Thomas R. Teehan
Senior Counsel

November 13, 2009

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4011 - Standard Offer Reconciliation Report

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's[1] ("Company") Standard Offer Reconciliation Report ("Report"). The enclosed Report provides the Company's most current projection of the Standard Offer reconciliation balance through October 31, 2009 based on actual revenues through October 2009 and actual expenses through September 2009. The estimated expenses are calculated using estimated fuel index payments based on projected gas futures prices as reported in the *Wall Street Journal* on October 26, 27, and 28, 2009 and the NYMEX New York Harbor Residual Fuel 1.0% Sulfur Swap prices as reported for the same three trading days.

Based on the September futures prices, the Company estimates an over-collection of approximately $2 million by the end of December 2009.

Attachment 1, page 1, of this Report shows the Company's projected Standard Offer reconciliation balance through December 31, 2009. Pages 2 and 3 of Attachment 1 support the calculation of the Company's estimated Standard Offer revenues and expenses, respectively. Estimated revenues are determined by applying the current Standard Offer Service rate of 9.2¢ per kWh to the Company's forecasted retail Standard Offer deliveries.

Attachment 2 contains the calculation of the estimated monthly fuel index adjustment prices per kWh. Page 1 includes the projection of the natural gas index based on natural gas futures prices as reported in the *Wall Street Journal* on October 26, 27 and 28, 2009. The projected oil index as shown on page 2 is based on the NYMEX New York Harbor Residual Fuel 1.0% Sulfur Swap prices also as reported on October 26, 27 and 28, 2009. The oil prices used in the calculation of the fuel index in each month, as specified in the Company's wholesale Standard Offer Service contracts, are the daily low quotation, cargo delivery, 1.0% Sulfur, No. 6, residual fuel oil, NY Harbor as reported daily in Platt's Oilgram. There was no futures market for this product at the time that the Company established its fuel index model

[1] The Narragansett Electric Company, d/b/a National Grid

for projecting fuel index values. Therefore, crude oil futures prices were chosen at that time as a substitute product for projecting future fuel index payments. However, after a comparison of the futures prices to actual prices, over time, of both products, the Company believes that the Residual Fuel 1.0% Sulfur Swap prices may provide a better estimate of projected expenses than the crude oil futures prices. The monthly weighted fuel index adjustments are calculated on page 3.

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,

Thomas R. Teehan

Enclosures

cc: Docket 4011 Service List
Steve Scialabba, RI Division

280 Melrose Street, Providence, RI 02907
T: 401-784-7667 ■ F: 401-784-4321 ■ thomas.teehan@us.ngrid.com ■ www.nationalgrid.com

Attachment 1

The Narragansett Electric Company

Report to the R.I.P.U.C.
Standard Offer Reconciliation

Projected Balance
for the period
October 2008 through December 2009

Submitted: November 2009

Standard Offer Reconciliation
for the period October 2008 through December 2009

Projected Balance @ September 30, 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 (h)	Monthly Balance Including Unbilled (i)
(1)	Oct-08	$22,487,122	$29,189,036	$33,180,611	$46,520,758	$79,701,369	($50,512,333)	$9,418	($28,034,630)	($2,816,926)
(1)	Nov-08	($28,034,630)	$45,850,371	$31,718,885	$24,680,727	$56,399,612	($10,549,241)	$4,739	($38,588,610)	($5,106,173)
(1)	Dec-08	($38,588,610)	$60,877,157	$34,633,822	$25,176,931	$59,810,754	$1,066,403	$4,553	($37,526,759)	($812,572)
(1)	Jan-09	($37,526,759)	$66,753,067	$36,550,985	$24,459,967	$61,010,952	$5,742,115	$4,785	($31,789,429)	($6,769,224)
(1)	Feb-09	($31,789,429)	$45,491,281	$29,602,983	$19,206,197	$48,809,179	($3,317,898)	$4,969.52	($35,112,297)	($11,511,109)
(1)	Mar-09	($35,112,297)	$42,911,251	$31,360,313	$17,615,362	$48,975,675	($6,064,424)	$4,269.54	($41,180,990)	($19,673,524)
(1)	Apr-09	($41,180,990)	$39,104,483	$27,956,205	$13,972,271	$41,928,476	($2,823,993)	$4,203.15	($44,009,186)	($23,737,304)
(1)	May-09	($44,009,186)	$36,857,968	$28,563,636	$12,018,973	$40,582,609	($3,724,641)	$3,736.91	($47,737,564)	($27,655,955)
(1)	Jun-09	($47,737,564)	$36,512,017	$30,692,367	$8,053,016	$38,745,383	($2,233,366)	$3,831.17	($49,974,761)	($27,175,005)
(1)	Jul-09	($49,974,761)	$41,454,103	$34,701,271	$8,208,771	$42,910,042	($1,455,939)	$4,616.45	($51,435,317)	($23,605,319)
(1)	Aug-09	($51,435,317)	$50,599,995	$40,343,144	$6,994,694	$47,337,837	$3,262,158	$4,697.75	($48,177,857)	($22,093,664)
(1)	Sep-09	($48,177,857)	$47,425,804	$28,243,037	$4,484,318	$32,727,355	$14,698,449	$5,425	($33,484,832)	($11,645,954)
(2)	Oct-09	($33,484,832)	$21,838,878				$21,838,878		($11,645,954)	
	Totals	$22,487,122	$564,865,411	$387,547,259	$211,391,984	$598,939,243	($34,073,832)	$59,244	($11,645,954)	
	Interest (3)								$220,302	
	Ending Balance with Interest								($11,425,652)	

