

February 22, 2016

BY HAND DELIVERY AND ELECTRONIC MAIL

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

RE: Docket 4592 - National Grid's Proposed FY 2017 Electric Infrastructure, Safety, and Reliability Plan
Response to PUC Data Requests – Set 2

Dear Ms. Massaro:

I have enclosed ten copies of National Grid's¹ response to the PUC's second set of data requests in the above-referenced docket.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 4592 Service List
Leo Wold, Esq.
Steve Scialabba, Division
Greg Booth, Division

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

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Joanne M. Scanlon

February 22, 2016

Date

Docket No. 4592 National Grid's Electric Infrastructure, Safety and Reliability Plan FY 2017 - Service List as of 1/21/16

Name/Address	E-mail Distribution	Phone
Raquel J. Webster, Esq. National Grid. 280 Melrose St. Providence, RI 02907	raquel.webster@nationalgrid.com ;	401-784-7667
	celia.obrien@nationalgrid.com ;	
	Joanne.scanlon@nationalgrid.com ;	
National Grid Jim Patterson Ryan Moe Amy Tabor Adam Crary	Jim.patterson@nationalgrid.com ;	
	Ryan.moe@nationalgrid.com ;	
	Amy.tabor@nationalgrid.com ;	
	Adam.crary@nationagrid.com ;	
	William.richer@nationalgrid.com ;	
Division of Public Utilities & Carriers Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	Lwold@riag.ri.gov ;	401-222-2424
	Steve.scialabba@dpuc.ri.gov ;	
	James.lanni@dpuc.ri.gov ;	
	Joseph.shilling@dpuc.ri.gov ;	
	John.spirito@dpuc.ri.gov ;	
	dmacrae@riag.ri.gov ;	
	Jmunoz@riag.ri.gov ;	
David Effron Berkshire Consulting 12 Pond Path North Hampton, NH 03862-2243	Djeffron@aol.com ;	603-964-6526
Greg Booth Linda Kushner PowerServices, Inc 1616 E. Millbrook Road, Suite 210 Raleigh, NC 27609	gbooth@powerservices.com ;	919-256-5900
	Lkushner@powerservices.com ;	
Office of Energy Resources (OER) Andrew Marcaccio, Esq. Dept. of Administration	Andrew.marcaccio@doa.ri.gov ;	401-222-3417

Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908	Daniel.majcher@doa.ri.gov ;	
Christopher Kearns, OER	Christopher.Kearns@energy.ri.gov ;	
Danny Musher	Danny.Musher@energy.ri.gov ;	
Nick Ucci	Nicholas.Ucci@energy.ri.gov ;	
File an original & nine copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ; Cynthia.WilsonFrias@puc.ri.gov ; Alan.nault@puc.ri.gov ; Todd.bianco@puc.ri.gov ;	401-780-2107

COMM 2-1

Request:

Please provide the impact on the FY 2017 revenue requirement assuming the effects of the 2015 NOL and the enactment of the PATH Act are included in the revenue requirement calculation. Please update the schedules contained in Exhibit 1 – JHP and RM, Sections 5, 6 and 7. The narrative does not need to be updated at this time.

Response:

Subsequent to when the Company filed its fiscal year (FY) 2017 Electric Infrastructure, Safety, and Reliability (ISR) Plan on December 9, 2015, two events occurred that will impact the revenue requirement that was reflected in the December 9 filing. First, the Company filed its FY 2015 federal income tax return, which reflected the generation of tax Net Operating Losses (NOL) totaling \$12,108,052. Second, the Protecting Americans from Tax Hikes (PATH) Act of 2015 was signed into law. A provision in the PATH Act extends 50 percent bonus depreciation on eligible capital investment to calendar years 2015 through 2017, 40 percent bonus depreciation for 2018 investment, and 30 percent bonus depreciation for 2019 investment. The Company's FY 2017 ISR Plan assumed no bonus depreciation for vintage year capital investment in fiscal years 2015, 2016 and 2017.

The revenue requirement contained in Exhibit 1 – JHP and RM, Section 5, has been updated to include the adjustment to vintage year FY 2015 rate base for the FY 2015 NOL and the impact of the PATH Act on the FY 2015 investment. This calculation also includes the percentage of plant eligible for the capital repairs deduction and the percent of plant eligible for bonus depreciation for FY 2015. Tax assumptions such as these are normally updated as part of the ISR reconciliation filings, which for the FY 2017 would be filed by August 1, 2017 for rates effective October 1, 2017.

The change to the vintage year 2015 revenue requirement for the FY 2015 NOL is provided on page 6, line 21, of Attachment COMM 2-1 (a). The bonus depreciation changes, related to vintage FY 2015 investment, are provided on page 7 of Attachment COMM 2-1 (a) on lines 2, 7 and 10. The Company filed its FY 2015 tax return prior to the passage of the PATH Act. Therefore, the bonus depreciation for those three months was not included in the tax return. Since the Company was already in an NOL position, the incremental deferred taxes generated by bonus depreciation for that time period would generate an equal and offsetting NOL resulting in a net impact of \$0 on the revenue requirement. An additional line was added on page 6 to show the incremental NOL generated by the bonus depreciation now being included for January through March of 2015.

COMM 2-1, page 2

As shown on page 1 of Attachment COMM 2-1 (a), the impact of the FY 2015 NOL on the revenue requirement is \$586,030, and the impact of the other tax changes made is (\$16,591), resulting in a total change to the revenue requirement of \$569,439.

No changes were made to Attachment COMM 2-1 (a) for the FY 2016 or FY 2017 investment years for this response. The reason the impact of the PATH Act was not factored into these years is due to the uncertainty of any NOL impact that may offset these amounts in those fiscal years. The Company's Tax Department is forecasting that additional NOLs will be generated on its FY 2016 federal income tax return, which it expects to file in December 2016. It is uncertain how much FY 2016 bonus depreciation tax deductions will be generating NOLs for FY 2016; therefore, it is premature to reflect FY 2016 bonus depreciation in this response without knowing the offsetting NOL effects.

Attachment COMM 2-1 (b) shows the illustrative CapEx Factor rate design derived from the illustrative revised revenue requirement shown in Attachment COMM 2-1 (a), Page 1, Line (14). The \$569,439 increase in the revenue requirement results in a slight increase in the calculated CapEx Factors across all rate classes.

Attachment COMM 2-1 (c) provides illustrative bill impacts using the rates calculated in Attachment COMM 2-1 (b). The monthly impact of the illustrative CapEx Factor on a 500 kWh residential SOS customer is an increase of \$0.67 or 0.7%, which is an increase of \$0.06 or 0.1% from the rate proposed in the filing.

