



**Northeast
Utilities**

107 Selden Street, Berlin, CT 06037

Northeast Utilities Service Company
P.O. Box 270
Hartford, CT 06141-0270
(860) 665-5000
www.nu.com

December 27, 2011

Mr. Robert Stein
Connecticut Siting Council
10 Franklin Square
New Britain, CT 06051

Re: Docket No. LIFE-CYCLE 2011 - LIFE-CYCLE 2011

Dear Mr. Stein:

This letter provides the response to requests for the information listed below.

Response to OCC-01 Interrogatories dated 10/21/2011
OCC-014

Very truly yours,

John Morissette
Manager
Transmission siting and Permitting
NUSCO
As Agent for CL&P

cc: Service List

Witness: Raymond L. Gagnon
Request from: Office of Consumer Counsel

Question:
Ref. Life Cycle 2007 Report, p. 31. Provide an update to Table 6-1 in the 2007 Report. List percentages for all loadings on labor reflected in the costs including, but not limited to, a breakdown of each benefit, all taxes, training, vehicles, payroll and human resources costs.

Response:
Attached below is the update to Table 6-1 included in the Life Cycle 2007 Report on page 31. Please note that Table 6.1 of the Life Cycle 2007 Report contained summation errors and accounts that accumulate costs other than transmission line operation and maintenance expense costs. The updated table below reflects corrections to formulaic summations and account exclusions.

FERC accounts 560 Operation Supervision and Engineering and 568 Maintenance Supervision and Engineering are not included in the updated table below because those two accounts contain higher level supervision costs relating to a wide range of activities (e.g., load dispatching, reliability planning, transmission interconnection services, standards development, station expenses, transmission of electricity by others). The vast majority of these costs are not transmission line operating and maintenance costs. All direct field supervision costs for transmission line operation and maintenance are charged to the operation and maintenance accounts included in the table below, in accordance with FERC Form 1 instructions. FERC account 561 Load Dispatching is also not included in the updated table below because account 561 costs are substation operating costs to support load dispatching requirements, rather than requirements to operate overhead or underground lines. The cost of substation switching work needed to support transmission line operation and maintenance work is charged directly to annual work orders or captured in a collector cost control center and then allocated to the appropriate line maintenance or operation accounts.

TRANSMISSION LINE OPERATING & MAINTENANCE COSTS				
Line		2009	2010	Notes
	Tran. Expenses Operation			
1	563 OH Lines Expenses	\$1,403,719	\$990,263	
2	564 Underground Lines Expenses	\$282,561	\$280,338	
3	TOTAL OPERATING (UG + OH)	\$1,686,280	\$1,270,601	(1)
	Tran. Expenses Maintenance			
4	571 Maintenance of OH Lines	\$4,983,971	\$5,287,547	
5	572 Maintenance of UG Lines	\$500,917	\$1,389,449	
6	TOTAL MAINTENANCE (UG + OH)	\$5,484,888	\$6,676,996	(2)
7	Ckt Miles -OH	1,658	1,658	(3)
8	Ckt Miles -UG	117.4	117.4	(3)
	OPERATIONS & MAINTENANCE			
	In \$ / Ckt MILES			
9	Overhead	\$3,853	\$3,786	(4)
10	Underground	\$6,674	\$14,223	(5)

Table Notes:
(1) Line 3 = (Line 1 + Line 2)

- (2) Line 6 = (Line 4 + Line 5)
- (3) The transmission circuit miles are end-of-year totals
- (4) Line 9 = (Line 1 + Line 4)/(Line 7)
- (5) Line 10 = (Line 2 + Line 5)/(Line 8)

The percentages for all loadings on operation and maintenance direct labor costs are shown and explained in the table and descriptions below.

Labor Loaders on Direct Costs				
Direct Costs				
AO	Outside Services			
AQ	Contract Labor			
LTCL&P, LTNUSCO	CL&P Labor, NUSCO Labor			
Indirect Costs		2010 % Values	Calculation	
ZB	Non-Productive Time Allocation (CL&P, NUSCO)	(16.12%, 16.1%)	NPTCL&P NPTNUSCO	$(LTCL\&P)(ZB)$ $= (LTNUSCO)(ZB)$
ZE	Payroll Benefits Allocation (CL&P)	(44.70%)	PBCL&P	$= (LTCL\&P+NPTCL\&P)(ZE)$
ZF	General Services Company Overhead Allocation	61.89%	GSCO	$= (LTNUSCO+NPTNUSCO)(ZF)$

Non-Productive Time Allocation (ZB) is an Operation & Maintenance allocator that represents payroll for vacations, holidays, sick time, jury duty, inclement weather, etc. The ZB overhead allocates an appropriate portion of nonproductive payroll charges to all productive payroll charges.

Payroll Benefits Allocation (ZE) is an Operation & Maintenance allocator that represents CL&P employee pension costs, insurance, payroll taxes and other employee benefits that are originally charged to expense in FERC accounts 408, 925 and 926.

General Services Company Overhead Allocation (ZF) is an Operation & Maintenance allocator that represents NUSCO employee pension costs, insurance, payroll taxes and other employee benefits as well as certain NUSCO overheads including depreciation on NUSCO assets, return on NUSCO assets and NUSCO facilities that are originally charged to expense.