(1) Actual revenues and expenses
(2) Estimated revenues and expenses
(3) Interest expense calculation : ($22,487,122 + -$11,645,953) / 2 * ((4.63% * 5/12) + (3.66% * 7/12))

NOTE: October 2009 reflects September usage billed in October

---

Section 2. 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 (h)	Monthly Balance Including Unbilled (i)
(2)	Oct-09	($11,425,652)	$13,839,733	$32,748,579	4,400,763	$37,149,342	($23,309,609)		($34,735,261)	($12,186,997)
(2)	Nov-09	($34,735,261)	$40,996,843	$31,638,868	4,897,027	$36,535,895	$4,460,948		($30,274,313)	($5,709,012)
(2)	Dec-09	($30,274,313)	$44,664,183	$34,469,098	5,980,551	$40,449,649	$4,214,534		($26,059,778)	$1,962,405
(2)	Jan-10	($26,059,778)	$28,022,183				$28,022,183		$1,962,405	
	Totals	($11,425,652)	$127,522,943	$98,856,546	$15,278,341	$114,134,887	$13,388,056	$0	$1,962,405	

NOTE: January 2010 reflects December usage billed in January

(2) Estimated revenues and expenses

Column Notes:

Column (a)	Column (h) from previous row; beginning balance - Sep '08 ending balance from RIPUC Docket No. 4011 on Schedule JAL-4
Column (b)	from Page 2 of August Standard Offer report
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)

Standard Offer Reconciliation
Estimated Revenue

Month	Estimated Standard Offer Deliveries (a)	Standard Offer Rate (b)	Total Estimated Revenues (c)
Dec-08	N/A	$0.12400	N/A
Jan-09	N/A	$0.09200	N/A
Feb-09	N/A	$0.09200	N/A
Mar-09	N/A	$0.09200	N/A
Apr-09	N/A	$0.09200	N/A
May-09	N/A	$0.09200	N/A
Jun-09	N/A	$0.09200	N/A
Jul-09	N/A	$0.09200	N/A
Aug-09	N/A	$0.09200	N/A
Sep-09	N/A	$0.09200	N/A
Oct-09	N/A	$0.09200	N/A
Nov-09	445,617,863	$0.09200	$40,996,843
Dec-09	485,480,252	$0.09200	$44,664,183
Jan-10 full mo kWh	553,798,081	$0.09200	$50,949,423

