

November 14, 2008

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: January 2009 Retail Rate Filing, Docket No. 4011**

Dear Ms. Massaro:

Enclosed please find ten (10) copies of The Narragansett Electric Company, d/b/a National Grid ("National Grid" or "Company") January 2009 Retail Rate Filing. This filing consists of a proposed decrease to the Standard Offer rate, along with other rate adjustments arising out of the reconciliation of the Company's transmission expenses pursuant to its Transmission Service Cost Adjustment Provision, and the calculation of its transition charge pursuant to its Non-Bypassable Transition Charge Adjustment Provision. National Grid's filing, if approved, will be a net decrease in rates for customers effective for use on and after January 1, 2009. The Company's filing contains the direct testimony and schedules of Jeanne A. Lloyd, John D. Warshaw, and Pamela A. Viapiano in support of the proposed rate changes.

In summary, the filing proposes:

- (1) a Standard Offer Service rate reduction from 12.4¢ per kWh to 9.5¢ per kWh;
- (2) The Company is proposing a transition charge during 2009 of 0.235¢ per kWh. The charge represents (i) the weighted average base transition charge of 0.242¢ per kWh, and (ii) a transition charge adjustment credit factor of 0.007¢ per kWh, calculated on Schedule JAL-9, page 11, designed to recover the transition charge over recovery for the period October 2007 through September 2008.
- (3) The Company is proposing a transmission service adjustment factor during 2009 of 1.064¢ per kWh. The charge will collect (i) the 2009 forecasted transmission expense not collected through base transmission charges of 0.900¢ per kWh, and (ii) a transmission charge adjustment factor of 0.164¢ per kWh, calculated on Schedule JAL-12, page 8, designed to recover the transmission service under recovery for the period October 2007 through September 2008 and the projected under recovery through December 2008.

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- (4) The Company is proposing to defer recovery of lost distribution revenue associated with net metered facilities, which amounts to about \$30,000, and to include it in next year's annual reconciliation filing.
- (5) The Company is proposing to retain the current low income credit of 1.306¢ per kWh applicable to the first 450 kWhs consumed per month, effective January 1, 2009 through December 31, 2009. The Company proposes that any amount remaining in the account after the billing of the credit ends on December 31, 2009 be credited to the transition reconciliation for the benefit of all customers.

The net effect of the rate changes presented by this filing would decrease the total bill of typical residential customer using 500 kWh per month is a decrease of \$12.84, from \$93.44 to \$80.60 or approximately 13.7%.

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

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Steve Scialabba, Division  
Paul Roberti, Esq.

National Grid

JANUARY 2009 ELECTRIC  
RETAIL RATE FILING

Consisting of the  
Direct Testimony and Exhibits of  
Jeanne A. Lloyd,  
John D. Warshaw, and  
Pamela A. Viapiano

November 14, 2008

Submitted to:  
Rhode Island Public Utilities Commission  
R.I.P.U.C. Docket No. \_\_\_\_\_

Submitted by:

nationalgrid

Testimony of  
Jeanne A. Lloyd

**NATIONAL GRID  
R.I.P.U.C. DOCKET NO. \_\_\_\_  
JANUARY 2009 ELECTRIC RETAIL RATE FILING  
WITNESS: JEANNE A. LLOYD**

**DIRECT TESTIMONY  
OF  
JEANNE A. LLOYD**

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1 **I. Introduction and Qualifications**

2 Q. Please state your full name and business address.

3 A. My name is Jeanne A. Lloyd, and my business address is 201 Jones Road, Waltham,  
4 Massachusetts 02451.

5

6 Q. Please state your position.

7 A. I am the Manager of Rates, New England in the Regulation and Pricing – Electricity  
8 Distribution and Generation department of National Grid USA Service Company, Inc.  
9 This department provides rate related support to The Narragansett Electric Company  
10 d/b/a National Grid (“National Grid” or “Company”).

11

12 Q. Please describe your educational background and training.

13 A. In 1980, I graduated from Bradley University in Peoria, Illinois with a Bachelor’s Degree  
14 in English. In December 1982, I received a Master of Arts Degree in Economics from  
15 Northern Illinois University in De Kalb, Illinois.

16

17 Q. Please describe your professional experience?

18 A. I was employed by EUA Service Corporation in December 1990 as an Analyst in the  
19 Rate Department. I was promoted to Senior Rate Analyst on January 1, 1993. My  
20 responsibilities included the study, analysis and design of the retail electric service rates,  
21 rate riders and special contracts for the EUA retail companies. After the merger of New  
22 England Electric System and Eastern Utilities Associates in April 2000, I joined the

1           Distribution Regulatory Services Department as a Principal Financial Analyst. I  
2           assumed my present position October 1, 2006. Prior to my employment at EUA, I was  
3           on the staff of the Missouri Public Service Commission in Jefferson City, Missouri in the  
4           position of research economist. My responsibilities included presenting both written and  
5           oral testimony before the Missouri Commission in the areas of cost of service and rate  
6           design for electric and natural gas rate proceedings.

7  
8    Q.    Have you previously testified before Rhode Island Public Utilities Commission  
9           (“Commission”)?

10   A.    Yes.

11  
12   **II.    Purpose of Testimony**

13   Q.    What is the purpose of the Company’s filing?

14   A.    The Company is requesting Commission approval of the Standard Offer Service rate, the  
15           base non-bypassable transition charge (“transition charge”), transition charge adjustment  
16           factor, and transmission service adjustment factor effective for usage on and after January  
17           1, 2009. The Company is also presenting the results of the annual reconciliations of the  
18           Standard Offer Service, Last Resort Service, non-bypassable transition charge,  
19           transmission service and Renewable Energy Standard (“RES”) charge.

20  
21           Also included in this filing is a reconciliation of the low income credit implemented  
22           January 1, 2008 per the Commission’s decision in Docket No. 3902. The Company is

1 proposing to extend an additional approximately \$2 million credit to customers receiving  
2 service on Low Income Residential Rate A-60 for the period January 1, 2009 through  
3 December 31, 2009.

4  
5 Finally, the Company is providing its annual reconciliation of distribution charges  
6 displaced by renewable energy systems pursuant to R.I.P.U.C. No. 2006 and proposal for  
7 recovery.

8  
9 Q. Please describe the changes being proposed to each component of the Company's  
10 charges.

11 A. The Company is proposing a Standard Offer Service rate of 9.5¢ per kWh, a decrease of  
12 2.9¢ per kWh from the current rate of 12.4¢ per kWh. The decrease is due to a decrease  
13 in the level of natural gas and oil prices.

14  
15 The Company is proposing to decrease its transition charge from its current level of  
16 0.322¢ per kWh to 0.235¢ per kWh for calendar year 2009. The proposed charge is  
17 based upon two components. The first component is New England Power Company's  
18 ("NEP") annual Contract Termination Charge ("CTC") for 2009 for Narragansett Electric  
19 Company, the former Blackstone Valley Electric Company ("BVE") and the former  
20 Newport Electric Corporation ("Newport"). At the time of this filing, NEP has not  
21 finalized its 2009 CTCs, but expects to do so by way of a reconciliation report that will  
22 be issued to the Commission and other parties to the wholesale restructuring settlements

1 by December 1, 2008. The Company intends to update its proposed transition charge  
2 prior to the evidentiary hearing in this proceeding if the final CTCs result in a transition  
3 charge that is different from those included in this filing.

4  
5 The second component of the proposed transition charge is the proposed transition charge  
6 adjustment factor credit resulting from the annual reconciliation of the transition charge,  
7 which is a credit of 0.007¢ per kWh.

8  
9 The Company is proposing a transmission service adjustment factor of 1.064¢ per kWh.  
10 The proposed factor is an increase of 0.523¢ per kWh over the transmission adjustment  
11 factor currently in effect. The increase is due primarily to an increase in the forecast of  
12 transmission expenses for 2009 and an under collection of transmission expenses  
13 incurred for the period October 2007 through September 2008 and projected for the  
14 remainder of 2008.

15  
16 The net effect of all of the rate changes proposed in this filing on the monthly bill of a  
17 typical residential customer using 500 kWh per month is a decrease of \$12.84, from  
18 \$93.44 to \$80.60 or approximately 13.7%. Schedule JAL-1 presents a summary of the  
19 proposed rate changes.

20  
21 **III. Standard Offer Service Rate Proposal and Standard Offer Service Reconciliation**

22 Proposed Standard Offer Service Rate

1 Q. What is the Company's Standard Offer Service rate proposal?

2 A. The Company is proposing a Standard Offer Service rate of 9.5¢ per kWh effective for  
3 consumption on and after January 1, 2009. The proposed rate is based on the Standard  
4 Offer Service base charges and fuel index payments that the Company expects to incur  
5 during 2009. Fuel index payments for the period are estimated using average natural gas  
6 and crude oil prices as reported in the *Wall Street Journal* on November 7, 10 and 11,  
7 2008.

8 Q. Has the Company prepared a projection of the Standard Offer reconciliation balance  
9 through December 2009 based on current fuel price estimates?

10 A. Yes. The projected reconciliation for the period October 2008 through December 2009 is  
11 in Schedule JAL-2, page 1 of 1. The reconciliation shows an estimated over recovery of  
12 approximately \$187.2 million as of December 31, 2009 based on the Standard Offer rate  
13 currently in effect and on the current fuel price estimates.

14

15 Q. How are estimated revenues calculated?

16 A. Estimated revenues are calculated by applying the current retail rate of 12.4¢ per kWh to  
17 the Company's projected Standard Offer kWh deliveries for the period October 2008  
18 through December 2009. The calculation of estimated revenues is shown on page 2 of  
19 Schedule JAL-2.

20

21 Q. How are projected expenses determined?

22 A. The calculation of estimated expenses is shown on page 3 of Schedule JAL-2. Standard

1 Offer expenses are comprised of base wholesale Standard Offer charges and fuel index  
2 payments incurred pursuant to the Fuel Index Adjustment Provisions contained in some  
3 of the Company's Wholesale Standard Offer Service Agreements.

4  
5 Base Standard Offer expenses, shown in Column (e), are determined by applying the base  
6 Standard Offer charge in effect in each year to the Company's projected Standard Offer  
7 kWh deliveries. For 2008, the base Standard Offer charge is 6.7¢ per kWh and for 2009,  
8 the base charge is 7.1¢ per kWh.

9  
10 A description of the Fuel Index Adjustment Provision is provided in the testimony of Mr.  
11 Warsaw. Estimated fuel expenses for the period October 2008 through December 2009  
12 are calculated by applying the projected Standard Offer kWh deliveries to the estimated  
13 fuel index cost per kWh as shown in Column (f). The estimated fuel index cost per kWh  
14 is developed in Schedule JDW-4. Also included in the projected expense are payments  
15 that the Company expects to make through December 2009 to two Standard Offer  
16 Service suppliers pursuant to the terms of settlement agreements approved by the  
17 Commission in Dockets 3959 and 3969. These payments are shown on page 3, in  
18 columns (h) and (i), respectively.

19  
20 Q. Please describe the calculation of the Company's proposed Standard Offer Service rate  
21 for January 1, 2009?

22 A. The proposed Standard Offer Service rate is based on the estimated Standard Offer

1 Service expense that the Company expects to incur during 2009. This calculation is  
2 shown on Schedule JAL-3. Column (a) shows the estimated monthly fuel index  
3 adjustment payments for each month. The base Standard Offer charges for each month  
4 are shown in Column (b). Column (c) sums the fuel index payments and the base charges  
5 resulting in the total expected Standard Offer expense in each month. The average  
6 Standard Offer Service cost per kWh is calculated by summing the estimated expense for  
7 the period, less the estimated over recovery of Standard Offer expense as of December  
8 31, 2008, and dividing that net expense by the estimated Standard Offer kWh deliveries  
9 for the same period. The estimated average Standard Offer cost for the period January 1,  
10 2009 through December 31, 2009 is 9.5¢ per kWh.

11  
12 Q. By way of illustration, how does the Company's proposed Standard Offer Service rate of  
13 9.5¢ per kWh compare to the commodity rates of other utilities in the region?

14 A. Commodity rates are relatively dynamic in New England under each state's rules for the  
15 procurement and rate setting of utility-supplied commodity service. However, to  
16 illustrate the relative level of the Company's proposed Standard Offer Service rate to the  
17 currently effective Basic Service fixed residential rates in Massachusetts, please refer to  
18 the table below.

Utility	Residential Basic Service Rate <sup>1</sup>
NStar	12.547¢
Fitchburg Gas & Electric	11.493¢
National Grid-Mass. Electric	12.660¢
Western Mass. Electric	12.114¢

1

2       Standard Offer Reconciliation

3       Q.     Please describe the Company's Standard Offer reconciliation for the period October 2007  
4           through September 2008?

5       A.     This reconciliation is included as Schedule JAL-4. Page 1 of Schedule JAL-4 reflects an  
6           over recovery of approximately \$22.5 million for the period October 2007 through  
7           September 2008.

8

9       Q.     Please describe the Standard Offer reconciliation process in more detail.

10      A.     The Company is required to reconcile Standard Offer revenues and expenses in  
11           accordance with the Standard Offer Adjustment Provision, R.I.P.U.C. No. 1153. This  
12           provision requires that, on an annual basis, the Company reconcile its total cost of  
13           purchased power for Standard Offer supply against its total Standard Offer revenue, and  
14           the excess or deficiency be refunded to or collected from customers through a rate  
15           recovery/refund methodology approved by the Commission at the time the Company files  
16           its annual reconciliation. Total revenues are all charges billed to Standard Offer  
17           customers through the Standard Offer rates for the applicable 12-month reconciliation

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<sup>1</sup> All of these rates are publicly available and were obtained from the Massachusetts Department of Public Utilities website. Basic Service rates are market-based rates and those for residential customers are established every six months as new supplies are contracted through a request for proposal process.

1 period. If there is a positive or negative balance in the current Standard Offer  
2 reconciliation outstanding from the prior period, the balance shall be credited against or  
3 added to the new reconciliation amount, as appropriate, in estimating the Standard Offer  
4 balance for the new reconciliation period.

5  
6 Q. Please describe the adjustments shown in Column (g) of the Standard Offer  
7 reconciliation.

8 A. The adjustments shown in Column (g) of Page 1 of the reconciliation reflect NEPOOL  
9 Generation Information System (“NE-GIS”) expenses of \$72,035. Recovery of NE-GIS  
10 expense is allowed pursuant to the Commission’s Rules Governing Energy Source  
11 Disclosure.

12  
13 Q How is the beginning balance of \$46,089,854 determined?

14 A. The beginning balance of \$46,089,854 is the sum of the ending over recovery balance of  
15 the October 2006 through September 2007 reconciliation of \$42,042,142 as reported on  
16 Schedule JAL-4, page 1, in Docket No. 3902, plus an adjustment of \$4,047,712. This  
17 adjustment reflects a correction to Standard Offer expenses included in a prior  
18 reconciliation period. The \$4,047,712 includes the reduction to expense of \$3,625,777  
19 plus interest in the amount of \$421,935.

20  
21 **IV. Last Resort Service Reconciliation**

22 Q. Has the Company prepared a Last Resort Service (“LRS”) reconciliation for the year

1 ending September 2008?

2 A. Yes. The Company's LRS reconciliation for the period October 2007 through September  
3 2008 is shown in Schedule JAL-5. This Schedule shows that the balance is an under  
4 recovery of \$1.0 million.

5

6 Q. Please describe the LRS reconciliation in more detail.

7 A. The LRS reconciliation compares the total cost of purchased power for LRS to revenue  
8 billed to LRS customers. Any excess or deficiency is to be refunded to or collected from  
9 customers, with interest, under a methodology approved by the Commission at the time  
10 of the Company's annual reconciliation filing.

11

12 Separate reconciliations are included for residential LRS, shown on Schedule JAL-5,  
13 page 2 and for commercial and industrial ("C&I") LRS, shown on page 3.

14

15 Q. Why has the Company prepared separate reconciliations for residential and C&I LRS?

16 A. The Company tracks the recovery of LRS expenses separately for the residential and C&I  
17 classes because the retail rates charged to each class and the monthly wholesale prices  
18 incurred by each class are different. Beginning in September 2003, the Company began  
19 procuring LRS for residential and C&I customers under separate contracts. Each contract  
20 specifies monthly prices for LRS, but the prices for residential service are different from  
21 those contained in the C&I contract. Pursuant to the LRS tariff, R.I.P.U.C. No. 1165,  
22 residential customers are charged the Standard Offer Service rate for LRS while C&I

1 customers are charged the monthly prices specified in the C&I LRS contract, adjusted for  
2 losses.

3  
4 Q. What are the results of the reconciliations?

5 A. The residential reconciliation on page 2 of Schedule JAL-5 shows an under recovery of  
6 \$186,951 for the period October 2007 through September 2008. The C&I reconciliation  
7 on page 3 of Schedule JAL-5 shows for the same period an under recovery of \$840,537.  
8 The total under recovery for LRS is approximately \$1.0 million.

9  
10 Q. How is the Company proposing to treat the LRS under recovery?

11 A. The Company proposes to use \$186,951 of the Standard Offer over recovery to offset the  
12 residential LRS under recovery. Further, the Company proposes to roll forward the under  
13 recovery balance of \$840,537 in the C&I customer reconciliation into next year's C&I  
14 reconciliation. This is consistent with the recommendations made to the Commission by  
15 the Company, the Division and The Energy Council of Rhode Island ("TECRI") in a  
16 letter dated March 12, 2008. A copy of the letter is attached as Schedule JAL-6.

17  
18 Q. Please describe the contents of the letter included in Schedule JAL-6.

19 A. In Docket No. 3902, TECRI requested that National Grid investigate the source of the  
20 over recoveries that had occurred in the Commercial and Industrial ("C&I") LRS  
21 ("LRS") reconciliation for the period starting October 2003 through the then most recent  
22 reconciliation for the period October 2006 through September 2007. The Company

1           agreed to conduct this investigation. In Order No. 19202 (Feb. 7, 2008), the Commission  
2           stated that it expected to be kept apprised of the status of the Company's  
3           investigation and requested a report at the conclusion.

4  
5           The Company subsequently performed an analysis of the LRS annual reconciliations for  
6           the nine year period from January 1999 through the most recent reconciliation for the  
7           period October 2006 through September 2007. The Company met with the Division and  
8           TECRI to discuss its findings and formulate a recommendation for the Commission.

9           The letter included in Schedule JAL-6 summarizes the results of the Company's  
10          investigation and the recommendations of the parties.

11  
12        Q.     Please describe Schedule JAL-7.

13        A.     Schedule JAL-7 is a reconciliation of the non-residential LRS revenue and expense for  
14          the period October 2006 through September 2007 with adjustments for out-of-period  
15          reconciliations. Out-of-period adjustments are true-ups to supplier bills that result from  
16          the ISO-NE load reconciliation process. These adjustments generally occur  
17          approximately four months after the supplier's initial monthly service bill is received by  
18          the Company. As part of the LRS investigation described above, the Company agreed to  
19          provide, in addition to the current period reconciliation, a reconciliation for the C&I  
20          customer classes for a recent twelve month period for which the out-of-period  
21          adjustments had been applied.

1 This reconciliation shows that, when the out-of-period adjustments are applied to the  
2 appropriate months, the balance of the reconciliation for the period October 2006 through  
3 September 2007 for the C&I class is \$304,762 as compared to the unadjusted balance of  
4 \$667,028 as reported in the LRS C&I reconciliation in Schedule JAL-5, page 3 in Docket  
5 No. 3902..  
6

7 **V. Renewable Energy Standard Charge Reconciliation**

8 Q. What is the Company's current RES Charge?

9 A. The current RES charge of 0.084¢ per kWh was approved by the Commission in Docket  
10 No. 3901 for usage on and after January 1, 2008. This charge was implemented pursuant  
11 to the Renewable Energy Standard (R.I. Gen. Laws § 39-26-1 et seq.) which requires  
12 National Grid and all other obligated entities (as specified in Definition 3.24 of the RES  
13 Regulations) to obtain a percentage of their energy supply from a mix of new and  
14 existing renewable energy resources. Beginning January 1, 2007, the RES Rules  
15 required that the amount of retail electricity sales associated with Standard Offer Service,  
16 as well as Last Resort Service, meet a minimum requirement for renewable resources.  
17 For compliance year 2009, 4% of the retail sales of these two supply types must come  
18 from renewable resources.

19  
20 Q. Is the Company proposing any revisions to its current RES at this time?

21 A. Not in this docket. The Company will propose an updated RES charge as part of its 2009  
22 RES Procurement Plan filing which will be submitted to the Commission no later than

1 November 14, 2008.

2

3 Q. Why is the Company separately reconciling the RES revenue and expense from the  
4 Standard Offer and Last Resort Service revenue and expense?

5 A. In the order in Docket No. 3672, the Commission approved the Division's  
6 recommendation that the Company separately reconcile RES revenue and expense from  
7 Standard Offer and Last Resort Service revenue and expenses so that it will be easier to  
8 track RES transactions and easier to determine the appropriateness of any Commission  
9 approved RES charge.

10

11 Q. Please describe the RES reconciliation.

12 A. The RES reconciliation is included in Schedule JAL-8. Page 1, shows that as of  
13 September 30, 2008, the balance in the reconciliation is an over recovery of  
14 approximately \$3.0 million. RES revenue collected from Standard Offer and Last  
15 Resort Service customers for the period October 2007 through September 2008 is  
16 reflected in Schedule JAL-8, page 2.

17

18 Q. How is the Company proposing to treat the over recovery of RES expense?

19 A. The Company is proposing to retain the over recovery to be used to offset expense that  
20 will be incurred in the next reconciliation period.

21

22 **VI. Transition Charge**

1        Base Transition Charge

2        Q.     Please describe the Company's transition charge.

3        A.     The transition charge is intended to recover from all retail delivery service customers the  
4            CTC billed to the Company by NEP, including charges in effect under the former  
5            Montaup Electric Company ("Montaup") CTC. The transition charge was originally  
6            designed to change annually as NEP and Montaup established their CTCs for the  
7            upcoming calendar year. In addition, the Company reconciles the revenue it bills under  
8            its transition charge against the CTC billed to it by NEP and can propose to implement a  
9            transition charge adjustment factor to refund an over recovery of CTC costs or collect an  
10          under recovery of CTC costs.

11  
12        Q.     What is the Company's proposal in this proceeding?

13        A.     The Company is proposing a transition charge during 2009 of 0.235¢ per kWh. The  
14            charge represents (i) the weighted average base transition charge of 0.242¢ per kWh, and  
15            (ii) a transition charge adjustment credit factor of 0.007¢ per kWh, calculated on  
16            Schedule JAL-9, page 2, designed to credit the transition charge over recovery for the  
17            period October 2007 through September 2008.

18  
19        Q.     How is the weighted average base transition charge calculated?

20        A.     Schedule JAL-9, page 1, shows the calculation of the weighted average base transition  
21            charge for 2009. The preliminary individual CTCs and estimated GWs for  
22            Narragansett, BVE and Newport, shown in Section 1 of page 1, are based upon the most

1 recent estimate of NEP's 2009 CTCs. The individual company CTCs determined in  
2 Section 1 are aggregated in Section 2 and divided by the total GWh deliveries to arrive at  
3 a weighted average base transition charge of 0.242¢ per kWh.

4  
5 Transition Charge Reconciliation

6 Q. Please describe how the Company reconciles its transition charge.

7 A. The Company reconciles transition charge revenue and CTC expense in accordance with  
8 its Non-Bypassable Transition Charge Adjustment Provision, which provides for an  
9 annual reconciliation of the Company's total CTC expense against the Company's total  
10 revenue from its transition charge. The excess or deficiency is to be refunded to or  
11 collected from customers with interest accruing at the rate in effect for customer deposits.  
12 The reconciliation is prepared on a monthly basis and for this filing covers the  
13 reconciliation period October 2007 through September 2008, as reflected in Schedule  
14 JAL-10. Page 1 shows a summary of the reconciliation for the combined company.  
15 Pages 2 through 4 show individual reconciliations for Narragansett, BVE, and Newport.

16  
17 Q. What is the total Company transition charge reconciliation balance for the year ending  
18 September 30, 2008?

19 A. The balance for the period October 2007 through September 2008, shown in Schedule  
20 JAL-10, page 1, reflects an over recovery of approximately \$584,000.

21  
22 Q. How is the Company proposing to treat the under recovery for the period October 2007

1 through September 2008?

2 A. As discussed earlier, the Company is proposing to decrease the weighted average  
3 transition charge of 0.242¢ per kWh, calculated on Schedule JAL-9, page 1, by a  
4 transition charge adjustment credit factor of 0.007¢ per kWh, as calculated in Schedule  
5 JAL-9, page 2. The transition charge over recovery, including interest during the  
6 recovery period, of \$604,680 on Line (2) on page 2 of Schedule JAL-9, is divided by the  
7 2009 forecasted kWh deliveries, resulting in a credit of 0.007¢ per kWh. This charge,  
8 when subtracted from the weighted average transition charge of 0.242¢ per kWh,  
9 produces a net transition charge of 0.235¢ per kWh, as shown on Line (5).

10

11 Q. What does page 5 of Schedule JAL-10 reflect?

12 A. Page 5 of Schedule JAL-10 presents the status of the \$1,445,649 refund of a transition  
13 charge over recovery incurred during the period October 2006 through September 2007.  
14 The Company is refunding this over recovery during 2008 through the 2008 transition  
15 charge. Page 5 of Schedule JAL-10 shows that as of October 31, 2008, the balance  
16 remaining to be refunded is approximately \$381,533. The Company will continue to  
17 credit customers through December 2008 and any residual balance, positive or negative,  
18 will be credited or charged to the base transition reconciliation in the month of January  
19 2009.

20

21 Q. What does page 6 of Schedule JAL-10 reflect?

22 A. Page 5 of Schedule JAL-10 presents the status of the \$798,533 transition charge over

1 recovery incurred during the period October 2005 through September 2006 and collected  
2 from customers during 2007. Page 6 of Schedule JAL-10 shows that as of December 31,  
3 2007, the remaining balance to be refunded was \$39,869. The Company credited this  
4 amount to the base transition reconciliation in the month of January 2008.

5  
6 **VII. Transmission Adjustment Factor and Reconciliation**

7 Q. Has the Company prepared a forecast of transmission costs for 2009?

8 A. Yes, it has. It is included in the testimony and schedules of Ms. Pamela A. Viapiano,  
9 who will explain the forecast and how it was derived. The transmission forecast for 2009  
10 is approximately \$103.9 million, an increase of approximately \$31.9 million from the  
11 2008 forecast.

12  
13 Q. How does the Company propose to collect the \$103.9 million of forecasted transmission  
14 expense for 2009?

15 A. The Company is proposing to collect the \$103.9 million of the 2009 estimated expense,  
16 along with the under collection incurred during the period October 2007 through  
17 September 2008 and projected through the end of 2008, in the base transmission charges  
18 and the transmission adjustment factor.

19  
20 Q. Please describe the Company's current transmission charges.

21 A. The Company recovers its transmission related expenses pursuant to the Transmission  
22 Service Cost Adjustment Provision, R.I.P.U.C. No. 1189, which allows the Company to

1 recover costs billed to it by ISO-NE, as well as New England Power Company.

2  
3 Transmission charges are billed to customers through base charges which differ by rate  
4 class and a transmission adjustment factor which is design to collect or refund to  
5 customers over or under recoveries of expense from the prior year. The transmission  
6 adjustment factor is a uniform per kWh charge applicable to all rate classes.

7  
8 Transmission Service Adjustment Factor

9 Q. What is the Company's proposed Transmission Adjustment Factor?

10 A. The Company's proposed Transmission Adjustment Factor is 1.064¢ per kWh as shown  
11 on Schedule JAL-11, page 1, Line (7). This factor consists of the following individual  
12 components:

- 13  
14 1) A factor of 0.164¢ per kWh designed to collect an under recovery of  
15 approximately \$12.7 million expected to be incurred for the period  
16 October 2007 through December 2008; and  
17 2) A factor of 0.900¢ per kWh designed to collect the 2009 forecasted  
18 transmission expense not collected in the base transmission charges.

19  
20 Each of these adjustments is discussed in more detail below.

1           Transmission Service Reconciliation

2    Q.     Please discuss the Company's current transmission service reconciliation.

3    A.     The Company's transmission service reconciliation is shown in Schedule JAL-12. The  
4           reconciliation for the period October 2007 through September 2008 shown in Section 1  
5           reflects actual transmission revenue for the period October 2007 through September 2008  
6           and actual transmission expenses for the period October 2007 through August 2008 and  
7           estimated expense September 2008. This reconciliation is provided in accordance with  
8           the Company's Transmission Service Cost Adjustment Provision, which allows for the  
9           reconciliation, along with interest on any balance, and the recovery or refund of any  
10          under collection or over collection, respectively.

11  
12   Q.     What is the balance of the transmission reconciliation as of September 2008?

13   A.     Schedule JAL-12, page 1, Section 1 shows that the balance of the transmission  
14          reconciliation as of September 2008 is an under recovery of approximately \$9.6 million.

15  
16   Q.     Why is there a beginning credit balance of \$2,419,726 shown in the month of October  
17          2007 in the current reconciliation?

18   A.     The beginning balance of \$2,419,726 reflects a credit received by Narragansett from New  
19          England Power Company during 2007. This credit was inadvertently excluded from the  
20          October 2006 through September 2007 reconciliation filed in Docket No. 3902. This  
21          credit is the local network service refund owed to the Company from NEP as a result of  
22          the October 31, 2006 final FERC order, Opinion No. 489, on the New England

1 transmission owners (“NE TOs”) return on equity (“ROE”) filing. The final order  
2 identified what ROE the NE TOs should be billing at beginning on the New England  
3 Regional transmission organization operation date of February 1, 2005. The \$2,419,726  
4 includes the amount of the credit of \$2,369,144 plus interest of \$50,582.

5  
6 Q. Please describe Section 2 of Schedule JAL-12.

7 A. Section 2 of Schedule JAL-12 is the projected reconciliation of transmission service  
8 revenue and expense through December 2008. Section 2 shows that the projected  
9 balance of the transmission reconciliation as of December 2008 is an under recovery of  
10 approximately \$12.7 million

11  
12 Q. What has contributed to the under recovery of expense for the period October 2007  
13 through September 2008 and projected through December 2008?

14 A. The under recovery of expense for this period is primarily due to the fact that the actual  
15 Regional Network Service (“RNS”) rates effective June 1, 2008 were higher than what  
16 was anticipated in the 2008 forecast. The RNS rates recover the costs associated with  
17 Pool Transmission Facilities and are billed to the Company pursuant to FERC approved  
18 tariffs. The testimony of Ms. Viapiano will discuss the under recovery of transmission  
19 service expense in greater detail.

20  
21 Q. Since the reconciliation period ends September 2008, why has the Company included a  
22 projection of the reconciliation through December 2008?

1 A. Since the current transmission service rates will remain in effect until January 1, 2009,  
2 the Company has included the projected reconciliation balance through December 2008  
3 as an indication of the expected under recovery that is likely to occur during the months  
4 of October, November and December based on the projected transmission expenses for  
5 those months.

6  
7 Q. Is the Company proposing to include the projected balance through December 2008 in its  
8 transmission service adjustment factor?

9 A. Yes. The Company expects to under recover an additional \$3.1 million of expense for  
10 the months of October, November and December 2008. Normally, this amount would  
11 accumulate, with interest, in the reconciliation for the period October 2008 through  
12 September 2009 and would be recovered from ratepayers during calendar year 2010.  
13 Rather than to allow the accumulation of this additional under recovery, the Company is  
14 proposing to include this amount in the design of the transmission service adjustment  
15 factor effective January 1, 2009.

16  
17 Q. Please describe the calculation of the recovery factor designed to collect the under  
18 recovery incurred for the period October 2007 through December 2008.

19 A. The under recovery of \$12.7 million, plus interest accrued through December 2009 of  
20 approximately \$412,160, translates to a recovery factor of 0.164¢ per kWh, which is  
21 calculated by dividing the amount to be collected by estimated kWh deliveries for the  
22 period January 2009 through December 2009. This calculation is shown on page 8 of

1           Schedule JAL-12.

2

3   Q.     How does the Company plan to reconcile estimated expenses for September 2008 to  
4           actual expenses?

5   A.     Actual expenses for September 2008 will be compared to the estimated expenses  
6           included in this period's reconciliation. The difference, positive or negative, will be  
7           included as an adjustment in October 2008 to the transmission reconciliation for the  
8           period October 2008 through September 2009 to be filed with the Commission at this  
9           time next year.

10

11   Q.     What is the status of the 2008 transmission under recovery as shown on Schedule JAL-  
12           12, page 4?

13   A.     The 2008 transmission under recovery factor of 0.033¢ per kWh was implemented on  
14           January 1, 2008 and designed to collect an under recovery of approximately \$2.6 million  
15           incurred during the period October 2006 through September 2007. The 2008 factor was  
16           approved in Docket No. 3902 and was intended to be a 12-month factor. Page 4 of  
17           Schedule JAL-12 shows that as of October 31, 2008, the balance remaining to be  
18           recovered is \$601,918. The Company will continue to charge customers through  
19           December 2008 and any residual balance, positive or negative, will be credited or  
20           charged to the base transmission reconciliation in the month of January 2009.

21

22   Q.     What does page 7 of Schedule JAL-12 reflect?

1 A. Page 7 of Schedule JAL-12 presents the final balance of the approximately \$6.8 million  
2 under recovery of transmission expense incurred during the period October 2005 through  
3 September 2006. This under recovery was collected from customers during 2007 through  
4 the 2007 transmission adjustment factor. Page 7 shows that of the \$6.8 million to be  
5 collected from customers, all but approximately \$323,000 was collected. The Company  
6 has reflected this final amount as a charge to customers on page 1 of Schedule JAL-12 in  
7 column (c) in the month of January 2008.

8  
9 Q. What does page 5 of Schedule JAL-12 reflect?

10 A. Page 5 of Schedule JAL-12 shows the final balance of the recovery of the Company's  
11 share of uplift costs that had been incurred for the period January 1999 through May  
12 2004. This recovery mechanism was approved by the Commission in the Docket 3617  
13 Settlement. The approximately \$5.6 million allowed to be recovered was to be recovered  
14 over three years, from January 2005 through December 2007. Page 11 shows that of the  
15 \$5.6 million to be collected from customers, all but approximately \$400,000 was  
16 collected. The Company has reflected this final amount as a charge to customers on page  
17 1 of Schedule JAL-12 in column (c) in the month of January 2008.

18  
19 Q. Please describe the calculation of the proposed transmission service adjustment factor?

20 A. The calculation of this factor is shown on Schedule JAL-11, page 1, lines 1 through 7.  
21 Line 3 shows the total amount of forecasted transmission expense to be collected on a per  
22 kWh basis. Of this amount, an average of 0.402¢ per kWh is expected to be collected in

1 the base transmission charges. Subtracting the estimated average base charge of 0.402¢  
2 per kWh from the total estimated expense of 1.302¢ per kWh leaves 0.900¢ per kWh to  
3 be collected in the transmission adjustment factor. The under recovery factor of 0.164¢,  
4 shown on line 6 is then added to the 0.900¢ per kWh, resulting in a proposed adjustment  
5 factor of 1.064¢ per kWh.  
6

7 **VIII. Reconciliation of Low Income Credit and Proposed Credit for 2009**

8 Q. Please describe the low income credit.

9 A. In Docket No. 3710, filed in November 2005, the Company proposed to use \$8 million of  
10 the proceeds from a settlement agreement filed in that docket to fund a four-year  
11 enhanced low income credit program. In the order in that docket, the Commission  
12 directed the Company to implement a credit of 1.24¢ per kWh applicable to the first 450  
13 kWhs consumed per month effective January 1, 2006 which was designed to credit  
14 customers approximately \$2 million over a twelve month period. In Dockets 3788 and  
15 3902, the Commission again approved the Company's proposal to credit the low income  
16 class an additional approximately \$2 million in each year. In this filing, the Company is  
17 proposing the fourth and final annual credit.  
18

19 Q. How much of the credit approved in Docket No. 3902 has been credited to customers  
20 during 2008?

21 A. Schedule JAL-13, page 1 shows the reconciliation of the low income credit. Column (b)  
22 shows that approximately \$1.4 million has been credited to customers from January 1,

1 2008 through October 31, 2008.

2  
3 Q. Is the Company proposing to extend the low income credit during 2009?

4 A. Yes, the Company is proposing to retain the current credit of 1.306¢ per kWh applicable  
5 to the first 450 kWhs consumed per month, effective January 1, 2009 through December  
6 31, 2009. Application of the credit to the estimated initial block kWhs for 2009 will  
7 result in a total credit applied to the low income customer class of approximately \$2.0  
8 million. This calculation is shown on Schedule JAL-13, page 3.

9  
10 Q. What is the Company's proposal for refunding the amount remaining in the account after  
11 the expiration of the 2009 credit in December 2009?

12 A. The Company proposes that any amount remaining in the account after the billing of the  
13 credit ends on December 31, 2009 be credited to the transition reconciliation in January  
14 2010 for the benefit of all customers.

15  
16 **IX. Recovery of Lost Distribution Revenue Associated with Net-Metered Facilities**

17 Q. Why is the Company requesting recovery of the lost distribution revenue associated with  
18 net metered facilities?

19 A. Rhode Island General Laws §39-26-6(h) and R.I.P.U.C. No. 2006, Section III.B (5) allow  
20 the Company to reconcile on an annual basis the distribution portion of any renewable  
21 credits and the distribution portion of any distribution company delivery charges  
22 displaced by renewable energy systems subject to R.I.P.U.C. No. 2006, Section III.B and

1 to recover those amounts from all customers through a uniform per kWh-hour surcharge.

2 R.I.P.U.C. No. 2006 was approved by the Commission in Docket No. 3904 and became  
3 effective January 1, 2008.

4  
5 Q. What is the amount of the distribution portion of the renewable credits and delivery  
6 service charges displaced by renewable energy systems during calendar year 2008?

7 A. The distribution portion of the charges attributable to kWhs generated by renewable  
8 energy systems in 2008 is \$30,897. The amount is calculated by multiplying the  
9 distribution kWh charge applicable to each customers account by the estimated kWhs  
10 generated by the customer's generation unit during 2008. Schedule JAL-14 provides a  
11 list of each unit, the type of generation, the estimated kWhs generated, the customer's  
12 retail delivery service rate and the estimated lost distribution charges.

13  
14 Q. How is the Company proposing to recover the lost distribution revenue?

15 A. Since the \$30,897 is too small to produce a billable factor, the Company is proposing to  
16 defer recovery of this lost distribution revenue and include the \$30,897 incurred during  
17 2008 in the 2009 reconciliation which will be included in next year's annual  
18 reconciliation filing.

19  
20 **X. Revised Standard Offer Tariff and Tariff Cover Sheets**

21 Q. Has the Company prepared revised tariff cover sheets?

22 A. Yes. The revised tariff cover sheets reflecting rate changes effective January 1, 2009 are

1 included in Schedule JAL-15. Schedule JAL-15 also includes a marked to show changes  
2 version of the revised tariff cover sheets. It should also be noted that for some rate  
3 classes, approved scheduled changes in distribution charges also occur effective January  
4 1, 2009. These rate changes were approved by the Commission in Docket No. 3617, and  
5 are the result of the “phased-in” consolidation of several of the Company’s existing rate  
6 classes.

7  
8 Q. Has the Company included a revised Standard Offer Service tariff in this filing?

9 A. Yes. Schedule JAL-16 includes a revised Standard Offer Tariff, R.I.P.U.C. No. 2011.  
10 This tariff reflects the Company’s proposed Standard Offer Service Rate of 9.5¢ per  
11 kWh. The tariff does not reflect any changes to the RES that have been proposed in  
12 conjunction with the Company’s 2009 RES Procurement Plan filing. Any rate change  
13 approved by the Commission in that proceeding or in Docket No. 4000 (Energy  
14 Efficiency Program Plan for 2009) will be reflected in a compliance filing submitted  
15 prior to the effective date of the rate change.

16  
17 **XI. Typical Bills**

18 Q. Has the Company provided a typical bill analysis to illustrate the impact of the proposed  
19 rate changes?

20 A. Yes. The typical bill is contained in Schedule JAL-17. The impact on a typical  
21 residential customer using 500 kWh per month is a decrease of \$12.84, from \$93.44 to  
22 \$80.60 or approximately 13.7%.