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Annual Revenue Requirement Summary**

Line No.		As Approved Fiscal Year <u>2016</u> (a)	Fiscal Year <u>2017</u> (b)	Fiscal Year <u>2018</u> (c)
	<u>Operation and Maintenance (O&M) Expenses:</u>			
1	Current Year Vegetation Management (VM)	\$8,884,000	\$8,855,000	
2	Current Year Inspection & Maintenance (I&M)	\$3,333,000	\$1,291,750	
3	Electric Contact Voltage expenses included in R.I.P.U.C. Docket No. 4323	(\$163,749)	(\$163,749)	
4	Total O&M Expense Component of Revenue Requirement	\$12,053,251	\$9,983,001	
	<u>Capital Investment:</u>			
5	Actual Revenue Requirement on Incremental FY 2012 Capital included in ISR Rate Base	\$350,955	\$441,364	\$500,926
6	Actual Revenue Requirement on Incremental FY 2013 Capital included in ISR Rate Base	(\$1,085,364)	(\$1,042,177)	(\$990,973)
7	Actual Revenue Requirement on Incremental FY 2014 Capital included in ISR Rate Base	\$582,943	\$959,924	\$889,260
8	Actual Revenue Requirement on FY 2015 Capital included in ISR Rate Base	\$3,453,202	\$3,559,643	\$3,463,535
9	Forecasted Annual Revenue Requirement on FY 2016 Capital included in ISR Rate Base	\$2,789,692	\$5,428,148	\$5,131,178
10	Forecasted Annual Revenue Requirement on FY 2017 Capital included in ISR Rate Base	\$0	\$2,711,630	\$5,282,288
11	Subtotal	\$6,091,427	\$12,058,532	\$14,276,214
12	FY 2016 Property Tax Recovery Adjustment	\$3,057,115		
13	FY 2017 Property Tax Recovery Adjustment		\$5,798,249	
14	Total Capital Investment Component of Revenue Requirement	\$9,148,541	\$17,856,781	
15	Total Fiscal Year Revenue Requirement	\$21,201,792	\$27,839,782	
16	Total Updated Incremental Fiscal Year Rate Adjustment		\$6,637,990	
		Original Filing	\$6,068,551	
Column (a) - as Approved per R.I.P.U.C. Docket No. 4539		Other Tax Assumption Updates	\$6,051,960	Impact (\$16,591)
Column (b)		FY 15 NOL Update	\$6,637,990	\$586,030
1	Projected Vegetation Management	PATH Act Update	\$6,637,990	(\$0)
2	Projected Inspection & Maintenance			
4	Line 1 + Line 2 + Line 3			
5	Page 13 of 22, Line 29			
6	Page 11 of 22, Line 31			
7	Page 8 of 22, Line 32			
8	Page 6 of 22, Line 32			
9	Page 4 of 22, Line 31			
10	Page 2 of 22, Line 31			
11	Sum of lines 5 through 10			
13	Page 18 of 22, Line 106			
14	Sum of lines 11 through 13			
15	Sum of lines 4 + 14			
16	Current Year Line 15 - Prior Year Line 15			
		Total Impact		\$569,439

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2017 Revenue Requirement on FY 2017 Actual Incremental Capital Investment**

Line No.			Fiscal Year 2017 (a)	Fiscal Year 2018 (b)
<u>Capital Additions Allowance</u>				
<i>Non-Discretionary Capital</i>				
1	Non-Discretionary Additions	Section 2, Page 51, Chart 11	\$31,396,000	\$0
<i>Discretionary Capital</i>				
2	Lesser of Actual Cumulative Discretionary Capital Additions or Spending, or Approved Spending	Section 2, Page 51, Chart 11	\$47,082,000	\$0
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$78,478,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$78,478,000	\$0
5	Retirements	Line 4 * 20.44%	\$16,040,903	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6	\$62,437,097	\$62,437,097
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3	\$78,478,000	\$0
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	\$43,031,774	\$0
9	Incremental Depreciable Amount	Column (a) = Line 7 - Line 8; Column (b) = Prior Year Line 9	\$35,446,226	\$35,446,226
10	Total Cost of Removal	Section 2, Page 51, Chart 11	\$9,800,000	\$9,800,000
11	Total Net Plant in Service	Line 9 + Line 10	\$45,246,226	\$45,246,226
<u>Deferred Tax Calculation:</u>				
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%	3.40%
13	Tax Depreciation	Page 3 of 22, Line 10	\$29,889,387	\$4,379,298
14	Cumulative Tax Depreciation	Prior Year Line 13 + Current Year Line 14	\$29,889,387	\$34,268,685
15	Book Depreciation	Column (a) = Line 6 * Line 12 * 50%; Column (b) = Line 6 * Line 12	\$1,061,431	\$2,122,861
16	Cumulative Book Depreciation	Prior Year Line 16 + Current Year Line 15	\$1,061,431	\$3,184,292
17	Cumulative Book / Tax Timer	Line 14 - Line 16	\$28,827,956	\$31,084,393
18	Effective Tax Rate		35.00%	35.00%
19	Deferred Tax Reserve	Line 17 * Line 18	\$10,089,785	\$10,879,538
20	Less: FY 2017 Federal NOL		\$0	\$0
21	Net Deferred Tax Reserve	Line 19 + Line 20	\$10,089,785	\$10,879,538
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 11	\$45,246,226	\$45,246,226
23	Accumulated Depreciation	- Line 16	(\$1,061,431)	(\$3,184,292)
24	Deferred Tax Reserve	- Line 21	(\$10,089,785)	(\$10,879,538)
25	Year End Rate Base	Sum of Lines 22 through 24	\$34,095,011	\$31,182,397
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	(Prior Year Line 25 + Current Year Line 25) ÷ 2	\$17,047,505	\$32,638,704
27	Pre-Tax ROR		9.68%	9.68%
28	Return and Taxes	Line 26 * Line 27	\$1,650,199	\$3,159,427
29	Book Depreciation	Line 15	\$1,061,431	\$2,122,861
30	Property Taxes			
31	Annual Revenue Requirement	Sum of Lines 28 through 30	\$2,711,630	\$5,282,288

1/ Based on FY2015 actual retirements as a percent of capital investment

2/ Weighted Average Cost of Capital per Settlement Agreement R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	4.96%	2.48%		2.48%
Short Term Debt	0.76%	0.79%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.17%	2.51%	9.68%

3/ Property taxes calculated on Page 16 through 18 for all vintage years commencing with FY14 and reflected in total on page 1 at Line 13

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY2017 Incremental Capital Investments**

Line No.			Fiscal Year	
			<u>2017</u> (a)	<u>2018</u> (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 2 of 22, Line 3	\$78,478,000	
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 22.70%	
3	Capital Repairs Deduction	Line 2 * Line 3	\$17,814,506	
	<u>Remaining Tax Depreciation</u>			
4	Plant Additions	Line 1	\$78,478,000	
5	Less Capital Repairs Deductions	Line 3	\$17,814,506	
6	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 4 - Line 5	\$60,663,494	\$60,663,494
7	20 YR MACRS Tax Depreciation Rates		3.750%	7.219%
8	Remaining Tax Depreciation	Line 6 * Line 7	\$2,274,881	\$4,379,298
9	Cost of Removal	Page 2 of 22, Line 10	\$9,800,000	
10	Total Tax Depreciation and Repairs Deduction	Lines 3 + Line 8 + Line 9	<u>\$29,889,387</u>	<u>\$4,379,298</u>

1/ Capital Repairs percentage is based on a three year average, 2012, 2013 and 2014 of electric property qualifying for the repairs deduction as a percentage of total annual plant additions.