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)
2009											
Jan-09	756,942,272	83.0%	N/A	$0.07100	N/A	$0.03922	N/A	N/A	N/A	-	N/A
Feb-09	639,404,004	83.0%	N/A	$0.07100	N/A	$0.03602	N/A	N/A	N/A	-	N/A
Mar-09	609,352,974	78.2%	N/A	$0.07100	N/A	$0.03221	N/A	N/A	N/A	-	N/A
Apr-09	548,908,016	78.2%	N/A	$0.07100	N/A	$0.02814	N/A	N/A	N/A	-	N/A
May-09	590,739,693	78.2%	N/A	$0.07100	N/A	$0.02318	N/A	N/A	N/A	-	N/A
Jun-09	560,078,101	78.2%	N/A	$0.07100	N/A	$0.01768	N/A	N/A	N/A	-	N/A
Jul-09	643,853,130	78.2%	N/A	$0.07100	N/A	$0.01149	N/A	N/A	N/A	-	N/A
Aug-09	683,508,114	78.2%	N/A	$0.07100	N/A	$0.00774	N/A	N/A	N/A	-	N/A
Sep-09	721,206,148	78.2%	N/A	$0.07100	N/A	$0.00467	N/A	N/A	N/A	-	N/A
Oct-09	589,830,687	78.2%	461,247,597	$0.07100	$32,748,579	$0.00385	$1,775,803	$108,795	$2,516,164	4,400,763	$37,149,342
Nov-09	569,843,815	78.2%	445,617,863	$0.07100	$31,638,868	$0.00499	$2,223,633	$157,230	$2,516,164	4,897,027	$36,535,895
Dec-09	620,818,737	78.2%	485,480,252	$0.07100	$34,469,098	$0.00665	$3,228,444	$235,943	$2,516,164	5,980,551	$40,449,649

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 Attachment 2, 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)
(k) Column (e) + Column (j)

Attachment 2

The Narragansett Electric Company

Report to the R.I.P.U.C.
Standard Offer Reconciliation

Calculation of the Fuel Index Adjustment
through December 2009

Prices published in WSJ on: 26-Oct-09 27-Oct-09 28-Oct-09

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) 3rd Last**	**2nd Last**	**Last**	**Gas Index**	**NGrid's Market Gas Price**	**EUA's Market Gas Price**	**SOS Delivery 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	$6.316	$6.480	$6.888	$6.561	$8.944	n/a	Dec-08
Jan-09	Dec-08	$5.910	$5.826	$6.136	$5.957	$8.850	n/a	Jan-09
Feb-09	Jan-09	$4.490	$4.503	$4.476	$4.490	$8.556	n/a	Feb-09
Mar-09	Feb-09	$4.097	$4.236	$4.056	$4.130	$8.141	n/a	Mar-09
Apr-09	Mar-09	$4.329	$3.947	$3.631	$3.969	$7.678	n/a	Apr-09
May-09	Apr-09	$3.297	$3.253	$3.321	$3.290	$7.035	n/a	May-09
Jun-09	May-09	$3.515	$3.537	$3.538	$3.530	$6.341	n/a	Jun-09
Jul-09	Jun-09	$3.761	$3.844	$3.949	$3.851	$5.582	n/a	Jul-09
Aug-09	Jul-09	$3.555	$3.535	$3.379	$3.490	$5.110	n/a	Aug-09
Sep-09	Aug-09	$2.882	$2.910	$2.843	$2.878	$4.669	n/a	Sep-09
Oct-09	Sep-09	$3.955	$3.985	$3.730	$3.890	$4.358	n/a	Oct-09
Nov-09	Oct-09	$4.513	$4.557	$4.289	$4.453	$4.207	n/a	Nov-09
Dec-09	Nov-09	$5.212	$5.282	$5.066	$5.187	$4.093	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 - Sep-2009)
- Settlement price as reported in the Wall Street Journal on 10-26-09 (Oct-09 - Dec-09)

Col. D - Settlement price for the second last trading day as reported in the Wall Street Journal. (Jan-99 - Sep-2009)
- Settlement price as reported in the Wall Street Journal on 10-27-09 (Oct-09 - Dec-09)

Col. E - Settlement price for the last trading day as reported in the Wall Street Journal. (Jan-99 - Sep-2009)
- Settlement price as reported in the Wall Street Journal on 10-28-09 (Oct-2009 - 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)**	**NGrid's Market Oil Price**	**EUA's Market Oil Price**	**Average**	**Prices published in Wall Street Journal on:**			
Dec-95	Dec-95	377.00	20	6.3	2.99	-	-					
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	89.850	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	100.740	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	104.480	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	119.370	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	129.070	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	134.620	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	127.950	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	114.980	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	120.920	120.92	120.92	120.92	<=Oct 2008 closing from WSJ on 09/22/08
Nov-08	Nov-08	720.70	18	6.3	6.355	12.570	n/a	70.860	70.86	70.86	70.86	<=Nov 2008 closing from WSJ on 10/21/08
Dec-08	Dec-08	713.35	21	6.3	5.392	12.062	n/a	49.620	49.62	49.62	49.62	<=Dec 2008 closing from WSJ on 11/20/08
Jan-09	Jan-09	747.55	20	6.3	5.933	11.573	n/a	33.870	33.87	33.87	33.87	<=Jan 2009 closing from WSJ on 12/19/08
Feb-09	Feb-09	705.40	19	6.3	5.893	11.131	n/a					
Mar-09	Mar-09	833.50	22	6.3	6.014	10.673	n/a					
Apr-09	Apr-09	934.45	21	6.3	7.063	10.201	n/a					
May-09	May-09	1044.85	20	6.3	8.292	9.707	n/a					
Jun-09	Jun-09	1328.05	22	6.3	9.582	9.139	n/a					
Jul-09	Jul-09	1304.70	22	6.3	9.413	8.475	n/a					
Aug-09	Aug-09	1398.50	21	6.3	10.571	8.087	n/a					
Sep-09	Sep-09	1323.70	21	6.3	10.005	7.823	n/a					
Oct-09	Oct-09	1500.20	22	6.3	10.824	7.945	n/a					
Nov-09	Nov-09	71.31		6.3	11.32	8.359	n/a					
Dec-09	Dec-09	71.47		6.3	11.34	8.855	n/a					