1

2 **XII. Conclusion**

3 Q. Does this conclude your testimony?

4 A. Yes it does.

Schedules of  
Jeanne A. Lloyd

Schedules

Schedule JAL-1	Summary of Proposed Rate Changes
Schedule JAL-2	Projected Standard Offer Service Reconciliation for the period October 2008 through December 2009
Schedule JAL-3	Estimated Standard Offer Expense for 2009
Schedule JAL-4	Standard Offer Service Reconciliation for the period October 2007 through September 2008
Schedule JAL-5	Last Resort Service Reconciliation for the period October 2007 through September 2008
Schedule JAL-6	Letter to Commission Regarding Last Resort Service Investigation
Schedule JAL-7	Last Resort Service Reconciliation for the period October 2006 through September 2007 – Adjusted for Out-of-Period Expenses
Schedule JAL-8	Renewable Energy Standard Reconciliation for the period October 2007 through September 2008
Schedule JAL-9	Calculation of Proposed Non-Bypassable Transition Charge for January 2009
Schedule JAL-10	Non-Bypassable Transition Charge Reconciliation for the period October 2007 through September 2008
Schedule JAL-11	Calculation of Proposed Transmission Adjustment Factor for January 2009
Schedule JAL-12	Transmission Service Reconciliation for the period October 2007 through September 2008
Schedule JAL-13	Reconciliation of Low Income Credit and Proposed Credit for 2009
Schedule JAL-14	Net Metering Report
Schedule JAL-15	Tariff Cover Sheets – Clean and Marked to Show Changes Version
Schedule JAL-16	Proposed Standard Offer Service Tariff – Clean and Marked to Show Changes Version
Schedule JAL-17	Typical Bill Analysis



Schedule JAL-1

Summary of Proposed Rate Changes

Summary of Proposed Rate Changes for January 1, 2009  
Effective for All Rate Classes

	<u>Current Rate</u> (a)	<u>Proposed Change in Rate</u> (b)	<u>Proposed Rate</u> (c)
(1) Standard Offer	\$0.12400	(\$0.02900)	\$0.09500
(2) Transition Charge	\$0.00322	(\$0.00087)	\$0.00235
(3) Transmission Charge	\$0.00541	\$0.00523	\$0.01064
Net change		(\$0.02464)	

Column (a):

Lines (1) - (3) per current tariff

Column (b):

Lines (1) - (3) Column (c) - Column (a)

Column (c):

- (1) Schedule JAL-3
- (2) Schedule JAL-9
- (3) Schedule JAL-11



Schedule JAL-2

Projected Standard Offer Service Reconciliation

For the period October 2008 through December 2009

Standard Offer Reconciliation  
Projected Balance at Year Ending December 31, 2009 Based on Current Standard Offer Service Rate

**Section 1. Projected Balance @ December 31, 2009**

Month	Over(Under) Beginning Balance (a)	Standard Offer Revenue (b)	Standard Offer Base Expense (c)	Fuel Index Payments (d)	Total Standard Offer Expenses (e)	Monthly Over(Under) (f)	Adjustments (g)	Over(Under) Ending Monthly Balance (1) (h)	Monthly Balance Including Unbilled (i)
Oct-07	\$46,089,854	\$14,282,610	\$32,272,127	\$11,448,740	\$43,720,867	(\$29,438,258)	\$10,737	\$16,640,859	\$39,265,684
Nov-07	\$16,640,859	\$41,136,046	\$32,117,436	\$12,227,114	\$44,344,550	(\$3,208,504)	\$14,044	\$13,418,311	\$39,027,157
Dec-07	\$13,418,311	\$46,561,538	\$35,332,585	\$14,647,437	\$49,980,022	(\$3,418,484)	\$5,827	\$9,994,000	\$38,015,338
Jan-08	\$9,994,000	\$50,947,886	\$37,333,300	\$14,013,524	\$51,346,824	(\$398,938)	\$5,218	\$9,589,844	\$37,412,548
Feb-08	\$9,589,844	\$50,586,735	\$34,848,369	\$14,283,900	\$49,132,270	\$1,454,465	\$5,036	\$11,039,273	\$36,000,278
Mar-08	\$11,039,273	\$45,383,646	\$34,878,114	\$15,744,263	\$50,622,377	(\$5,238,731)	\$4,912	\$5,795,630	\$32,966,880
Apr-08	\$5,795,630	\$49,402,272	\$32,097,082	\$15,322,094	\$47,419,176	\$1,983,096	\$4,292	\$7,774,435	\$29,930,261
May-08	\$7,774,435	\$40,283,321	\$32,014,204	\$17,143,543	\$49,157,747	(\$8,874,426)	\$4,361	(\$1,104,352)	\$24,068,732
Jun-08	(\$1,104,352)	\$45,769,244	\$38,240,520	\$23,631,618	\$61,872,138	(\$16,102,894)	\$5,627	(\$17,212,873)	\$14,105,292
Jul-08	(\$17,212,873)	\$56,942,118	\$46,291,350	\$32,475,340	\$78,766,690	(\$21,824,571)	\$6,437	(\$39,043,881)	\$4,233,079
Aug-08	(\$39,043,881)	\$78,685,383	\$39,738,134	\$29,962,692	\$69,700,826	\$8,984,557	\$5,545	(\$30,064,869)	\$12,177,848
Sep-08	(\$30,064,869)	\$76,804,938	\$35,147,431	\$27,754,730	\$62,902,161	\$13,902,777		\$16,162,091	\$20,912,292
Oct-08	(\$16,162,091)	\$67,482,615	\$36,462,381	\$28,668,879	\$65,131,260	\$2,351,356		(\$13,810,736)	\$20,926,173
Nov-08	(\$13,810,736)	\$63,158,016	\$34,125,702	\$45,732,247	\$79,857,949	(\$16,699,933)		(\$30,510,668)	\$7,617,025
Dec-08	(\$30,510,668)	\$69,323,078	\$37,456,824	\$26,770,084	\$64,226,908	\$5,096,170		(\$25,414,499)	\$14,802,354
Jan-09	(\$25,414,499)	\$73,121,550	\$41,867,984	\$27,138,150	\$69,006,134	\$4,115,416		(\$21,299,083)	\$16,043,707
Feb-09	(\$21,299,083)	\$67,895,981	\$38,875,925	\$23,884,381	\$62,760,305	\$5,135,676		(\$16,163,407)	\$21,266,199
Mar-09	(\$16,163,407)	\$68,053,829	\$38,966,305	\$22,273,995	\$61,240,300	\$6,813,529		(\$9,349,878)	\$25,916,257
Apr-09	(\$9,349,878)	\$64,120,246	\$36,714,012	\$19,313,203	\$56,027,215	\$8,093,031		(\$1,256,847)	\$32,256,241
May-09	(\$1,256,847)	\$60,932,888	\$34,888,992	\$16,317,436	\$51,206,428	\$9,726,460		\$8,469,613	\$44,247,884
Jun-09	\$8,469,613	\$65,051,403	\$37,247,174	\$14,474,784	\$51,721,958	\$13,329,445		\$21,799,058	\$62,334,705
Jul-09	\$21,799,058	\$73,701,177	\$42,199,867	\$12,514,699	\$54,714,566	\$18,986,611		\$40,785,668	\$82,155,072
Aug-09	\$40,785,668	\$75,217,097	\$43,067,854	\$10,448,251	\$53,516,105	\$21,700,992		\$62,486,661	\$102,829,020
Sep-09	\$62,486,661	\$73,349,745	\$41,998,644	\$8,710,169	\$50,708,813	\$22,640,932		\$85,127,592	\$121,740,468
Oct-09	\$85,127,592	\$66,568,864	\$38,116,043	\$7,620,345	\$45,736,388	\$20,832,476		\$105,960,069	\$140,130,282
Nov-09	\$105,960,069	\$62,127,661	\$35,573,096	\$7,570,640	\$43,143,736	\$18,983,925		\$124,943,993	\$163,907,807
Dec-09	\$124,943,993	\$70,843,298	\$40,563,501	\$8,775,933	\$49,339,434	\$21,503,864		\$146,447,858	\$187,174,835
Jan-10	\$146,447,858	\$40,726,978	\$0	\$0	\$0	\$40,726,978		\$187,174,835	

NOTE: Estimated revenues are calculated assuming that the current rate of 12.4¢ per kWh remains in effect through December 2009

(1) Balance does not reflect interest charges.

Column Notes:

- Column (a) Column (h) from previous row; beginning balance from Schedule JAL-4, page 1
- Column (b) from page 2 and Schedule JAL-4, page 1
- Column (c) from page 3 and Schedule JAL-4, page 1
- Column (d) from page 3 and Schedule JAL-4, page 1
- Column (e) Column (c) + Column (d)
- Column (f) Column (b) - Column (e)
- Column (g) from Schedule JAL-4
- Column (h) Column (a) + Column (f) + Column (g)
- Column (i) Column (h) + 55% of next month's Column (b)

Standard Offer Reconciliation  
Estimated Revenue

<u>Month</u>	Estimated Standard Offer <u>Deliveries</u> (a)	Standard Offer <u>Rate</u> (b)	Total Estimated <u>Revenues</u> (c)
Oct-08	544,214,637	\$0.12400	\$67,482,615
Nov-08	509,338,843	\$0.12400	\$63,158,016
Dec-08	559,057,080	\$0.12400	\$69,323,078
Jan-09	589,689,919	\$0.12400	\$73,121,550
Feb-09	547,548,234	\$0.12400	\$67,895,981
Mar-09	548,821,198	\$0.12400	\$68,053,829
Apr-09	517,098,761	\$0.12400	\$64,120,246
May-09	491,394,255	\$0.12400	\$60,932,888
Jun-09	524,608,087	\$0.12400	\$65,051,403
Jul-09	594,364,327	\$0.12400	\$73,701,177
Aug-09	606,589,494	\$0.12400	\$75,217,097
Sep-09	591,530,200	\$0.12400	\$73,349,745
Oct-09	536,845,678	\$0.12400	\$66,568,864
Nov-09	501,029,521	\$0.12400	\$62,127,661
Dec-09	571,316,922	\$0.12400	\$70,843,298
Jan-10 full mo kWh	597,169,760	\$0.12400	\$74,049,050

Column Notes:

- (a) from Page 3, Column (c)
- (b) Per currently effective tariff
- (c) Column (a) x Column (b)

Standard Offer Reconciliation  
Estimated Standard Offer Expenses

	Estimated Total Company kWh Deliveries (a)	% of Standard Offer kWhs to Total kWhs (b)	Estimated Standard Offer kWh Deliveries (c)	Base Standard Offer Charge (d)	Estimated Base Standard Offer Expenses (e)	Estimated Fuel Index Value per kWh (f)	Estimated Fuel Index Payments (g)	Docket No. 3959 Settlement Payments (h)	Docket No. 3969 Settlement Payments (i)	Total Estimated Fuel Index Payments (j)	Total Estimated Standard Offer Expenses (k)
<b><u>2008</u></b>											
Oct-08	655,680,286	83.0%	544,214,637	\$0.06700	\$36,462,381	\$0.04988	\$27,145,426	\$1,523,453	\$0	28,668,879	\$65,131,260
Nov-08	613,661,256	83.0%	509,338,843	\$0.06700	\$34,125,702	\$0.04789	\$24,392,237	\$1,340,009	\$20,000,000	45,732,247	\$79,857,949
Dec-08	673,562,746	83.0%	559,057,080	\$0.06700	\$37,456,824	\$0.04564	\$25,515,365	\$1,254,719	\$0	26,770,084	\$64,226,908
<b><u>2009</u></b>											
Jan-09	710,469,781	83.0%	589,689,919	\$0.07100	\$41,867,984	\$0.04015	\$23,676,050	\$945,936	\$2,516,164	27,138,150	\$69,006,134
Feb-09	659,696,667	83.0%	547,548,234	\$0.07100	\$38,875,925	\$0.03797	\$20,790,406	\$577,810	\$2,516,164	23,884,381	\$62,760,305
Mar-09	661,230,359	83.0%	548,821,198	\$0.07100	\$38,966,305	\$0.03530	\$19,373,388	\$384,443	\$2,516,164	22,273,995	\$61,240,300
Apr-09	623,010,555	83.0%	517,098,761	\$0.07100	\$36,714,012	\$0.03204	\$16,567,844	\$229,195	\$2,516,164	19,313,203	\$56,027,215
May-09	592,041,271	83.0%	491,394,255	\$0.07100	\$34,888,992	\$0.02776	\$13,641,105	\$160,167	\$2,516,164	16,317,436	\$51,206,428
Jun-09	632,057,937	83.0%	524,608,087	\$0.07100	\$37,247,174	\$0.02246	\$11,782,698	\$175,922	\$2,516,164	14,474,784	\$51,721,958
Jul-09	716,101,598	83.0%	594,364,327	\$0.07100	\$42,199,867	\$0.01646	\$9,783,237	\$215,298	\$2,516,164	12,514,699	\$54,714,566
Aug-09	730,830,716	83.0%	606,589,494	\$0.07100	\$43,067,854	\$0.01269	\$7,697,621	\$234,466	\$2,516,164	10,448,251	\$53,516,105
Sep-09	712,686,988	83.0%	591,530,200	\$0.07100	\$41,998,644	\$0.01006	\$5,950,794	\$243,211	\$2,516,164	8,710,169	\$50,708,813
Oct-09	646,802,021	83.0%	536,845,678	\$0.07100	\$38,116,043	\$0.00907	\$4,869,190	\$234,990	\$2,516,164	7,620,345	\$45,736,388
Nov-09	603,650,026	83.0%	501,029,521	\$0.07100	\$35,573,096	\$0.00962	\$4,819,904	\$234,572	\$2,516,164	7,570,640	\$43,143,736
Dec-09	688,333,641	83.0%	571,316,922	\$0.07100	\$40,563,501	\$0.01045	\$5,970,262	\$289,507	\$2,516,164	8,775,933	\$49,339,434

Column Notes:

- (a) Per Company forecast
- (b) Reflects 12-month average Standard Offer kWh deliveries as a percentage of total kWh deliveries
- (c) Column (a) x Column (b)
- (d) Estimated per prices contained in wholesale standard offer contracts
- (e) Column (c) x Column (d)
- (f) from Schedule JDW-4, Page 3, Column (n)
- (g) Column (c) x Column (f)
- (h) Estimated payments to supplier per Settlement in Docket No. 3959
- (i) Payments to supplier per Settlement in Docket No. 3969
- (j) Column (g) + Column (h) + Column (i)



Schedule JAL-3

Estimated Standard Offer Expense for 2009

**Estimated Standard Offer Average Cost for the period January 2009 through December 2009  
Based on Fuel Price Estimates as Reported in the Wall Street Journal on 11-07-08, 11-10-08, and 11-11-08**

	Estimated Fuel Index Payments (a)	Estimated Base Standard Offer Expense (b)	Estimated Total Standard Offer Expense (c)
Jan-2009	\$27,138,150	\$41,867,984	\$69,006,134
Feb-2009	\$23,884,381	\$38,875,925	\$62,760,305
Mar-2009	\$22,273,995	\$38,966,305	\$61,240,300
Apr-2009	\$19,313,203	\$36,714,012	\$56,027,215
May-2009	\$16,317,436	\$34,888,992	\$51,206,428
Jun-2009	\$14,474,784	\$37,247,174	\$51,721,958
Jul-2009	\$12,514,699	\$42,199,867	\$54,714,566
Aug-2009	\$10,448,251	\$43,067,854	\$53,516,105
Sep-2009	\$8,710,169	\$41,998,644	\$50,708,813
Oct-2009	\$7,620,345	\$38,116,043	\$45,736,388
Nov-2009	\$7,570,640	\$35,573,096	\$43,143,736
Dec-2009	<u>\$8,775,933</u>	<u>\$40,563,501</u>	<u>\$49,339,434</u>
	\$179,041,984	\$470,079,398	\$649,121,382
(1) Estimated Reconciliation Balance as of December 2008			16,377,184
(2) Total Expenses to be Recovered			<u>632,744,198</u>
(3) Projected kWh Deliveries for the period January 2009 through December 2009			6,620,836,596
(4) Average Standard Offer for the period January 2009 through December 2009			\$0.09500

**Columns:**

- (a) Schedule JAL-2 , page 3
- (b) Schedule JAL-2 , page 3
- (c) Column (a) + Column (b)

**Rows:**

- (1) Schedule JAL-2, Page 1, Column (i) for December 2008 plus interest for the period October 2007 through September 2008
- (2) Column (c) Total - Line (1)
- (3) Schedule JAL-2, Page 2, Column (a) sum for applicable months
- (4) Line (2) ÷ Line (3) truncated after 3 decimal places



**Schedule JAL-4**

**Standard Offer Service Reconciliation**

**For the period October 2007 through September 2008**

Standard Offer Reconciliation  
for the period October 2007 through September 2008

**Balance @ September 30, 2008**

Month	Over(Under) Beginning Balance (a)	Standard Offer Revenue (b)	Standard Offer Base Expense (c)	Fuel Index Payments (d)	Total Standard Offer Expenses (e)	Monthly Over(Under) (f)	Adjustments (g)	Over(Under) Ending Monthly Balance (h)	Monthly Balance Including Unbilled (i)
(1) Oct-07	\$46,089,854	\$14,282,610	\$32,272,127	\$11,448,740	\$43,720,867	(\$29,438,258)	\$10,737	\$16,640,859	\$39,265,684
(1) Nov-07	\$16,640,859	\$41,136,046	\$32,117,436	\$12,227,114	\$44,344,550	(\$3,208,504)	\$14,044	\$13,418,311	\$39,027,157
(1) Dec-07	\$13,418,311	\$46,561,538	\$35,332,585	\$14,647,437	\$49,980,022	(\$3,418,484)	\$5,827	\$9,994,000	\$38,015,338
(1) Jan-08	\$9,994,000	\$50,947,886	\$37,333,300	\$14,013,524	\$51,346,824	(\$398,938)	\$5,218	\$9,589,844	\$37,412,548
(1) Feb-08	\$9,589,844	\$50,586,735	\$34,848,369	\$14,283,900	\$49,132,270	\$1,454,465	\$5,036	\$11,039,273	\$36,000,278
(1) Mar-08	\$11,039,273	\$45,383,646	\$34,878,114	\$15,744,263	\$50,622,377	(\$5,238,731)	\$4,912	\$5,795,630	\$32,966,880
(1) Apr-08	\$5,795,630	\$49,402,272	\$32,097,082	\$15,322,094	\$47,419,176	\$1,983,096	\$4,292	\$7,774,435	\$29,930,261
(1) May-08	\$7,774,435	\$40,283,321	\$32,014,204	\$17,143,543	\$49,157,747	(\$8,874,426)	\$4,361	(\$1,104,352)	\$24,068,732
(1) Jun-08	(\$1,104,352)	\$45,769,244	\$38,240,520	\$23,631,618	\$61,872,138	(\$16,102,894)	\$5,627	(\$17,212,873)	\$14,105,292
(1) Jul-08	(\$17,212,873)	\$56,942,118	\$46,291,350	\$32,475,340	\$78,766,690	(\$21,824,571)	\$6,437	(\$39,043,881)	\$4,233,079
(1) Aug-08	(\$39,043,881)	\$78,685,383	\$39,738,134	\$29,962,692	\$69,700,826	\$8,984,557	\$5,545	(\$30,064,869)	\$12,177,848
(1) Sep-08	(\$30,064,869)	\$76,804,938	\$35,147,431	\$27,754,730	\$62,902,161	\$13,902,777	\$0	(\$16,162,091)	\$20,912,292
(2) Oct-08	(\$16,162,091)	\$37,074,383				\$37,074,383		\$20,912,292	
Totals	\$46,089,854	\$633,860,119	\$430,310,651	\$228,654,996	\$658,965,647	(\$25,105,528)	\$72,035	\$20,912,292	
Interest (3)								\$1,574,830	
Ending Balance with Interest								\$22,487,122	

- (1) Actual revenues and expenses
- (2) Estimated revenues and expenses
- (3) Interest expense calculation :  $(46089854+20912291.6480952)/2*((4.80\%*5/12)+(4.63\%*7/12))$

NOTE: October 2008 reflects September usage billed in October

Column Notes:

- Column (a) Column (h) from previous row; beginning balance - Sep '07 ending balance from RIPUC Docket No. 3902 of \$42,042,142 plus \$4,047,712 expense adjustment, including \$421,935 interest.
- Column (b) from Page 2
- Column (c) from invoices
- Column (d) from invoices
- Column (e) Column (c) + Column (d)
- Column (f) Column (b) - Column (e)
- Column (g) NE-GIS expense
- Column (h) Column (a) + Column (f) + Column (g)
- Column (i) Column (h) + 55% of next month's Column (b)

Summary of Actual Standard Offer Revenue

	<u>Gross</u> <u>Revenue</u> (a)	<u>HVM</u> <u>Discount</u> (b)	<u>Renewable</u> <u>Energy Standard</u> <u>Charge Rev</u> (c)	<u>Net</u> <u>Revenue</u> (d)
Oct-07	\$44,085,538	(\$54,229)	\$326,873	\$43,704,436
Nov-07	\$41,495,080	(\$52,643)	\$306,392	\$41,136,046
Dec-07	\$46,961,379	(\$46,877)	\$352,965	\$46,561,538
Jan-08	\$51,408,261	(\$51,733)	\$408,642	\$50,947,886
Feb-08	\$50,638,829	(\$52,094)		\$50,586,735
Mar-08	\$45,410,974	(\$27,327)		\$45,383,646
Apr-08	\$49,478,366	(\$76,093)		\$49,402,272
May-08	\$40,331,023	(\$47,702)		\$40,283,321
Jun-08	\$45,820,614	(\$51,371)		\$45,769,244
Jul-08	\$56,993,614	(\$51,496)		\$56,942,118
Aug-08	\$78,758,200	(\$72,817)		\$78,685,383
Sep-08	\$76,890,492	(\$85,554)		\$76,804,938
Oct-08	\$66,340,692	(\$77,273)		\$66,263,419

Notes:

- (a) from Company monthly revenue reports
- (b) from Company monthly revenue reports
- (c) from Company monthly revenue report; after Jan 2008, Renewable Energy Standard Revenue is reported separately from Standard Offer revenue.
- (d) Column (a) + Column (b) - Column (c)



**Schedule JAL-5**

**Last Resort Service Reconciliation**

**for the period October 2007 through September 2008**

Last Resort Service Reconciliation

<u>Month</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Last Resort Revenue</u> (b)	<u>Last Resort Expense</u> (c)	<u>Monthly (Under)/Over</u> (d)	<u>Adjustments</u> (e)	<u>(Under)/Over Ending Balance</u> (f)
Oct-07	\$577,904	\$701,239	\$1,900,916	(\$1,199,677)		(\$621,773)
Nov-07	(\$621,773)	\$1,622,025	\$1,361,097	\$260,929		(\$360,844)
Dec-07	(\$360,844)	\$1,309,569	\$1,690,443	(\$380,874)		(\$741,718)
Jan-08	(\$741,718)	\$1,242,809	\$1,598,732	(\$355,924)		(\$1,097,641)
Feb-08	(\$1,097,641)	\$1,322,333	\$1,407,779	(\$85,446)		(\$1,183,088)
Mar-08	(\$1,183,088)	\$1,463,107	\$1,338,134	\$124,973		(\$1,058,114)
Apr-08	(\$1,058,114)	\$1,269,109	\$1,227,155	\$41,954		(\$1,016,160)
May-08	(\$1,016,160)	\$1,246,839	\$1,709,690	(\$462,851)		(\$1,479,011)
Jun-08	(\$1,479,011)	\$1,430,612	\$2,513,844	(\$1,083,231)		(\$2,562,243)
Jul-08	(\$2,562,243)	\$2,680,810	\$3,533,303	(\$852,494)		(\$3,414,737)
Aug-08	(\$3,414,737)	\$3,045,876	\$4,508,171	(\$1,462,295)		(\$4,877,031)
Sep-08	(\$4,877,031)	\$5,346,999	\$3,797,914	\$1,549,085		(\$3,327,946)
Oct-08	(\$3,327,946)	\$2,310,782		\$2,310,782		(\$1,017,164)
Totals	\$577,904	\$24,992,110	\$26,587,178	(\$1,595,068)	\$0	(\$1,017,164)
Interest						(\$10,324)
Ending Balance with Interest						(\$1,027,488)

NOTE: October 2008 reflects September usage billed in October

Column (a)	Column (f) from previous row; beginning balance per RIPUC Docket No. 3902.
Column (b)	Page 2 Column (b) + Page 3 Column (b)
Column (c)	Last Resort Service invoices
Column (d)	Column (b) - Column (c)
Column (e)	
Column (f)	Column (a) + Column (d) + Column (e)

Last Resort Service Reconciliation - Residential

<u>Month</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Last Resort Revenue</u> (b)	<u>Last Resort Expense</u> (c)	<u>Monthly (Under)/Over</u> (d)	<u>Adjustments</u> (e)	<u>(Under)/Over Ending Balance</u> (f)
Oct-07	(\$89,124)	\$11,387	\$43,536	(\$32,149)		(\$121,273)
Nov-07	(\$121,273)	\$32,785	\$40,377	(\$7,592)		(\$128,865)
Dec-07	(\$128,865)	\$42,291	\$47,576	(\$5,285)		(\$134,149)
Jan-08	(\$134,149)	\$42,714	\$52,444	(\$9,730)		(\$143,879)
Feb-08	(\$143,879)	\$44,310	\$54,977	(\$10,667)		(\$154,546)
Mar-08	(\$154,546)	\$46,391	\$55,552	(\$9,161)		(\$163,707)
Apr-08	(\$163,707)	\$42,157	\$45,860	(\$3,703)		(\$167,410)
May-08	(\$167,410)	\$34,144	\$52,787	(\$18,643)		(\$186,053)
Jun-08	(\$186,053)	\$39,775	\$65,395	(\$25,620)		(\$211,673)
Jul-08	(\$211,673)	\$57,510	\$83,527	(\$26,017)		(\$237,690)
Aug-08	(\$237,690)	\$80,299	\$66,940	\$13,359		(\$224,331)
Sep-08	(\$224,331)	\$65,955	\$55,641	\$10,315		(\$214,016)
Oct-08	(\$214,016)	\$33,405		\$33,405		(\$180,611)
Totals	(\$89,124)	\$573,122	\$664,609	(\$91,487)	\$0	(\$180,611)
Interest						(\$6,340)
Ending Balance with Interest						(\$186,951)

NOTE: October 2008 reflects September usage billed in October

Column (a) Column (f) from previous row; beginning balance per RIPUC Docket No. 3902.  
Column (b) Page 4 Column (c)  
Column (c) Last Resort Service invoices  
Column (d) Column (b) - Column (c)  
Column (e)  
Column (f) Column (a) + Column (d) + Column (e)

Last Resort Service Reconciliation - Commercial & Industrial

<u>Month</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Last Resort Revenue</u> (b)	<u>Last Resort Expense</u> (c)	<u>Monthly (Under)/Over</u> (d)	<u>Adjustments</u> (e)	<u>(Under)/Over Ending Balance</u> (f)
Oct-07	\$667,028	\$689,852	\$1,857,381	(\$1,167,528)		(\$500,500)
Nov-07	(\$500,500)	\$1,589,241	\$1,320,720	\$268,521		(\$231,979)
Dec-07	(\$231,979)	\$1,267,278	\$1,642,867	(\$375,589)		(\$607,568)
Jan-08	(\$607,568)	\$1,200,095	\$1,546,288	(\$346,194)		(\$953,762)
Feb-08	(\$953,762)	\$1,278,023	\$1,352,803	(\$74,780)		(\$1,028,542)
Mar-08	(\$1,028,542)	\$1,416,717	\$1,282,582	\$134,135		(\$894,407)
Apr-08	(\$894,407)	\$1,226,952	\$1,181,295	\$45,657		(\$848,750)
May-08	(\$848,750)	\$1,212,695	\$1,656,903	(\$444,208)		(\$1,292,958)
Jun-08	(\$1,292,958)	\$1,390,837	\$2,448,449	(\$1,057,612)		(\$2,350,570)
Jul-08	(\$2,350,570)	\$2,623,300	\$3,449,777	(\$826,477)		(\$3,177,047)
Aug-08	(\$3,177,047)	\$2,965,577	\$4,441,231	(\$1,475,653)		(\$4,652,700)
Sep-08	(\$4,652,700)	\$5,281,044	\$3,742,273	\$1,538,770		(\$3,113,929)
Oct-08	(\$3,113,929)	\$2,277,377		\$2,277,377		(\$836,552)
Totals	\$667,028	\$24,418,988	\$25,922,568	(\$1,503,580)	\$0	(\$836,552)
Interest						(\$3,985)
Ending Balance with Interest						(\$840,537)

NOTE: October 2008 reflects September usage billed in October

Column (a)	Column (f) from previous row; beginning balance per RIPUC Docket No. 3902.
Column (b)	Page 4 Column (g)
Column (c)	Last Resort Service invoices
Column (d)	Column (b) - Column (c)
Column (e)	
Column (f)	Column (a) + Column (d) + Column (e)

Summary of Last Resort Service Revenues

	Residential Last Resort Revenues (a)	Renewable Energy Standard Revenue (b)	Net Residential Revenue (c)	C&I Last Resort Revenues (d)	Renewable Energy Standard Revenue (e)	C&I HVM Discount (f)	C&I Net Revenues (g)	Total Last Resort Revenues (h)
Oct-07	\$11,472	\$85	\$11,387	\$697,059	\$4,950	(2,256)	689,852	\$701,239
Nov-07	\$33,030	\$245	\$32,785	\$1,605,345	\$11,199	(4,905)	1,589,241	\$1,622,025
Dec-07	\$42,607	\$316	\$42,291	\$1,279,643	\$9,526	(2,839)	1,267,278	\$1,309,569
Jan-08	\$43,060	\$345	\$42,714	\$1,210,240	\$9,760	(385)	1,200,095	\$1,242,809
Feb-08	\$44,310	\$0	\$44,310	\$1,279,373	\$0	(1,349)	1,278,023	\$1,322,333
Mar-08	\$46,391	\$0	\$46,391	\$1,417,590	\$0	(873)	1,416,717	\$1,463,107
Apr-08	\$42,157	\$0	\$42,157	\$1,228,889	\$0	(1,937)	1,226,952	\$1,269,109
May-08	\$34,144	\$0	\$34,144	\$1,214,158	\$0	(1,463)	1,212,695	\$1,246,839
Jun-08	\$39,775	\$0	\$39,775	\$1,392,428	\$0	(1,591)	1,390,837	\$1,430,612
Jul-08	\$57,510	\$0	\$57,510	\$2,625,703	\$0	(2,403)	2,623,300	\$2,680,810
Aug-08	\$80,299	\$0	\$80,299	\$2,968,376	\$0	(2,799)	2,965,577	\$3,045,876
Sep-08	\$65,955	\$0	\$65,955	\$5,286,960	\$0	(5,916)	5,281,044	\$5,346,999
Oct-08	\$33,405	\$0	\$33,405	\$2,280,054	\$0	(2,677)	2,277,377	\$2,310,782
	\$574,113	\$991	\$573,122	\$24,485,818	\$35,436	(\$31,394)	\$24,418,988	\$24,992,110

(a) Oct 2007 through Jan 2008 - SMB 702 monthly revenue report combined Last Resort Service and Renewable Energy Standard revenue; Feb through Oct 2008 - CR97987A monthly revenue report for Last Resort Service revenue only

(b) Oct 2007 through Jan 2008 - SMZ991 Monthly Revenue Report

(c) Column (a) - Column (b)

(d) Oct 2007 through Jan 2008 - SMB 702 monthly revenue report combined Last Resort Service and Renewable Energy Standard revenue; Feb through Oct 2008 - CR97987A monthly revenue report for Last Resort Service revenue only

(e) SMZ991 Monthly Revenue Report

(f) monthly revenue report

(g) Column (d) - Column (e) + Column (f)

(h) Column (c) + Column (g)



**Schedule JAL-6**

**Letter to the Commission Regarding Last Resort Service Investigation**



Laura S. Olton  
General Counsel  
Rhode Island

March 12, 2008

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 3902 – Last Resort Service Reconciliation**

Dear Ms. Massaro:

In Docket No. 3902, The Energy Council of Rhode Island (“TEC-RI”) requested that National Grid<sup>1</sup> investigate the source of the over recoveries that have occurred in the Commercial and Industrial (“C&I”) Last Resort Service (“LRS”) reconciliation for the period starting October 2003 through the most recent reconciliation for the period October 2006 through September 2007. The Company agreed to conduct this investigation and has performed an analysis of the LRS annual reconciliations for the last nine years, from January 1999 through the most recent reconciliation for the period October 2006 through September 2007. In Order No. 19202 (Feb. 7, 2008), the Commission stated that it expects to be kept apprised of the status of the Company’s investigation and requested a report at the conclusion. The Company has discussed its findings with TEC-RI and the Division of Public Utilities and Carriers (“Division”), the parties to this proceeding. This filing constitutes the Company’s report at the conclusion of the investigation.

There are a number of reasons that a variance in the reconciliation of LRS revenue and expenses will occur, including billing adjustments that span several months and load losses that vary from the estimates used to calculate retail rates. The primary cause of the over and under recoveries of expense that have occurred since 2001, however, is related to the monthly reconciliation that is part of the ISO-NE process for determination of supplier loads.<sup>2</sup> The process for determining hourly supplier loads is described in the Company’s Terms and Conditions for Nonregulated Power Producers, R.I.P.U.C. No. 1191. This process applies to suppliers providing service directly to customers and to suppliers providing Standard Offer and Last Resort Service as well.

**Monthly Supplier Billing Reconciliation Process**

To determine the kilowatt-hours that are the basis for wholesale supplier billing, the Company accumulates readings daily from meters located at various delivery points throughout the system. These daily reads are aggregated into calendar month totals at the end of each month. The aggregate load, including an estimate for losses, is allocated to suppliers<sup>3</sup> based on an estimate of

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<sup>1</sup> Submitted on behalf of The Narragansett Electric Company, d/b/a National Grid (the “Company”).

<sup>2</sup> The variance prior to 2001 is discussed below.

<sup>3</sup> This includes suppliers of Standard Offer Service, Last Resort Service and competitive suppliers.

Luly E. Massaro, Commission Clerk  
Docket 3902 – Last Resort Service Reconciliation Report  
March 12, 2008  
Page 2 of 4

each supplier's share of the retail load. Approximately four months after each month's initial billing, a reconciliation of the calendar month kWhs occurs, comparing the actual kWhs billed (i.e. kWh readings obtained from customer meter readings) in the month to the original calendar month estimate. The difference, either positive or negative, results in an adjustment to the supplier's original monthly bill and is paid to the supplier or credited to the Company at the rate in effect in the month in which the service was rendered. Therefore, the total LRS expense booked in any month also includes a reconciliation for service rendered several months prior. These "out-of-period" reconciliations, if not allocated back to the months in which the service was rendered, can cause a significant variance in any particular month and in any year's LRS reconciliation final balance.

#### Adjustments to Annual Retail LRS Reconciliations

Out-of-Period Reconciliation Adjustment. The out-of-period adjustments described above are easily identified from the monthly LRS invoices. Therefore, to more accurately reflect each year's actual final LRS reconciliation balance, the monthly expenses for each year have been adjusted by subtracting the out-of-period reconciliation amounts booked in each month and adding back the reconciliation amounts that were booked in subsequent months but were associated with service rendered in the current month. The Company's analysis of the nine annual reconciliations is included in Attachment 1.<sup>4</sup>

Correction to revenues in certain months. In addition to adjusting for the out-of-period reconciliations, revenues for two years have been revised for the purposes of this analysis. During the process of auditing revenues and expenses, three separate errors were discovered.<sup>5</sup> The three errors, in total, result in an increase in cumulative revenue of \$65,197. The revenue adjustments are reflected in column (n) of Attachment 1.

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<sup>4</sup> For reference, the actual reconciliations that were filed each year from 1999 through 2007 are reproduced in columns (a) through (f) of Attachment 1, pages 2 through 5. The cumulative total line at the bottom of page 5, column (f), indicates that the nine-year cumulative under recovery, not including interest, is approximately \$1.7 million.

Column (j) of Attachment 1 reflects the out-of-period reconciliation adjustment booked in each month and included in the total LRS expense recorded for the month. The adjustments appearing in Column (j) are then moved into Column (k) to the service month related to the adjustment. For example, in March 2002 an adjustment of (\$89,080) appears in Column (j) as the reconciliation adjustment booked in March 2002. That same amount appears in October 2001 in column (k) because this adjustment is related to service rendered in October 2001. Column (l) is the adjusted LRS expense for each month and is calculated by subtracting Column (j) from the total LRS expense booked for the month, shown in Column (i), and adding Column (k). Column (o) of Attachment 1 is the adjusted ending balance, as compared to the original ending balance filed each year as shown in column (g).

<sup>5</sup> In October 2004, revenue for the month was entered incorrectly, resulting in revenues for the months being understated by \$53,384. In the months of October 2006 and October 2007, an incorrect cell reference resulted in inadvertently including Renewable Energy Standard revenue and high voltage metering discounts in the reported revenues for each month. As a result of these errors, revenues were overstated by \$608 for October 2006 and \$11,205 for October 2007.

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### Summary of Analysis

Attachment 1, page 1, summarizes the results of the analysis.<sup>6</sup> As adjusted for the out-of-period reconciliations, the cumulative balance for the period is an under recovery of \$2.2 million.

Most of the cumulative under recovery of \$2.2 million was incurred during 1999 through 2000. During these years, the LRS retail rates did not reflect the LRS monthly wholesale contract prices. Rather, from January 1999 through May 2000, the LRS rate was priced the same as the Standard Offer rate and from May 2000 through December 2000, the LRS rates were “phased-in” to rates that were based more closely on market prices. Therefore, the under recovery incurred during this period of time primarily reflects the difference between the retail prices and the rates paid to the supplier of LRS.

Line 12 of Attachment 1, page 1, shows the cumulative LRS balance for the period October 2001 through September 2007. During this period of time, the retail rates were derived directly from the monthly contract prices, as adjusted for losses, and therefore, the variance between revenue and expense is significantly reduced from the variance experienced in the first three years. For this period, the cumulative balance is an over recovery of approximately \$2.8 million, and as adjusted, is a cumulative over recovery of \$835,157.

The Company also conducted an analysis for just the C&I customers, similar to the one described above for combined residential and C&I LRS reconciliation. This analysis is shown on Attachment 2 for the period October 2003 through the most recent annual reconciliation.<sup>7</sup> After adjusting the filed year-end balances for the out-of-period reconciliations, the cumulative over recovery as of September 2007 is \$629,346, compared to the unadjusted cumulative balance of approximately \$1.4 million.

The cumulative variance in both the total reconciliation (for the period October 2001 to the present) and the C&I reconciliation, after accounting for out-of-period adjustments, is approximately 1.0% of cumulative revenues. Even though this variance remains “unexplained”, the Company’s examination of the various factors that determine LRS revenue and expense, such as retail and wholesale billing units, the rate estimation procedure, the calculation of load losses and billing adjustments do not indicate that there are errors in any of the processes that would result in a continual over recovery of expense.

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<sup>6</sup> Column (a) shows each year’s filed ending balance from column (g) of Attachment 1, pages 2 through 6. Column (b) is the interest calculated on each year’s ending balance from each of the annual reconciliation filings. Column (c) is the sum of the ending balance, plus interest, and corresponds to the actual ending balance in each year’s reconciliation filing. Column (d) is the adjusted ending balance for each year shown in column (o) of Attachment 1, pages 2 through 6. Line 10 shows that the cumulative LRS balance for the entire period from January 1999 through September 2007, as originally filed, is an under recovery of approximately \$1.7 million.

<sup>7</sup> Prior to October 2003, revenues and expenses were not tracked separately for residential and C&I customers.

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Discussion with Other Parties and Recommendation for 2007 LRS Reconciliation Balance

The Company met with representatives of the Division and TEC-RI on February 14, 2008 to review the Company's analysis and discuss recommendations for the disposition of the LRS over recovery for the year ending September 2007. The parties agreed that the over recovery of \$577,904 incurred during the period October 2006 through September 2007 and filed in Docket No. 3902 should be used to offset expenses in the reconciliation for the period October 2007 through September 2008. If any balance remains at the end of that period, the Company will propose that the balance in the C&I account will be carried forward to the next year's reconciliation. Any over or under recoveries in the residential reconciliation account will be credited or charged to the Standard Offer reconciliation. In addition, beginning with the next annual filing in November 2008, the Company will include an additional schedule in the LRS reconciliation, showing the LRS reconciliation as adjusted for out-of-period reconciliations, for the most recent 12 month period for which the information is available.

Thank you for your attention to this filing. If you have any questions regarding this Report, please do not hesitate to contact me at (401) 784-7667.

