

August 7, 2008

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 3943 – National Grid Request for Change of Gas Distribution Rates
 Responses to Commission Data Requests**

Dear Ms. Massaro:

Enclosed please find eight (8) copies of National Grid's¹ responses to the Commission's first set of data requests issued in the above-referenced proceeding. Attached is a listing of the outstanding data requests for which the Company has not yet provided a response. The Company is endeavoring to file these responses as soon as possible. Also, please note there are no confidential exhibits or responses in this filing.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 3943 Service List

¹ The Narragansett Electric Company d/b/a National Grid ("Company").

Outstanding Responses to Information Requests as of August 7, 2008

Data Request DIV-5-8
Data Request DIV-5-42
Data Request DIV-7-6
Data Request DIV-12-8
Data Request RIH-JS-3
Data Request COMM 1-1
Data Request COMM 1-7
Data Request COMM 1-9
Data Request COMM 1-14
Data Request COMM 1-15
Data Request COMM 1-17
Data Request COMM 1-18
Data Request COMM 1-19
Data Request COMM 1-20
Data Request COMM 1-22

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate were electronically submitted, hand delivered and mailed to the individuals listed below.

/S/
Linda Samuelian

August 7, 2008
Date

**National Grid (NGrid) – Request for Change in Gas Distribution Rates
Docket No. 3943 - Service List as of 8/7/08**

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Data Request COMM 1-2

Request:

Do employees of National Grid Gas contribute to the cost of health, dental, and vision care plans?

Response:

Yes, employees of National Grid – Rhode Island Gas contribute to the cost of health, dental and vision care plans. Please see the Company's response to Data Request COMM 1-3 for additional information.

Data Request COMM 1-3

Request:

Describe the required employee co-payment arrangements for health care plans for services and for prescription drugs.

Response:

Please see Attachments COMM-1-3(a) through (c), which summarize the required employee co-payment arrangements for health care plans, services and prescription drugs for Local USW 12431-01 and Local UWUA 310B, as well as for non-union employees.

A Comparison of National Grid Plan Benefits for Cumberland UWUA 310 Employees

This chart summarizes major benefits offered by each health plan. If you need more information about each plan, you may call the plan's Customer Service Department directly, or visit their Web site (phone numbers and Web site addresses are listed below). Please see reverse side for dental benefits.

Medical Benefits

National Grid Choice Plus Plan Preferred Provider Organization Blue Cross Blue Shield		National Grid Select Plan Preferred Provider Organization Blue Cross Blue Shield		
	In-Network	Out-of-Network	In-Network	Out-of-Network
General provisions				
Annual deductible	None	\$250 per person \$500 per family	None	\$350 per person \$700 per family
Benefit level (what the plan covers for most eligible expenses)	100%; some co-pays required	80%*	100%; some co-pays required	80%
Annual out-of-pocket maximum (includes deductible and co-insurance)	None	\$2,500 per person \$5,000 per family	None	\$2,500 per person \$5,000 per family
Maximum lifetime benefit per person	\$5,000,000		\$5,000,000	
Dependent coverage	To age 19, or age 25 if full-time student		To age 19, or age 25 if full-time student	
Inpatient covered services	100%	80%*	100%	80%*
Outpatient covered services				
Office visit co-pay	\$10 co-pay per visit	80%*	\$10 co-pay per visit	80%*
Outpatient surgery, preadmission testing	100%	80%*	100%	80%*
Routine office visits (check-ups, physical exams, well-baby care)	\$10 co-pay per visit	No coverage	\$10 co-pay per visit	No coverage
Routine vision	100%	N/A	100%	N/A
Routine hearing exams	\$10 co-pay per visit	No coverage	\$10 co-pay per visit	No coverage
Office visits for specific treatment	\$10 co-pay per visit	80%*	\$10 co-pay per visit	80%*
Diagnostic lab and X-ray	100%	80%*	100%	80%*
Mental health and substance abuse				
Inpatient	100% for up to 30 days combined mental health and/or substance abuse	80%*	100% for up to 30 days combined mental health and/or substance abuse	80%*
Outpatient	\$10 co-pay/visit for up to 30 visits/year combined mental health and/or substance abuse	80%*	\$10 co-pay/visit for up to 30 visits/year combined mental health and/or substance abuse	80%*
Maternity benefits				
Prenatal care	\$10 co-pay for initial visit only	80%*	\$10 co-pay for initial visit only	80%*
In-hospital and well-baby visit	100%	80%*	100%	80%*
Emergency room care	\$25 co-pay	\$25 co-pay	\$50 co-pay	\$50 co-pay
Prescription drugs				
Retail (30-day supply)	Express Scripts		Express Scripts	
Generic (Tier I)	\$7 co-pay		\$10 co-pay	
Preferred Brand (Tier II)	\$12 co-pay		\$20 co-pay	
Non-Preferred Brand (Tier III)	\$25 co-pay		\$30 co-pay	
Mail Order Maintenance Drugs (90-day supply)	Express Scripts		Express Scripts	
Generic (Tier I)	\$14 co-pay		\$20 co-pay	
Preferred Brand (Tier II)	\$24 co-pay		\$40 co-pay	
Non-Preferred Brand (Tier III)	\$50 co-pay		\$60 co-pay	
*After you satisfy your deductible.				

*After you satisfy your deductible.

Medical Costs

(Deducted in pre-tax dollars)

	National Grid Choice Plus Plan		National Grid Select Plan	
	Individual	Family	Individual	Family
Total monthly costs	\$ 474.52	\$ 1,138.84	\$ 468.25	\$ 1,123.77
National Grid pays	\$ 443.98	\$ 1,082.51	\$ 443.25	\$ 1,075.77
Employee pays	\$ 30.54	\$ 56.33	\$ 25.00	\$ 48.00
Full-time employees pay weekly	\$ 7.05	\$ 13.00	\$ 5.77	\$ 11.08

Customer Service Telephone Numbers and Web Sites for Each Plan

	National Grid Choice Plus Plan		National Grid Select Plan	
	Individual	Family	Individual	Family
For a provider directory, service area map or more information, call:	1-800-287-8757		1-800-287-8757	
Or visit their Web site at:	www.bcbnsma.com		www.bcbnsma.com	

Dental Benefits

Delta Dental of Massachusetts: For more information, contact the plan at 1.800.872.0500 or www.deltamass.com

Dental Benefits	Annual Deductible	Plan Pays (after deductible)	Plan Maximum
Preventive, Diagnostic, and Basic Restorative Services <ul style="list-style-type: none"> ■ Oral exams, one per calendar year ■ Cleanings, two per calendar year ■ Fluoride for children under age 19, one per calendar year ■ X-rays ■ Procedures to relieve acute pain, two per calendar year ■ Space maintainers, replacement limited to once every 60 months ■ Fillings ■ Extractions ■ Oral surgery ■ Anesthesia or intravenous sedation ■ Root canal therapy ■ Repairs to existing partials or complete dentures, once every 12 months ■ Recementing crowns or bridges ■ Rebasing/relining partials or dentures, once every 60 months ■ Crowns, replacement limited to once every 60 months 	None	100%	\$1,500 per member/per calendar year (excludes orthodontia)
Major Restorative <ul style="list-style-type: none"> ■ Periodontal maintenance following active therapy, two per calendar year ■ Root planing and scaling, once per quadrant every 24 months ■ Osseous (bone) surgery, once per quadrant every 24 months ■ Gingivectomies and gingival curettage, once every 60 months ■ Crown lengthening, once per site every 60 months ■ Bridges, build-ups, post and cores, replacements limited to once every 60 months ■ Partial and complete dentures, replacements limited to once every 60 months 	None	50%	
Orthodontia (available to dependent children under age 19)	None	50%	\$1,500 lifetime maximum per person

A Comparison of National Grid Plan Benefits for New England Non-union Employees

This chart summarizes major benefits offered by each health care plan. If you need more information about each plan, you may call the plan's Customer Service Department directly, or visit their Web sites (phone numbers and Web site addresses are listed on the reverse side). Please see reverse side for dental benefits.

Medical Benefits

	Preferred Provider Organization (PPO) National Grid PPO Network includes Blue Care Elect (MA), HealthMate (RI), Preferred Blue (RIH)		Point-of-Service Harvard Pilgrim, Blue Choice 2 New England (NH & RI), Fallon Community Health Plan, Health New England, MVP Select Care	
	In-Network	Out-of-Network	In-Network	Out-of-Network
General provisions				
Annual deductible	None	\$300 per person \$600 per family	None	\$200 per person \$400 per family
Benefit level (what the plan covers for most eligible expenses)	100%; some co-pays required	80%*	100%; some co-pays required	70%*
Annual out-of-pocket maximum (includes deductible)	None	\$1,500 per person \$2,100 per family	None	\$1,300 per person \$1,900 per family
Maximum lifetime benefit per person	No limit	\$1 million	No limit	\$1 million
Dependent coverage	To age 19, or age 25 if full-time student		To age 19, or age 25 if full-time student	
Inpatient covered services	100%	80%*	100%	70%*
Outpatient covered services				
Outpatient surgery, preadmission testing	100%	80%*	100%	70%*
Routine office visits (check-ups, physical exams, well-baby care)	\$20 co-pay per visit for children through age 11; no coverage after age 11, except 100% coverage for Pap smears and mammograms	80%* coverage for children through age 11; no coverage after age 11; no coverage for Pap smears and mammograms	\$10 co-pay per visit; 100% lab and X-ray coverage for Pap smears and mammograms; may be subject to schedule	No coverage
Routine vision and hearing exams	No coverage	No coverage	\$10 co-pay per visit	No coverage
Office visits for specific treatment	\$20 co-pay per visit	80%*	\$10 co-pay per visit	70%*
Diagnostic lab and X-ray	100%	80%*	100%	70%*
Maternity benefits				
Prenatal care	100%	80%*	100%	70%*
In-hospital delivery and well-baby visit	100%	80%*	100%	70%*
Emergency room care				
	100% for true emergency; \$25 co-pay for non-emergency visit	100% for true emergency; 80% for other covered care	100% for true emergency; all other care not covered	100% for true emergency; all other care not covered