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2017 Revenue Requirement on FY 2016 Actual Incremental Capital Investment**

Line No.			Fiscal Year 2016 (a)	Fiscal Year 2017 (b)	Fiscal Year 2018 (c)
<u>Capital Additions Allowance</u>					
1	Non-Discretionary Capital Non-Discretionary Additions		\$27,910,000	\$0	\$0
2	Discretionary Capital Lesser of Actual Cumulative Discretionary Capital Additions or Spending, or Approved Spending		\$49,565,000	\$0	\$0
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$77,475,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$77,475,000	\$0	\$0
5	Retirements	Line 4 * 5.88%	\$4,555,530	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6	\$72,919,470	\$72,919,470	\$72,919,470
<u>Change in Net Capital Included in Rate Base</u>					
7	Capital Included in Rate Base	Line 3	\$77,475,000	\$0	\$0
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	\$43,031,774	\$0	\$0
9	Incremental Depreciable Amount	Column (a) = Line 7 - Line 8; Column (b) = Prior Year Line 9	\$34,443,226	\$34,443,226	\$34,443,226
10	Total Cost of Removal		\$8,200,000	\$8,200,000	\$8,200,000
11	Total Net Plant in Service	Line 9 + Line 10	\$42,643,226	\$42,643,226	\$42,643,226
<u>Deferred Tax Calculation:</u>					
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4065	3.40%	3.40%	3.40%
13	Tax Depreciation	Page 5 of 22, Line 10	\$28,032,632	\$4,323,327	\$3,998,733
14	Cumulative Tax Depreciation	Prior Year Line 13 + Current Year Line 14	\$28,032,632	\$32,355,959	\$36,354,692
15	Book Depreciation	Column (a) = Line 6 * Line 12 * 50%; Column (b) = Line 6 * Line 12	\$1,239,631	\$2,479,262	\$2,479,262
16	Cumulative Book Depreciation	Prior Year Line 16 + Current Year Line 15	\$1,239,631	\$3,718,893	\$6,198,155
17	Cumulative Book / Tax Timer	Line 14 - Line 16	\$26,793,001	\$28,637,066	\$30,156,537
18	Effective Tax Rate		35.00%	35.00%	35.00%
19	Deferred Tax Reserve	Line 17 * Line 18	\$9,377,550	\$10,022,973	\$10,554,788
20	Less: FY 2016 Federal NOL		\$0	\$0	\$0
21	Net Deferred Tax Reserve	Line 19 + Line 20	\$9,377,550	\$10,022,973	\$10,554,788
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 11	\$42,643,226	\$42,643,226	\$42,643,226
23	Accumulated Depreciation	- Line 16	(\$1,239,631)	(\$3,718,893)	(\$6,198,155)
24	Deferred Tax Reserve	- Line 21	(\$9,377,550)	(\$10,022,973)	(\$10,554,788)
25	Year End Rate Base	Sum of Lines 22 through 24	\$32,026,045	\$28,901,360	\$25,890,283
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	(Prior Year Line 25 + Current Year Line 25) ÷ 2		\$30,463,703	\$27,395,822
27	Pre-Tax ROR			9.68%	9.68%
28	Return and Taxes	Line 26 * Line 27		\$2,948,886	\$2,651,916
29	Book Depreciation	Line 15		\$2,479,262	\$2,479,262
30	Property Taxes				
31	Annual Revenue Requirement	Sum of Lines 28 through 30	N/A	\$5,428,148	\$5,131,178

1/ Based on FY2014 actual retirements as a percent of capital investment

2/ Weighted Average Cost of Capital per Settlement Agreement R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	4.96%	2.48%		2.48%
Short Term Debt	0.76%	0.79%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.17%	2.51%	9.68%

3/ Property taxes calculated on Page 17 and 18 for all vintage years commencing with FY14 and reflected in total on page 1 at Line 12

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY2016 Incremental Capital Investments**

Line No.			Fiscal Year 2016 (a)	Fiscal Year 2017 (b)	Fiscal Year 2018 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 4 of 22, Line 3	\$77,475,000		
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 22.70%		
3	Capital Repairs Deduction	Line 2 * Line 3	\$17,586,825		
	<u>Remaining Tax Depreciation</u>				
4	Plant Additions	Line 1	\$77,475,000		
5	Less Capital Repairs Deductions	Line 3	\$17,586,825		
6	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 4 - Line 5	\$59,888,175	\$59,888,175	\$59,888,175
7	20 YR MACRS Tax Depreciation Rates		3.750%	7.219%	6.677%
8	Remaining Tax Depreciation	Line 6 * Line 7	\$2,245,807	\$4,323,327	\$3,998,733
9	Cost of Removal	Page 4 of 22, Line 10	\$8,200,000		
10	Total Tax Depreciation and Repairs Deduction	Lines 3 + Line 8 + Line 9	\$28,032,632	\$4,323,327	\$3,998,733

1/ Capital Repairs percentage is based on a three year average, 2012, 2013 and 2014 of electric property qualifying for the repairs deduction as a percentage of total annual plant additions.

The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2017 Revenue Requirement on FY 2015 Actual Incremental Capital Investment

Line No.			Fiscal Year 2015 (a)	Fiscal Year 2016 (b)	Fiscal Year 2017 (c)	Fiscal Year 2018 (d)
<u>Capital Investment Allowance</u>						
1	Non-Discretionary Capital	Page 16 of 22, Line 1	\$22,246,664	\$0	\$0	\$0
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	Page 16 of 22, Line 13	\$54,410,377	\$0	\$0	\$0
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$76,657,041	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$76,657,041	\$0	\$0	\$0
5	Retirements		\$15,666,095	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Line 4 - Line 5	\$60,990,946	\$60,990,946	\$60,990,946	\$60,990,946
<u>Change in Net Capital Included in Rate Base</u>						
7	Capital Included in Rate Base	Line 3	\$76,657,041	\$0	\$0	\$0
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	43,031,774	-	-	-
9	Incremental Depreciable Amount	Line 7 - Line 8	\$33,625,267	\$33,625,267	\$33,625,267	\$33,625,267
10	Cost of Removal		\$6,988,398	\$6,988,398	\$6,988,398	\$6,988,398
11	Total Net Plant in Service	Line 9 + Line 10	\$40,613,665	\$40,613,665	\$40,613,665	\$40,613,665
<u>Deferred Tax Calculation:</u>						
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4065	3.40%	3.40%	3.40%	3.40%
13	Vintage Year Tax Depreciation:					
14	2015 Spend	Page 7 of 22, Line 20	\$55,250,573	\$2,129,689	\$1,969,792	\$1,822,287
15	Cumulative Tax Depreciation	Current Year Line 14	\$55,250,573	\$57,380,262	\$59,350,054	\$61,172,341
16	Book Depreciation	Line 6 * Line 12 * 50%	\$1,036,846	\$2,073,692	\$2,073,692	\$2,073,692
17	Cumulative Book Depreciation	Current Year Line 16	\$1,036,846	\$3,110,538	\$5,184,230	\$7,257,923
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$54,213,727	\$54,269,724	\$54,165,824	\$53,914,418
19	Effective Tax Rate		35.00%	35.00%	35.00%	35.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$18,974,804	\$18,994,403	\$18,958,038	\$18,870,046
21	Less: FY 2015 Federal NOL	Per Tax Department	(\$12,108,052)	(\$12,108,052)	(\$12,108,052)	(\$12,108,052)
22	Additional NOL related to Bonus Depreciation on January 1, 2015					
23	- March 31, 2015 investment					
23	Net Deferred Tax Reserve	Line 20 + Line 21	(\$2,122,023)	(\$2,122,023)	(\$2,122,023)	(\$2,122,023)
			\$4,744,729	\$4,764,328	\$4,727,963	\$4,639,971
<u>Rate Base Calculation:</u>						
24	Cumulative Incremental Capital Included in Rate Base	Line 11	\$40,613,665	\$40,613,665	\$40,613,665	\$40,613,665
25	Accumulated Depreciation	-Line 17	(\$1,036,846)	(\$3,110,538)	(\$5,184,230)	(\$7,257,923)
26	Deferred Tax Reserve	-Line 20	(\$4,744,729)	(\$4,764,328)	(\$4,727,963)	(\$4,639,971)
27	Year End Rate Base	Sum of Lines 24 through 26	\$34,832,090	\$32,738,799	\$30,701,472	\$28,715,771
<u>Revenue Requirement Calculation:</u>						
28	Average Rate Base	Current Year Line 27 ÷ 2			\$15,350,736	\$14,357,886
29	Pre-Tax ROR				9.68%	9.68%
30	Return and Taxes	Line 28 * Line 29			\$1,485,951	\$1,389,843
31	Book Depreciation	Line 16			\$2,073,692	\$2,073,692
32	Annual Revenue Requirement	Line 30 + Line 31	N/A	N/A	\$3,559,643	\$3,463,535