Very truly yours,



Laura S. Olton

Enclosures

cc: Docket 3902 Service List  
Steve Scialabba, RI Division

**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 via US Mail on March 12, 2008.



\_\_\_\_\_  
Joanne M. Scanlon  
National Grid

March 12, 2008  
Date

**Narragansett Electric d/b/a National Grid**  
**Docket No. 3902**  
**Service list as 12/04/07**

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National Grid  
R.I.P.U.C. Docket No. 3902

ATTACHMENT 1

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The Narragansett Electric Company  
Last Resort Reconciliation

Month	(Under)/Over Beginning Balance (a)	Last Resort Revenue (b)	Last Resort Expense (c)	Monthly (Under)/Over (d)	Adjustments (e)	(Under)/Over Ending Balance (f)	(Under)/Over Beginning Balance (g)	Last Resort Revenue (h)	Last Resort Expense (i)	Reconciliation Booked in Month (j)	Actual Reconciliation for Month (k)	Adjusted Last Resort Expense (l)=(i)-(j)+(k)	Adjusted Monthly (Under)/Over (m)	Adjustments/ Corrections (n)	Adjusted (Under)/Over Ending Balance (o)=(g)+(m)+(n)
Jan-99	\$0	\$0	\$219	(\$219)	\$2	(\$217)	\$0	\$0	\$219			\$219	(\$219)	\$2	(\$217)
Feb-99	(\$217)	\$5	\$317	(\$312)		(\$529)	(\$217)	\$5	\$317			\$317	(\$312)	\$0	(\$529)
Mar-99	(\$529)	\$302	\$880	(\$578)	(\$39)	(\$1,146)	(\$529)	\$302	\$880			\$880	(\$578)	(\$39)	(\$1,146)
Apr-99	(\$1,146)	\$662	\$1,056	(\$394)	(\$440)	(\$1,980)	(\$1,146)	\$662	\$1,056			\$1,056	(\$394)	(\$440)	(\$1,980)
May-99	(\$1,980)	\$1,175	\$1,463	(\$288)	(\$81)	(\$2,349)	(\$1,980)	\$1,175	\$1,463		\$36	\$1,499	(\$324)	(\$81)	(\$2,385)
Jun-99	(\$2,349)	\$1,858	\$8,017	(\$6,159)		(\$8,508)	(\$2,385)	\$1,858	\$8,017		\$739	\$8,756	(\$6,898)	\$0	(\$9,283)
Jul-99	(\$8,508)	\$6,949	\$13,611	(\$6,662)		(\$15,170)	(\$15,170)	\$6,949	\$13,611		(\$818)	\$12,793	(\$5,844)	\$0	(\$15,127)
Aug-99	(\$15,170)	\$8,886	\$10,003	(\$1,117)		(\$16,287)	(\$15,127)	\$8,886	\$10,003		(\$222)	\$9,781	(\$895)	\$0	(\$16,022)
Sep-99	(\$16,287)	\$10,141	\$9,037	\$1,104		(\$15,183)	(\$16,022)	\$10,141	\$9,037		\$102	\$9,139	\$1,002	\$0	(\$15,020)
Oct-99	(\$15,183)	\$9,303	\$7,265	\$2,038		(\$13,145)	(\$15,020)	\$9,303	\$7,265		(\$3)	\$7,262	\$2,041	\$0	(\$12,979)
Nov-99	(\$13,145)	\$8,437	\$7,628	\$809		(\$12,336)	(\$12,979)	\$8,437	\$7,628		\$312	\$7,940	\$497	\$0	(\$12,482)
Dec-99	(\$12,336)	\$12,964	\$140,952	(\$127,988)		(\$140,324)	(\$12,482)	\$12,964	\$140,952		(\$398)	\$140,554	(\$127,590)	\$0	(\$140,071)
Jan-00	(\$140,324)	\$39,816	\$0	\$39,816		(\$100,508)	(\$140,071)	\$39,816	\$0			\$39,816			(\$100,255)
Subtotal - 1999		\$100,498	\$200,448	(\$99,950)	(\$558)			\$100,498	\$200,448	\$0	(\$253)	\$200,195	(\$99,697)	(\$558)	
Jan-00	\$0	\$63,449	\$845,786	(\$782,337)		(\$782,337)	\$0	\$63,449	\$845,786	-	\$7,245	\$853,031	(\$789,582)	\$0	(\$789,582)
Feb-00	(\$782,337)	\$1,216,653	\$918,740	\$297,913		(\$484,424)	(\$789,582)	\$1,216,653	\$918,740	-	\$78,297	\$997,037	\$219,616	\$0	(\$569,967)
Mar-00	(\$484,424)	\$1,026,075	\$1,432,673	(\$406,598)		(\$891,022)	(\$569,967)	\$1,026,075	\$1,432,673	-	\$128,984	\$1,561,657	(\$535,581)	\$0	(\$1,105,548)
Apr-00	(\$891,022)	\$1,476,648	\$1,612,832	(\$136,184)		(\$1,027,206)	(\$1,105,548)	\$1,476,648	\$1,612,832	299.71	\$18,507	\$1,631,039	(\$154,391)	\$0	(\$1,259,939)
May-00	(\$1,027,206)	\$1,716,096	\$1,878,391	(\$162,295)	(\$420,045)	(\$1,609,546)	(\$1,259,939)	\$1,716,096	\$1,878,391	-	(\$218,850)	\$1,659,541	\$56,555	(\$420,045)	(\$1,623,429)
Jun-00	(\$1,609,546)	\$2,156,203	\$3,370,918	(\$1,214,715)		(\$2,824,261)	(\$1,623,429)	\$2,156,203	\$3,370,918	-	(\$487,427)	\$2,883,491	(\$727,288)	\$0	(\$2,350,717)
Jul-00	(\$2,824,261)	\$2,500,018	\$3,482,260	(\$982,242)		(\$3,806,503)	(\$2,350,717)	\$2,500,018	\$3,482,260	(793.47)	\$181,949	\$3,665,003	(\$1,164,985)	\$0	(\$3,515,701)
Aug-00	(\$3,806,503)	\$2,687,687	\$3,475,473	(\$787,786)		(\$4,594,289)	(\$3,515,701)	\$2,687,687	\$3,475,473	-	\$123,215	\$3,598,688	(\$911,001)	\$0	(\$4,426,702)
Sep-00	(\$4,594,289)	\$2,687,502	\$2,153,587	\$533,915		(\$4,060,374)	(\$4,426,702)	\$2,687,502	\$2,153,587	351,433.43	\$174,488	\$1,976,641	\$710,861	\$0	(\$3,715,841)
Oct-00	(\$4,060,374)	\$1,137,043		\$1,137,043		(\$2,923,331)	(\$3,715,841)	\$1,137,043				\$1,137,043		\$0	(\$2,578,798)
Subtotal - 2000		\$16,667,374	\$19,170,660	(\$2,503,286)	(\$420,045)			\$16,667,374	\$19,170,660	\$350,940	\$6,407	\$18,826,127	(\$2,158,753)	(\$420,045)	

- (a) column (f) for prior month
- (b) from Company revenue reports
- (c) from Last Resort Service invoices
- (d) column (b) - column (c)
- (e) 1999: misc billing adjustments  
May 2000: Remaining balance from Eastern Utilities Last Resort Service reconciliation
- (f) column (a) + column (d) + column (e)
- (g) column (o) for prior month
- (h) column (b)
- (i) column (c)
- (j) from Last Resort Service bills - adjustment booked in current month relating to service rendered in prior month
- (k) from Last Resort Service bills - for service rendered in current month and booked in subsequent month
- (l) column (i) - column (j) + column (k)
- (m) column (h) - column (l)
- (n) column (e) for 1999 through 2001  
October 2004, October 2006, October 2007: corrections to revenues.
- (o) (o)=(g)+(m)+(n)

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The Narragansett Electric Company  
Last Resort Reconciliation

Month	(Under)/Over Beginning Balance (a)	Last Resort Revenue (b)	Last Resort Expense (c)	Monthly (Under)/Over (d)	Adjustments (e)	(Under)/Over Ending Balance (f)	(Under)/Over Beginning Balance (g)	Last Resort Revenue (h)	Last Resort Expense (i)	Reconciliation Booked in Month (j)	Actual Reconciliation for Month (k)	Adjusted Last Resort Expense (l)=(i)-(j)+(k)	Adjusted Monthly (Under)/Over (m)	Adjustments/ Corrections (n)	Adjusted (Under)/Over Ending Balance (o)=(g)+(m)+(n)
Oct-02	\$0	\$21,551	\$168,977	(\$147,426)		(\$147,426)	\$0	\$21,551	\$168,977	(\$36,804)	(\$75,770)	\$130,011	(\$108,460)		(\$108,460)
Nov-02	(\$147,426)	\$188,649	(\$289,841)	\$478,489		\$331,064	(\$108,460)	\$188,649	(\$289,841)	(\$481,811)	\$223	\$192,193	(\$3,544)		(\$112,004)
Dec-02	\$331,064	\$190,347	\$427,937	(\$237,590)		\$93,474	(\$112,004)	\$190,347	\$427,937	(\$75,251)	(\$50,108)	\$453,079	(\$262,732)		(\$374,736)
Jan-03	\$93,474	\$841,176	\$973,058	(\$131,882)		(\$38,408)	(\$374,736)	\$841,176	\$973,058	(\$77,051)	\$89,407	\$1,139,516	(\$298,340)		(\$673,076)
Feb-03	(\$38,408)	\$952,209	\$898,672	\$53,537		\$15,129	(\$673,076)	\$952,209	\$898,672	(\$22,751)	(\$54,822)	\$866,601	\$85,608		(\$587,468)
Mar-03	\$15,129	\$968,274	\$1,220,880	(\$252,606)		(\$237,477)	(\$587,468)	\$968,274	\$1,220,880	\$0	(\$30,001)	\$1,190,878	(\$222,604)		(\$810,072)
Apr-03	(\$237,477)	\$1,298,975	\$1,465,439	(\$166,465)		(\$403,941)	(\$810,072)	\$1,298,975	\$1,465,439	(\$75,770)	(\$72,236)	\$1,468,973	(\$169,998)		(\$980,071)
May-03	(\$403,941)	\$1,553,706	\$1,331,291	\$222,415		(\$181,527)	(\$980,071)	\$1,553,706	\$1,331,291	(\$50,108)	(\$8,126)	\$1,373,273	\$180,433		(\$799,638)
Jun-03	(\$181,527)	\$1,658,485	\$1,919,430	(\$260,945)		(\$442,472)	(\$799,638)	\$1,658,485	\$1,919,430	\$89,407	(\$47,236)	\$1,782,786	(\$124,301)		(\$923,940)
Jul-03	(\$442,472)	\$1,844,300	\$2,164,502	(\$320,202)		(\$762,673)	(\$923,940)	\$1,844,300	\$2,164,502	(\$84,600)	(\$199,175)	\$2,049,927	(\$205,627)		(\$1,129,567)
Aug-03	(\$762,673)	\$2,093,799	\$1,769,350	\$324,449		(\$438,225)	(\$1,129,567)	\$2,093,799	\$1,769,350	(\$72,236)	(\$33,672)	\$1,807,915	\$285,884		(\$843,683)
Sep-03	(\$438,225)	\$1,290,939	\$904,621	\$386,318		(\$51,907)	(\$843,683)	\$1,290,939	\$904,621	(\$8,126)	\$48,030	\$960,777	\$330,161		(\$513,521)
Oct-03	(\$51,907)	\$612,074		\$612,074		\$560,167	(\$513,521)	\$612,074	\$0				\$612,074		\$98,553
Subtotal - 2003		\$13,514,483	\$12,954,316	\$560,167	\$0			\$13,514,483	\$12,954,316	(\$895,101)	(\$433,487)	\$13,415,931	\$98,553		
Oct-03	\$0	\$247,222	\$667,643	(\$420,421)		(\$420,421)	\$0	\$247,222	\$667,643	(\$47,236)	\$15,425	\$730,304	(\$483,082)		(\$483,082)
Nov-03	(\$420,421)	\$705,566	\$474,470	\$231,096		(\$189,325)	(\$483,082)	\$705,566	\$474,470	(\$199,175)	\$70,646	\$744,290	(\$38,724)		(\$521,806)
Dec-03	(\$189,325)	\$743,377	\$802,561	(\$59,183)		(\$248,508)	(\$521,806)	\$743,377	\$802,561	(\$33,672)	\$50,533	\$886,765	(\$143,388)		(\$665,194)
Jan-04	(\$248,508)	\$1,113,875	\$1,240,995	(\$127,120)		(\$375,629)	(\$665,194)	\$1,113,875	\$1,240,995	\$48,030	(\$26,874)	\$1,166,091	(\$52,216)		(\$717,410)
Feb-04	(\$375,629)	\$1,083,364	\$1,049,134	\$34,230		(\$341,399)	(\$717,410)	\$1,083,364	\$1,049,134	\$15,425	\$34,018	\$1,067,727	\$15,637		(\$701,774)
Mar-04	(\$341,399)	\$1,227,421	\$1,118,045	\$109,376		(\$232,023)	(\$701,774)	\$1,227,421	\$1,118,045	\$70,646	\$28,690	\$1,076,090	\$151,332		(\$550,442)
Apr-04	(\$232,023)	\$891,087	\$889,066	\$2,021		(\$230,002)	(\$550,442)	\$891,087	\$889,066	\$50,533	(\$7,513)	\$831,020	\$60,067		(\$490,375)
May-04	(\$230,002)	\$769,192	\$1,108,274	(\$339,082)		(\$569,084)	(\$490,375)	\$769,192	\$1,108,274	(\$26,874)	\$16,368	\$1,151,517	(\$382,324)		(\$872,699)
Jun-04	(\$569,084)	\$1,459,979	\$1,651,906	(\$191,927)		(\$761,011)	(\$872,699)	\$1,459,979	\$1,651,906	\$34,018	(\$83,076)	\$1,534,812	(\$74,833)		(\$947,533)
Jul-04	(\$761,011)	\$1,638,274	\$1,663,369	(\$25,095)		(\$786,106)	(\$947,533)	\$1,638,274	\$1,663,369	\$28,690	(\$69,868)	\$1,564,811	\$73,463		(\$874,070)
Aug-04	(\$786,106)	\$1,432,671	\$1,397,861	\$34,810		(\$751,296)	(\$874,070)	\$1,432,671	\$1,397,861	(\$7,513)	(\$37,308)	\$1,368,065	\$64,606		(\$809,464)
Sep-04	(\$751,296)	\$1,233,357	\$1,023,604	\$209,753		(\$541,543)	(\$809,464)	\$1,233,357	\$1,023,604	\$16,368	\$26,096	\$1,033,333	\$200,024		(\$609,440)
Oct-04	(\$541,543)	\$612,959		\$612,959		\$71,416	(\$609,440)	\$612,959	\$0				\$612,959		\$3,519
Subtotal - 2004		\$13,158,343	\$13,086,928	\$71,416	\$0			\$13,158,343	\$13,086,928	(\$50,762)	\$17,135	\$13,154,824	\$3,519		

- (a) column (f) for prior month
- (b) from Company revenue reports
- (c) from Last Resort Service invoices
- (d) column (b) - column (c)
- (e) n/a
- (f) column (a) + column (d) + column (e)
- (g) column (o) for prior month
- (h) column (b)
- (i) column (c)
- (j) from Last Resort Service bills - adjustment booked in current month relating to service rendered in prior month
- (k) from Last Resort Service bills - for service rendered in current month and booked in subsequent month
- (l) column (i) - column (j) + column (k)
- (m) column (h) - column (l)
- (n) column (e) for 1999 through 2001  
October 2004, October 2006, October 2007: corrections to revenues.
- (o) (o)=(g)+(m)+(n)

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National Grid  
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Attachment 1  
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The Narragansett Electric Company  
Last Resort Reconciliation

<u>Month</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Last Resort Revenue</u> (b)	<u>Last Resort Expense</u> (c)	<u>Monthly (Under)/Over</u> (d)	<u>Adjustments</u> (e)	<u>(Under)/Over Ending Balance</u> (f)	<u>(Under)/Over Beginning Balance</u> (g)	<u>Last Resort Revenue</u> (h)	<u>Last Resort Expense</u> (i)	<u>Reconciliation Booked in Month</u> (j)	<u>Actual Reconciliation for Month</u> (k)	<u>Adjusted Last Resort Expense</u> (l)=(i)-(j)+(k)	<u>Adjusted Monthly (Under)/Over</u> (m)	<u>Adjustments/ Corrections</u> (n)	<u>Adjusted (Under)/Over Ending Balance</u> (o)=(g)+(m)+(n)
Oct-06	\$0	\$493,406	\$1,376,415	(\$883,009)		(\$883,009)	\$0	\$493,406	\$1,376,415	\$8,829	\$176,016	\$1,543,602	(\$1,050,196)	(\$608)	(\$1,050,804)
Nov-06	(\$883,009)	\$1,222,267	\$805,211	\$417,056		(\$465,953)	(\$1,050,804)	\$1,222,267	\$805,211	(\$59,137)	\$121,015	\$985,363	\$236,904		(\$813,900)
Dec-06	(\$465,953)	\$1,105,764	\$1,178,880	(\$73,116)		(\$539,069)	(\$813,900)	\$1,105,764	\$1,178,880	\$4,134	\$118,683	\$1,293,429	(\$187,665)		(\$1,001,565)
Jan-07	(\$539,069)	\$1,564,865	\$1,900,211	(\$335,346)		(\$874,415)	(\$1,001,565)	\$1,564,865	\$1,900,211	\$159,729	(\$48,744)	\$1,691,738	(\$126,873)		(\$1,128,438)
Feb-07	(\$874,415)	\$1,770,833	\$1,780,041	(\$9,209)		(\$883,624)	(\$1,128,438)	\$1,770,833	\$1,780,041	\$176,016	(\$3,301)	\$1,600,725	\$170,108		(\$958,330)
Mar-07	(\$883,624)	\$1,657,855	\$1,580,786	\$77,070		(\$806,554)	(\$958,330)	\$1,657,855	\$1,580,786	\$121,015	(\$47,170)	\$1,412,601	\$245,254		(\$713,076)
Apr-07	(\$806,554)	\$1,412,530	\$1,155,927	\$256,603		(\$549,951)	(\$713,076)	\$1,412,530	\$1,155,927	\$118,683	(\$6,534)	\$1,030,710	\$381,820		(\$331,256)
May-07	(\$549,951)	\$1,072,630	\$1,105,926	(\$33,296)		(\$583,247)	(\$331,256)	\$1,072,630	\$1,105,926	(\$48,744)	\$4,896	\$1,159,566	(\$86,936)		(\$418,192)
Jun-07	(\$583,247)	\$1,168,673	\$1,278,547	(\$109,874)		(\$693,121)	(\$418,192)	\$1,168,673	\$1,278,547	(\$3,301)	\$19,715	\$1,301,562	(\$132,890)		(\$551,082)
Jul-07	(\$693,121)	\$1,396,838	\$1,525,021	(\$128,183)		(\$821,304)	(\$551,082)	\$1,396,838	\$1,525,021	(\$47,170)	\$76,468	\$1,648,659	(\$251,821)		(\$802,903)
Aug-07	(\$821,304)	\$1,574,783	\$1,853,667	(\$278,884)		(\$1,100,188)	(\$802,903)	\$1,574,783	\$1,853,667	(\$6,534)	\$270,911	\$2,131,112	(\$556,329)		(\$1,359,232)
Sep-07	(\$1,100,188)	\$2,128,067	\$1,960,977	\$167,090		(\$933,098)	(\$1,359,232)	\$2,128,067	\$1,960,977	\$4,896	\$111,260	\$2,067,340	\$60,727		(\$1,298,505)
Oct-07	(\$933,098)	\$1,498,043	\$0	\$1,498,043		\$564,945	(\$1,298,505)	\$1,498,043	\$0			\$1,498,043	(\$11,205)		\$188,333
Subtotal - 2007		\$18,066,553	\$17,501,608	\$564,945	\$0			\$18,066,553	\$17,501,608	\$428,415	\$793,215	\$17,866,407	\$200,146	(\$11,813)	
Cumulative Total		\$125,291,944	\$126,610,906	(\$1,318,962)	(\$366,281)	(\$1,685,243)		\$125,291,944	\$126,610,906	(\$2,427,038)	(\$1,950,685)	\$127,087,259	(\$1,795,315)	(\$431,478)	(\$2,226,793)

- (a) column (f) for prior month
- (b) from Company revenue reports
- (c) from Last Resort Service invoices
- (d) column (b) - column (c)
- (e) n/a
- (f) column (a) + column (d) + column (e)
- (g) column (o) for prior month
- (h) column (b)
- (i) column (c)
- (j) from Last Resort Service bills - adjustment booked in current month relating to service rendered in prior month
- (k) from Last Resort Service bills - for service rendered in current month and booked in subsequent month
- (l) column (i) - column (j) + column (k)
- (m) column (h) - column (l)
- (n) column (e) for 1999 through 2001  
October 2004, October 2006, October 2007: corrections to revenues.
- (o) (g)+(m)+(n)

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The Narragansett Electric Company  
Last Resort Reconciliation

Month	(Under)/Over Beginning Balance (a)	Last Resort Revenue (b)	Last Resort Expense (c)	Monthly (Under)/Over (d)	Adjustments (e)	(Under)/Over Ending Balance (f)	(Under)/Over Beginning Balance (g)	Last Resort Revenue (h)	Last Resort Expense (i)	Reconciliation Booked in Month (j)	Adjusted Actual Reconciliation for Month (k)	Adjusted Last Resort Expense (l)=(i)-(j)+(k)	Adjusted Monthly (Under)/Over (m)	Adjustments/ Corrections (n)	Adjusted (Under)/Over Ending Balance (o)=(g)+(m)+(n)
Oct-03	\$0	\$239,623	\$642,572	(\$402,949)		(\$402,949)	\$0	\$239,623	\$642,572	(\$47,236)	\$14,830	\$704,638	(\$465,015)		(\$465,015)
Nov-03	(\$402,949)	\$681,132	\$446,432	\$234,701		(\$168,248)	(\$465,015)	\$681,132	\$446,432	(\$199,175)	\$73,697	\$719,304	(\$38,171)		(\$503,187)
Dec-03	(\$168,248)	\$714,428	\$768,570	(\$54,142)		(\$222,391)	(\$503,187)	\$714,428	\$768,570	(\$33,672)	\$48,972	\$851,214	(\$136,786)		(\$639,972)
Jan-04	(\$222,391)	\$1,080,277	\$1,199,874	(\$119,598)		(\$341,988)	(\$639,972)	\$1,080,277	\$1,199,874	\$46,562	(\$26,843)	\$1,126,469	(\$46,192)		(\$686,164)
Feb-04	(\$341,988)	\$1,051,364	\$1,016,546	\$34,817		(\$307,171)	(\$686,164)	\$1,051,364	\$1,016,546	\$14,830	\$33,845	\$1,035,561	\$15,802		(\$670,362)
Mar-04	(\$307,171)	\$1,198,172	\$1,096,359	\$101,812		(\$205,359)	(\$670,362)	\$1,198,172	\$1,096,359	\$73,697	\$28,776	\$1,051,438	\$146,734		(\$523,628)
Apr-04	(\$205,359)	\$865,125	\$867,044	(\$1,919)		(\$207,278)	(\$523,628)	\$865,125	\$867,044	\$48,972	(\$7,405)	\$810,667	\$54,458		(\$469,171)
May-04	(\$207,278)	\$744,318	\$1,087,544	(\$343,226)		(\$550,504)	(\$469,171)	\$744,318	\$1,087,544	(\$26,843)	\$15,667	\$1,130,054	(\$385,737)		(\$854,907)
Jun-04	(\$550,504)	\$1,432,460	\$1,621,906	(\$189,446)		(\$739,949)	(\$854,907)	\$1,432,460	\$1,621,906	\$33,845	(\$82,520)	\$1,505,541	(\$73,080)		(\$927,988)
Jul-04	(\$739,949)	\$1,606,269	\$1,622,582	(\$16,313)		(\$756,263)	(\$927,988)	\$1,606,269	\$1,622,582	\$28,776	(\$69,830)	\$1,523,976	\$82,293		(\$845,695)
Aug-04	(\$756,263)	\$1,395,391	\$1,358,712	\$36,679		(\$719,584)	(\$845,695)	\$1,395,391	\$1,358,712	(\$7,405)	(\$37,772)	\$1,328,345	\$67,046		(\$778,649)
Sep-04	(\$719,584)	\$1,194,503	\$990,776	\$203,728		(\$515,856)	(\$778,649)	\$1,194,503	\$990,776	\$15,667	\$27,398	\$1,002,506	\$191,997		(\$586,652)
Oct-04	(\$515,856)	\$589,002	\$0	\$589,002		\$73,146	(\$586,652)	\$589,002	\$0	\$0	\$0	\$589,002	\$2,350		\$2,350
Subtotal 2004		\$12,792,064	\$12,718,917	\$73,146	\$0			\$12,792,064	\$12,718,917	(\$51,982)	\$18,815	\$12,789,713	\$2,350	\$0	
Oct-04	\$74,404	\$217,882	\$707,922	(\$490,040)		(\$415,636)	\$74,404	\$217,882	\$707,922	(\$82,520)	\$17,036	\$807,478	(\$589,596)	(\$49,559)	(\$564,751)
Nov-04	(\$415,636)	\$974,613	\$564,856	\$409,757		(\$5,879)	(\$564,751)	\$974,613	\$564,856	(\$69,830)	\$14,859	\$649,545	\$325,068		(\$239,683)
Dec-04	(\$5,879)	\$772,498	\$941,688	(\$169,189)		(\$175,069)	(\$239,683)	\$772,498	\$941,688	(\$37,772)	(\$25,880)	\$953,579	(\$181,081)		(\$420,764)
Jan-05	(\$175,069)	\$1,236,991	\$1,375,133	(\$138,142)		(\$313,211)	(\$420,764)	\$1,236,991	\$1,375,133	\$27,398	\$1,270	\$1,349,004	(\$112,014)		(\$532,778)
Feb-05	(\$313,211)	\$1,281,955	\$1,020,192	\$261,763		(\$51,448)	(\$532,778)	\$1,281,955	\$1,020,192	\$17,036	(\$32,163)	\$970,993	\$310,962		(\$221,816)
Mar-05	(\$51,448)	\$919,112	\$737,097	\$182,015		(\$130,567)	(\$221,816)	\$919,112	\$737,097	\$14,859	(\$23,505)	\$698,734	\$220,378		(\$1,437)
Apr-05	\$130,567	\$587,979	\$574,412	\$13,567		\$144,134	(\$1,437)	\$587,979	\$574,412	(\$25,880)	\$1,692	\$601,984	(\$14,005)		(\$15,443)
May-05	\$144,134	\$588,352	\$654,245	(\$65,893)		\$78,241	(\$65,893)	\$588,352	\$654,245	\$1,270	\$0	\$652,976	(\$64,624)		(\$80,066)
Jun-05	\$78,241	\$726,258	\$815,649	(\$89,391)		(\$11,150)	(\$80,066)	\$726,258	\$815,649	(\$32,163)	\$260	\$848,072	(\$121,814)		(\$201,881)
Jul-05	(\$11,150)	\$909,510	\$927,295	(\$17,785)		(\$28,935)	(\$201,881)	\$909,510	\$927,295	(\$23,505)	\$5,919	\$956,719	(\$47,208)		(\$249,089)
Aug-05	(\$28,935)	\$922,858	\$997,771	(\$74,913)		(\$103,849)	(\$249,089)	\$922,858	\$997,771	\$1,692	\$650	\$996,729	(\$73,872)		(\$322,961)
Sep-05	(\$103,849)	\$1,003,303	\$979,739	\$23,564		(\$80,284)	(\$322,961)	\$1,003,303	\$979,739	\$0	(\$4,202)	\$975,537	\$27,766		(\$295,194)
Oct-05	(\$80,284)	\$652,864	\$0	\$652,864		\$572,580	(\$295,194)	\$652,864	\$0	\$0	\$0	\$652,864	\$652,864		\$357,670
		\$10,794,175	\$10,295,999	\$498,176	\$0			\$10,794,175	\$10,295,999	(\$209,416)	(\$44,065)	\$10,461,350	\$332,825	(\$49,559)	
						Remove beginning Balance	\$74,404						Remove beginning Balance		\$74,404
Subtotal 2005						Actual Annual Over Recovery	\$498,176						Actual Annual Over Recovery		\$283,266
(a)	column (f) for prior month														
(b)	from Company revenue reports														
(c)	from Last Resort Service invoices														
(d)	column (b) - column (c)														
(e)	n/a														
(f)	column (a) + column (d) + column (e)														
(g)	column (o) for prior month														
(h)	column (b)														
(i)	column (c)														
(j)	from Last Resort Service bills - adjustment booked in current month relating to service rendered in prior month														
(k)	from Last Resort Service bills - for service rendered in current month and booked in subsequent month														
(l)	column (i) - column (j) + column (k)														
(m)	column (h) - column (l)														
(n)	October 2004, October 2006, October 2007: corrections to revenues.														
(o)	(o)=(g)+(m)+(n)														

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The Narragansett Electric Company  
Last Resort Reconciliation

Month	(Under)/Over Beginning Balance (a)	Last Resort Revenue (b)	Last Resort Expense (c)	Monthly (Under)/Over (d)	Adjustments (e)	(Under)/Over Ending Balance (f)	(Under)/Over Beginning Balance (g)	Last Resort Revenue (h)	Last Resort Expense (i)	Reconciliation Booked in Month (j)	Adjusted Actual Reconciliation for Month (k)	Adjusted Last Resort Expense (l)=(i)-(j)+(k)	Adjusted Monthly (Under)/Over (m)	Adjustments/ Corrections (n)	Adjusted (Under)/Over Ending Balance (o)=(g)+(m)+(n)
Oct-05	\$0	\$344,941	\$1,173,084	(\$828,143)		(\$828,143)	\$0	\$344,941	\$1,173,084	\$260	\$138,453	\$1,311,277	(\$966,335)		(\$966,335)
Nov-05	(\$828,143)	\$1,241,826	\$2,320,199	(\$1,078,373)		(\$1,906,516)	(\$966,335)	\$1,241,826	\$2,320,199	\$5,919	(\$60,677)	\$2,253,604	(\$1,011,778)		(\$1,978,113)
Dec-05	(\$1,906,516)	\$3,085,079	\$3,310,880	(\$225,801)		(\$2,132,317)	(\$1,978,113)	\$3,085,079	\$3,310,880	\$650	\$113,857	\$3,424,087	(\$339,008)		(\$2,317,121)
Jan-06	(\$2,132,317)	\$3,788,271	\$4,169,003	(\$380,732)		(\$2,513,049)	(\$2,317,121)	\$3,788,271	\$4,169,003	(\$4,202)	(\$355,953)	\$3,817,252	(\$28,981)		(\$2,346,102)
Feb-06	(\$2,513,049)	\$4,072,193	\$3,210,569	\$861,624		(\$1,651,424)	(\$2,346,102)	\$4,072,193	\$3,210,569	\$113,893	(\$85,155)	\$3,011,521	\$1,060,672		(\$1,285,429)
Mar-06	(\$1,651,424)	\$3,095,253	\$2,420,648	\$674,605		(\$976,819)	(\$1,285,429)	\$3,095,253	\$2,420,648	\$138,453	(\$120,073)	\$2,162,122	\$933,131		(\$352,298)
Apr-06	(\$976,819)	\$1,628,945	\$1,315,646	\$313,299		(\$663,520)	(\$352,298)	\$1,628,945	\$1,315,646	(\$60,677)	(\$111,827)	\$1,264,496	\$364,449		\$12,151
May-06	(\$663,520)	\$1,206,364	\$1,441,205	(\$234,841)		(\$898,361)	\$12,151	\$1,206,364	\$1,441,205	\$113,857	\$7,143	\$1,334,492	(\$128,128)		(\$115,977)
Jun-06	(\$898,361)	\$1,201,409	\$1,032,997	\$168,412		(\$729,949)	(\$115,977)	\$1,201,409	\$1,032,997	(\$355,953)	(\$59,066)	\$1,329,883	(\$128,475)		(\$244,452)
Jul-06	(\$729,949)	\$1,355,797	\$1,556,525	(\$200,728)		(\$930,677)	(\$244,452)	\$1,355,797	\$1,556,525	(\$85,155)	(\$3,456)	\$1,638,224	(\$282,427)		(\$526,879)
Aug-06	(\$930,677)	\$1,595,365	\$1,524,415	\$70,950		(\$859,727)	(\$526,879)	\$1,595,365	\$1,524,415	(\$120,073)	\$146,472	\$1,790,960	(\$195,595)		(\$722,474)
Sep-06	(\$859,727)	\$1,421,386	\$1,106,095	\$315,291		(\$544,436)	(\$722,474)	\$1,421,386	\$1,106,095	(\$111,827)	\$164,857	\$1,382,779	\$38,607		(\$683,867)
Oct-06	(\$544,436)	\$745,845	\$0	\$745,845		\$201,408	(\$683,867)	\$745,845	\$0	\$0	\$0	\$745,845	\$0		\$61,978
Subtotal 2006		\$24,782,674	\$24,581,266	\$201,408	\$0			\$24,782,674	\$24,581,266	(\$364,855)	(\$225,424)	\$24,720,696	\$61,978	\$0	
Oct-06	\$0	\$477,260	\$1,334,687	(\$857,427)		(\$857,427)	\$0	\$477,260	\$1,334,687	\$7,143	\$164,857	\$1,492,401	(\$1,015,141)	(\$608)	(\$1,015,749)
Nov-06	(\$857,427)	\$1,184,140	\$777,547	\$406,594		(\$450,834)	(\$1,015,749)	\$1,184,140	\$777,547	(\$59,066)	\$111,914	\$948,527	\$235,614		(\$780,135)
Dec-06	(\$450,834)	\$1,061,727	\$1,131,079	(\$69,351)		(\$520,185)	(\$780,135)	\$1,061,727	\$1,131,079	(\$3,456)	\$108,373	\$1,242,908	(\$181,180)		(\$961,316)
Jan-07	(\$520,185)	\$1,517,954	\$1,836,143	(\$318,189)		(\$838,374)	(\$520,185)	\$1,517,954	\$1,836,143	\$146,472	(\$57,216)	\$1,632,455	(\$114,500)		(\$1,075,816)
Feb-07	(\$838,374)	\$1,729,576	\$1,720,539	\$9,037		(\$829,337)	(\$1,075,816)	\$1,729,576	\$1,720,539	\$164,857	(\$12,209)	\$1,543,473	\$186,103		(\$889,713)
Mar-07	(\$829,337)	\$1,616,232	\$1,530,635	\$85,597		(\$743,740)	(\$829,337)	\$1,616,232	\$1,530,635	\$111,914	(\$54,158)	\$1,364,563	\$251,669		(\$638,044)
Apr-07	(\$743,740)	\$1,376,765	\$1,117,578	\$259,187		(\$484,553)	(\$743,740)	\$1,376,765	\$1,117,578	\$108,373	(\$11,248)	\$997,957	\$378,808		(\$259,236)
May-07	(\$484,553)	\$1,040,685	\$1,064,726	(\$24,041)		(\$508,595)	(\$484,553)	\$1,040,685	\$1,064,726	(\$57,216)	\$845	\$1,122,787	(\$82,103)		(\$341,339)
Jun-07	(\$508,595)	\$1,136,835	\$1,230,607	(\$93,772)		(\$602,367)	(\$508,595)	\$1,136,835	\$1,230,607	(\$12,209)	\$12,693	\$1,255,510	(\$118,675)		(\$460,014)
Jul-07	(\$602,367)	\$1,354,256	\$1,466,848	(\$112,592)		(\$714,959)	(\$602,367)	\$1,354,256	\$1,466,848	(\$54,158)	\$68,888	\$1,589,894	(\$235,638)		(\$695,652)
Aug-07	(\$714,959)	\$1,526,098	\$1,796,984	(\$270,886)		(\$985,845)	(\$714,959)	\$1,526,098	\$1,796,984	(\$11,248)	\$263,300	\$2,071,532	(\$545,434)		(\$1,241,086)
Sep-07	(\$985,845)	\$2,084,985	\$1,920,857	\$164,128		(\$821,717)	(\$985,845)	\$2,084,985	\$1,920,857	\$845	\$104,718	\$2,024,729	\$60,256		(\$1,180,830)
Oct-07	(\$821,717)	\$1,473,788	\$0	\$1,473,788		\$652,071	(\$1,180,830)	\$1,473,788	\$0	\$0	\$0	\$1,473,788	(\$11,205)		\$281,753
Subtotal 2007		\$17,580,302	\$16,928,231	\$652,071	\$0			\$17,580,302	\$16,928,231	\$342,252	\$700,757	\$17,286,736	\$293,566	(\$11,813)	
Cumulative Total		\$65,949,214	\$64,524,412	\$1,424,802	\$0	\$1,424,802		\$65,949,214	\$64,524,412	(\$284,001)	\$450,082	\$65,258,496	\$690,718	(\$61,372)	\$629,346

- (a) column (f) for prior month
- (b) from Company revenue reports
- (c) from Last Resort Service invoices
- (d) column (b) - column (c)
- (e) n/a
- (f) column (a) + column (d) + column (e)
- (g) column (o) for prior month
- (h) column (b)
- (i) column (c)
- (j) from Last Resort Service bills - adjustment booked in current month relating to service rendered in prior month
- (k) from Last Resort Service bills - for service rendered in current month and booked in subsequent month
- (l) column (i) - column (j) + column (k)
- (m) column (h) - column (l)
- (n) October 2004, October 2006, October 2007: corrections to revenues.
- (o) (o)=(g)+(m)+(n)



Schedule JAL-7

Last Resort Service Reconciliation for the period October 2006 through September 2007

Adjusted for Out-of-Period Expenses

Last Resort Service Reconciliation - Adjustments Matched with Month of Service

<u>Month</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Last Resort Revenue</u> (b)	<u>Last Resort Expense</u> (c)	<u>Reconciliations Adjustment as Booked (4-mo lag)</u> (d)	<u>Reconciliations Adjustment Service Mo.</u> (e)	<u>Monthly (Under)/Over</u> (f)	<u>(Under)/Over Ending Balance</u> (g)
Oct-06	\$0	\$477,260	\$1,334,687	\$6,890	\$164,731	(\$1,015,268)	(\$1,015,268)
Nov-06	(\$1,015,268)	\$1,184,140	\$777,547	(\$59,189)	\$111,783	\$235,622	(\$779,646)
Dec-06	(\$779,646)	\$1,061,727	\$1,131,079	(\$3,783)	\$8,123	(\$81,257)	(\$860,903)
Jan-07	(\$860,903)	\$1,517,954	\$1,836,143	\$146,342	(\$53,949)	(\$117,898)	(\$978,802)
Feb-07	(\$978,802)	\$1,729,576	\$1,720,539	\$164,731	(\$10,445)	\$184,213	(\$794,589)
Mar-07	(\$794,589)	\$1,616,232	\$1,530,635	\$111,783	(\$51,676)	\$249,055	(\$545,534)
Apr-07	(\$545,534)	\$1,376,765	\$1,117,578	\$8,123	(\$10,539)	\$277,849	(\$267,685)
May-07	(\$267,685)	\$1,040,685	\$1,064,726	(\$53,949)	\$845	(\$78,835)	(\$346,520)
Jun-07	(\$346,520)	\$1,136,835	\$1,230,607	(\$10,445)	\$12,693	(\$116,910)	(\$463,430)
Jul-07	(\$463,430)	\$1,354,256	\$1,466,848	(\$51,676)	\$68,888	(\$233,156)	(\$696,586)
Aug-07	(\$696,586)	\$1,526,098	\$1,796,984	(\$10,539)	\$263,300	(\$544,725)	(\$1,241,311)
Sep-07	(\$1,241,311)	\$2,084,985	\$1,920,857	\$845	\$99,522	\$65,452	(\$1,175,860)
Oct-07	(\$1,175,860)	\$1,473,788	\$0			\$1,473,788	\$297,928
Totals	\$0	\$17,580,302	\$16,928,231	\$249,136	\$603,278	\$297,928	\$297,928
Interest							\$6,834
Ending Balance with Interest							\$304,762

Column (a) Column (g) from previous row  
 Column (b) from Docket No. 3902, Schedule JAL-5, page3 of 5.  
 Column (c) from Docket No. 3902, Schedule JAL-5, page3 of 5.  
 Column (d) Last Resort Service invoices  
 Column (e) Last Resort Service invoices  
 Column (f) Column (b) - (Column (c) + Column (d) - Column (e))  
 Column (g) Column (a) + Column (f)



Schedule JAL-8

Renewable Energy Standard Reconciliation

for the period October 2007 through September 2008

Renewable Energy Standard Charge Revenue and Expense  
October 2007 through September 2008

Month	Over(Under)	RES <u>Revenue</u>	RES <u>Expense</u>	Monthly <u>Over(Under)</u>	Over(Under)
	Beginning				Ending
	<u>Balance</u>				<u>Monthly</u>
	(a)	(b)	(c)	(d)	(e)
(1) Oct-07	\$3,219,301	\$111,772	\$0	\$111,772	\$3,331,073
Nov-07	\$3,331,073	\$317,836	\$0	\$317,836	\$3,648,910
Dec-07	\$3,648,910	\$362,807	\$632,394	(\$269,587)	\$3,379,322
Jan-08	\$3,379,322	\$418,748	\$609,606	(\$190,858)	\$3,188,464
Feb-08	\$3,188,464	\$471,914	\$64,917	\$406,997	\$3,595,461
Mar-08	\$3,595,461	\$426,241	\$492,689	(\$66,448)	\$3,529,013
Apr-08	\$3,529,013	\$461,233	\$1,527,640	(\$1,066,407)	\$2,462,607
May-08	\$2,462,607	\$379,231	\$1,041,408	(\$662,176)	\$1,800,431
Jun-08	\$1,800,431	\$429,834	\$803,736	(\$373,902)	\$1,426,529
Jul-08	\$1,426,529	\$518,499	\$44,450	\$474,049	\$1,900,578
Aug-08	\$1,900,578	\$589,305	\$0	\$589,305	\$2,489,883
Sep-08	\$2,489,883	\$559,896	\$450,679	\$109,217	\$2,599,100
(2) Oct-08	\$2,599,100	\$269,186		\$269,186	\$2,868,286
Totals	\$3,219,301	\$5,316,504	\$5,667,519	(\$351,015)	\$2,868,286
Interest (3)					\$143,084
Ending Balance with Interest					\$3,011,370

(1) Reflects kWhs consumption after October 1st.

(2) Reflects kWhs consumption prior to October 1st.

