

Electric Rate Review

JANUARY 2023 FACT SHEET

EVERSOURCE

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We're taking a leadership role to prepare for Massachusetts' energy future by investing in clean and reliable energy and making the grid smarter to reduce outages, increase response times, and manage an increasingly complex system. Delivering on these commitments requires sustained investment. In 2022, we proposed updates to our electric Distribution rates to the Massachusetts Dept. of Public Utilities.

After a year-long review, Massachusetts regulators recently issued a decision, which includes a minimum five-year period before Eversource can request a new Distribution rate review, and a requirement that Eversource operate under a performance-based plan that is measured on important categories like **customer satisfaction, environmental justice, equity, system resiliency, and clean energy resources.**

The approved rates, along with adjustments to the Delivery and Basic Service charges, are effective Jan. 1, 2023. *A Rate Review is a regulatory proceeding described on the right.*

Why did Eversource request a rate review?

Eversource is committed to continued investments in the reliability and **safety of our system.** It's not only important for our customers, but also for the **economic development of the region.** New rates will also help Eversource be prepared even more effectively and efficiently for future storms.

The investment plan in place today was implemented in January 2018 and expired at the end of 2022. The DPU's recent decision to extend the plan beginning on January 1, 2023 enables us to continue making **investments in a reliable and resilient system.**

What are the customer benefits of the rate review?

Eversource will have the ability to continue to provide **superior service** for our customers through continued improvement of **system reliability,** flexibility, and resiliency, meet customer expectations during storm events, and **support for our customers' growing electricity needs and electrification abilities into the future** and boost electric innovations such as **electric vehicles.**

Rate Review Process

What is a "rate review?"

In Massachusetts, a rate case is the regulatory proceeding conducted by the Department of Public Utilities, DPU, to review a utility's proposal to adjust rates.

STEP ONE

The Utility files a Notice with the DPU indicating that it intends to file a rate case. The Utility can file 30 days after this notice. Eversource filed its notice on November 17, 2021.

STEP TWO

The Utility determines the revenue deficiency, which is the amount of money the company is collecting in rates versus the amount of money that is required for its investments and Operational & Maintenance costs.

STEP THREE

A Utility conducts a "Cost of Service Study" (COSS) to determine costs to provide service to different types of customers, such as residential, small business, and commercial and industrial customers.

STEP FOUR

A detailed rate case is filed with the DPU. This filing proposes rate adjustments by customer type, using the Cost of Service Study. Eversource filed a detailed rate case with the DPU on January 14, 2022.

STEP FIVE

DPU issues a notice for Eversource's Rate Case and schedules public hearings to provide feedback on the rate case proposal.

STEP SIX

The DPU conducts a comprehensive review of the rate case and issues a ruling within 10 months. The review process includes several days of hearings.

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Examples of future investment areas include:

- ✓ Upgrading infrastructure and facilitating interconnections to support increased use of clean energy technologies (including electric vehicle charging)
- ✓ Expanding battery energy storage capabilities, which backstop the reliability of the system while major projects are under development
- ✓ Implementing an advanced metering infrastructure (AMI) tariff beginning with the implementation of a new customer information system
- ✓ Enterprise-wide technology investments to support outage reporting and analytics, improving our vitally important storm response

Beginning January 1, 2023

Eversource electric customer will see the following impacts to their total monthly bill.

Base Distribution Rate Review Impact Massachusetts Residential Basic Service Customers *

Rate Classification	Typical Monthly Use (kWh)	\$ Total Bill Impact	% Total Bill Impact
R-1 Non-Heating	530-550	\$3 to \$4	1% to 2%
R-2 Non-Heating Assistance	480-590	-\$7 to -\$8	-7% to -8%
R-3 Residential Heating	745-805	\$4 to \$5	2% to 3%
R-4 Residential Heating Assistance	845-995	-\$12 to -\$13	-7% to -8%

Total Bill Impact Massachusetts Residential Basic Service Customers *

Rate Classification	Typical Monthly Use (kWh)	\$ Total Bill Impact	% Total Bill Impact
R-1 Non-Heating	530-550	\$43 to \$47	25% to 27%
R-2 Non-Heating Assistance	480-590	\$15 to \$16	15% to 16%
R-3 Residential Heating	745-805	\$70 to \$73	30% to 31%
R-4 Residential Heating Assistance	845-995	\$32 to \$33	19% to 20%

* Commercial and industrial ("C&I") customers can expect bill impacts to vary depending on usage and rate class. Large C&I customers and certain medium C&I customer will be contacted by their Eversource Account Executives. Small C&I customer and medium C&I customers without Account Executives should contact the Eversource Business Call Center at 800-340-9822 (Eastern MA) or 888-783-6610 (Western MA) for specific bill impacts.

** Basic Service adjusts on January 1 and July 1 for residential customers.

A customer's total bill amount depends on their energy use, their energy supplier, the type of rate they are on, and weather conditions.