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) for Daily low quotation, cargo delivery, 1.0%S, No. 6, residual fuel oil, NY Harbor

Col. HH - sum of values in Col. C through Col. GG. (Jan-99 - Oct-09)

- (Oct-09 - Dec-09) NYMEX New York Harbor Residual Fuel 1.0% Sulfur Swap 10/26/2009 - 10/28/2009

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 divided by Col. JJ (Jan-99 - Oct-09)

- (Nov-09 - Dec-09) Col. HH divided by Col. JJ

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 Month	**NGrid's Market Gas Price**	**NGrid's Market Oil Price**	**NGrid's Fuel Value**	**NGrid's Fuel Trigger**	**NGrid's Adjustment Value**	**EUA's Market Gas Price**	**EUA's Market Oil Price**	**EUA's Fuel Value**	**EUA's Fuel Trigger**	**EUA's Adjustment Value**	**Ngrid Adjustment ¢/kWh**	**EUA Adjustment ¢/kWh**	**Weighted Adjustment ¢/kWh**
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	$12.57009	$21.5917	$10.69	1.96220	n/a	n/a	n/a	$10.69	n/a	6.447	n/a	4.771
Dec-08	$8.94389	$12.06152	$21.0054	$10.69	1.91045	n/a	n/a	n/a	$10.69	n/a	6.100	n/a	4.514
Jan-09	$8.85025	$11.57325	$20.4235	$11.42	1.74656	n/a	n/a	n/a	$11.42	n/a	5.301	n/a	3.922
Feb-09	$8.55567	$11.13127	$19.6869	$11.42	1.68548	n/a	n/a	n/a	$11.42	n/a	4.867	n/a	3.602
Mar-09	$8.14086	$10.67312	$18.8140	$11.42	1.61310	n/a	n/a	n/a	$11.42	n/a	4.353	n/a	3.221
Apr-09	$7.67803	$10.20072	$17.8787	$11.42	1.53555	n/a	n/a	n/a	$11.42	n/a	3.802	n/a	2.814
May-09	$7.03464	$9.70657	$16.7412	$11.42	1.44123	n/a	n/a	n/a	$11.42	n/a	3.133	n/a	2.318
Jun-09	$6.34064	$9.13857	$15.4792	$11.42	1.33658	n/a	n/a	n/a	$11.42	n/a	2.390	n/a	1.768
Jul-09	$5.58189	$8.47460	$14.0565	$11.42	1.21861	n/a	n/a	n/a	$11.42	n/a	1.552	n/a	1.149
Aug-09	$5.10981	$8.08739	$13.1972	$11.42	1.14736	n/a	n/a	n/a	$11.42	n/a	1.046	n/a	0.774
Sep-09	$4.66919	$7.82258	$12.4918	$11.42	1.08887	n/a	n/a	n/a	$11.42	n/a	0.631	n/a	0.467
Oct-09	$4.35794	$7.94482	$12.3028	$11.42	1.07320	n/a	n/a	n/a	$11.42	n/a	0.520	n/a	0.385
Nov-09	$4.20747	$8.35850	$12.5660	$11.42	1.09502	n/a	n/a	n/a	$11.42	n/a	0.675	n/a	0.499
Dec-09	$4.09292	$8.85454	$12.9475	$11.42	1.12666	n/a	n/a	n/a	$11.42	n/a	0.899	n/a	0.665

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 - n/a
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.
Col. N - (0.74 * Col. L) + (0.26 * Col. M)