1/ Actual Retirements

2/ Actual Cost of Removal

3/ Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	4.96%	2.48%		2.48%
Short Term Debt	0.76%	0.79%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.17%	2.51%	9.68%

4/ NOL related to Jan-March investment

\$58,896,211	Page 7, Line 8
x 12.50%	Page 7, Line 10
\$7,362,026	
x 35%	Effective Tax Rate
\$2,576,709	
(\$454,686)	Resulting change in MACRS Tax Depreciation
\$2,122,023	Tax effected NOL

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY2015 Incremental Capital Investments**

Line No.			Fiscal Year <u>2015</u> (a)	Fiscal Year <u>2016</u> (b)	Fiscal Year <u>2017</u> (c)	Fiscal Year <u>2018</u> (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 6 of 22, Line 3	\$76,657,041			
2	Capital Repairs Deduction Rate	Per Tax Department 1/	23.10%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$17,707,776			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$76,657,041			
5	Less Capital Repairs Deduction	Line 3	\$17,707,776			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$58,949,265			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	99.91%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$58,896,211			
9	Bonus Depreciation Rate (April 2014 - December 2014)	1 * 75% * 50%	37.50%			
10	Bonus Depreciation Rate (January 2015 - March 2015)	1 * 25% * 50%	12.50%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	50.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$29,448,106			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$76,657,041			
14	Less Capital Repairs Deduction	Line 3	\$17,707,776			
15	Less Bonus Depreciation	Line 12	\$29,448,106			
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$29,501,159	\$29,501,159	\$29,501,159	\$29,501,159
17	20 YR MACRS Tax Depreciation Rates		3.750%	7.219%	6.677%	6.177%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$1,106,293	\$2,129,689	\$1,969,792	\$1,822,287
19	Cost of Removal	Page 6 of 22, Line 10	\$6,988,398			
20	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18 and 19	\$55,250,573	\$2,129,689	\$1,969,792	\$1,822,287

1/ Capital Repairs percentage is based on a three year average 2010, 2011, and 2012 of electric property qualifying for the repairs deduction as a percentage of total annual plant additions

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2017 Revenue Requirement on FY 2014 Actual Incremental Capital Investment**

Line No.		Fiscal Year 2014 (a)	Fiscal Year 2015 (b)	Fiscal Year 2016 (c)	Fiscal Year 2017 (d)	Fiscal Year 2018 (e)
<u>Capital Investment Allowance</u>						
1	Non-Discretionary Capital	\$6,923,860				
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	\$6,400,406				
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2				
	Depreciable Net Capital Included in Rate Base					
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3				
5	Retirements	Page 15 of 22, Line 9(c)				
6	Net Depreciable Capital Included in Rate Base	Line 4 - Line 5				
	Change in Net Capital Included in Rate Base					
7	Capital Included in Rate Base	Line 3				
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant				
9	Incremental Depreciable Amount	Line 7 - Line 8				
10	Total Cost of Removal	Page 15 of 22, Line 6(c)				
11	Total Net Plant in Service	Line 9 + Line 10	\$5,263,028	\$ 5,263,028	\$ 5,263,028	\$ 5,263,028
<u>Deferred Tax Calculation:</u>						
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4065	3.40%	3.40%	3.40%	3.40%
13	Vintage Year Tax Depreciation:					
14	2014 Spend	Page 9 of 22, Line 20				
15	Cumulative Tax Depreciation	Current Year Line 14				
16	Book Depreciation	Line 6 * Line 12 * 50%				
17	Cumulative Book Depreciation	Current Year Line 16				
18	Cumulative Book / Tax Timer	Line 15 - Line 17				
19	Effective Tax Rate		35.00%	35.00%	35.00%	35.00%
20	Deferred Tax Reserve	Line 18 * Line 19				
21	Less: FY 2014 Federal NOL					
22	Net Deferred Tax Reserve	Line 20 + Line 21				
	Rate Base Calculation:					
23	Cumulative Incremental Capital Included in Rate Base	Line 11				
24	Accumulated Depreciation	-Line 17				
25	Deferred Tax Reserve	-Line 20				
26	Year End Rate Base	Sum of Lines 23 through 25				
	Revenue Requirement Calculation:					
		Col (a) = Line 26 * Page 22 of 22, Line 16, Col (b) = (Prior Year Line 26 + Current Year Line 26)/2				
27	Average Rate Base				\$ 2,174,995	\$ 1,696,712
28	Pre-Tax ROR				9.68%	9.68%
29	Return and Taxes	Line 27 * Line 28			210,539	164,242
30	Book Depreciation	Line 16			594,648	594,648
31	Property Taxes				154,737	130,371
32	Annual Revenue Requirement	Sum of Lines 29 through 31	N/A	N/A	\$ 959,924	\$ 889,260

1/ Actual Retirements

2/ Depreciation Expense has been prorated for 2 months (February - March 2014)

3/ Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	4.96%	2.48%		2.48%
Short Term Debt	0.76%	0.79%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.17%	2.51%	9.68%

4/ FY 2017 effective property tax rate of 4.10% per Page 18 of 22, Line 76(h)

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY2014 Incremental Capital Investments**