Mental health and substance abuse

	PPO	Point-of-Service				
	National Grid PPO	Harvard Pilgrim Health Care	Blue Choice 2 New England (NH & RI)	Fallon Community Health Plan	Health New England	MVP Select Care
Inpatient Treatment In-Network	100% up to 60 days/year for mental health treatment, plus 100% up to 30 days/year for alcoholism; facility must be participating	100% up to 60 days/year in psychiatric hospital, unlimited days in licensed general hospital; 100% up to 30 days/year in substance abuse treatment facility; 100% unlimited days for detoxification	100% up to 60 days/year for mental health, alcohol abuse or substance abuse, plus 100% up to 30 days/year for alcoholism	100% up to 60 days/year in psychiatric hospital; 100% unlimited days in general hospital; 100% up to 30 days/year for substance abuse services; 100% unlimited days for detoxification	100% up to 60 days/year in psychiatric hospital; 100% up to 30 days/year for substance abuse; 100% for detoxification in short-term acute care hospital	100% up to 60 days/year in psychiatric hospital; 100% up to 30 days/year in substance abuse treatment facility; 100% unlimited days for detoxification
Inpatient Treatment Out-of-Network	80% up to 60 days/year for mental health treatment, plus 80% up to 30 days/year for alcoholism	70% after deductible up to 60 days/year in a psychiatric hospital, unlimited days in licensed general hospital; up to 30 days/year substance abuse; unlimited days for detoxification	70% after deductible up to 60 days/year for mental health, alcohol abuse or substance abuse, plus 70% up to 30 days/year for alcoholism	70% after deductible up to 60 days/year for mental health; up to 30 days/year substance abuse	70% after deductible up to 60 days/year for mental health; up to 30 days/year substance abuse	70% after deductible up to 60 days/year for mental health; up to 30 days/year substance abuse
Prior authorization required						
Outpatient Treatment In-Network	\$15 co-pay/visit up to 24 visits/year for mental health treatment and an additional 24 visits/year for alcoholism treatment	\$5 co-pay/visit up to 24 visits/year for individual therapy, up to 25 visits/year for group therapy, combined max of 25 visits/year Drug and alcohol rehabilitation services covered up to 20 visits or \$500 in benefit value, whichever is greater	\$5 co-pay/visit up to 24 visits/year, plus 100% for alcoholism up to 30 visits/year	\$5 co-pay/visit \$5 co-pay unlimited substance abuse visits	\$5 co-pay, care for some conditions limited to 24 visits/year Drug and alcohol rehabilitation services covered per year at \$5 co-pay visits 1-10; \$15 co-pay visits 11-24	\$5 co-pay/visit up to 24 visits/year Drug and alcohol rehabilitation services covered up to 20 visits or \$500 in benefit value, whichever is greater
Outpatient Treatment Out-of-Network	80% after deductible up to 24 visits/year for mental health treatment; additional 24 visits/year for alcoholism treatment	70% after deductible up to 24 visits/year for individual therapy, up to 25 visits/year for group therapy, combined max of 25 visits/year Drug and alcohol rehabilitation services covered up to 20 visits or \$500 in benefit value, whichever is greater	70% after deductible Alcoholism up to 10 visits/year (combined in- and out-of-network visits)	70% after deductible	70% after deductible up to 24 visits/year	70% after deductible up to 24 visits/year 70% after deductible for substance abuse up to 24 visits/year

*After you satisfy your deductible

Prescription drugs All Health Care Plans use a Formulary Drug List of Approved Medications. Consult with your physician regarding the use of the formulary.						
	National Grid PPO	Harvard Pilgrim Health Care	Blue Choice 2 New England (NH & RI)	Fallon Community Health Plan	Health New England	MVP Select Care
Retail	Express Scripts	MedImpact	Express Scripts	PharmaCare	Express Scripts	Medco
30-day supply						
Generic (Tier I)	\$20 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay
Preferred Brand (Tier II)	\$30 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay
Non-Preferred Brand (Tier III)	\$30 co-pay	\$30 co-pay	\$30 co-pay	\$30 co-pay	\$30 co-pay	\$30 co-pay
Mail Order Maintenance Drugs	Express Scripts	BioScript	Express Scripts	PharmaCare	Express Scripts	Medco
90-day supply						
Generic (Tier I)	\$20 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay
Preferred Brand (Tier II)	\$30 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay	\$10 co-pay
Non-Preferred Brand (Tier III)	\$30 co-pay	\$30 co-pay	\$30 co-pay	\$30 co-pay	\$30 co-pay	\$30 co-pay

Note: Prior authorization may be required for certain medications.

Medical Costs*

	National Grid PPO			Point-of-Service		
	Individual	2-Person	Family	Individual	2-Person	Family
Total monthly cost	\$ 515.04	\$1,030.09	\$1,467.88	\$ 464.17	\$ 928.35	\$1,322.89
National Grid pays	\$ 345.08	\$ 690.16	\$ 983.48	\$ 371.34	\$ 742.68	\$1,058.31
Employee pays	\$ 169.96	\$ 339.93	\$ 484.40	\$ 92.83	\$ 185.67	\$ 264.58
2006 Surcharge	\$ 12.71	\$ 25.42	\$ 36.22	\$ 6.93	\$ 13.86	\$ 19.75
Full-time employees pay monthly	\$ 182.67	\$ 365.35	\$ 520.62	\$ 99.76	\$ 199.53	\$ 284.33
80% part-time employees pay monthly	\$ 249.15	\$ 498.30	\$ 710.07	\$ 172.64	\$ 345.29	\$ 492.04
60% part-time employees pay monthly	\$ 315.63	\$ 631.24	\$ 899.52	\$ 245.53	\$ 491.06	\$ 699.75
Full-time employees pay weekly	\$ 42.15	\$ 84.32	\$ 120.14	\$ 23.02	\$ 46.05	\$ 65.62
80% part-time employees pay weekly	\$ 57.50	\$ 114.99	\$ 163.87	\$ 39.84	\$ 79.68	\$ 113.55
60% part-time employees pay weekly	\$ 72.84	\$ 145.67	\$ 207.58	\$ 56.66	\$ 113.32	\$ 161.48

*Deducted in pre-tax dollars

Customer Service Telephone Numbers and Web Sites for Each Plan

	PPO	Point-of-Service				
	National Grid PPO	Harvard Pilgrim Health Care	Blue Choice 2 New England (NH & RI)	Fallon Community Health Plan	Health New England	MVP Select Care
For a provider directory, service area map or more information, call:	1-800-287-8757	1-800-333-4742	1-800-287-8757	1-800-868-5200	1-800-791-7944	1-800-229-5851
Or visit their Web site at:	www.bcbnsma.com	www.harvardpilgrim.org	www.bcbnsma.com	www.fchp.org	www.hne.com	www.mvselectcare.com

Dental Benefits

Delta Dental of Massachusetts: For more information, contact the plan at 1-800-872-0500 or www.deltamass.com			
Dental Benefits	Annual Deductible	Plan Pays (after deductible)	Plan Maximum
Type I: Diagnostic and Preventive Services ■ Exams and cleanings, two times per year ■ X-rays ■ Fluoride for children under age 18 ■ Space maintainers	None	100%	\$1,500 per calendar year/per person (excluding orthodontia)
Type II: Basic Restorative Services ■ Fillings ■ Oral surgery ■ Anesthesia ■ Extractions ■ Root canal therapy ■ Treatment of gum disease	\$50 per person	80% (after annual deductible)	
Type III: Major Restorative Services ■ Inlays ■ Crowns ■ Dentures ■ Bridgework ■ Repair or maintenance to any of the above		60% (after annual deductible)	\$2,000 per calendar year/per person (excluding orthodontia)
Orthodontia (available to all covered participants)	None	100%	\$1,800 lifetime maximum per person

Dental Costs*

Your cost for dental benefits depends on your coverage level and your medical election. The amount you pay depends on the medical plan you elect. If you opt out of medical coverage and you enroll in a dental plan, you will pay the dental rate associated with the POS Plan.

If you enroll in...	National Grid PPO			POS Plan or opt out of medical		
	Individual	2-Person	Family	Individual	2-Person	Family
Total monthly costs	\$ 42.42	\$ 84.82	\$120.87	\$ 42.42	\$ 84.82	\$120.87
National Grid pays	\$ 28.42	\$ 56.83	\$ 80.98	\$ 33.94	\$ 67.86	\$ 96.70
Full-time employees pay monthly	\$ 14.00	\$ 27.99	\$ 39.89	\$ 8.48	\$ 16.96	\$ 24.17
80% part-time employees pay monthly	\$ 19.68	\$ 39.36	\$ 56.08	\$ 15.27	\$ 30.34	\$ 43.51
60% part-time employees pay monthly	\$ 25.36	\$ 50.72	\$ 72.28	\$ 22.05	\$ 44.11	\$ 62.85
Full-time employees pay weekly	\$ 3.23	\$ 6.46	\$ 9.21	\$ 1.96	\$ 3.91	\$ 5.58
80% part-time employees pay weekly	\$ 4.54	\$ 9.08	\$ 12.94	\$ 3.52	\$ 7.05	\$ 10.04
60% part-time employees pay weekly	\$ 5.85	\$ 11.71	\$ 16.68	\$ 5.08	\$ 10.18	\$ 14.50

* Deducted in pre-tax dollars

A Comparison of National Grid Plan Benefits for Steelworkers 12431

This chart summarizes major benefits offered by each health plan. If you need more information about each plan, you may call the plan's Customer Service Department directly, or visit their Web site (phone numbers and Web site addresses are listed below). Please see reverse side for dental benefits.

Medical Benefits

	National Grid Custom Choice Plus Preferred Provider Organization Blue Cross Blue Shield		National Grid Plan 4 Preferred Provider Organization Blue Cross Blue Shield		National Grid Select Plan Preferred Provider Organization Blue Cross Blue Shield	
	In-Network	Out-of-Network	In-Network	Out-of-Network	In-Network	Out-of-Network
General provisions						
Annual deductible	None	\$200 per person \$400 per family	None	\$350 per person \$700 per family	None	\$350 per person \$700 per family
Benefit level (what the plan covers for most eligible expenses)	100%; some co-pays required	80%*	100%; some co-pays required	80%	100%; some co-pays required	80%
Annual out-of-pocket maximum (includes deductible and co-insurance)	None	\$2,000 per person \$4,000 per family	None	\$2,500 per person \$5,000 per family	None	\$2,500 per person \$5,000 per family
Maximum lifetime benefit per person	\$5,000,000		\$5,000,000		\$5,000,000	
Dependent coverage	To age 19, or age 25 if full-time student		To age 19, or age 25 if full-time student		To age 19, or age 25 if full-time student	
Inpatient covered services	100%	80%*	100%	80%*	100%	80%
Outpatient covered services						
Office visit co-pay	\$5 co-pay per visit	80%*	\$10 co-pay per visit	80%*	\$10 co-pay per visit	80%*
Outpatient surgery, preadmission testing	100%	80%*	100%	80%*	100%	80%*
Routine office visits (check-ups, physical exams, well-baby care)	\$5 co-pay per visit	No coverage	\$10 co-pay per visit	No coverage	\$10 co-pay per visit	No coverage
Routine vision	100%	N/A	100%	N/A	100%	N/A
Routine hearing exams	\$5 co-pay per visit	No coverage	\$10 co-pay per visit	No coverage	\$10 co-pay per visit	No coverage
Office visits for specific treatment	\$5 co-pay per visit	80%*	\$10 co-pay per visit	80%*	\$10 co-pay per visit	80%*
Diagnostic lab and X-ray	100%	80%*	100%	80%*	100%	80%*
Mental health and substance abuse						
Inpatient	100% for mental health treatment, plus 100% for substance abuse treatment	80%*	100% for up to 30 days combined mental health and/or substance abuse	80%*	100% for up to 30 days combined mental health and/or substance abuse	80%*
Outpatient	\$5 co-pay/visit for up to 26 visits/year for treatment of mental health condition \$5 co-pay/visit for up to 30 visits/year for substance abuse treatment	80%*	\$10 co-pay/visit for up to 30 visits/year combined mental health and/or substance abuse	80%*	\$10 co-pay/visit for up to 30 visits/year combined mental health and/or substance abuse	80%*
Maternity benefits						
Prenatal care	\$5 co-pay for initial visit only	80%*	\$10 co-pay for initial visit only	80%*	\$10 co-pay for initial visit only	80%*
In-hospital and well-baby visit	100%	80%*	100%	80%*	100%	80%*
Emergency room care	\$25 co-pay	\$25 co-pay	\$50 co-pay	\$50 co-pay	\$50 co-pay	\$50 co-pay
Prescription drugs						
Retail (30-day supply)	Express Scripts		Express Scripts		Express Scripts	
Generic (Tier I)	\$3 co-pay		\$7 co-pay		\$10 co-pay	
Preferred Brand (Tier II)	\$3 co-pay		\$15 co-pay		\$20 co-pay	
Non-Preferred Brand (Tier III)	\$15 co-pay		\$30 co-pay		\$30 co-pay	
Mail Order Maintenance Drugs (90-day supply)	Express Scripts		Express Scripts		Express Scripts	
Generic (Tier I)	\$6 co-pay		\$14 co-pay		\$20 co-pay	
Preferred Brand (Tier II)	\$6 co-pay		\$30 co-pay		\$40 co-pay	
Non-Preferred Brand (Tier III)	\$30 co-pay		\$60 co-pay		\$60 co-pay	

*After you satisfy your deductible.

