

National Grid – E-183 Underground Project
Funding Sources and Amounts (as of 12/31/2012)

1. RIDOT - \$5,200,000 as follows:
 - a. Contribution from State matching funds - \$2,100,000.
 - b. Contribution from Federal transportation enhancement funds - \$600,000.
 - c. “Safe, Accountable, Flexible and Efficient Transportation Equity Act of 2005” (“SAFETEA”) grant - \$2,500,000.
 - d. RIDOT’s funding commitment as set forth in §§ II-A-1-b and II-A-1-c hereof is subject to, and contingent upon, the continued availability of SAFETEA grant funding from the Federal Highway Administration (“FHWA”). In the event that the SAFETEA grant is not authorized by the FHWA or said funding is rescinded by act of the U.S. Congress prior to disbursement to National Grid, then RIDOT’s obligations under said §§II-A-1-b and II-A-1-c of this Agreement shall be null, void, and of no effect.
2. Providence and East Providence - Share of refunds from National Grid rate settlement in PUC Docket Nos. 2930/3617 - \$5,792,353 pursuant to §42-98-1.1(a) plus interest accrued at the Company’s Allowance for Funds Used during Construction rates through the in-service date of the project¹.
3. Attorney General - Storm Fund Grant (§42-98-1.1(b))² - \$2,000,000.
4. [City of Providence/DEM - Greenway Grant to Providence - \$375,000.]
5. Regional customers - regional contribution - \$1,500,000 as provided in February 6, 2006 letter from ISO-New England.

Total of highlighted numbers is \$17,175,000. Balance to be paid by electric customers in Providence & East Providence as a surcharge on their bills.

April 5, 2013

¹ See In re Narragansett Electric Company Comprehensive Distribution Rate Settlement, Docket No. 3617, Report and Order, pp. 7, n. 17 and 40 (Order #18037, November 9, 2004). Through December, 2012 accrued interest amounts to approximately \$2.3 million.

² The Storm Fund Grant is subject to PUC approval upon petition of the Attorney General as provided in R.I. Gen. Laws §42-98-1.1(b).