

December 7, 2005

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket 3706 - Annual Reconciliation Filing and  
Docket 3710 - Dispensation of Settlement Proceeds  
Low Income Rate A60 Typical Bill Impact Analysis**

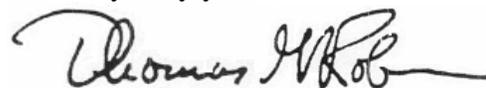
Dear Ms. Massaro:

Enclosed on behalf of The Narragansett Electric Company d/b/a National Grid (“National Grid” or “Company”) are ten copies of a typical bill impact analysis for Low Income Rate A60 reflecting all of the rate changes proposed for January 1, 2006 in Dockets 3706 and 3710, including the Company’s recently updated Standard Offer Service Rate proposal. In addition, this analysis also reflects the low-income credit proposed by the Company in Docket 3710.

On Monday, December 5, 2005, the Company filed typical bill impacts for each of the Company’s rate classes that reflect all of the changes, as updated, that the Company has proposed for January 1, 2006. That analysis contains typical bill impacts for Rate A60; however, the distribution kWh charges in that analysis do not include the impact of the proposed low-income credit. That credit is proposed to be effective for the billing month following Federal Energy Regulatory Commission approval of the settlement described in the testimony in Docket No. 3710 and, therefore, will not be implemented at the same time as the Company’s other proposed rate changes. However, in order to illustrate the full impact of all of the Company’s proposed rate changes, this analysis should be included with the previously submitted analysis.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me at (508) 389-2877.

Very truly yours,



Thomas G. Robinson

Enclosures

cc: Docket 3706/3710 Service List

File: S:\RADATA1\2005 neco\Year End Filing\TYPBILLS.all changes.102006.update.lowincome.XLS\Input Section  
Date: 5-Dec-05  
Time: 04:26 PM

Calculation of Monthly Typical Bill  
Comparison of Present Rates with Proposed Rate Changes for January 1, 2006 Plus Low Income Credit  
Impact on A-60 Rate Customers - Winter (December through March)  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			All Proposed Rates Plus Proposed Low Income Credit			Increase/(Decrease)	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$11.68	\$8.54	\$3.14	\$12.46	\$10.42	\$2.04	\$0.78	6.7%
200	\$23.35	\$17.08	\$6.27	\$24.92	\$20.83	\$4.09	\$1.57	6.7%
300	\$35.04	\$25.63	\$9.41	\$37.38	\$31.25	\$6.13	\$2.34	6.7%
500	\$59.10	\$42.71	\$16.39	\$63.66	\$52.08	\$11.58	\$4.56	7.7%
750	\$91.86	\$64.06	\$27.80	\$101.61	\$78.13	\$23.48	\$9.75	10.6%
1,250	\$157.10	\$106.77	\$50.33	\$177.22	\$130.21	\$47.01	\$20.12	12.8%

Present Rates:	A-60	All Proposed Rates & Low Inc Credit:	A-60
Customer Charge		Customer Charge	\$0.00
Transmission Energy Charge (1)	kWh x \$0.00577	Transmission Energy Charge (1)	kWh x \$0.00709
Initial Block Energy Charge (1st 450 kWh)	kWh x \$0.01688	Initial Block Energy Charge (1st 450 kWh)	kWh x \$0.00448
Second Block Energy Charge (next 750 kWh)	kWh x \$0.03055	Second Block Energy Charge (next 750 kWh)	kWh x \$0.03055
Tail Block Energy Charge	kWh x \$0.02548	Tail Block Energy Charge	kWh x \$0.02548
Transition Energy Charge	kWh x \$0.00845	Transition Energy Charge	kWh x \$0.00575
C&LM Adjustment	kWh x \$0.00230	C&LM Adjustment	kWh x \$0.00230
Customer Credit	kWh x (\$0.00329)	Customer Credit	kWh x \$0.00000
Gross Earnings Tax	4.00%	Gross Earnings Tax	4.00%
Standard Offer Charge	kWh x \$0.08200	Standard Offer Charge	kWh x \$0.10000

Note (1): Includes Transmission Adjustment Factor of \$.00239/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00371/kWh.

