352,613
(27)	2032	\$9,192,181	3.69%	\$339,191	\$1,050,074	\$26,035	(\$83,339)	\$1,331,961
(28)	2033	\$8,538,203	3.74%	\$319,329	\$1,050,074	\$26,035	(\$85,839)	\$1,309,599
(29)	2034	\$7,884,224	3.79%	\$298,812	\$1,050,074	\$26,035	(\$88,415)	\$1,286,506
(30)	2035	\$7,230,245	3.84%	\$277,641	\$1,050,074	\$26,035	(\$91,067)	\$1,262,683
(31)	2036	\$6,576,267	4.00%	\$263,051	\$1,050,074	\$26,035	(\$93,799)	\$1,245,361
(32)	2037	\$5,922,288	4.04%	\$239,260	\$1,050,074	\$26,035	(\$96,613)	\$1,218,756
(33)	2038	\$5,268,310	4.08%	\$214,947	\$1,050,074	\$26,035	(\$99,511)	\$1,191,545
(34)	2039	\$4,618,113	4.11%	\$189,804	\$1,050,074	\$18,470	(\$102,497)	\$1,155,851
(35)	2040	\$3,973,164	4.13%	\$164,092	\$1,050,074	\$15,541	(\$105,572)	\$1,124,135
(36)	2041	\$3,337,449	4.15%	\$138,504	\$1,050,074	\$0	(\$108,739)	\$1,079,839
(37)	2042	\$2,709,505	4.17%	\$112,986	\$1,050,074	\$0		\$1,163,060
(38)	2043	\$2,081,561	4.18%	\$87,009	\$1,050,074	\$0		\$1,137,083
(39)	2044	\$1,453,617	4.19%	\$60,907	\$1,050,074	\$0		\$1,110,981
(40)	2045	\$825,673	4.20%	\$34,678	\$1,050,074	\$0		\$1,084,752
(41)	2046	\$415,302	4.20%	\$17,443	\$322,401	\$0		\$339,844

Column Notes:

- (a) Page 2, Column (g)
- (b) Page 3, Column (m)
- (c) Column (a) x Column (b)
- (d) Page 4, Column (e)
- (e) Page 5, Column (d)
- (f) Estimated annual Fiber Lease revenue stream
- (g) Column (d) + Column (d) + Column (e) + Column (f)

**Nantucket Electric Company  
Cost of Service- Second Cable  
Rate Base**

	<u>Year</u>	<u>Utility Plant</u> (a)	<u>Less: Cumul Bk Depreciation</u> (b)	<u>Less: Cumul Def Taxes</u> (c)	<u>Year-end</u> (d)	<u>Avg Unamort Issue Costs</u> (e)	<u>M&amp;S</u> (f)	<u>Avg Rate Base</u> (g)
(1)	2006	\$41,985,726	\$667,694	\$347,896	\$40,970,136	\$878,657	\$15,000	\$37,466,481 *
(2)	2007	\$42,213,257	\$1,715,106	\$1,110,953	\$39,387,198	\$854,101	\$15,000	\$41,086,563 *
(3)	2008	\$42,244,106	\$2,765,065	\$1,784,875	\$37,694,166	\$828,067	\$15,000	\$39,393,973 *
(4)	2009	\$42,244,106	\$3,815,139	\$2,389,164	\$36,039,803	\$802,032	\$15,000	\$37,684,017 *
(5)	2010	\$42,244,106	\$4,865,213	\$2,917,121	\$34,461,772	\$775,997	\$15,000	\$36,041,785 *
(6)	2011	\$42,244,106	\$5,915,287	\$3,374,667	\$32,954,152	\$749,963	\$15,000	\$34,472,925 *
(7)	2012	\$42,244,106	\$6,965,361	\$3,766,902	\$31,511,843	\$723,928	\$15,000	\$32,971,926 *
(8)	2013	\$42,244,106	\$8,015,435	\$4,098,927	\$30,129,744	\$697,894	\$15,000	\$31,533,688 *
(9)	2014	\$42,244,106	\$9,065,509	\$4,530,975	\$28,647,622	\$671,859	\$15,000	\$30,075,542
(10)	2015	\$42,244,106	\$10,115,583	\$4,860,968	\$27,267,555	\$645,824	\$15,000	\$28,618,413
(11)	2016	\$42,244,106	\$11,165,657	\$5,191,130	\$25,887,319	\$619,790	\$15,000	\$27,212,227
(12)	2017	\$42,244,106	\$12,215,731	\$5,521,123	\$24,507,252	\$593,755	\$15,000	\$25,806,041
(13)	2018	\$42,244,106	\$13,265,805	\$5,851,285	\$23,127,016	\$567,721	\$15,000	\$24,399,855
(14)	2019	\$42,244,106	\$14,315,879	\$6,181,278	\$21,746,949	\$541,686	\$15,000	\$22,993,669
(15)	2020	\$42,244,106	\$15,365,953	\$6,511,440	\$20,366,713	\$515,651	\$15,000	\$21,587,482
(16)	2021	\$42,244,106	\$16,416,027	\$6,841,433	\$18,986,646	\$489,617	\$15,000	\$20,181,297
(17)	2022	\$42,244,106	\$17,466,101	\$7,171,595	\$17,606,410	\$463,582	\$15,000	\$18,775,110
(18)	2023	\$42,244,106	\$18,516,175	\$7,501,588	\$16,226,343	\$437,548	\$15,000	\$17,368,925
(19)	2024	\$42,244,106	\$19,566,249	\$7,831,750	\$14,846,107	\$411,513	\$15,000	\$15,962,738
(20)	2025	\$42,244,106	\$20,616,323	\$8,161,743	\$13,466,040	\$385,478	\$15,000	\$14,556,552
(21)	2026	\$42,244,106	\$21,666,397	\$8,150,072	\$12,427,637	\$359,444	\$15,000	\$13,321,283
(22)	2027	\$42,244,106	\$22,716,471	\$7,727,942	\$11,799,693	\$333,409	\$15,000	\$12,462,074
(23)	2028	\$42,244,106	\$23,766,545	\$7,305,812	\$11,171,749	\$307,375	\$15,000	\$11,808,096
(24)	2029	\$42,244,106	\$24,816,619	\$6,883,682	\$10,543,805	\$281,340	\$15,000	\$11,154,117
(25)	2030	\$42,244,106	\$25,866,693	\$6,461,552	\$9,915,861	\$255,305	\$15,000	\$10,500,138
(26)	2031	\$42,244,106	\$26,916,767	\$6,039,422	\$9,287,917	\$229,271	\$15,000	\$9,846,160
(27)	2032	\$42,244,106	\$27,966,841	\$5,617,292	\$8,659,973	\$203,236	\$15,000	\$9,192,181
(28)	2033	\$42,244,106	\$29,016,915	\$5,195,162	\$8,032,029	\$177,202	\$15,000	\$8,538,203
(29)	2034	\$42,244,106	\$30,066,989	\$4,773,032	\$7,404,085	\$151,167	\$15,000	\$7,884,224
(30)	2035	\$42,244,106	\$31,117,063	\$4,350,902	\$6,776,141	\$125,132	\$15,000	\$7,230,245
(31)	2036	\$42,244,106	\$32,167,137	\$3,928,772	\$6,148,197	\$99,098	\$15,000	\$6,576,267
(32)	2037	\$42,244,106	\$33,217,211	\$3,506,642	\$5,520,253	\$73,063	\$15,000	\$5,922,288
(33)	2038	\$42,244,106	\$34,267,285	\$3,084,512	\$4,892,309	\$47,029	\$15,000	\$5,268,310
(34)	2039	\$42,244,106	\$35,317,359	\$2,662,382	\$4,264,365	\$24,776	\$15,000	\$4,618,113
(35)	2040	\$42,244,106	\$36,367,433	\$2,240,252	\$3,636,421	\$7,771	\$15,000	\$3,973,164
(36)	2041	\$42,244,106	\$37,417,507	\$1,818,122	\$3,008,477	\$0	\$15,000	\$3,337,449
(37)	2042	\$42,244,106	\$38,467,581	\$1,395,992	\$2,380,533	\$0	\$15,000	\$2,709,505
(38)	2043	\$42,244,106	\$39,517,655	\$973,862	\$1,752,589	\$0	\$15,000	\$2,081,561
(39)	2044	\$42,244,106	\$40,567,729	\$551,732	\$1,124,645	\$0	\$15,000	\$1,453,617
(40)	2045	\$42,244,106	\$41,617,803	\$129,602	\$496,701	\$0	\$15,000	\$825,673
(41)	2046	\$42,244,106	\$41,940,204	\$0	\$303,902	\$0	\$15,000	\$415,302

Column Notes:

\* actual

- (a) Capital Cost
- (b) Page 4, Column (g)
- (c) Page 4, Column (j)
- (d) Column (a) - Column (b) - Column (c)
- (e) Page 5, Column (g)
- (f) Estimated Materials & Supplies Balances
- (g) Average of Prior Year Column (d) + Current Year Column (d) + Column (e) + Column (f)

**Nantucket Electric Company  
 Cost of Service- Second Cable  
 Capital Structure & ROR**

Year	Avg Rate/Base	B.O.Y. LTD Outstand	E.O.Y. LTD Outstand	Avg LTD Outstand	Actual Weight	Cost	Weighted LTD cost	Avg Equity	Equity Weight	Equity Cost	Weighted Equity Cost	39.225% Taxes	Total ROR
(1)	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
2006	\$37,466,481	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.61%	3.61%	\$0	0.00%	11.00%	0.00%	0.00%	3.61%
2007	\$41,086,563	\$38,000,000	\$38,000,000	\$38,000,000	92.49%	3.70%	3.42%	\$3,086,563	7.51%	11.00%	0.83%	0.53%	4.78%
2008	\$39,393,973	\$38,000,000	\$38,000,000	\$38,000,000	96.46%	2.04%	1.97%	\$1,393,973	3.54%	11.00%	0.39%	0.25%	2.61%
2009	\$37,684,017	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	1.35%	1.35%	\$0	0.00%	11.00%	0.00%	0.00%	1.35%
2010	\$36,041,785	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.97%	0.97%	\$0	0.00%	10.35%	0.00%	0.00%	0.97%
2011	\$34,472,925	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.82%	0.82%	\$0	0.00%	10.35%	0.00%	0.00%	0.82%
2012	\$32,971,926	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.56%	0.56%	\$0	0.00%	10.35%	0.00%	0.00%	0.56%
2013	\$31,533,688	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.51%	0.51%	\$0	0.00%	10.35%	0.00%	0.00%	0.51%
2014	\$30,075,542	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.32%	0.32%	\$0	0.00%	10.35%	0.00%	0.00%	0.32%
2015	\$28,618,413	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.50%	0.50%	\$0	0.00%	10.35%	0.00%	0.00%	0.50%
2016	\$27,212,227	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	0.97%	0.97%	\$0	0.00%	10.35%	0.00%	0.00%	0.97%
2017	\$25,806,041	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	1.30%	1.30%	\$0	0.00%	10.35%	0.00%	0.00%	1.30%
2018	\$24,399,855	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	1.54%	1.54%	\$0	0.00%	10.35%	0.00%	0.00%	1.54%
2019	\$22,993,669	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	1.77%	1.77%	\$0	0.00%	10.35%	0.00%	0.00%	1.77%
2020	\$21,587,482	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	2.02%	2.02%	\$0	0.00%	10.35%	0.00%	0.00%	2.02%
2021	\$20,181,297	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	2.21%	2.21%	\$0	0.00%	10.35%	0.00%	0.00%	2.21%
2022	\$18,775,110	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	2.39%	2.39%	\$0	0.00%	10.35%	0.00%	0.00%	2.39%
2023	\$17,368,925	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	2.55%	2.55%	\$0	0.00%	10.35%	0.00%	0.00%	2.55%
2024	\$15,962,738	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	2.66%	2.66%	\$0	0.00%	10.35%	0.00%	0.00%	2.66%
2025	\$14,556,552	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	2.77%	2.77%	\$0	0.00%	10.35%	0.00%	0.00%	2.77%
2026	\$13,221,283	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.19%	3.19%	\$0	0.00%	10.35%	0.00%	0.00%	3.19%
2027	\$12,462,074	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.29%	3.29%	\$0	0.00%	10.35%	0.00%	0.00%	3.29%
2028	\$11,808,096	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.38%	3.38%	\$0	0.00%	10.35%	0.00%	0.00%	3.38%
2029	\$11,154,117	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.47%	3.47%	\$0	0.00%	10.35%	0.00%	0.00%	3.47%
2030	\$10,500,138	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.56%	3.56%	\$0	0.00%	10.35%	0.00%	0.00%	3.56%
2031	\$9,846,160	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.63%	3.63%	\$0	0.00%	10.35%	0.00%	0.00%	3.63%
2032	\$9,192,181	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.69%	3.69%	\$0	0.00%	10.35%	0.00%	0.00%	3.69%
2033	\$8,538,203	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.74%	3.74%	\$0	0.00%	10.35%	0.00%	0.00%	3.74%
2034	\$7,884,224	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.79%	3.79%	\$0	0.00%	10.35%	0.00%	0.00%	3.79%
2035	\$7,230,245	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	3.84%	3.84%	\$0	0.00%	10.35%	0.00%	0.00%	3.84%
2036	\$6,576,267	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.00%	4.00%	\$0	0.00%	10.35%	0.00%	0.00%	4.00%
2037	\$5,922,288	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.04%	4.04%	\$0	0.00%	10.35%	0.00%	0.00%	4.04%
2038	\$5,268,310	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.08%	4.08%	\$0	0.00%	10.35%	0.00%	0.00%	4.08%
2039	\$4,618,113	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.11%	4.11%	\$0	0.00%	10.35%	0.00%	0.00%	4.11%
2040	\$3,973,164	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.13%	4.13%	\$0	0.00%	10.35%	0.00%	0.00%	4.13%
2041	\$3,337,449	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.15%	4.15%	\$0	0.00%	10.35%	0.00%	0.00%	4.15%
2042	\$2,709,505	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.17%	4.17%	\$0	0.00%	10.35%	0.00%	0.00%	4.17%
2043	\$2,081,561	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.18%	4.18%	\$0	0.00%	10.35%	0.00%	0.00%	4.18%
2044	\$1,453,617	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.19%	4.19%	\$0	0.00%	10.35%	0.00%	0.00%	4.19%
2045	\$825,673	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.20%	4.20%	\$0	0.00%	10.35%	0.00%	0.00%	4.20%
2046	\$415,302	\$38,000,000	\$38,000,000	\$38,000,000	100.00%	4.20%	4.20%	\$0	0.00%	10.35%	0.00%	0.00%	4.20%