Line No.			Fiscal Year 2014 (a)	Fiscal Year 2015 (b)	Fiscal Year 2016 (c)	Fiscal Year 2017 (d)	Fiscal Year 2018 (e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 8 of 22, Line 3	\$13,324,266				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 34.46%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$4,591,542				
	<u>Bonus Depreciation</u>						
4	Plant Additions	Line 1	\$13,324,266				
5	Less Capital Repairs Deduction	Line 3	\$4,591,542				
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$8,732,724				
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	99.00%				
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$8,645,397				
9	Bonus Depreciation Rate (April 2013 - December 2013)	1 * 75% * 50%	37.50%				
10	Bonus Depreciation Rate (January 2014 - March 2014)	1 * 25% * 50%	12.50%				
11	Total Bonus Depreciation Rate	Line 9 + Line 10	50.00%				
12	Bonus Depreciation	Line 8 * Line 11	\$4,322,699				
	<u>Remaining Tax Depreciation</u>						
13	Plant Additions	Line 1	\$13,324,266				
14	Less Capital Repairs Deduction	Line 3	\$4,591,542				
15	Less Bonus Depreciation	Line 12	\$4,322,699				
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$4,410,025	4,410,025	4,410,025	4,410,025	4,410,025
17	20 YR MACRS Tax Depreciation Rates		3.750%	7.219%	6.677%	6.177%	5.713%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$165,376	\$ 318,360	\$ 294,457	\$ 272,407	\$ 251,945
19	Cost of Removal	Page 8 of 22, Line 10	(\$887,841)				
20	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18 and 19	\$8,191,776	\$ 318,360	\$ 294,457	\$ 272,407	\$ 251,945

1/ Capital Repairs percentage is based on the FY 2014 tax return.

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
True-up for Capital Repairs and Bonus Depreciation Deduction and Correction to Weighted Average Rate Base on FY 2014 Capital Investments**

Line
No.

Update Capital Repairs Rate and Bonus Depreciation and Correct Weighted Average Rate Base in FY 2014 Revenue Requirement on FY 2014 Capital Investment

1	FY 2014 Revenue Requirement using estimated capital repairs deduction rate of 18.60% and estimated bonus depreciation rate of 37.50% and no NOL		\$442,553
2	FY 2014 Revenue Requirement using weighted average rate base, actual capital repairs deduction rate of 34.46%, actual bonus depreciation rate of 50.00% and NOL of \$1,200,808	Page 8 of 22, Line 32(a)	<u>\$373,851</u>
3	Change in revenue requirement	Line 2 - Line 1	(\$68,702)
4	Less: NOL impact	Page 21 of 22, Line 5	(\$27,000)
5	True up Amount	Line 3 + Line 4	<u><u>(\$95,702)</u></u>

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2017 Revenue Requirement on FY 2013 Actual Incremental Capital Investment**

Line No.		Fiscal Year 2013 (a)	Fiscal Year 2014 (b)	Fiscal Year 2015 (c)	Fiscal Year 2016 (d)	Fiscal Year 2017 (e)	Fiscal Year 2018 (f)
	<u>Capital Additions Allowance</u>						
	<i>Non-Discretionary Capital</i>						
1	Non-Discretionary Additions	(\$5,184,396)	\$0	\$0	\$0	\$0	\$0
	<i>Discretionary Capital</i>						
2	Lesser of Actual Discretionary Capital Additions or Spending or Approved Spending	(\$1,850,463)	\$0	\$0	\$0	\$0	\$0
3	Total Allowed Capital Included in Rate Base in Current Year	Line 1 + Line 2	(\$7,034,859)	\$0	\$0	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>						
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	(\$7,034,859)	\$0	\$0	\$0	\$0
5	Retirements		\$0	\$0	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Columns (b), (c), & (d) = Prior Year Line 6	(\$12,873,794)	(\$12,873,794)	(\$12,873,794)	(\$12,873,794)	(\$12,873,794)
	<u>Change in Net Capital Included in Rate Base</u>						
7	Capital Included in Rate Base	Line 3	(\$7,034,859)	\$0	\$0	\$0	\$0
8	Depreciation Expense	As approved per R.I.P.U.C. Docket No. 4065, excluding general plant	\$0	\$0	\$0	\$0	\$0
9	Incremental Depreciable Amount	Column (a) = Line 7 - Line 8; Columns (b), (c) & (d) = Prior Year Line 9	(\$7,034,859)	(\$7,034,859)	(\$7,034,859)	(\$7,034,859)	(\$7,034,859)
10	Total Cost of Removal		(\$1,895,059)	(\$1,895,059)	(\$1,895,059)	(\$1,895,059)	(\$1,895,059)
11	Total Net Plant in Service	Line 9 + Line 10	(\$8,929,918)	(\$8,929,918)	(\$8,929,918)	(\$8,929,918)	(\$8,929,918)
	<u>Deferred Tax Calculation:</u>						
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4065	3.40%	3.40%	3.40%	3.40%	3.40%
13	Tax Depreciation	Page 7 Line 20	(\$5,970,630)	(\$221,954)	(\$205,290)	(\$189,917)	(\$175,651)
14	Cumulative Tax Depreciation	Prior Year Line 17 + Current Year Line 16	(\$5,970,630)	(\$6,192,584)	(\$6,397,874)	(\$6,587,791)	(\$6,763,442)
15	Book Depreciation	Column (a) = Line 6 * Line 12 * 50%; Columns (b), (c) & (d) = Line 6 * Line 12	(\$218,854)	(\$437,709)	(\$437,709)	(\$437,709)	(\$437,709)
16	Cumulative Book Depreciation	Prior Year Line 16 + Current Year Line 15	(\$218,854)	(\$656,563)	(\$1,094,272)	(\$1,531,981)	(\$1,969,690)
17	Cumulative Book / Tax Timer	Line 14 - Line 16	(\$5,751,776)	(\$5,536,021)	(\$5,303,602)	(\$5,055,810)	(\$4,793,752)
18	Effective Tax Rate		35.00%	35.00%	35.000%	35.000%	35.000%
19	Deferred Tax Reserve	Line 17 * Line 18	(\$2,013,121)	(\$1,937,607)	(\$1,856,261)	(\$1,769,533)	(\$1,677,813)
20	Less: FY 2013 Federal NOL		(\$2,342,381)	(\$2,342,381)	(\$2,342,381)	(\$2,342,381)	(\$2,342,381)
21	Net Deferred Tax Reserve	Line 19 + Line 20	(\$4,355,503)	(\$4,279,989)	(\$4,198,642)	(\$4,111,915)	(\$4,020,195)
	<u>Rate Base Calculation:</u>						
22	Cumulative Incremental Capital Included in Rate Base	Line 11	(\$8,929,918)	(\$8,929,918)	(\$8,929,918)	(\$8,929,918)	(\$8,929,918)
23	Accumulated Depreciation	- Line 16	\$218,854	\$656,563	\$1,094,272	\$1,531,981	\$1,969,690
24	Deferred Tax Reserve	- Line 19	\$4,355,503	\$4,279,989	\$4,198,642	\$4,111,915	\$4,020,195
25	Year End Rate Base	Sum of Lines 20 through 22	(\$4,355,561)	(\$3,993,366)	(\$3,637,003)	(\$3,286,022)	(\$2,940,033)
	<u>Revenue Requirement Calculation:</u>						
26	Average Rate Base	(Prior Year Line 23 + Current Year Line 23) ÷ 2				(\$3,113,027)	(\$2,769,341)
27	Pre-Tax ROR					9.68%	9.68%
28	Return and Taxes	Line 24 * Line 25				(\$301,341)	(\$268,072)
29	Book Depreciation	Line 15				(\$437,709)	(\$437,709)
30	Property Taxes					(\$303,127)	(\$285,192)
31	Annual Revenue Requirement	Sum of Lines 26 through 28	N/A	N/A	N/A	(\$1,042,177)	(\$990,973)