Medical Costs

(Deducted in pre-tax dollars)

	National Grid Custom Choice Plus		National Grid Plan 4		National Grid Select Plan	
	Individual	Family	Individual	Family	Individual	Family
Total monthly costs	\$ 606.17	\$ 1,454.80	\$ 589.55	\$ 1,414.92	\$ 584.73	\$ 1,403.36
National Grid pays	\$ 533.79	\$ 1,292.96	\$ 589.55	\$ 1,245.57	\$ 584.73	\$ 1,403.36
Employee pays	\$ 72.38	\$ 161.84	\$ 0	\$ 169.35	\$ 0	\$ 0
Full-time employees pay weekly	\$ 16.70	\$ 37.35	\$ 0	\$ 39.08	\$ 0	\$ 0

Customer Service Telephone Numbers and Web Sites for Each Plan

	National Grid Custom Choice Plus	National Grid Plan 4	National Grid Select Plan
For a provider directory, service area map or more information, call:	1-800-287-8757	1-800-287-8757	1-800-287-8757
Or visit their Web site at:	www.bcbnsma.com	www.bcbnsma.com	www.bcbnsma.com

Dental Benefits

Delta Dental of Massachusetts: For more information, contact the plan at 1.800.872.0500 or www.deltamass.com

Dental Benefits	Annual Deductible	Plan Pays (after deductible)	Plan Maximum
Preventive, Diagnostic and Basic Restorative Services <ul style="list-style-type: none"> ■ Oral exams, one per calendar year ■ Cleanings, two per calendar year ■ Fluoride for children under age 19, one per calendar year ■ X-rays ■ Procedures to relieve acute pain, two per calendar year ■ Space maintainers, replacement limited to once every 60 months ■ Fillings ■ Extractions ■ Oral surgery ■ Anesthesia or intravenous sedation ■ Root canal therapy ■ Repairs to existing partials or complete dentures, once every 12 months ■ Recementing crowns or bridges ■ Rebasing/relining partials or dentures, once every 60 months ■ Crowns, replacement limited to once every 60 months 	None	100%	\$1,200 per member/per calendar year (excludes orthodontia)
Major Restorative <ul style="list-style-type: none"> ■ Periodontal maintenance following active therapy, two per calendar year ■ Root planing and scaling, once per quadrant every 24 months ■ Osseous (bone) surgery, once per quadrant every 24 months ■ Gingivectomies and gingival curettage, once every 60 months ■ Crown lengthening, once per site every 60 months ■ Soft tissue grafts, once per site, every 60 months ■ Bridges, build-ups, post and cores, replacements limited to once every 60 months ■ Partial and complete dentures, replacements limited to once every 60 months 	None	50%	
Orthodontia (available to dependent children under age 19)	None	50%	\$2,000 lifetime maximum per person

Data Request COMM 1-4

Request:

At pages 12-13 of Mr. Laflamme's testimony he states that National Grid is a self-insurer for medical costs. He also discusses the limited amount of actual experience with gas operations to accurately estimate the cost. Provide the following:

- (a) The actual amount of medical costs incurred in the test year.
- (b) The amount of medical costs projected for the rate year.

Response:

- (a) Actual O&M medical and dental costs of \$4,409,371 were incurred during the test year. This includes \$3,802,216 and \$607,155 for National Grid – Rhode Island Gas and National Grid – Service Company, respectively, as shown on line 1 of pages 8 and 9 of Attachment NG-MDL-1.
- (b) The amount of O&M medical and dental costs projected for the rate year is \$5,316,827. This includes \$4,614,606 for National Grid – Rhode Island Gas and \$702,221 for National Grid – Service Company, which is shown on line 30 of page 8 and line 14 of page 9 of Attachment NG-MDL-1, respectively.

Data Request COMM 1-5

Request:

Describe the Company's pension arrangement for employees. If the Company has a Defined Benefit Plan, explain how benefits accrue under the plan(s) and the funding status of the plan(s).

Response:

The Company provides a traditional Defined Benefit pension plan for its gas employees, which is a Final Average Pay Plan design. These traditional plans have different formulas based on the category of employee. For represented employees, the design is based on the Collective Bargaining agreement between the Company and the respective union. Management employees, not participating in a voluntary early retirement program, are all covered by the same design as of April 1, 2008. On this date, most former New England Gas management employees were transferred to the National Grid Non-Union Final Average Pay Plan. With both plans, employees accrue benefits based on pension wages and service with the Company. The funded status is 97% as of March 31, 2008.

Data Request COMM 1-6

Request:

How many labor contracts are in effect, and what are the expiration dates for each contract?

Response:

The Company has two union labor contracts covering the National Grid – RI Gas operations. The contract covering the United Steel Workers, Local 12431-01, is a three-year contract expiring on May 21, 2010. The contract covering the Utility Workers of America, Local 310B, is a two-year contract expiring on March 31, 2010.

Data Request COMM 1-8

Request:

For each of the last three years, provide the annual wage increase percentages provided to union and non-union employees.

Response:

Please see the table below summarizing the annual wage increase percentages provided to union employees since 2005.

Union Local	Month of Annual Increase	2005	2006	2007	2008	Contract Expiration
USW 12431-01	May	3%	3%	3%	3%	May 21, 2010
UWUA 310B	April	3%	8%	4%	3%	March 31, 2010

Please see the table below summarizing the average annual wage increase percentages provided to National Grid's non-union employees since 2005.

Non-union Wage Increases	
Year	Percent Increase
2005	3.86%
2006	3.39%
2007	3.53%
2008	3.80%

Data Request COMM 1-10

Request:

For the test year ended September 30, 2007 and for the current year-to-date period from September 30, 2007, provide a list of the charitable contributions for each year and show the total contributions for each year.

Response:

Listed below are the charitable contributions for the 12-months ended September 30, 2007 and the nine months ended June 30, 2008.

Donations 12-Months Ended September 30, 2007

United Way of Rhode Island	\$23,590
American Heart Association	20,255
Salvation Army - RI Good Neighbor Energy Fund	20,000
Rhode Island Hospital	15,000
Celebrate Rhode Island	10,000
City Year Rhode Island	10,000
Providence Performing Arts Center	10,000
American Red Cross Rhode Island Chapter	10,000
Audubon Society of Rhode Island	10,045
National Grid USA Service Co. Inc.	55,478
Health & Human Services	17,250
Pub Policy & Prof Bus Orgs	12,665
Cultural Organizations	10,050
Educational Organizations	5,245
Environment & Ecology	4,600
Civic Organizations	2,250
Total	<u><u>\$236,428</u></u>

Donations 9-Months Ended June 30, 2008

Salvation Army - RI Good Neighbor Energy Fund	\$48,750
United Way of Rhode Island	14,858
National Grid USA Service Co. Inc.	36,287
Health and Human Services	1,345
Cultural Organizations	1,500
Environmental & Ecological	100
Educational Organizations	875
Total	<u><u>\$103,715</u></u>

Data Request COMM 1-11

Request:

What is the unamortized cost of 'Y2K' expenses at September 30, 2008?

Response:

The unamortized cost of "Y2K" expenses at September 30, 2008 will be \$1,560,000.

Data Request COMM 1-12

Request:

What is the annual amortization charge for Y2K expenses and the remaining recovery period after September 30, 2008?

Response:

The annual amortization charge for Y2K expenses is \$240,000. Y2K will be fully amortized as of March 31, 2015.

Data Request COMM 1-13

Request:

Is the legacy information system still in service to the company? If the answer is yes, what data or services does the legacy system currently provide?

Response:

No, the legacy information system is not still in service to the Company.

Data Request COMM 1-16

Request:

For the period starting with National Grid's acquisition of the gas company through June 30, 2008, how many Gas Company employees have:

- (a) Accepted a voluntary early retirement or severance offer?
- (b) How many of those employees have not as yet left employment?
- (c) How many RI gas operation employees have transferred to National Grid's Service Company?

Response:

Please see the following responses:

- (a) For the period starting with National Grid's acquisition of the regulated gas operations in Rhode Island through June 30, 2008, 54 employees have accepted a Voluntary Early Retirement Offer (VERO) and 28 employees have accepted a voluntary severance offer.
- (b) For the period starting with National Grid's acquisition of the regulated gas operations in Rhode Island through June 30, 2008, 18 employees that had accepted the VERO and 7 employees that had accepted the voluntary severance offer are still working for the Company.
- (c) For the period starting with National Grid's acquisition of the regulated gas operations in Rhode Island through June 30, 2008, approximately 100 employees have been transferred to National Grid's Service Company.

Data Request COMM 1-21

Request:

What is the status of the sale of the gas company building on Dorrance Street?

Response:

The Company is currently marketing the Weybosset and Dorrance Street properties in Providence, Rhode Island for sale and has received two offers. Based upon the current real estate and capital-market conditions, the sale price is anticipated to be well below the appraised value utilized in the Company's rate case filing.

Data Request COMM 1-23

Request:

The company requests incremental Gas Marketing Program Expenses of \$1.377 million to increase sales to residential customers and to small and medium C&I customers. The testimony of Sean Mongan indicates that a portion of the program funds will be for equipment discounts and rebates as well as for customer outreach and education costs. [See testimony of Sean Mongan on page 19]. In light of the current differential in the cost of oil compared to gas, has the Company revised in any way the estimated outreach costs and rebates amounts that are now considered necessary to attract gas customers or get conversions to gas heating?

Response:

The Company has not revised the estimated outreach and rebate amounts in light of the current cost differential between heating oil and gas because the Company's programs are not structured around temporary variances in fuel pricing. Although some customers may be induced to convert to gas service because of this differential, there are other customers who will not because of a lack of knowledge about the safety and reliability of natural gas service or because of other considerations involved in converting their existing heating system, which for a homeowner or small business can be a daunting task.

The core objective of the Gas Marketing Program is to establish a long-term structure that will provide customers a fair and accurate basis of understanding in terms of their fuel-source alternatives and to provide them choices when presented with the need to replace their heating and hot water systems. While the cost differential between oil and gas is currently motivating some customers to commence the conversion process, the Company's experience is that this effect is often short term and many other customers will need additional information and help to become gas customers. In order to accomplish a sustained and productive level of conversions, it is necessary for the Company to create a program structured to maintain continuous communication efforts and to facilitate conversions among those customers who find the process or cost to be prohibitive, regardless of temporary cost differentials between natural gas and oil.

Data Request COMM 1-24

Request:

Provide the summary data for the 5-year period that results in the average plant retirement amount of \$4,820,481 used on National Grid Attachment MDL-1, page 26, line 4.

Response:

Please see the attached MDL Workpaper – Retirements / Net C.O.R. as per Volume 5 of 5 at page 90.

**MDL Workpaper
Retirements/Net C.O.R.**

Narragansett Gas Co.
Additions, Retirements, Cost of Removal & Salvage
For the Twelve Months Ending June 30,

Source: FERC Form II Pages 208 & 219

	2003	2004	2005	2006	2007	Average
Retirements	448,965	8,418,954	1,985,894	10,447,602	2,800,989	4,820,481
Cost of Removal	530,341	812,036	980,353	1,416,344	6,573,816	2,062,578
Salvage	(577,700)	(707,321)	(2,544)	0	0	<u>(257,513)</u>
Net Cost of Removal						1,805,065

Data Request COMM 1-25

Request:

Regarding the depreciation study, please explain why the Production Plant account is proposed to have a negative depreciation accrual rate. [At Table 3 of the Depreciation Study.]