(3) Interest expense calculation :  $(3219300.96741+2868286)/2*((4.80\%*5/12)+(4.63\%*7/12))$ Column Notes:

Column (a) Column (e) from previous row; beginning balance from RIPUC Docket No. 3902  
Column (b) from Page 2  
Column (c) from Invoices  
Column (d) Column (b) - Column (c)  
Column (e) Column (a) + Column (d)

Renewable Energy Standard Charge Revenue  
October 2007 through September 2008

		Standard Offer RES Revenue (a)	Last Resort RES Revenue (b)	Total RES Revenue (c)
(1)	Oct-07	\$106,822	\$4,950	\$111,772
	Nov-07	\$306,392	\$11,444	\$317,836
	Dec-07	\$352,965	\$9,842	\$362,807
	Jan-08	\$408,642	\$10,106	\$418,748
	Feb-08	\$461,443	\$10,471	\$471,914
	Mar-08	\$414,341	\$11,900	\$426,241
	Apr-08	\$449,937	\$11,296	\$461,233
	May-08	\$368,151	\$11,081	\$379,231
	Jun-08	\$418,353	\$11,481	\$429,834
	Jul-08	\$506,527	\$11,972	\$518,499
	Aug-08	\$567,856	\$21,449	\$589,305
	Sep-08	\$521,495	\$38,401	\$559,896
(2)	Oct-08	\$251,446	\$17,741	\$269,186
		\$5,134,370	\$182,134	\$5,316,504

	<u>SO</u>	<u>LRS</u>
(1) Reflects kWhs consumption after October 1, 2007	32.68%	32.11%
(2) Reflects kWhs consumption prior to October 1, 2008	55.95%	62.09%

Column Notes:

Column (a) from monthly revenue report  
Column (b) from monthly revenue report  
Column (c) Column (a) + Column (b)



Schedule JAL-9

Calculation of Proposed Non-Bypassable Transition Charge for January 2009

Calculation of Proposed Non-bypassable Transition Charge for January 2009

**Section 1: Individual CTC Amounts**

	<u>CTC</u>	<u>GWhs</u>	<u>Expected</u>
	(1)	(2)	<u>CTC Costs</u>
			(3)
Narragansett			
2009	\$0.00050	5,695	\$2,847,500
BVE			
2009	\$0.00810	1,513	\$12,255,300
Newport			
2009	\$0.00630	609	\$3,836,700
Total CTC Costs			\$18,939,500

**Section 2: Total Estimated CTC Costs and Transition Charge Calculation**

Total	Total Company <u>GWhs</u>	Total Company <u>CTC Costs</u>
	(4)	(5)
2009	7,817.000	\$18,939,500
(6) 2009 Transition Charge		0.242

- (1) Per 2008 NEP and Montaup CTC Reconciliation Reports, Schedule 1 for 2009
- (2) Per 2008 NEP and Montaup CTC Reconciliation Reports, Schedule 1 for 2009
- (3) (1) x (2)
- (4) Sum of Narragansett, BVE and Newport GWhs for appropriate year
- (5) Sum of Narragansett, BVE and Newport CTC Costs for appropriate year
- (6) (5) ÷ (4)

Calculation of Proposed Non-bypassable Transition Charge for January 2009

Section 1. Calculation of 2009 Non-Bypassable Transition Charge

(1) 2009 Transition Charge		\$0.00242
(2) Transition Charge Over Recovery at September 30, 2008	\$604,680	
(3) divided by: forecasted kWh deliveries for 2009	7,976,911,561	
(4) Transition charge kWh Recovery Factor		<u>\$0.00007</u>
(5) Proposed Transition Charge for January 1, 2009		\$0.00235

- 
- (1) Page 1 of 2, (6)  
(2) Schedule JAL-10, pages 1 and 7; 2008 over recovery of \$584,017 plus interest during refund period of \$20,663.  
(3) from Company forecast  
(4) Line (2) ÷ Line (3), truncated after 5 decimal places  
(5) Line (1) - Line (4)



**Schedule JAL-10**

**Non-Bypassable Transition Charge Reconciliation**  
**for the period October 2007 through September 2008**

Non-Bypassable Transition Charge Reconciliation - Total Company

<u>Company</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Transition Charge Revenue</u> (b)	<u>Contract Termination Expense</u> (c)	<u>(Under)/Over</u> (d)	<u>(Under)/Over Ending Balance</u> (e)	<u>Adjustments</u> (f)	<u>Interest</u> (g)	<u>(Under)/Over Ending Balance</u> (h)
Narragansett	\$0	\$24,163,241	\$14,566,111	\$9,597,130	\$9,597,130	\$39,869	\$244,957	\$9,881,956
Blackstone	\$0	\$5,550,091	\$12,255,488	(\$6,705,397)	(\$6,705,397)	\$0	(\$215,291)	(\$6,920,688)
Newport	\$0	<u>\$2,588,852</u>	<u>\$4,897,877</u>	<u>(\$2,309,025)</u>	<u>(\$2,309,025)</u>	\$0	<u>(\$68,226)</u>	<u>(\$2,377,251)</u>
Total Company	\$0	\$32,302,183	\$31,719,476	\$582,707	\$582,707	\$39,869	(\$38,560)	\$584,017

Column (a) From Pages 2, 3 and 4, column (a): October 2007  
Column (b) From Pages 2, 3 and 4, column (b): Total  
Column (c) From Pages 2, 3 and 4, column (c): Total  
Column (d) column (b) - column (c)  
Column (e) column (a) + column (d)  
Column (f) Jan 2008: Remaining balance from under recovery incurred for the period October 2005 through September 2006 from page 6.  
Column (g) From Pages 2, 3 and 4, column (h): Total  
Column (h) column (e) + column (f) + column (g)

Non-Bypassable Transition Charge Reconciliation - Narragansett Electric Company

Month	(Under)/Over Beginning Balance (a)	Transition Charge Revenue (b)	Contract Termination Expense (c)	Monthly (Under)/Over (d)	(Under)/Over Ending Balance (e)	Interest Balance (f)	Monthly Interest Rate (g)	Monthly Interest (h)	Adjustments (i)	Ending Balance (j)
Oct-07	\$0	2,738,318	\$1,728,091	\$1,010,227	\$1,010,227	\$505,114	4.800%	\$2,020		\$1,012,248
Nov-07	\$1,012,248	2,586,816	\$1,632,485	\$954,330	\$1,966,578	\$1,489,413	4.800%	\$5,958		\$1,972,535
Dec-07	\$1,972,535	2,870,941	\$1,844,193	\$1,026,748	\$2,999,284	\$2,485,910	4.800%	\$9,944		\$3,009,227
Jan-08	\$3,009,227	2,615,269	\$1,559,209	\$1,056,060	\$4,065,287	\$3,537,257	4.800%	\$14,149	\$39,869	\$4,119,306
Feb-08	\$4,119,306	1,640,751	\$956,992	\$683,759	\$4,803,065	\$4,461,185	4.800%	\$17,845		\$4,820,909
Mar-08	\$4,820,909	1,548,207	\$893,452	\$654,755	\$5,475,664	\$5,148,287	4.630%	\$19,864		\$5,495,528
Apr-08	\$5,495,528	1,652,083	\$966,470	\$685,613	\$6,181,141	\$5,838,335	4.630%	\$22,526		\$6,203,667
May-08	\$6,203,667	1,352,524	\$791,418	\$561,106	\$6,764,773	\$6,484,220	4.630%	\$25,018		\$6,789,792
Jun-08	\$6,789,792	1,540,876	\$902,049	\$638,827	\$7,428,619	\$7,109,205	4.630%	\$27,430		\$7,456,049
Jul-08	\$7,456,049	1,822,411	\$1,067,936	\$754,475	\$8,210,524	\$7,833,286	4.630%	\$30,223		\$8,240,747
Aug-08	\$8,240,747	2,021,556	\$1,184,692	\$836,864	\$9,077,612	\$8,659,179	4.630%	\$33,410		\$9,111,022
Sep-08	\$9,111,022	1,773,490	\$1,039,125	\$734,364	\$9,845,386	\$9,478,204	4.630%	\$36,570		\$9,881,956
Total	\$0	\$24,163,241	\$14,566,111	\$9,597,130	\$9,597,130			\$244,957	\$39,869	\$9,881,956

- Column (a) prior month column (j)
- Column (b) From Transition Revenues to Narragansett Electric Company
- Column (c) From CTC Bills to Narragansett Electric Company
- Column (d) Column (b) - Column (c)
- Column (e) Column (a) + Column (d)
- Column (f) (Column (a) + Column (e)) ÷ 2
- Column (g) Customer Deposit Rate
- Column (h) Column (f) \* (Column (g)/12)
- Column (i) Jan 2008: Remaining balance from under recovery incurred for the period October 2005 through September 2006 from page 6.
- Column (j) Column (e) + Column (h) + Column (i)

Non-Bypassable Transition Charge Reconciliation - former Blackstone Valley Electric

	Month	(Under)/Over Beginning Balance (a)	Transition Charge Revenue (b)	Contract Termination Expense (c)	Monthly (Under)/Over (d)	(Under)/Over Ending Balance (e)	Interest Balance (f)	Monthly Interest Rate (g)	Monthly Interest (h)	Adjustments (i)	Ending Balance (j)
(1)	Oct-07	\$0	204,335	\$1,318,736	(\$1,114,401)	(\$1,114,401)	(\$557,201)	4.800%	(\$2,229)		(\$1,116,630)
	Nov-07	(\$1,116,630)	604,297	\$1,274,328	(\$670,031)	(\$1,786,661)	(\$1,451,645)	4.800%	(\$5,807)		(\$1,792,467)
	Dec-07	(\$1,792,467)	653,075	\$1,410,151	(\$757,076)	(\$2,549,543)	(\$2,171,005)	4.800%	(\$8,684)		(\$2,558,227)
	Jan-08	(\$2,558,227)	587,382	\$1,241,805	(\$654,423)	(\$3,212,650)	(\$2,885,439)	4.800%	(\$11,542)		(\$3,224,192)
	Feb-08	(\$3,224,192)	393,699	\$879,335	(\$485,636)	(\$3,709,828)	(\$3,467,010)	4.800%	(\$13,868)		(\$3,723,696)
	Mar-08	(\$3,723,696)	338,395	\$768,654	(\$430,259)	(\$4,153,955)	(\$3,938,825)	4.630%	(\$15,197)		(\$4,169,152)
	Apr-08	(\$4,169,152)	384,122	\$867,862	(\$483,740)	(\$4,652,892)	(\$4,411,022)	4.630%	(\$17,019)		(\$4,669,911)
	May-08	(\$4,669,911)	328,057	\$740,803	(\$412,746)	(\$5,082,657)	(\$4,876,284)	4.630%	(\$18,814)		(\$5,101,471)
	Jun-08	(\$5,101,471)	360,119	\$815,604	(\$455,486)	(\$5,556,957)	(\$5,329,214)	4.630%	(\$20,562)		(\$5,577,519)
	Jul-08	(\$5,577,519)	412,299	\$933,948	(\$521,649)	(\$6,099,168)	(\$5,838,344)	4.630%	(\$22,526)		(\$6,121,694)
	Aug-08	(\$6,121,694)	447,250	\$1,012,731	(\$565,481)	(\$6,687,176)	(\$6,404,435)	4.630%	(\$24,710)		(\$6,711,886)
	Sep-08	(\$6,711,886)	437,689	\$991,531	(\$553,842)	(\$7,265,728)	(\$6,988,807)	4.630%	(\$26,965)		(\$7,292,693)
(2)	Oct-08	(\$7,292,693)	399,373	\$0	\$399,373	(\$6,893,321)	(\$7,093,007)	4.630%	(\$27,367)		(\$6,920,688)
	Total	\$0	\$5,550,091	\$12,255,488	(\$6,705,397)				(\$215,291)		

(1) Reflects revenues based on kWhs consumed after October 1st

(2) Reflects revenues based on kWhs consumed prior to October 1st

- Column (a) prior month column (j)
- Column (b) From Transition Revenues to Narragansett Electric Company for the former Blackstone Valley Electric
- Column (c) From CTC Bills to Narragansett Electric Company for the former Blackstone Valley Electric
- Column (d) Column (b) - Column (c)
- Column (e) Column (a) + Column (d)
- Column (f) (Column (a) + Column (e)) ÷ 2
- Column (g) Customer Deposit Rate
- Column (h) Column (f) \* (Column (g)/12)
- Column (i)
- Column (j) Column (e) + Column (h) + Column (i)

Non-Bypassable Transition Charge Reconciliation - former Newport Electric Corporation

	<u>Month</u>	<u>(Under)/Over Beginning Balance</u> (a)	<u>Transition Charge Revenue</u> (b)	<u>Contract Termination Expense</u> (c)	<u>Monthly (Under)/Over</u> (d)	<u>(Under)/Over Ending Balance</u> (e)	<u>Interest Balance</u> (f)	<u>Monthly Interest Rate</u> (g)	<u>Monthly Interest</u> (h)	<u>Adjustments</u> (i)	<u>Ending Balance</u> (j)
(1)	Oct-07	\$0	96,657	\$499,039.0	(\$402,382)	(\$402,382)	(\$201,191)	4.800%	(\$805)		(\$403,187)
	Nov-07	(\$403,187)	284,413	\$469,163.0	(\$184,750)	(\$587,937)	(\$495,562)	4.800%	(\$1,982)		(\$589,919)
	Dec-07	(\$589,919)	304,336	\$521,126.8	(\$216,791)	(\$806,710)	(\$698,314)	4.800%	(\$2,793)		(\$809,503)
	Jan-08	(\$809,503)	295,801	\$475,333.5	(\$179,533)	(\$989,036)	(\$899,269)	4.800%	(\$3,597)		(\$992,633)
	Feb-08	(\$992,633)	184,535	\$340,247.0	(\$155,712)	(\$1,148,345)	(\$1,070,489)	4.800%	(\$4,282)		(\$1,152,626)
	Mar-08	(\$1,152,626)	160,060	\$298,532.6	(\$138,473)	(\$1,291,099)	(\$1,221,863)	4.630%	(\$4,714)		(\$1,295,814)
	Apr-08	(\$1,295,814)	184,474	\$339,137.4	(\$154,663)	(\$1,450,477)	(\$1,373,145)	4.630%	(\$5,298)		(\$1,455,775)
	May-08	(\$1,455,775)	152,254	\$279,803.6	(\$127,550)	(\$1,583,325)	(\$1,519,550)	4.630%	(\$5,863)		(\$1,589,188)
	Jun-08	(\$1,589,188)	160,761	\$297,861.1	(\$137,100)	(\$1,726,288)	(\$1,657,738)	4.630%	(\$6,396)		(\$1,732,684)
	Jul-08	(\$1,732,684)	184,181	\$341,290.9	(\$157,110)	(\$1,889,794)	(\$1,811,239)	4.630%	(\$6,988)		(\$1,896,782)
	Aug-08	(\$1,896,782)	225,100	\$417,101.5	(\$192,001)	(\$2,088,783)	(\$1,992,783)	4.630%	(\$7,689)		(\$2,096,472)
	Sep-08	(\$2,096,472)	334,193	\$619,240.1	(\$285,047)	(\$2,381,519)	(\$2,238,996)	4.630%	(\$8,639)		(\$2,390,158)
(2)	Oct-08	(\$2,390,158)	22,086	\$0.0	\$22,086	(\$2,368,072)	(\$2,379,115)	4.630%	(\$9,179)		(\$2,377,251)
	Total	\$0	\$2,588,852	\$4,897,877	(\$2,309,025)				(\$68,226)		

(1) Reflects revenues based on kWhs consumed after October 1st  
(2) Reflects revenues based on kWhs consumed prior to October 1st

- Column (a) prior month column (j)
- Column (b) From Transition Revenues to Narragansett Electric Company for the former Newport Electric
- Column (c) From CTC Bills to Narragansett Electric Company for the former Newport Electric
- Column (d) Column (b) - Column (c)
- Column (e) Column (a) + Column (d)
- Column (f) (Column (a) + Column (e)) ÷ 2
- Column (g) Customer Deposit Rate
- Column (h) Column (f) \* (Column (g)/12)
- Column (i)
- Column (j) Column (e) + Column (h) + Column (i)

Transition Charge Under/Over Recovery  
October 2006 through September 2007

**Section 1. Recovery:**

Month	Beginning Over/(Under) Recovery Balance (a)	Transition Charge Over/(Under) Recovery Refund (b)	Ending Over/(Under) Recovery Balance (c)	Interest Balance (d)	Monthly Interest Rate (e)	Monthly Interest (f)	Ending Balance w/ Interest (g)
Oct-07	\$1,445,649	\$0	\$1,445,649	\$1,445,649	4.800%	\$5,783	\$1,451,432
Nov-07	\$1,451,432	\$0	\$1,451,432	\$1,451,432	4.800%	\$5,806	\$1,457,237
Dec-07	\$1,457,237	\$0	\$1,457,237	\$1,457,237	4.800%	\$5,829	\$1,463,066
(1) Jan-08	\$1,463,066	(51,507)	\$1,411,560	\$1,437,313	4.800%	\$5,749	\$1,417,309
Feb-08	\$1,417,309	(116,407)	\$1,300,902	\$1,359,106	4.800%	\$5,436	\$1,306,339
Mar-08	\$1,306,339	(106,909)	\$1,199,430	\$1,252,884	4.630%	\$4,834	\$1,204,264
Apr-08	\$1,204,264	(116,960)	\$1,087,305	\$1,145,784	4.630%	\$4,421	\$1,091,725
May-08	\$1,091,725	(96,539)	\$995,186	\$1,043,456	4.630%	\$4,026	\$999,212
Jun-08	\$999,212	(108,761)	\$890,451	\$944,832	4.630%	\$3,645	\$894,097
Jul-08	\$894,097	(127,698)	\$766,399	\$830,248	4.630%	\$3,203	\$769,602
Aug-08	\$769,602	(142,214)	\$627,388	\$698,495	4.630%	\$2,695	\$630,083
Sep-08	\$630,083	(134,392)	\$495,691	\$562,887	4.630%	\$2,172	\$497,863
Oct-08	\$497,863	(118,022)	\$379,840	\$438,851	4.630%	\$1,693	\$381,533
Nov-08	\$381,533	-	\$381,533	\$381,533	4.630%	\$1,472	\$383,006
Dec-08	\$383,006	-	\$383,006	\$383,006	4.630%	\$1,478	\$384,483
(2) Jan-09	\$384,483	-	\$384,483	\$384,483	4.630%	\$1,483	\$385,967

(1) Reflects kWhs consumed after January 1st. 40.490%

(2) Reflects kWhs consumed prior to January 1st. 0.000%

(a) Beginning balance from Docket No. 3902, Schedule JAL-8, page 1.

(b) from Section 2.

(c) Column (a) + Column (b)

(d) (Column (a) + Column (c)) ÷ 2

(e) Customer Deposits Rate

(f) Column (d) x (Column (e) ÷ 12)

(g) Column (c) + Column (f)

**Section 2. Factor Revenue:**

Factor: (\$0.00018)

Month	Blackstone kWh Deliveries (a)	Blackstone (Over)/Under Revenues (b)	Newport kWh Deliveries (c)	Newport (Over)/Under Revenues (d)	Narragansett kWh Deliveries (e)	Narragansett (Over)/Under Revenues (f)	Total (Over)/Under Revenues (g)
Jan-08	121,046,245	(\$21,788)	57,692,826	(\$10,385)	527,975,719	(\$95,036)	(127,209)
Feb-08	114,199,356	(\$20,556)	54,007,465	(\$9,721)	478,495,988	(\$86,129)	(116,407)
Mar-08	99,825,197	(\$17,969)	47,386,132	(\$8,530)	446,726,025	(\$80,411)	(106,909)
Apr-08	112,709,299	(\$20,288)	53,831,328	(\$9,690)	483,234,772	(\$86,982)	(116,960)
May-08	96,208,137	(\$17,317)	44,413,262	(\$7,994)	395,708,961	(\$71,228)	(96,539)
Jun-08	105,922,631	(\$19,066)	47,279,544	(\$8,510)	451,024,383	(\$81,184)	(108,761)
Jul-08	121,291,999	(\$21,833)	54,173,159	(\$9,751)	533,968,036	(\$96,114)	(127,698)
Aug-08	131,523,466	(\$23,674)	66,206,592	(\$11,917)	592,345,927	(\$106,622)	(142,214)
Sep-08	128,770,274	(\$23,179)	98,292,073	(\$17,693)	519,562,632	(\$93,521)	(134,392)
Oct-08	197,945,650	(\$35,630)	10,760,078	(\$1,937)	446,974,558	(\$80,455)	(118,022)
Nov-08	-	\$0	-	\$0	-	\$0	-
Dec-08	-	\$0	-	\$0	-	\$0	-
Jan-09	-	\$0	-	\$0	-	\$0	-

(a) from monthly revenue reports

(b) Column (a) x Factor

(c) from monthly revenue reports

(d) Column (c) x Factor

(e) from monthly revenue reports

(f) Column (e) x Factor

(g) Column (b) + Column (d) + Column (f)

Transition Charge Under/Over Recovery  
October 2005 through December 2006

**Section 1. Recovery:**

Month	Beginning Over/(Under) Recovery Balance (a)	Transition Charge Over/(Under) Recovery Refund (b)	Ending Over/(Under) Recovery Balance (c)	Interest Balance (d)	Monthly Interest Rate (e)	Monthly Interest (f)	Ending Balance w/ Interest (g)
Oct-06	\$798,533	\$0	\$798,533	\$798,533	4.290%	\$2,855	\$801,388
Nov-06	\$801,388	\$0	\$801,388	\$801,388	4.290%	\$2,865	\$804,253
Dec-06	\$804,253	\$0	\$804,253	\$804,253	4.290%	\$2,875	\$807,128
(1) Jan-07	\$807,128	(29,184)	\$777,944	\$792,536	4.290%	\$2,833	\$780,777
Feb-07	\$780,777	(63,568)	\$717,209	\$748,993	4.290%	\$2,678	\$719,887
Mar-07	\$719,887	(65,088)	\$654,799	\$687,343	4.800%	\$2,749	\$657,548
Apr-07	\$657,548	(59,118)	\$598,430	\$627,989	4.800%	\$2,512	\$600,942
May-07	\$600,942	(57,512)	\$543,429	\$572,186	4.800%	\$2,289	\$545,718
Jun-07	\$545,718	(62,830)	\$482,888	\$514,303	4.800%	\$2,057	\$484,945
Jul-07	\$484,945	(68,022)	\$416,923	\$450,934	4.800%	\$1,804	\$418,727
Aug-07	\$418,727	(76,017)	\$342,710	\$380,718	4.800%	\$1,523	\$344,233
Sep-07	\$344,233	(72,473)	\$271,760	\$307,996	4.800%	\$1,232	\$272,992
Oct-07	\$272,992	(64,190)	\$208,801	\$240,897	4.800%	\$964	\$209,765
Nov-07	\$209,765	(60,853)	\$148,912	\$179,338	4.800%	\$717	\$149,629
Dec-07	\$149,629	(68,407)	\$81,222	\$115,425	4.800%	\$462	\$81,683
(2) Jan-08	\$81,683	(42,057)	\$39,627	\$60,655	4.800%	\$243	\$39,869

(1) Reflects kWhs consumed after January 1st. 41.760%  
(2) Reflects kWhs consumed prior to January 1st. 59.510%

- (a) Beginning balance from Docket No.3788, Schedule JAL-6, page 1
- (b) from Section 2, column (g)
- (c) Column (a) + Column (b)
- (d) (Column (a) + Column (c)) ÷ 2
- (e) Customer Deposits Rate
- (f) Column (d) x (Column (e) ÷ 12)
- (g) Column (c) + Column (f)

**Section 2. Factor Revenue:**

Factor: (\$0.00010)

Month	Blackstone kWh Deliveries (a)	Blackstone (Over)/Under Revenues (b)	Newport kWh Deliveries (c)	Newport (Over)/Under Revenues (d)	Narragansett kWh Deliveries (e)	Narragansett (Over)/Under Revenues (f)	Total (Over)/Under Revenues (g)
Jan-07	118,262,357	(\$11,826)	54,783,138	(\$5,478)	525,812,554	(\$52,581)	(69,886)
Feb-07	114,414,254	(\$11,441)	50,866,376	(\$5,087)	470,400,143	(\$47,040)	(63,568)
Mar-07	111,790,630	(\$11,179)	51,167,550	(\$5,117)	487,919,608	(\$48,792)	(65,088)
Apr-07	105,557,206	(\$10,556)	45,888,501	(\$4,589)	439,738,838	(\$43,974)	(59,118)
May-07	102,187,544	(\$10,219)	47,992,906	(\$4,799)	424,940,737	(\$42,494)	(57,512)
Jun-07	111,000,166	(\$11,100)	44,433,470	(\$4,443)	472,867,245	(\$47,287)	(62,830)
Jul-07	115,927,499	(\$11,593)	50,952,853	(\$5,095)	513,343,634	(\$51,334)	(68,022)
Aug-07	132,513,854	(\$13,251)	59,739,142	(\$5,974)	567,915,587	(\$56,792)	(76,017)
Sep-07	130,125,945	(\$13,013)	54,698,681	(\$5,470)	539,905,419	(\$53,991)	(72,473)
Oct-07	109,894,693	(\$10,989)	51,983,234	(\$5,198)	480,025,266	(\$48,003)	(64,190)
Nov-07	106,194,027	(\$10,619)	48,871,143	(\$4,887)	453,468,155	(\$45,347)	(60,853)
Dec-07	117,512,576	(\$11,751)	54,284,044	(\$5,428)	512,275,725	(\$51,228)	(68,407)
Jan-08	121,046,245	(\$12,105)	57,692,826	(\$5,769)	527,975,719	(\$52,798)	(70,671)

- (a) from monthly revenue reports
- (b) Column (a) x Factor
- (c) from monthly revenue reports
- (d) Column (c) x Factor
- (e) from monthly revenue reports
- (f) Column (e) x Factor
- (g) Column (b) + Column (d) + Column (f)

## Calculation of Interest and Over Recovery Factor

Month	Beginning Balance (1)	Surcharge/ (Refund) (2)	Ending Balance (3)	Interest Rate (4)	Interest (5)
Oct-2007	\$584,017	\$0	\$584,017	4.6300%	\$2,253
Nov-2007	\$586,270	\$0	\$586,270	4.6300%	\$2,262
Dec-2007	\$588,532	\$0	\$588,532	4.6300%	\$2,271
Jan-2008	\$590,803	\$49,234	\$541,569	4.6300%	\$2,185
Feb-2008	\$543,754	\$49,432	\$494,322	4.6300%	\$2,003
Mar-2008	\$496,324	\$49,632	\$446,692	4.6300%	\$1,819
Apr-2008	\$448,511	\$49,835	\$398,677	4.6300%	\$1,634
May-2008	\$400,311	\$50,039	\$350,272	4.6300%	\$1,448
Jun-2008	\$351,720	\$50,246	\$301,474	4.6300%	\$1,260
Jul-2008	\$302,734	\$50,456	\$252,279	4.6300%	\$1,071
Aug-2008	\$253,349	\$50,670	\$202,680	4.6300%	\$880
Sep-2008	\$203,559	\$50,890	\$152,669	4.6300%	\$687
Oct-2008	\$153,357	\$51,119	\$102,238	4.6300%	\$493
Nov-2008	\$102,731	\$51,365	\$51,365	4.6300%	\$297
Dec-2008	\$51,663	\$51,663	\$0	4.6300%	\$100
					\$20,663
Total Surcharge/(Refund) to Customers with Interest			\$604,679		
2009 Forecasted kWh Sales			<u>7,976,911,561</u>		
Reconciliation Transmission Adjustment Factor per kWh			\$0.00007		

## Notes:

- 1 Column (3) + Column (5) of previous month
- 2 For Jan, (Column (1)) ÷ 12. For Feb, (Column (1)) ÷ 11, etc.
- 3 Column (1) - Column (2)
- 4 Current Rate for Customer Deposits
- 5 ((( Column (1) + Column (3)) ÷ 2) \* Column (4)) ÷ 12



**Schedule JAL-11**

**Calculation of Proposed Transmission Adjustment Factor for January 2009**

Calculation of Proposed Transmission Adjustment Factor for January 2009  
Effective January 1, 2009 - December 31, 2009

(1)	Forecasted 2009 Transmission Expense	\$103,918,322	
(2)	2009 Forecasted kWh Sales	7,976,911,561	
(3)	Average 2009 Transmission Expense per kWh		\$0.01302
(4)	Forecasted 2009 Average Base Transmission Charge Revenue		\$0.00402
(5)	Forecasted 2009 Transmission Expense Collected in Adjustment Factor		\$0.00900
(6)	Implementation of 2009 Under recovery factor		<u>\$0.00164</u>
(7)	Proposed 2009 Transmission Adjustment Factor		\$0.01064

- (1) from Schedule PAV-1, Summary, Page 1 of 1
- (2) from Company forecast
- (3) Line (1) ÷ Line (2)
- (4) from Schedule JAL-11, Page 2
- (5) Line (3) - Line (4)
- (6) from Schedule JAL-12, Page 8
- (7) Line (6) + Line (7)

Projected 2009 Base Transmission Revenue

	<u>A16</u>	<u>A60</u>	<u>E30</u>	<u>E40</u>	<u>C06</u>	<u>T</u>	<u>G02</u>	<u>G32</u>	<u>G62</u>	<u>R02</u>	<u>X01</u>	<u>Strlts</u>	<u>Total</u>
<u>Projected Billing Determinants</u>													
(1) kW Demand							3,971,837.5	6,217,647.6	1,329,012.1		220,804.2		11,739,301.3
(2) kWh Deliveries	2,879,576,811	230,642,055	1,751,441	3,549,930	553,669,742	13,670,599	1,433,557,115	2,171,412,953	589,716,165	4,321,938	25,013,109	70,029,701	7,976,911,559
<u>Base Transmission Charges</u>													
(3) Demand charges							\$1.40	\$1.27	\$1.39		\$1.34		
(4) kWh charge	\$0.00436	\$0.00338	\$0.00261	\$0.00141	\$0.00536	\$0.00361				\$0.00259		\$0.00259	
<u>Base Transmission Revenue</u>													
(5) Demand Revenue							\$5,560,573	\$7,896,412	\$1,847,327	\$0	\$295,878		\$15,600,189
(6) kWh Revenue	<u>\$12,554,955</u>	<u>\$779,570</u>	<u>\$4,571</u>	<u>\$5,005</u>	<u>\$2,967,670</u>	<u>\$49,351</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$11,194</u>	<u>\$0</u>	<u>\$181,377</u>	<u>\$16,553,693</u>
(7) Projected Base Transmission Revenue Before Discounts	\$12,554,955	\$779,570	\$4,571	\$5,005	\$2,967,670	\$49,351	\$5,560,573	\$7,896,412	\$1,847,327	\$11,194	\$295,878	\$181,377	\$32,153,882
<u>Discounts</u>													
(8) kW Demand - Customers with HVM							52,547.4	1,584,256.6	1,270,535.5				
(9) Demand Charge							<u>\$1.40</u>	<u>\$1.27</u>	<u>\$1.39</u>				
(10) Discount							(\$736)	(\$20,120)	(\$17,660)				(\$38,516)
(11) kWh Deliveries - Customer with HVM							\$17,776,108	\$565,435,933	\$566,245,462				
(12) Transmission Adj Factor							<u>\$0.00239</u>	<u>\$0.00239</u>	<u>\$0.00239</u>				
(13) Discount							<u>(\$425)</u>	<u>(\$13,514)</u>	<u>(\$13,533)</u>				(\$27,472)
(14) Total HVM Discount							(\$1,161)	(\$33,634)	(\$31,194)				(\$65,988)
(15) Total Projected Base Transmission Revenue	\$12,554,955	\$779,570	\$4,571	\$5,005	\$2,967,670	\$49,351	\$5,559,412	\$7,862,778	\$1,816,133	\$11,194	\$295,878	\$181,377	\$32,087,894
													Total Projected kWhs 7,976,911,559
													Average Base Transmission Revenue \$0.00402

- (1) Projected kWhs times estimated class average load factor based on historical usage for twelve months ending December 2007
- (2) per Company forecast
- (3) per current tariff
- (4) per current tariff
- (5) Line (1) x Line (3)
- (6) Line (2) x Line (4)
- (7) Line (5) + Line (6)
- (8) Estimated based on historical usage for twelve months ending December 2007
- (9) per current tariff
- (10) Line (8) x Line (9) x -0.01%
- (11) Estimated based on historical usage for twelve months ending December 2007
- (12) per current tariff
- (13) Line (11) x Line (12) x -0.01%
- (14) Line (10) + Line (13)
- (15) Line (7) + Line (14)



Schedule JAL-12

Transmission Service Reconciliation

for the period October 2007 through September 2008

Base Transmission Service Reconciliation  
October 2007 through September 2008**Section 1. Balance @ September 30, 2008**

<u>Month</u>	<u>Over/(Under) Beginning Balance</u> (a)	<u>Transmission Revenue</u> (b)	<u>Adjustments</u> (c)	<u>Transmission Expense</u> (d)	<u>Monthly Over/(Under)</u> (e)	<u>Over/(Under) Ending Balance</u> (f)	<u>Over/(Under) Ending Balance Incl Unbilled</u> (g)
Oct-07	\$2,419,726	\$1,830,870	\$238,002	\$5,610,327	(\$3,541,455)	(\$1,121,728)	\$1,440,279
Nov-07	(\$1,121,728)	\$4,658,196		\$4,685,440	(\$27,245)	(\$1,148,973)	\$1,642,967
Dec-07	(\$1,148,973)	\$5,076,255		\$5,847,354	(\$771,099)	(\$1,920,072)	\$1,264,148
Jan-08	(\$1,920,072)	\$5,789,492	(\$723,092)	\$6,163,455	(\$1,097,054)	(\$3,017,127)	\$191,267
Feb-08	(\$3,017,127)	\$5,833,444		\$5,907,547	(\$74,103)	(\$3,091,230)	(\$110,698)
Mar-08	(\$3,091,230)	\$5,419,149		\$7,802,971	(\$2,383,822)	(\$5,475,052)	(\$2,276,872)
Apr-08	(\$5,475,052)	\$5,814,874		\$5,553,939	\$260,935	(\$5,214,118)	(\$2,472,853)
May-08	(\$5,214,118)	\$4,984,118		\$5,756,530	(\$772,412)	(\$5,986,530)	(\$2,940,668)
Jun-08	(\$5,986,530)	\$5,537,930		\$10,474,848	(\$4,936,917)	(\$10,923,447)	(\$7,357,957)
Jul-08	(\$10,923,447)	\$6,482,710		\$7,737,620	(\$1,254,910)	(\$12,178,357)	(\$8,290,122)
Aug-08	(\$12,178,357)	\$7,069,518		\$7,223,385	(\$153,867)	(\$12,332,224)	(\$8,749,098)
Sep-08	(\$12,332,224)	\$6,514,775		\$7,095,471	(\$580,696)	(\$12,912,920)	(\$11,005,745)
Oct-08	(\$12,912,920)	\$3,467,592			\$3,467,592	(\$9,445,328)	(\$9,445,328)
<b>Total</b>	<b>\$2,419,726</b>	<b>\$68,478,923</b>	<b>(\$485,090)</b>	<b>\$79,858,888</b>	<b>(\$11,865,055)</b>	<b>(\$9,445,328)</b>	
Interest						(\$165,131)	
Base Transmission Reconciliation Balance with Interest						(\$9,610,459)	

## Base Transmission Service Reconciliation Projected through December 2009

**Section 2. Projected Balance @ December 31, 2008**

	<u>Over/(Under) Beginning Balance</u> (a)	<u>Transmission Revenue</u> (b)	<u>Adjustments</u> (c)	<u>Transmission Expense</u> (d)	<u>Monthly Over/(Under)</u> (e)	<u>Over/(Under) Ending Balance</u> (f)	<u>Ending Balance Incl Unbilled</u> (g)
Oct-08	(\$9,610,459)	\$2,268,466		\$6,421,663	(\$4,153,197)	(\$13,763,656)	(\$10,806,852)
Nov-08	(\$13,763,656)	\$5,376,008		\$6,577,757	(\$1,201,749)	(\$14,965,406)	(\$11,719,996)
Dec-08	(\$14,965,406)	\$5,900,745		\$7,040,379	(\$1,139,634)	(\$16,105,040)	(\$14,222,265)
Jan-09	(\$16,105,040)	\$3,423,228		\$0	\$3,423,228	(\$12,681,812)	(\$12,681,812)
<b>Total</b>	<b>(\$9,610,459)</b>	<b>\$16,968,446</b>	<b>\$0</b>	<b>\$20,039,799</b>	<b>(\$3,071,353)</b>	<b>(\$12,681,812)</b>	

## Column Descriptions:

- (a) Column (f) from previous row; adjustment to beginning balance for ROE rebilling credits plus interest for the period January through March 2007 from Page 2
- (b) from Page 2
- (c) October 2007: true-up of estimated August 2007 and September 2007 expense to actual.  
January 2008: remaining balance of recovery of uplift charges from page 5 plus remaining balance of Oct 2005 through Sep 2006 under recovery from page 7.
- (d) from Page 3
- (e) Column (b) + Column (c) - Column (d)
- (f) Column (a) + Column (e)
- (g) Column (f) + 55% of Column (b) from following row

Transmission Service Revenue

		Less 2008 Transmission Adjustment Revenue (a)	Less 2007 Transmission Adjustment Revenue (c)	Less Uplift Recovery Adjustment Revenue (d)	Less HVM Credit (e)	Base Transmission Service Revenue (f)
(1)	Oct-07	\$1,833,856	\$0	\$0	\$2,986	\$1,830,870
	Nov-07	\$5,329,136	\$0	\$516,376	\$8,764	\$4,658,196
	Dec-07	\$5,828,828	\$0	\$580,626	\$8,005	\$5,076,255
	Jan-08	\$6,349,268	\$94,296	\$356,979	\$7,706	\$5,789,492
	Feb-08	\$6,052,711	\$213,096	\$0	\$6,170	\$5,833,444
	Mar-08	\$5,618,301	\$195,802	\$0	\$3,350	\$5,419,149
	Apr-08	\$6,038,161	\$214,085	\$0	\$9,202	\$5,814,874
	May-08	\$5,166,866	\$176,693	\$0	\$6,056	\$4,984,118
	Jun-08	\$5,743,381	\$199,070	\$0	\$6,381	\$5,537,930
	Jul-08	\$6,722,536	\$233,805	\$0	\$6,021	\$6,482,710
	Aug-08	\$7,336,622	\$260,369	\$0	\$6,735	\$7,069,518
	Sep-08	\$6,768,267	\$246,011	\$0	\$7,480	\$6,514,775
(2)	Oct-08	<u>\$3,605,190</u>	<u>\$130,704</u>	<u>\$0</u>	<u>\$6,894</u>	<u>\$3,467,592</u>
	Total	\$72,393,123	\$1,963,931	\$1,453,982	\$85,752	\$68,478,923

(1) Reflects kWhs consumed after October 1, 2007 32.68%

(2) Reflects kWhs consumed prior to October 1, 2008 60.50%

Note: 100% of 2006 Adjustment revenue and Uplift Adjustment for October 2007 was included in prior period reconciliation

- (a) Monthly Transmission Service Revenue Report
- (b) from Page 4
- (c) from Page 6, Column (e)
- (d) from Page 12, Column (e)
- (e) Column (a) - Column (b) - Column (c) - Column (d)
- (f) Column (a) - Column (b) - Column (c) - Column (d) - Column (e)

Transmission Service Expense

	NEPOOL PTF <u>Expenses</u>	NEP Non-PTF <u>Expenses</u>	Other NEPOOL <u>Charges</u>	ISO Tariff <u>Expenses</u>	Total Transmission <u>Expense</u>
Oct-07	\$3,143,246	\$1,656,024	\$528,805	\$282,252	\$5,610,327
Nov-07	\$2,896,263	\$1,095,715	\$460,966	\$232,496	\$4,685,440
Dec-07	\$3,179,418	\$2,005,225	\$282,604	\$380,107	\$5,847,354
Jan-08	\$3,313,684	\$2,147,597	\$498,615	\$203,559	\$6,163,455
Feb-08	\$3,131,602	\$2,085,322	\$434,331	\$256,292	\$5,907,547
Mar-08	\$2,848,269	\$4,107,202	\$644,629	\$202,871	\$7,802,971
Apr-08	\$2,722,040	\$2,386,041	\$219,763	\$226,095	\$5,553,939
May-08	\$2,762,985	\$2,570,833	\$213,303	\$209,409	\$5,756,530
Jun-08	\$6,810,516	\$3,139,729	\$210,940	\$313,663	\$10,474,848
Jul-08	\$6,251,124	\$1,026,407	\$200,866	\$259,223	\$7,737,620
Aug-08	\$6,022,323	\$758,453	\$199,023	\$243,586	\$7,223,385
Sep-08	<u>\$7,040,379</u>	<u>\$0</u>	<u>\$0</u>	<u>\$55,092</u>	<u>\$7,095,471 estimated</u>
Total	\$50,121,849	\$22,978,548	\$3,893,845	\$2,864,646	\$79,858,888

Source: Monthly NEP, NEPOOL and ISO Bills

Transmission Cost Adjustment Over/(Under) Recovery  
October 2006 through September 2007

Reconciliation:

Month	Beginning Over/(Under) Recovery Balance (a)	Transmission Charge Over/(Under) Recovery Refund (b)	Ending Over/(Under) Recovery Balance (c)	Interest Balance (d)	Monthly Interest Rate (e)	Monthly Interest (f)	Ending Over/(Under) Recovery w/ Interest (g)
Oct-07	(\$2,554,741)	\$0	(\$2,554,741)	(\$2,554,741)	4.800%	(\$10,219)	(\$2,564,960)
Nov-07	(\$2,564,960)	\$0	(\$2,564,960)	(\$2,564,960)	4.800%	(\$10,260)	(\$2,575,220)
Dec-07	(\$2,575,220)	\$0	(\$2,575,220)	(\$2,575,220)	4.800%	(\$10,301)	(\$2,585,521)
Jan-08	(\$2,585,521)	\$94,296	(\$2,491,224)	(\$2,538,373)	4.800%	(\$10,153)	(\$2,501,378)
Feb-08	(\$2,501,378)	\$213,096	(\$2,288,282)	(\$2,394,830)	4.800%	(\$9,579)	(\$2,297,861)
Mar-08	(\$2,297,861)	\$195,802	(\$2,102,059)	(\$2,199,960)	4.630%	(\$8,488)	(\$2,110,547)
Apr-08	(\$2,110,547)	\$214,085	(\$1,896,462)	(\$2,003,505)	4.630%	(\$7,730)	(\$1,904,192)
May-08	(\$1,904,192)	\$176,693	(\$1,727,500)	(\$1,815,846)	4.630%	(\$7,006)	(\$1,734,506)
Jun-08	(\$1,734,506)	\$199,070	(\$1,535,436)	(\$1,634,971)	4.630%	(\$6,308)	(\$1,541,745)
Jul-08	(\$1,541,745)	\$233,805	(\$1,307,940)	(\$1,424,842)	4.630%	(\$5,498)	(\$1,313,437)
Aug-08	(\$1,313,437)	\$260,369	(\$1,053,068)	(\$1,183,253)	4.630%	(\$4,565)	(\$1,057,633)
Sep-08	(\$1,057,633)	\$246,011	(\$811,622)	(\$934,628)	4.630%	(\$3,606)	(\$815,228)
Oct-08	(\$815,228)	\$216,039	(\$599,189)	(\$707,209)	4.630%	(\$2,729)	(\$601,918)
Nov-08	(\$601,918)	\$0	(\$601,918)	(\$601,918)	4.630%	(\$2,322)	(\$604,240)
Dec-08	(\$604,240)	\$0	(\$604,240)	(\$604,240)	4.630%	(\$2,331)	(\$606,571)
Jan-09	(\$606,571)	\$0	(\$606,571)	(\$606,571)	4.630%	(\$2,340)	(\$608,912)

- (1) Reflects kWhs consumed after January 1st. 40.49%  
(2) Reflects kWhs consumed prior to January 1st. 0.00%

- (a) Under recovery of expense for the period October 2006 through September 2007 approved in RIPUC Docket No. 3902  
(b) from column (m)  
(c) Column (a) + Column (b)  
(d) (Column (a) + Column (c)) ÷ 2  
(e) Customer Deposit Rate  
(f) Column (d) \* Column (e)/12  
(g) Column (c) + Column (f)

Adjustment Factor Revenue

	kWh Sales (h)	Transmission Adjustment Factor (i)	Transmission Adjustment Revenue (j)	HVM kWhs (k)	Less HMV Discount (l)	Net Adjustment Revenue (m)
Jan-08	706,714,790	\$0.00033	\$233,216	99,281,668	(\$328)	\$232,888
Feb-08	646,702,809	\$0.00033	\$213,412	95,718,308	(\$316)	\$213,096
Mar-08	593,937,354	\$0.00033	\$195,999	59,553,789	(\$197)	\$195,802
Apr-08	649,775,399	\$0.00033	\$214,426	103,431,812	(\$341)	\$214,085
May-08	536,320,186	\$0.00033	\$176,986	88,796,945	(\$293)	\$176,693
Jun-08	604,210,788	\$0.00033	\$199,390	96,982,976	(\$320)	\$199,070
Jul-08	709,433,194	\$0.00033	\$234,113	93,289,800	(\$308)	\$233,805
Aug-08	790,075,985	\$0.00033	\$260,725	107,755,785	(\$356)	\$260,369
Sep-08	746,624,979	\$0.00033	\$246,386	113,732,312	(\$375)	\$246,011
Oct-08	655,680,286	\$0.00033	\$216,374	101,431,587	(\$335)	\$216,039
Nov-08	0	\$0.00033	\$0	-	\$0	\$0
Dec-08	0	\$0.00033	\$0	-	\$0	\$0
Jan-09	0	\$0.00033	\$0	-	\$0	\$0

- (h) from Monthly Transmission Service Revenue Report  
(i) Transmission Service adjustment factor approved for January 1, 2009 in Docket No. 3902.  
(j) Column (h) x Column (i)  
(k) from Monthly Revenue Report  
(l) column (i) x column (k) x 1%  
(m) Column (j) + Column (l)