File: S:\RADATA\2005 neco\Year End Filing\TYPBILLS.all changes.102006.update.lowincome.XLS\Input Section  
Date: 5-Dec-05  
Time: 04:26 PM

Calculation of Monthly Typical Bill  
Comparison of Present Rates with Proposed Rate Changes for January 1, 2006 Plus Low Income Credit  
Impact on A-60 Rate Customers - Winter (December through March)  
With Control Credit for Water Heater

Monthly kWh	Present Rates			All Proposed Rates Plus Proposed Low Income Credit			Difference	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$11.13	\$8.54	\$2.59	\$12.05	\$10.42	\$1.63	\$0.92	8.3%
200	\$22.25	\$17.08	\$5.17	\$24.09	\$20.83	\$3.26	\$1.84	8.3%
300	\$33.39	\$25.63	\$7.76	\$36.14	\$31.25	\$4.89	\$2.75	8.2%
500	\$56.35	\$42.71	\$13.64	\$61.59	\$52.08	\$9.51	\$5.24	9.3%
750	\$87.73	\$64.06	\$23.67	\$98.51	\$78.13	\$20.38	\$10.78	12.3%
1,250	\$152.98	\$106.77	\$46.21	\$174.12	\$130.21	\$43.91	\$21.14	13.8%

Present Rates:	A-60	All Proposed Rates & Low Inc Credit:	A-60
Customer Charge		Customer Charge	\$0.00
Transmission Energy Charge (1) kWh x	\$0.00577	Transmission Energy Charge (1) kWh x	\$0.00709
Initial Block Energy Charge (1st 450 kWh) kWh x	\$0.01688	Initial Block Energy Charge (1st 450 kWh) kWh x	\$0.00448
Second Block Energy Charge (next 750 kWh) kWh x	\$0.03055	Second Block Energy Charge (next 750 kWh) kWh x	\$0.03055
Tail Block Energy Charge kWh x	\$0.02548	Tail Block Energy Charge kWh x	\$0.02548
Transition Energy Charge kWh x	\$0.00845	Transition Energy Charge kWh x	\$0.00575
C&LM Adjustment kWh x	\$0.00230	C&LM Adjustment kWh x	\$0.00230
Customer Credit kWh x	(\$0.00329)	Customer Credit kWh x	\$0.00000
Water Heating Credit kWh x	(\$0.00528)	Water Heating Credit kWh x	(\$0.00396)
Gross Earnings Tax	4.00%	Gross Earnings Tax	4.00%
Standard Offer Charge kWh x	\$0.08200	Standard Offer Charge	\$0.10000

Note (1): Includes Transmission Adjustment Factor of \$.00239/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00371/kWh.

File: S:\RADATA\1\2005 neco\Year End Filing\TYPBILLS.all changes.102006.update.lowincome.XLS\Input Section  
Date: 5-Dec-05  
Time: 04:26 PM

Calculation of Monthly Typical Bill  
Comparison of Present Rates with Proposed Rate Changes for January 1, 2006 Plus Low Income Credit  
Impact on A-60 Rate Customers - Non-Winter (April through November)  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			All Proposed Rates Plus Proposed Low Income Credit			Difference	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$11.68	\$8.54	\$3.14	\$12.46	\$10.42	\$2.04	\$0.78	6.7%
200	\$23.35	\$17.08	\$6.27	\$24.92	\$20.83	\$4.09	\$1.57	6.7%
300	\$35.04	\$25.63	\$9.41	\$37.38	\$31.25	\$6.13	\$2.34	6.7%
500	\$59.10	\$42.71	\$16.39	\$63.66	\$52.08	\$11.58	\$4.56	7.7%
750	\$91.86	\$64.06	\$27.80	\$101.61	\$78.13	\$23.48	\$9.75	10.6%
1,250	\$157.37	\$106.77	\$50.60	\$177.48	\$130.21	\$47.27	\$20.11	12.8%

Present Rates:	A-60	All Proposed Rates & Low Inc Credit:	A-60
Customer Charge		Customer Charge	\$0.00
Transmission Energy Charge (1)	kWh x \$0.00577	Transmission Energy Charge (1)	kWh x \$0.00709
Initial Block Energy Charge (1st 450 kWh)	kWh x \$0.01688	Initial Block Energy Charge (1st 450 kWh)	kWh x \$0.00448
Tail Block Energy Charge	kWh x \$0.03055	Tail Block Energy Charge	kWh x \$0.03055
Transition Energy Charge	kWh x \$0.00845	Transition Energy Charge	kWh x \$0.00575
C&LM Adjustment	kWh x \$0.00230	C&LM Adjustment	kWh x \$0.00230
Customer Credit	kWh x (\$0.00329)	Customer Credit	kWh x \$0.00000
Gross Earnings Tax	4.0%	Gross Earnings Tax	4.0%
Standard Offer Charge	kWh x \$0.08200	Standard Offer Charge	kWh x \$0.10000

Note (1): Includes Transmission Adjustment Factor of \$.00239/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00371/kWh.