Response:

The historical net salvage analysis for Production Plant is based on \$842,291 retired over the period 1997-2007. Gross salvage and cost of removal were recorded as \$41,178 and \$30,365 respectively, reflecting a net salvage rate of 1.3 percent. Prior to 2004, the realized net salvage rate was -7.4 percent. Of the five years in which retirements were recorded, only one year, 2004, had realized gross salvage. Cost of removal was realized in three years 1997, 1998 and 2005.

This minimal experience is not considered reliable enough to provide a firm estimate of future net salvage. The Company, however, expects a nominal amount of negative net salvage to be recognized when the equipment and structures classified in these accounts are eventually retired. A -5% net salvage rate was recommended to reflect that expectation.

Data Request COMM 1-26

Request:

Please explain why the Distribution Plant account has a current/recorded depreciation reserve that is \$89.2 million higher than the computed reserve amount proposed in the Depreciation Study. [See Statement C of the Depreciation Study.]

Response:

As explained in Attachment NG-KAK-1 pages 10-12, Foster Associates recommended a separation of the accrual rate for net salvage from the accrual rate for the investment portion of a plant account. Under this recommendation and with the exception of General Plant accounts, depreciation charges for the investment portion of a plant account will be accumulated in primary account investment reserves. Net Salvage accruals will be accumulated in function net salvage reserves. A redistribution of the recorded reserve was necessary, therefore, to develop an initial investment reserve balance for each primary account and a net salvage reserve balance for each function.

As shown in Column C of Statement C, the total recorded reserve (i.e. for both plant and net salvage) is maintained at the primary account. The computed reserve shown in Column E, however, is split between investment for accounts 30500 through 39810 and net salvage for accounts 10810 through 10830. A correct comparison of the recorded to the computed reserve for Distribution Plant should include \$227,099,338 of recorded reserve and \$139,714,990 plus \$82, 306,232 of computed reserve to provide a reserve excess of only \$4,386,347, not \$89.2 million as implied in this question.

Data Request COMM 1-27

Request:

Explain why the Net Salvage accounts have no present reserve accrual. [See Table 3 and Statement C in the Depreciation Study.]

Response:

Please see the Company's response to Data Request COMM-1-26. Please also note that Statement C in the Depreciation Study does not show present or proposed accruals. A comparison of present and proposed rates and accruals is shown in Statement A and Statement B respectively.

The Company's present depreciation rates and accruals do not distinguish between investment and net salvage. The proposed rates and accruals, however, make that distinction. In table 3, for example, the 3.76 percent present rate for Distribution Plant reflects a combined investment and net salvage accrual rate while the proposed rate is split between 2.17 percent for investment and 1.28 percent for net salvage.

Data Request COMM 1-28

Request:

Can the company identify the salvage accruals contained in the investment portion of the plant accounts? If salvage accruals are available (or can be estimated), provide a comparison of the approximate salvage accrual amounts to the Depreciation Study's 'Computed Reserve' amounts that are shown on Statement C (at page 21 of Study) for Production Plant, Other Storage Plant, and Distribution Plant.

Response:

	Computed Reserve	Salvage Accrual
Production Plant	113,881	(1,262)
Other Storage Plant	577,888	-
Distribution Plant	82,306,232	(43,764)

Data Request COMM 1-29

Request:

Provide a revised cash working capital schedule for the rate year (MDL-1, page 33) to reflect all corrections the Company has noted to date.

Response:

Please see Attachment COMM-1-29, which is a revised cash working capital study incorporating the corrections previously discussed in the Company's responses to Data Requests DIV 1-5 and DIV 1-6. As a result of these changes, the cash working capital requirement increased by \$934,589, which is the recalculation of \$11,227,135 compared to the original submission of \$10,292,546.

National Grid - RI Gas
Cash Working Capital Requirements
For the Twelve Months Ended September 30, 2007
Summary

<u>Line No.</u>		<u>CWC %</u>	<u>Test Year</u> (October 2006 to September 2007)		<u>Reference page:</u>
			<u>Total Dollars</u>	<u>CWC Dollars</u>	
1	Gas Purchases	6.68%	Recovered Via Company GCR		2
2	Operation & Maintenance Expense	10.21%	75,363,494	7,694,613	4
3	Federal Income Tax	7.48%	1,217,248	91,050	5
4	<u>Taxes Other than Income Taxes</u>				
5	Municipal Taxes	-8.82%	6,920,312	(610,372)	6
6	Sales and Use Tax	4.00%	6,118,259	244,730	7
7	Gross Earnings Tax	25.38%	14,117,666	3,583,064	8
8	<u>Payroll Taxes - Company Portion</u>				
9	Federal Unemployment	-12.29%	31,116	(3,824)	9
10	State Unemployment	-8.27%	143,768	(11,890)	10
11	FICA Expense Weekly	13.30%	2,572,193	342,102	11
12	Monthly	13.14%	289,933	38,097	12
13	<u>Payroll Taxes and Other Withholding</u>				
14	FICA and Federal Withholding Weekly	-0.35%	5,904,330	(20,665)	13
15	Monthly	-0.50%	1,887,610	(9,438)	14
16	State Income Tax Withholding Weekly	-0.36%	1,089,556	(3,922)	15
17	Monthly	-0.50%	354,839	(1,774)	16
18	Temporary Disability Insurance Weekly	-19.68%	249,241	(49,051)	17
19	Monthly	-18.43%	83,906	(15,464)	18
20	Incentive Thrift	-1.10%	3,647,353	(40,121)	19
21					
22			<u>\$119,990,823</u>	<u>\$11,227,135</u>	

**National Grid - RI Gas
Cash Working Capital Requirements
Summary of Gas Purchases
For the Twelve Months Ended September 30, 2007**

<u>Line No.</u>	<u>Days of Cost</u> (a)	<u>Annual Percent</u> (b)	<u>Revenue Lag %</u> (c)	<u>Page Ref.</u>	<u>CWC %</u> (d)
1	(25.40)	-6.96%	13.64%	3	6.68%

**National Grid - RI Gas
Cash Working Capital Requirements
Gas Revenue Lag
For the Twelve Months Ended September 30, 2007**

Line No.	<u>Service Period</u> (a)	<u>Utility Service Receivables</u> <u>(Net of Uncollectible Reserves)</u> (b)
1	October 2006	\$30,209,107
2	November 2006	38,944,915
3	December 2006	50,696,180
4	January 2007	57,429,118
5	February 2007	81,947,232
6	March 2007	88,507,027
7	April 2007	82,847,472
8	May 2007	66,687,658
9	June 2007	55,612,902
10	July 2007	49,067,390
11	August 2007	44,041,372
12	September 2007	40,026,433
13	Total (Sum of lines 1 through 12)	\$686,016,806
14	Monthly Average (Line 13 / 12 mo.)	\$57,168,067
15	Average Daily Revenue (See Page 3a)	\$1,226,770
16	Collection Lag (Line 14 / line 15)	46.60 days
17	Billing Lag	3.20 days
18	Total Revenue Lag (Sum of lines 16 through 17)	49.80 days
19	Revenue Lag % (Line 18 / 365 days)	13.64%

**National Grid - RI Gas
Cash Working Capital Requirements
Average Daily Revenue
For the Twelve Months Ended September 30, 2007**

Line <u>No.</u>	<u>Description</u> (a)	<u>Gas Revenue</u> (b)
1	Gas Revenues	\$433,771,489
2	Transportation	\$13,999,515
3		<hr/>
4	Total Gas Revenue (Sum of lines 1 through 3)	<u>\$447,771,005</u>
5		
6	Average Daily Revenue (Line 4 / 365)	\$1,226,770

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**National Grid - RI Gas
Cash Working Capital Requirements
Total Operation and Maintenance (O&M) Expense Summary
For the Twelve Months Ended September 30, 2007**

Line No.	Cost Category (a)	Amount (b)	Lead Days (c)	Page Ref.	Weighted Lead Days (d)
1	Payroll-Weekly	\$20,923,668	(6.58)		(\$137,677,735)
2	Payroll-Monthly	7,599,790	(9.84)		(74,781,934)
3					
4					
5	Service Company Billing	19,455,804	21.40	4a	416,354,206
6					
7	Other O&M	<u>27,384,232</u>	<u>27.00</u>	4b	<u>739,374,264</u>
8					
9	Total	<u><u>\$75,363,494</u></u>	<u><u>12.52</u></u>		<u><u>\$943,268,801</u></u>

National Grid - RI Gas
Cash Working Capital Requirements
Service Company Billings Detail

Line No.	Svc Month (a)	Billing Date (b)	Payment Date 1/ (c)	Amount Paid 1/ (d)	% of Total (e)	% of Total for Year (f)	Elapsed Days (c - b) (g)	Weighted Elapsed Days (f * g) (h)
1	Oct	10/01/2006	10/23/2006	\$1,900,000	42.66%	4.67%	22	1.03
2			11/17/2006	\$850,264	19.09%	2.09%	47	0.98
3				\$2,750,264	61.75%			
4								
5	Nov	11/01/2006	11/17/2006	\$2,296,000	70.68%	5.65%	16	0.90
6			12/15/2006	\$2,157,700	66.43%	5.31%	44	2.34
7				\$4,453,700	137.11%			
8								
9	Dec	12/01/2006	12/15/2006	\$3,015,000	104.23%	7.42%	14	1.04
10			01/19/2007	\$233,215	8.06%	0.57%	49	0.28
11				\$3,248,215	112.29%			
12								
13	Jan	01/01/2007	01/22/2007	\$3,000,000	109.36%	7.38%	21	1.55
14			02/20/2007	(\$107,332)	-3.91%	-0.26%	50	(0.13)
15				\$2,892,668	105.45%			
16								
17	Feb	02/01/2007	02/20/2007	\$3,037,000	63.97%	7.47%	19	1.42
18			03/16/2007	(\$293,743)	-6.19%	-0.72%	43	(0.31)
19				\$2,743,257	57.78%			
20								
21	Mar	03/01/2007	03/16/2007	\$3,440,000	116.31%	8.46%	15	1.27
22			04/23/2007	\$1,307,513	44.21%	3.22%	53	1.71
23				\$4,747,513	160.52%			
24								
25	Apr	04/01/2007	04/23/2007	\$3,240,000	95.39%	7.97%	22	1.75
26			05/16/2007	(\$282,462)	-8.32%	-0.69%	45	(0.31)
27				\$2,957,538	87.07%			
28								
29	May	05/01/2007	05/16/2007	\$3,204,000	94.22%	7.88%	15	1.18
30			06/19/2007	\$192,695	5.67%	0.47%	49	0.23
31				\$3,396,695	99.89%			
32								
33	Jun	06/01/2007	06/19/2007	\$3,226,000	104.85%	7.94%	18	1.43
34			07/18/2007	\$174,440	5.67%	0.43%	47	0.20
35				\$3,400,440	110.52%			
36								
37	Jul	07/01/2007	07/18/2007	\$3,243,000	83.62%	7.98%	17	1.36
38			08/20/2007	(\$166,146)	-4.28%	-0.41%	50	(0.21)
39				\$3,076,854	79.34%			
40								
41	Aug	08/01/2007	08/21/2007	\$3,228,000	104.05%	7.94%	20	1.59
42			09/19/2007	\$650,324	20.96%	1.60%	49	0.78
43				\$3,878,324	125.01%			
44								
45	Sep	09/01/2007	09/20/2007	\$3,282,000	105.79%	8.07%	19	1.53
46			10/19/2007	(\$179,705)	-5.79%	-0.44%	48	(0.21)
47				\$3,102,295	100.00%			
48								
49			Annual Totals	<u>\$40,647,762</u>		<u>100.0%</u>		<u>21.40</u>
50								
51								
52								
53			Days of	Annual	Customer			
54			Cost	Percent	Payment		CWC %	
55					Lag %			
56			(21.40)	-5.85%	13.64%		7.79%	

1/ Payments are made on an estimated basis in the month during which services are provided.

