

October 4, 2011

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02889

RE: Docket 4232 - Review of the Use of Backup Rates Compliance Tariffs

Dear Ms. Massaro:

On behalf of National Grid¹ enclosed are ten (10) copies of the approved backup service rates and the cover sheets for Rates G-32 and G-62 for effect Jan 1, 2012. These are being submitted in compliance with the Rhode Island Public Utilities Commission's September 26, 2011 decision approving the settlement agreement in this matter.

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

Very truly yours,

Thomas R. Teehan

cc: Docket 4232 Service List Leo Wold, Esq. Steve Scialabba, Division

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

R.I.P.U.C. No. 2076

Monthly Charge As Adjusted		
	Rates for	Rates for
	Back-Up Service	Supplemental Service
Rates for Retail Delivery Service		
Customer Charge per month	\$750.00	n/a
Distribution Charge per kW in excess of 200 kW(1)	\$0.52	\$2.03
Distribution Charge per kWh (2)	n/a	0.883¢
Transmission Charge per kW	n/a	\$2.84
Transmission Charge per kWh	n/a	0.678¢
Non-bypassable Transition Charge per kWh n/a	(0.031¢)	
Energy Efficiency Programs per kWh (3)	n/a	0.556¢
Rates for Standard Offer Service (Optional)		
Standard Offer per kWh	n/a	per Standard Offer 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.

⁽¹⁾ Rate for Backup Service includes CapEx Factor of \$0.11 per kW. Rate for Supplemental Service includes CapEx Factor of \$0.03 per kW.

⁽²⁾ Includes Renewable Generation Credit Surcharge of 0.001¢ per kWh, Vegetation Management and Inspection & Maintenance Credit of 0.048¢ per kWh, and Operating & Maintenance Factor of 0.064¢ per kWh.

⁽³⁾ Includes Renewables Charge of \$0.030¢ per kWh

AVAILABILITY

This service shall apply to Customers in the class identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Electric delivery service under this rate is applicable to customers with a facility demand of 25 kilowatts or more. Notwithstanding the foregoing, the Company may require any customer with a 12-month average Demand greater than 3,000 kW at its facility to take service on the 3,000 kW Demand Back-up Service Rate B-62 (subject to the settlement provisions in Docket No. 2290).

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company

EXEMPTION FOR CUSTOMER ACCOUNTS ASSOCIATED WITH ELIGIBLE NET METERING SYSTEMS

Customers accounts associated with Eligible Net Metering Systems, as defined in R.I Public Laws of 2011, Chapters 134 and 147, shall be exempt from back-up service rates commensurate with the size of the generating facility and subject to the statutory three (3) percent cap on the aggregate amount of net metering in Rhode Island.

TYPES OF SERVICE

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

MONTHLY CHARGE

The Monthly Charge will be the sum of the Back-Up Service Charges, and the Supplemental Service Charges, as stated below

DETERMINATION OF BILLING DEMAND FOR BILLING SUPPLEMENTAL AND BACK-UP per kW (DEMAND) CHARGES

The Billing Demand for each month for purposes of billing Back-Up and Supplemental Service shall be the greatest of the following:

- 1) The greatest fifteen-minute peak coincident demand of the generation meter(s) plus the demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kW;
- 2) 90% of the greatest fifteen-minute peak coincident demand of the generation meter(s) plus the demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) 75% of the greatest Demand as so determined above during the preceding eleven months.

BACK-UP RETAIL DELIVERY SERVICE

a) Rates for Back-Up Retail Delivery Service

<u>Customer Charge per month</u> see cover sheet

Distribution Charge per kW see cover sheet

The Distribution Charge per kW applicable to Back-up Retail Delivery Service shall be equal to \$5.22 per kW, multiplied by a factor of 10%, representing the likelihood that, on average, an outage of an individual customer's generator will occur coincident with the Company's distribution system peak demand approximately 10% of the time.

b) <u>Determination of Back-Up Service Kilowatt Demand</u>

The Back-Up Service Demand shall be the greater of:

- 1) the fifteen-minute reading from the Customer's generation meter(s) as measured in kilowatts at the time of the Billing Demand in excess of 200 kW;
- 2) 90% of the fifteen-minute reading from the Customer's generation meter(s) as measured in kilovolt-amperes at the time of the Billing Demand in excess of 200 kW; or
- 3) One hundred percent (100%) of the greatest Back-up Service Demand as determined above during the preceding eleven (11) months.

c) <u>Installation of Meters on Generation</u>

The Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company's reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate.