1/ Column (a) - FY 2013 Electric ISR Reconciliation Filing R.I.P.U.C. Docket No. 4307

Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	4.96%	2.48%		2.48%
2/ Short Term Debt	0.76%	0.79%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.17%	2.51%	9.68%

3/ FY 2017 effective property tax rate of 4.10% per Page 18 of 22, Line 76(h)

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY2013 Incremental Capital Investments**

		Fiscal Year <u>2013</u> (a)	Fiscal Year <u>2014</u> (b)	Fiscal Year <u>2015</u> (c)	Fiscal Year <u>2016</u> (d)	Fiscal Year <u>2017</u> (e)	Fiscal Year <u>2018</u> (f)
<u>Capital Repairs Deduction</u>							
1 Plant Additions	Page 6 Line 3	(\$7,034,859)					
2 Capital Repairs Deduction Rate	1/	12.59%					
3 Capital Repairs Deduction	Line 2 * Line 3	(\$885,689)					
<u>Bonus Depreciation</u>							
4 Plant Additions	Line 1	(\$7,034,859)					
5 Less Capital Repairs Deduction	Line 3	(\$885,689)					
6 Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	(\$6,149,170)					
7 Percent of Plant Eligible for Bonus Depreciation		100.00%					
8 Plant Eligible for Bonus Depreciation	Line 6 * Line 7	(\$6,149,170)					
9 Bonus Depreciation Rate (April 2012 - December 2012)	1 * 75% * 50%	37.50%					
10 Bonus Depreciation Rate (January 2013 - March 2013)	1 * 25% * 50%	12.50%					
11 Total Bonus Depreciation Rate	Line 9 + Line 10	50.00%					
12 Bonus Depreciation	Line 8 * Line 11	(\$3,074,585)					
<u>Remaining Tax Depreciation</u>							
13 Plant Additions	Line 1	(\$7,034,859)					
14 Less Capital Repairs Deduction	Line 3	(\$885,689)					
15 Less Bonus Depreciation	Line 12	(\$3,074,585)					
16 Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	(\$3,074,585)	(\$3,074,585)	(\$3,074,585)	(\$3,074,585)	(\$3,074,585)	(\$3,074,585)
17 20 YR MACRS Tax Depreciation Rates		3.750%	7.219%	6.677%	6.177%	5.713%	5.285%
18 Remaining Tax Depreciation	Line 16 * Line 17	(\$115,297)	(\$221,954)	(\$205,290)	(\$189,917)	(\$175,651)	(\$162,492)
19 Cost of Removal	Page 6 Line 10	(\$1,895,059)					
20 Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19	(\$5,970,630)	(\$221,954)	(\$205,290)	(\$189,917)	(\$175,651)	(\$162,492)

1/ Capital Repairs percentage is based on the FY 2013 tax return.

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2017 Revenue Requirement on FY 2012 Actual Incremental Capital Investment**

Line No.			Fiscal Year 2012 (a)	Fiscal Year 2013 (b)	Fiscal Year 2014 (c)	Fiscal Year 2015 (d)	Fiscal Year 2016 (e)	Fiscal Year 2017 (f)	Fiscal Year 2018 (g)
	<u>Capital Additions Allowance</u>								
	<i>Non-Discretionary Capital</i>								
1	Non-Discretionary		(\$4,019,686)	\$0	\$0	\$0	\$0	\$0	\$0
	<i>Discretionary Capital</i>								
2	Lesser of Actual Discretionary Capital Additions or Spending or Approved Spending		\$4,163,942	\$0	\$0	\$0	\$0	\$0	\$0
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$144,256	\$0	\$0	\$0	\$0	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>								
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$144,256	\$0	\$0	\$0	\$0	\$0	\$0
5	Retirements		\$19,938	\$0	\$0	\$0	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Columns (b), (c), (d) & (e) = Prior Year Line 6	\$124,318	\$124,318	\$124,318	\$124,318	\$124,318	\$124,318	\$124,318
	<u>Change in Net Capital Included in Rate Base</u>								
7	Incremental Depreciable Amount	Column (a) = Line 4, Columns (b), (c), (d) & (e) = Prior Year Line 7	\$144,256	\$144,256	\$144,256	\$144,256	\$144,256	\$144,256	\$144,256
8	Cost of Removal		(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)
9	Total Net Plant in Service	Line 7 + Line 8	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)
	<u>Deferred Tax Calculation:</u>								
10	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4065	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%
11	Tax Depreciation	Page 9 Line 20	(\$654,965)	\$2,107	\$1,949	\$1,803	\$1,667	\$1,542	\$1,427
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11	(\$654,965)	(\$652,858)	(\$650,909)	(\$649,107)	(\$647,439)	(\$645,897)	(\$644,471)
13	Book Depreciation	Column (a) = -Line 6 * Line 10 * 50%; Columns (b), (c), (d) & (e) = Line 6 * Line 10	(\$2,113)	(\$4,227)	(\$4,227)	(\$4,227)	(\$4,227)	(\$4,227)	(\$4,227)
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	(\$2,113)	(\$6,340)	(\$10,567)	(\$14,794)	(\$19,021)	(\$23,247)	(\$27,474)
15	Cumulative Book / Tax Timer	Line 12 - Line 14	(\$652,852)	(\$646,518)	(\$640,342)	(\$634,313)	(\$628,419)	(\$622,650)	(\$616,996)
16	Effective Tax Rate		35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
17	Deferred Tax Reserve	Line 15 * Line 16	(\$228,498)	(\$226,281)	(\$224,120)	(\$222,009)	(\$219,898)	(\$217,787)	(\$215,676)
18	Less: FY 2013 Federal NOL		(\$4,310,461)	(\$4,310,461)	(\$4,310,461)	(\$4,310,461)	(\$4,310,461)	(\$4,310,461)	(\$4,310,461)
19	Net Deferred Tax Reserve	Line 17 + Line 18	(\$4,538,959)	(\$4,536,742)	(\$4,534,581)	(\$4,532,470)	(\$4,530,359)	(\$4,528,248)	(\$4,526,137)
	<u>Rate Base Calculation:</u>								
20	Cumulative Incremental Capital Included in Rate Base	Line 9	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)
21	Accumulated Depreciation	Line * Line 20	\$2,113	\$6,340	\$10,567	\$14,794	\$19,021	\$23,247	\$27,474
22	Deferred Tax Reserve	- Line 17	\$4,538,959	\$4,536,742	\$4,534,581	\$4,532,470	\$4,530,359	\$4,528,248	\$4,526,137
23	Year End Rate Base	Sum of Lines 18 through 20	\$3,914,197	\$3,916,207	\$3,918,217	\$3,920,227	\$3,922,237	\$3,924,247	\$3,926,257
	<u>Revenue Requirement Calculation:</u>								
24	Average Rate Base	(Prior Year Line 21 + Current Year Line 21) ÷ 2						\$4,860,516	\$5,474,028
25	Pre-Tax ROR							9.68%	9.68%
26	Return and Taxes	Line 22 * Line 23						\$470,498	\$529,886
27	Book Depreciation	Line 19						(\$4,227)	(\$4,227)
28	Property Taxes							(\$24,907)	(\$24,733)
29	Annual Revenue Requirement	Sum of Lines 24 through 26	N/A	N/A	N/A	N/A	N/A	\$441,364	\$500,926

1/ Column (a) - FY 2012 Electric ISR Reconciliation Filing R.I.P.U.C. Docket No. 4218.