**National Grid - RI Gas
Cash Working Capital Requirements
Vendor Payment Lag
For the Twelve Months Ended September 30, 2007**

Line No.	Service Period (a)	Invoice Totals (b)	% of Total (c)	Payment Lag in Days 1/ (d)	Weighted Payment Lag in Days (e)	Dollar Weighted Days 2/ (f)
1	10/31/2006	\$1,619,867	10.24%	30.06	3.08	\$48,690,504
2	11/30/2006	1,015,323	6.42%	31.36	2.01	31,838,152
3	12/31/2006	1,350,392	8.54%	41.62	3.55	56,205,696
4	01/31/2007	1,237,125	7.82%	35.02	2.74	43,319,539
5	02/28/2007	773,086	4.89%	34.54	1.69	26,700,183
6	03/31/2007	2,523,998	15.95%	21.85	3.48	55,141,030
7	04/30/2007	938,999	5.94%	27.57	1.64	25,890,302
8	05/31/2007	1,247,178	7.88%	18.07	1.42	22,535,735
9	06/30/2007	1,177,548	7.44%	26.22	1.95	30,871,960
10	07/31/2007	1,943,252	12.28%	17.27	2.12	33,558,845
11	08/31/2007	1,039,306	6.57%	22.98	1.51	23,887,961
12	09/30/2007	<u>954,719</u>	<u>6.03%</u>	29.90	<u>1.80</u>	<u>28,548,748</u>
13						
14		<u>\$15,820,792</u>	<u>100.00%</u>		<u>27.00</u>	<u>\$427,188,656</u>
15						
16						
17						
18						
20						
21						
22						
23						
24			Customer			
25	Days of	Annual	Payment			
26	<u>Cost</u>	<u>Percent</u>	<u>Lag %</u>	<u>CWC %</u>		
27						
28	(27.00)	-7.40%	13.64%	6.24%		

1/ Dollar weighted days divided by invoice totals.

2/ Monthly total of dollar weighted days (invoice amount x days lapsed from invoice date to payment date).

National Grid - RI Gas
Cash Working Capital Requirements
Federal Income Tax
For the Twelve Months Ended September 30, 2007

Line No.	Payment Date 1/	Days from Service Period End	Percent Payment 1/	Weighted Average Days From Year End
	(a)	(b)	(c)	(d)
1	07/15/2007	260	25.00%	65.00
2	09/15/2007	198	25.00%	49.50
3	12/15/2007	107	25.00%	26.75
4	03/15/2008	16	25.00%	4.00
5			<u>100.00%</u>	<u>145.25</u>
6				
7				
8				
9				
10				
11				
12	Service Period	Days from Year End		Average Days from Year End
13				
14				
15	04/30/2007	336		
16	05/31/2007	305		
17	06/30/2007	275		
18	07/31/2007	244		
19	08/31/2007	213		
20	09/30/2007	183		
21	10/31/2007	152		
22	11/30/2007	122		
23	12/31/2007	91		
24	01/31/2008	60		
25	02/28/2008	32		
26	03/31/2008	0		
27				
28	Average End of			
29	Service Period Date	<u>2,013</u>	/12 =	<u>167.75</u>
30				
31				
32	Weighted Average Payment			145.25
33	Average Days from End of Service			<u>(167.75)</u>
34	Period for Payment of FIT			<u>(22.50)</u>
35				
36				
37				
38	Day of Cost	Annual Percent	Customer Payment Lag %	CWC %
39				
40				
41	(22.50)	-6.16%	13.64%	7.48%

1/ The Internal Revenue Service (Code Sec. 6655) requires estimated federal income tax payments, per this schedule, based on the fiscal year end.

National Grid - RI Gas
Cash Working Capital Requirements
Municipal Taxes
Assessments for Statement Year 2007

Line No.	Payment Date (a)	Days From Svc Per End (b)	Amount Paid (c)	Percent Payment (d)	Weighted Average Days From Year End (e)
1	01/31/2007	334	\$0	0.00%	0
2	02/28/2007	306	0	0.00%	0
3	03/31/2007	275	0	0.00%	0
4	04/30/2007	245	0	0.00%	0
5	05/31/2007	214	467,744	6.67%	14
6	06/30/2007	184	10,291	0.15%	0
7	07/31/2007	153	1,098,461	15.66%	24
8	08/31/2007	122	1,175,061	16.75%	20
9	09/30/2007	92	504,355	7.19%	7
10	10/31/2007	61	922,173	13.15%	8
11	11/30/2007	31	2,835,430	40.43%	13
12	12/31/2007	0	0	0.00%	0
13					
14			<u>\$7,013,515</u>	<u>100.00%</u>	<u>86</u>
15					
16					
17					
18					
19					

Service Period	Days From Year End	Average Days From Year End
01/31/2007	334	
02/28/2007	306	
03/31/2007	275	
04/30/2007	245	
05/31/2007	214	
06/30/2007	184	
07/31/2007	153	
08/31/2007	122	
09/30/2007	92	
10/31/2007	61	
11/30/2007	31	
12/31/2007	0	
Average End of Service Period Date	<u>2,017</u>	/12 = <u>168.08</u>

Weighted Payment Date From Year End	86.11
Average End of Service Period Date	<u>(168.08)</u>
Average days from End of Service Period Date for payment of Municipal Taxes	<u>(81.97)</u>

Days of Cost	Annual Percent	Customer Payment Lag %	CWC %
(81.97)	-22.46%	13.64%	-8.82%

National Grid - RI Gas
Cash Working Capital Requirements
Sales and Use Tax
For the Twelve Months Ended September 30, 2007

Line No.	Liability Date 1/ (a)	Liability Paid 2/ (b)	% of Total (c)	Liability Date 1/ (d)	Payment Date 2/ (e)	Payment Lag Days (f)	Weighted Payment Lag Days (g)
1	10/15/2006	\$322,254	5.31%	10/15/2006	11/20/2006	36	1.91
2	11/15/2006	280,206	4.62%	11/15/2006	12/20/2006	35	1.62
3	12/15/2006	734,350	12.10%	12/15/2006	01/19/2007	35	4.23
4	01/15/2007	723,456	11.92%	01/15/2007	02/20/2007	36	4.29
5	02/15/2007	1,040,411	17.14%	02/15/2007	03/20/2007	33	5.66
6	03/15/2007	900,587	14.84%	03/15/2007	04/20/2007	36	5.34
7	04/15/2007	661,005	10.89%	04/15/2007	05/21/2007	36	3.92
8	05/15/2007	421,143	6.94%	05/15/2007	06/20/2007	36	2.50
9	06/15/2007	252,083	4.15%	06/15/2007	07/20/2007	35	1.45
10	07/15/2007	253,020	4.17%	07/15/2007	08/20/2007	36	1.50
11	08/15/2007	221,737	3.65%	08/15/2007	09/20/2007	36	1.31
12	09/15/2007	<u>260,191</u>	<u>4.29%</u>	09/15/2007	10/19/2007	34	<u>1.46</u>
13							
14		<u>\$6,070,444</u>	<u>100.00%</u>				<u>35.19</u>
15							
16							
17							
18	Days of	Annual	Customer				
19	<u>Cost.</u>	<u>Percent</u>	<u>Payment Lag %</u>	<u>CWC %</u>			
20							
21	(35.19)	-9.64%	13.64%	4.00%			

1/ Sales and use tax liability is comprised primarily of sales tax collected from customers on taxable sales each month. These taxable sales are reported on a calendar month basis with the liability for each calendar month payable by the 20th of the following calendar month. Since these taxable sales are spread uniformly throughout the month, the average liability date for sales tax liability is assumed to be the 15th of each calendar month. In addition to sales tax, a minor amount of use tax is paid on taxable purchases from vendors. These amounts are individually small and are also incurred uniformly throughout the month. Accordingly, the average date vendor invoices are received (i.e. 15th of the month as assumed elsewhere in this study) is used as the average liability date for use tax in each calendar month. Since the average liability and payment dates for sales and use tax are the same, both are combined in the above analysis.

2/ Rhode Island law (Sec. 44-19) requires monthly reporting and payment of sales and use tax. The return for sales and use tax liability for the month, and payment of the entire liability for that month are due no later than the 20th of the following month. Rhode Island law (Sec. 44-1) states that liability and payment dates that fall upon a Saturday, Sunday, or legal holiday are extended by law to the next business day. Also under this Sec., payments are considered timely with evidence of mailing on or before the due date.

National Grid - RI Gas
Cash Working Capital Requirements
Gross Earnings Tax
for the Fiscal Period

Line No.	Gross Earnings Tax Payment Date 1/	Days From Service Period	Percent Payment 1/	Payment Amount	Weighted Average Days from Year End
1	03/15/2007	291	36.64%	\$5,000,000	106.61
2	06/15/2007	199	54.95%	\$7,500,000	109.36
3	09/15/2007	107	0.00%	\$0	0.00
4	02/29/2008	(60)	8.41%	\$1,147,798	(5.05)
5			100.00%	\$13,647,798 2/	210.92

Service Period	Days from Year end	Average Days from Year end
01/31/2007	334	
02/28/2007	306	
03/31/2007	275	
04/30/2007	245	
05/31/2007	214	
06/30/2007	184	
07/31/2007	153	
08/31/2007	122	
09/30/2007	92	
10/31/2007	61	
11/30/2007	31	
12/31/2007	0	
Average End of Service Period Date	2.017	/12 = 168.08

Weighted Average Payment Days from Year End	210.92
Average Days from End of Service Period for Payment of Gross Earnings Tax	(168.08) 42.84

Days of Cost	Annualized Percent	Customer Payment Lag %	CWC %
42.84	11.74%	13.64%	25.38%

- 1/ Rhode Island law (Sec. 44-26) requires the payment of estimated Corporate Gross Earnings Tax (GET) during the tax year. This code section also stipulates the above payment dates and minimum payment percentages. Code Sec. 44-1 extends the required payment dates that fall upon a Saturday, Sunday or legal holiday, to the next business day. Finally, payments are considered timely under Sec. 44-1 with evidence of mailing on or before the required date. The Company pays 40% of 85% of its prior year GET on March 15 and 60% of 85% of its prior year GET on June 15. Any remaining tax due for the calendar year is paid with its GET return on February 28 of the subsequent year.
- 2/ Because Gross receipts taxes are collected and remitted on a calendar year basis, this amount reflects gross receipts tax accrual for the twelve months ended December 31, 2007.

**National Grid - RI Gas
Cash Working Capital Requirements
Federal Unemployment Tax
For the Twelve Months Ended September 30, 2007**

Line No.	Liability Date <u>1/</u> (a)	Total Liability Amount (b)	O & M % of Total (c)	Payment Date <u>2/</u> (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	10/15/2006	\$217	0.71%	01/31/2007	108	0.77
2	11/15/2006	79	0.26%	01/31/2007	77	0.20
3	12/15/2006	72	0.24%	01/31/2007	47	0.11
4	01/15/2007	21,088	69.18%	04/30/2007	105	72.63
5	02/15/2007	7,204	23.63%	04/30/2007	74	17.49
6	03/15/2007	1,155	3.79%	04/30/2007	46	1.74
7	04/15/2007	209	0.69%	07/31/2007	107	0.73
8	05/15/2007	244	0.80%	07/31/2007	77	0.62
9	06/15/2007	128	0.42%	07/31/2007	46	0.19
10	07/15/2007	0	0.00%	10/30/2007	107	0.00
11	08/15/2007	22	0.07%	10/30/2007	76	0.05
12	09/15/2007	<u>67</u>	<u>0.22%</u>	10/30/2007	45	<u>0.10</u>
13						
14		<u>\$30,485</u>	<u>100.00%</u>			<u>94.63</u>
15						
16				Customer		
17		Days of	Annual	Payment		
18		<u>Cost</u>	<u>Percent</u>	<u>Lag %</u>	<u>CWC %</u>	
19						
20		(94.63)	-25.93%	13.64%	-12.29%	

1/ For the purposes of this calculation, the weighted average liability date is deemed to be the 15th of each month. This is based on the fact that on average, salaries and wages (and the corresponding unemployment tax liabilities) accrue evenly throughout the month as employee hours are worked.