PEAK AND OFF-PEAK PERIODS

PEAK HOURS: June - September -- 8 a.m. - 10 p.m. Weekdays,

December - February -- 7 a.m. - 10 p.m. Weekdays

October – November and

March - May -- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veterans Day, Thanksgiving Day and Christmas Day.

SUPPLEMENTAL RETAIL DELIVERY SERVICE

a) <u>Rates for Supplemental Retail Delivery Service</u>

<u>Transmission Charge per kW</u> see cover sheet

<u>Distribution Charge per kW in excess of 200 kW</u> see cover sheet

<u>Distribution Charge per kWh</u> see cover sheet

Non-Bypassable Transition Charge per kWh see cover sheet

b) Assessment of Kilowatt-hour Charges

For purposes of billing kWh charges for Supplemental Distribution and Transmission Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 90% of the actual kVAh delivered.

For purposes of billing kWh charges for Standard Offer Service, Non-Bypassable Transition Service and Energy Efficiency Programs, Customers will be billed on actual kWh delivered by the Company.

c) <u>Determination of Kilowatt Demand</u>

The Supplemental Distribution Service Demand for each month shall be the Billing Demand in excess of the Back-up Service Demand, but in no case less than 0 kW.

The Supplemental Transmission Service Demand for each month shall be:

- 1) The greatest fifteen-minute peak from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kW at the time of Billing Demand; or
- 2) 90% of the greatest fifteen-minute peak demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kilovolt-amperes at the time of Billing Demand

OPTIONAL DETERMINATION OF DEMAND

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) and (2) set forth above for Billing Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, the Distribution Charge per kW, the Distribution Charge per kWh, the Transmission Charge per kW and the Transmission Charge per kWh for Supplemental Service will be increased by 20% during any such period.

In addition, the Company may, at its discretion, agree to a lower demand determination for Back-Up Service below fifteen-minute peak coincident demand of the generation meter(s) if a Customer has installed equipment or configured its facilities in such a manner that automatically limits the requirement for Back-Up Service to the lower agreed-upon demand. Under such a situation, the Customer must demonstrate to the Company's reasonable satisfaction that the Customer's facilities are configured so as to limit the demand that can be placed on the distribution system, or must install and maintain, at no cost to the Company, an automated demand limiter or other similar device as agreed to by the Company which limits deliveries to the Customer over the Company's distribution system based on the lower agreed-upon demand. This equipment can not adversely affect the operation of the Company's distribution system or service to other customers. Such interruptible Back-Up Service shall be negotiated by the Customer and the Company under a separate contract which shall be specific to an individual customer's circumstances.

RATE ADJUSTMENT PROVISIONS

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Energy Efficiency Programs

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Energy Efficiency Program Provision as from time to time effective in accordance with law. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Infrastructure, Safety and Reliability Provision

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Infrastructure, Safety and Reliability Provision as from time to time effective in accordance with law.

Customer Credit Provision

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Customer Credit Provision as from time to time effective in accordance with law.

STANDARD OFFER SERVICE

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

CREDIT FOR HIGH VOLTAGE DELIVERY

If the Customer takes delivery at the Company's supply line voltage, not less than 2400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 42 cents per kilowatt of supplemental distribution billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An <u>additional</u> credit of \$2.00 per kilowatt of the supplemental distribution billing demand for such month shall also be allowed if the Customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Charge per kW and the Distribution Charge per kWh.

HIGH-VOLTAGE METERING ADJUSTMENT

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

SECOND FEEDER SERVICE

Except as provided below, Customers receiving second feeder service shall pay \$2.00 per 90% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy 3 shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.42 per 90% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

GROSS EARNINGS TAX

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2012

R.I.P.U.C. No. 2077

Monthly	Charge As	Adjusted
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Rates for Retail Delivery Service	Rates for Back-Up Service	Rates for Supplemental Service
Customer Charge per month	\$17,000.00	n/a
Distribution Charge per kW(1)	\$0.28	\$2.86
Distribution kWh Charge per kWh (2)	n/a	0.010¢
Transmission Charge per kW	n/a	\$2.84
Transmission Charge per kWh	n/a	0.678¢
Non-bypassable Transition Charge per kWh	n/a	(0.031¢)
Energy Efficiency Programs per kWh (3)	n/a	0.556¢
Rates for Standard Offer Service (Optional)		
Standard Offer per kWh	n/a	per Standard Offer 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.