Recovery of Deferred Uplift Charges  
Incurred January 1999 through May 2004

Month	Beginning Under Recovery Balance (a)	Transmission Adjustment Revenue (b)	Ending Under Recovery Balance (c)	Interest Balance (d)	Interest Rate (e)	Monthly Interest (f)	Ending Balance w/ Interest (g)
(1) Jan-05	\$5,657,163	\$74,720	\$5,582,444	\$5,619,804	4.010%	\$18,780	\$5,601,223
Feb-05	\$5,601,223	\$154,821	\$5,446,403	\$5,523,813	4.010%	\$18,459	\$5,464,861
Mar-05	\$5,464,861	\$157,964	\$5,306,897	\$5,385,879	4.270%	\$19,165	\$5,326,062
Apr-05	\$5,326,062	\$143,721	\$5,182,341	\$5,254,201	4.270%	\$18,696	\$5,201,037
May-05	\$5,201,037	\$134,464	\$5,066,573	\$5,133,805	4.270%	\$18,268	\$5,084,840
Jun-05	\$5,084,840	\$146,966	\$4,937,874	\$5,011,357	4.270%	\$17,832	\$4,955,706
Jul-05	\$4,955,706	\$172,732	\$4,782,973	\$4,869,340	4.270%	\$17,327	\$4,800,300
Aug-05	\$4,800,300	\$187,940	\$4,612,360	\$4,706,330	4.270%	\$16,747	\$4,629,107
Sep-05	\$4,629,107	\$185,774	\$4,443,333	\$4,536,220	4.270%	\$16,141	\$4,459,474
Oct-05	\$4,459,474	\$155,891	\$4,303,583	\$4,381,529	4.270%	\$15,591	\$4,319,174
Nov-05	\$4,319,174	\$143,157	\$4,176,017	\$4,247,596	4.270%	\$15,114	\$4,191,131
Dec-05	\$4,191,131	\$168,684	\$4,022,447	\$4,106,789	4.270%	\$14,613	\$4,037,060
Jan-06	\$4,037,060	\$164,687	\$3,872,373	\$3,954,717	4.270%	\$14,072	\$3,886,445
Feb-06	\$3,886,445	\$143,761	\$3,742,684	\$3,814,565	4.270%	\$13,573	\$3,756,258
Mar-06	\$3,756,258	\$160,629	\$3,595,629	\$3,675,944	4.290%	\$13,141	\$3,608,771
Apr-06	\$3,608,771	\$139,857	\$3,468,914	\$3,538,842	4.290%	\$12,651	\$3,481,565
May-06	\$3,481,565	\$130,863	\$3,350,702	\$3,416,133	4.290%	\$12,213	\$3,362,915
Jun-06	\$3,362,915	\$145,910	\$3,217,004	\$3,289,959	4.290%	\$11,762	\$3,228,766
Jul-06	\$3,228,766	\$172,903	\$3,055,863	\$3,142,314	4.290%	\$11,234	\$3,067,097
Aug-06	\$3,067,097	\$190,519	\$2,876,577	\$2,971,837	4.290%	\$10,624	\$2,887,202
Sep-06	\$2,887,202	\$164,603	\$2,722,599	\$2,804,900	4.290%	\$10,028	\$2,732,626
Oct-06	\$2,732,626	\$142,895	\$2,589,732	\$2,661,179	4.290%	\$9,514	\$2,599,245
Nov-06	\$2,599,245	\$137,735	\$2,461,510	\$2,530,378	4.290%	\$9,046	\$2,470,556
Dec-06	\$2,470,556	\$158,575	\$2,311,982	\$2,391,269	4.290%	\$8,549	\$2,320,530
Jan-07	\$2,320,530	\$167,471	\$2,153,059	\$2,236,795	4.290%	\$7,997	\$2,161,056
Feb-07	\$2,161,056	\$152,334	\$2,008,722	\$2,084,889	4.290%	\$7,453	\$2,016,175
Mar-07	\$2,016,175	\$155,977	\$1,860,198	\$1,938,187	4.800%	\$7,753	\$1,867,951
Apr-07	\$1,867,951	\$141,673	\$1,726,278	\$1,797,115	4.800%	\$7,188	\$1,733,466
May-07	\$1,733,466	\$137,785	\$1,595,681	\$1,664,574	4.800%	\$6,658	\$1,602,340
Jun-07	\$1,602,340	\$150,543	\$1,451,796	\$1,527,068	4.800%	\$6,108	\$1,457,905
Jul-07	\$1,457,905	\$163,026	\$1,294,879	\$1,376,392	4.800%	\$5,506	\$1,300,384
Aug-07	\$1,300,384	\$182,186	\$1,118,198	\$1,209,291	4.800%	\$4,837	\$1,123,035
Sep-07	\$1,123,035	\$173,673	\$949,362	\$1,036,199	4.800%	\$4,145	\$953,507
Oct-07	\$953,507	\$153,800	\$799,707	\$876,607	4.800%	\$3,506	\$803,213
Nov-07	\$803,213	\$145,800	\$657,413	\$730,313	4.800%	\$2,921	\$660,335
Dec-07	\$660,335	\$163,941	\$496,393	\$578,364	4.800%	\$2,313	\$498,707
(2) Jan-08	\$498,707	\$100,794	\$397,913	\$448,310	4.800%	\$1,793	\$399,706

(1) Percentage of kWhs consumed on and after Jan 1, 2005 = 46.29%

(2) Percentage of kWhs consumed prior to Jan 1, 2008 = 59.51%

(a) Prior Month Column (c); beginning balance per R.I.P.U.C. Docket No. 3648, Schedule JAL-5, page 11

(b) from Page 6

(c) Column (a) - Column (b)

(d) (Column (a) + Column (c)) ÷ 2

(e) Customer deposits rate

(f) Column (d) \* Column (e) ÷ 12

(g) Column (c) + Column (f)

Recovery of Deferred Uplift Charges  
Incurred January 1999 through May 2004

	<u>kWh Sales</u> (a)	<u>Uplift Transmission Adjustment Factor</u> (b)	<u>Total Uplift Transmission Adjustment Revenue</u> (c)	<u>HVM kWhs</u> (d)	<u>Less HVM Discount</u> (e)	<u>Net Uplift Transmission Adjustment Revenue</u> (f)
Jan-05	673,697,851	\$0.00024	\$161,687	112,855,310	(\$271)	\$161,416
Feb-05	646,032,306	\$0.00024	\$155,048	94,474,830	(\$227)	\$154,821
Mar-05	659,213,682	\$0.00024	\$158,211	102,794,160	(\$247)	\$157,964
Apr-05	599,792,608	\$0.00024	\$143,950	95,523,390	(\$229)	\$143,721
May-05	561,184,203	\$0.00024	\$134,684	91,853,710	(\$220)	\$134,464
Jun-05	613,326,982	\$0.00024	\$147,198	96,689,690	(\$232)	\$146,966
Jul-05	720,810,371	\$0.00024	\$172,994	109,024,610	(\$262)	\$172,732
Aug-05	784,167,871	\$0.00024	\$188,200	108,439,455	(\$260)	\$187,940
Sep-05	775,157,934	\$0.00024	\$186,038	110,017,525	(\$264)	\$185,774
Oct-05	650,577,703	\$0.00024	\$156,139	103,277,535	(\$248)	\$155,891
Nov-05	597,425,895	\$0.00024	\$143,382	93,698,403	(\$225)	\$143,157
Dec-05	703,947,800	\$0.00024	\$168,947	109,773,263	(\$263)	\$168,684
Jan-06	687,130,142	\$0.00024	\$164,911	93,263,024	(\$224)	\$164,687
Feb-06	599,865,946	\$0.00024	\$143,968	86,342,628	(\$207)	\$143,761
Mar-06	670,348,234	\$0.00024	\$160,884	106,277,894	(\$255)	\$160,629
Apr-06	583,667,646	\$0.00024	\$140,080	92,968,001	(\$223)	\$139,857
May-06	546,121,316	\$0.00024	\$131,069	85,870,738	(\$206)	\$130,863
Jun-06	608,934,614	\$0.00024	\$146,144	97,476,179	(\$234)	\$145,910
Jul-06	721,453,886	\$0.00024	\$173,149	102,386,912	(\$246)	\$172,903
Aug-06	794,822,239	\$0.00024	\$190,757	99,170,919	(\$238)	\$190,519
Sep-06	686,978,841	\$0.00024	\$164,875	113,171,622	(\$272)	\$164,603
Oct-06	596,398,898	\$0.00024	\$143,136	100,324,290	(\$241)	\$142,895
Nov-06	574,791,077	\$0.00024	\$137,950	89,447,506	(\$215)	\$137,735
Dec-06	661,816,165	\$0.00024	\$158,836	108,717,226	(\$261)	\$158,575
Jan-07	698,858,049	\$0.00024	\$167,726	106,379,600	(\$255)	\$167,471
Feb-07	635,680,773	\$0.00024	\$152,563	95,318,285	(\$229)	\$152,334
Mar-07	650,877,788	\$0.00024	\$156,211	97,614,186	(\$234)	\$155,977
Apr-07	591,184,545	\$0.00024	\$141,884	87,835,631	(\$211)	\$141,673
May-07	575,121,187	\$0.00024	\$138,029	101,488,446	(\$244)	\$137,785
Jun-07	628,300,881	\$0.00024	\$150,792	103,839,747	(\$249)	\$150,543
Jul-07	680,223,986	\$0.00024	\$163,254	94,803,202	(\$228)	\$163,026
Aug-07	760,168,583	\$0.00024	\$182,440	105,903,366	(\$254)	\$182,186
Sep-07	724,730,045	\$0.00024	\$173,935	108,968,111	(\$262)	\$173,673
Oct-07	641,903,193	\$0.00024	\$154,057	107,070,910	(\$257)	\$153,800
Nov-07	608,533,325	\$0.00024	\$146,048	103,173,724	(\$248)	\$145,800
Dec-07	684,072,345	\$0.00024	\$164,177	98,177,486	(\$236)	\$163,941
Jan-08	706,714,790	\$0.00024	\$169,612	99,281,668	(\$238)	\$169,374

- (a) kWhs per Monthly SMB702 Report, Monthly Standard Offer, Open Access, Last Resort Service Revenue Reports
- (b) Approved Uplift Factor for January 2005
- (c) Column (a) x Column (b)
- (d) from Company monthly revenue reports
- (e) Column (c) - Column (d)
- (f) Column (c) - Column (e)

Transmission Cost Adjustment Over/(Under) Recovery  
October 2005 through December 2006

Reconciliation:

<u>Month</u>	<u>Beginning Over/(Under) Recovery Balance</u> (a)	<u>Transmission Charge Over/(Under) Recovery Refund</u> (b)	<u>Ending Over/(Under) Recovery Balance</u> (c)	<u>Interest Balance</u> (d)	<u>Monthly Interest Rate</u> (e)	<u>Monthly Interest</u> (f)	<u>Ending Over/(Under) Recovery w/ Interest</u> (g)
Oct-06	(\$6,763,055)	\$0	(\$6,763,055)	(\$6,763,055)	4.290%	(\$24,178)	(\$6,787,233)
Nov-06	(\$6,787,233)	\$0	(\$6,787,233)	(\$6,787,233)	4.290%	(\$24,264)	(\$6,811,497)
Dec-06	(\$6,811,497)	\$0	(\$6,811,497)	(\$6,811,497)	4.290%	(\$24,351)	(\$6,835,848)
Jan-07	(\$6,835,848)	\$247,689	(\$6,588,159)	(\$6,712,004)	4.290%	(\$23,995)	(\$6,612,155)
Feb-07	(\$6,612,155)	\$539,519	(\$6,072,636)	(\$6,342,395)	4.290%	(\$22,674)	(\$6,095,310)
Mar-07	(\$6,095,310)	\$552,416	(\$5,542,894)	(\$5,819,102)	4.800%	(\$23,276)	(\$5,566,170)
Apr-07	(\$5,566,170)	\$501,760	(\$5,064,410)	(\$5,315,290)	4.800%	(\$21,261)	(\$5,085,672)
May-07	(\$5,085,672)	\$487,990	(\$4,597,682)	(\$4,841,677)	4.800%	(\$19,367)	(\$4,617,048)
Jun-07	(\$4,617,048)	\$533,173	(\$4,083,876)	(\$4,350,462)	4.800%	(\$17,402)	(\$4,101,277)
Jul-07	(\$4,101,277)	\$577,384	(\$3,523,893)	(\$3,812,585)	4.800%	(\$15,250)	(\$3,539,143)
Aug-07	(\$3,539,143)	\$645,243	(\$2,893,900)	(\$3,216,522)	4.800%	(\$12,866)	(\$2,906,766)
Sep-07	(\$2,906,766)	\$615,095	(\$2,291,672)	(\$2,599,219)	4.800%	(\$10,397)	(\$2,302,069)
Oct-07	(\$2,302,069)	\$544,708	(\$1,757,361)	(\$2,029,715)	4.800%	(\$8,119)	(\$1,765,480)
Nov-07	(\$1,765,480)	\$516,376	(\$1,249,103)	(\$1,507,292)	4.800%	(\$6,029)	(\$1,255,133)
Dec-07	(\$1,255,133)	\$580,626	(\$674,506)	(\$964,819)	4.800%	(\$3,859)	(\$678,365)
Jan-08	(\$678,365)	\$356,979	(\$321,386)	(\$499,876)	4.800%	(\$2,000)	(\$323,386)

- (1) Reflects kWhs consumed after January 1st. 41.76%  
(2) Reflects kWhs consumed prior to January 1st. 59.51%

- (a) Under recovery of expense for the period October 2005 through September 2006 approved in RIPUC Docket No. 3788  
(b) from column (m)  
(c) Column (a) + Column (b)  
(d) (Column (a) + Column (c)) ÷ 2  
(e) Customer Deposit Rate  
(f) Column (d) \* (Column (e) ÷ 12)  
(g) Column (c) + Column (f)

Adjustment Factor Revenue

	<u>kWh Sales</u> (h)	<u>Transmission Adjustment Factor</u> (i)	<u>Transmission Adjustment Revenue</u> (j)	<u>HVM kWhs</u> (k)	<u>Less HVM Discount</u> (l)	<u>Net Adjustment Revenue</u> (m)
Jan-07	698,858,049	\$0.00085	\$594,029	106,379,600	(\$904)	\$593,125
Feb-07	635,680,773	\$0.00085	\$540,329	95,318,285	(\$810)	\$539,519
Mar-07	650,877,788	\$0.00085	\$553,246	97,614,186	(\$830)	\$552,416
Apr-07	591,184,545	\$0.00085	\$502,507	87,835,631	(\$747)	\$501,760
May-07	575,121,187	\$0.00085	\$488,853	101,488,446	(\$863)	\$487,990
Jun-07	628,300,881	\$0.00085	\$534,056	103,839,747	(\$883)	\$533,173
Jul-07	680,223,986	\$0.00085	\$578,190	94,803,202	(\$806)	\$577,384
Aug-07	760,168,583	\$0.00085	\$646,143	105,903,366	(\$900)	\$645,243
Sep-07	724,730,045	\$0.00085	\$616,021	108,968,111	(\$926)	\$615,095
Oct-07	641,903,193	\$0.00085	\$545,618	107,070,910	(\$910)	\$544,708
Nov-07	608,533,325	\$0.00085	\$517,253	103,173,724	(\$877)	\$516,376
Dec-07	684,072,345	\$0.00085	\$581,461	98,177,486	(\$835)	\$580,626
Jan-08	706,714,790	\$0.00085	\$600,708	99,281,668	(\$844)	\$599,864

- (h) from Monthly Transmission Service Revenue Report  
(i) Under recovery of expense for the period October 2005 through September 2006 approved in RIPUC Docket No. 3788  
(j) Column (h) x Column (i)  
(k) from Monthly Revenue Report  
(l) column (i) x column (k) x 1%  
(m) Column (j) + Column (l)

Transmission Service Reconciliation  
Calculation of Interest and Recovery Factor for the period October 2007 through September 2008

Month	Beginning Balance (1)	Surcharge/ (Refund) (2)	Ending Balance (3)	Interest Rate (4)	Interest (5)
Oct-2008	(\$9,610,459)	\$0	(\$9,610,459)	4.63%	(\$37,080)
Nov-2008	(\$9,647,540)	\$0	(\$9,647,540)	4.63%	(\$37,223)
Dec-2008	(\$9,684,763)	\$0	(\$9,684,763)	4.63%	(\$37,367)
Jan-2009 (a)	(\$12,793,483)	(\$1,066,124)	(\$11,727,360)	4.63%	(\$47,305)
Feb-2009	(\$11,774,664)	(\$1,070,424)	(\$10,704,240)	4.63%	(\$43,366)
Mar-2009	(\$10,747,606)	(\$1,074,761)	(\$9,672,845)	4.63%	(\$39,394)
Apr-2009	(\$9,712,240)	(\$1,079,138)	(\$8,633,102)	4.63%	(\$35,391)
May-2009	(\$8,668,493)	(\$1,083,562)	(\$7,584,932)	4.63%	(\$31,356)
Jun-2009	(\$7,616,287)	(\$1,088,041)	(\$6,528,246)	4.63%	(\$27,287)
Jul-2009	(\$6,555,533)	(\$1,092,589)	(\$5,462,944)	4.63%	(\$23,186)
Aug-2009	(\$5,486,130)	(\$1,097,226)	(\$4,388,904)	4.63%	(\$19,051)
Sep-2009	(\$4,407,955)	(\$1,101,989)	(\$3,305,966)	4.63%	(\$14,881)
Oct-2009	(\$3,320,847)	(\$1,106,949)	(\$2,213,898)	4.63%	(\$10,677)
Nov-2009	(\$2,224,576)	(\$1,112,288)	(\$1,112,288)	4.63%	(\$6,437)
Dec-2009	(\$1,118,725)	(\$1,118,725)	\$0	4.63%	(\$2,158)
		(\$13,091,814)			(\$412,160)

(a) Estimated under recovery of \$3,071,353 for the months of Oct, Nov and Dec added to Jan 2009 beginning balance

Total Surcharge/(Refund) to Customers with Interest	(\$13,091,814)
Total Forecasted kWh Sales for the 12 months ending Dec 2009	<u>7,976,911,561</u>
Reconciliation Transmission Adjustment Factor per kWh	(\$0.00164)

Notes:

- 1 Column (3) + Column (5) of previous month
- 2 For Jan, (Column (1)) ÷ 12. For Feb, (Column (1)) ÷ 11, etc.
- 3 Column (1) - Column (2)
- 4 Current Rate for Customer Deposits
- 5 (( Column (1) + Column (3)) ÷ 2) \* Column (4)



Schedule JAL-13

Reconciliation of Low Income Credit and Proposed Credit for 2009

**National Grid**  
**Low Income Customer Credit per Commission Decision in RIPUC Docket No. 3902**

<u>Month</u>	<u>Beginning Balance</u> (a)	<u>Credit</u> (b)	<u>Ending Balance</u> (c)	<u>Interest Balance</u> (d)	<u>Monthly Interest Rate</u> (e)	<u>Monthly Interest</u> (f)	<u>Ending Balance</u> (g)
Jan-08	\$4,615,206	(\$142,708)	\$4,472,498	\$4,543,852	4.800%	\$18,175	\$4,490,673
Feb-08	\$4,490,673	(\$141,093)	\$4,349,580	\$4,420,126	4.800%	\$17,681	\$4,367,260
Mar-08	\$4,367,260	(\$137,277)	\$4,229,983	\$4,298,622	4.630%	\$16,586	\$4,246,568
Apr-08	\$4,246,568	(\$135,409)	\$4,111,159	\$4,178,864	4.630%	\$16,123	\$4,127,283
May-08	\$4,127,283	(\$124,736)	\$4,002,547	\$4,064,915	4.630%	\$15,684	\$4,018,231
Jun-08	\$4,018,231	(\$137,401)	\$3,880,830	\$3,949,530	4.630%	\$15,239	\$3,896,069
Jul-08	\$3,896,069	(\$167,014)	\$3,729,054	\$3,812,562	4.630%	\$14,710	\$3,743,764
Aug-08	\$3,743,764	(\$165,555)	\$3,578,209	\$3,660,987	4.630%	\$14,125	\$3,592,335
Sep-08	\$3,592,335	(\$137,692)	\$3,454,643	\$3,523,489	4.630%	\$13,595	\$3,468,237
Oct-08	\$3,468,237	(\$107,934)	\$3,360,303	\$3,414,270	4.630%	\$13,173	\$3,373,477
Nov-08	\$3,373,477	\$0	\$3,373,477	\$3,373,477	4.630%	\$13,016	\$3,386,493
Dec-08	\$3,386,493	\$0	\$3,386,493	\$3,386,493	4.630%	\$13,066	\$3,399,559
<b>Total</b>		<b>(\$1,396,820)</b>					

Column Notes:

- (a) Column (g) of previous month; beginning balance from Page 2
- (b) from page 2
- (c) Column (a) + Column (b)
- (d) (Column (a) + Column (c)) ÷ 2
- (e) rate of interest on customer deposits
- (f) Column (d) \* Column (e)/12
- (g) Column (c) + Column (f)

**National Grid**  
**Low Income Customer Credit per Commission Decision in RIPUC Docket No. 3788**

<u>Month</u>	<u>Beginning Balance</u> (a)	<u>Credit</u> (b)	<u>Ending Balance</u> (c)	<u>Interest Balance</u> (d)	<u>Monthly Interest Rate</u> (e)	<u>Monthly Interest</u> (f)	<u>Ending Balance</u> (g)
Jan-07	\$6,350,901	(\$179,991)	\$6,170,910	\$6,260,906	4.290%	\$22,383	\$6,193,293
Feb-07	\$6,193,293	(\$173,084)	\$6,020,209	\$6,106,751	4.290%	\$21,832	\$6,042,041
Mar-07	\$6,042,041	(\$169,896)	\$5,872,145	\$5,957,093	4.800%	\$23,828	\$5,895,973
Apr-07	\$5,895,973	(\$161,179)	\$5,734,794	\$5,815,384	4.800%	\$23,262	\$5,758,056
May-07	\$5,758,056	(\$157,096)	\$5,600,960	\$5,679,508	4.800%	\$22,718	\$5,623,678
Jun-07	\$5,623,678	(\$164,493)	\$5,459,186	\$5,541,432	4.800%	\$22,166	\$5,481,351
Jul-07	\$5,481,351	(\$174,181)	\$5,307,171	\$5,394,261	4.800%	\$21,577	\$5,328,748
Aug-07	\$5,328,748	(\$186,627)	\$5,142,120	\$5,235,434	4.800%	\$20,942	\$5,163,062
Sep-07	\$5,163,062	(\$181,071)	\$4,981,991	\$5,072,527	4.800%	\$20,290	\$5,002,281
Oct-07	\$5,002,281	(\$166,874)	\$4,835,408	\$4,918,844	4.800%	\$19,675	\$4,855,083
Nov-07	\$4,855,083	(\$136,478)	\$4,718,605	\$4,786,844	4.800%	\$19,147	\$4,737,752
Dec-07	\$4,737,752	(\$141,215)	\$4,596,537	\$4,667,145	4.800%	\$18,669	\$4,615,206
<b>Total</b>		<b>(\$1,992,184)</b>					

**Column Notes:**

- (a) Column (g) of previous month; beginning balance from Schedule JAL-11 Page 4 of RIPUC Docket No. 3902
- (b) from Company monthly revenue report
- (c) Column (a) + Column (b)
- (d) (Column (a) + Column (c)) ÷ 2
- (e) rate of interest on customer deposits
- (f) Column (d) \* Column (e)/12
- (g) Column (c) + Column (f)

**National Grid**  
**Low Income Customer Credit for 2008**

(1) Proposed per kWh credit	\$0.01306
(2) Forecasted Rate A-60 initial block kWh deliveries for 2008	<u>154,011,683</u>
(3) Proposed Annual Credit	\$2,011,393

- (1) Per testimony
- (2) Company forecast
- (3) Line (1) x Line (2)



Schedule JAL-14  
Net Metering Report

**Net Metering Report for 2008**

NG number	TOWN	ZIP Code	Capacity (kW)	Fuel or energy source	Prime mover	Date Authority to inter-connect sent to customer	Rate Class	Lost annual kWh	Lost kWh in 2008	Distribution Charge	Lost Revenue in 2008
NECO-1	Little Compton	02837	10.53	PV	PV	10/27/04	A-16	11,583	11,583	\$ 0.033770	\$ 391.16
NECO-2	Wakefield	02879	10	Wind	Wind	8/4/03	A-16	3,500	3,500	\$ 0.033770	\$ 118.20
NECO-3	Charlestown	02813	3.6	PV	PV	8/1/03	A-16	3,960	3,960	\$ 0.033770	\$ 133.73
NECO-4	Cranston	02920	3	PV	PV	10/6/03	A-16	3,300	3,300	\$ 0.033770	\$ 111.44
NECO-6	Westerly	02891	3	PV	PV	1/15/04	A-16	3,300	3,300	\$ 0.033770	\$ 111.44
NECO-7	Bristol	02809	8	PV	PV	5/14/04	G-02	8,800	8,800	\$ 0.007770	\$ 68.38
NECO-8	Westerly	02891	5	PV	PV	10/28/04	A-16	5,500	5,500	\$ 0.033770	\$ 185.74
NECO-9	West Greenwich	02817	1.8	PV	PV	3/9/05	G-02	1,980	1,980	\$ 0.007770	\$ 15.38
NECO-10	Providence	02907	20.04	PV	PV	5/10/05	G-02	22,044	22,044	\$ 0.007770	\$ 171.28
NECO-11	Warwick	02886	8.95	PV	PV	6/21/05	A-16	9,845	9,845	\$ 0.033770	\$ 332.47
NECO-13	Wakefield	02879	5.32	PV	PV	3/17/06	A-16	5,852	5,852	\$ 0.033770	\$ 197.62
NECO-14	Cumberland	02864	8.4	PV	PV	9/10/04	A-16	9,240	9,240	\$ 0.033770	\$ 312.03
NECO-15	Barrington	02806	4.488	PV	PV	8/10/05	A-16	4,937	4,937	\$ 0.033770	\$ 166.72
NECO-16	Tiverton	02878	5.1	PV	PV	8/24/05	A-16	5,610	5,610	\$ 0.033770	\$ 189.45
NECO-17	Lincoln	02865	5.1	PV	PV	8/24/05	A-16	5,610	5,610	\$ 0.033770	\$ 189.45
NECO-18	Scituate	02857	1.8	PV	PV	5/5/05	G-32	1,980	1,980	\$ 0.008890	\$ 17.60
NECO-19	Portsmouth		660	Wind	Wind	4/1/06	G-32	1,250,000	1,250,000	\$ 0.008890	\$ 11,112.50
NECO-20	Warwick	02888	7.3	PV	PV	8/12/05	A-16	8,030	8,030	\$ 0.033770	\$ 271.17
NECO-21	Barrington	02806	2.9	PV	PV	8/12/05	A-16	3,190	3,190	\$ 0.033770	\$ 107.73
NECO-22	Wood River Jct	02894	15	PV	PV	6/2/05	C-06	16,500	16,500	\$ 0.036340	\$ 599.61
NECO-23	Narragansett	02882	5.3	PV	PV	11/9/04	A-16	5,830	5,830	\$ 0.033770	\$ 196.88
NECO-24	Bristol	02809	3.6	PV	PV	9/17/04	G-32	3,960	3,960	\$ 0.008890	\$ 35.20
NECO-25	Bristol	02809	9	PV	PV	9/17/04	G-32	9,900	9,900	\$ 0.008890	\$ 88.01
NECO-26	Charlestown	02836	2.1	PV	PV	7/22/99	A-16	2,310	2,310	\$ 0.033770	\$ 78.01
NECO-27	Providence	02906	3.96	PV	PV	5/27/05	A-16	4,356	4,356	\$ 0.033770	\$ 147.10
NECO-28	Providence	02904	24.9	PV	PV	12/29/05	G-32	27,390	27,390	\$ 0.008890	\$ 243.50
NECO-29	Cranston	02920	50	PV	PV	5/1/06	C-06	55,000	55,000	\$ 0.036340	\$ 1,998.70
NECO-30	West Kingston	02892	2.5	PV	PV	2/3/03	A-16	2,750	2,750	\$ 0.033770	\$ 92.87
NECO-31	Cranston	02910	2	PV	PV	8/15/02	G-32	2,200	2,200	\$ 0.008890	\$ 19.56
NECO-32	North Kingstown	02852	2	PV	PV	8/15/02	G-02	2,200	2,200	\$ 0.007770	\$ 17.09
NECO-33	Providence		2	PV	PV	5/1/02	G-32	2,200	2,200	\$ 0.008890	\$ 19.56
NECO-34	West Kingston	02892	5.76	PV	PV	3/12/02	G-02	6,336	6,336	\$ 0.007770	\$ 49.23
NECO-35	Providence	02905	1.14	PV	PV	6/21/01	A-16	1,254	1,254	\$ 0.033770	\$ 42.35
NECO-36	Middletown	02842	1.8	PV	PV	11/1/01	A-16	1,980	1,980	\$ 0.033770	\$ 66.86
NECO-37	Burrillville	02826	2	PV	PV	1/1/02	G-32	2,200	2,200	\$ 0.008890	\$ 19.56

**Net Metering Report for 2008**

NG number	TOWN	ZIP Code	Capacity (kW)	Fuel or energy source	Prime mover	Date Authority to inter-connect sent to customer	Rate Class	Lost annual kWh	Lost kWh in 2008	Distribution Charge	Lost Revenue in 2008
RI-1	Little Compton	02837	10.03	PV	PV	5/25/05	A-16	11,033	11,033	\$ 0.033770	\$ 372.58
RI-2	Charlestown	02813	5.25	PV	PV	10/30/06	A-16	5,775	5,775	\$ 0.033770	\$ 195.02
RI-3	Peacedale		5.1	PV	PV	6/2/06	A-16	5,610	5,610	\$ 0.033770	\$ 189.45
RI-4	Charlestown	02813	2.7	PV	PV	1/7/05	A-16	2,970	2,970	\$ 0.033770	\$ 100.30
RI-5	Narragansett		4	PV	PV	3/2/06	A-16	4,400	4,400	\$ 0.033770	\$ 148.59
RI-6	Cumberland	02864	3.05	PV	PV	12/12/05	A-16	3,355	3,355	\$ 0.033770	\$ 113.30
RI-7	Providence		1	PV	PV	10/25/05	G-62	1,100	1,100	\$ -	\$ -
RI-8	Smithfield	02917	10.54	PV	PV	4/14/06	A-16	11,594	11,594	\$ 0.033770	\$ 391.53
RI-9	Bristol	02809	4	PV	PV	12/19/06	A-16	4,400	4,400	\$ 0.033770	\$ 148.59
RI-10	Tiverton	02878	5	PV	PV	10/27/05	G-02	5,500	5,500	\$ 0.007770	\$ 42.74
RI-11	Charlestown	02813	4	PV	PV	4/7/06	A-16	4,400	4,400	\$ 0.033770	\$ 148.59
RI-12	Kingstown	02881	5.86	PV	PV	3/31/06	C-06	6,446	6,446	\$ 0.036340	\$ 234.25
RI-13	Hope Valley	02832	6.88	PV	PV	10/30/06	A-16	7,568	7,568	\$ 0.033770	\$ 255.57
RI-14	Tiverton	02878	4.008	PV	PV	4/17/06	A-16	4,409	4,409	\$ 0.033770	\$ 148.89
RI-16	Wakefield	02879	5.7	PV	PV	5/9/06	A-16	6,270	6,270	\$ 0.033770	\$ 211.74
RI-17	Wakefield	02879	5.94	PV	PV	7/26/06	A-16	6,534	6,534	\$ 0.033770	\$ 220.65
RI-18	Barrington	02806	3.25	PV	PV	12/19/06	A-16	3,575	3,575	\$ 0.033770	\$ 120.73
RI-19	Narragansett	02882	3.3	PV	PV	7/26/06	A-16	3,630	3,630	\$ 0.033770	\$ 122.59
RI-20	Charlestown	02813	5.32	PV	PV	7/26/06	A-16	5,852	5,852	\$ 0.033770	\$ 197.62
RI-21	South Kingstown	02892	3.8	PV	PV	7/26/06	A-16	4,180	4,180	\$ 0.033770	\$ 141.16
RI-22	Westerly	02891	3.99	PV	PV	5/18/06	A-16	4,389	4,389	\$ 0.033770	\$ 148.22
RI-23	Providence	02906	1.7	PV	PV	1/12/07	A-16	1,870	1,870	\$ 0.033770	\$ 63.15
RI-24	West Kingston	02892	3.8	PV	PV	8/17/06	A-16	4,180	4,180	\$ 0.033770	\$ 141.16
RI-25	Portsmouth		3.4	PV	PV	7/5/06	A-16	3,740	3,740	\$ 0.033770	\$ 126.30
RI-26	West Kingston	02892	4	PV	PV	4/27/06	A-16	4,400	4,400	\$ 0.033770	\$ 148.59
RI-27	Providence	02908	6	PV	PV	1/27/06	A-16	6,600	6,600	\$ 0.033770	\$ 222.88
RI-28	Providence	02906	3.06	PV	PV	10/10/06	A-16	3,366	3,366	\$ 0.033770	\$ 113.67
RI-30	Charlestown	02813	4.18	PV	PV	4/27/06	A-16	4,598	4,598	\$ 0.033770	\$ 155.27
RI-31	Providence	02906	5.13	PV	PV	2/20/06	A-16	5,643	5,643	\$ 0.033770	\$ 190.56
RI-32	Gloucester	02814	4.56	PV	PV	4/14/06	A-16	5,016	5,016	\$ 0.033770	\$ 169.39
RI-33	Ashaway	02804	6.84	PV	PV	1/27/06	A-16	7,524	7,524	\$ 0.033770	\$ 254.09
RI-35	South Kingstown	02879	6.27	PV	PV	12/11/06	A-16	6,897	6,897	\$ 0.033770	\$ 232.91
RI-36	Jamestown	02835	1.4	PV	PV	11/2/06	A-16	1,540	1,540	\$ 0.033770	\$ 52.01
RI-37	Cranston	02910	5.7	PV	PV	2/16/07	A-16	6,270	6,270	\$ 0.033770	\$ 211.74
RI-38	Providence	02907	3.42	PV	PV	2/7/06	A-16	3,762	3,762	\$ 0.033770	\$ 127.04

**Net Metering Report for 2008**

NG number	TOWN	ZIP Code	Capacity (kW)	Fuel or energy source	Prime mover	Date Authority to inter-connect sent to customer	Rate Class	Lost annual kWh	Lost kWh in 2008	Distribution Charge	Lost Revenue in 2008
RI-39	Warren	02885	4.56	PV	PV	5/9/06	A-16	5,016	5,016	\$ 0.033770	\$ 169.39
RI-40	Narragansett	02882	5.7	PV	PV	9/16/06	A-16	6,270	6,270	\$ 0.033770	\$ 211.74
RI-41	Providence	02907	1.1	PV	PV	1/26/06	C-06	1,210	1,210	\$ 0.036340	\$ 43.97
RI-42	Westerly	02891	11.8	PV	PV	1/11/07	A-16	12,980	12,980	\$ 0.033770	\$ 438.33
RI-43	Pawtucket	02860	3.4	PV	PV	2/2/07	A-16	3,740	3,740	\$ 0.033770	\$ 126.30
RI-44	Middletown	02842	3	PV	PV	1/1/06	C-06	3,300	3,300	\$ 0.036340	\$ 119.92
RI-45	Narragansett	02882	4	PV	PV	10/27/05	A-16	4,400	4,400	\$ 0.033770	\$ 148.59
RI-46	Westerly	02891	6.4	PV	PV	1/11/07	A-16	7,040	7,040	\$ 0.033770	\$ 237.74
RI-49	Bristol	02809	2	PV	PV	1/31/07	G-02	2,200	2,200	\$ 0.007770	\$ 17.09
RI-50	Middletown	02842	2	PV	PV	2/1/07	G-02	2,200	2,200	\$ 0.007770	\$ 17.09
RI-51	Bristol	02809	4.2	PV	PV	12/1/06	A-16	4,620	4,620	\$ 0.033770	\$ 156.02
RI-52	Wakefield	02879	5.9	PV	PV	2/6/07	A-16	6,490	6,490	\$ 0.033770	\$ 219.17
RI-53	Scituate	02857	15.45	PV	PV	6/11/07	A-16	16,995	16,995	\$ 0.033770	\$ 573.92
RI-54			1.8	PV	PV	8/31/06	G-02	1,980	1,980	\$ 0.007770	\$ 15.38
RI-55	Wakefield	02879	7	PV	PV	12/31/07	A-16	7,700	7,700	\$ 0.033770	\$ 260.03
RI-56	Greenville	02828	19.4	PV	PV	9/26/07	G-02	21,340	21,340	\$ 0.007770	\$ 165.81
RI-57	Jamestown	02835	3.15	PV	PV	12/31/07	A-16	3,465	3,465	\$ 0.033770	\$ 117.01
RI-58	West Greenwich	02817	1.575	PV	PV	12/13/07	A-16	1,733	1,733	\$ 0.033770	\$ 58.51
RI-59			2	PV	PV	7/6/07	G-32	2,200	2,200	\$ 0.008890	\$ 19.56
RI-60			2	PV	PV	7/6/07	G-32	2,200	2,200	\$ 0.008890	\$ 19.56
RI-61			2	PV	PV	9/27/07	G-32	2,200	2,200	\$ 0.008890	\$ 19.56
RI-62	Hope Valley	02813	3.12	PV	PV	7/19/07	A-16	3,432	3,432	\$ 0.033770	\$ 115.90
RI-69	West Kingston	02892	5.55	PV	PV	12/31/05	A-16	6,105	6,105	\$ 0.033770	\$ 206.17
RI-71	Portsmouth	02871	3.15	PV	PV	9/25/07	A-16	3,465	3,465	\$ 0.033770	\$ 117.01
RI-72	Middletown	02842	2.45	PV	PV	10/12/07	A-16	2,695	2,695	\$ 0.033770	\$ 91.01
RI-73	Little Compton	02837	3.04	PV	PV	8/28/07	A-16	3,344	3,344	\$ 0.033770	\$ 112.93
RI-74	Warwick	02886	1.75	PV	PV	10/1/07	A-16	1,925	1,925	\$ 0.033770	\$ 65.01
RI-75	Little Compton	02837	5.4	PV	PV	6/18/08	A-16	5,940	2,767	\$ 0.033770	\$ 93.43
RI-77	Jamestown	02835	3.675	PV	PV	10/22/07	A-16	4,043	4,043	\$ 0.033770	\$ 136.52
RI-78	Scituate	02857	7.56	PV	PV	10/29/07	A-16	8,316	8,316	\$ 0.033770	\$ 280.83
RI-79	Newport	02886	24.5	PV	PV	11/16/07	G-02	26,950	26,950	\$ 0.007770	\$ 209.40
RI-80	Wakefield	02879	2.4	Wind	Wind	10/23/07	A-16	840	840	\$ 0.033770	\$ 28.37
RI-81	South Kingstown	02892	4.2	PV	PV	12/7/07	A-16	4,620	4,620	\$ 0.033770	\$ 156.02
RI-82	Little Compton	02837	2.8	PV	PV	11/7/07	A-16	3,080	3,080	\$ 0.033770	\$ 104.01
RI-83	East Greenwich	02818	1	PV	PV	9/3/98	A-16	1,100	1,100	\$ 0.033770	\$ 37.15





Schedule JAL-15

Tariff Cover Sheets

Clean and Marked to Show Changes Version

THE NARRAGANSETT ELECTRIC COMPANY  
**Basic Residential Rate (A-16)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1170

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$2.75
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Charge per kWh</u>	0.436¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	3.376¢
<u>Minimum Charge per month</u>	\$2.75
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

**Low Income Rate (A-60)**

Retail Delivery Service

Effective

January 1, 2009

R.I.P.U.C. No. 1171

Monthly Charge As Adjusted

Rates for Retail Delivery Service

Non-Bypassable Transition Charge per kWh 0.235¢

Transmission Charge per kWh 0.338¢

Transmission Adjustment Factor per kWh 1.064¢

Distribution Charges per kWh

December through March

First 450 kWh \* 0.382¢

Next 750 kWh 3.055¢

kWhs in excess of 1200 kWh 2.548¢

April through November

First 450 kWh \* 0.382¢

kWhs in excess of 450 kWh 3.055¢

Conservation and Load Management Adjustment per kWh 0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

Standard Offer per kWh per Standard Offer Service tariff

Last Resort per kWh per Last Resort Service tariff

\* Includes credit of 1.306¢ per kWh.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**C&I Back-Up Service Rate (B-32)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1172

Monthly Charge As Adjusted

	<u>Rates for Back-Up Service</u>	<u>Rates for Supplemental Service</u>
<u>Rates for Retail Delivery Service</u>		
<u>Customer Charge per month</u>	\$236.43	n/a
<u>Transmission Demand Charge per kW</u>	n/a	\$1.27
<u>Distribution Demand Charge per kW</u>	\$5.11	\$1.99
<u>Distribution Demand Charge per kW (Applicable to former Auxiliary Service Customers)</u>	\$5.11	\$1.99
<u>Transmission Adjustment Factor per kWh</u>	n/a	1.064¢
<u>Distribution Energy Charge per kWh</u>	n/a	0.889¢
<u>Non-bypassable Transition Charge per kWh</u>	n/a	0.235¢
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢
<u>Rates for Standard Offer Service or Last Resort Service (Optional)</u>		
<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**3,000 kW Back-Up Service Rate (B-62)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1173

Monthly Charge As Adjusted

	<u>Rates for Back-Up Service</u>	<u>Rates for Supplemental Service</u>
<u>Rates for Retail Delivery Service</u>		
<u>Customer Charge per month</u>	\$17,118.72	n/a
<u>Distribution Demand Charge per kW</u>	\$2.22	\$2.22
<u>Distribution Demand Charge per kW (Applicable to former Auxiliary Service Customers)</u>	\$2.22	\$2.22
<u>Transmission Demand Charge per kW</u>	n/a	\$1.39
<u>Transmission Adjustment Factor per kWh</u>	n/a	1.064¢
<u>Non-bypassable Transition Charge per kWh</u>	n/a	0.235¢
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢
 <u>Rates for Standard Offer Service or Last Resort Service (Optional)</u>		
<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

**Small C&I Rate (C-06)**

Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1174

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$6.00
<u>Unmetered Charge per month</u>	\$1.83
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Charge per kWh</u>	0.536¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	3.624¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**Residential Storage Heating Rate (E-30)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1175

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$2.75
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Charge per kWh</u>	0.261¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	3.376¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

**Storage Cooling Rate (E-40)**

Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No 1190

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$75.15
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Charge per kWh</u>	0.141¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	
Peak/Shoulder	2.536¢
Off Peak	0.949¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

**General C&I Rate (G-02)**

Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1176

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$103.41
<u>Transmission Charge per kW in excess of 10 kW</u>	\$1.40
<u>Distribution Charge per kW in excess of 10 kW</u>	\$3.22
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	0.777¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**200 kW Demand Rate (G-32)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1177

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$236.43
<u>Transmission Charge per kW</u>	\$1.27
<u>Distribution Charge per kW</u>	\$1.99
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	0.889¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

**3000 kW Demand Rate (G-62)**

Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1178

Monthly Charge As Adjusted

Rates for Retail Delivery Services

<u>Customer Charge per month</u>	\$17,118.72
<u>Transmission Charge per kW</u>	\$1.39
<u>Distribution Charge per kW</u>	\$2.22
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**Limited Traffic Signal Service (R-02)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1179

Monthly Charge as Adjusted

Rates for Retail Delivery Service

<u>Unmetered Charge per month</u>	\$1.83
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Charge per kWh</u>	0.259¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Charge per kWh</u>	3.624¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note:**     **The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective  
January 1, 2009

**Limited Service - Private Lighting (S-10)**  
Retail Delivery Service

R.I.P.U.C. No. 1180

Luminaire

Type/Lumens

	<u>Code</u>	<u>Annual kWh</u>
<u>Incandescent</u>		
1,000	10	440
<u>Mercury Vapor</u>		
8,000 Post Top	2	908
4,000	3	561
8,000	4	908
22,000	5	1,897
63,000	6	4,569
22,000 FL	23	1,897
63,000 FL	24	4,569

Sodium Vapor

4,000	70	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 FL	77	1,284
50,000 FL	78	1,968
9,600 Post Top	79	490
27,500 (24 hr)	84	2,568

Non-Bypassable Transition Charge per kWh 0.235¢

Transmission Charge per kWh 0.259¢

Transmission Adjustment Factor per kWh 1.064¢

Conservation & Load Management Adjustment per kWh 0.230¢

	<u>Narragansett Zone</u>	<u>Blackstone Zone</u>	<u>Newport Zone</u>
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Streetlight Credit per kWh	0.000¢	4.420¢	2.918¢
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Standard Offer per Standard Offer Service tariff (Optional)

Last Resort per Last Resort Service tariff (Optional)

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**General Streetlighting Service (S-14)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1181

<u>Luminaire</u>			
<u>Type/Lumens</u>	<u>Code</u>		<u>Annual kWh</u>
<u>Incandescent</u>			
1,000	10		440
1,500	11		845
<u>Mercury Vapor</u>			
8,000 Post Top	02		908
4,000	03		561
8,000	04		908
15,000	17, 18		1,874
22,000	05		1,897
63,000	06		4,569
<u>Sodium Vapor</u>			
4,000	70, 710, 711, 750, 755, 756		248
5,800	71		349
9,600	72		490
27,500	74		1,284
50,000	75		1,968
27,500 (24 hr)	84		2,568
50,000 FL	78		1,968
9,600 Post Top	79		490
Non-Bypassable Transition Charge per kWh			0.235¢
Transmission Charge per kWh			0.259¢
Transmission Adjustment Factor per kWh			1.064¢
Conservation & Load Management Adj. per kWh			0.230¢
		<u>Narragansett</u>	<u>Blackstone</u>
		<u>Zone</u>	<u>Zone</u>
			<u>Newport</u>
			<u>Zone</u>
Streetlight Credit per kWh		0.000¢	4.420¢
			2.918¢
Standard Offer Service		per Standard Offer Service tariff (Optional)	
Last Resort Service		per Last Resort Service tariff (Optional)	

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**Limited Service All-Electric Living (T-06)**  
Retail Delivery Service

Effective  
January 1, 2009

R.I.P.U.C. No. 1182

Monthly Charge As Adjusted

Rates for Retail Delivery Service

Residential:

<u>Customer Charge per month</u>	\$2.75
<u>Distribution Charge per kWh</u>	3.376¢
<u>Minimum Charge per month</u>	\$2.75

Commercial:

<u>Customer Charge per month</u>	\$6.00
<u>Distribution Charge per kWh</u>	3.624¢
<u>Minimum Charge per month</u>	\$6.00

All Classes:

<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Charge per kWh</u>	0.361¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note:**     **The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective  
January 1, 2009

**Electric Propulsion Rate (X-01)**  
High Voltage Delivery Service

R.I.P.U.C. No. 1183

Monthly Charge As Adjusted

Rates for High Voltage Delivery Service

<u>Customer Charge per month</u>	\$10,000.00
<u>Transmission Demand Charge per kW</u>	\$1.34
<u>Non-Bypassable Transition Charge per kWh</u>	0.235¢
<u>Transmission Adjustment Factor per kWh</u>	1.064¢
<u>Distribution Energy Charge per kWh</u>	0.312¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**Station Power Delivery and Reliability Service Rate (M-1)**  
Retail Delivery Service

R.I.P.U.C. No. 1184

Rates for Station Power Delivery and Reliability Service

Eligible Customers must select one of the two rate Options A or B below:

**Monthly Charges**

**OPTION A**

<u>Distribution Delivery Service Charge</u>	\$3,406.18 per month
<u>Non-Bypassable Transition Charge</u>	Higher of: 0.235¢ per kWh or \$3,500
<u>Conservation and Load Management Charge</u>	Higher of 0.230¢ per kWh or \$800

**OPTION B**

<u>Distribution Delivery Service Charge</u>	\$3,406.18 per month
<u>Non-Bypassable Transition Charge</u>	0.235¢ per kWh
<u>Conservation and Load Management Charge</u>	0.230¢ per kWh

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

**Basic Residential Rate (A-16)**~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No. 1170

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$2.75
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.322</del> <u>0.235</u> ¢
<u>Transmission Charge per kWh</u>	0.436¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.541</del> <u>1.064</u> ¢
<u>Distribution Charge per kWh</u>	<del>3.377</del> ¢ (Eff. Jan 1, 2008) 3.376¢ (Eff. Jan 1, 2009)
<u>Minimum Charge per month</u>	\$2.75
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

**Low Income Rate (A-60)**~~January 1, 2008~~ January 1, 2009

## Retail Delivery Service

R.I.P.U.C. No. 1171

Monthly Charge As Adjusted

Rates for Retail Delivery ServiceNon-Bypassable Transition Charge per kWh ~~0.322~~ 0.235¢Transmission Charge per kWh 0.338¢Transmission Adjustment Factor per kWh ~~0.541~~ 1.064¢Distribution Charges per kWh

December through March

First 450 kWh \* 0.382¢

Next 750 kWh 3.055¢

kWhs in excess of 1200 kWh 2.548¢

April through November

First 450 kWh \* 0.382¢

kWhs in excess of 450 kWh 3.055¢

Conservation and Load Management Adjustment per kWh 0.230¢Rates for Standard Offer Service or Last Resort Service (Optional)Standard Offer per kWh per Standard Offer Service tariffLast Resort per kWh per Last Resort Service tariff

\* Includes credit of 1.306¢ per kWh.