2/ IRS Code Sec. 3301 stipulates quarterly payment of unemployment tax liability. 100% of the liability for each quarter must be paid by the last day of the first month following that quarter.

National Grid - RI Gas
Cash Working Capital Requirements
State Unemployment Tax
For the Twelve Months Ended September 30, 2007

Line No.	Liability Date 1/ (a)	Total Liability Amount (b)	O & M % of Total (c)	Payment Date 2/ (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	10/15/2006	\$675	0.47%	01/30/2007	107	0.50
2	11/15/2006	637	0.44%	01/30/2007	76	0.33
3	12/15/2006	453	0.32%	01/30/2007	46	0.15
4	01/15/2007	48,132	33.48%	04/30/2007	105	35.15
5	02/15/2007	45,570	31.70%	04/30/2007	74	23.46
6	03/15/2007	32,928	22.90%	04/30/2007	46	10.53
7	04/15/2007	9,311	6.48%	07/31/2007	107	6.93
8	05/15/2007	3,228	2.25%	07/31/2007	77	1.73
9	06/15/2007	1,891	1.32%	07/31/2007	46	0.61
10	07/15/2007	489	0.34%	10/29/2007	106	0.36
11	08/15/2007	302	0.21%	10/29/2007	75	0.16
12	09/15/2007	<u>152</u>	<u>0.11%</u>	10/29/2007	44	<u>0.05</u>
13		<u>\$143,768</u>	<u>100.00%</u>			<u>79.96</u>
14						
15						
16						
17						
18				Customer		
19		Days of	Annual	Payment		
20		<u>Cost</u>	<u>Percent</u>	<u>Lag %</u>	<u>CWC %</u>	
21						
22		(79.96)	-21.91%	13.64%	-8.27%	

1/ For the purposes of this calculation, the weighted average liability date is deemed to be the 15th of each month. This is based on the fact that on average, salaries and wages (and the corresponding unemployment tax liabilities) accrue evenly throughout the month as employee hours are worked.

2/ Rhode Island law (Sec. 28-42 through 28-44) stipulates quarterly payment of unemployment tax liability. 100% of the liability for each quarter must be paid by the last day of the first month following that quarter.

National Grid - RI Gas
Cash Working Capital Requirements
FICA Expense Weekly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Amount Paid (a)	% of Total (b)	Payroll Date (c)	Payment Date 1/ (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	\$0	2/ 0.00%	10/05/2006	10/06/2006	1	0.00
2	38,960	1.85%	10/12/2006	10/13/2006	1	0.02
3	40,490	1.92%	10/19/2006	10/20/2006	1	0.02
4	40,547	1.92%	10/26/2006	10/27/2006	1	0.02
5	39,954	1.90%	11/02/2006	11/03/2006	1	0.02
6	38,651	1.83%	11/09/2006	11/10/2006	1	0.02
7	40,897	1.94%	11/16/2006	11/17/2006	1	0.02
8	37,693	1.79%	11/24/2006	11/27/2006	3	0.05
9	38,729	1.84%	11/30/2006	12/01/2006	1	0.02
10	38,768	1.84%	12/07/2006	12/08/2006	1	0.02
11	42,234	2.00%	12/14/2006	12/15/2006	1	0.02
12	35,338	1.68%	12/21/2006	12/22/2006	1	0.02
13	35,361	1.68%	12/29/2006	01/02/2007	4	0.07
14	37,699	1.79%	01/08/2007	01/08/2007	0	0.00
15	49,370	2.34%	01/11/2007	01/12/2007	1	0.02
16	49,980	2.37%	01/18/2007	01/19/2007	1	0.02
17	37,765	1.79%	01/25/2007	01/26/2007	1	0.02
18	45,744	2.17%	02/01/2007	02/02/2007	1	0.02
19	40,446	1.92%	02/08/2007	02/09/2007	1	0.02
20	40,854	1.94%	02/15/2007	02/16/2007	1	0.02
21	53,250	2.53%	02/23/2007	02/26/2007	3	0.08
22	40,033	1.90%	03/01/2007	03/02/2007	1	0.02
23	42,001	1.99%	03/08/2007	03/09/2007	1	0.02
24	83,580	3.96%	03/15/2007	03/16/2007	1	0.04
25	37,720	1.79%	03/22/2007	03/23/2007	1	0.02
26	37,312	1.77%	03/29/2007	03/30/2007	1	0.02
27	37,785	1.79%	04/05/2007	04/06/2007	1	0.02
28	37,086	1.76%	04/12/2007	04/13/2007	1	0.02
29	37,055	1.76%	04/19/2007	04/20/2007	1	0.02
30	37,161	1.76%	04/26/2007	04/27/2007	1	0.02
31	38,250	1.81%	05/03/2007	05/04/2007	1	0.02
32	39,264	1.86%	05/10/2007	05/11/2007	1	0.02
33	40,187	1.91%	05/17/2007	05/18/2007	1	0.02
34	37,380	1.77%	05/24/2007	05/25/2007	1	0.02
35	37,595	1.78%	06/01/2007	06/04/2007	3	0.05
36	38,968	1.85%	06/07/2007	06/08/2007	1	0.02
37	39,925	1.89%	06/14/2007	06/15/2007	1	0.02
38	38,033	1.80%	06/21/2007	06/22/2007	1	0.02
39	41,659	1.98%	06/28/2007	06/29/2007	1	0.02
40	38,500	1.83%	07/06/2007	07/09/2007	3	0.05
41	42,272	2.01%	07/13/2007	07/13/2007	0	0.00
42	37,616	1.78%	07/19/2007	07/20/2007	1	0.02
43	37,469	1.78%	07/26/2007	07/27/2007	1	0.02
44	38,050	1.80%	08/02/2007	08/03/2007	1	0.02
45	37,263	1.77%	08/09/2007	08/10/2007	1	0.02
46	37,087	1.76%	08/16/2007	08/17/2007	1	0.02
47	39,340	1.87%	08/23/2007	08/24/2007	1	0.02
48	37,084	1.76%	08/30/2007	08/31/2007	1	0.02
49	37,481	1.78%	09/07/2007	09/10/2007	3	0.05
50	38,309	1.82%	09/13/2007	09/14/2007	1	0.02
51	40,165	1.91%	09/20/2007	09/21/2007	1	0.02
52	41,464	1.97%	09/27/2007	09/28/2007	1	0.02
53	36,999	1.75%	10/04/2007	10/05/2007	1	0.02
54	5,519	3/ 0.26%	10/11/2007	10/12/2007	1	0.00
55						
56	<u>\$2,108,342</u>	<u>100.00%</u>				<u>1.25</u>
57						
58				Customer		
59		Days of	Annual	Payment		
60		<u>Cost</u>	<u>Percent</u>	<u>Lag %</u>	<u>CWC %</u>	
61						
62		(1.25)	-0.34%	13.64%	13.30%	

1/ Payment of FICA expense is governed by the same rules as the other components of Federal payroll tax deposits. See notes on monthly FICA and FIT withholding.

2/ Payroll for work week ended 09/30/2006, thus 0 work days included.

3/ Payroll for work week ended 10/06/2007, thus 1 work day included.

National Grid - RI Gas
Cash Working Capital Requirements
FICA Expense Weekly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Payment Amount (a)	% of Total (b)	Payroll Date 1/ (c)	Payment Date 2/ (d)	Lag Days (e)	Weighted Lag Days (f)
1	\$49,309	7.41%	10/20/2006	10/23/2006	3	0.22
2	47,137	7.09%	11/21/2006	11/22/2006	1	0.07
3	43,769	6.58%	12/21/2006	12/22/2006	1	0.07
4	54,587	8.20%	01/19/2007	01/22/2007	3	0.25
5	54,846	8.24%	02/21/2007	02/22/2007	1	0.08
6	53,490	8.04%	03/21/2007	03/22/2007	1	0.08
7	53,702	8.07%	04/20/2007	04/23/2007	3	0.24
8	53,256	8.00%	05/21/2007	05/22/2007	1	0.08
9	50,288	7.56%	06/21/2007	06/22/2007	1	0.08
10	53,288	8.01%	07/20/2007	07/23/2007	3	0.24
11	51,902	7.80%	08/21/2007	08/22/2007	1	0.08
12	49,808	7.49%	09/21/2007	09/24/2007	3	0.22
13	516	0.08%	12/26/2006	12/27/2006	1	0.00
14	2,992	0.45%	04/16/2007	04/17/2007	1	0.00
15	4,248	0.64%	06/01/2007	06/04/2007	3	0.02
16	26,781	4.03%	06/07/2007	06/08/2007	1	0.04
17	30	0.00%	06/12/2007	06/13/2007	1	0.00
18	<u>15,354</u>	<u>2.31%</u>	06/15/2007	06/18/2007	3	<u>0.07</u>
19						
20	<u>\$665,303</u>	<u>100.00%</u>				<u>1.84</u>
21						
22						
23						
24				Customer		
25		Days of	Annual	Payment		
26		<u>Cost</u>	<u>Percent</u>	<u>Lag %</u>	<u>CWC %</u>	
27						
28		(1.84)	-0.50%	13.64%	13.14%	

1/ Payroll dates are the actual dates on which payroll was paid.

2/ Payment of FICA expense is governed by the same rules as the other components of Federal payroll tax deposits (see notes on monthly FICA and Federal Income Tax withholding).

3/ Two different types of monthly payroll are paid: regular monthly (i.e. salaries) and manual/misc. (e.g. termination pay). Since these different payrolls are paid on different dates, separate weighted payment lags for each have been calculated.

