

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

SCHEDULE RAAC

1.01 Purpose

The purpose of the Residential Assistance Adjustment Clause (“RAAC”) is to provide Fitchburg Gas and Electric Light Company (the “Company”) a mechanism for the recovery, on an annual basis and subject to the jurisdiction of the Department of Public Utilities (the “Department”), of the following:

- 1) the total revenue discount given to residential assistance customers enrolled in the Company’s discounted rates (Rate R-2 and Rate R-4).

The level of discount and associated reduced or discounted revenue is set at a fixed percentage of the total bill. The total bill discount percentages are as follows:

Low Income Residential Non-Heating Rate R-2: 25.0%
Low Income Residential Heating Rate R-4: 25.0%; and

- 2) incremental costs directly related to the Company’s approved Arrearage Management Program, in accordance with the Department’s D.T.E. 05-86 order.
- 3) in addition to revenue collected through the application of the Residential Assistance Adjustment Factor (“RAAF”), the total revenue recorded under this clause shall include, for hardship protected accounts, any payments made by customers towards the amortized balance.
- 4) costs associated with the small commercial customer arrearage forgiveness program, in accordance with D.P.U. 20-58-C and D.P.U. 20-91.

1.02 Applicability

The RAAC shall be applicable to all Firm Customers unless otherwise designated. For billing purposes, the RAAC shall be included in the Local Distribution Adjustment Clause (“LDAC”).

1.03 Effective Date of Annual Residential Assistance Adjustment Factor

The RAAF shall be effective on November 1st of each year, unless otherwise ordered by the Department.

1.04 Definitions

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

- (1) “Distribution Company” or “Company” is Fitchburg Gas and Electric Light Company.

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

SCHEDULE RAAC (continued)

- (2) “Prior Year” is the twelve-month period immediately prior to the effective date of a proposed RAAF.

1.05 Residential Assistance Adjustment Factor Formula

$$RAAF_{xs} = [(RA_x) + (Cust_x(DCust\$_x) + Use_x(DUse\$_x)) + AMP + I_x] * DRA_s / FUse_{xs}$$

$RAAF_{xs}$ = The annual Residential Assistance Adjustment Factor for year x and class s.

RA_x = The Reconciliation Adjustment for Year_x shall be the amount of over/under collection from the end of the Prior Year. Reconciliations shall be performed monthly and shall be based on actual discount revenue for customers participating in the Company’s discounted rates as recorded in the Company’s billing data base. The Reconciliation Adjustment for Year_x shall also include actual costs incurred as a result of the Company’s Arrearage Management Program. Interest shall be calculated on the average monthly balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to each end-of-month balance.

$Cust_x$ = The estimated number of customers participating in the Company’s discounted rates (Rate R-2 and Rate R-4).

Use_x = The estimated therm usage of customers participating in the Company’s discounted rates (Rate R-2 and Rate R-4).

$DCust\$_x$ = The difference between the non-discounted and discounted customer charge for the applicable rates calculated using the 25.0% discount for R-2 and R-4.

$DUse\$_x$ = The difference between the total non-discounted and discounted therm charges for the applicable rates, including base distribution rates, LDAC, Default Service and all other volumetric charges calculated using the 25.0% discount for R-2 and R-4.

AMP = The incremental costs directly related to the Company’s approved Arrearage Management Program, plus the costs associated with the small commercial customer arrearage forgiveness program.

I_x = The estimated interest in the forecast period.

$FUse_{xs}$ = The estimated therms in the forecast period for year x and class s.

DRA_s = The Distribution Revenue Allocator is derived from the Company’s most recent base rate case, as approved by the Department, and shall be as follows:

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE

SCHEDULE RAAC (continued)

	For scheduled rate changes on and after November 1, 2023	For scheduled rate changes on and after July 1, 2024
Residential	60.28%	61.17%
Small General Service	13.53%	13.23%
Medium General Service	14.54%	14.41%
Large General Service	11.65%	11.19%

s = The Rate Class Group is the combination of similar rate classes, as follows: The Residential group is the combination of R-1, R-2, R-3 and R-4; the Small General Service group is the combination of G-41 and G-51; the Medium General Service group is the combination of G-42 and G-52; and the Large General Service group is the combination of G-43 and G-53.

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department annually, at least 90 days before the date on which the new RAAF is to be effective. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.

1.07 Customer Notification

The Company shall notify customers in simple terms of changes to the RAAF, including the nature of the change and the manner in which the RAAF is applied to the bill. In the absence of a standard format, the Company shall submit this notice for approval at the time of each RAAF filing. Upon approval by the Department, the Company shall immediately distribute these notices to all of its distribution customers either through direct mail or with its bills, or as a bill message.