**Column Notes:**

- (a) Page 2, Column (g)
- (b) Page 5, Column (a)
- (c) Page 5, Column (b)
- (d) Average of Column (g) and Column (c)
- (e) Lesser of Column (d) ÷ Column (a) or 100%
- (f) Weighted cost of Outstanding Long Term Debt
- (g) Column (e) x Column (f)
- (h) Greater of Column (a) - Column (d) or zero
- (i) 100% - Column (e)
- (j) Last approved Massachusetts Electric Co. ROE
- (k) Column (i) x Column (j)
- (l) Column (k) ÷ (1 - 39.225%) - Column (k)
- (m) Column (g) + Column (k) + Column (l)



**Nantucket Electric Company  
Cost of Service- Second Cable  
Deferred Tax Calculation**

Year	Tax Depreciation			Book Depreciation			Tax - Book Depreciation	Def Taxes @ 39.225%	Def Taxes @ 40.200%	Cumulative Def Taxes
	Rate (a)	Current Year (b)	Cumulative (c)	Rate (d)	Current Year (e)	Cumulative (f)				
		Cable Invest Land Depreciable Inv	\$42,244,106 \$303,902 \$41,940,204			Cable Invest Land Depreciable Inv	\$667,694 \$667,694 \$42,244,106 \$303,902 \$41,940,204			
(1) 2006	3.750%	\$1,554,619	\$1,554,619	Actual	\$667,694	\$667,694	\$886,925	\$347,896		\$347,896
(2) 2007	7.219%	\$2,992,745	\$4,547,364	Actual	\$1,047,412	\$1,715,106	\$1,945,333	\$763,057		\$1,110,953
(3) 2008	6.677%	\$2,768,051	\$7,315,415	Actual	\$1,049,959	\$2,765,065	\$1,718,092	\$673,922		\$1,784,875
(4) 2009	6.177%	\$2,590,646	\$9,906,061	Actual	\$1,050,074	\$3,815,139	\$1,540,572	\$604,289		\$2,389,164
(5) 2010	5.713%	\$2,396,044	\$12,302,105	2.57%	\$1,050,074	\$4,865,213	\$1,345,970	\$527,957		\$2,917,121
(6) 2011	5.285%	\$2,216,540	\$14,518,645	2.57%	\$1,050,074	\$5,915,287	\$1,166,466	\$457,546		\$3,374,667
(7) 2012	4.888%	\$2,050,037	\$16,568,682	2.57%	\$1,050,074	\$6,965,361	\$999,963	\$392,235		\$3,766,902
(8) 2013	4.522%	\$1,896,536	\$18,465,218	2.57%	\$1,050,074	\$8,015,435	\$846,462	\$332,025		\$4,098,927
(9) 2014	4.462%	\$1,871,372	\$20,336,590	2.57%	\$1,050,074	\$9,065,509	\$821,298	\$184,427	\$247,621	\$4,530,975
(10) 2015	4.461%	\$1,870,952	\$22,207,542	2.57%	\$1,050,074	\$10,115,583	\$820,878		\$329,993	\$4,860,968
(11) 2016	4.462%	\$1,871,372	\$24,078,914	2.57%	\$1,050,074	\$11,165,657	\$821,298		\$330,162	\$5,191,130
(12) 2017	4.461%	\$1,870,952	\$25,949,866	2.57%	\$1,050,074	\$12,215,731	\$820,878		\$329,993	\$5,521,123
(13) 2018	4.462%	\$1,871,372	\$27,821,238	2.57%	\$1,050,074	\$13,265,805	\$821,298		\$330,162	\$5,851,285
(14) 2019	4.461%	\$1,870,952	\$29,692,190	2.57%	\$1,050,074	\$14,315,879	\$820,878		\$329,993	\$6,181,278
(15) 2020	4.462%	\$1,871,372	\$31,563,562	2.57%	\$1,050,074	\$15,365,953	\$821,298		\$330,162	\$6,511,440
(16) 2021	4.461%	\$1,870,952	\$33,434,514	2.57%	\$1,050,074	\$16,416,027	\$820,878		\$329,993	\$6,841,433
(17) 2022	4.462%	\$1,871,372	\$35,305,886	2.57%	\$1,050,074	\$17,466,101	\$821,298		\$330,162	\$7,171,595
(18) 2023	4.461%	\$1,870,952	\$37,176,838	2.57%	\$1,050,074	\$18,516,175	\$820,878		\$329,993	\$7,501,588
(19) 2024	4.462%	\$1,871,372	\$39,048,210	2.57%	\$1,050,074	\$19,566,249	\$821,298		\$330,162	\$7,831,750
(20) 2025	4.461%	\$1,870,952	\$40,919,162	2.57%	\$1,050,074	\$20,616,323	\$820,878		\$329,993	\$8,161,743
(21) 2026	2.231%	\$1,021,042	\$41,940,204	2.57%	\$1,050,074	\$21,666,397	(\$29,032)		(\$11,671)	\$8,150,072
(22) 2027	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$22,716,471	(\$1,050,074)		(\$422,130)	\$7,727,942
(23) 2028	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$23,766,545	(\$1,050,074)		(\$422,130)	\$7,305,812
(24) 2029	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$24,816,619	(\$1,050,074)		(\$422,130)	\$6,883,682
(25) 2030	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$25,866,693	(\$1,050,074)		(\$422,130)	\$6,461,552
(26) 2031	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$26,916,767	(\$1,050,074)		(\$422,130)	\$6,039,422
(27) 2032	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$27,966,841	(\$1,050,074)		(\$422,130)	\$5,617,292
(28) 2033	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$29,016,915	(\$1,050,074)		(\$422,130)	\$5,195,162
(29) 2034	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$30,066,989	(\$1,050,074)		(\$422,130)	\$4,773,032
(30) 2035	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$31,117,063	(\$1,050,074)		(\$422,130)	\$4,350,902
(31) 2036	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$32,167,137	(\$1,050,074)		(\$422,130)	\$3,928,772
(32) 2037	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$33,217,211	(\$1,050,074)		(\$422,130)	\$3,506,642
(33) 2038	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$34,267,285	(\$1,050,074)		(\$422,130)	\$3,084,512
(34) 2039	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$35,317,359	(\$1,050,074)		(\$422,130)	\$2,662,382
(35) 2040	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$36,367,433	(\$1,050,074)		(\$422,130)	\$2,240,252
(36) 2041	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$37,417,507	(\$1,050,074)		(\$422,130)	\$1,818,122
(37) 2042	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$38,467,581	(\$1,050,074)		(\$422,130)	\$1,395,992
(38) 2043	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$39,517,655	(\$1,050,074)		(\$422,130)	\$973,862
(39) 2044	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$40,567,729	(\$1,050,074)		(\$422,130)	\$551,732
(40) 2045	0.000%	\$0	\$41,940,204	2.57%	\$1,050,074	\$41,617,803	(\$1,050,074)		(\$422,130)	\$129,602
(41) 2046	0.000%	\$0	\$41,940,204	2.57%	\$322,401	\$41,940,204	(\$322,401)		(\$129,602)	\$0

(a) Assumes 20 yr life. Remaining life methodology as was used in the original CFS

Column Notes:

- (a) Annual Tax Depreciation Rate
- (b) Depreciable Investment x Column (a)
- (c) Prior Year Column (c) + Column (b)
- (d) Annual Book Depreciation Rate
- (e) Depreciable Investment x Column (d)
- (f) Prior Year Column (f) + Column (e)
- (g) Column (b) - Column (e)
- (h) 2006 through 2013: Column (g) x 39.225%. 2014: Column (g) times 39.225% x 3/12ths net of Page 6, Line 13
- (i) Column (g) x 40.200% change in state tax rate effective April 1, 2014
- (j) Prior Year Column (j) plus Columns (h) and (i)

**Nantucket Electric Company  
Cost of Service- Second Cable  
Long Term Debt**

	<u>Year</u>	<u>B.O.Y. LTD Outstanding</u> (a)	<u>E.O.Y. LTD Outstanding</u> (b)	<u>B.O.Y. Issue Costs</u> (c)	<u>Annual Amort</u> (d)	<u>E.O.Y. Issue Costs</u> (e)	<u>Avg Unamort Issue Costs</u> (f)
(1)	2006	\$38,000,000 *	\$38,000,000	\$904,400	\$37,282	\$867,118	\$878,657
(2)	2007	\$38,000,000	\$38,000,000	\$867,118	\$26,035	\$841,084	\$854,101
(3)	2008	\$38,000,000	\$38,000,000	\$841,084	\$26,035	\$815,049	\$828,067
(4)	2009	\$38,000,000	\$38,000,000	\$815,049	\$26,035	\$789,015	\$802,032
(5)	2010	\$38,000,000	\$38,000,000	\$789,015	\$26,035	\$762,980	\$775,997
(6)	2011	\$38,000,000	\$38,000,000	\$762,980	\$26,035	\$736,945	\$749,963
(7)	2012	\$38,000,000	\$38,000,000	\$736,945	\$26,035	\$710,911	\$723,928
(8)	2013	\$38,000,000	\$38,000,000	\$710,911	\$26,035	\$684,876	\$697,894
(9)	2014	\$38,000,000	\$38,000,000	\$684,876	\$26,035	\$658,842	\$671,859
(10)	2015	\$38,000,000	\$38,000,000	\$658,842	\$26,035	\$632,807	\$645,824
(11)	2016	\$38,000,000	\$38,000,000	\$632,807	\$26,035	\$606,772	\$619,790
(12)	2017	\$38,000,000	\$38,000,000	\$606,772	\$26,035	\$580,738	\$593,755
(13)	2018	\$38,000,000	\$38,000,000	\$580,738	\$26,035	\$554,703	\$567,721
(14)	2019	\$38,000,000	\$38,000,000	\$554,703	\$26,035	\$528,669	\$541,686
(15)	2020	\$38,000,000	\$38,000,000	\$528,669	\$26,035	\$502,634	\$515,651
(16)	2021	\$38,000,000	\$38,000,000	\$502,634	\$26,035	\$476,599	\$489,617
(17)	2022	\$38,000,000	\$38,000,000	\$476,599	\$26,035	\$450,565	\$463,582
(18)	2023	\$38,000,000	\$38,000,000	\$450,565	\$26,035	\$424,530	\$437,548
(19)	2024	\$38,000,000	\$38,000,000	\$424,530	\$26,035	\$398,496	\$411,513
(20)	2025	\$38,000,000	\$38,000,000	\$398,496	\$26,035	\$372,461	\$385,478
(21)	2026	\$38,000,000	\$38,000,000	\$372,461	\$26,035	\$346,426	\$359,444
(22)	2027	\$38,000,000	\$38,000,000	\$346,426	\$26,035	\$320,392	\$333,409
(23)	2028	\$38,000,000	\$38,000,000	\$320,392	\$26,035	\$294,357	\$307,375
(24)	2029	\$38,000,000	\$38,000,000	\$294,357	\$26,035	\$268,323	\$281,340
(25)	2030	\$38,000,000	\$38,000,000	\$268,323	\$26,035	\$242,288	\$255,305
(26)	2031	\$38,000,000	\$38,000,000	\$242,288	\$26,035	\$216,253	\$229,271
(27)	2032	\$38,000,000	\$38,000,000	\$216,253	\$26,035	\$190,219	\$203,236
(28)	2033	\$38,000,000	\$38,000,000	\$190,219	\$26,035	\$164,184	\$177,202
(29)	2034	\$38,000,000	\$38,000,000	\$164,184	\$26,035	\$138,150	\$151,167
(30)	2035	\$38,000,000	\$38,000,000	\$138,150	\$26,035	\$112,115	\$125,132
(31)	2036	\$38,000,000	\$38,000,000	\$112,115	\$26,035	\$86,080	\$99,098
(32)	2037	\$38,000,000	\$38,000,000	\$86,080	\$26,035	\$60,046	\$73,063
(33)	2038	\$38,000,000	\$38,000,000	\$60,046	\$26,035	\$34,011	\$47,029
(34)	2039	\$38,000,000	\$38,000,000	\$34,011	\$18,470	\$15,541	\$24,776
(35)	2040	\$38,000,000	\$38,000,000	\$15,541	\$15,541	\$0	\$7,771
(36)	2041	\$38,000,000	\$38,000,000	\$0	\$0	\$0	\$0
(37)	2042	\$38,000,000	\$38,000,000	\$0	\$0	\$0	\$0
(38)	2043	\$38,000,000	\$38,000,000	\$0	\$0	\$0	\$0
(39)	2044	\$38,000,000	\$38,000,000	\$0	\$0	\$0	\$0
(40)	2045	\$38,000,000	\$38,000,000	\$0	\$0	\$0	\$0