⁽¹⁾ Includes Vegetation Management and Inspection & Maintenance Credit of \$0.21 per kW, Operating & Maintenance Factor of \$0.36 per kW and CapEx Factor of \$0.02 per kW.

⁽²⁾ Includes Renewable Generation Credit Surcharge of 0.001¢ per kWh.

⁽³⁾ Includes Renewables Charge of \$0.030¢ per kWh

AVAILABILITY

This service shall apply to Customers in the class identified below:

- (i) who receive all or any portion of their electric supply from non-emergency generation unit(s) with a nameplate rating greater than 30 kW ("Generation Units"), where electricity received by the Customer from the Generation Units is not being delivered over Company-owned distribution facilities pursuant to an applicable retail delivery tariff, and
- (ii) who expect the Company to provide retail delivery service to supply the Customer's load at the service location when the Generation Units are not supplying all of that load.

Electric delivery service under this rate is applicable to those Customers who would otherwise be served under the Company's 3,000 kW Demand Rate G-62 if the Generation Units were not supplying electricity to the Customer.

All Customers served on this rate must elect to take their total electric delivery service under the metering installation as approved by the Company.

EXEMPTION FOR CUSTOMER ACCOUNTS ASSOCIATED WITH ELIGIBLE NET METERING SYSTEMS

Customers accounts associated with Eligible Net Metering Systems, as defined in R.I Public Laws of 2011, Chapters 134 and 147, shall be exempt from back-up service rates commensurate with the size of the generating facility and subject to the statutory three (3) percent cap on the aggregate amount of net metering in Rhode Island.

TYPES OF SERVICE

"Back-Up" Retail Delivery Service consists of the Company standing ready to provide retail delivery service to the Customer's load when a non-emergency generator that supplies electricity to the Customer without using Company-owned distribution facilities does not supply all of the Customer's load.

"Supplemental" Retail Delivery Service is the delivery over Company-owned distribution facilities of electricity which is utilized at the Customer's facilities.

MONTHLY CHARGE

The Monthly Charge will be the sum of the Back-Up Service Charges, and the Supplemental Service Charges, as stated below.

DETERMINATION OF BILLING DEMAND FOR BILLING SUPPLEMENTAL AND BACK-UP PER KW (DEMAND) CHARGES

The Billing Demand for each month for purposes of billing Back-Up and Supplemental Service shall be the greatest of the following:

- 1) The greatest fifteen-minute peak coincident demand of the generation meter(s) plus the demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kW;
- 2) 90% of the greatest fifteen-minute peak coincident demand of the generation meter(s) plus the demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kilovolt-amperes;
- 3) 75% of the greatest Demand as so determined above during the preceding eleven months.

BACK-UP RETAIL DELIVERY SERVICE

a) Rates for Back-Up Retail Delivery Service

<u>Customer Charge per month</u> see cover sheet

Distribution Charge per kW see cover sheet

The Distribution Charge per kW applicable to Back-up Retail Delivery Service shall be equal to \$2.86 per kW, multiplied by a factor of 10%, representing the likelihood that, on average, an outage of an individual customer's generator will occur coincident with the Company's distribution system peak demand approximately 10% of the time.

b) <u>Determination of Back-Up Service Kilowatt Demand</u>

The Back-Up Service Demand shall be the greater of:

- 1) the fifteen-minute reading from the Customer's generation meter(s) as measured in kilowatts at the time of the Billing Demand;
- 2) 90% of the fifteen-minute reading from the Customer's generation meter(s) as measured in kilovolt-amperes at the time of the Billing Demand; or
- 3) One hundred percent (100%) of the greatest Back-up Service Demand as determined above during the preceding eleven (11) months.

c) <u>Installation of Meters on Generation</u>

The Customer shall permit the Company to install meter(s) on the Generation Units providing electricity to the Customer, for purposes of billing under the terms of this rate. The meter shall be in accordance with the Company's reasonable specifications. The Customer will reimburse the Company for the installed cost of the meter and any associated equipment. The Customer shall provide reasonable access to the Company during normal business hours to read such meter in order to bill the Customer for service under this rate.

PEAK AND OFF-PEAK PERIODS

PEAK HOURS: June – September -- 8 a.m. - 10 p.m. Weekdays,

December - February -- 7 a.m. - 10 p.m. Weekdays

October – November and

March – May -- 8 a.m. - 9 p.m. Weekdays

OFF-PEAK HOURS: All other hours

Weekdays shall mean Monday through Friday, excluding the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Columbus Day (observed), Labor Day, Veteran's Day, Thanksgiving Day and Christmas Day.