National Grid - RI Gas
Cash Working Capital Requirements
Employee FIT and FICA Withholding - Weekly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Withholding Amount 3/ (a)	% of Total (b)	Payroll Date 1/ (c)	Payment Date 2/ (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	\$0 4/	0.00%	10/05/2006	10/06/2006	1	0.00
2	107,125	1.81%	10/12/2006	10/13/2006	1	0.02
3	113,298	1.92%	10/19/2006	10/20/2006	1	0.02
4	112,254	1.90%	10/26/2006	10/27/2006	1	0.02
5	109,870	1.86%	11/02/2006	11/03/2006	1	0.02
6	105,406	1.79%	11/09/2006	11/10/2006	1	0.02
7	114,986	1.95%	11/16/2006	11/17/2006	1	0.02
8	104,301	1.77%	11/24/2006	11/27/2006	3	0.05
9	106,317	1.80%	11/30/2006	12/01/2006	1	0.02
10	110,468	1.87%	12/07/2006	12/08/2006	1	0.02
11	129,074	2.19%	12/14/2006	12/15/2006	1	0.02
12	101,197	1.71%	12/21/2006	12/22/2006	1	0.02
13	101,358	1.72%	12/29/2006	01/02/2007	4	0.07
14	100,364	1.70%	01/08/2007	01/08/2007	0	0.00
15	149,367	2.53%	01/11/2007	01/12/2007	1	0.03
16	152,690	2.59%	01/18/2007	01/19/2007	1	0.03
17	99,692	1.69%	01/25/2007	01/26/2007	1	0.02
18	132,756	2.25%	02/01/2007	02/02/2007	1	0.02
19	110,631	1.87%	02/08/2007	02/09/2007	1	0.02
20	112,709	1.91%	02/15/2007	02/16/2007	1	0.02
21	166,922	2.83%	02/23/2007	02/26/2007	3	0.08
22	109,408	1.85%	03/01/2007	03/02/2007	1	0.02
23	117,163	1.98%	03/08/2007	03/09/2007	1	0.02
24	307,946	5.22%	03/15/2007	03/16/2007	1	0.05
25	100,189	1.70%	03/22/2007	03/23/2007	1	0.02
26	98,491	1.67%	03/29/2007	03/30/2007	1	0.02
27	100,367	1.70%	04/05/2007	04/06/2007	1	0.02
28	96,988	1.64%	04/12/2007	04/13/2007	1	0.02
29	97,047	1.64%	04/19/2007	04/20/2007	1	0.02
30	97,755	1.66%	04/26/2007	04/27/2007	1	0.02
31	101,428	1.72%	05/03/2007	05/04/2007	1	0.02
32	105,389	1.78%	05/10/2007	05/11/2007	1	0.02
33	109,443	1.85%	05/17/2007	05/18/2007	1	0.02
34	98,666	1.67%	05/24/2007	05/25/2007	1	0.02
35	99,073	1.68%	06/01/2007	06/04/2007	3	0.05
36	104,101	1.76%	06/07/2007	06/08/2007	1	0.02
37	108,563	1.84%	06/14/2007	06/15/2007	1	0.02
38	100,885	1.71%	06/21/2007	06/22/2007	1	0.02
39	117,510	1.99%	06/28/2007	06/29/2007	1	0.02
40	103,111	1.75%	07/06/2007	07/09/2007	3	0.05
41	123,617	2.09%	07/13/2007	07/13/2007	0	0.00
42	99,786	1.69%	07/19/2007	07/20/2007	1	0.02
43	99,337	1.68%	07/26/2007	07/27/2007	1	0.02
44	102,348	1.73%	08/02/2007	08/03/2007	1	0.02
45	99,052	1.68%	08/09/2007	08/10/2007	1	0.02
46	98,848	1.67%	08/16/2007	08/17/2007	1	0.02
47	107,112	1.81%	08/23/2007	08/24/2007	1	0.02
48	99,887	1.69%	08/30/2007	08/31/2007	1	0.02
49	101,342	1.72%	09/07/2007	09/10/2007	3	0.05
50	104,739	1.77%	09/13/2007	09/14/2007	1	0.02
51	111,766	1.89%	09/20/2007	09/21/2007	1	0.02
52	117,817	2.00%	09/27/2007	09/28/2007	1	0.02
53	109,078	1.85%	10/04/2007	10/05/2007	1	0.02
54	15,291 5/	0.26%	10/11/2007	10/12/2007	1	0.00
55						
56	<u>\$5,904,330</u>	<u>100.00%</u>				<u>1.28</u>

Annual CWC % -0.35%

- 1/ Payroll dates are the actual dates on which payroll was paid.
2/ See monthly federal withholding for federal deposit rules.
3/ Withholding dollars exclude minor monthly amounts for manual checks to weekly employees, small in amount and not generally associated with specific payroll dates.
4/ Payroll for work week ended 09/30/2006, thus 0 work days included.
5/ Payroll for work week ended 10/06/2007, thus 1 work day included.

National Grid - RI Gas
Cash Working Capital Requirements
Employee FIT and FICA Withholding - Monthly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Withholding Amount (a)	% of Total (b)	Payroll Date 1/ (c)	Payment Date 2/ (d)	Lag Days (e)	Weighted Lag Days (f)
1	\$142,270	7.54%	10/20/2006	10/23/2006	3	0.23
2	141,715	7.51%	11/21/2006	11/22/2006	1	0.08
3	135,015	7.15%	12/21/2006	12/22/2006	1	0.07
4	142,027	7.52%	01/19/2007	01/22/2007	3	0.23
5	142,782	7.56%	02/21/2007	02/22/2007	1	0.08
6	140,278	7.43%	03/21/2007	03/22/2007	1	0.07
7	141,805	7.51%	04/20/2007	04/23/2007	3	0.23
8	140,345	7.44%	05/21/2007	05/22/2007	1	0.07
9	133,722	7.08%	06/21/2007	06/22/2007	1	0.07
10	143,553	7.61%	07/20/2007	07/23/2007	3	0.23
11	138,695	7.35%	08/21/2007	08/22/2007	1	0.07
12	136,658	7.24%	09/21/2007	09/24/2007	3	0.22
13	2,979	0.16%	12/26/2006	12/27/2006	1	0.00
14	11,847	0.63%	04/16/2007	04/17/2007	1	0.01
15	19,171	1.02%	06/01/2007	06/04/2007	3	0.03
16	115,056	6.10%	06/07/2007	06/08/2007	1	0.06
17	128	0.01%	06/12/2007	06/13/2007	1	0.00
18	59,563	3.16%	06/15/2007	06/18/2007	3	0.09
19	0	0.00%			0	0.00
20	0	0.00%			0	0.00
21	0	0.00%			0	0.00
22	<u>0</u>	<u>0.00%</u>			0	<u>0.00</u>
23						
24	<u>\$1,887,610</u>	<u>100.00%</u>				<u>1.84</u>
25						
26				Annual CWC %		<u>-0.50%</u>

1/ Payroll dates are the actual dates on which payroll was paid.

2/ The IRS Code stipulates payment of all withheld FICA and Federal Income Tax within one banking day under the \$100,000 One-Day Rule. 100% of the withholding must be deposited in a Federal Depository Bank within one day of the date payments are made. Payment due dates which fall upon a Saturday, Sunday, or holiday (i.e. non-banking day) are extended until the next banking day.

3/ Two different types of monthly payroll are paid: regular monthly (i.e. salaries) and manual/misc. (e.g. termination pay). Since these different payrolls are paid on different dates, separate weighted payment lags for each have been calculated above.

National Grid - RI Gas
Cash Working Capital Requirements
State Income Tax Withholding - Weekly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Withholding Amount (a)	% of Total (b)	Payroll Date 1/ (c)	Payment Date 2/ (d)	Lag Days (e)	Weighted Lag Days (f)
1	\$0 3/	0.00%	10/05/2006	10/06/2006	1	0.00
2	19,779	1.82%	10/12/2006	10/13/2006	1	0.02
3	21,031	1.93%	10/19/2006	10/20/2006	1	0.02
4	20,906	1.92%	10/26/2006	10/27/2006	1	0.02
5	20,344	1.87%	11/02/2006	11/03/2006	1	0.02
6	19,462	1.79%	11/09/2006	11/10/2006	1	0.02
7	21,604	1.98%	11/16/2006	11/17/2006	1	0.02
8	19,360	1.78%	11/24/2006	11/27/2006	3	0.05
9	16,571	1.52%	11/30/2006	12/01/2006	1	0.02
10	20,903	1.92%	12/07/2006	12/08/2006	1	0.02
11	25,094	2.30%	12/14/2006	12/15/2006	1	0.02
12	19,182	1.76%	12/21/2006	12/22/2006	1	0.02
13	19,209	1.76%	12/29/2006	01/02/2007	4	0.07
14	18,137	1.66%	01/08/2007	01/08/2007	0	0.00
15	28,708	2.63%	01/11/2007	01/12/2007	1	0.03
16	29,330	2.69%	01/18/2007	01/19/2007	1	0.03
17	17,970	1.65%	01/25/2007	01/26/2007	1	0.02
18	25,075	2.30%	02/01/2007	02/02/2007	1	0.02
19	20,318	1.86%	02/08/2007	02/09/2007	1	0.02
20	20,783	1.91%	02/15/2007	02/16/2007	1	0.02
21	32,530	2.99%	02/23/2007	02/26/2007	3	0.09
22	20,061	1.84%	03/01/2007	03/02/2007	1	0.02
23	21,726	1.99%	03/08/2007	03/09/2007	1	0.02
24	63,379	5.82%	03/15/2007	03/16/2007	1	0.06
25	18,115	1.66%	03/22/2007	03/23/2007	1	0.02
26	17,679	1.62%	03/29/2007	03/30/2007	1	0.02
27	18,111	1.66%	04/05/2007	04/06/2007	1	0.02
28	17,386	1.60%	04/12/2007	04/13/2007	1	0.02
29	17,383	1.60%	04/19/2007	04/20/2007	1	0.02
30	17,603	1.62%	04/26/2007	04/27/2007	1	0.02
31	18,374	1.69%	05/03/2007	05/04/2007	1	0.02
32	19,215	1.76%	05/10/2007	05/11/2007	1	0.02
33	20,056	1.84%	05/17/2007	05/18/2007	1	0.02
34	17,760	1.63%	05/24/2007	05/25/2007	1	0.02
35	17,816	1.64%	06/01/2007	06/04/2007	3	0.05
36	18,875	1.73%	06/07/2007	06/08/2007	1	0.02
37	19,894	1.83%	06/14/2007	06/15/2007	1	0.02
38	18,199	1.67%	06/21/2007	06/22/2007	1	0.02
39	21,798	2.00%	06/28/2007	06/29/2007	1	0.02
40	18,703	1.72%	07/06/2007	07/09/2007	3	0.05
41	19,410	1.78%	07/13/2007	07/13/2007	0	0.00
42	18,006	1.65%	07/19/2007	07/20/2007	1	0.02
43	17,967	1.65%	07/26/2007	07/27/2007	1	0.02
44	18,636	1.71%	08/02/2007	08/03/2007	1	0.02
45	17,903	1.64%	08/09/2007	08/10/2007	1	0.02
46	17,881	1.64%	08/16/2007	08/17/2007	1	0.02
47	19,596	1.80%	08/23/2007	08/24/2007	1	0.02
48	18,156	1.67%	08/30/2007	08/31/2007	1	0.02
49	18,480	1.70%	09/07/2007	09/10/2007	3	0.05
50	19,223	1.76%	09/13/2007	09/14/2007	1	0.02
51	20,749	1.90%	09/20/2007	09/21/2007	1	0.02
52	22,084	2.03%	09/27/2007	09/28/2007	1	0.02
53	20,206	1.85%	10/04/2007	10/05/2007	1	0.02
54	2,835 4/	0.26%	10/11/2007	10/12/2007	1	0.00
55						
56	<u>\$1,089,556</u>	<u>100.00%</u>				<u>1.30</u>
57						
58			Annual CWC %			<u>-0.36%</u>

1/ Payroll dates are the actual dates on which payroll was paid.

2/ Rhode Island law (Sec. 44-30) stipulates payment of all withheld State Income Tax within three banking days after the end of each quarter-monthly liability period. 100% of the withholding on all payroll paid during each quarter-monthly period must be paid no later than the third banking day after the end of that period. Under Sec. 44-1, payment due dates which fall upon Saturday, Sunday, or a legal holiday, are extended until the next banking day. In addition, payment is considered timely with evidence of mailing by the due date.

3/ Payroll for work week ended 09/30/2006, thus 0 work days included.

4/ Payroll for work week ended 10/06/2007, thus 1 work day included.