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**C&I Back-Up Service Rate (B-32)**

~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No. 1172

Monthly Charge As Adjusted

<u>Rates for Retail Delivery Service</u>	<u>Rates for Back-Up Service</u>	<u>Rates for Supplemental Service</u>
<u>Customer Charge per month</u>	\$236.43	n/a
<u>Transmission Demand Charge per kW</u>	n/a	\$1.27
<u>Distribution Demand Charge per kW</u>	<del>\$5.12</del> \$5.11	<del>\$2.00 (Eff. January 1, 2008)</del> \$1.99 (Eff. January 1, 2009)

Distribution Demand Charge per kW (Applicable to former Auxiliary Service Customers)

	<del>\$4.11</del> \$5.11	<del>\$2.00 (Eff. January 1, 2008)</del> \$1.99 (Eff. January 1, 2009)
<u>Transmission Adjustment Factor per kWh</u>	n/a	<del>0.54</del> <u>1.064¢</u>
<u>Distribution Energy Charge per kWh</u>	n/a	0.889¢
<u>Non-bypassable Transition Charge per kWh</u>	n/a	<del>0.322</del> <u>0.235¢</u>
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

**3,000 kW Back-Up Service Rate (B-62)**~~January 1, 2008~~ January 1, 2009

## Retail Delivery Service

R.I.P.U.C. No. 1173

## Monthly Charge As Adjusted

	<u>Rates for Back-Up Service</u>	<u>Rates for Supplemental Service</u>
<u>Rates for Retail Delivery Service</u>		
<u>Customer Charge per month</u>	\$17,118.72	n/a
<u>Distribution Demand Charge per kW</u>	<del>\$2.24</del> \$2.22	<del>\$2.24 (Eff. January 1, 2008)</del> \$2.22 (Eff. January 1, 2009)
<u>Distribution Demand Charge per kW (Applicable to former Auxiliary Service Customers)</u>		
	<del>\$1.77</del> \$2.22	<del>\$2.24 (Eff. January 1, 2008)</del> \$2.22 (Eff. January 1, 2009)
<u>Transmission Demand Charge per kW</u>	n/a	\$1.39
<u>Transmission Adjustment Factor per kWh</u>	n/a	<del>0.54</del> <u>1.064¢</u>
<u>Non-bypassable Transition Charge per kWh</u>	n/a	<del>0.32</del> <u>2.235¢</u>
<u>C&amp;LM Adjustment per kWh</u>	n/a	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	n/a	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	n/a	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective

Small C&I Rate (C-06)

~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No. 1174

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$6.00
<u>Unmetered Charge per month</u>	\$1.83
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.322</del> <u>0.235</u> ¢
<u>Transmission Charge per kWh</u>	0.536¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.541</del> <u>1.064</u> ¢
<u>Distribution Charge per kWh</u>	
	<del>3.634</del> ¢ (Eff. January 1, 2008)
	3.624¢ (Eff. January 1, 2009)
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY  
**Residential Storage Heating Rate (E-30)**  
Retail Delivery Service

Effective  
~~January 1, 2008~~ January 1, 2009

R.I.P.U.C. No. 1175

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$2.75
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.3220</del> <u>0.235¢</u>
<u>Transmission Charge per kWh</u>	0.261¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.541</del> <u>1.064¢</u>
<u>Distribution Charge per kWh</u>	<del>3.017¢ (Eff. January 1, 2008)</del> 3.376¢ (Eff. January 1, 2009)
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

## Storage Cooling Rate (E-40)

~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No 1190

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$75.15
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.3220</del> 0.235¢
<u>Transmission Charge per kWh</u>	0.141¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.5411</del> 0.064¢
<u>Distribution Charge per kWh</u>	
Peak/Shoulder	2.536¢
Off Peak	0.949¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective

General C&I Rate (G-02)

~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No. 1176

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$103.41
<u>Transmission Charge per kW in excess of 10 kW</u>	\$1.40
<u>Distribution Charge per kW in excess of 10 kW</u>	\$3.22
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.322</del> 0.235¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.541</del> 1.064¢
<u>Distribution Charge per kWh</u>	0.777¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes. However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

Monthly Charge As Adjusted

Rates for Retail Delivery Service

<u>Customer Charge per month</u>	\$236.43
<u>Transmission Charge per kW</u>	\$1.27
<u>Distribution Charge per kW</u>	<del>\$2.00 (Eff. January 1, 2008)</del> \$1.99 (Eff. January 1, 2009)
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.3220</del> 0.235¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.5441</del> 1.064¢
<u>Distribution Charge per kWh</u>	0.889¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

Monthly Charge As Adjusted

Rates for Retail Delivery Services

<u>Customer Charge per month</u>	\$17,118.72
<u>Transmission Charge per kW</u>	\$1.39
<u>Distribution Charge per kW</u>	
	\$2.24 (Eff. January 1, 2008)
	\$2.22 (Eff. January 1, 2009)
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.3220</del> 0.235¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.544</del> 1.064¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

**Limited Traffic Signal Service (R-02)**~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No. 1179

Monthly Charge as Adjusted

Rates for Retail Delivery ServiceUnmetered Charge per month~~\$1.44 (Eff. January 1, 2008)~~

\$1.83 (Eff. January 1, 2009)

Non-Bypassable Transition Charge per kWh~~0.322~~ 0.235¢Transmission Charge per kWh

0.259¢

Transmission Adjustment Factor per kWh~~0.544~~ 1.064¢Distribution Charge per kWh~~3.071¢ (Eff. January 1, 2008)~~

3.624¢ (Eff. January 1, 2009)

Conservation and Load Management Adjustment per kWh

0.230¢

Rates for Standard Offer Service or Last Resort (Optional)Standard Offer per kWh

per Standard Offer Service tariff

Last Resort per kWh

per Last Resort Service tariff

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective

**Limited Service - Private Lighting (S-10)**  
Retail Delivery Service

~~January 1, 2008~~ January 1, 2009

R.I.P.U.C. No. 1180

Luminaire

Type/Lumens

	<u>Code</u>	<u>Annual kWh</u>
<u>Incandescent</u>		
1,000	10	440
<u>Mercury Vapor</u>		
8,000 Post Top	2	908
4,000	3	561
8,000	4	908
22,000	5	1,897
63,000	6	4,569
22,000 FL	23	1,897
63,000 FL	24	4,569
<u>Sodium Vapor</u>		
4,000	70	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 FL	77	1,284
50,000 FL	78	1,968
9,600 Post Top	79	490
27,500 (24 hr)	84	2,568

| Non-Bypassable Transition Charge per kWh 0.3220.235¢

Transmission Charge per kWh 0.259¢

| Transmission Adjustment Factor per kWh 0.5411.064¢

Conservation & Load Management Adjustment per kWh 0.230¢

	<u>Narragansett Zone</u>	<u>Blackstone Zone</u>	<u>Newport Zone</u>
Streetlight Credit per kWh	0.000¢	4.420¢	2.918¢

Standard Offer per Standard Offer Service tariff (Optional)

Last Resort per Last Resort Service tariff (Optional)

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

R.I.P.U.C. No. 1181

<u>Luminaire</u>		
<u>Type/Lumens</u>	<u>Code</u>	<u>Annual kWh</u>
<u>Incandescent</u>		
1,000	10	440
1,500	11	845
<u>Mercury Vapor</u>		
8,000 Post Top	02	908
4,000	03	561
8,000	04	908
15,000	17, 18	1,874
22,000	05	1,897
63,000	06	4,569
<u>Sodium Vapor</u>		
4,000	70, 710, 711, 750, 755, 756	248
5,800	71	349
9,600	72	490
27,500	74	1,284
50,000	75	1,968
27,500 (24 hr)	84	2,568
50,000 FL	78	1,968
9,600 Post Top	79	490

Non-Bypassable Transition Charge per kWh	<del>0.3220</del> 0.235¢
Transmission Charge per kWh	0.259¢
Transmission Adjustment Factor per kWh	<del>0.541</del> 1.064¢
Conservation & Load Management Adj. per kWh	0.230¢

	<u>Narragansett</u>	<u>Blackstone</u>	<u>Newport</u>
	<u>Zone</u>	<u>Zone</u>	<u>Zone</u>
Streetlight Credit per kWh	0.000¢	4.420¢	2.918¢

Standard Offer Service per Standard Offer Service tariff (Optional)

Last Resort Service per Last Resort Service tariff (Optional)

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

## Retail Delivery Service

R.I.P.U.C. No. 1182

Monthly Charge As Adjusted

Rates for Retail Delivery ServiceResidential:

<u>Customer Charge per month</u>	\$2.75
<u>Distribution Charge per kWh</u>	<del>3.150¢ (Eff. January 1, 2008)</del> 3.376¢ (Eff. January 1, 2009)
<u>Minimum Charge per month</u>	\$2.75

Commercial:

<u>Customer Charge per month</u>	\$6.00
<u>Distribution Charge per kWh</u>	<del>3.347¢ (Eff. January 1, 2008)</del> 3.624¢ (Eff. January 1, 2009)
<u>Minimum Charge per month</u>	\$6.00

All Classes:

<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.322</del> 0.235¢
<u>Transmission Charge per kWh</u>	0.361¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.544</del> 1.064¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective

**Electric Propulsion Rate (X-01)**

~~January 1, 2008~~ January 1, 2009

High Voltage Delivery Service

R.I.P.U.C. No. 1183

Monthly Charge As Adjusted

Rates for High Voltage Delivery Service

<u>Customer Charge per month</u>	\$10,000.00
<u>Transmission Demand Charge per kW</u>	\$1.34
<u>Non-Bypassable Transition Charge per kWh</u>	<del>0.322</del> <u>0.235</u> ¢
<u>Transmission Adjustment Factor per kWh</u>	<del>0.541</del> <u>1.064</u> ¢
<u>Distribution Energy Charge per kWh</u>	0.312¢
<u>Conservation and Load Management Adjustment per kWh</u>	0.230¢

Rates for Standard Offer Service or Last Resort Service (Optional)

<u>Standard Offer per kWh</u>	per Standard Offer Service tariff
<u>Last Resort per kWh</u>	per Last Resort Service tariff

**Tax Note: The rates listed above do not reflect gross earnings tax or sales taxes (when applicable).  
However, such taxes, when applicable, will appear on bills sent to customers.**

Other Rate Clauses apply as usual.

THE NARRAGANSETT ELECTRIC COMPANY

Effective

**Station Power Delivery and Reliability Service Rate (M-1)** ~~January 1, 2008~~ January 1, 2009

Retail Delivery Service

R.I.P.U.C. No. 1184

Rates for Station Power Delivery and Reliability Service

Eligible Customers must select one of the two rate Options A or B below:

**Monthly Charges**

**OPTION A**

<u>Distribution Delivery Service Charge</u>	\$3,406.18 per month
<u>Non-Bypassable Transition Charge</u>	Higher of: <del>0.3220</del> <u>0.235</u> ¢ per kWh or \$3,500
<u>Conservation and Load Management Charge</u>	Higher of 0.230¢ per kWh or \$800

**OPTION B**

<u>Distribution Delivery Service Charge</u>	\$3,406.18 per month
<u>Non-Bypassable Transition Charge</u>	<del>0.3220</del> <u>0.235</u> ¢ per kWh
<u>Conservation and Load Management Charge</u>	0.230¢ per kWh

**Tax Note:** The rates listed above do not reflect gross earnings tax or sales taxes (when applicable). However, such taxes, when applicable, will appear on bills sent to customers.



Schedule JAL-16

Proposed Standard Offer Service Tariff

Clean and Marked to Show Changes Versions

**THE NARRAGANSETT ELECTRIC COMPANY  
STANDARD OFFER SERVICE**

**AVAILABILITY**

All Customers (including new Customers) who have not elected to take their electric supply from a non-regulated power producer will receive their power supply under this Standard Offer Rate until the Customer either: (1) takes its electric supply from a non-regulated power producer; or (2) takes Last Resort Service.

Customers who leave Standard Offer Service may not return to Standard Offer Service.

Standard Offer Service may be terminated by a Customer upon the next scheduled meter read provided that notice of the change of supplier was received in accordance with the Company's Terms and Conditions for Nonregulated Power Producers.

**MONTHLY CHARGE**

The Charge for Standard Offer Service will be the sum of the applicable Standard Offer Service charges in addition to all appropriate Retail Delivery charges as stated in the applicable tariff. The monthly charge for Standard Offer Service shall also include the costs incurred by the Company to comply with the Renewable Energy Standard, established in R.I.G.L. Section 39-26-1 and the costs to comply with the Commission's Rules Governing Energy Source Disclosure.

**RATE FOR ALL CLASSES**

Standard Offer	9.5¢ per kWh
Renewable Energy Standard Charge	0.084¢ per kWh

**RATE CHANGES**

The rates set forth in this tariff are effective for usage on and after January 1, 2009 until changes. Any changes will be filed with the Commission and are subject to Commission review and approval.

Effective January 1, 2009

THE NARRAGANSETT ELECTRIC COMPANY  
STANDARD OFFER SERVICE

**AVAILABILITY**

All Customers (including new Customers) who have not elected to take their electric supply from a non-regulated power producer will receive their power supply under this Standard Offer Rate until the Customer either: (1) takes its electric supply from a non-regulated power producer; or (2) takes Last Resort Service.

Customers who leave Standard Offer Service may not return to Standard Offer Service.

Standard Offer Service may be terminated by a Customer upon the next scheduled meter read provided that notice of the change of supplier was received in accordance with the Company's Terms and Conditions for Nonregulated Power Producers.

**MONTHLY CHARGE**

The Charge for Standard Offer Service will be the sum of the applicable Standard Offer Service charges in addition to all appropriate Retail Delivery charges as stated in the applicable tariff. The monthly charge for Standard Offer Service shall also include the costs incurred by the Company to comply with the Renewable Energy Standard, established in R.I.G.L. Section 39-26-1 and the costs to comply with the Commission's Rules Governing Energy Source Disclosure.

**RATE FOR ALL CLASSES**

Standard Offer	<del>12.49.5</del> ¢ per kWh
Renewable Energy Standard Charge	0.084¢ per kWh

**RATE CHANGES**

The rates set forth in this tariff are effective for usage on and after ~~July 15, 2008~~January 1, 2009 until changes. Any changes will be filed with the Commission and are subject to Commission review and approval.

Effective ~~July 15, 2008~~ January 1, 2009



Schedule JAL-17

Typical Bill Analysis

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-16 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Custs
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
120	\$24.61	\$15.61	\$9.00	\$21.52	\$11.98	\$9.54	-\$3.09	-12.6%	9.0%
240	\$46.34	\$31.21	\$15.13	\$40.18	\$23.96	\$16.22	-\$6.16	-13.3%	15.7%
500	\$93.44	\$65.02	\$28.42	\$80.60	\$49.92	\$30.68	-\$12.84	-13.7%	38.2%
700	\$129.67	\$91.03	\$38.64	\$111.69	\$69.88	\$41.81	-\$17.98	-13.9%	20.2%
950	\$174.95	\$123.54	\$51.41	\$150.56	\$94.84	\$55.72	-\$24.39	-13.9%	14.6%
1,000	\$184.01	\$130.04	\$53.97	\$158.33	\$99.83	\$58.50	-\$25.68	-14.0%	2.3%

Present Rates: A-16

Customer Charge		\$2.75
Transmission Energy Charge (1)	kWh x	\$0.00977
Distribution Energy Charge	kWh x	\$0.03377
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484

Proposed Rates: A-16

Customer Charge		\$2.75
Transmission Energy Charge (2)	kWh x	\$0.01500
Distribution Energy Charge	kWh x	\$0.03376
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (4)	kWh x	\$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - Winter (December through March)  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$14.89	\$13.00	\$1.89	\$12.32	\$9.98	\$2.34	-\$2.57	-17.3%
200	\$29.79	\$26.01	\$3.78	\$24.66	\$19.97	\$4.69	-\$5.13	-17.2%
300	\$44.68	\$39.01	\$5.67	\$36.98	\$29.95	\$7.03	-\$7.70	-17.2%
500	\$75.85	\$65.02	\$10.83	\$63.03	\$49.92	\$13.11	-\$12.82	-16.9%
750	\$120.05	\$97.53	\$22.52	\$100.80	\$74.88	\$25.92	-\$19.25	-16.0%
1250	\$208.17	\$162.55	\$45.62	\$176.08	\$124.79	\$51.29	-\$32.09	-15.4%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00879
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.01402
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - Winter (December through March)  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$14.75	\$13.00	\$1.75	\$12.32	\$9.98	\$2.34	-\$2.43	-16.5%
200	\$29.51	\$26.01	\$3.50	\$24.66	\$19.97	\$4.69	-\$4.85	-16.4%
300	\$44.26	\$39.01	\$5.25	\$36.98	\$29.95	\$7.03	-\$7.28	-16.4%
500	\$75.17	\$65.02	\$10.15	\$63.03	\$49.92	\$13.11	-\$12.14	-16.2%
750	\$119.02	\$97.53	\$21.49	\$100.80	\$74.88	\$25.92	-\$18.22	-15.3%
1250	\$207.14	\$162.55	\$44.59	\$176.08	\$124.79	\$51.29	-\$31.06	-15.0%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00879
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Water Heating Credit (1st 750 kWhs)	kWh x	-\$0.00132

Gross Earnings Tax 4.00%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.01402
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Water Heating Credit (1st 750 kWhs)	kWh x	\$0.00000

Gross Earnings Tax 4.00%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - Non-Winter (April through November)  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$14.89	\$13.00	\$1.89	\$12.32	\$9.98	\$2.34	-\$2.57	-17.3%
200	\$29.79	\$26.01	\$3.78	\$24.66	\$19.97	\$4.69	-\$5.13	-17.2%
300	\$44.68	\$39.01	\$5.67	\$36.98	\$29.95	\$7.03	-\$7.70	-17.2%
500	\$75.85	\$65.02	\$10.83	\$63.03	\$49.92	\$13.11	-\$12.82	-16.9%
750	\$120.05	\$97.53	\$22.52	\$100.80	\$74.88	\$25.92	-\$19.25	-16.0%
1250	\$208.43	\$162.55	\$45.88	\$176.35	\$124.79	\$51.56	-\$32.08	-15.4%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00879
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Tail Block Energy Charge	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.0%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.01402
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Tail Block Energy Charge	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.0%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - Non-Winter (April through November)  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)	
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
100	\$14.75	\$13.00	\$1.75	\$12.32	\$9.98	\$2.34	-\$2.43	-16.5%
200	\$29.51	\$26.01	\$3.50	\$24.66	\$19.97	\$4.69	-\$4.85	-16.4%
300	\$44.26	\$39.01	\$5.25	\$36.98	\$29.95	\$7.03	-\$7.28	-16.4%
500	\$75.17	\$65.02	\$10.15	\$63.03	\$49.92	\$13.11	-\$12.14	-16.2%
750	\$119.02	\$97.53	\$21.49	\$100.80	\$74.88	\$25.92	-\$18.22	-15.3%
1250	\$207.40	\$162.55	\$44.85	\$176.35	\$124.79	\$51.56	-\$31.05	-15.0%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00879
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Tail Block Energy Charge	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Water Heating Credit (1st 750 kWhs)	kWh x	-\$0.00132

Gross Earnings Tax 4.0%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.01402
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.00382
Tail Block Energy Charge	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Water Heating Credit (1st 750 kWhs)	kWh x	\$0.00000

Gross Earnings Tax 4.0%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on C-06 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Custs
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
250	\$52.47	\$32.51	\$19.96	\$46.03	\$24.96	\$21.07	-\$6.44	-12.3%	35.2%
500	\$98.68	\$65.02	\$33.66	\$85.80	\$49.92	\$35.88	-\$12.88	-13.1%	17.0%
1,000	\$191.11	\$130.04	\$61.07	\$165.34	\$99.83	\$65.51	-\$25.77	-13.5%	19.0%
1,500	\$283.54	\$195.06	\$88.48	\$244.89	\$149.75	\$95.14	-\$38.65	-13.6%	9.8%
2,000	\$375.98	\$260.08	\$115.90	\$324.44	\$199.67	\$124.77	-\$51.54	-13.7%	19.1%

Present Rates: C-06

Customer Charge		\$6.00
Transmission Energy Charge (1)	kWh x	\$0.01077
Distribution Energy Charge	kWh x	\$0.03634
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484

Proposed Rates: C-06

Customer Charge		\$6.00
Transmission Energy Charge (2)	kWh x	\$0.01600
Distribution Energy Charge	kWh x	\$0.03624
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (4)	kWh x	\$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on R-02 (Phase-out to C-06) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Custs
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
250	\$45.53	\$32.51	\$13.02	\$40.96	\$24.96	\$16.00	-\$4.57	-10.0%	15.6%
500	\$89.56	\$65.02	\$24.54	\$80.01	\$49.92	\$30.09	-\$9.55	-10.7%	23.1%
1,000	\$177.61	\$130.04	\$47.57	\$158.11	\$99.83	\$58.28	-\$19.50	-11.0%	49.2%
1,500	\$265.67	\$195.06	\$70.61	\$236.22	\$149.75	\$86.47	-\$29.45	-11.1%	10.3%
2,000	\$353.73	\$260.08	\$93.65	\$314.33	\$199.67	\$114.66	-\$39.40	-11.1%	1.8%

Present Rates: R-02 (Phase-out to C-06)

Unmetered Charge		\$1.44
Transmission Energy Charge (1)	kWh x	\$0.00800
Distribution Energy Charge	kWh x	\$0.03071
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: R-02 (Phase-out to C-06)

Unmetered Charge		\$1.83
Transmission Energy Charge (2)	kWh x	\$0.01323
Distribution Energy Charge	kWh x	\$0.03624
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Date: 13-Nov-08  
Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on E-30 (Phase-out to A-16) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Custs
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
1,000	\$178.44	\$130.04	\$48.40	\$156.51	\$99.83	\$56.68	-\$21.93	-12.3%	15.4%
2,500	\$441.79	\$325.10	\$116.69	\$386.98	\$249.58	\$137.40	-\$54.81	-12.4%	15.4%
5,000	\$880.73	\$650.21	\$230.52	\$771.10	\$499.17	\$271.93	-\$109.63	-12.4%	38.5%
10,000	\$1,758.60	\$1,300.42	\$458.18	\$1,539.32	\$998.33	\$540.99	-\$219.28	-12.5%	0.0%
25,000	\$4,392.19	\$3,251.04	\$1,141.15	\$3,844.01	\$2,495.83	\$1,348.18	-\$548.18	-12.5%	7.7%
50,000	\$8,781.51	\$6,502.08	\$2,279.43	\$7,685.16	\$4,991.67	\$2,693.49	-\$1,096.35	-12.5%	23.1%

Present Rates: E-30 (Phase-out to A-16)

Customer Charge		\$2.75
Transmission Energy Charge (1)	kWh x	\$0.00802
Distribution Energy Charge	kWh x	\$0.03017
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: E-30 (Phase-out to A-16)

Customer Charge		\$2.75
Transmission Energy Charge (2)	kWh x	\$0.01325
Distribution Energy Charge	kWh x	\$0.03376
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
20	4,000	\$753.93	\$520.17	\$233.76	\$651.26	\$399.33	\$251.93	-\$102.67	-13.6%
50	10,000	\$1,795.43	\$1,300.42	\$495.01	\$1,538.76	\$998.33	\$540.43	-\$256.67	-14.3%
100	20,000	\$3,531.26	\$2,600.83	\$930.43	\$3,017.93	\$1,996.67	\$1,021.26	-\$513.33	-14.5%
150	30,000	\$5,267.09	\$3,901.25	\$1,365.84	\$4,497.09	\$2,995.00	\$1,502.09	-\$770.00	-14.6%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (4)	kWh x	\$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
20	6,000	\$1,052.97	\$780.25	\$272.72	\$898.97	\$599.00	\$299.97	-\$154.00	-14.6%
50	15,000	\$2,543.04	\$1,950.63	\$592.41	\$2,158.03	\$1,497.50	\$660.53	-\$385.01	-15.1%
100	30,000	\$5,026.47	\$3,901.25	\$1,125.22	\$4,256.47	\$2,995.00	\$1,261.47	-\$770.00	-15.3%
150	45,000	\$7,509.91	\$5,851.88	\$1,658.03	\$6,354.91	\$4,492.50	\$1,862.41	-\$1,155.00	-15.4%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (4)	kWh x	\$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
20	8,000	\$1,352.01	\$1,040.33	\$311.68	\$1,146.68	\$798.67	\$348.01	-\$205.33	-15.2%
50	20,000	\$3,290.63	\$2,600.83	\$689.80	\$2,777.31	\$1,996.67	\$780.64	-\$513.32	-15.6%
100	40,000	\$6,521.68	\$5,201.67	\$1,320.01	\$5,495.01	\$3,993.33	\$1,501.68	-\$1,026.67	-15.7%
150	60,000	\$9,752.72	\$7,802.50	\$1,950.22	\$8,212.72	\$5,990.00	\$2,222.72	-\$1,540.00	-15.8%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%
Standard Offer Charge (4)	kWh x	\$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
20	10,000	\$1,651.06	\$1,300.42	\$350.64	\$1,394.38	\$998.33	\$396.05	-\$256.68	-15.5%
50	25,000	\$4,038.24	\$3,251.04	\$787.20	\$3,396.57	\$2,495.83	\$900.74	-\$641.67	-15.9%
100	50,000	\$8,016.88	\$6,502.08	\$1,514.80	\$6,733.56	\$4,991.67	\$1,741.89	-\$1,283.32	-16.0%
150	75,000	\$11,995.54	\$9,753.13	\$2,242.41	\$10,070.53	\$7,487.50	\$2,583.03	-\$1,925.01	-16.0%

<u>Present Rates:</u>			<u>Proposed Rates:</u>		
G-02			G-02		
Customer Charge		\$103.41	Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40	Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00541	Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22	Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777	Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00322	Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230	C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%	Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484	Standard Offer Charge (4)	kWh x	\$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
20	12,000	\$1,950.09	\$1,560.50	\$389.59	\$1,642.09	\$1,198.00	\$444.09	-\$308.00	-15.8%
50	30,000	\$4,785.84	\$3,901.25	\$884.59	\$4,015.84	\$2,995.00	\$1,020.84	-\$770.00	-16.1%
100	60,000	\$9,512.09	\$7,802.50	\$1,709.59	\$7,972.09	\$5,990.00	\$1,982.09	-\$1,540.00	-16.2%
150	90,000	\$14,238.34	\$11,703.75	\$2,534.59	\$11,928.34	\$8,985.00	\$2,943.34	-\$2,310.00	-16.2%

<u>Present Rates:</u>			<u>Proposed Rates:</u>		
G-02			G-02		
Customer Charge		\$103.41	Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40	Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00541	Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge-xcs 10 kW	kW x	\$3.22	Distribution Demand Charge-xcs 10 kW	kW x	\$3.22
Distribution Energy Charge	kWh x	\$0.00777	Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00322	Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230	C&LM Adjustment	kWh x	\$0.00230
Gross Earnings Tax		4.00%	Gross Earnings Tax		4.00%
Standard Offer Charge (3)	kWh x	\$0.12484	Standard Offer Charge (4)	kWh x	\$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
200	40,000	\$6,955.03	\$5,201.67	\$1,753.36	\$5,926.28	\$3,993.33	\$1,932.95	-\$1,028.75	-14.8%
750	150,000	\$25,404.09	\$19,506.25	\$5,897.84	\$21,546.28	\$14,975.00	\$6,571.28	-\$3,857.81	-15.2%
1,000	200,000	\$33,790.03	\$26,008.33	\$7,781.70	\$28,646.28	\$19,966.67	\$8,679.61	-\$5,143.75	-15.2%
1,500	300,000	\$50,561.91	\$39,012.50	\$11,549.41	\$42,846.28	\$29,950.00	\$12,896.28	-\$7,715.63	-15.3%
2,500	500,000	\$84,105.65	\$65,020.83	\$19,084.82	\$71,246.28	\$49,916.67	\$21,329.61	-\$12,859.37	-15.3%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.00
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$1.99
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
200	60,000	\$9,968.78	\$7,802.50	\$2,166.28	\$8,426.70	\$5,990.00	\$2,436.70	-\$1,542.08	-15.5%
750	225,000	\$36,705.66	\$29,259.38	\$7,446.28	\$30,922.84	\$22,462.50	\$8,460.34	-\$5,782.82	-15.8%
1,000	300,000	\$48,858.78	\$39,012.50	\$9,846.28	\$41,148.36	\$29,950.00	\$11,198.36	-\$7,710.42	-15.8%
1,500	450,000	\$73,165.03	\$58,518.75	\$14,646.28	\$61,599.41	\$44,925.00	\$16,674.41	-\$11,565.62	-15.8%
2,500	750,000	\$121,777.53	\$97,531.25	\$24,246.28	\$102,501.49	\$74,875.00	\$27,626.49	-\$19,276.04	-15.8%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.00
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$1.99
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
200	80,000	\$12,982.53	\$10,403.33	\$2,579.20	\$10,927.12	\$7,986.67	\$2,940.45	-\$2,055.41	-15.8%
750	300,000	\$48,007.22	\$39,012.50	\$8,994.72	\$40,299.41	\$29,950.00	\$10,349.41	-\$7,707.81	-16.1%
1,000	400,000	\$63,927.53	\$52,016.67	\$11,910.86	\$53,650.44	\$39,933.33	\$13,717.11	-\$10,277.09	-16.1%
1,500	600,000	\$95,768.16	\$78,025.00	\$17,743.16	\$80,352.53	\$59,900.00	\$20,452.53	-\$15,415.63	-16.1%
2,500	1,000,000	\$159,449.41	\$130,041.67	\$29,407.74	\$133,756.69	\$99,833.33	\$33,923.36	-\$25,692.72	-16.1%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.00
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$1.99
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
200	100,000	\$15,996.28	\$13,004.17	\$2,992.11	\$13,427.53	\$9,983.33	\$3,444.20	-\$2,568.75	-16.1%
750	375,000	\$59,308.79	\$48,765.63	\$10,543.16	\$49,675.97	\$37,437.50	\$12,238.47	-\$9,632.82	-16.2%
1,000	500,000	\$78,996.28	\$65,020.83	\$13,975.45	\$66,152.53	\$49,916.67	\$16,235.86	-\$12,843.75	-16.3%
1,500	750,000	\$118,371.28	\$97,531.25	\$20,840.03	\$99,105.66	\$74,875.00	\$24,230.66	-\$19,265.62	-16.3%
2,500	1,250,000	\$197,121.28	\$162,552.08	\$34,569.20	\$165,011.91	\$124,791.67	\$40,220.24	-\$32,109.37	-16.3%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.00
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$1.99
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Date: 13-Nov-08  
Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
200	120,000	\$19,010.03	\$15,605.00	\$3,405.03	\$15,927.95	\$11,980.00	\$3,947.95	-\$3,082.08	-16.2%
750	450,000	\$70,610.34	\$58,518.75	\$12,091.59	\$59,052.53	\$44,925.00	\$14,127.53	-\$11,557.81	-16.4%
1,000	600,000	\$94,065.03	\$78,025.00	\$16,040.03	\$78,654.61	\$59,900.00	\$18,754.61	-\$15,410.42	-16.4%
1,500	900,000	\$140,974.41	\$117,037.50	\$23,936.91	\$117,858.78	\$89,850.00	\$28,008.78	-\$23,115.63	-16.4%
2,500	1,500,000	\$234,793.16	\$195,062.50	\$39,730.66	\$196,267.11	\$149,750.00	\$46,517.11	-\$38,526.05	-16.4%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.00
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$1.99
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
3,000	600,000	\$114,032.00	\$78,025.00	\$36,007.00	\$98,569.50	\$59,900.00	\$38,669.50	-\$15,462.50	-13.6%
5,000	1,000,000	\$178,165.34	\$130,041.67	\$48,123.67	\$152,394.50	\$99,833.33	\$52,561.17	-\$25,770.84	-14.5%
7,500	1,500,000	\$258,332.00	\$195,062.50	\$63,269.50	\$219,675.75	\$149,750.00	\$69,925.75	-\$38,656.25	-15.0%
10,000	2,000,000	\$338,498.66	\$260,083.33	\$78,415.33	\$286,957.00	\$199,666.67	\$87,290.33	-\$51,541.66	-15.2%
20,000	4,000,000	\$659,165.34	\$520,166.67	\$138,998.67	\$556,082.00	\$399,333.33	\$156,748.67	-\$103,083.34	-15.6%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.24
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$2.22
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Date: 13-Nov-08  
Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
3,000	900,000	\$156,460.13	\$117,037.50	\$39,422.63	\$133,297.63	\$89,850.00	\$43,447.63	-\$23,162.50	-14.8%
5,000	1,500,000	\$248,878.88	\$195,062.50	\$53,816.38	\$210,274.71	\$149,750.00	\$60,524.71	-\$38,604.17	-15.5%
7,500	2,250,000	\$364,402.31	\$292,593.75	\$71,808.56	\$306,496.06	\$224,625.00	\$81,871.06	-\$57,906.25	-15.9%
10,000	3,000,000	\$479,925.75	\$390,125.00	\$89,800.75	\$402,717.42	\$299,500.00	\$103,217.42	-\$77,208.33	-16.1%
20,000	6,000,000	\$942,019.50	\$780,250.00	\$161,769.50	\$787,602.83	\$599,000.00	\$188,602.83	-\$154,416.67	-16.4%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.24
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax		4%
Standard Offer Charge (3)	kWh x	\$0.12484

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$2.22
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax		4%
Standard Offer Charge (4)	kWh x	\$0.09584

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Date: 13-Nov-08  
Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
3,000	1,200,000	\$198,888.25	\$156,050.00	\$42,838.25	\$168,025.75	\$119,800.00	\$48,225.75	-\$30,862.50	-15.5%
5,000	2,000,000	\$319,592.41	\$260,083.33	\$59,509.08	\$268,154.92	\$199,666.67	\$68,488.25	-\$51,437.49	-16.1%
7,500	3,000,000	\$470,472.63	\$390,125.00	\$80,347.63	\$393,316.38	\$299,500.00	\$93,816.38	-\$77,156.25	-16.4%
10,000	4,000,000	\$621,352.84	\$520,166.67	\$101,186.17	\$518,477.83	\$399,333.33	\$119,144.50	-\$102,875.01	-16.6%
20,000	8,000,000	\$1,224,873.66	\$1,040,333.33	\$184,540.33	\$1,019,123.67	\$798,666.67	\$220,457.00	-\$205,749.99	-16.8%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.24
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax		4%
Standard Offer Charge (3)	kWh x	\$0.12484

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$2.22
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax		4%
Standard Offer Charge (4)	kWh x	\$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

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Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
3,000	1,500,000	\$241,316.38	\$195,062.50	\$46,253.88	\$202,753.88	\$149,750.00	\$53,003.88	-\$38,562.50	-16.0%
5,000	2,500,000	\$390,305.96	\$325,104.17	\$65,201.79	\$326,035.12	\$249,583.33	\$76,451.79	-\$64,270.84	-16.5%
7,500	3,750,000	\$576,542.94	\$487,656.25	\$88,886.69	\$480,136.69	\$374,375.00	\$105,761.69	-\$96,406.25	-16.7%
10,000	5,000,000	\$762,779.91	\$650,208.33	\$112,571.58	\$634,238.25	\$499,166.67	\$135,071.58	-\$128,541.66	-16.9%
20,000	10,000,000	\$1,507,727.84	\$1,300,416.67	\$207,311.17	\$1,250,644.50	\$998,333.33	\$252,311.17	-\$257,083.34	-17.1%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.24
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$2.22
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total
3,000	1,800,000	\$283,744.50	\$234,075.00	\$49,669.50	\$237,482.00	\$179,700.00	\$57,782.00	-\$46,262.50	-16.3%
5,000	3,000,000	\$461,019.50	\$390,125.00	\$70,894.50	\$383,915.33	\$299,500.00	\$84,415.33	-\$77,104.17	-16.7%
7,500	4,500,000	\$682,613.25	\$585,187.50	\$97,425.75	\$566,957.00	\$449,250.00	\$117,707.00	-\$115,656.25	-16.9%
10,000	6,000,000	\$904,207.00	\$780,250.00	\$123,957.00	\$749,998.67	\$599,000.00	\$150,998.67	-\$154,208.33	-17.1%
20,000	12,000,000	\$1,790,582.00	\$1,560,500.00	\$230,082.00	\$1,482,165.33	\$1,198,000.00	\$284,165.33	-\$308,416.67	-17.2%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00541
Distribution Demand Charge	kW x	\$2.24
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.01064
Distribution Demand Charge	kW x	\$2.22
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4%

Standard Offer Charge (4) kWh x \$0.09584

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on T-06 (Phase-out to A-16) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Custs
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
500	\$91.86	\$65.02	\$26.84	\$80.21	\$49.92	\$30.29	-\$11.65	-12.7%	3.0%
1,000	\$180.86	\$130.04	\$50.82	\$157.55	\$99.83	\$57.72	-\$23.31	-12.9%	24.7%
2,000	\$358.86	\$260.08	\$98.78	\$312.24	\$199.67	\$112.57	-\$46.62	-13.0%	13.9%
5,000	\$892.87	\$650.21	\$242.66	\$776.31	\$499.17	\$277.14	-\$116.56	-13.1%	14.9%
10,000	\$1,782.87	\$1,300.42	\$482.45	\$1,549.74	\$998.33	\$551.41	-\$233.13	-13.1%	7.2%
20,000	\$3,562.86	\$2,600.83	\$962.03	\$3,096.62	\$1,996.67	\$1,099.95	-\$466.24	-13.1%	8.8%

Present Rates: T-06 (Phase-out to A-16)

Customer Charge		\$2.75
Transmission Energy Charge (1)	kWh x	\$0.00902
Distribution Energy Charge	kWh x	\$0.03150
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: T-06 (Phase-out to A-16)

Customer Charge		\$2.75
Transmission Energy Charge (2)	kWh x	\$0.01425
Distribution Energy Charge	kWh x	\$0.03376
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

File: R:\2008 neco\Annual Filing\typbills.XLS\Input Section

Date: 13-Nov-08

Time: 07:43 AM

Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on T-06 (Phase-out to C-06) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Custs
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
500	\$96.28	\$65.02	\$31.26	\$84.89	\$49.92	\$34.97	-\$11.39	-11.8%	2.7%
1,000	\$186.30	\$130.04	\$56.26	\$163.52	\$99.83	\$63.69	-\$22.78	-12.2%	8.0%
2,000	\$366.35	\$260.08	\$106.27	\$320.80	\$199.67	\$121.13	-\$45.55	-12.4%	17.3%
5,000	\$906.51	\$650.21	\$256.30	\$792.61	\$499.17	\$293.44	-\$113.90	-12.6%	18.7%
10,000	\$1,806.77	\$1,300.42	\$506.35	\$1,578.96	\$998.33	\$580.63	-\$227.81	-12.6%	17.3%
20,000	\$3,607.29	\$2,600.83	\$1,006.46	\$3,151.67	\$1,996.67	\$1,155.00	-\$455.62	-12.6%	36.0%

Present Rates: T-06 (Phase-out to C-06)

Customer Charge		\$6.00
Transmission Energy Charge (1)	kWh x	\$0.00902
Distribution Energy Charge	kWh x	\$0.03347
Transition Energy Charge	kWh x	\$0.00322
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (3) kWh x \$0.12484

Proposed Rates: T-06 (Phase-out to C-06)

Customer Charge		\$6.00
Transmission Energy Charge (2)	kWh x	\$0.01425
Distribution Energy Charge	kWh x	\$0.03624
Transition Energy Charge	kWh x	\$0.00235
C&LM Adjustment	kWh x	\$0.00230

Gross Earnings Tax 4.00%

Standard Offer Charge (4) kWh x \$0.09584

Note (1): Includes Transmission Adjustment Factor of \$0.00541/kWh

Note (2): Includes Proposed Transmission Adjustment Factor of \$0.01064/kWh

Note (3): Includes Standard Offer of \$0.124/kWh and Renewable Energy Standard Charge of \$0.00084/kWh

Note (4): Includes Proposed Standard Offer of \$0.095/kWh and Renewable Energy Standard Charge of \$0.00084/kWh



**NATIONAL GRID  
R.I.P.U.C. DOCKET NO. \_\_\_\_  
JANUARY 2009 ELECTRIC RETAIL RATE FILING  
WITNESS: JOHN D. WARSHAW**

**DIRECT TESTIMONY  
OF  
JOHN D. WARSHAW**

**Table of Contents**

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III. Description of Standard Offer Supply Costs .....2  
IV. Fuel Index Estimate for the Period January 2009 through December 2009 .....4  
V. Conclusion .....6

1   **I.    Introduction and Qualifications**

2    Q.    Please state your name and business address.

3    A.    My name is John D. Warshaw, and my business address is 55 Bearfoot Road,  
4           Northborough, Massachusetts 01532.