SUPPLEMENTAL RETAIL DELIVERY SERVICE

a) <u>Rates for Supplemental Retail Delivery Service</u>

Transmission Charge per kW see cover sheet

Distribution Charge per kW see cover sheet

Distribution Charge per kWh see cover sheet

Non-Bypassable Transition Charge per kWh see cover sheet

b) <u>Assessment of Kilowatt-hour Charges</u>

For purposes of billing kWh charges for Supplemental Distribution and Transmission Service, Customers will be billed on the greater of (i) the actual kWh delivered by the Company or (ii) 90% of the actual kVAh delivered.

For purposes of billing kWh charges for Standard Offer Service, Non-Bypassable Transition Service and Energy Efficiency Programs, Customers will be billed on actual kWh delivered by the Company.

c) <u>Determination of Supplemental Service Kilowatt Demand</u>

The Supplemental Distribution Service Demand for each month shall be the Billing Demand in excess of the Back-Up Service Demand, but in no case less than 0 kW.

The Supplemental Transmission Service Demand for each month shall be:

- 1) The greatest fifteen-minute peak from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kW at the time of Billing Demand; or
- 2) 90% of the greatest fifteen-minute peak demand from the meter(s) at the Customer's service entrance(s) occurring in such month during Peak hours as measured in kilovolt-amperes at the time of Billing Demand

OPTIONAL DETERMINATION OF DEMAND

A Customer who has been served under this rate for one year or more may upon written request have the Demand for each month used for Supplemental Service be based upon the greatest of items (1) and (2) set forth above for Billing Demand, beginning with the next month after such request and running for a period of not less than two consecutive months. In such case, the Distribution Charge per kW, the Distribution Charge per kWh, the Transmission Charge per kWh for Supplemental Service will be increased by 20% during any such period.

In addition, the Company may, at its discretion, agree to a lower demand determination for Back-Up Service below fifteen-minute peak coincident demand of the generation meter(s) if a Customer has installed equipment or configured its facilities in such a manner that automatically limits the requirement for Back-Up Service to the lower agreed-upon demand. Under such a situation, the Customer must demonstrate to the Company's reasonable satisfaction that the Customer's facilities are configured so as to limit the demand that can be placed on the distribution system, or must install and maintain, at no cost to the Company, an automated demand limiter or other similar device as agreed to by the Company which limits deliveries to the Customer over the Company's distribution system based on the lower agreed-upon demand. This equipment can not adversely affect the operation of the Company's distribution system or service to other customers. Such interruptible Back-Up Service shall be negotiated by the Customer and the Company under a separate contract which shall be specific to an individual customer's circumstances.

RATE ADJUSTMENT PROVISIONS

Transmission Service Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Transmission Service Cost Adjustment Provision. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Transition Charge Adjustment

The prices under this rate as set forth under "Monthly Charge" may be adjusted from time to time in the manner described in the Company's Non-Bypassable Transition Charge Adjustment Provision. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Standard Offer Adjustment

All Customers served on this rate must pay any charges required pursuant to the terms of the Company's Standard Offer Adjustment Provision, whether or not the Customer is taking or has taken Standard Offer Service. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Energy Efficiency Programs

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Energy Efficiency Program Provision as from time to time effective in accordance with law. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

Infrastructure, Safety and Reliability Provision

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Infrastructure, Safety and Reliability Provision as from time to time effective in accordance with law.

Customer Credit Provision

The amount determined under the preceding provisions shall be adjusted in accordance with the Company's Customer Credit Provision as from time to time effective in accordance with law.

STANDARD OFFER SERVICE

Any Customer served under this rate who is eligible for Standard Offer Service shall receive such service pursuant to the Standard Offer Service tariff. This provision shall not apply for Back-Up Retail Delivery Service and shall only apply to Supplemental Retail Delivery Service.

CREDIT FOR HIGH VOLTAGE DELIVERY

If the Customer takes delivery at the Company's supply line voltage, not less than 2,400 volts, and the Company is saved the cost of installing any transformer and associated equipment, a credit of 42 cents per kilowatt of supplemental distribution billing demand for such month shall be allowed against the amount determined under the preceding provisions.

An <u>additional</u> credit of \$2.00 per kilowatt of the supplemental distribution billing demand for such month shall also be allowed if the Customer accepts delivery at not less than 115,000 volts, and the Company is saved the cost of installing any transformer and associated equipment.