File: S:\RADATA1\2005 neco\Year End Filing\TYPBILLS.all changes.102006.update.lowincome.XLS\Input Section  
Date: 5-Dec-05  
Time: 04:26 PM

Calculation of Monthly Typical Bill  
Comparison of Present Rates with Proposed Rate Changes for January 1, 2006 Plus Low Income Credit  
Impact on A-60 Rate Customers - Non-Winter (April through November)  
With Control Credit for Water Heater

Monthly kWh	Present Rates			All Proposed Rates Plus Proposed Low Income Credit			Difference	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$11.13	\$8.54	\$2.59	\$12.05	\$10.42	\$1.63	\$0.92	8.3%
200	\$22.25	\$17.08	\$5.17	\$24.09	\$20.83	\$3.26	\$1.84	8.3%
300	\$33.39	\$25.63	\$7.76	\$36.14	\$31.25	\$4.89	\$2.75	8.2%
500	\$56.35	\$42.71	\$13.64	\$61.59	\$52.08	\$9.51	\$5.24	9.3%
750	\$87.73	\$64.06	\$23.67	\$98.51	\$78.13	\$20.38	\$10.78	12.3%
1,250	\$153.24	\$106.77	\$46.47	\$172.33	\$130.21	\$42.12	\$19.09	12.5%

Present Rates:	A-60	All Proposed Rates & Low Inc Credit:	A-60
Customer Charge		Customer Charge	\$0.00
Transmission Energy Charge (1)	kWh x \$0.00577	Transmission Energy Charge (1)	kWh x \$0.00709
Initial Block Energy Charge (1st 450 kWh)	kWh x \$0.01688	Initial Block Energy Charge (1st 450 kWh)	kWh x \$0.00448
Tail Block Energy Charge	kWh x \$0.03055	Tail Block Energy Charge	kWh x \$0.03055
Transition Energy Charge	kWh x \$0.00845	Transition Energy Charge	kWh x \$0.00575
C&LM Adjustment	kWh x \$0.00230	C&LM Adjustment	kWh x \$0.00230
Customer Credit	kWh x (\$0.00329)	Customer Credit	kWh x \$0.00000
Water Heating Credit	kWh x (\$0.00528)	Water Heating Credit	kWh x (\$0.00396)
Gross Earnings Tax	4.0%	Gross Earnings Tax	4.0%
Standard Offer Charge	\$0.08200	Standard Offer Charge	\$0.10000

Note (1): Includes Transmission Adjustment Factor of \$.00239/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00371/kWh.

3706 - Certificate of Service

I hereby certify that a copy of the cover letter and accompanying material(s) have been hand-delivered or sent via U.S. mail to the parties listed below.