5

6    Q.    Please state your position.

7    A.    I am a Principal Analyst in Regulated Electric Load and Distributed Generation for  
8           National Grid USA Service Company, Inc. I conduct power procurement and energy  
9           supply related activities for National Grid' s New England operating companies,  
10          including The Narragansett Electric Company (“Company”). These activities include the  
11          procurement of power for Standard Offer Service and Last Resort Service.

12

13   Q.    Will you describe your educational background and training?

14   A.    I graduated from the State University of New York Maritime College in 1977 with a  
15          Bachelor of Science in Nuclear Science. I received a Masters in Business Administration  
16          from Northeastern University in 1986. In 1992, I earned a Masters of Arts in Energy and  
17          Environmental Management from Boston University.

18

19   Q.    What is your professional background?

20   A.    In May 2000, I joined the National Grid USA Service Company as a Principal Analyst in  
21          Energy Supply – New England. In my position I have conducted a number of  
22          solicitations for wholesale power to meet the needs of National Grid USA's New

1 England distribution companies. I also administer both short-term and long-term power  
2 purchase agreements for National Grid USA's New England distribution companies.  
3 Prior to my employment at National Grid USA, I was employed at COM/Energy (now  
4 NSTAR) from 1992 to 2000. From 1992 to 1997, I was a Rate Analyst in Regulatory  
5 Affairs at COM/Energy responsible for supporting state and federal rate filings. In 1997,  
6 I transferred to COM/Electric to work in Power Supply Administration.

7  
8 Q. Have you previously testified before the Rhode Island Public Utilities Commission  
9 ("Commission")?

10 A. Yes.

11  
12 **II. Purpose of Testimony**

13 Q. What is the purpose of your testimony?

14 A. The purpose of my testimony is to provide an estimate of the costs the Company expects  
15 to incur under its Standard Offer supply contracts for the period January 2009 through  
16 December 2009.

17  
18 **III. Description of Standard Offer Supply Costs**

19 Q. What are the Company's current arrangements for procurement of Standard Offer  
20 Service?

21 A. The Company has contracts with three suppliers to serve the load within its pre-merger  
22 service territory ("Narragansett Zone"). The Company also has four contracts with

1 suppliers to serve the load within the service territory of the former Blackstone Valley  
2 Electric Company and Newport Electric Corporation (“EUA Zone”). All of the  
3 Company’s contracts run through December 31, 2009.

4  
5 Q. Please describe the costs that the Company incurs under the Standard Offer supply  
6 contracts.

7 A. The Standard Offer supply contracts include two basic price components – a base price  
8 and, for some contracts, a fuel index adjustment provision.

9  
10 Q. What is the base price in effect for calendar year 2008 and calendar year 2009?

11 A. The base price for calendar year 2008 is 6.7¢/kWh. The base price for calendar year  
12 2009 is 7.1¢/kWh.

13  
14 Q. Can you describe the fuel index adjustment provision that is contained in the Standard  
15 Offer contracts?

16 A. Yes. Some of the Company’s contracts with its Standard Offer suppliers contain a fuel  
17 index adjustment provision that provides additional payments to those suppliers in the  
18 event of substantial increases in the market price of No. 6 residual fuel oil (1% sulphur)  
19 and natural gas. In short, the provision compares the sum of the twelve-month rolling  
20 average of oil and natural gas prices to a preset trigger point. If the sum of the fuel index  
21 values exceeds the trigger point in a given month then the Company makes additional  
22 payments to the suppliers in that month. If the sum of the fuel index values is less than or

1 equal to the trigger point in a given month, no additional payments are made in that  
2 month. Comparisons are made each month and thus payments may be made in some  
3 months and not in others. The text of the fuel index adjustment provision that is  
4 applicable to the Standard Offer contracts in the Narragansett Zone is provided as  
5 Schedule JDW-1.  
6

7 **IV. Fuel Index Estimate for the Period January 2009 through December 2009**

8 Q. Has the Company conducted an estimate of expected costs under the fuel index  
9 adjustment provisions for the period January 2009 through December 2009?

10 A. Yes. The Company has estimated its expected costs under the fuel index adjustment  
11 provisions using average natural gas and crude oil futures prices as reported in *The Wall*  
12 *Street Journal* on November 7, November 10, 2008, and November 11, 2008.  
13

14 Q. What natural gas and oil prices were used in the current estimate?

15 A. Schedule JDW-2 provides the natural gas and oil values used in the analysis.  
16

17 Q. What are the resulting fuel index trigger payments?

18 A. Schedule JDW-3 provides the resulting fuel index adjustment payments from the  
19 analysis. The analysis shows that the Company would pay an arithmetic average fuel  
20 index adjustment payment for the period January 2009 through December 2009 of  
21 2.973¢/kWh for the Narragansett Zone load which corresponds to an arithmetic average

1 of 2.200¢/kWh applicable to both zones. The fuel index adjustment is not applicable for  
2 the EUA Zone load in this period.

3  
4 Q. How do these costs compare to current market costs for power?

5 A. The Company's market cost proxy for comparable service is the cost it incurs to procure  
6 its Last Resort Service requirements in Rhode Island or the cost its affiliates incur to  
7 procure their Default Service requirements in Massachusetts. In September 2008, the  
8 Company procured Last Resort Service for the period November 2008 through April  
9 2009 at an arithmetic average rate of 10.568 ¢/kWh for its residential customers and  
10 10.475 ¢/kWh for its commercial and industrial customers.

11  
12 Also in September 2008, the Company's affiliate in Massachusetts procured its Default  
13 Service requirements for the period November 2008 through April 2009 at an arithmetic  
14 average rate of 11.357 ¢/kWh for residential customers and 11.228 ¢/kWh for small  
15 commercial customers. For large commercial and industrial customers in Massachusetts,  
16 the Company procured Default Service requirements for the period November 2008  
17 through January 2009 at an arithmetic average rate of 12.377 ¢/kWh for the SEMA zone,  
18 11.157 ¢/kWh for the NEMA zone and 10.515 ¢/kWh for the WCMA zone. These  
19 prices do not include the cost of meeting any Renewable Portfolio Standards in  
20 Massachusetts or Rhode Island.

21  
22 Q. Can you provide the details of the current fuel index adjustment provision calculations?

1 A. Yes. Detailed calculations are provided in Schedule JDW-4.

2

3 V. **Conclusion**

4 Q. Does this conclude your testimony?

5 A. Yes, it does.



Schedules

Schedule JDW-1	Standard Offer Fuel Index Adjustment Provision for Narragansett Zone Contracts
Schedule JDW-2	Gas and Oil Values Used in Company's Analysis October 27, 2008, October 28, 2008 and October 29, 2008
Schedule JDW-3	Summary of Additional Payments Estimated to be Made Pursuant to the Fuel Index Adjustment Provisions Based on October 27-29, 2008 Fuel Costs
Schedule JDW-4	Determination of Market Gas Price



**Schedule JDW-1**

**Standard Offer Fuel Index Adjustment Provision for Narragansett Zone Contracts**

Standard Offer Fuel Index Adjustment Provision  
For Narragansett Zone Contracts

In the event of substantial increases in the market prices of No. 6 residual fuel oil (1% sulphur) and natural gas after 1999, NECO will pay additional amounts to Seller in accordance with this Standard Offer Fuel Index Adjustment Provision, which is calculated as follows:

The Stipulated Price that is in effect for a given billing month is multiplied by a “Fuel Index Adjustment” that is set equal to 1.0 and thus has no impact on the rate paid unless the “Market Gas Price” plus “Market Oil Price” for the billing month exceeds the “Fuel Trigger Point” then in effect, where:

The Stipulated Price is the following predetermined, flat rate, for energy consumed at the customer meter point:

<u>Calendar Year</u>	<u>Price per Kilowatt hour</u>
1998	3.2 cents
1999	3.5 cents
2000	3.8 cents
2001	3.8 cents
2002	4.2 cents
2003	4.7 cents
2004	5.1 cents
2005	5.5 cents
2006	5.9 cents
2007	6.3 cents
2008	6.7 cents
2009	7.1 cents

Seller will be paid the difference between the Stipulated Price as adjusted in accordance with this Standard Offer Fuel Adjustment Provision and the Stipulated Price for each kilowatt-hour it provides in the applicable month.

Market Gas Price is the average of the values of “Gas Index” for the most recent available twelve months where:

Gas Index is the average of the daily settlement prices for the last three days that the NYMEX Contract (as defined below) for the month of delivery trades as reported in “The Wall Street Journal,” expressed in dollars per MMBtu. NYMEX Contract shall mean the New York Mercantile Exchange Natural Gas Futures Contract as approved by the Commodity Futures Trading Commission for the purchase and sale of natural gas at Henry Hub;

Market Oil Price is the average of the values of “Oil Index” for the most recent available twelve months where:

Oil Index is the average for the month of the daily low quotations for cargo delivery of 1.0% sulphur No. 6 residual fuel oil into New York harbor, as reported in “Platt’s Oilgram U.S. Marketscan” in dollars per barrel and converted to dollars per MMBtu by dividing by 6.3; and

If the indices referred to above should become obsolete or no longer suitable, NECO shall file alternate indices with the RIPUC.

Fuel Trigger Point is the following amounts, expressed in dollars per MMBtu, applicable for all months in the specified calendar year:

2000	\$5.35/MMBtu
2001	\$5.35
2002	\$6.09
2003	\$7.01
2004	\$7.74
2005 *	\$8.48
2006 *	\$9.22
2007 *	\$9.95
2008 *	\$10.69
2009 *	\$11.42

\* For Narragansett Zone only

In the event that the Fuel Trigger Point is exceeded, the Fuel Adjustment value for the billing month is determined based according to the following formula:

$$\text{Fuel Adjustment} = \frac{(\text{Market Gas Price} + \$0.60/\text{MMBtu}) + (\text{Market Oil Price} + \$0.04/\text{MMBtu})}{\text{Fuel Trigger Point} + \$0.60 + \$0.04/\text{MMBtu}}$$

Where:

Market Gas Price, Market Oil Price and Fuel Trigger Point are as defined above. The values of \$.60 and \$.04/MMBtu represent for gas and oil respectively, estimated basis differentials or market costs of transportation from the point where the index is calculated to a proxy power plant in the New England market.

For example if at a point in the year 2002 the Market Gas Price and Market Oil Price total \$6.50 (\$3.50/MMBtu plus \$3.00/MMBtu respectively), the Fuel Trigger Point of 6.09 would be exceeded. In this case the Fuel Adjustment value would be:

$$\frac{(\$3.50 + \$0.60/\text{MMBtu}) + (\$3.00 + \$0.04/\text{MMBtu})}{\$6.09 + \$0.60 + \$0.04/\text{MMBtu}} = 1.0609$$

The Stipulated Price is increased by this Fuel Adjustment factor for the billing month, becoming 4.4548 /kWh (4.2 x 1.0609).

In subsequent months the same comparisons are made and, if applicable, a Fuel Adjustment determined.



**Schedule JDW-2**

**Gas and Oil Values Used in Company's Analysis**

**November 7, 2008, November 10, 2008 and November 11, 2008**

**Gas and Oil Values  
Used in Company's Analysis  
November 7, 2008, November 10, 2008 and November 11, 2008  
(\$/mmBtu)**

<b>Month</b>	<b>Gas Index</b>	<b>Oil Index</b>
Jan-09	7.079	5.99
Feb-09	7.132	6.08
Mar-09	7.092	6.17
Apr-09	7.035	6.26
May-09	7.087	6.34
Jun-09	7.201	6.46
Jul-09	7.328	6.50
Aug-09	7.411	6.58
Sep-09	7.443	6.65
Oct-09	7.523	6.72
Nov-09	7.853	6.80
Dec-09	8.225	6.87



**Schedule JDW-3**

**Summary of Additional Payments Estimated to be Made Pursuant  
to the Fuel Index Adjustment Provisions Based on November 7-11, 2008 Fuel Costs**

**Summary of Additional Payments Estimated to be  
Made Pursuant to the Fuel Index Adjustment Provisions  
Based on November 7-11, 2008 Fuel Costs  
(Cents/kWh)**

<b>Month</b>	<b>Narragansett Zone</b>	<b>EUA Zone</b>
Jan-09	5.426	n/a
Feb-09	5.131	n/a
Mar-09	4.770	n/a
Apr-09	4.330	n/a
May-09	3.751	n/a
Jun-09	3.035	n/a
Jul-09	2.225	n/a
Aug-09	1.715	n/a
Sep-09	1.359	n/a
Oct-09	1.225	n/a
Nov-09	1.300	n/a
Dec-09	1.412	n/a



Schedule JDW-4

Determination of Market Gas Price

Prices published in WSJ on: 07-Nov-08 10-Nov-08 11-Nov-08

**DETERMINATION OF MARKET GAS PRICE**

(Col. A)	(Col. B)	(Col. C)	(Col. D)	(Col. E)	(Col. F)	(Col. G)	(Col. H)	(Col. I)
Contract Month	Last Month of Trading	Settlement Prices (\$/mmBtu)			Gas Index	NGrid's Market Gas Price	EUA's Market Gas Price	SOS Delivery Month
Month	Month	3rd Last	2nd Last	Last	Index	Gas Price	Gas Price	Month
Jan-06	Dec-05	\$12.283	\$11.022	\$11.431	\$11.579	\$8.989	n/a	Jan-06
Feb-06	Jan-06	\$8.460	\$8.229	\$8.400	\$8.363	\$9.156	n/a	Feb-06
Mar-06	Feb-06	\$7.283	\$7.458	\$7.112	\$7.284	\$9.243	n/a	Mar-06
Apr-06	Mar-06	\$7.067	\$7.214	\$7.233	\$7.171	\$9.246	n/a	Apr-06
May-06	Apr-06	\$7.558	\$7.254	\$7.198	\$7.337	\$9.274	n/a	May-06
Jun-06	May-06	\$5.964	\$5.975	\$5.925	\$5.955	\$9.248	n/a	Jun-06
Jul-06	Jun-06	\$5.969	\$6.107	\$5.887	\$5.988	\$9.151	n/a	Jul-06
Aug-06	Jul-06	\$6.409	\$6.887	\$7.042	\$6.779	\$9.095	n/a	Aug-06
Sep-06	Aug-06	\$7.157	\$6.472	\$6.816	\$6.815	\$8.818	n/a	Sep-06
Oct-06	Sep-06	\$4.475	\$4.526	\$4.201	\$4.401	\$8.101	n/a	Oct-06
Nov-06	Oct-06	\$7.693	\$7.497	\$7.153	\$7.448	\$7.549	n/a	Nov-06
Dec-06	Nov-06	\$7.718	\$7.998	\$8.318	\$8.011	\$7.261	n/a	Dec-06
Jan-07	Dec-06	\$6.635	\$6.113	\$5.838	\$6.195	\$6.812	n/a	Jan-07
Feb-07	Jan-07	\$6.905	\$7.175	\$6.917	\$6.999	\$6.699	n/a	Feb-07
Mar-07	Feb-07	\$7.727	\$7.755	\$7.547	\$7.676	\$6.731	n/a	Mar-07
Apr-07	Mar-07	\$7.254	\$7.503	\$7.558	\$7.438	\$6.754	n/a	Apr-07
May-07	Apr-07	\$7.598	\$7.689	\$7.508	\$7.598	\$6.775	n/a	May-07
Jun-07	May-07	\$7.681	\$7.640	\$7.591	\$7.637	\$6.916	n/a	Jun-07
Jul-07	Jun-07	\$6.940	\$6.877	\$6.929	\$6.915	\$6.993	n/a	Jul-07
Aug-07	Jul-07	\$5.925	\$5.943	\$6.110	\$5.993	\$6.927	n/a	Aug-07
Sep-07	Aug-07	\$5.380	\$5.593	\$5.430	\$5.468	\$6.815	n/a	Sep-07
Oct-07	Sep-07	\$6.370	\$6.360	\$6.423	\$6.384	\$6.980	n/a	Oct-07
Nov-07	Oct-07	\$7.188	\$7.218	\$7.269	\$7.225	\$6.962	n/a	Nov-07
Dec-07	Nov-07	\$7.723	\$7.557	\$7.203	\$7.494	\$6.919	n/a	Dec-07
Jan-08	Dec-07	\$7.025	\$7.046	\$7.172	\$7.081	\$6.992	n/a	Jan-08
Feb-08	Jan-08	\$7.983	\$8.095	\$7.996	\$8.025	\$7.078	n/a	Feb-08
Mar-08	Feb-08	\$9.186	\$9.206	\$8.930	\$9.107	\$7.197	n/a	Mar-08
Apr-08	Mar-08	\$9.419	\$9.572	\$9.578	\$9.523	\$7.371	n/a	Apr-08
May-08	Apr-08	\$10.790	\$10.963	\$11.280	\$11.011	\$7.655	n/a	May-08
Jun-08	May-08	\$11.857	\$11.801	\$11.916	\$11.858	\$8.007	n/a	Jun-08
Jul-08	Jun-08	\$13.011	\$12.753	\$13.105	\$12.956	\$8.510	n/a	Jul-08
Aug-08	Jul-08	\$9.084	\$9.163	\$9.217	\$9.155	\$8.774	n/a	Aug-08
Sep-08	Aug-08	\$7.825	\$8.278	\$8.394	\$8.166	\$8.999	n/a	Sep-08
Oct-08	Sep-08	\$7.679	\$7.724	\$7.472	\$7.625	\$9.102	n/a	Oct-08
Nov-08	Oct-08	\$6.121	\$6.186	\$6.469	\$6.259	\$9.022	n/a	Nov-08
Dec-08	Nov-08	<b>\$6.757</b>	<b>\$7.248</b>	<b>\$6.705</b>	<b>\$6.903</b>	<b>\$8.972</b>	n/a	Dec-08
Jan-09	Dec-08	<b>\$6.968</b>	<b>\$7.419</b>	<b>\$6.851</b>	<b>\$7.079</b>	<b>\$8.972</b>	n/a	Jan-09
Feb-09	Jan-09	<b>\$7.020</b>	<b>\$7.459</b>	<b>\$6.916</b>	<b>\$7.132</b>	<b>\$8.898</b>	n/a	Feb-09
Mar-09	Feb-09	<b>\$6.992</b>	<b>\$7.399</b>	<b>\$6.886</b>	<b>\$7.092</b>	<b>\$8.730</b>	n/a	Mar-09
Apr-09	Mar-09	<b>\$6.962</b>	<b>\$7.307</b>	<b>\$6.836</b>	<b>\$7.035</b>	<b>\$8.523</b>	n/a	Apr-09
May-09	Apr-09	<b>\$7.027</b>	<b>\$7.342</b>	<b>\$6.891</b>	<b>\$7.087</b>	<b>\$8.196</b>	n/a	May-09
Jun-09	May-09	<b>\$7.150</b>	<b>\$7.450</b>	<b>\$7.004</b>	<b>\$7.201</b>	<b>\$7.808</b>	n/a	Jun-09
Jul-09	Jun-09	<b>\$7.285</b>	<b>\$7.570</b>	<b>\$7.129</b>	<b>\$7.328</b>	<b>\$7.338</b>	n/a	Jul-09
Aug-09	Jul-09	<b>\$7.370</b>	<b>\$7.650</b>	<b>\$7.214</b>	<b>\$7.411</b>	<b>\$7.193</b>	n/a	Aug-09
Sep-09	Aug-09	<b>\$7.402</b>	<b>\$7.682</b>	<b>\$7.246</b>	<b>\$7.443</b>	<b>\$7.133</b>	n/a	Sep-09
Oct-09	Sep-09	<b>\$7.482</b>	<b>\$7.762</b>	<b>\$7.326</b>	<b>\$7.523</b>	<b>\$7.125</b>	n/a	Oct-09
Nov-09	Oct-09	<b>\$7.822</b>	<b>\$8.082</b>	<b>\$7.656</b>	<b>\$7.853</b>	<b>\$7.257</b>	n/a	Nov-09
Dec-09	Nov-09	<b>\$8.202</b>	<b>\$8.442</b>	<b>\$8.031</b>	<b>\$8.225</b>	<b>\$7.368</b>	n/a	Dec-09

Notes:

- Col. A - Contract refers to the NYMEX Natural Gas Futures Contract, as approved by the CFTC, for the purchase and sale of natural gas at Henry Hub.
- Col. B - Month that trading for the Contract ends (the month before the delivery month)
- Col. C - Settlement price for the third last trading day as reported in the Wall Street Journal. (Jan-99 - Dec-08)  
- Settlement price as reported in the Wall Street Journal on 11-07-08 (Jan-09 - Dec-09)
- Col. D - Settlement price for the second last trading day as reported in the Wall Street Journal. (Jan-99 - Dec-08)  
- Settlement price as reported in the Wall Street Journal on 11-10-08 (Jan-09 - Dec-09)
- Col. E - Settlement price for the last trading day as reported in the Wall Street Journal. (Jan-99 - Dec-08)  
- Settlement price as reported in the Wall Street Journal on 11-11-08 (Jan-09 - Dec-09)
- Col. F - Average value of Col. C, Col. D and Col. E (=AVERAGE(Col. C.,Col. E))
- Col. G - Average of the most recent twelve months of values in Col. F (including current SOS delivery month)
- Col. H - Average of the most recent six months of values in Col. F (ending month prior to SOS delivery month)
- Col. I - month in which SOS was delivered at wholesale.

DETERMINATION OF MARKET OIL PRICE

(Col. A)	(Col. B)	(Col. HH)	(Col. II)	(Col. JJ)	(Col. KK)	(Col. LL)	(Col. MM)	(Col. NN)	(Col. OO)	(Col. PP)	(Col. QQ)	
SOS Delivery Month	Trading Month	Sum of Values	# of Values	Conversion Factor	Oil Index (\$/mmBtu)	NGGrid's Market Oil Price	EUA's Market Oil Price	Prices published in Wall Street Journal on:				
Month	Month	Values	Values	Factor	(\$/mmBtu)	Oil Price	Oil Price	Average	07-Nov-08	10-Nov-08	11-Nov-08	
Jan-06	Jan-06	948.15	20	6.3	7.525	6.797	n/a	57.9800	57.98	57.98	57.98	<=Jan closing from WSJ on 12/20/05
Feb-06	Feb-06	911.50	19	6.3	7.615	7.025	n/a	68.3500	68.35	68.35	68.35	<=Feb closing from WSJ on 01/20/06
Mar-06	Mar-06	1086.62	23	6.3	7.499	7.181	n/a	61.1000	61.10	61.10	61.10	<=Mar closing from WSJ on 02/21/06
Apr-06	Apr-06	967.73	19	6.3	8.085	7.343	n/a	60.5700	60.57	60.57	60.57	<=Apr closing from WSJ on 03/21/06
May-06	May-06	1081.50	22	6.3	7.803	7.494	n/a	71.9500	71.95	71.95	71.95	<=May closing from WSJ on 04/20/06
Jun-06	Jun-06	1060.25	22	6.3	7.650	7.591	n/a	69.2300	69.23	69.23	69.23	<=June closing from WSJ on 05/22/06
Jul-06	Jul-06	923.40	19	6.3	7.714	7.675	n/a	70.3300	70.33	70.33	70.33	<=July closing from WSJ on 06/20/06
Aug-06	Aug-06	1155.05	23	6.3	7.971	7.736	n/a	73.0800	73.08	73.08	73.08	<=Aug closing from WSJ on 07/20/06
Sep-06	Sep-06	796.22	20	6.3	6.319	7.592	n/a	72.6300	72.63	72.63	72.63	<=Sep closing from WSJ on 08/22/06
Oct-06	Oct-06	863.40	22	6.3	6.229	7.451	n/a	60.4600	60.46	60.46	60.46	<=Oct closing from WSJ on 09/20/06
Nov-06	Nov-06	847.60	20	6.3	6.727	7.404	n/a	56.8200	56.82	56.82	56.82	<=Nov closing from WSJ on 10/20/06
Dec-06	Dec-06	799.00	20	6.3	6.341	7.290	n/a	55.8100	55.81	55.81	55.81	<=Dec closing from WSJ on 11/17/06
Jan-07	Jan-07	743.10	20	6.3	5.898	7.154	n/a	63.1500	63.15	63.15	63.15	<=Jan closing from WSJ on 12/19/06
Feb-07	Feb-07	759.45	19	6.3	6.345	7.048	n/a	51.1300	51.13	51.13	51.13	<=Feb closing from WSJ on 01/22/07
Mar-07	Mar-07	935.70	22	6.3	6.751	6.986	n/a	58.0700	58.07	58.07	58.07	<=Mar closing from WSJ on 02/20/07
Apr-07	Apr-07	941.55	20	6.3	7.473	6.935	n/a	56.7300	56.73	56.73	56.73	<=April 2007 closing from WSJ on 03/20/07
May-07	May-07	1151.60	22	6.3	8.309	6.977	n/a	63.3800	63.38	63.38	63.38	<=May 2007 closing from WSJ on 04/20/07
Jun-07	Jun-07	1132.60	21	6.3	8.561	7.053	n/a	64.9700	64.97	64.97	64.97	<=June 2007 closing from WSJ on 05/22/07
Jul-07	Jul-07	1197.55	21	6.3	9.052	7.165	n/a	68.1900	68.19	68.19	68.19	<=July 2007 closing from WSJ on 06/20/07
Aug-07	Aug-07	1249.15	23	6.3	8.621	7.219	n/a	75.5700	75.57	75.57	75.57	<=August 2007 closing from WSJ on 07/20/07
Sep-07	Sep-07	1092.55	19	6.3	9.127	7.453	n/a	69.4700	69.47	69.47	69.47	<=September 2007 closing from WSJ on 08/21/07
Oct-07	Oct-07	1427.75	23	6.3	9.853	7.755	n/a	83.3200	83.32	83.32	83.32	<=October 2007 closing from WSJ on 09/21/07
Nov-07	Nov-07	1502.60	21	6.3	11.358	8.141	n/a	87.5600	87.56	87.56	87.56	<=November 2007 closing from WSJ on 10/22/07
Dec-07	Dec-07	1303.50	18	6.3	11.495	8.570	n/a	95.1000	95.10	95.10	95.10	<=December 2007 closing from WSJ on 11/16/07
Jan-08	Jan-08	1560.10	21	6.3	11.792	9.061	n/a	90.4900	90.49	90.49	90.49	<=January 2008 closing from WSJ on 12/18/07
Feb-08	Feb-08	1410.80	20	6.3	11.197	9.466	n/a	89.8500	89.85	89.85	89.85	<=February 2008 closing from WSJ on 01/22/08
Mar-08	Mar-08	1450.45	20	6.3	11.512	9.862	n/a	100.7400	100.74	100.74	100.74	<=March 2008 closing from WSJ on 02/20/08
Apr-08	Apr-08	1764.65	22	6.3	12.732	10.301	n/a	104.4800	104.48	104.48	104.48	<=April 2008 closing from WSJ on 03/19/08
May-08	May-08	1881.60	21	6.3	14.222	10.793	n/a	119.3700	119.37	119.37	119.37	<=May 2008 closing from WSJ on 04/22/08
Jun-08	Jun-08	2169.45	21	6.3	16.398	11.447	n/a	129.0700	129.07	129.07	129.07	<=June 2008 closing from WSJ on 05/20/08
Jul-08	Jul-08	2409.00	22	6.3	17.381	12.141	n/a	134.6200	134.62	134.62	134.62	<=July 2008 closing from WSJ on 06/20/08
Aug-08	Aug-08	2013.25	21	6.3	15.217	12.690	n/a	127.9500	127.95	127.95	127.95	<=Aug 2008 closing from WSJ on 07/22/08
Sep-08	Sep-08	1744.10	21	6.3	13.183	13.028	n/a	114.9800	114.98	114.98	114.98	<=Sep 2008 closing from WSJ on 08/20/08
Oct-08	Oct-08	1355.85	23	6.3	9.357	12.987	n/a	120.9200	120.92	120.92	120.92	<=Oct 2008 closing from WSJ on 09/22/08
Nov-08	Nov-08	302.95	7	6.3	6.870	12.613	n/a	70.8600	70.86	70.86	70.86	<=Nov 2008 closing from WSJ on 10/21/08
Dec-08	Dec-08	<b>60.93</b>		6.3	<b>5.91</b>	<b>12.147</b>	n/a	<b>60.927</b>	<b>61.04</b>	<b>62.41</b>	<b>59.33</b>	
Jan-09	Jan-09	<b>61.79</b>		6.3	<b>5.99</b>	<b>11.664</b>	n/a	<b>61.787</b>	<b>61.87</b>	<b>63.27</b>	<b>60.22</b>	
Feb-09	Feb-09	<b>62.71</b>		6.3	<b>6.08</b>	<b>11.237</b>	n/a	<b>62.707</b>	<b>62.81</b>	<b>64.19</b>	<b>61.12</b>	
Mar-09	Mar-09	<b>63.63</b>		6.3	<b>6.17</b>	<b>10.792</b>	n/a	<b>63.633</b>	<b>63.76</b>	<b>65.09</b>	<b>62.05</b>	
Apr-09	Apr-09	<b>64.53</b>		6.3	<b>6.26</b>	<b>10.252</b>	n/a	<b>64.530</b>	<b>64.69</b>	<b>65.95</b>	<b>62.95</b>	
May-09	May-09	<b>65.41</b>		6.3	<b>6.34</b>	<b>9.596</b>	n/a	<b>65.413</b>	<b>65.61</b>	<b>66.79</b>	<b>63.84</b>	
Jun-09	Jun-09	<b>66.58</b>		6.3	<b>6.46</b>	<b>8.767</b>	n/a	<b>66.583</b>	<b>66.49</b>	<b>68.57</b>	<b>64.69</b>	
Jul-09	Jul-09	<b>67.05</b>		6.3	<b>6.50</b>	<b>7.860</b>	n/a	<b>67.053</b>	<b>67.33</b>	<b>68.32</b>	<b>65.51</b>	
Aug-09	Aug-09	<b>67.83</b>		6.3	<b>6.58</b>	<b>7.140</b>	n/a	<b>67.833</b>	<b>68.16</b>	<b>69.06</b>	<b>66.28</b>	
Sep-09	Sep-09	<b>68.60</b>		6.3	<b>6.65</b>	<b>6.596</b>	n/a	<b>68.603</b>	<b>68.99</b>	<b>69.80</b>	<b>67.02</b>	
Oct-09	Oct-09	<b>69.36</b>		6.3	<b>6.72</b>	<b>6.377</b>	n/a	<b>69.360</b>	<b>69.80</b>	<b>70.53</b>	<b>67.75</b>	
Nov-09	Nov-09	<b>70.11</b>		6.3	<b>6.80</b>	<b>6.370</b>	n/a	<b>70.107</b>	<b>70.59</b>	<b>71.25</b>	<b>68.48</b>	
Dec-09	Dec-09	<b>70.84</b>		6.3	<b>6.87</b>	<b>6.451</b>	n/a	<b>70.840</b>	<b>71.36</b>	<b>71.96</b>	<b>69.20</b>	

Notes:

- Col. A - month in which SOS was delivered at wholesale.
- Col. B - month in which oil prices were quoted and delivered.
- Col. C - Col. GG - daily prices as quoted by Platt's MarketScan. (not shown)
- Col. HH - sum of values in Col. C through Col. GG. (Jan-99 - Nov-08)
  - Nov-08 Final Crude oil contract price as reported in the Wall Street Journal on 10/21/08
  - average of Crude oil contract prices as reported in the Wall Street Journal on
- Col. II - number of non-zero values in Col. C through Col. GG.
- Col. JJ - a fixed factor of 6.3 mmBtu per bbl.
- Col. KK - Col. HH divided by (Col. II x Col. JJ) (Jan-99 - Nov-08)
  - Current month value Col. HH \* Nov-08 value in Col KK/70.86 (Nov-08 - Dec-09)
  - Where 70.86 represents the closing value from the WSJ on 10/21/08
- Col. LL - Average of the most recent twelve months of values in Col. KK (including current SOS delivery month)
- Col. MM - Average of the most recent six months of values in Col. KK (ending month prior to SOS delivery month)

DETERMINATION OF FUEL ADJUSTMENT VALUE

(Col. A)	(Col. B)	(Col. C)	(Col. D)	(Col. E)	(Col. F)	(Col. G)	(Col. H)	(Col. I)	(Col. J)	(Col. K)	(Col. L)	(Col. M)	(Col. N)
SOS Delivery	NGrid's Market Gas	NGrid's Market Oil	NGrid's Fuel	NGrid's Fuel	NGrid's Adjustment	EUA's Market Gas	EUA's Market Oil	EUA's Fuel	EUA's Fuel	EUA's Adjustment	Ngrid Adjustment	EUA Adjustment	Weighted Adjustment
Jan-06	\$8.98864	\$6.79699	\$15.7856	\$9.22	1.66589	n/a	n/a	n/a	\$9.22	n/a	3.929	n/a	2.907
Feb-06	\$9.15558	\$7.02450	\$16.1801	\$9.22	1.70589	n/a	n/a	n/a	\$9.22	n/a	4.165	n/a	3.082
Mar-06	\$9.24267	\$7.18060	\$16.4233	\$9.22	1.73055	n/a	n/a	n/a	\$9.22	n/a	4.310	n/a	3.190
Apr-06	\$9.24628	\$7.34323	\$16.5895	\$9.22	1.74742	n/a	n/a	n/a	\$9.22	n/a	4.410	n/a	3.263
May-06	\$9.27375	\$7.49446	\$16.7682	\$9.22	1.76554	n/a	n/a	n/a	\$9.22	n/a	4.517	n/a	3.342
Jun-06	\$9.24811	\$7.59066	\$16.8388	\$9.22	1.77270	n/a	n/a	n/a	\$9.22	n/a	4.559	n/a	3.374
Jul-06	\$9.15058	\$7.67509	\$16.8257	\$9.22	1.77137	n/a	n/a	n/a	\$9.22	n/a	4.551	n/a	3.368
Aug-06	\$9.09453	\$7.73645	\$16.8310	\$9.22	1.77190	n/a	n/a	n/a	\$9.22	n/a	4.554	n/a	3.370
Sep-06	\$8.81775	\$7.59239	\$16.4101	\$9.22	1.72922	n/a	n/a	n/a	\$9.22	n/a	4.302	n/a	3.184
Oct-06	\$8.10106	\$7.45117	\$15.5522	\$9.22	1.64221	n/a	n/a	n/a	\$9.22	n/a	3.789	n/a	2.804
Nov-06	\$7.54919	\$7.40395	\$14.9531	\$9.22	1.58145	n/a	n/a	n/a	\$9.22	n/a	3.431	n/a	2.539
Dec-06	\$7.26086	\$7.28991	\$14.5508	\$9.22	1.54065	n/a	n/a	n/a	\$9.22	n/a	3.190	n/a	2.360
Jan-07	\$6.81225	\$7.15429	\$13.9665	\$9.95	1.37928	n/a	n/a	n/a	\$9.95	n/a	2.389	n/a	1.768
Feb-07	\$6.69858	\$7.04844	\$13.7470	\$9.95	1.35855	n/a	n/a	n/a	\$9.95	n/a	2.259	n/a	1.672
Mar-07	\$6.73125	\$6.98610	\$13.7174	\$9.95	1.35575	n/a	n/a	n/a	\$9.95	n/a	2.241	n/a	1.658
Apr-07	\$6.75350	\$6.93510	\$13.6886	\$9.95	1.35303	n/a	n/a	n/a	\$9.95	n/a	2.224	n/a	1.646
May-07	\$6.77531	\$6.97725	\$13.7526	\$9.95	1.35907	n/a	n/a	n/a	\$9.95	n/a	2.262	n/a	1.674
Jun-07	\$6.91553	\$7.05318	\$13.9687	\$9.95	1.37948	n/a	n/a	n/a	\$9.95	n/a	2.391	n/a	1.769
Jul-07	\$6.99283	\$7.16463	\$14.1575	\$9.95	1.39731	n/a	n/a	n/a	\$9.95	n/a	2.503	n/a	1.852
Aug-07	\$6.92728	\$7.21875	\$14.1460	\$9.95	1.39623	n/a	n/a	n/a	\$9.95	n/a	2.496	n/a	1.847
Sep-07	\$6.81500	\$7.45277	\$14.2678	\$9.95	1.40772	n/a	n/a	n/a	\$9.95	n/a	2.569	n/a	1.901
Oct-07	\$6.98031	\$7.75476	\$14.7351	\$9.95	1.45185	n/a	n/a	n/a	\$9.95	n/a	2.847	n/a	2.107
Nov-07	\$6.96175	\$8.14064	\$15.1024	\$9.95	1.48653	n/a	n/a	n/a	\$9.95	n/a	3.065	n/a	2.268
Dec-07	\$6.91867	\$8.57009	\$15.4888	\$9.95	1.52302	n/a	n/a	n/a	\$9.95	n/a	3.295	n/a	2.438
Jan-08	\$6.99247	\$9.06130	\$16.0538	\$10.69	1.47341	n/a	n/a	n/a	\$10.69	n/a	3.172	n/a	2.347
Feb-08	\$7.07794	\$9.46565	\$16.5436	\$10.69	1.51665	n/a	n/a	n/a	\$10.69	n/a	3.462	n/a	2.562
Mar-08	\$7.19719	\$9.86236	\$17.0596	\$10.69	1.56218	n/a	n/a	n/a	\$10.69	n/a	3.767	n/a	2.787
Apr-08	\$7.37092	\$10.30063	\$17.6716	\$10.69	1.61620	n/a	n/a	n/a	\$10.69	n/a	4.129	n/a	3.055
May-08	\$7.65531	\$10.79342	\$18.4487	\$10.69	1.68479	n/a	n/a	n/a	\$10.69	n/a	4.588	n/a	3.395
Jun-08	\$8.00703	\$11.44651	\$19.4535	\$10.69	1.77348	n/a	n/a	n/a	\$10.69	n/a	5.182	n/a	3.835
Jul-08	\$8.51044	\$12.14061	\$20.6511	\$10.69	1.87918	n/a	n/a	n/a	\$10.69	n/a	5.890	n/a	4.359
Aug-08	\$8.77394	\$12.69032	\$21.4643	\$10.69	1.95095	n/a	n/a	n/a	\$10.69	n/a	6.371	n/a	4.715
Sep-08	\$8.99878	\$13.02828	\$22.0271	\$10.69	2.00062	n/a	n/a	n/a	\$10.69	n/a	6.704	n/a	4.961
Oct-08	\$9.10217	\$12.98693	\$22.0891	\$10.69	2.00610	n/a	n/a	n/a	\$10.69	n/a	6.741	n/a	4.988
Nov-08	\$9.02164	\$12.61294	\$21.6346	\$10.69	1.96598	n/a	n/a	n/a	\$10.69	n/a	6.472	n/a	4.789
Dec-08	\$8.97239	\$12.14726	\$21.1197	\$10.69	1.92053	n/a	n/a	n/a	\$10.69	n/a	6.168	n/a	4.564
Jan-09	\$8.97225	\$11.66375	\$20.6360	\$11.42	1.76418	n/a	n/a	n/a	\$11.42	n/a	5.426	n/a	4.015
Feb-09	\$8.89783	\$11.23728	\$20.1351	\$11.42	1.72265	n/a	n/a	n/a	\$11.42	n/a	5.131	n/a	3.797
Mar-09	\$8.72992	\$10.79207	\$19.5220	\$11.42	1.67181	n/a	n/a	n/a	\$11.42	n/a	4.770	n/a	3.530
Apr-09	\$8.52258	\$10.25241	\$18.7750	\$11.42	1.60987	n/a	n/a	n/a	\$11.42	n/a	4.330	n/a	3.204
May-09	\$8.19556	\$9.59568	\$17.7912	\$11.42	1.52830	n/a	n/a	n/a	\$11.42	n/a	3.751	n/a	2.776
Jun-09	\$7.80750	\$8.76711	\$16.5746	\$11.42	1.42741	n/a	n/a	n/a	\$11.42	n/a	3.035	n/a	2.246
Jul-09	\$7.33847	\$7.86041	\$15.1989	\$11.42	1.31334	n/a	n/a	n/a	\$11.42	n/a	2.225	n/a	1.646
Aug-09	\$7.19319	\$7.14031	\$14.3335	\$11.42	1.24158	n/a	n/a	n/a	\$11.42	n/a	1.715	n/a	1.269
Sep-09	\$7.13300	\$6.59597	\$13.7290	\$11.42	1.19146	n/a	n/a	n/a	\$11.42	n/a	1.359	n/a	1.006
Oct-09	\$7.12453	\$6.37656	\$13.5011	\$11.42	1.17256	n/a	n/a	n/a	\$11.42	n/a	1.225	n/a	0.907
Nov-09	\$7.25742	\$6.37048	\$13.6279	\$11.42	1.18308	n/a	n/a	n/a	\$11.42	n/a	1.300	n/a	0.962
Dec-09	\$7.36756	\$6.45056	\$13.8181	\$11.42	1.19885	n/a	n/a	n/a	\$11.42	n/a	1.412	n/a	1.045

Notes:

- Col. A - month in which SOS was delivered at wholesale
- Col. B - Average of the values of Gas Index for the most recent 12 months. (Col. G - Determination of Market Gas Price)
- Col. C - Average of the values of Oil Index for the most recent 12 months. (Col. LL - Determination of Market Oil Price)
- Col. D - Col. B + Col. C
- Col. E - Applicable value from the Standard Offer Supply Contracts.
- Col. F - @if(Col. D > Col. E, (Col. B + \$0.60 + Col. C + \$0.04) / (Col. E + \$0.64), 1.000)
- Col. G - Average of the values of Gas Index for the most recent 6 months. (Col. H - Determination of Market Gas Price)
- Col. H - Average of the values of Oil Index for the most recent 6 months. (Col. I - Determination of Market Oil Price)
- Col. I - Col. G + Col. H
- Col. J - Applicable value from the Standard Offer Supply Contracts.
- Col. K - @if(Col. I > Col. J, (Col. G + \$0.60 + Col. H + \$0.04) / (Col. J + \$0.64), 1.000)
- Col. L - (Col. F - 1.0) \* Applicable Contract Price from the Standard Offer Supply Contracts.
- Col. M - (Col. K - 1.0) \* Applicable Contract Price from the Standard Offer Supply Contracts.

