

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY
STORM RESERVE ADJUSTMENT CLAUSE

SCHEDULE SRAC

Section

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1.0 Purpose

The purpose of the Storm Reserve Adjustment Clause (“SRAC”) is to provide a means for the Company to adjust its Storm Reserve Fund (“Storm Fund”) for (a) storm costs incurred on and after November 1, 2020 that are in excess of the amount of storm reserve funding amortized in base distribution rates as approved in D.P.U. 19-130, (b) Exogenous Storm Costs as outlined in Section 4.0 below, and (c) any other incremental operation and maintenance (“O & M”) storm costs allowed by the Department.

A symmetrical cap of \$350,000 shall be applied to the storm fund, such that when the storm fund is in a deficit position over the cap, amounts in excess of the cap may be recovered through the Company’s Storm Reserve Adjustment Factor (“SRAF”) in the SRAC tariff, and when the storm fund is in a surplus position over the cap, amounts in excess of the cap shall be returned to customers through a credit in the Company’s SRAF.

2.0 Applicability

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

3.0 Effective Date

The date on which the annual SRAF becomes effective shall be the first day of January of each calendar year, unless otherwise ordered by the Department. The Company shall submit filings under this tariff as outlined in Section 6.0.

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4.0 Exogenous Storm Costs

Exogenous storm costs are those costs attributable to emergency response, incurred on or after November 1, 2020, when any single storm exceeds \$350,000.

5.0 SRAF

The SRAF shall recover or refund the storm costs in excess of the allowable balance of the Company’s Storm Reserve Fund as approved in D.P.U. 19-130, as well as Exogenous Storm Costs per Section 4.0 above and any other incremental O & M storm costs allowed by the Department (“Recoverable Balance”). The Company may file for recovery of storm costs in excess of the symmetrical cap through the SRAC when the storm fund deficit balance is greater than \$350,000. The filing shall be made at least 45 days before January 1st of the next year. When the storm fund balance is in a surplus of over \$350,000, the Company shall submit a filing to return the overage to customers through the SRAF in the SRAC tariff. The filing shall be made at least 45 days before January 1st of the next year. The Recoverable Balance calculated herein shall be allocated to all rate classes by applying the Distribution Revenue Allocators as shown below.

Allocators for rate filings made on or after November 1, 2023 in compliance with D.P.U. 23-95 are as follows:

Rate Class	Distribution Revenues	Allocation
RD-1/RD-2	\$16,003,352	58.56%
GD-1/GD-2/GD-4/GD-5	\$6,832,600	25.01%
GD-3/Special Contracts	\$4,358,897	15.95%
Streetlights	\$131,687	0.48%

Allocators for rate filings made on or after July 1, 2024 in compliance with D.P.U. 23-80 are as follows:

Rate Class	Distribution Revenues	Allocation
RD-1/RD-2	\$19,217,272	61.20%
GD-1/GD-2/GD-4/GD-5	\$6,275,487	19.99%
GD-3/Special Contracts	\$5,734,574	18.26%
Streetlights	\$171,821	0.55%

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Allocators for rate changes effective on or after January 1, 2025 in compliance with D.P.U. 23-80-A are as follows:

<u>Rate Class</u>	<u>Distribution Revenues</u>	<u>Allocation</u>
RD-1/RD-2	\$19,294,962	61.18%
GD-1/GD-2/GD-4/GD-5	\$6,298,256	19.97%
GD-3/Special Contracts	\$5,770,373	18.30%
Streetlights	\$172,129	0.55%

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

6.0 Annual SRAF Filings with the Department

The Company shall make a SRAF filing at least forty-five (45) days before January 1st of the next year. Such filing shall include reconciliation of data for prior periods as appropriate. To be eligible for recovery the Company must provide complete and final invoicing, as well as cost documentation and supporting testimony. If the Company is unable to prepare a final accounting of storm costs, a supplemental filing for storm costs shall be made when information is available. If the storm fund balance is in a deficit greater than the symmetrical cap, as discussed above in Section 5.0, and the Company elects not to file for recovery of storm costs in excess of the symmetrical cap, the Company must provide in its next annual electric reconciliation filing a rationale for such decision.

7.0 Regulatory Authority

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