2/ Weighted Average Cost of Capital per Settlement Agreement R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	4.96%	2.48%		
Short Term Debt	0.76%	0.79%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	<u>100.00%</u>		<u>7.17%</u>	<u>2.51%</u>	<u>9.68%</u>

3/ FY 2017 effective property tax rate of 4.10% per Page 18 of 22, Line 76(h)

The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY2012 Incremental Capital Investments

Line No.			Fiscal Year 2012 (a)	Fiscal Year 2013 (b)	Fiscal Year 2014 (c)	Fiscal Year 2015 (d)	Fiscal Year 2016 (e)	Fiscal Year 2017 (f)	Fiscal Year 2018 (g)
	<u>Capital Repairs Deduction</u>								
1	Plant Additions	Page 3 Line 3	\$144,256						
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 21.05%						
3	Capital Repairs Deduction	Line 2 * Line 3	\$30,366						
	<u>Bonus Depreciation</u>								
4	Plant Additions	Line 1	\$144,256						
5	Less Capital Repairs Deduction	Line 3	\$30,366						
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$113,890						
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	2/ 85.00%						
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$96,807						
9	Bonus Depreciation Rate (April 2011 - December 2011)	1 * 75% * 100%	75.00%						
10	Bonus Depreciation Rate (January 2012 - March 2012)	1 * 25% * 50%	12.50%						
11	Total Bonus Depreciation Rate	Line 9 + Line 10	87.50%						
12	Bonus Depreciation	Line 8 * Line 11	\$84,706						
	<u>Remaining Tax Depreciation</u>								
13	Plant Additions	Line 1	\$144,256						
14	Less Capital Repairs Deduction	Line 3	\$30,366						
15	Less Bonus Depreciation	Line 12	\$84,706						
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$29,184	\$29,184	\$29,184	\$29,184	\$29,184	\$29,184	\$29,184
17	20 YR MACRS Tax Depreciation Rates		3.750%	7.219%	6.677%	6.177%	5.713%	5.285%	4.888%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$1,094	\$2,107	\$1,949	\$1,803	\$1,667	\$1,542	\$1,427
19	Cost of Removal	Page 3 Line 8	(\$771,131)						
20	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19	(\$654,965)	\$2,107	\$1,949	\$1,803	\$1,667	\$1,542	\$1,427

- 1/ Per Docket 4307 FY 2013 Electric ISR Reconciliation Filing at Attachment WRR-1, Page 8, Line 2
- 2/ Since not all property additions qualify for bonus depreciation and because a project must be started after the beginning of the bonus period, January 1, 2008, an estimate of 85% is used rather than 100%.

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2012 - 2014 Incremental Capital Investment Summary**

Line No.			Actual Fiscal Year 2012 (a)	Actual Fiscal Year 2013 (b)	Fiscal Year 2014 (c)
<u>Capital Investment</u>					
1	ISR - Eligible Capital Investment	Col (a) =FY 2012 ISR Reconciliation Filing Docket No. 4218, Att. WRR-1, Page 3 of 4, Line 20(b); Col (b) = FY 2013 ISR Reconciliation Filing Docket No. 4307, Att WRR-1, Page 7 of 12, Line 31 (b); Col (c) = Page 9 of 14, Line 22(b)	\$48,946,456	\$44,331,141	\$56,129,551
2	ISR - Eligible Capital Additions included in Rate Base per R.I.P.U.C. Docket No. 4323	Schedule MDL-3-ELEC Page 53, Docket No. 4323: Col (a)= Line Note 1(a); Col (b)= Line Note 2(b); Col (c)= Line Note 3(e)	\$48,802,200	\$51,366,341	\$42,805,284
3	Incremental ISR Capital Investment	Line 1 - Line 2	\$144,256	(\$7,035,200)	\$13,324,267
<u>Cost of Removal</u>					
4	ISR - Eligible Cost of Removal	Col (a) =FY 2012 ISR Reconciliation Filing Docket No. 4218; Col (b)= FY 2013 Reconciliation Filing Docket No. 4307; Col (c) = Attachment JLG-1, Page 6 of 24, Table 2	\$5,807,869	5,179,941	\$5,007,992
5	ISR - Eligible Cost of Removal in Rate Base per R.I.P.U.C. Docket No. 4323	Workpaper MDL-19-ELEC Page 2, Docket No. 4323: Col (a)= Line Note 1(a); Col (b)= Line Note 2(b); Line Note 3(e)	\$6,579,000	\$7,075,000	\$5,895,833
6	Incremental Cost of Removal	Line 4 - Line 5	(\$771,131)	(\$1,895,059)	(\$887,841)
<u>Retirements</u>					
7	ISR - Eligible Retirements/Actual	Col (a)= FY 2012 ISR Reconciliation Filing Docket No. 4218; Col (b) = FY 2013 ISR Reconciliation Filing Docket No. 4307; Col (c) = Per Company Books	\$7,740,446	14,255,714	\$ 3,299,874
8	ISR - Eligible Retirements/Estimated	Col (a)= FY 2012 ISR Proposal Filing Docket No. 4218; Col (b)= FY 2013 ISR Proposal Filing Docket No. 4307; Col (c) = Line 2 (c) * 17.44% Retirement rate per Docket 4323 (Workpaper MDL-19-ELEC Page 3)	\$7,720,508	\$8,416,779	\$7,465,242
9	Incremental Retirements	Line 7 - Line 8	\$19,938	\$5,838,935	(\$4,165,367)