\* Outstanding amounts at December 31, 2005

Column Notes:

- (a) Prior year Column (b)
- (b) Column (a)
- (c) Prior year Column (e)
- (d) Annual amortization of issuance costs
- (e) Column (c) - Column (d)
- (f) Average of Column (c) and Column (e)

**Nantucket Electric Company**  
**Cost of Service- Second Cable**  
**Unrecovered Deferred Taxes**

Line No.			CY <u>2013</u> (a)	3 Months ended <u>Mar-2014</u> (b)	CY <u>2014</u> (c)	CY <u>2015</u> (d)
	<u>Deferred State Tax Calculation:</u>					
	Vintage Year Tax Depreciation:					
(1)	Annual State Tax Depreciation	Per Page 4 of 6, Lines (8) - (10)	\$1,896,536	\$467,843	\$1,871,372	\$1,870,952
(2)	Cumulative State Tax Depreciation	PY Line (7) + CY Line (8)	\$18,465,218	\$18,933,061	\$20,336,590	\$22,207,542
(3)						
(4)	Book Depreciation	Per Page 4 of 6, Lines (8) - (10)	\$1,050,074	\$262,519	\$1,050,074	\$1,050,074
(5)	Cumulative Book Depreciation	PY Line (7) + CY Line (8)	\$8,015,435	\$8,277,954	\$9,065,509	\$10,115,583
(6)						
(7)	Cumulative Book / Tax Timer	Line (2) - Line (5)	\$10,449,783	\$10,655,107	\$11,271,081	\$12,091,959
(8)	Effective State Tax Rate	Line (16)	4.225%	4.225%	5.200%	5.200%
(9)	Deferred State Tax Reserve	Line (7) * Line (8)	\$441,503	\$450,178	\$586,096	\$628,782
(10)						
(11)	Deferred State Tax Reserve on March 31, 2014 at New Tax Rate	Line 7(b) * New Effective State rate at Line (8)(c)		\$554,066		
(12)						
(13)	Unrecovered Deferred State Taxes	Line 9(b) - Line (11)		(\$103,888)		
(14)	State rate		6.500%		8.000%	
(15)	FIT deduction on SIT		-2.275%		-2.800%	
(16)	Net SIT rate		4.225%		5.200%	



Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on R-1 Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
125	\$33.16	\$16.30	\$16.86	\$31.59	\$16.30	\$15.29	(\$1.57)	-4.7%
250	\$62.34	\$32.60	\$29.74	\$59.20	\$32.60	\$26.60	(\$3.14)	-5.0%
500	\$120.65	\$65.19	\$55.46	\$114.39	\$65.19	\$49.20	(\$6.26)	-5.2%
600	\$143.97	\$78.23	\$65.74	\$136.45	\$78.23	\$58.22	(\$7.52)	-5.2%
750	\$179.98	\$97.79	\$82.19	\$170.58	\$97.79	\$72.79	(\$9.40)	-5.2%
1,000	\$239.94	\$130.38	\$109.56	\$227.41	\$130.38	\$97.03	(\$12.53)	-5.2%
1,250	\$299.93	\$162.98	\$136.95	\$284.26	\$162.98	\$121.28	(\$15.67)	-5.2%
1,500	\$359.89	\$195.57	\$164.32	\$341.10	\$195.57	\$145.53	(\$18.79)	-5.2%
2,000	\$479.85	\$260.76	\$219.09	\$454.79	\$260.76	\$194.03	(\$25.06)	-5.2%

	<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$4.00		\$4.00
Distribution Charge - First 600 kWh	KWh x	\$0.03977 (1)		\$0.03977 (2)
Distribution Charge - In Excess of 600 kWh	KWh x	\$0.04639 (1)		\$0.04639 (2)
Cable Facilities Surcharge (summer)	KWh x	\$0.02190		\$0.00937
Transition Charge	KWh x	(\$0.00164)		(\$0.00164)
Transmission Charge	KWh x	\$0.02614		\$0.02614
Energy Efficiency Charge	KWh x	\$0.01624		\$0.01624
Renewables Charge	KWh x	\$0.00050		\$0.00050

Supplier Services

Basic Service Charge (3)	KWh x	\$0.13038		\$0.13038
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(1) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(2) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.326¢, and Smart Grid Customer Cost Adjustment Factor 0.168¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on R-2 Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
50	\$11.12	\$6.52	\$4.60	\$10.65	\$6.52	\$4.13	(\$0.47)	-4.2%
100	\$19.22	\$13.04	\$6.18	\$18.31	\$13.04	\$5.27	(\$0.91)	-4.7%
150	\$27.34	\$19.56	\$7.78	\$25.96	\$19.56	\$6.40	(\$1.38)	-5.0%
250	\$43.55	\$32.60	\$10.95	\$41.26	\$32.60	\$8.66	(\$2.29)	-5.3%
300	\$51.66	\$39.11	\$12.55	\$48.91	\$39.11	\$9.80	(\$2.75)	-5.3%
500	\$84.11	\$65.19	\$18.92	\$79.52	\$65.19	\$14.33	(\$4.59)	-5.5%
600	\$100.32	\$78.23	\$22.09	\$94.82	\$78.23	\$16.59	(\$5.50)	-5.5%
750	\$125.40	\$97.79	\$27.61	\$118.52	\$97.79	\$20.73	(\$6.88)	-5.5%

		Present Rates	Proposed Rates
Customer Charge		\$4.00	\$4.00
Distribution Charge - First 600 kWh	KWh x	\$0.03977 (1)	\$0.03977 (2)
Distribution Charge - In Excess of 600 kWh	KWh x	\$0.04639 (1)	\$0.04639 (2)
Cable Facilities Surcharge (summer)	KWh x	\$0.01757	\$0.00534
Transition Charge	KWh x	(\$0.00164)	(\$0.00164)
Transmission Charge	KWh x	\$0.02614	\$0.02614
Energy Efficiency Charge	KWh x	\$0.00355	\$0.00355
Renewables Charge	KWh x	\$0.00050	\$0.00050
Discount		25.00%	25.00%

Supplier Services

Basic Service Charge (3)	KWh x	\$0.13038	\$0.13038
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(1) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(2) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.326¢, and Smart Grid Customer Cost Adjustment Factor 0.168¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on E Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery (4)	Overall Increase (Decrease) Amount	%
125	\$34.10	\$16.30	\$17.80	\$28.42	\$16.30	\$12.12	(\$5.68)	-16.7%
250	\$64.23	\$32.60	\$31.63	\$56.86	\$32.60	\$24.26	(\$7.37)	-11.5%
500	\$124.44	\$65.19	\$59.25	\$113.70	\$65.19	\$48.51	(\$10.74)	-8.6%
600	\$148.51	\$78.23	\$70.28	\$136.42	\$78.23	\$58.19	(\$12.09)	-8.1%
750	\$185.65	\$97.79	\$87.86	\$170.55	\$97.79	\$72.76	(\$15.10)	-8.1%
1,000	\$247.51	\$130.38	\$117.13	\$227.38	\$130.38	\$97.00	(\$20.13)	-8.1%
1,250	\$309.39	\$162.98	\$146.41	\$284.23	\$162.98	\$121.25	(\$25.16)	-8.1%
1,500	\$371.25	\$195.57	\$175.68	\$341.07	\$195.57	\$145.50	(\$30.18)	-8.1%
2,000	\$494.99	\$260.76	\$234.23	\$454.76	\$260.76	\$194.00	(\$40.23)	-8.1%

	<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$4.00		\$0.00
Distribution Charge - First 600 kWh	KWh x	\$0.03977 (1)		\$0.03977 (2)
Distribution Charge - In Excess of 600 kWh	KWh x	\$0.04639 (1)		\$0.04639 (2)
Cable Facilities Surcharge (summer)	KWh x	\$0.02947		\$0.00937
Transition Charge	KWh x	(\$0.00164)		(\$0.00164)
Transmission Charge	KWh x	\$0.02614		\$0.02614
Energy Efficiency Charge	KWh x	\$0.01624		\$0.01624
Renewables Charge	KWh x	\$0.00050		\$0.00050

Supplier Services

Basic Service Charge (3)	KWh x	\$0.13038		\$0.13038
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(1) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(2) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.326¢, and Smart Grid Customer Cost Adjustment Factor 0.168¢

(4) For purposes of bill impact analysis assumes all kWh are in excess of 600 kWh

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-1 Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
50	\$21.30	\$6.31	\$14.99	\$20.66	\$6.31	\$14.35	(\$0.64)	-3.0%
100	\$32.60	\$12.62	\$19.98	\$31.33	\$12.62	\$18.71	(\$1.27)	-3.9%
250	\$66.49	\$31.55	\$34.94	\$63.30	\$31.55	\$31.75	(\$3.19)	-4.8%
500	\$122.97	\$63.10	\$59.87	\$116.60	\$63.10	\$53.50	(\$6.37)	-5.2%
1,500	\$348.88	\$189.29	\$159.59	\$329.76	\$189.29	\$140.47	(\$19.12)	-5.5%
2,500	\$583.65	\$315.48	\$268.17	\$551.78	\$315.48	\$236.30	(\$31.87)	-5.5%
5,000	\$1,192.71	\$630.95	\$561.76	\$1,128.96	\$630.95	\$498.01	(\$63.75)	-5.3%
7,500	\$1,801.80	\$946.43	\$855.37	\$1,706.18	\$946.43	\$759.75	(\$95.62)	-5.3%

		Present Rates	Proposed Rates
Customer Charge		\$10.00	\$10.00
Distribution Charge - First 2000 kWh	KWh x	\$0.04551 (1)	\$0.04551 (2)
Distribution Charge - In Excess of 2000 kWh	KWh x	\$0.06323 (1)	\$0.06323 (2)
Cable Facilities Surcharge (summer)	KWh x	\$0.02262	\$0.00987
Transition Charge	KWh x	(\$0.00154)	(\$0.00154)
Transmission Charge	KWh x	\$0.02276	\$0.02276
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050

Supplier Services

Basic Service Charge (3)	KWh x	\$0.12619	\$0.12619
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(1) Includes: CapEx Factor 0.202¢, Basic Service Adjustment Factor -0.12¢, Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.359¢, Pension/PBOP Adjustment Factor 0.231¢, RDM Adjustment Factor 0.256¢, Attorney General Consultant Expense Factor 0.002¢, Solar Cost Adjustment Factor 0.011¢, and Smart Grid Distribution Adjustment Factor 0.033¢

(2) Includes: CapEx Factor 0.202¢, Basic Service Adjustment Factor -0.12¢, Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor

(3) Includes: Basic Service Administrative Cost Factor 0.175¢, and Smart Grid Customer Cost Adjustment Factor 0.162¢



Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-2 Basic Service Customers

Hours Use: 200

		/----- (1) -----/			/----- (2) -----/			(1) vs (2)	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	3,000	\$692.31	\$370.65	\$321.66	\$637.80	\$370.65	\$267.15	(\$54.51)	-7.9%
20	4,000	\$917.56	\$494.20	\$423.36	\$844.88	\$494.20	\$350.68	(\$72.68)	-7.9%
40	8,000	\$1,818.56	\$988.40	\$830.16	\$1,673.20	\$988.40	\$684.80	(\$145.36)	-8.0%
75	15,000	\$3,395.31	\$1,853.25	\$1,542.06	\$3,122.76	\$1,853.25	\$1,269.51	(\$272.55)	-8.0%
150	30,000	\$6,774.06	\$3,706.50	\$3,067.56	\$6,228.96	\$3,706.50	\$2,522.46	(\$545.10)	-8.0%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.03161	\$0.01344
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-2 Basic Service Customers