**National Grid - RI Gas
Cash Working Capital Requirements
State Income Tax Withholding - Monthly Payroll
For the Twelve Months Ended September 30, 2007**

Line No.	Withholding Amount (a)	% of Total (b)	Payroll Date 1/ (c)	Payment Date 2/ (d)	Lag Days (e)	Weighted Lag Days (f)
1	\$27,463	7.74%	10/20/2006	10/23/2006	3	0.23
2	27,790	7.83%	11/21/2006	11/22/2006	1	0.08
3	26,843	7.56%	12/21/2006	12/22/2006	1	0.08
4	25,581	7.21%	01/19/2007	01/22/2007	3	0.22
5	25,787	7.27%	02/21/2007	02/22/2007	1	0.07
6	25,045	7.06%	03/21/2007	03/22/2007	1	0.07
7	25,366	7.15%	04/20/2007	04/23/2007	3	0.21
8	25,412	7.16%	05/21/2007	05/22/2007	1	0.07
9	24,305	6.85%	06/21/2007	06/22/2007	1	0.07
10	26,228	7.39%	07/20/2007	07/23/2007	3	0.22
11	25,272	7.12%	08/21/2007	08/22/2007	1	0.07
12	25,272	7.12%	09/21/2007	09/24/2007	3	0.21
13	690	0.19%	12/26/2006	12/27/2006	1	0.00
14	2,480	0.70%	04/16/2007	04/17/2007	1	0.01
15	4,178	1.18%	06/01/2007	06/04/2007	3	0.04
16	24,717	6.97%	06/07/2007	06/08/2007	1	0.07
17	27	0.01%	06/12/2007	06/13/2007	1	0.00
18	12,381	3.49%	06/15/2007	06/18/2007	3	0.10
19	0	0.00%			0	0.00
20	0	0.00%			0	0.00
21	0	0.00%			0	0.00
22						
23	<u>\$354,839</u>	<u>100.0%</u>				<u>1.82</u>
24						
25						
26			Annual CWC %			<u>-0.50%</u>

1/ Payroll dates are the actual dates on which payroll was paid.

2/ Rhode Island law (Sec. 44-30) stipulates payment of all withheld State Income Tax within three banking days after the end of each quarter-monthly liability period. 100% of the withholding on all payroll paid during each quarter-monthly period must be paid no later than the third banking day after the end of that period. Under Sec. 44-1, payment due dates which fall upon Saturday, Sunday, or a legal holiday, are extended until the next banking day. In addition, payment is considered timely with evidence of mailing by the due date.

Notes:

Two different types of monthly payroll are paid: regular monthly (i.e. salaries) and manual/misc. (e.g. termination pay). Since these different payrolls are paid on different dates, separate weighted payment lags for each have been calculated on the attached schedules. This schedule simply summarizes these two separate calculations.

**National Grid - RI Gas
Cash Working Capital Requirements
Temporary Disability Insurance Withholding
Weekly Payroll
For the Twelve Months Ended September 30, 2007**

Line No.	Withholding Amount (a)	% of Total (b)	Liability Date 1/ (c)	Payment Date 2/ (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	\$16,020	6.43%	10/15/2006	01/29/2007	106	6.82
2	11,890	4.77%	11/15/2006	01/29/2007	75	3.58
3	15,021	6.03%	12/15/2006	01/29/2007	45	2.71
4	23,284	9.34%	01/15/2007	04/27/2007	102	9.53
5	23,992	9.63%	02/15/2007	04/27/2007	71	6.84
6	28,985	11.63%	03/15/2007	04/27/2007	43	5.00
7	22,633	9.08%	04/15/2007	07/27/2007	103	9.35
8	22,976	9.22%	05/15/2007	07/27/2007	73	6.73
9	28,396	11.39%	06/15/2007	07/27/2007	42	4.78
10	20,365	8.17%	07/15/2007	10/26/2007	103	8.42
11	17,730	7.11%	08/15/2007	10/26/2007	72	5.12
12	<u>17,949</u>	<u>7.20%</u>	09/15/2007	10/26/2007	41	<u>2.95</u>
13						
14	<u>\$249,241</u>	<u>100.00%</u>				<u>71.83</u>
15						
16						
17						
18					CWC %	<u>-19.68%</u>

1/ For the purposes of this calculation, the weighted average liability (withholding) date is deemed to be the 15th of each month. This is based on the fact that on average, weekly salaries and wages (and the corresponding Temp. Disability Ins. liabilities) accrue evenly throughout the month as employee hours are worked.

2/ Rhode Island's Temporary Disability Insurance Act (Title 28 of R.I. law) stipulates quarterly payment of Temporary Disability Insurance withheld. 100% of the liability for each quarter must be paid by the last day of the first month after that quarter ends. Under Sec. 44-1, payment dates which fall upon a Saturday, Sunday or legal holiday are extended to the next business day. Payments are considered timely with evidence of mailing by the required date.

National Grid - RI Gas
Cash Working Capital Requirements
Temporary Disability Insurance Withholding
Monthly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Withholding Amount (a)	% of Total (b)	Payroll Date (c)	Payment Date (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	\$2,156	2.57%	10/20/2006	01/29/2007	101	2.60
2	1,093	1.30%	11/21/2006	01/29/2007	69	0.90
3	667	0.79%	12/21/2006	01/29/2007	39	0.31
4	8,314	9.91%	01/19/2007	04/27/2007	98	9.71
5	8,324	9.92%	02/21/2007	04/27/2007	65	6.45
6	8,097	9.65%	03/21/2007	04/27/2007	37	3.57
7	8,102	9.66%	04/20/2007	07/27/2007	98	9.47
8	7,814	9.31%	05/21/2007	07/27/2007	67	6.24
9	7,083	8.44%	06/21/2007	07/27/2007	36	3.04
10	6,655	7.93%	07/20/2007	10/26/2007	98	7.77
11	5,300	6.32%	08/21/2007	10/26/2007	66	4.17
12	4,198	5.00%	09/21/2007	10/26/2007	35	1.75
13	1,875	2.23%	01/11/2007	04/27/2007	106	2.36
14	1,457	1.74%	01/18/2007	04/27/2007	99	1.72
15	1,390	1.66%	02/23/2007	04/27/2007	63	1.05
16	4,850	5.78%	03/15/2007	04/27/2007	43	2.49
17	4,276	5.10%	06/07/2007	07/27/2007	50	2.55
18	<u>2,255</u>	<u>2.69%</u>	06/15/2007	07/27/2007	42	<u>1.13</u>
19						
20	<u>\$83,906</u>	<u>100.00%</u>				<u>67.28</u>
21						
22						
23						
24				Annual CWC %		<u>-18.43%</u>

1/ Payroll dates are the actual dates on which payroll was paid.

2/ Rhode Island's Temporary Disability Insurance Act (Title 28 of R.I. law) stipulates quarterly payment of Temporary Disability Insurance withheld. 100% of the liability for each quarter must be paid by the last day of the first month after that quarter ends. Under Sec. 44-1, payment dates which fall upon a Saturday, Sunday or legal holiday are extended to the next business day. Payments are considered timely with evidence of mailing by the required date.

3/ Two different types of monthly payroll are paid: regular monthly (i.e. salaries) and manual/misc. (e.g. termination pay). Since these different payrolls are paid on different dates, separate weighted payment lags for each have been calculated on the attached schedules. This schedule simply summarizes these three separate calculations.

National Grid - RI Gas
Cash Working Capital Requirements
Incentive Thrift Withholding
Weekly & Monthly Payroll
For the Twelve Months Ended September 30, 2007

Line No.	Withholding Amount (a)	% of Total (b)	Liability Date 1/ (c)	Payment Date 2/ (d)	Payment Lag in Days (e)	Weighted Payment Lag in Days (f)
1	\$44,092	1.21%	10/12/2006	10/16/2006	4	0.05
2	103,423	2.84%	10/19/2006	10/23/2006	4	0.11
3	50,711	1.39%	10/26/2006	10/30/2006	4	0.06
4	52,552	1.44%	11/02/2006	11/06/2006	4	0.06
5	52,055	1.43%	11/09/2006	11/13/2006	4	0.06
6	54,768	1.50%	11/16/2006	11/20/2006	4	0.06
7	116,166	3.18%	11/24/2006	11/27/2006	3	0.10
8	48,327	1.32%	11/30/2006	12/04/2006	4	0.05
9	52,954	1.45%	12/07/2006	12/11/2006	4	0.06
10	50,291	1.38%	12/14/2006	12/18/2006	4	0.06
11	116,836	3.20%	12/21/2006	12/26/2006	5	0.16
12	48,943	1.34%	12/29/2006	01/02/2007	4	0.05
13	48,206	1.32%	01/08/2007	01/08/2007	0	0.00
14	51,427	1.41%	01/11/2007	01/16/2007	5	0.07
15	120,174	3.29%	01/18/2007	01/22/2007	4	0.13
16	51,657	1.42%	01/25/2007	01/29/2007	4	0.06
17	53,851	1.48%	02/01/2007	02/05/2007	4	0.06
18	54,468	1.49%	02/08/2007	02/12/2007	4	0.06
19	53,572	1.47%	02/15/2007	02/20/2007	5	0.07
20	127,357	3.49%	02/23/2007	02/26/2007	3	0.10
21	54,028	1.48%	03/01/2007	03/05/2007	4	0.06
22	57,753	1.58%	03/08/2007	03/12/2007	4	0.06
23	50,793	1.39%	03/15/2007	03/19/2007	4	0.06
24	125,115	3.43%	03/22/2007	03/26/2007	4	0.14
25	52,166	1.43%	03/29/2007	04/02/2007	4	0.06
26	52,594	1.44%	04/05/2007	04/09/2007	4	0.06
27	51,823	1.42%	04/12/2007	04/16/2007	4	0.06
28	128,225	3.52%	04/19/2007	04/23/2007	4	0.14
29	52,131	1.43%	04/26/2007	04/30/2007	4	0.06
30	53,875	1.48%	05/03/2007	05/07/2007	4	0.06
31	54,383	1.49%	05/10/2007	05/14/2007	4	0.06
32	54,823	1.50%	05/17/2007	05/21/2007	4	0.06
33	121,455	3.33%	05/24/2007	05/29/2007	5	0.17
34	53,375	1.46%	06/01/2007	06/04/2007	3	0.04
35	55,465	1.52%	06/07/2007	06/11/2007	4	0.06
36	56,589	1.55%	06/14/2007	06/18/2007	4	0.06
37	150,966	4.14%	06/21/2007	06/25/2007	4	0.17
38	53,533	1.47%	06/28/2007	07/02/2007	4	0.06
39	55,661	1.53%	07/06/2007	07/09/2007	3	0.05
40	57,012	1.56%	07/13/2007	07/16/2007	3	0.05
41	135,955	3.73%	07/19/2007	07/23/2007	4	0.15
42	54,093	1.48%	07/26/2007	07/30/2007	4	0.06
43	55,333	1.52%	08/02/2007	08/06/2007	4	0.06
44	54,197	1.49%	08/09/2007	08/13/2007	4	0.06
45	53,588	1.47%	08/16/2007	08/20/2007	4	0.06
46	134,821	3.70%	08/23/2007	08/27/2007	4	0.15
47	53,905	1.48%	08/30/2007	09/04/2007	5	0.07
48	55,106	1.51%	09/07/2007	09/14/2007	7	0.11
49	54,388	1.49%	09/13/2007	09/17/2007	4	0.06
50	136,220	3.73%	09/20/2007	09/24/2007	4	0.15
51	58,977	1.62%	09/27/2007	10/01/2007	4	0.06
52	<u>57,177</u>	<u>1.57%</u>	10/04/2007	10/09/2007	5	<u>0.08</u>
53						
54	<u>\$3,647,353</u>	<u>100.00%</u>			CWC %	<u>-1.10%</u>

1/ Date payroll is actually paid.

2/ Incentive thrift withholdings for weekly payroll are deposited weekly, generally during the week following the payroll.