

Central Maine Power Company (CMP)
2024 ISO New England Inc. Transmission, Markets and Services Tariff
Docket No. ER20-2054
Maine Public Utilities Commission (MPUC)
Data/Information Request No. 1

October 7, 2024

MPUC-CMP-1-02 Supplemental

Q: Please identify any errors identified by Central Maine Power (“CMP”) since its June 14, 2024, informational filing or any errors identified by CMP in its 2023 FERC Form 1 (“2023 FF1” or “Form 1”) filing since the April 2024 filing. In addition, please provide this information on a continuing basis.

A (SUPPLEMENTAL):

CMP has completed its calculation of the effects of the two errors related to plant in service that were described in its original response to MPUC-CMP-1-02 on its LNS and RNS revenue requirements. Specifically, CMP determined that these two errors together inadvertently increased its LNS and RNS revenue requirement by \$549,399 and \$307,101, respectively. Please see MPUC-CMP-1-02 Supplemental Attachment 1 for a revised version of CMP’s revenue requirement analyses reflecting these corrections and supporting these figures. MPUC-CMP-1-02 Supplemental Attachment 1 combines CMP’s revised App A (ATRR), App B (Allocations) and App B Att 2 (local) revenue requirements. For ease of review, tabs in which CMP changed an input to its revenue requirement calculations are highlighted green, and tabs in which CMP added additional information to facilitate comparison between its original and adjusted resulted are highlighted blue.

Based on these results, CMP has adjusted its planned approach for reflecting these corrections in its rates. CMP’s original response to MPUC-CMP-1-02 (re-pasted below for convenience) indicated that CMP would resubmit its proposed RNS and LNS revenue requirements to the Rates Working Group. However, following completion of its revenue requirement analysis, CMP has now determined that the optimal path to reflecting these corrections in its rates is as follows:

- For LNS rates, CMP has adjusted the LNS component of its Terms and Conditions (“T&C”) 44 revenue requirements to reflect this correction in rates taking effect January 1, 2025. As in previous years, CMP anticipates resolving the LNS component of its transmission revenue requirements via Stipulation, and CMP is providing MPUC-CMP-1-02 Supplemental Attachment 1 in an effort to facilitate execution of a Stipulation applicable to its LNS rates that reflects these corrections.

- For RNS rates, CMP now intends to reflect this correction as a prior period adjustment, with carrying costs calculated monthly in accordance with published FERC interest rates, in rates taking effect January 1, 2026. As demonstrated on the “Attachment Supplemental – 2” tab of MPUC-CMP-1-02 Supplemental Attachment 1, CMP’s corrections to its RNS revenue requirement have an effect of less than two cents per kilowatt-year on the overall RNS rate. That reduction, in turn, would have an effect of approximately \$24,000 in total on CMP’s customers in 2025. Refiling the RNS revenue requirement would likely result in more significant administrative expenses, and as a result CMP has determined that the optimal approach to reflecting this correction in rates is through a prior period adjustment to the revenue requirement used to set rates taking effect January 1, 2026.

Response Prepared and Submitted By: James Clemente, Director – Transmission Analytics

A (ORIGINAL):

CMP identified two errors related to plant in service. First, CMP inadvertently reflected plant additions associated with its Biddeford Pump substation project as actual plant additions when such additions should have instead been reflected as forecasted plant additions. The additions in question are denoted as “Biddeford Pump SS 2nd Circuit” on MPUC-CMP-1-31 Attachment 1, and total approximately \$4 million in 2022 and \$7 million in 2023. Second, as described in CMP’s response to MPUC-CMP-1-35, CMP inadvertently recorded certain plant additions in 2023 to FERC account 398 – Miscellaneous Equipment, rather than to FERC Account 352 – Substation Equipment.

All else equal, the first error described above would decrease CMP’s proposed revenue requirement, while the second error described above would increase CMP’s proposed revenue requirement. CMP’s initial calculation indicates that the net effect of these two misclassifications incorrectly increased its proposed revenue requirement by less than \$1 million.

CMP will resubmit its proposed RNS and LNS revenue requirements to the Rates Working Group (“RWG”) so that the RWG can recalculate the regional network service rate (“RNS”) effective January 1, 2025. CMP will submit its proposed RNS and LNS revenue requirement after the RWG reports on the current proposed RNS rate effective January 1, 2025 at the ISO-NE Reliability Committee and Transmission Committee Summer Meeting in August.

The Participating Transmission Owners Administrative Committee (“PTO AC”) will then refile with the FERC, on behalf of the individual New England Participating Transmission Owners (“PTOs”), which includes CMP, updated rates and associated revenue requirements for Regional Service, Local Service and Schedule 12C Costs effective January 1, 2025 – December 31, 2025.

Response Prepared and Submitted By: James Clemente, Director – Transmission Analytics