Hours Use: 250

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	3,750	\$838.76	\$463.31	\$375.45	\$770.62	\$463.31	\$307.31	(\$68.14)	-8.1%
20	5,000	\$1,112.81	\$617.75	\$495.06	\$1,021.96	\$617.75	\$404.21	(\$90.85)	-8.2%
40	10,000	\$2,209.06	\$1,235.50	\$973.56	\$2,027.36	\$1,235.50	\$791.86	(\$181.70)	-8.2%
75	18,750	\$4,127.51	\$2,316.56	\$1,810.95	\$3,786.82	\$2,316.56	\$1,470.26	(\$340.69)	-8.3%
150	37,500	\$8,238.45	\$4,633.13	\$3,605.32	\$7,557.07	\$4,633.13	\$2,923.94	(\$681.38)	-8.3%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.03161	\$0.01344
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-2 Basic Service Customers

Hours Use: 300

		(1)			(2)			(1) vs (2)	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	4,500	\$985.20	\$555.98	\$429.22	\$903.43	\$555.98	\$347.45	(\$81.77)	-8.3%
20	6,000	\$1,308.06	\$741.30	\$566.76	\$1,199.04	\$741.30	\$457.74	(\$109.02)	-8.3%
40	12,000	\$2,599.56	\$1,482.60	\$1,116.96	\$2,381.52	\$1,482.60	\$898.92	(\$218.04)	-8.4%
75	22,500	\$4,859.70	\$2,779.88	\$2,079.82	\$4,450.87	\$2,779.88	\$1,670.99	(\$408.83)	-8.4%
150	45,000	\$9,702.81	\$5,559.75	\$4,143.06	\$8,885.16	\$5,559.75	\$3,325.41	(\$817.65)	-8.4%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.03161	\$0.01344
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-2 Basic Service Customers

Hours Use: 350

		(1)			(2)			(1) vs (2)	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	5,250	\$1,131.63	\$648.64	\$482.99	\$1,036.24	\$648.64	\$387.60	(\$95.39)	-8.4%
20	7,000	\$1,503.31	\$864.85	\$638.46	\$1,376.12	\$864.85	\$511.27	(\$127.19)	-8.5%
40	14,000	\$2,990.06	\$1,729.70	\$1,260.36	\$2,735.68	\$1,729.70	\$1,005.98	(\$254.38)	-8.5%
75	26,250	\$5,591.88	\$3,243.19	\$2,348.69	\$5,114.92	\$3,243.19	\$1,871.73	(\$476.96)	-8.5%
150	52,500	\$11,167.20	\$6,486.38	\$4,680.82	\$10,213.27	\$6,486.38	\$3,726.89	(\$953.93)	-8.5%

		Present Rates	Proposed Rates
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.03161	\$0.01344
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-2 Basic Service Customers

Hours Use: 400

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	6,000	\$1,278.06	\$741.30	\$536.76	\$1,169.04	\$741.30	\$427.74	(\$109.02)	-8.5%
20	8,000	\$1,698.56	\$988.40	\$710.16	\$1,553.20	\$988.40	\$564.80	(\$145.36)	-8.6%
40	16,000	\$3,380.56	\$1,976.80	\$1,403.76	\$3,089.84	\$1,976.80	\$1,113.04	(\$290.72)	-8.6%
75	30,000	\$6,324.06	\$3,706.50	\$2,617.56	\$5,778.96	\$3,706.50	\$2,072.46	(\$545.10)	-8.6%
150	60,000	\$12,631.56	\$7,413.00	\$5,218.56	\$11,541.36	\$7,413.00	\$4,128.36	(\$1,090.20)	-8.6%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.03161	\$0.01344
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-2 Basic Service Customers

Hours Use: 450

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	6,750	\$1,424.51	\$833.96	\$590.55	\$1,301.86	\$833.96	\$467.90	(\$122.65)	-8.6%
20	9,000	\$1,893.81	\$1,111.95	\$781.86	\$1,730.28	\$1,111.95	\$618.33	(\$163.53)	-8.6%
40	18,000	\$3,771.06	\$2,223.90	\$1,547.16	\$3,444.00	\$2,223.90	\$1,220.10	(\$327.06)	-8.7%
75	33,750	\$7,056.26	\$4,169.81	\$2,886.45	\$6,443.02	\$4,169.81	\$2,273.21	(\$613.24)	-8.7%
150	67,500	\$14,095.95	\$8,339.63	\$5,756.32	\$12,869.47	\$8,339.63	\$4,529.84	(\$1,226.48)	-8.7%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.03161	\$0.01344
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-3 Basic Service Customers

Hours Use: 250

**KWh Split:** - On-Peak 55%  
- Off-Peak 45%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Present Rates Basic Service SEMA	Retail Delivery	Total SEMA	Proposed Rates Basic Service SEMA	Retail Delivery	Amount	%
600	150,000	\$30,753.73	\$18,532.50	\$12,221.23	\$28,341.73	\$18,532.50	\$9,809.23	(\$2,412.00)	-7.8%
800	200,000	\$40,938.30	\$24,710.00	\$16,228.30	\$37,722.30	\$24,710.00	\$13,012.30	(\$3,216.00)	-7.9%
1,000	250,000	\$51,122.88	\$30,887.50	\$20,235.38	\$47,102.88	\$30,887.50	\$16,215.38	(\$4,020.00)	-7.9%
1,500	375,000	\$76,584.32	\$46,331.25	\$30,253.07	\$70,554.32	\$46,331.25	\$24,223.07	(\$6,030.00)	-7.9%
3,000	750,000	\$152,968.63	\$92,662.50	\$60,306.13	\$140,908.63	\$92,662.50	\$48,246.13	(\$12,060.00)	-7.9%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$200.00	\$200.00
Distribution Demand Charge	KW x	\$3.92	\$3.92
Distribution Charge: On Peak	KWh x	\$0.01347 (1)	\$0.01347 (2)
Distribution Charge: Off Peak	KWh x	\$0.00594 (1)	\$0.00594 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.02518	\$0.00910
Transition Charge	KWh x	(\$0.00157)	(\$0.00157)
Transmission Charge	KWh x	\$0.02040	\$0.02040
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

- (1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢
- (2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢
- (3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-3 Basic Service Customers

Hours Use: 300

**KWh Split:** - On-Peak 50%  
- Off-Peak 50%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Present Rates Basic Service SEMA	Retail Delivery	Total SEMA	Proposed Rates Basic Service SEMA	Retail Delivery	Amount	%
600	180,000	\$36,326.30	\$22,239.00	\$14,087.30	\$33,431.90	\$22,239.00	\$11,192.90	(\$2,894.40)	-8.0%
800	240,000	\$48,368.40	\$29,652.00	\$18,716.40	\$44,509.20	\$29,652.00	\$14,857.20	(\$3,859.20)	-8.0%
1,000	300,000	\$60,410.50	\$37,065.00	\$23,345.50	\$55,586.50	\$37,065.00	\$18,521.50	(\$4,824.00)	-8.0%
1,500	450,000	\$90,515.75	\$55,597.50	\$34,918.25	\$83,279.75	\$55,597.50	\$27,682.25	(\$7,236.00)	-8.0%
3,000	900,000	\$180,831.50	\$111,195.00	\$69,636.50	\$166,359.50	\$111,195.00	\$55,164.50	(\$14,472.00)	-8.0%

Present Rates

Proposed Rates

Customer Charge		\$200.00		\$200.00
Distribution Demand Charge	KW x	\$3.92		\$3.92
Distribution Charge: On Peak	KWh x	\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x	\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.02518		\$0.00910
Transition Charge	KWh x	(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x	\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x	\$0.00987		\$0.00987
Renewables Charge	KWh x	\$0.00050		\$0.00050

Supplier Services (SEMA)

Basic Service Charge (3)	KWh x	\$0.12355		\$0.12355
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(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢



Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-3 Basic Service Customers

Hours Use: 350

**KWh Split:** - On-Peak 50%  
- Off-Peak 50%

Monthly Power		Present Rates			Proposed Rates			Overall Increase (Decrease)	
KW	KWh	Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	210,000	\$41,955.35	\$25,945.50	\$16,009.85	\$38,578.55	\$25,945.50	\$12,633.05	(\$3,376.80)	-8.0%
800	280,000	\$55,873.80	\$34,594.00	\$21,279.80	\$51,371.40	\$34,594.00	\$16,777.40	(\$4,502.40)	-8.1%
1,000	350,000	\$69,792.25	\$43,242.50	\$26,549.75	\$64,164.25	\$43,242.50	\$20,921.75	(\$5,628.00)	-8.1%
1,500	525,000	\$104,588.38	\$64,863.75	\$39,724.63	\$96,146.38	\$64,863.75	\$31,282.63	(\$8,442.00)	-8.1%
3,000	1,050,000	\$208,976.75	\$129,727.50	\$79,249.25	\$192,092.75	\$129,727.50	\$62,365.25	(\$16,884.00)	-8.1%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$200.00	\$200.00
Distribution Demand Charge	KW x	\$3.92	\$3.92
Distribution Charge: On Peak	KWh x	\$0.01347 (1)	\$0.01347 (2)
Distribution Charge: Off Peak	KWh x	\$0.00594 (1)	\$0.00594 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.02518	\$0.00910
Transition Charge	KWh x	(\$0.00157)	(\$0.00157)
Transmission Charge	KWh x	\$0.02040	\$0.02040
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050

Supplier Services (SEMA)

Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355
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(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-3 Basic Service Customers

Hours Use: 400

**KWh Split:** - On-Peak 45%  
- Off-Peak 55%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Present Rates Basic Service SEMA	Retail Delivery	Total SEMA	Proposed Rates Basic Service SEMA	Retail Delivery	Amount	%
600	240,000	\$47,494.04	\$29,652.00	\$17,842.04	\$43,634.84	\$29,652.00	\$13,982.84	(\$3,859.20)	-8.1%
800	320,000	\$63,258.72	\$39,536.00	\$23,722.72	\$58,113.12	\$39,536.00	\$18,577.12	(\$5,145.60)	-8.1%
1,000	400,000	\$79,023.40	\$49,420.00	\$29,603.40	\$72,591.40	\$49,420.00	\$23,171.40	(\$6,432.00)	-8.1%
1,500	600,000	\$118,435.10	\$74,130.00	\$44,305.10	\$108,787.10	\$74,130.00	\$34,657.10	(\$9,648.00)	-8.1%
3,000	1,200,000	\$236,670.20	\$148,260.00	\$88,410.20	\$217,374.20	\$148,260.00	\$69,114.20	(\$19,296.00)	-8.2%

		Present Rates		Proposed Rates	
Customer Charge		\$200.00		\$200.00	
Distribution Demand Charge	KW x	\$3.92		\$3.92	
Distribution Charge: On Peak	KWh x	\$0.01347 (1)		\$0.01347 (2)	
Distribution Charge: Off Peak	KWh x	\$0.00594 (1)		\$0.00594 (2)	
Cable Facilities Surcharge (summe	KWh x	\$0.02518		\$0.00910	
Transition Charge	KWh x	(\$0.00157)		(\$0.00157)	
Transmission Charge	KWh x	\$0.02040		\$0.02040	
Energy Efficiency Charge	KWh x	\$0.00987		\$0.00987	
Renewables Charge	KWh x	\$0.00050		\$0.00050	
<b>Supplier Services (SEMA)</b>					
Basic Service Charge (3)	KWh x	\$0.12355		\$0.12355	

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-3 Basic Service Customers

Hours Use: 450

**KWh Split:** - On-Peak 45%  
- Off-Peak 55%

Monthly Power		(1)			(2)			(1) vs (2)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	270,000	\$53,111.80	\$33,358.50	\$19,753.30	\$48,770.20	\$33,358.50	\$15,411.70	(\$4,341.60)	-8.2%
800	360,000	\$70,749.06	\$44,478.00	\$26,271.06	\$64,960.26	\$44,478.00	\$20,482.26	(\$5,788.80)	-8.2%
1,000	450,000	\$88,386.33	\$55,597.50	\$32,788.83	\$81,150.33	\$55,597.50	\$25,552.83	(\$7,236.00)	-8.2%
1,500	675,000	\$132,479.49	\$83,396.25	\$49,083.24	\$121,625.49	\$83,396.25	\$38,229.24	(\$10,854.00)	-8.2%
3,000	1,350,000	\$264,758.98	\$166,792.50	\$97,966.48	\$243,050.98	\$166,792.50	\$76,258.48	(\$21,708.00)	-8.2%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$200.00	\$200.00
Distribution Demand Charge	KW x	\$3.92	\$3.92
Distribution Charge: On Peak	KWh x	\$0.01347 (1)	\$0.01347 (2)
Distribution Charge: Off Peak	KWh x	\$0.00594 (1)	\$0.00594 (2)
Cable Facilities Surcharge (summe	KWh x	\$0.02518	\$0.00910
Transition Charge	KWh x	(\$0.00157)	(\$0.00157)
Transmission Charge	KWh x	\$0.02040	\$0.02040
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Summer Bill