The total amount of the credit allowed under this provision shall not exceed the sum of the Customer Charge, the Distribution Charge per kW and the Distribution Charge per kWh.

HIGH-VOLTAGE METERING ADJUSTMENT

The Company reserves the right to determine the metering installation. Where service is metered at the Company's supply line voltage, in no case less than 2400 volts, thereby saving the Company transformer losses, a discount of 1% will be allowed from the amount determined under the preceding provisions.

SECOND FEEDER SERVICE

Except as provided below, Customers receiving second feeder service shall pay \$2.00 per 90% of KVA of reserved second feeder capability. The charge for second feeder capability shall apply only to Customers with second feeder capability installed on or after May 1, 1998. The charge for second feeder capability shall not apply to Customers taking service within the Capital Center of Providence or within the downtown Providence underground network system. The Company's Construction Advance Policy 3 shall apply to determine any advance contribution by the customer, using an estimate of revenues to be derived from this second feeder rate. The Company reserves the right to decline second feeder service for engineering reasons.

An additional \$0.42 per 90% of KVA of reserved second feeder capability shall be charged if an additional transformer is required at the Customer's facility.

GROSS EARNINGS TAX

A Rhode Island Gross Earnings Tax adjustment will be applied to the charges determined above in accordance with Rhode Island General Laws.

GROSS EARNINGS TAX CREDIT FOR MANUFACTURERS

Consistent with the gross receipts tax exemption provided in Section 44-13-35 of Rhode Island General Laws, eligible manufacturing customers will be exempt from the Gross Earnings Tax to the extent allowed by the Division of Taxation.

Eligible manufacturing customers are those customers who have on file with the Company a valid certificate of exemption from the Rhode Island sales tax (under section 44-18-30(H) of Rhode Island General Laws) indicating the customer's status as a manufacturer. If the Division of Taxation (or other Rhode Island taxing authority with jurisdiction) disallows any part or all of the exemption as it applies to a customer, the customer will be required to reimburse the Company in the amount of the credits provided to such customer which were disallowed, including any interest required to be paid by the Company to such authority.

TERMS AND CONDITIONS

The Company's Terms and Conditions in effect from time to time, where not inconsistent with any specific provisions hereof, are a part of this rate.

Effective: January 1, 2012

THE NARRAGANSETT ELECTRIC COMPANY **200 KW DEMAND RATE** (G-32) RETAIL DELIVERY SERVICE

R.I.P.U.C. No. 2065

Monthly Charge As Adjusted

Rates for Retail Delivery Service

Customer Charge per month	\$750.00
Distribution Charge per kW in excess of 200 kW (1)	\$2.03
Distribution Charge per kWh (2)	0.883¢
Transmission Charge per kW	\$2.84
Transmission Charge per kWh	0.678¢
Non-Bypassable Transition Charge per kWh	(0.031¢)
Energy Efficiency Programs per kWh (3)	0.556¢

Rates for Standard Offer Service (Optional)

<u>Standard Offer per kWh</u> per Standard Offer 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.

⁽¹⁾ Includes CapEx Factor of \$0.03 per kW.

⁽²⁾ Includes Renewable Generation Credit Surcharge of 0.001¢ per kWh, Vegetation Management and Inspection & Maintenance Credit of 0.048¢ per kWh, and Operating & Maintenance Factor of 0.064¢ per kWh.

⁽³⁾ Includes Renewables Charge of \$0.030¢ per kWh

THE NARRAGANSETT ELECTRIC COMPANY 3000 KW DEMAND RATE (G-62) RETAIL DELIVERY SERVICE

R.I.P.U.C. No. 2066

Monthly Charge As Adjusted

Rates for Retail Delivery Services

Customer Charge per month	\$17,000.00
Distribution Charge per kW (1)	\$2.86
Distribution Charge per kWh (2)	0.010¢
Transmission Charge per kW	\$2.84
Transmission Charge per kWh	0.678¢
Non-Bypassable Transition Charge per kWh	(0.031c)
Energy Efficiency Programs per kWh (3)	0.556¢

Rates for Standard Offer Service (Optional)

Standard Offer per kWh per Standard Offer Service tariff

- (1) Includes Vegetation Management and Inspection & Maintenance Credit of \$0.21 per kW, Operation & Maintenance Expense Charge of \$0.36 per kW, and CapEx Factor of \$0.02 per kW.
- (2) Includes Renewable Generation Credit Surcharge of 0.001¢ per kWh.
- (3) Includes Renewables Charge of \$0.030¢ 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.