Joanne M. Scanlon  
National Grid

December 7, 2005  
Date

**Narragansett Electric Co. – Standard Offer Rate Filing – Docket No. 3706**  
**Service list as 11/03/05**

<b>Name/Address</b>	<b>E-mail Distribution</b>	<b>Phone/FAX</b>
Laura S. Olton, Esq. Narragansett Electric Co. 280 Melrose St. PO Box 1438 Providence, RI 02901-1438	<a href="mailto:Laura.olton@us.ngrid.com">Laura.olton@us.ngrid.com</a>	401-784-7667
	<a href="mailto:Thomas.robinson@us.ngrid.com">Thomas.robinson@us.ngrid.com</a>	401-784-4321
	<a href="mailto:Ronald.Gerwatowski@us.ngrid.com">Ronald.Gerwatowski@us.ngrid.com</a>	
	<a href="mailto:Joanne.scanlon@us.ngrid.com">Joanne.scanlon@us.ngrid.com</a>	
Paul Roberti, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:Proberti@riag.ri.gov">Proberti@riag.ri.gov</a>	401-222-2424
	<a href="mailto:Steve.scialabba@ripuc.state.ri.us">Steve.scialabba@ripuc.state.ri.us</a>	401-222-3016
	<a href="mailto:RDIMeglio@riag.ri.gov">RDIMeglio@riag.ri.gov</a>	
	<a href="mailto:David.stearns@ripuc.state.ri.us">David.stearns@ripuc.state.ri.us</a>	
William Lueker, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:Wlueker@riag.ri.gov">Wlueker@riag.ri.gov</a>	401-222-2424 401-222-3016
John Stutz Tellus Institute 11 Arlington St. Boston MA 02116-3411	<a href="mailto:Jstutz@tellus.org">Jstutz@tellus.org</a>	
<b>Original &amp; nine (9) copies file w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02889	<a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>	401-941-4500
	<a href="mailto:Cwilson@puc.state.ri.us">Cwilson@puc.state.ri.us</a>	401-941-1691
	<a href="mailto:Anault@puc.state.ri.us">Anault@puc.state.ri.us</a>	
W. Mark Russo, Esq.	<a href="mailto:mrusso@frlawri.com">mrusso@frlawri.com</a>	
Jean Rosiello, Esq.	<a href="mailto:jeanrosiello@cox.net">jeanrosiello@cox.net</a>	
John Farley, Esq.	<a href="mailto:jfarley316@hotmail.com">jfarley316@hotmail.com</a>	

**3710 Certificate of Service**

I hereby certify that a copy of the cover letter and accompanying material(s) have been hand-delivered or sent via U.S. mail to the parties listed below.



Joanne M. Scanlon  
National Grid

December 7, 2005  
Date

**Narragansett Electric Co. – Request for Dispensation of Settlement Proceeds –  
Docket No. 3710 Service list as 11/22/05**

<b>Name/Address</b>	<b>E-mail Distribution</b>	<b>Phone/FAX</b>
Laura S. Olton, Esq. Narragansett Electric Co. 280 Melrose St. PO Box 1438 Providence, RI 02901-1438	<a href="mailto:Laura.olton@us.ngrid.com">Laura.olton@us.ngrid.com</a>	401-784-7667
	<a href="mailto:Thomas.robinson@us.ngrid.com">Thomas.robinson@us.ngrid.com</a>	401-784-4321
	<a href="mailto:Ronald.Gerwatowski@us.ngrid.com">Ronald.Gerwatowski@us.ngrid.com</a>	
	<a href="mailto:Joanne.scanlon@us.ngrid.com">Joanne.scanlon@us.ngrid.com</a>	
Paul Roberti, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:Proberti@riag.ri.gov">Proberti@riag.ri.gov</a>	401-222-2424
	<a href="mailto:Steve.scialabba@ripuc.state.ri.us">Steve.scialabba@ripuc.state.ri.us</a>	401-222-3016
	<a href="mailto:RDIMeglio@riag.ri.gov">RDIMeglio@riag.ri.gov</a>	
	<a href="mailto:David.stearns@ripuc.state.ri.us">David.stearns@ripuc.state.ri.us</a>	
William Lueker, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:Wlueker@riag.ri.gov">Wlueker@riag.ri.gov</a>	401-222-2424 401-222-3016
John Stutz Tellus Institute 11 Arlington St. Boston MA 02116-3411	<a href="mailto:Jstutz@tellus.org">Jstutz@tellus.org</a>	
John Farley, Executive Director The Energy Council of RI One Richmond Square Suite 340D Providence, RI 02906	<a href="mailto:jfarley316@hotmail.com">jfarley316@hotmail.com</a>	401-621-2240 401-621-2260
B. Jean Rosiello, Esq. 340 Olney St. Providence, RI 02906	<a href="mailto:jeanrosiello@cox.net">jeanrosiello@cox.net</a>	401-751-5090 401-751-5096
<b>Original &amp; nine (9) copies file w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02889	<a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>	401-941-4500
	<a href="mailto:Cwilson@puc.state.ri.us">Cwilson@puc.state.ri.us</a>	401-941-1691
	<a href="mailto:Anault@puc.state.ri.us">Anault@puc.state.ri.us</a>	
W. Mark Russo, Esq.	<a href="mailto:mrusso@frlawri.com">mrusso@frlawri.com</a>	