Impact on G-3 Basic Service Customers

Hours Use: 500

**KWh Split:** - On-Peak 45%  
- Off-Peak 55%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	300,000	\$58,729.55	\$37,065.00	\$21,664.55	\$53,905.55	\$37,065.00	\$16,840.55	(\$4,824.00)	-8.2%
800	400,000	\$78,239.40	\$49,420.00	\$28,819.40	\$71,807.40	\$49,420.00	\$22,387.40	(\$6,432.00)	-8.2%
1,000	500,000	\$97,749.25	\$61,775.00	\$35,974.25	\$89,709.25	\$61,775.00	\$27,934.25	(\$8,040.00)	-8.2%
1,500	750,000	\$146,523.88	\$92,662.50	\$53,861.38	\$134,463.88	\$92,662.50	\$41,801.38	(\$12,060.00)	-8.2%
3,000	1,500,000	\$292,847.75	\$185,325.00	\$107,522.75	\$268,727.75	\$185,325.00	\$83,402.75	(\$24,120.00)	-8.2%

		<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge			\$200.00		\$200.00
Distribution Demand Charge	KW x		\$3.92		\$3.92
Distribution Charge: On Peak	KWh x		\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x		\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (summe	KWh x		\$0.02518		\$0.00910
Transition Charge	KWh x		(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x		\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Annual Typical Bill

Impact on S-5 Basic Service Customers  
(Street & Area Lighting - Customer Owned Equipment)

Luminaire Type	Description	Annual KWh	(1)			(2)			(1) vs (2)	
			Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
Incandescent	LUM INC RWY 105W	438	\$92.51	\$55.27	\$37.24	\$91.11	\$55.27	\$35.84	(\$1.40)	-1.5%
Incandescent	LUM INC RWY 205W	856	\$180.79	\$108.02	\$72.77	\$178.05	\$108.02	\$70.03	(\$2.74)	-1.5%
Mercury Vapor	LUM MV POST 100W	543	\$114.68	\$68.52	\$46.16	\$112.95	\$68.52	\$44.43	(\$1.73)	-1.5%
Mercury Vapor	LUM MV POST 175W	881	\$186.06	\$111.17	\$74.89	\$183.25	\$111.17	\$72.08	(\$2.81)	-1.5%
Mercury Vapor	LUM MV RWY 100W	543	\$114.68	\$68.52	\$46.16	\$112.95	\$68.52	\$44.43	(\$1.73)	-1.5%
Mercury Vapor	LUM MV RWY 175W	881	\$186.06	\$111.17	\$74.89	\$183.25	\$111.17	\$72.08	(\$2.81)	-1.5%
Mercury Vapor	LUM MV RWY 400W	1,991	\$420.48	\$251.24	\$169.24	\$414.13	\$251.24	\$162.89	(\$6.35)	-1.5%
Mercury Vapor	LUM MV RWY 1000W	4,572	\$965.58	\$576.94	\$388.64	\$950.99	\$576.94	\$374.05	(\$14.59)	-1.5%
Mercury Vapor	LUM MV RWY 250W	1,282	\$270.74	\$161.78	\$108.96	\$266.65	\$161.78	\$104.87	(\$4.09)	-1.5%
Mercury Vapor	LUM MV FLD 400W	1,991	\$420.48	\$251.24	\$169.24	\$414.13	\$251.24	\$162.89	(\$6.35)	-1.5%
Mercury Vapor	LUM MV FLD 1000W	4,572	\$965.58	\$576.94	\$388.64	\$950.99	\$576.94	\$374.05	(\$14.59)	-1.5%
Sodium Vapor	LUM HPS POST 50W	255	\$53.86	\$32.18	\$21.68	\$53.05	\$32.18	\$20.87	(\$0.81)	-1.5%
Sodium Vapor	LUM HPS POST 100W	359	\$75.81	\$45.30	\$30.51	\$74.66	\$45.30	\$29.36	(\$1.15)	-1.5%
Sodium Vapor	LUM HPS RWY 50W	255	\$53.86	\$32.18	\$21.68	\$53.05	\$32.18	\$20.87	(\$0.81)	-1.5%
Sodium Vapor	LUM HPS RWY 70W	359	\$75.81	\$45.30	\$30.51	\$74.66	\$45.30	\$29.36	(\$1.15)	-1.5%
Sodium Vapor	LUM HPS RWY 100W	493	\$104.12	\$62.21	\$41.91	\$102.54	\$62.21	\$40.33	(\$1.58)	-1.5%
Sodium Vapor	LUM HPS RWY 150W	722	\$152.48	\$91.11	\$61.37	\$150.18	\$91.11	\$59.07	(\$2.30)	-1.5%
Sodium Vapor	LUM HPS RWY 250W	1,269	\$268.01	\$160.14	\$107.87	\$263.96	\$160.14	\$103.82	(\$4.05)	-1.5%
Sodium Vapor	LUM HPS RWY 400W	1,962	\$414.34	\$247.58	\$166.76	\$408.08	\$247.58	\$160.50	(\$6.26)	-1.5%
Sodium Vapor	LUM HPS RWY 1000W	4,618	\$975.29	\$582.75	\$392.54	\$960.56	\$582.75	\$377.81	(\$14.73)	-1.5%
Sodium Vapor	LUM HPS FLD 250W	1,269	\$268.01	\$160.14	\$107.87	\$263.96	\$160.14	\$103.82	(\$4.05)	-1.5%
Sodium Vapor	LUM HPS FLD 400W	1,962	\$414.34	\$247.58	\$166.76	\$408.08	\$247.58	\$160.50	(\$6.26)	-1.5%
Sodium Vapor	WALL HPS 250W 12HR	1,332	\$281.32	\$168.09	\$113.23	\$277.07	\$168.09	\$108.98	(\$4.25)	-1.5%
Sodium Vapor	WALL HPS 250W 24HR	2,663	\$562.39	\$336.04	\$226.35	\$553.90	\$336.04	\$217.86	(\$8.49)	-1.5%
Metal Halide	LUM MH FLD 400W	1,883	\$397.67	\$237.62	\$160.05	\$391.67	\$237.62	\$154.05	(\$6.00)	-1.5%
Light Emitting Diode (LED)	(LUM LED 25W)	104	\$21.96	\$13.12	\$8.84	\$21.63	\$13.12	\$8.51	(\$0.33)	-1.5%
Light Emitting Diode (LED)	(LUM LED 75W)	313	\$66.11	\$39.50	\$26.61	\$65.11	\$39.50	\$25.61	(\$1.00)	-1.5%
Light Emitting Diode (LED)	(LUM LED 125W)	522	\$110.23	\$65.87	\$44.36	\$108.57	\$65.87	\$42.70	(\$1.66)	-1.5%
Light Emitting Diode (LED)	(LUM LED 175W)	731	\$154.37	\$92.24	\$62.13	\$152.04	\$92.24	\$59.80	(\$2.33)	-1.5%
Light Emitting Diode (LED)	(LUM LED 225W)	939	\$198.31	\$118.49	\$79.82	\$195.31	\$118.49	\$76.82	(\$3.00)	-1.5%
Light Emitting Diode (LED)	(LUM LED 275W)	1,148	\$242.45	\$144.87	\$97.58	\$238.78	\$144.87	\$93.91	(\$3.67)	-1.5%

	Present Rates	Proposed Rates
Distribution Charge	KWh x \$0.04365 (1)	\$0.04365 (2)
Transition Charge	KWh x (\$0.00172)	(\$0.00172)
Transmission Charge	KWh x \$0.02725	\$0.02725
Energy Efficiency Charge	KWh x \$0.00987	\$0.00987
Renewables Charge	KWh x \$0.00050	\$0.00050
Cable Facilities Surcharge (winter)	KWh x \$0.00545	\$0.00226

Supplier Services

Basic Service Charge (3)	KWh x \$0.12619	\$0.12619
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(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 1.398¢, Basic Service Adjustment Factor -0.058¢, Residential Assistance Adjustment Factor 0.27¢, Storm Recovery Adjustment Factor 0¢, Storm

(3) Includes: Basic Service Administrative Cost Factor 0.175¢, and Smart Grid Customer Cost Adjustment Factor 0.162¢



Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on R-1 Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
125	\$31.99	\$16.30	\$15.69	\$31.06	\$16.30	\$14.76	(\$0.93)	-2.9%
250	\$60.00	\$32.60	\$27.40	\$58.14	\$32.60	\$25.54	(\$1.86)	-3.1%
500	\$115.97	\$65.19	\$50.78	\$112.27	\$65.19	\$47.08	(\$3.70)	-3.2%
600	\$138.35	\$78.23	\$60.12	\$133.91	\$78.23	\$55.68	(\$4.44)	-3.2%
750	\$172.96	\$97.79	\$75.17	\$167.40	\$97.79	\$69.61	(\$5.56)	-3.2%
1,000	\$230.58	\$130.38	\$100.20	\$223.17	\$130.38	\$92.79	(\$7.41)	-3.2%
1,250	\$288.23	\$162.98	\$125.25	\$278.96	\$162.98	\$115.98	(\$9.27)	-3.2%
1,500	\$345.85	\$195.57	\$150.28	\$334.74	\$195.57	\$139.17	(\$11.11)	-3.2%
2,000	\$461.13	\$260.76	\$200.37	\$446.31	\$260.76	\$185.55	(\$14.82)	-3.2%

	<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$ 4.00		\$ 4.00
Distribution Charge - First 600 kWh	KWh x	\$0.03977 (1)		\$0.03977 (2)
Distribution Charge - In Excess of 600 kWh	KWh x	\$0.04639 (1)		\$0.04639 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.01254		\$0.00513
Transition Charge	KWh x	(\$0.00164)		(\$0.00164)
Transmission Charge	KWh x	\$0.02614		\$0.02614
Energy Efficiency Charge	KWh x	\$0.01624		\$0.01624
Renewables Charge	KWh x	\$0.00050		\$0.00050

Supplier Services

Basic Service Charge (3)	KWh x	\$0.13038		\$0.13038
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(1) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(2) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.326¢, and Smart Grid Customer Cost Adjustment Factor 0.168¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on R-2 Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
50	\$10.86	\$6.52	\$4.34	\$10.58	\$6.52	\$4.06	(\$0.28)	-2.6%
100	\$18.73	\$13.04	\$5.69	\$18.14	\$13.04	\$5.10	(\$0.59)	-3.2%
150	\$26.59	\$19.56	\$7.03	\$25.72	\$19.56	\$6.16	(\$0.87)	-3.3%
250	\$42.31	\$32.60	\$9.71	\$40.85	\$32.60	\$8.25	(\$1.46)	-3.5%
300	\$50.16	\$39.11	\$11.05	\$48.42	\$39.11	\$9.31	(\$1.74)	-3.5%
500	\$81.61	\$65.19	\$16.42	\$78.71	\$65.19	\$13.52	(\$2.90)	-3.6%
600	\$97.33	\$78.23	\$19.10	\$93.84	\$78.23	\$15.61	(\$3.49)	-3.6%
750	\$121.66	\$97.79	\$23.87	\$117.30	\$97.79	\$19.51	(\$4.36)	-3.6%

	Present Rates	Proposed Rates
Customer Charge	\$ 4.00	\$ 4.00
Distribution Charge - First 600 kWh	KWh x \$0.03977 (1)	\$0.03977 (2)
Distribution Charge - In Excess of 600 kWh	KWh x \$0.04639 (1)	\$0.04639 (2)
Cable Facilities Surcharge (winter)	KWh x \$0.01091	\$0.00317
Transition Charge	KWh x (\$0.00164)	(\$0.00164)
Transmission Charge	KWh x \$0.02614	\$0.02614
Energy Efficiency Charge	KWh x \$0.00355	\$0.00355
Renewables Charge	KWh x \$0.00050	\$0.00050
Discount	25.00%	25.00%

Supplier Services

Basic Service Charge (3)	KWh x	\$0.13038	\$0.13038
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(1) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(2) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.326¢, and Smart Grid Customer Cost Adjustment Factor 0.168¢



Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on E Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery (4)	Overall Increase (Decrease) Amount	%
125	\$31.48	\$16.30	\$15.18	\$27.89	\$16.30	\$11.59	(\$3.59)	-11.4%
250	\$58.97	\$32.60	\$26.37	\$55.80	\$32.60	\$23.20	(\$3.17)	-5.4%
500	\$113.92	\$65.19	\$48.73	\$111.58	\$65.19	\$46.39	(\$2.34)	-2.1%
600	\$135.89	\$78.23	\$57.66	\$133.88	\$78.23	\$55.65	(\$2.01)	-1.5%
750	\$169.88	\$97.79	\$72.09	\$167.37	\$97.79	\$69.58	(\$2.51)	-1.5%
1,000	\$226.48	\$130.38	\$96.10	\$223.14	\$130.38	\$92.76	(\$3.34)	-1.5%
1,250	\$283.10	\$162.98	\$120.12	\$278.93	\$162.98	\$115.95	(\$4.17)	-1.5%
1,500	\$339.70	\$195.57	\$144.13	\$334.71	\$195.57	\$139.14	(\$4.99)	-1.5%
2,000	\$452.93	\$260.76	\$192.17	\$446.28	\$260.76	\$185.52	(\$6.65)	-1.5%

	<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge	\$	4.00	\$	-
Distribution Charge - First 600 kWh	KWh x	\$0.03977 (1)		\$0.03977 (2)
Distribution Charge - In Excess of 600 kWh	KWh x	\$0.04639 (1)		\$0.04639 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.00844		\$0.00513
Transition Charge	KWh x	(\$0.00164)		(\$0.00164)
Transmission Charge	KWh x	\$0.02614		\$0.02614
Energy Efficiency Charge	KWh x	\$0.01624		\$0.01624
Renewables Charge	KWh x	\$0.00050		\$0.00050

Supplier Services

Basic Service Charge (3)	KWh x	\$0.13038		\$0.13038
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(1) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(2) Includes: CapEx Factor 0.223¢, Basic Service Adjustment Factor -0.084¢, Residential Assistance Adjustment Factor 0.391¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.266¢, Pension/PBOP Adjustment Factor 0.244¢, RDM Adjustment Factor 0.179¢, Attorney General Consultant Expense Factor 0.001¢, Solar Cost Adjustment Factor 0.007¢, and Smart Grid Distribution Adjustment Factor 0.023¢

(3) Includes: Basic Service Administrative Cost Factor 0.326¢, and Smart Grid Customer Cost Adjustment Factor 0.168¢

(4) For purposes of bill impact analysis assumes all kWh are in excess of 600 kWh

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-1 Basic Service Customers

Monthly KWh	(1)			(2)			(1) vs (2)	
	Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
50	\$21.20	\$6.31	\$14.89	\$20.60	\$6.31	\$14.29	(\$0.60)	-2.8%
100	\$32.41	\$12.62	\$19.79	\$31.20	\$12.62	\$18.58	(\$1.21)	-3.7%
250	\$66.00	\$31.55	\$34.45	\$62.98	\$31.55	\$31.43	(\$3.02)	-4.6%
500	\$122.01	\$63.10	\$58.91	\$115.97	\$63.10	\$52.87	(\$6.04)	-5.0%
1,500	\$345.99	\$189.29	\$156.70	\$327.87	\$189.29	\$138.58	(\$18.12)	-5.2%
2,500	\$578.83	\$315.48	\$263.35	\$548.63	\$315.48	\$233.15	(\$30.20)	-5.2%
5,000	\$1,183.06	\$630.95	\$552.11	\$1,122.66	\$630.95	\$491.71	(\$60.40)	-5.1%
7,500	\$1,787.33	\$946.43	\$840.90	\$1,696.73	\$946.43	\$750.30	(\$90.60)	-5.1%

	Present Rates	Proposed Rates
Customer Charge	\$ 10.00	\$ 10.00
Distribution Charge - First 2000 kWh	KWh x \$0.04551 (1)	\$0.04551 (2)
Distribution Charge - In Excess of 2000 kWh	KWh x \$0.06323 (1)	\$0.06323 (2)
Cable Facilities Surcharge (winter)	KWh x \$0.02069	\$0.00861
Transition Charge	KWh x (\$0.00154)	(\$0.00154)
Transmission Charge	KWh x \$0.02276	\$0.02276
Energy Efficiency Charge	KWh x \$0.00987	\$0.00987
Renewables Charge	KWh x \$0.00050	\$0.00050

Supplier Services

Basic Service Charge (3)	KWh x	\$0.12619	\$0.12619
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(1) Includes: CapEx Factor 0.202¢, Basic Service Adjustment Factor -0.12¢, Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.359¢, Pension/PBOP Adjustment Factor 0.231¢, RDM Adjustment Factor 0.256¢, Attorney General Consultant Expense Factor 0.002¢, Solar Cost Adjustment Factor 0.011¢, and Smart Grid Distribution Adjustment Factor 0.033¢

(2) Includes: CapEx Factor 0.202¢, Basic Service Adjustment Factor -0.12¢, Residential Assistance Adjustment Factor 0.557¢, Storm Recovery Adjustment Factor

(3) Includes: Basic Service Administrative Cost Factor 0.175¢, and Smart Grid Customer Cost Adjustment Factor 0.162¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-2 Basic Service Customers

Hours Use: 200

		/----- (1) -----/			/----- (2) -----/			(1) vs (2)	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	3,000	\$672.78	\$370.65	\$302.13	\$628.95	\$370.65	\$258.30	(\$43.83)	-6.5%
20	4,000	\$891.52	\$494.20	\$397.32	\$833.08	\$494.20	\$338.88	(\$58.44)	-6.6%
40	8,000	\$1,766.48	\$988.40	\$778.08	\$1,649.60	\$988.40	\$661.20	(\$116.88)	-6.6%
75	15,000	\$3,297.66	\$1,853.25	\$1,444.41	\$3,078.51	\$1,853.25	\$1,225.26	(\$219.15)	-6.6%
150	30,000	\$6,578.76	\$3,706.50	\$2,872.26	\$6,140.46	\$3,706.50	\$2,433.96	(\$438.30)	-6.7%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.02510	\$0.01049
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-2 Basic Service Customers

Hours Use: 250

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	3,750	\$814.35	\$463.31	\$351.04	\$759.56	\$463.31	\$296.25	(\$54.79)	-6.7%
20	5,000	\$1,080.26	\$617.75	\$462.51	\$1,007.21	\$617.75	\$389.46	(\$73.05)	-6.8%
40	10,000	\$2,143.96	\$1,235.50	\$908.46	\$1,997.86	\$1,235.50	\$762.36	(\$146.10)	-6.8%
75	18,750	\$4,005.45	\$2,316.56	\$1,688.89	\$3,731.51	\$2,316.56	\$1,414.95	(\$273.94)	-6.8%
150	37,500	\$7,994.32	\$4,633.13	\$3,361.19	\$7,446.45	\$4,633.13	\$2,813.32	(\$547.87)	-6.9%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.02510	\$0.01049
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-2 Basic Service Customers

Hours Use: 300

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	4,500	\$955.90	\$555.98	\$399.92	\$890.16	\$555.98	\$334.18	(\$65.74)	-6.9%
20	6,000	\$1,269.00	\$741.30	\$527.70	\$1,181.34	\$741.30	\$440.04	(\$87.66)	-6.9%
40	12,000	\$2,521.44	\$1,482.60	\$1,038.84	\$2,346.12	\$1,482.60	\$863.52	(\$175.32)	-7.0%
75	22,500	\$4,713.22	\$2,779.88	\$1,933.34	\$4,384.50	\$2,779.88	\$1,604.62	(\$328.72)	-7.0%
150	45,000	\$9,409.86	\$5,559.75	\$3,850.11	\$8,752.41	\$5,559.75	\$3,192.66	(\$657.45)	-7.0%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.02510	\$0.01049
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-2 Basic Service Customers

Hours Use: 350

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	5,250	\$1,097.46	\$648.64	\$448.82	\$1,020.75	\$648.64	\$372.11	(\$76.71)	-7.0%
20	7,000	\$1,457.74	\$864.85	\$592.89	\$1,355.47	\$864.85	\$490.62	(\$102.27)	-7.0%
40	14,000	\$2,898.92	\$1,729.70	\$1,169.22	\$2,694.38	\$1,729.70	\$964.68	(\$204.54)	-7.1%
75	26,250	\$5,421.00	\$3,243.19	\$2,177.81	\$5,037.48	\$3,243.19	\$1,794.29	(\$383.52)	-7.1%
150	52,500	\$10,825.42	\$6,486.38	\$4,339.04	\$10,058.40	\$6,486.38	\$3,572.02	(\$767.02)	-7.1%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.02510	\$0.01049
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-2 Basic Service Customers

Hours Use: 400

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	6,000	\$1,239.00	\$741.30	\$497.70	\$1,151.34	\$741.30	\$410.04	(\$87.66)	-7.1%
20	8,000	\$1,646.48	\$988.40	\$658.08	\$1,529.60	\$988.40	\$541.20	(\$116.88)	-7.1%
40	16,000	\$3,276.40	\$1,976.80	\$1,299.60	\$3,042.64	\$1,976.80	\$1,065.84	(\$233.76)	-7.1%
75	30,000	\$6,128.76	\$3,706.50	\$2,422.26	\$5,690.46	\$3,706.50	\$1,983.96	(\$438.30)	-7.2%
150	60,000	\$12,240.96	\$7,413.00	\$4,827.96	\$11,364.36	\$7,413.00	\$3,951.36	(\$876.60)	-7.2%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$16.56	\$16.56
Distribution Demand Charge	KW x	\$6.00	\$6.00
Distribution Charge	KWh x	\$0.00906 (1)	\$0.00906 (2)
Cable Facilities Surcharge (winter)	KWh x	\$0.02510	\$0.01049
Transition Charge	KWh x	(\$0.00163)	(\$0.00163)
Transmission Charge	KWh x	\$0.02229	\$0.02229
Energy Efficiency Charge	KWh x	\$0.00987	\$0.00987
Renewables Charge	KWh x	\$0.00050	\$0.00050
<u>Supplier Services (SEMA)</u>			
Basic Service Charge (3)	KWh x	\$0.12355	\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-2 Basic Service Customers

Hours Use: 450

		/----- (1) -----/			/----- (2) -----/			/----- (1) vs (2) -----/	
Monthly Power KW	KWh	Present Rates			Proposed Rates			Overall Increase (Decrease)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
15	6,750	\$1,380.57	\$833.96	\$546.61	\$1,281.95	\$833.96	\$447.99	(\$98.62)	-7.1%
20	9,000	\$1,835.22	\$1,111.95	\$723.27	\$1,703.73	\$1,111.95	\$591.78	(\$131.49)	-7.2%
40	18,000	\$3,653.88	\$2,223.90	\$1,429.98	\$3,390.90	\$2,223.90	\$1,167.00	(\$262.98)	-7.2%
75	33,750	\$6,836.55	\$4,169.81	\$2,666.74	\$6,343.46	\$4,169.81	\$2,173.65	(\$493.09)	-7.2%
150	67,500	\$13,656.52	\$8,339.63	\$5,316.89	\$12,670.35	\$8,339.63	\$4,330.72	(\$986.17)	-7.2%

		Present Rates		Proposed Rates	
Customer Charge			\$16.56		\$16.56
Distribution Demand Charge	KW x		\$6.00		\$6.00
Distribution Charge	KWh x		\$0.00906 (1)		\$0.00906 (2)
Cable Facilities Surcharge (winter)	KWh x		\$0.02510		\$0.01049
Transition Charge	KWh x		(\$0.00163)		(\$0.00163)
Transmission Charge	KWh x		\$0.02229		\$0.02229
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.168¢, Pension/PBOP Adjustment Factor 0.149¢, RDM Adjustment Factor 0.119¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.005¢, and Smart Grid Distribution Adjustment Factor 0.015¢

(2) Includes: CapEx Factor 0.168¢, Basic Service Adjustment Factor -0.055¢, Residential Assistance Adjustment Factor 0.259¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢



Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-3 Basic Service Customers

Hours Use: 250

**KWh Split:** - On-Peak 55%  
- Off-Peak 45%

Monthly Power KW      KWh		(1)			(2)			(1) vs (2)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	150,000	\$30,017.23	\$18,532.50	\$11,484.73	\$28,029.73	\$18,532.50	\$9,497.23	(\$1,987.50)	-6.6%
800	200,000	\$39,956.30	\$24,710.00	\$15,246.30	\$37,306.30	\$24,710.00	\$12,596.30	(\$2,650.00)	-6.6%
1,000	250,000	\$49,895.38	\$30,887.50	\$19,007.88	\$46,582.88	\$30,887.50	\$15,695.38	(\$3,312.50)	-6.6%
1,500	375,000	\$74,743.07	\$46,331.25	\$28,411.82	\$69,774.32	\$46,331.25	\$23,443.07	(\$4,968.75)	-6.6%
3,000	750,000	\$149,286.13	\$92,662.50	\$56,623.63	\$139,348.63	\$92,662.50	\$46,686.13	(\$9,937.50)	-6.7%