Testimony of  
Pamela A. Viapiano

**NATIONAL GRID  
R.I.P.U.C. DOCKET NO. \_\_\_\_  
JANUARY 2009 ELECTRIC RETAIL RATE FILING  
WITNESS: PAMELA A. VIAPIANO**

**DIRECT TESTIMONY  
OF  
PAMELA A. VIAPIANO**

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1    **I.    Introduction and Qualifications**

2    Q.    Please state your name and business address.

3    A.    My name is Pamela A. Viapiano. My business address is 25 Research Drive,  
4        Westborough, Massachusetts 01582

5    Q.    By whom are you employed and in what capacity?

6    A.    Effective October 1, 2007, I was named Vice President of Transmission Finance  
7        for National Grid USA Service Company, Inc. (“Service Co”). Service Co is a  
8        subsidiary of National Grid USA, which in turn is a subsidiary of National Grid  
9        plc, a London-based international energy company. In my current position I have  
10       overall responsibility for financial reporting and wholesale billing and  
11       administration and development of transmission tariffs and rates for National Grid  
12       plc’s transmission business in the United States which includes New England  
13       Power (“NEP”) in New England and Niagara Mohawk Power Corporation in New  
14       York. The U.S. Transmission Finance team provides support for National Grid’s  
15       transmission rate filings at the Federal Energy Regulatory Commission (“FERC”),  
16       monitors ISO New England (“ISO-NE” and New York ISO (“NYISO”)  
17       Transmission Tariffs, and is involved in most transmission-related pricing policy  
18       and regulatory matters impacting National Grid including supporting National  
19       Grid’s current Transmission Adjustment Clause filing before the Rhode Island  
20       Public Utilities Commission (“Commission”).

21

22   Q.    Please describe your educational and professional background.

1    **A.**    I graduated from Clark University in Worcester, Massachusetts in 1987 with a  
2            Bachelors of Arts in Computer Science. Over my twenty-one year career with  
3            National Grid USA, I have held a number of positions in the rates area, including  
4            Manager of Transmission Rates and Manager of Regulatory Policy. I have  
5            submitted testimony before FERC and in a number of retail rate filings.

6  
7    **Q.**    Have you previously testified before the Commission?

8    **A.**    Yes. I have submitted testimony in previous dockets in support of the estimate of  
9            transmission costs for The Narragansett Electric Company d/b/a National Grid  
10           ("Narragansett" or "Company") in prior years.

11

12    **II.    Purpose of Testimony**

13    **Q.**    What is the purpose of your testimony?

14    **A.**    My testimony addresses the estimated 2009 transmission expenses and ISO-NE  
15            expenses for Narragansett. First, I will summarize the various transmission  
16            services provided to Narragansett and how Narragansett pays for such services.  
17            Second, I will provide testimony supporting the forecast of transmission expenses  
18            that Narragansett is expected to incur in 2009. As described more fully in the  
19            second part of my testimony, the Company expects to see an increase of \$32  
20            million in prospective transmission expenses, caused primarily by the impact of  
21            additional transmission plant investment being completed across all of New  
22            England.

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**III. Summary of Transmission Services Provided to Narragansett**

Q. Please explain the history of Narragansett’s transmission service under rate schedules approved by the FERC.

A. Effective January 1, 1998, Narragansett received transmission services, on behalf of its entire customer base, under two tariffs: NEPOOL’s FERC Electric Tariff No. 1 (“NEPOOL Tariff”) and NEP’s FERC Electric Tariff No. 9 (“NEP T-9 Tariff”). Additionally, effective January 1, 1999, Narragansett took service under ISO-NE’s FERC Electric Tariff No. 1 (“ISO-NE Tariff”).

Effective February 1, 2005, FERC issued an order authorizing ISO-NE to begin operating as a Regional Transmission Operator (“RTO”) (“ISO as the RTO”) and at that time, ISO-NE replaced NEPOOL as the transmission provider in New England. The new ISO-NE Transmission, Markets and Services Tariff (“ISO/RTO Tariff”) replaced the three separate tariffs referred to above by aggregating them into a single, omnibus tariff. As a result, NEP and ISO as the RTO now charge Narragansett under this superseding omnibus tariff.

The terms, conditions and rate schedules from these three separate tariffs have been transferred to the ISO/RTO Tariff as follows:

1. Schedule 21 and Schedule 21-NEP of the ISO/RTO Tariff capture the former NEP T-9 Tariff,

1           2. Section II (up through and including Schedule 19) of the ISO/RTO Tariff  
2           captures the former NEPOOL Tariff, and

3           3. Section IV.A of the ISO/RTO Tariff captures the former ISO-NE Tariff.

4           The prospective charges to Narragansett, therefore, are separately identified as (1)  
5           NEP local charges, (2) ISO-NE regional charges (formerly NEPOOL), and (3)  
6           ISO/RTO administrative charges.

7

8   Q.    Please describe further the types of transmission services that are billed to  
9           Narragansett under the ISO/RTO Tariff.

10   A.   New England’s transmission rates utilize a highway/local pricing structure. That  
11           is, Narragansett receives regional transmission service over “highway”  
12           transmission facilities under Section II of the ISO/RTO Tariff, and receives local  
13           transmission service over local transmission facilities under Schedule 21 of the  
14           ISO/RTO Tariff. Additionally, transmission scheduling and market  
15           administration services are provided by ISO-NE under Section IV.A of the  
16           ISO/RTO Tariff.

17

18   A.    **Explanation of ISO/RTO Tariff Services, Rates & Charges**

19   Q.    Please explain the services provided to Narragansett under the ISO/RTO Tariff.

20   A.    Section II of the ISO/RTO Tariff provides access over New England’s looped  
21           transmission facilities, more commonly known as Pool Transmission Facilities  
22           (“PTF”) or bulk transmission facilities. These facilities serve as New England’s

1 electric transmission “highway”, and the service provided over these facilities is  
2 referred to as Regional Network Service (“RNS”). In addition, the ISO/RTO  
3 Tariff provides for Black Start, Reactive Power, and Scheduling, System Control  
4 and Dispatch Services, as described more fully later in this testimony.

5

6 Q. How are the costs for RNS recovered?

7 A. The ISO-NE RNS Rate (“RNS Rate”) recovers the RNS costs, and is determined  
8 annually based on an aggregation of the transmission revenue requirements of  
9 each of the transmission owners in New England, calculated in accordance with a  
10 FERC-approved formula. Pursuant to a NEPOOL Settlement dated April 7, 1999,  
11 which was incorporated into the ISO/RTO Tariff, the RNS Rate has transitioned  
12 from zonal rates to a single, “postage stamp” rate in New England. The transition  
13 was completed on March 1, 2008.

14

15 Q. Please describe the ISO-NE Black Start, Reactive Power, and Scheduling, System  
16 Control and Dispatch Services that are included in the ISO/RTO Tariff.

17 A. ISO-NE Black Start Service, also known as System Restoration and Planning  
18 Service from Generators, is necessary to ensure the continued reliable operation  
19 of the New England transmission system. This service allows for the designation  
20 of generators with the capability of supplying load and ability to start without an  
21 outside electrical supply to re-energize the transmission system following a  
22 system-wide blackout.

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Reactive Power Service, also known as Reactive Supply and Voltage Control from Generation Sources Service, is necessary to maintain transmission voltages on the ISO-NE transmission system within acceptable limits and requires that generation facilities be operated to produce or absorb reactive power. This service must be provided for each transaction on the ISO-NE transmission system. The amount of reactive power support that must be supplied for transactions is based on the support necessary to maintain transmission voltages within limits generally accepted and is consistently sustained in the region.

Lastly, Scheduling, System Control and Dispatch Service (“Scheduling & Dispatch Service”) consists of the services required to schedule the movement of power through, out of, within, or into the ISO-NE Control Area over the PTF and to maintain System Control. Scheduling & Dispatch Service also provides for the recovery of certain charges that reflect expenses incurred in the operation of satellite dispatch centers.

- Q. How are the ISO-NE charges for Black Start and Reactive Power assessed to Narragansett?
- A. ISO-NE assesses charges for Black Start and Reactive Power Services to Narragansett each month based on Narragansett’s proportionate share of its network load to ISO-NE’s total load.

1

2 Q. How are the charges for Scheduling & Dispatch Services assessed to  
3 Narragansett?

4 A. Charges for Scheduling & Dispatch Service are based on the expenses incurred by  
5 the ISO and by the individual transmission owners in the operation of local  
6 control dispatch centers or otherwise to provide Scheduling & Dispatch Service.  
7 The expenses incurred by the ISO in providing these services are recovered under  
8 Section IV, Schedule 1 of the Transmission, Markets and Services Tariff. These  
9 costs are allocated to Narragansett each month based on the FERC fixed rate for  
10 the month times Narragansett's monthly Network Load.

11

12 The costs incurred by the individual transmission owners in providing Scheduling  
13 & Dispatch Service over PTF facilities, including the costs of operating local  
14 control centers, are recovered under Section II, Schedule 1 of the Open Access  
15 Transmission Tariff ("OATT"). These costs are allocated to Narragansett each  
16 month based on a formula rate that is determined each year based on the prior  
17 year's costs incurred times Narragansett's monthly Network Load.

18

19 The costs of Scheduling & Dispatch Service for transmission service over  
20 transmission facilities other than PTF are charged under Schedule 21 of the  
21 OATT. Thus, there are three types of Scheduling & Dispatch costs that are  
22 similar, but are charged to Narragansett through three different tariff mechanisms.

1

2 Q. Are there any other applicable ISO charges which you have not mentioned  
3 previously in this testimony?

4 A. Yes. The ISO/RTO Tariff also charges for costs associated with its Load  
5 Response Program.

6

7 Q. Please describe the ISO-NE Load Response Program.

8 A. The Load Response Program is used to facilitate load response during periods of  
9 peak electricity demand by providing appropriate incentives. Load Response  
10 Program incentives are available to any Market Participant or Non-Market  
11 Participant which enrolls itself and/or one or more retail customers to provide a  
12 reduction in their electricity consumption in the New England Control Area  
13 during peak demand periods. Incentives are payments for reducing your load  
14 during peak demand periods. However, if the participant fails to reduce  
15 consumption when scheduled, such entity could end up owing money to the ISO-  
16 New England.

17

18 Q. How are these Load Response Program costs allocated?

19 A. Any monthly charges or credits are allocated to the Network Load on a system-  
20 wide basis.

21

1 Q. What administrative services and/or charges flow through to Narragansett under  
2 Section IV.A of the ISO/RTO Tariff?

3 A. There are three different charges that flow through to Narragansett under Section  
4 IV.A of the ISO/RTO Tariff under Schedule 1, Schedule 4, and Schedule 5. First,  
5 Schedule 1 provides for one component of the administration of Scheduling &  
6 Dispatch, as described earlier in my testimony. Second, Schedule 4 of the  
7 ISO/RTO Tariff provides for the collection of FERC Annual Charges, and third  
8 under the new Schedule 5, the ISO acts as the billing and collection agent for the  
9 New England States Committee on Electricity's (NESCOE) annual budget.  
10 Historically, ISO- New England had also provided Energy Administration Service  
11 ("EAS") and Reliability Administrative Service ("RAS") to Narragansett under  
12 Schedules 2 and 3 of Section IV.A of ISO/RTO Tariff. However, these services  
13 in past years related to Narragansett's prior standard offer arrangements entered  
14 into with TransCanada that have since expired. Those services are now taken  
15 directly from ISO-New England by the standard offer and default service  
16 providers.

17  
18 Q. Please explain the background behind the inclusion of the NESCOE charges  
19 under Schedule 5 of the ISO/RTO Tariff, Section IV.A.

20 A. Formed by a memorandum of understanding between ISO-NE and NEPOOL and  
21 approved by FERC in the fall of 2007, the NESCOE was established. NESCOE  
22 created a formal role for the six New England state's participation on an ongoing

1 basis in the decision-making process of the RTO. It stands to represent the policy  
2 perspectives of the New England Governors' and their collective interests in  
3 promoting a regional electric system that ensures the lowest reasonable long-term  
4 costs for customers while maintaining reliable service and environmental quality.

5

6 Q. How are the ISO/RTO Tariff charges assessed?

7 A. The ISO assesses the charges in Section IV.A, excluding Schedule 4, based upon  
8 stated rates pursuant to the ISO/RTO Tariff. These stated rates are adjusted  
9 annually when the ISO files a revised budget and cost allocation proposal to  
10 become effective January 1<sup>st</sup> each year. Narragansett is charged the stated rate for  
11 these services as part of the ISO's monthly billing process, based on its network  
12 load for Schedule 1 and Schedule 5 charges. Schedule 4 charges are based upon  
13 FERC's total assessment to the New England Control Area, and are directly  
14 assessed to NEP based on its proportion of total MWhs of transmission (including  
15 Narragansett's) to the total of the New England Control Areas' total MWhs.  
16 NEP, in turn, allocates a portion of the charges received under Schedule 5 to  
17 Narragansett through Schedule 21-NEP.

18

19 **B. Explanation of Schedule 21-NEP Tariff Services & Charges**

20 Q. What services are provided to Narragansett under Schedule 21-NEP of the  
21 ISO/RTO Tariff?

1    **A.**    Schedule 21-NEP provides service over NEP’s local, non-highway transmission  
2            facilities, considered non-PTF facilities (“Non-PTF”). The service provided over  
3            the Non-PTF is referred to as Local Network Service (“LNS”). NEP also  
4            provides metering, transformation and certain ancillary services to Narragansett to  
5            the extent such services are required by Narragansett and not otherwise provided  
6            under the ISO/RTO Tariff.

7  
8    **Q.**    Please explain the metering and transformation services provided by NEP.

9    **A.**    NEP separately surcharges the appropriate customers for these services. NEP  
10           provides metering service when a customer uses NEP-owned meter equipment to  
11           measure the delivery of transmission service. NEP provides transformation  
12           service when a customer uses NEP-owned transformation facilities to step down  
13           voltages from 69 kV or greater to a distribution voltage.

14  
15    **IV.    Estimate of Narragansett’s Transmission Expenses**

16    **Q.**    Was the forecast for Narragansett’s transmission and ISO expenses for 2009 done  
17           by you or under your supervision?

18    **A.**    Yes. Based on our knowledge of the ISO billing processes, we estimate the total  
19           transmission and ISO expenses (including certain ancillary services) for 2009 to  
20           be approximately \$103.9 million, as shown in Schedule PAV-1, Summary Page 1.  
21           This equates to an increase of \$31.9 million over expenses embedded in  
22           Narragansett’s retail rates in 2008.

1

2 Q. How have the ISO Charges shown on line 3 of Schedule PAV-1 been forecasted?

3 A. As indicated in Schedule PAV-3, we have applied an estimated rate increase to the  
4 total R N S rate currently in effect to reflect the forecast of PTF plant additions  
5 across New England, as estimated by the New England transmission owners, (see  
6 PAV-7) to be included in the annual formula rate effective June 1<sup>st</sup> 2009. The  
7 estimated rate increase is calculated by multiplying the total New England  
8 estimated 2009 plant additions by the historic 2007 PTF Revenue Requirement to  
9 Plant ratio as calculated in the PTO Informational Filing with FERC on July 31,  
10 2008 and dividing by the ISO-NE network load. The estimated 2009 RNS  
11 transmission charges to Narragansett are then calculated by taking this forecasted  
12 RNS rate, divided by 12, multiplied by Narragansett's monthly network load.  
13 The resulting calculation is shown in column 2 of Schedule PAV-2, page 1 of 2.

14

15 Q. Schedule PAV-1 also includes estimated ISO charges for Scheduling and  
16 Dispatch, Load Response, Black Start, and Reactive Power. How were these  
17 costs forecasted, as shown?

18 A. I will explain each below, out of sequence. The Black Start costs shown on line 6  
19 of Schedule PAV-1 were derived in two steps. First, as shown in Section II of  
20 Schedule PAV-4 (line 5), we estimated the cost for Black Start Service by  
21 combining the actual monthly ISO Black Start expenses for the period January  
22 through July 2008 and the prior year's historical data from August through

1 December 2007. This region-wide estimate is divided by the ISO's 2007 Network  
2 Load to calculate an estimated annual rate, as shown on line 7. We then  
3 calculated a monthly rate (annual rate divided by 12), as shown on line 8. To  
4 obtain the estimate of Black Start costs that would be charged to Narragansett, we  
5 multiplied the monthly rate by Narragansett's monthly network load, as shown for  
6 each month in column 2 of PAV-2, page 1. Using this methodology, we estimate  
7 \$650,309 to be allocated to Narragansett for 2009.

8

9 Q. How have you performed the estimate for Reactive Power costs for Narragansett?

10 A. The estimated Reactive Power cost for the New England region was calculated  
11 by using the full year 2007 actual ISO costs (as 2008 data was unavailable) as  
12 shown in Section I of Schedule PAV-4 (line 1). The annual rate is determined by  
13 dividing the total Reactive Power costs charged in the region for that 12 month  
14 historic period by the ISO's 2007 Network Load. The monthly rate (annual rate  
15 divided by 12) is then multiplied by Narragansett's monthly network load to  
16 determine the estimated charges for Reactive Power Service. Using this  
17 methodology, we estimate \$3,963,174 to be allocated to Narragansett for 2009.

18

19 Q. How did you forecast the Scheduling and Dispatch costs shown on line 4 of PAV-  
20 1?

21 A. My estimate is shown in column (3) of PAV-2, page 1. This amount was derived  
22 by simply using the currently effective OATT Schedule 1 rate of \$1.2299729 per

1 kW-year, divided by 12, and further multiplied by Narragansett's network load as  
2 shown monthly in column (1) of PAV-2, page 1 of 2.

3

4 Q. Have you included any RMR contract charges to Narragansett for 2009?

5 A. No. Narragansett has not incurred any RMR contract charges as there have been  
6 no RMR contracts for the Rhode Island reliability region over the past year.

7 Therefore, we have not forecasted any RMR contract costs for 2009.

8

9 Q. Have you included any Load Response Program charges to Narragansett for  
10 2009?

11 A. Yes. My estimate for 2009 Load Response Program costs is shown on line 5 of  
12 Schedule PAV-1. For this estimate, actual costs incurred by Narragansett for the  
13 periods January through June 2008 were used along with the average of these  
14 months to complete the estimate for July through December. The monthly cost  
15 estimate is shown in column 5 of Schedule PAV-2 page 1 of 2, totaling \$805,440.

16

17 Q. Can you please explain the forecast of charges shown in line 8 and 9 of Schedule  
18 PAV-1?

19 A. Yes. I described these costs earlier in my testimony. Line 8 shows the 2009  
20 forecast of charges to Narragansett under Schedule 1, Scheduling and Load  
21 Dispatch Administrative schedules through Section IV.A of the ISO/RTO Tariff.  
22 The estimate is based on the ISO revenue requirement for Schedule 1 filed each

1 year with FERC. The ISO filed its proposed 2009 revenue requirement with  
2 FERC on October 31, 2008. To estimate Narragansett's 2009 ISO charges, the  
3 ISO's actual costs for the period January through August 2008 as well as the  
4 monthly estimates for September through December are adjusted by an  
5 inflationary factor shown on line 16 of PAV-2, page 2. This inflationary factor is  
6 intended to recognize the increase or decrease in the ISO's revenue requirement  
7 and the associated components of that revenue requirement from the budget as  
8 filed for the previous year. Line 9 shows our estimated 2009 NESCOE charges  
9 under Schedule 5 of Section IV.A of the ISO/RTO Tariff. For calendar year  
10 2009, each customer that is obligated to pay the Regional Network Service rate  
11 pays each month, in arrears, an amount equal to the product of \$.00263 kW times  
12 its monthly network load for that month. For the purposes of the 2009 estimate,  
13 actual ISO charges for the periods January through August 2008 were used as a  
14 baseline in projecting the full year. These charges are shown in Schedule PAV-2  
15 on page 2. The total estimated amount of direct ISO/RTO Tariff charges under  
16 Section IV.A for the region is estimated to be \$1,651,808. These estimates are  
17 taken from page 2 of PAV-2 and then reflected on line 8 and 9 of Schedule PAV-  
18 1.

19

20 Q. What is the sub-total of transmission expenses attributable to charges from the  
21 ISO-NE?

1    **A.**    The sub-total of ISO-NE charges is \$77,187,007, which is the sum of lines 3  
2           through 9 on Schedule PAV-1.

3  
4    **Q.**    Have you estimated the charges to Narragansett under Schedule 21 of the  
5           ISO/RTO Tariff?

6    **A.**    Yes. Lines 1 and 2 of Schedule PAV-1 show the amount of forecasted charges  
7           from New England Power Company pursuant to the Local Network Service  
8           (“LNS”) tariff. The total amount of expenses is \$26,731,315 which represents a  
9           net increase in the total revenue requirement of New England Power Company  
10          allocated to Narragansett of approximately \$8 million for 2009. This net increase  
11          in the revenue requirement is primarily driven by the estimated increase in costs  
12          for the approximately \$6 million of capital additions forecasted for 2009.  
13          Schedule PAV-6 shows the calculation of the total NEP revenue requirement  
14          applicable to all customers in New England. NEP allocates Non-PTF expenses to  
15          Narragansett’s customers on a load ratio share basis, as shown in Schedule PAV-5  
16          column (1). Metering, transformation and ancillary service charges are based on  
17          current rates and are assessed to Narragansett based on a per meter and peak load  
18          basis, respectively.

19

20    **V. Explanation of Primary Changes from Last Year’s Forecasted Expenses**

21    **Q.**    What is the effect on Narragansett’s 2009 transmission expenses?

1    **A.**    As mentioned earlier in my testimony, the estimated 2009 Narragansett  
2           transmission and ISO expenses of \$103.9 million represents a net increase of \$32  
3           million from the 2008 forecast of transmission expenses for Narragansett. This  
4           total increase is due to 1) An increase in the actual RNS rates effective June 1,  
5           2008 of \$13 million; 2) An estimated additional RNS rate increase effective June  
6           1, 2009 based on the PTF transmission plant investment forecasted to go “in-  
7           service” in 2009 across New England, resulting in an additional \$10 million  
8           increase in Narragansett’s Regional Network Service PTF transmission charges;  
9           3.) NEP is forecasting an \$8 million increase in local Non-PTF expenses due  
10          primarily to increases in Non-PTF investment and 4.) An additional \$1 million in  
11          Reactive Power Expenses.

12  
13    **Q.**    What is causing the \$13 million ISO-NE RNS rate increase from 2008 ?

14    **A.**    There were several factors that caused the increase from 2008. First, there is an  
15          increase of approximately \$8m in expense for the period January through May  
16          2009 as compared to expenses as forecasted for January through May 2008. This  
17          is the result of RNS rates being updated effective June 1 of each year. Therefore  
18          the forecasted January through May 2008 expenses included in last year’s filing  
19          do not reflect the increase of approximately \$16.00 per MW year to the RNS rate  
20          that became effective June 1, 2008 that resulted primarily from an estimated \$1.2  
21          billion of expected transmission plant investment to be placed in-service over the  
22          2008 calendar year. Second, the actual 2008 ISO-NE RNS rate effective June 1,

1           2008 of \$43.87 per MW year reflecting the \$1.2 billion of additional plant  
2           investment was \$6.73 per MW year higher than the \$34.14 per MW year  
3           anticipated in our estimate as filed last year. This was primarily due to an  
4           unanticipated under-recovery of 2007 transmission expenses and an under  
5           estimate of the \$1.2 billion of the 2008 additional plant investment of  
6           approximately \$200 million.

7

8    Q.     What PTF plant investment is driving the increase in the ISO-NE RNS charges to  
9           Narragansett effective June 1, 2009?

10   A.     Of the total estimated \$24 million increase to the 2009 forecast of ISO PTF  
11           transmission expenses, approximately \$10 million is due to a significant number  
12           of capital additions forecasted by the Transmission Owners to go into service in  
13           2009. Schedule PAV-7 is a schedule showing an estimated \$1.3 billion of PTF  
14           plant additions for 2009 as provided by the Transmission Owners. This list was  
15           newly created by the Transmission Owners this year in an effort to improve our  
16           ability to forecast the impact of capital investment on RNS rates. In prior years,  
17           forecasts had been based on the figures as reported in the ISO-NE last approved  
18           Regional System Plan. This year, revised estimates are intended to 1) include the  
19           most current project cost forecasts and 2) refine phasing of when project spending  
20           is placed into service and capture any PTF capital expenditure not included in the  
21           ISO-NE Regional System Plan.

22

1 Q. What are the major projects driving the significant level of projected plant  
2 additions for 2009?

3 A. Based on our review of ISO-NE Regional System Plan, the three largest  
4 transmission projects in New England with portions of the project having  
5 projected in service dates during 2009 are: (1) Northeast Utilities and United  
6 Illuminating Southwest Connecticut Reliability; (2) NSTAR's 345 kV  
7 Transmission Reliability Project; and (3) National Grid's Wakefield Junction  
8 Substation. The Northeast Utilities/United Illuminating Southwest Connecticut  
9 Reliability Project installs a 345 kV transmission loop in southwest Connecticut  
10 to address reliability needs in the area. The 345 kV loop includes a line from  
11 Bethel to Norwalk (Phase I) and from Beseck Junction to Norwalk (Phase II).  
12 The project increases the ability to transfer power into the area and resolves long-  
13 standing short-circuit concerns by relocating interconnections of several  
14 generating units from the 115kV system to the 345 kV system. The NSTAR 345  
15 kV Transmission Reliability Project installs three 345 kV transmission cables  
16 from Stoughton to Boston to address reliability needs in the area. The project  
17 increases the ability to transfer power into the Boston area. The first two cables  
18 were placed in-service in 2006; the third cable is presently being installed and  
19 commissioned. National Grid's Merrimack Valley/North Shore Reliability  
20 Project reinforces the transmission system in northeast Massachusetts to support  
21 future load growth, provide adequate capacity to transfer power within the local  
22 area, support the long-term Boston Import needs, and replace the functionality of

1           the ageing Golden Hills 345-115 kV substation. The major components of the  
2           project include a new 345-115 Wakefield Junction substation, a new West  
3           Amesbury 345-115 kV substation, expansion and reconfiguration of the Sandy  
4           Pond 345 kV switchyard, conversion of an existing 23 kV line to 115 kV between  
5           King Street and West Amesbury, and various other upgrades to existing 115 kV  
6           lines and terminal equipment to improve system thermal capacity, voltage  
7           performance, and short-circuit interrupting capability.

8  
9

10    **Q.**    Does this conclude your testimony?

11    **A.**    Yes.

Schedules of  
Pamela A. Viapiano

Schedules

Schedule PAV-1	Summary of Transmission Expenses Estimated for 2009
Schedule PAV-2	Summary of ISO-NE Charges Estimated for 2009
Schedule PAV-3	PTF Rate Calculation Estimated for 2009
Schedule PAV-4	Summary of Reactive Power & Black Start Costs Estimated for 2009
Schedule PAV-5	Summary of New England Power Schedule No. 21 Charges Estimated for 2009
Schedule PAV-6	Non-PTF Revenue Requirement Estimated for 2009
Schedule PAV-7	Forecasted PTF Capital Additions In Service - 2009



**Schedule PAV-1**

**Summary of Transmission Expenses Estimated for 2008**

National Grid: Narragansett Electric Company  
Summary of Transmission Expenses  
Estimated For the Year 2009

		2009 Forecast	
<b>NEP Charges</b>			
1	Non-PTF	\$25,766,797	
2	Other NEP Charges	<u>964,518</u>	
	<b><i>Sub-Total NEP Charges</i></b>		\$26,731,315
<b>ISO Charges</b>			
3	PTF	\$68,462,301	
4	Scheduling & Dispatch	1,653,976	
5	Load Response	805,440	
6	Black Start	650,309	
7	Reactive Power	<u>3,963,174</u>	
	<b><i>Sub-Total ISO Charges</i></b>		\$75,535,199
<b>ISO-NE Administrative Charges</b>			
8	Schedule 1 - Scheduling & Dispatch	\$1,609,368	
9	Schedule 5 - NESCOE	42,440	
	<b><i>Sub-Total ISO-NE Charges</i></b>		<u>\$1,651,808</u>
10	<b>Total Expenses Flowing Through Current Rates</b>		<u><u><b>\$103,918,322</b></u></u>

- Line 1 = PAV-5: Column (2), Line 13
- Line 2 = PAV-5: Sum of Column (3) thru (5), Line 13
- Line 3 = PAV-2, page 1: Column (2), Line 13
- Line 4 = PAV-2, page 1: Column (3), Line 13
- Line 5 = PAV-2, page 1: Column (5), Line 13
- Line 6 = PAV-2, page 1: Column (6), Line 13
- Line 7 = PAV-2, page 1: Column (7), Line 13
- Line 8 = PAV-2, page 2: Column (1), Line 13
- Line 9 = PAV-2, page 2: Column (2), Line 13
- Line 10 = Sum of Line 1 thru Line 9



**Schedule PAV-2**

**Summary of ISO-NE Charges Estimated for 2008**

National Grid: Narragansett Electric Company  
Summary of ISO Charges  
Estimated For the Year 2009

	(1) Monthly PTF kW Load	(2) PTF Demand Charge	(3) Scheduling & Dispatch	(4) Reliability Must Run	(5) Load Response	(6) Black Start	(7) Reactive Power	(8) Total ISO
1 January	1,360,850	\$4,975,041	\$139,484	\$0	\$11,454	\$54,842	\$334,225	\$5,515,046
2 February	1,286,073	4,701,669	131,820	0	78,687	51,829	315,860	5,279,863
3 March	1,155,691	4,225,014	118,456	0	39,832	46,574	283,838	4,713,713
4 April	1,067,184	3,901,447	109,384	0	55,749	43,008	262,100	4,371,688
5 May	1,094,066	3,999,723	112,139	0	56,437	44,091	268,703	4,481,093
6 June	1,768,978	8,113,712	181,316	0	65,181	71,290	434,461	8,865,960
7 July	1,626,961	7,462,328	166,760	0	100,375	65,567	399,582	8,194,611
8 August	1,546,960	7,095,390	158,560	0	129,245	62,342	379,933	7,825,471
9 September	1,443,947	6,622,904	148,001	0	67,120	58,191	354,633	7,250,849
10 October	1,290,855	5,920,722	132,310	0	67,120	52,021	317,034	6,489,207
11 November	1,189,425	5,455,496	121,913	0	67,120	47,934	292,123	5,984,586
12 December	1,305,710	5,988,857	133,832	0	67,120	52,620	320,682	6,563,111
<b>13 12-Mo Total</b>	<b>16,136,700</b>	<b>\$68,462,301</b>	<b>\$1,653,976</b>	<b>\$0</b>	<b>\$805,440</b>	<b>\$650,309</b>	<b>\$3,963,174</b>	<b>\$75,535,199</b>

Line 1-12: Column (1) = NEPOOL Monthly Statements January 2008 - August 2008 for actuals and September 2007 - December 2007 for estimates

Line 1-5: Column (2) = PAV-3, Line 1 \* Column (1) / 12

Line 6-12: Column (2) = PAV-3, Line 6 \* Column (1) / 12

Line 1-12: Column (3) = Current Rate \* Column (1) / 12      Rate = **1.2299729** /kW-Yr

Line 1-12: Column (4) = 0 [No Reliability Must Run Contracts are currently in effect for Rhode Island]

Line 1-12: Column (5) = ISO Monthly Statements January 2008 - August 2008 for actuals - average of those months for the estimates for Sept - Dec 2008 as the Sept - Dec 2007 actuals were high

Line 1-12: Column (6) = PAV-4, Line 8 \* Column (1)

Line 1-12: Column (7) = PAV-4, Line 4 \* Column (1)

Line 1-12: Column (8) = Sum of Columns (2) thru (7)

Line 13 = Sum of Line 1 thru Line 12

National Grid: Narragansett Electric Company  
Summary of ISO-NE Administrative Expenses  
Estimated For the Year 2009

	(1) Sch. 1 Scheduling & Dispatch	(2) Sch. 5 NESCOE	(3) Total ISO-NE Admin Charges
1 January	\$144,660	\$3,579	\$148,239
2 February	132,476	3,382	\$135,859
3 March	120,961	3,039	\$124,001
4 April	112,223	2,807	\$115,030
5 May	115,453	2,877	\$118,331
6 June	189,673	4,652	\$194,326
7 July	170,719	4,279	\$174,998
8 August	161,222	4,069	\$165,290
9 September	126,862	3,798	\$130,660
10 October	113,854	3,395	\$117,249
11 November	104,449	3,128	\$107,577
12 December	116,815	3,434	\$120,249
<b>13 Totals</b>	<b>\$1,609,368</b>	<b>\$42,440</b>	<b>\$1,651,808</b>
14 2008 Budget	\$24,409,406		
15 2009 Budget	\$26,424,505		
16 % Change	8.26%		

Line 1-12: Columns (1) = Monthly ISO Bills for periods January 2008 - August 2008 and September 2007 - December 2007 for estimates  
Line 1-12: Column (2) = Estimates based on Monthly PTF load \* 2009 charge of \$.00263 per kW-mo from ISO NESCOE Budget Filing 10/31/2008  
Line 13 = Sum of Line 1 thru Line 12  
Line 14 = ISO-NE Proposed Schedule 1 Operating Budget (Year 2008) based on the 10/31/07 FERC filing  
Line 15 = ISO-NE Proposed Schedule 1 Operating Budget (Year 2009) based on the 10/31/08 FERC filing  
Line 16 = Line 15-Line 14 / Line 14



Schedule PAV-3

PTF Rate Calculation Estimated for 2008

New England Power Company  
PTF Rate Calculation  
Estimated For the Year 2009

Development of PTF Rate:

1 Total Regional Network Service Rate through May 31, 2007 \$43.87 /KW-YR

ESTIMATED Increase in ISO Rate Effective June 1, 2009

2 Total ESTIMATED PTO Plant Additions \$1,329,138,488

3 \* Revenue Requirement to Plant Ratio 18.05%

4 / 2007 ISO Network Load 21,485,999

5 Additional Estimated ISO Regional Network Service Rate \$11.17 /KW-YR

6 Regional Network Service Rate in effect June 1, 2009 through  /KW-YR

Line 1 = PTO Supplemental Filing

Line 2 = Per PTO submissions dated 10/29/2008

Line 3 = PTO RWG Presentation 7/22/08

Line 4 = PTO Informational Filing dated 7/31/08

Line 5 = Line 2 \* Line 3 / Line 4

Line 6 = Line 1 + Line 5



**Schedule PAV-4**

**Summary of Reactive Power & Black Start Costs Estimated for 2008**

National Grid: Narragansett Electric Company  
Summary of Reactive Power & Black Start Costs  
Estimated For the Year 2009

Section I: Development of Reactive Power Estimate

1	Estimated Total ISO Reactive Power Costs	\$63,313,199
2	2007 ISO Network Load (KW)	21,485,999
3	Estimated Rate / KW-Yr	\$2.9467
4	Estimated Rate / KW-Mo	<input type="text" value="0.2456"/>

Section II: Development of Black Start Costs

5	Estimated Total ISO Black Start Costs	\$10,397,475
6	2007 ISO Network Load (KW)	21,485,999
7	Estimated Rate / KW-Yr	\$0.4839
8	Estimated Rate / KW-Mo	<input type="text" value="\$0.0403"/>

Line 1 = ISO Schedule 2 Settlement Reports for period January 2007 - December 2007

Line 2 = 12 CP Network Loads from Informational Filing dated 07/31/08

Line 3 = Line 1 / Line 2

Line 4 = Line 3 / 12

Line 5 = ISO Schedule 16 Settlement Rprts for Jan 2008 - July 2008 for actuals and August 2007 - December 2007 for estimates

Line 6 = Line 2

Line 7 = Line 5 / Line 6

Line 8 = Line 7 / 12



**Schedule PAV-5**

**Summary of New England Power Schedule No. 21 Charges Estimated for 2008**

National Grid: Narragansett Electric Company  
Summary of New England Power - Schedule No. 21 Charges  
Estimated For the Year 2009

	(1) Non- PTF Load Ratio % Share	(2) Non-PTF Demand Charge	(3) Scheduling & Dispatch	(4) Transformer Surcharge	(5) Meter Surcharge	(6) Total NEP Costs	
1	January	25.60%	\$2,103,067	\$70,229	\$1,929	\$1,022	\$2,176,247
2	February	25.62%	2,104,716	7,462	1,929	1,022	2,115,128
3	March	25.34%	2,081,516	149,486	1,929	1,022	2,233,953
4	April	25.80%	2,118,923	101,989	1,929	1,022	2,223,862
5	May	25.16%	2,066,789	104,047	1,929	1,022	2,173,785
6	June	26.44%	2,172,007	102,610	1,929	1,022	2,277,567
7	July	26.23%	2,154,214	46,536	1,929	1,022	2,203,700
8	August	27.99%	2,299,269	57,831	1,929	1,022	2,360,050
9	September	26.35%	2,164,737	77,843	1,929	1,022	2,245,530
10	October	27.75%	2,279,269	61,639	1,929	1,022	2,343,858
11	November	26.02%	2,137,472	100,928	1,929	1,022	2,241,350
12	December	25.38%	2,084,818	48,515	1,929	1,022	2,136,284
13	<b>12- Mo Total</b>		<b>\$25,766,797</b>	<b>\$929,116</b>	<b>\$23,142</b>	<b>\$12,260</b>	<b>\$26,731,315</b>

Lines 1-12: Column (1) = Monthly Network Load Files for January 2008 - September 2008 for actuals and October 2007 - December 2007 for estimates

Lines 1-12: Column (2) = Column (1) \* Schedule PAV-6, Line 3 / 12

Lines 1-12: Column (3) = Monthly Network Bills for periods January 2008 - August 2008 and September 2007 - December 2007 for estimates

Lines 1-12: Column (4) & (5) = Current rates as of June 2008

Lines 1-12: Column (6) = Sum of Column (2) thru (5)

Line 13 = Sum of Line 1 through Line 12



Schedule PAV-6

Non-PTF Revenue Requirement Estimated for 2008

New England Power Company  
Non-PTF Revenue Requirement  
Estimated For the Year 2009

Section II:

1	NEP's Schedule 21 Non-PTF Revenue Requirement (12 mos. Ended 12/31/08)	\$92,884,229
2	Adjustment for Forecasted 2009 Capital Additions	\$5,688,000
3	Estimated 2009 Non-PTF Revenue Requirement	<u>\$98,572,229</u>
	<u>Adjustment for Year End 2009 Capital Additions</u>	
4	Estimated 2009 Non-PTF Transmission Additions for Lines - In Service	\$11,100,000
5	Estimated. 2009 Non-PTF Transmission Additions for Substations - In Service	\$20,500,000
6	Estimated NEP 2009 Transmission Plant Additions	\$31,600,000
7	Non-PTF Transmission Plant Carrying Charge	18%
8	Adjustment for Forecasted 2009 Capital Additions	\$5,688,000

Section III:

	<u>Transmission Plant Carrying Charge</u>	
9	NEP's Schedule 21 Revenue Requirement	92,884,229
10	Total Revenue Credit (12 Mos. Ended 12/31/08)	174,667,570
11	Total Transmission Integrated Facilities Credit (12 Mos. Ended 12/31/08)	<u>(44,692,680)</u>
12	Sub-Total Revenue Requirement	222,859,119
13	Total Transmission Plant (as of 9/30/08)	1,213,452,216
14	Non-PTF Transmission Plant Carrying Charge	18%

Line 1 = NEP Schedule 21 Billing - January - August 2008 for actuals, Sept-December 2007 for estimates

Line 2 = Line 8

Line 3 = Line 1 + Line 2

Line 4 & 5 = Estimated NEP In-Service Non-PTF additions for CY 2009 for Line and Substations

Line 6 = Line 4 + Line 5

Line 7 = Line 14

Line 8 = Line 6 \* Line 7

Line 9 thru 11 = NEP Schedule 21 Billings January - August 2008 for actuals, Sept-December 2007 for estimates

Line 12 = Sum of Lines 9 thru 11

Line 13 = NEP Schedule 21 Billing

Line 14 = Line 12 / Line 13



Schedule PAV-7

Forecasted PTF Capital Additions In Service - 2009

**Participating Transmission Owners  
Forecast of RNS Rate Impacts  
For the Period CY09**

**Estimated / Forecasted PTF Capital Additions In Service**

	<b>2009</b>
<b>Bangor Hydro</b>	\$ 30,000,000
<b>Central Maine Power</b>	\$ 38,680,488
<b>Florida Power &amp; Light-NED</b>	\$ 20,000,000
<b>Holyoke Gas and Electric</b>	\$ -
<b>National Grid</b>	\$ 156,200,000
<b>NSTAR Electric Company</b>	\$ 125,000,000
<b>Northeast Utilities</b>	\$ 596,700,000
<b>United Illuminating Company</b>	\$ 327,561,000
<b>VT Transco</b>	\$ 34,997,000
<b>Total</b>	<b>\$ 1,329,138,488</b>

Source: Participating Transmission Owners (PTO) Committee