		<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$	200.00	\$	200.00
Distribution Demand Charge	KW x		\$3.92		\$3.92
Distribution Charge: On Peak	KWh x		\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x		\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (winter)	KWh x		\$0.02027		\$0.00702
Transition Charge	KWh x		(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x		\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-3 Basic Service Customers

Hours Use: 300

**KWh Split:** - On-Peak 50%  
- Off-Peak 50%

Monthly Power		Present Rates			Proposed Rates			Overall Increase (Decrease)	
KW	KWh	Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	180,000	\$35,442.50	\$22,239.00	\$13,203.50	\$33,057.50	\$22,239.00	\$10,818.50	(\$2,385.00)	-6.7%
800	240,000	\$47,190.00	\$29,652.00	\$17,538.00	\$44,010.00	\$29,652.00	\$14,358.00	(\$3,180.00)	-6.7%
1,000	300,000	\$58,937.50	\$37,065.00	\$21,872.50	\$54,962.50	\$37,065.00	\$17,897.50	(\$3,975.00)	-6.7%
1,500	450,000	\$88,306.25	\$55,597.50	\$32,708.75	\$82,343.75	\$55,597.50	\$26,746.25	(\$5,962.50)	-6.8%
3,000	900,000	\$176,412.50	\$111,195.00	\$65,217.50	\$164,487.50	\$111,195.00	\$53,292.50	(\$11,925.00)	-6.8%

		<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$	200.00	\$	200.00
Distribution Demand Charge	KW x		\$3.92		\$3.92
Distribution Charge: On Peak	KWh x		\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x		\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (winter)	KWh x		\$0.02027		\$0.00702
Transition Charge	KWh x		(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x		\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-3 Basic Service Customers

Hours Use: 350

**KWh Split:** - On-Peak 50%  
- Off-Peak 50%

Monthly Power		(1)			(2)			(1) vs (2)	
		Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	210,000	\$40,924.25	\$25,945.50	\$14,978.75	\$38,141.75	\$25,945.50	\$12,196.25	(\$2,782.50)	-6.8%
800	280,000	\$54,499.00	\$34,594.00	\$19,905.00	\$50,789.00	\$34,594.00	\$16,195.00	(\$3,710.00)	-6.8%
1,000	350,000	\$68,073.75	\$43,242.50	\$24,831.25	\$63,436.25	\$43,242.50	\$20,193.75	(\$4,637.50)	-6.8%
1,500	525,000	\$102,010.63	\$64,863.75	\$37,146.88	\$95,054.38	\$64,863.75	\$30,190.63	(\$6,956.25)	-6.8%
3,000	1,050,000	\$203,821.25	\$129,727.50	\$74,093.75	\$189,908.75	\$129,727.50	\$60,181.25	(\$13,912.50)	-6.8%

		<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$	200.00	\$	200.00
Distribution Demand Charge	KW x		\$3.92		\$3.92
Distribution Charge: On Peak	KWh x		\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x		\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (winter	KWh x		\$0.02027		\$0.00702
Transition Charge	KWh x		(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x		\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-3 Basic Service Customers

Hours Use: 400

**KWh Split:** - On-Peak 45%  
- Off-Peak 55%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	240,000	\$46,315.64	\$29,652.00	\$16,663.64	\$43,135.64	\$29,652.00	\$13,483.64	(\$3,180.00)	-6.9%
800	320,000	\$61,687.52	\$39,536.00	\$22,151.52	\$57,447.52	\$39,536.00	\$17,911.52	(\$4,240.00)	-6.9%
1,000	400,000	\$77,059.40	\$49,420.00	\$27,639.40	\$71,759.40	\$49,420.00	\$22,339.40	(\$5,300.00)	-6.9%
1,500	600,000	\$115,489.10	\$74,130.00	\$41,359.10	\$107,539.10	\$74,130.00	\$33,409.10	(\$7,950.00)	-6.9%
3,000	1,200,000	\$230,778.20	\$148,260.00	\$82,518.20	\$214,878.20	\$148,260.00	\$66,618.20	(\$15,900.00)	-6.9%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$ 200.00	\$ 200.00
Distribution Demand Charge	KW x \$3.92	\$3.92
Distribution Charge: On Peak	KWh x \$0.01347 (1)	\$0.01347 (2)
Distribution Charge: Off Peak	KWh x \$0.00594 (1)	\$0.00594 (2)
Cable Facilities Surcharge (winter)	KWh x \$0.02027	\$0.00702
Transition Charge	KWh x (\$0.00157)	(\$0.00157)
Transmission Charge	KWh x \$0.02040	\$0.02040
Energy Efficiency Charge	KWh x \$0.00987	\$0.00987
Renewables Charge	KWh x \$0.00050	\$0.00050

Supplier Services (SEMA)

Basic Service Charge (3)	KWh x \$0.12355	\$0.12355
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(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-3 Basic Service Customers

Hours Use: 450

**KWh Split:** - On-Peak 45%  
- Off-Peak 55%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	270,000	\$51,786.10	\$33,358.50	\$18,427.60	\$48,208.60	\$33,358.50	\$14,850.10	(\$3,577.50)	-6.9%
800	360,000	\$68,981.46	\$44,478.00	\$24,503.46	\$64,211.46	\$44,478.00	\$19,733.46	(\$4,770.00)	-6.9%
1,000	450,000	\$86,176.83	\$55,597.50	\$30,579.33	\$80,214.33	\$55,597.50	\$24,616.83	(\$5,962.50)	-6.9%
1,500	675,000	\$129,165.24	\$83,396.25	\$45,768.99	\$120,221.49	\$83,396.25	\$36,825.24	(\$8,943.75)	-6.9%
3,000	1,350,000	\$258,130.48	\$166,792.50	\$91,337.98	\$240,242.98	\$166,792.50	\$73,450.48	(\$17,887.50)	-6.9%

		<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$	200.00	\$	200.00
Distribution Demand Charge	KW x		\$3.92		\$3.92
Distribution Charge: On Peak	KWh x		\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x		\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (winter)	KWh x		\$0.02027		\$0.00702
Transition Charge	KWh x		(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x		\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Monthly Typical Winter Bill

Impact on G-3 Basic Service Customers

Hours Use: 500

**KWh Split:** - On-Peak 45%  
- Off-Peak 55%

Monthly Power		(1)			(2)			(1) vs (2)	
KW	KWh	Total SEMA	Basic Service SEMA	Retail Delivery	Total SEMA	Basic Service SEMA	Retail Delivery	Amount	%
600	300,000	\$57,256.55	\$37,065.00	\$20,191.55	\$53,281.55	\$37,065.00	\$16,216.55	(\$3,975.00)	-6.9%
800	400,000	\$76,275.40	\$49,420.00	\$26,855.40	\$70,975.40	\$49,420.00	\$21,555.40	(\$5,300.00)	-6.9%
1,000	500,000	\$95,294.25	\$61,775.00	\$33,519.25	\$88,669.25	\$61,775.00	\$26,894.25	(\$6,625.00)	-7.0%
1,500	750,000	\$142,841.38	\$92,662.50	\$50,178.88	\$132,903.88	\$92,662.50	\$40,241.38	(\$9,937.50)	-7.0%
3,000	1,500,000	\$285,482.75	\$185,325.00	\$100,157.75	\$265,607.75	\$185,325.00	\$80,282.75	(\$19,875.00)	-7.0%

		<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$	200.00	\$	200.00
Distribution Demand Charge	KW x		\$3.92		\$3.92
Distribution Charge: On Peak	KWh x		\$0.01347 (1)		\$0.01347 (2)
Distribution Charge: Off Peak	KWh x		\$0.00594 (1)		\$0.00594 (2)
Cable Facilities Surcharge (winter)	KWh x		\$0.02027		\$0.00702
Transition Charge	KWh x		(\$0.00157)		(\$0.00157)
Transmission Charge	KWh x		\$0.02040		\$0.02040
Energy Efficiency Charge	KWh x		\$0.00987		\$0.00987
Renewables Charge	KWh x		\$0.00050		\$0.00050
<u>Supplier Services (SEMA)</u>					
Basic Service Charge (3)	KWh x		\$0.12355		\$0.12355

(1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢

(2) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment

(3) Includes: Basic Service Administrative Cost Factor 0.12¢, and Smart Grid Customer Cost Adjustment Factor 0.194¢

Nantucket Electric Company  
Proposed January 1, 2016 Cable Facility Surcharge  
Calculation of Annual Typical Bill

Impact on S-5 Basic Service Customers  
(Street & Area Lighting - Customer Owned Equipment)

Luminaire Type	Description	Annual KWh	(1)			(2)			(1) vs (2)	
			Total	Present Rates Basic Service	Retail Delivery	Total	Proposed Rates Basic Service	Retail Delivery	Amount	%
Incandescent	LUM INC RWY 105W	438	\$92.51	\$55.27	\$37.24	\$91.11	\$55.27	\$35.84	(\$1.40)	-1.5%
Incandescent	LUM INC RWY 205W	856	\$180.79	\$108.02	\$72.77	\$178.05	\$108.02	\$70.03	(\$2.74)	-1.5%
Mercury Vapor	LUM MV POST 100W	543	\$114.68	\$68.52	\$46.16	\$112.95	\$68.52	\$44.43	(\$1.73)	-1.5%
Mercury Vapor	LUM MV POST 175W	881	\$186.06	\$111.17	\$74.89	\$183.25	\$111.17	\$72.08	(\$2.81)	-1.5%
Mercury Vapor	LUM MV RWY 100W	543	\$114.68	\$68.52	\$46.16	\$112.95	\$68.52	\$44.43	(\$1.73)	-1.5%
Mercury Vapor	LUM MV RWY 175W	881	\$186.06	\$111.17	\$74.89	\$183.25	\$111.17	\$72.08	(\$2.81)	-1.5%
Mercury Vapor	LUM MV RWY 400W	1,991	\$420.48	\$251.24	\$169.24	\$414.13	\$251.24	\$162.89	(\$6.35)	-1.5%
Mercury Vapor	LUM MV RWY 1000W	4,572	\$965.58	\$576.94	\$388.64	\$950.99	\$576.94	\$374.05	(\$14.59)	-1.5%
Mercury Vapor	LUM MV RWY 250W	1,282	\$270.74	\$161.78	\$108.96	\$266.65	\$161.78	\$104.87	(\$4.09)	-1.5%
Mercury Vapor	LUM MV FLD 400W	1,991	\$420.48	\$251.24	\$169.24	\$414.13	\$251.24	\$162.89	(\$6.35)	-1.5%
Mercury Vapor	LUM MV FLD 1000W	4,572	\$965.58	\$576.94	\$388.64	\$950.99	\$576.94	\$374.05	(\$14.59)	-1.5%
Sodium Vapor	LUM HPS POST 50W	255	\$53.86	\$32.18	\$21.68	\$53.05	\$32.18	\$20.87	(\$0.81)	-1.5%
Sodium Vapor	LUM HPS POST 100W	359	\$75.81	\$45.30	\$30.51	\$74.66	\$45.30	\$29.36	(\$1.15)	-1.5%
Sodium Vapor	LUM HPS RWY 50W	255	\$53.86	\$32.18	\$21.68	\$53.05	\$32.18	\$20.87	(\$0.81)	-1.5%
Sodium Vapor	LUM HPS RWY 70W	359	\$75.81	\$45.30	\$30.51	\$74.66	\$45.30	\$29.36	(\$1.15)	-1.5%
Sodium Vapor	LUM HPS RWY 100W	493	\$104.12	\$62.21	\$41.91	\$102.54	\$62.21	\$40.33	(\$1.58)	-1.5%
Sodium Vapor	LUM HPS RWY 150W	722	\$152.48	\$91.11	\$61.37	\$150.18	\$91.11	\$59.07	(\$2.30)	-1.5%
Sodium Vapor	LUM HPS RWY 250W	1,269	\$268.01	\$160.14	\$107.87	\$263.96	\$160.14	\$103.82	(\$4.05)	-1.5%
Sodium Vapor	LUM HPS RWY 400W	1,962	\$414.34	\$247.58	\$166.76	\$408.08	\$247.58	\$160.50	(\$6.26)	-1.5%
Sodium Vapor	LUM HPS RWY 1000W	4,618	\$975.29	\$582.75	\$392.54	\$960.56	\$582.75	\$377.81	(\$14.73)	-1.5%
Sodium Vapor	LUM HPS FLD 250W	1,269	\$268.01	\$160.14	\$107.87	\$263.96	\$160.14	\$103.82	(\$4.05)	-1.5%
Sodium Vapor	LUM HPS FLD 400W	1,962	\$414.34	\$247.58	\$166.76	\$408.08	\$247.58	\$160.50	(\$6.26)	-1.5%
Sodium Vapor	WALL HPS 250W 12HR	1,332	\$281.32	\$168.09	\$113.23	\$277.07	\$168.09	\$108.98	(\$4.25)	-1.5%
Sodium Vapor	WALL HPS 250W 24HR	2,663	\$562.39	\$336.04	\$226.35	\$553.90	\$336.04	\$217.86	(\$8.49)	-1.5%
Metal Halide	LUM MH FLD 400W	1,883	\$397.67	\$237.62	\$160.05	\$391.67	\$237.62	\$154.05	(\$6.00)	-1.5%
Light Emitting Diode (LED)	(LUM LED 25W)	104	\$21.96	\$13.12	\$8.84	\$21.63	\$13.12	\$8.51	(\$0.33)	-1.5%
Light Emitting Diode (LED)	(LUM LED 75W)	313	\$66.11	\$39.50	\$26.61	\$65.11	\$39.50	\$25.61	(\$1.00)	-1.5%
Light Emitting Diode (LED)	(LUM LED 125W)	522	\$110.23	\$65.87	\$44.36	\$108.57	\$65.87	\$42.70	(\$1.66)	-1.5%
Light Emitting Diode (LED)	(LUM LED 175W)	731	\$154.37	\$92.24	\$62.13	\$152.04	\$92.24	\$59.80	(\$2.33)	-1.5%
Light Emitting Diode (LED)	(LUM LED 225W)	939	\$198.31	\$118.49	\$79.82	\$195.31	\$118.49	\$76.82	(\$3.00)	-1.5%
Light Emitting Diode (LED)	(LUM LED 275W)	1,148	\$242.45	\$144.87	\$97.58	\$238.78	\$144.87	\$93.91	(\$3.67)	-1.5%

	Present Rates	Proposed Rates
Distribution Charge	KWh x \$0.04365 (1)	\$0.04365 (2)
Transition Charge	KWh x (\$0.00172)	(\$0.00172)
Transmission Charge	KWh x \$0.02725	\$0.02725
Energy Efficiency Charge	KWh x \$0.00987	\$0.00987
Renewables Charge	KWh x \$0.00050	\$0.00050
Cable Facilities Surcharge (winter)	KWh x \$0.00545	\$0.00226

Supplier Services

Basic Service Charge (3)	KWh x \$0.12619	\$0.12619
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- (1) Includes: CapEx Factor 0.112¢, Basic Service Adjustment Factor -0.042¢, Residential Assistance Adjustment Factor 0.197¢, Storm Recovery Adjustment Factor 0¢, Storm Fund Replenishment Adjustment Factor 0.133¢, Pension/PBOP Adjustment Factor 0.089¢, RDM Adjustment Factor 0.09¢, Attorney General Consultant Expense Factor 0¢, Solar Cost Adjustment Factor 0.004¢, and Smart Grid Distribution Adjustment Factor 0.011¢
- (2) Includes: CapEx Factor 1.398¢, Basic Service Adjustment Factor -0.058¢, Residential Assistance Adjustment Factor 0.27¢, Storm Recovery Adjustment Factor 0¢, Storm
- (3) Includes: Basic Service Administrative Cost Factor 0.175¢, and Smart Grid Customer Cost Adjustment Factor 0.162¢





NAANTUCKET ELECTRIC COMPANY  
SUMMARY OF ELECTRIC DELIVERY SERVICE RATES

Rate	Blocks	MDPU No.	Base Distribution Charge	Net CapEx Factor	Basic Service	Rev. Assist	Storm	Pension	Revenue	Decoupling	Attorney	Solar	Smart Grid	Net Dist.	Base Transition	Net Transition	Energy Efficiency	Energy Efficiency	Renewables	Base Transmission	Transmission	Net Transmission	Cable Fac.	Retail Delivery Price
			Adj	Adj	Adj	Adj	Adj	Adj	Adj	Adj	Expenses	Cost	Adj	Rate	Charge	Charge	Recon. Factor	Charge	Charge	Charge	Charge	Charge	Surcharge	
R-1	Cust. Chg.	521	\$4.00	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$4.00
	1st 600 kWh -S		\$0.02727	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.09358
	Excess 600 kWh -S		\$0.03389	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.09790
	1st 600 kWh -W		\$0.02727	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.08614
	Excess 600 kWh -W		\$0.03389	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.09276
	Farm Discount (10%)																						\$0.00513	
	Last Change		5/1/10	3/1/15	3/1/15	3/1/15	7/1/14	4/1/15	3/1/15	3/1/15	3/1/15	3/1/15	11/1/15	11/1/15	3/1/15	3/1/15	5/1/15	1/1/03	5/1/15	1/1/03	3/1/15	3/1/15	1/1/16	1/1/16
R-2	Cust. Chg.	522	\$4.00	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$4.00
	1st 600 kWh -S		\$0.02727	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.07566
	Excess 600 kWh -S		\$0.03389	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.08028
	1st 600 kWh -W		\$0.02727	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.07149
	Excess 600 kWh -W		\$0.03389	\$0.00223	(\$0.00084)	\$0.00391	\$0.00256	\$0.00244	\$0.00179	\$0.00001	\$0.00001	\$0.00007	\$0.00023	\$0.3977	(\$0.00154)	(\$0.00010)	\$0.01374	\$0.00250	\$0.00624	\$0.00050	\$0.02343	\$0.00271	\$0.02614	\$0.07811
	Farm Discount (10%)																						\$0.00317	
	Last Change		5/1/10	3/1/15	3/1/15	3/1/15	7/1/14	4/1/15	3/1/15	3/1/15	3/1/15	3/1/15	11/1/15	11/1/15	3/1/15	3/1/15	5/1/15	1/1/03	5/1/15	1/1/03	3/1/15	3/1/15	1/1/16	1/1/16
R-4	Cust. Chg.	523	\$20.87	\$0.00276	(\$0.00144)	\$0.00670	\$0.00320	\$0.00399	\$0.00208	\$0.00002	\$0.00002	\$0.00013	\$0.00040	\$20.87	(\$0.00154)	(\$0.00004)	\$0.01724	\$0.00250	\$0.00624	\$0.00050	\$0.02138	\$0.00247	\$0.02385	\$20.87
	Peak -S		\$0.06844	\$0.00276	(\$0.00144)	\$0.00670	\$0.00320	\$0.00399	\$0.00208	\$0.00002	\$0.00002	\$0.00013	\$0.00040	\$20.87	(\$0.00154)	(\$0.00004)	\$0.01724	\$0.00250	\$0.00624	\$0.00050	\$0.02138	\$0.00247	\$0.02385	\$0.1247
	Off Peak -S		\$0.03822	\$0.00276	(\$0.00144)	\$0.00670	\$0.00320	\$0.00399	\$0.00208	\$0.00002	\$0.00002	\$0.00013	\$0.00040	\$20.87	(\$0.00154)	(\$0.00004)	\$0.01724	\$0.00250	\$0.00624	\$0.00050	\$0.02138	\$0.00247	\$0.02385	\$0.06375
	Peak -W		\$0.06844	\$0.00276	(\$0.00144)	\$0.00670	\$0.00320	\$0.00399	\$0.00208	\$0.00002	\$0.00002	\$0.00013	\$0.00040	\$20.87	(\$0.00154)	(\$0.00004)	\$0.01724	\$0.00250	\$0.00624	\$0.00050	\$0.02138	\$0.00247	\$0.02385	\$0.1247
	Off Peak -W		\$0.03822	\$0.00276	(\$0.00144)	\$0.00670	\$0.00320	\$0.00399	\$0.00208	\$0.00002	\$0.00002	\$0.00013	\$0.00040	\$20.87	(\$0.00154)	(\$0.00004)	\$0.01724	\$0.00250	\$0.00624	\$0.00050	\$0.02138	\$0.00247	\$0.02385	\$0.06375
	Farm Discount (10%)																						\$0.00000	
	Last Change		5/1/10	3/1/15	3/1/15	3/1/15	7/1/14	4/1/15	3/1/15	3/1/15	3/1/15	3/1/15	11/1/15	11/1/15	3/1/15	3/1/15	5/1/15	1/1/03	5/1/15	1/1/03	3/1/15	3/1/15	1/1/16	1/1/16
G-1	Cust. Chg.	525	\$10.00	\$0.00202	(\$0.00120)	\$0.00557	\$0.00359	\$0.00231	\$0.00256	\$0.00002	\$0.00002	\$0.00011	\$0.00033	\$7.50	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00236	\$0.02276	\$10.00
	Unmetered		\$7.50																				\$7.50	
	1st 2,000 kWh -S		\$0.03020	\$0.00202	(\$0.00120)	\$0.00557	\$0.00359	\$0.00231	\$0.00256	\$0.00002	\$0.00002	\$0.00011	\$0.00033	\$0.6551	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00236	\$0.02276	\$0.08697
	Excess 2,000 kWh -S		\$0.04792	\$0.00202	(\$0.00120)	\$0.00557	\$0.00359	\$0.00231	\$0.00256	\$0.00002	\$0.00002	\$0.00011	\$0.00033	\$0.6551	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00236	\$0.02276	\$0.10469
	1st 2,000 kWh -W		\$0.03020	\$0.00202	(\$0.00120)	\$0.00557	\$0.00359	\$0.00231	\$0.00256	\$0.00002	\$0.00002	\$0.00011	\$0.00033	\$0.6551	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00236	\$0.02276	\$0.08871
	Excess 2,000 kWh -W		\$0.04792	\$0.00202	(\$0.00120)	\$0.00557	\$0.00359	\$0.00231	\$0.00256	\$0.00002	\$0.00002	\$0.00011	\$0.00033	\$0.6551	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00236	\$0.02276	\$0.10463
	Farm Discount (10%)																						\$0.00861	
	Minimum Bill (kVA)		\$2.08																				\$2.08	
	Last Change		5/1/10	3/1/15	3/1/15	3/1/15	7/1/14	4/1/15	3/1/15	3/1/15	3/1/15	3/1/15	11/1/15	11/1/15	3/1/15	3/1/15	5/1/15	1/1/03	5/1/15	1/1/03	3/1/15	3/1/15	1/1/16	1/1/16
G-2	Cust. Chg.	526	\$16.56	\$0.00168	(\$0.00055)	\$0.00259	\$0.00168	\$0.00149	\$0.00119	\$0.00000	\$0.00000	\$0.00005	\$0.00015	\$16.56	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00231	\$0.02229	\$16.56
	Demand		\$6.00																				\$6.00	
	Reg. kWh -S		\$0.00078	\$0.00168	(\$0.00055)	\$0.00259	\$0.00168	\$0.00149	\$0.00119	\$0.00000	\$0.00000	\$0.00005	\$0.00015	\$0.0906	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00231	\$0.02229	\$0.05538
	Reg. kWh -W		\$0.00078	\$0.00168	(\$0.00055)	\$0.00259	\$0.00168	\$0.00149	\$0.00119	\$0.00000	\$0.00000	\$0.00005	\$0.00015	\$0.0906	(\$0.00154)	(\$0.00000)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00231	\$0.02229	\$0.05538
	Farm Discount (10%)																						\$0.00553	
	High Voltage Metering																							(10%)
	High Voltage Delivery																							(10%)
	Last Change		5/1/10	3/1/15	3/1/15	3/1/15	7/1/14	4/1/15	3/1/15	3/1/15	3/1/15	3/1/15	11/1/15	11/1/15	3/1/15	3/1/15	5/1/15	1/1/03	5/1/15	1/1/03	3/1/15	3/1/15	1/1/16	1/1/16
G-3	Cust. Chg.	527	\$200.00	\$0.00112	(\$0.00042)	\$0.00197	\$0.00133	\$0.00089	\$0.00090	\$0.00000	\$0.00000	\$0.00004	\$0.00011	\$200.00	(\$0.00154)	(\$0.00003)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00211	\$0.02040	\$200.00
	Demand		\$3.92																				\$3.92	
	Peak -S		\$0.00753	\$0.00112	(\$0.00042)	\$0.00197	\$0.00133	\$0.00089	\$0.00090	\$0.00000	\$0.00000	\$0.00004	\$0.00011	\$0.1347	(\$0.00154)	(\$0.00003)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00211	\$0.02040	\$0.05177
	Off Peak -S		\$0.00000	\$0.00112	(\$0.00042)	\$0.00197	\$0.00133	\$0.00089	\$0.00090	\$0.00000	\$0.00000	\$0.00004	\$0.00011	\$0.0694	(\$0.00154)	(\$0.00003)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00211	\$0.02040	\$0.04424
	Peak -W		\$0.00753	\$0.00112	(\$0.00042)	\$0.00197	\$0.00133	\$0.00089	\$0.00090	\$0.00000	\$0.00000	\$0.00004	\$0.00011	\$0.1347	(\$0.00154)	(\$0.00003)	\$0.00737	\$0.00250	\$0.00987	\$0.00050	\$0.02040	\$0.00211	\$0.02040	\$0.04969
	Off Peak -W		\$0.00000	\$0.00112	(\$0.00042)	\$0.00197	\$0.00133	\$0.00089	\$0.00090	\$0.00000	\$0.00000	\$0.00004	\$0.00011	\$0.0694	(\$0.00154)	(\$								