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2015 Capital Investment**

		<u>Actuals</u>
		(a)
Line		
No.	<u>Non-Discretionary Capital</u>	
	Total Allowed Non-Discretionary Capital Included in Rate Base	
1	Current Year Attachment JHP-1, Page 3, Table 1	<u>\$22,246,664</u>
	<u>Discretionary Capital</u>	
2	Cumulative FY 2012 - FY 2014 Discretionary Capital ADDITIONS Docket No. 4382 FY14 Reconciliation Sch. WRR-1 Page 7 of 11, Line 4; Col (b) = Att. JLG-1, Page 4 of 24, Table 1	\$69,131,503
3	FY 2015 Discretionary Capital ADDITIONS Attachment JHP-1, Page 3, Table 1	<u>\$54,410,377</u>
4	Cumulative Actual Discretionary Capital Additions Line 2 + Line 3	<u>\$123,541,880</u>
5	Cumulative FY 2012 - FY 2014 Discretionary Capital SPENDING Docket No. 4382 FY14 Reconciliation Att. JLG-1, Page 7 of 24, Table 3	\$92,544,086
6	FY 2015 Discretionary Capital SPENDING Attachment JHP-1, Page 5, Table 3	<u>\$51,956,455</u>
7	Cumulative Actual Discretionary Capital Spending Line 5 + Line 6	<u>\$144,500,541</u>
		As Approved in Docket No. 4473
8	Cumulative FY 2012 - FY 2014 Approved Discretionary Capital SPENDING Docket No. 4382 FY14 Proposal Sch. WRR-1, Page 7 of 11, Line 5	\$86,189,150
9	FY 2015 Approved Discretionary Capital SPENDING Attachment JHP-1, Page 5, Table 3	<u>\$41,547,000</u>
10	Cumulative Actual Approved Discretionary Capital Spending Line 8 + Line 9	<u>\$127,736,150</u>
		Total Allowed
11	Cumulative Allowed Discretionary Capital Included in Rate Base Lesser of Line 4, Line 7, or Line 10	\$123,541,880
12	Prior Year Cumulative Allowed Discretionary Capital Included in Rate Base Docket No. 4307 FY13 Reconciliation Filing Att. WRR-1, Page 7, Line 27	<u>\$69,131,503</u>
13	Total Allowed Discretionary Capital Included in Rate Base Current Year Line 11 - Line 12	<u>\$54,410,377</u>
14	Total Allowed Capital Included in Rate Base Current Year Line 1 + Line 13	<u>\$76,657,041</u>

The Narragansett Electric Company d/b/a National Grid FY 2017 ISR Property Tax Recovery Adjustment (000s)									
Line		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		<u>RY End</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk Depr (1)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY14</u>
1	Plant In Service	\$1,358,470	\$9,335	\$1,885	\$11,220		\$550		\$1,370,240
2									
3	Accumulated Depr	\$611,570				\$7,498	\$550	(\$835)	\$618,783
4									
5	Net Plant	\$746,900							\$751,457
6									
7	Property Tax Expense	\$29,743							\$27,502
8									
9	Effective Prop tax Rate	3.98%							3.66%
10									
11									
12	<u>Effective tax Rate Calculation</u>	<u>End of FY14</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk Depr (1)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY15</u>
13									
14	Plant In Service	\$1,370,240	\$76,657	\$5,801	\$82,458		(\$15,666)		\$1,437,032
15									
16	Accumulated Depr	\$618,783				\$46,522	(\$15,666)	(\$6,988)	\$642,650
17									
18	Net Plant	\$751,457							\$794,382
19									
20	Property Tax Expense	\$27,502							\$32,549
21									
22	Effective Prop tax Rate	3.66%							4.10%
23									
24									
25		<u>End of FY15</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk Depr (1)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY16</u>
26									
27	Plant In Service	\$1,437,032	\$77,475	\$4,013	\$81,488		(\$4,556)		\$1,513,964
28									
29	Accumulated Depr	\$642,650				\$48,965	(\$4,556)	(\$8,200)	\$678,860
30									
31	Net Plant	\$794,382							\$835,105
32									
33	Property Tax Expense	\$32,549							\$33,321
34									
35	Effective Prop tax Rate	4.10%							3.99%
36									
37									
38									
39		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(i) (j) (k)
40	Property Tax Recovery Calculation								
41		<u>Cumulative Increm. ISR Prop. Tax for FY14</u>			<u>Cumulative Increm. ISR Prop. Tax for FY15</u>			<u>Cumulative Increm. ISR Prop. Tax for FY16</u>	
42		2 mos							
43	ISR Additions		\$9,335				\$76,657		\$77,475
44	Book Depreciation: base allowance on ISR eligible plant		(\$7,173)				(\$43,032)		(\$43,032)
45	Book Depreciation: current year ISR additions		(\$324)				(\$1,037)		(\$1,240)
46	COR		\$835				\$6,988		\$8,200
47									
48	Net Plant Additions		\$2,672				\$39,577		\$41,404
49									
50	RY Effective Tax Rate		3.98%				3.98%		3.98%
51	ISR Property Tax Recovery on FY 2014 vintage investment			\$106				\$105	\$91
52	ISR Property Tax Recovery on FY 2015 vintage investment							\$1,576	\$1,493
53	ISR Property Tax Recovery on FY 2016 vintage investment								\$1,649
54	ISR Property Tax Recovery on FY 2017 vintage investment								
55									
56	ISR Year Effective Tax Rate	3.66%				4.10%		3.99%	
57	RY Effective Tax Rate	3.98%	-0.32%			3.98%	0.12%	3.98%	0.01%
58	RY Effective Tax Rate 2 mos for FY 2014		-0.05%						
59	RY Net Plant times 2 mo rate	\$746,900		(\$401)		\$746,900 * 0.12%		\$746,900 * 0.01%	\$58
60	FY 2014 Net Adds times ISR Year Effective T	\$2,672	-0.32%	(\$9)		\$2,632 * 0.12%	\$3	\$2,296 * 0.01%	\$0
61	FY 2015 Net Adds times ISR Year Effective Tax rate					\$39,577 * 0.12%	\$46	\$37,503 * 0.01%	\$3
62	FY 2016 Net Adds times ISR Year Effective Tax rate							\$41,404 * 0.01%	\$3
63	FY 2017 Net Adds times ISR Year Effective Tax rate								
64				(\$410)				\$910	\$64
65									
66									
67	Total ISR Property Tax Recovery			(\$304)				\$2,590	\$3,298

The Narragansett Electric Company
d/b/a National Grid
FY 2017 ISR Property Tax Recovery Adjustment (continued)I
(000s)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	<u>End of FY16</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk Depr (1)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY17</u>
68 Plant In Service	\$1,513,964	\$78,478	\$3,550	\$82,028		(\$16,041)		\$1,579,951
69								
70 Accumulated Depr	\$678,860				\$51,395	(\$16,041)	(\$9,800)	\$704,413
71								
72 Net Plant	\$835,105							\$875,538
73								
74 Property Tax Expense	\$33,321							\$35,875
75								
76 Effective Prop tax Rate	3.99%							4.10%
77								
78								
79	(a)	(b)	(c)					
80								
81	<u>Cumulative Increm. ISR Prop. Tax for FY17</u>							
82								
83 ISR Additions		\$78,478						
84 Book Depreciation: base allowance on ISR eligible plant		(\$43,032)						
85 Book Depreciation: current year ISR additions		(\$1,061)						
86 COR		<u>\$9,800</u>						
87								
88 Net Plant Additions		\$44,185						
89								
90 RY Effective Tax Rate		<u>3.98%</u>						
91 ISR Property Tax Recovery on FY 2014 vintage investment			\$78					
92 ISR Property Tax Recovery on FY 2015 vintage investment			\$1,411					
93 ISR Property Tax Recovery on FY 2016 vintage investment			\$1,550					
94 ISR Property Tax Recovery on FY 2017 vintage investment			\$1,760					
95								
96 ISR Year Effective Tax Rate	4.10%							
97 RY Effective Tax Rate	3.98%	0.12%						
98 RY Effective Tax Rate 2 mos for FY 2014								
99 RY Net Plant times 2 mo rate	\$746,900	* 0.12%	\$861					
100 FY 2014 Net Adds times ISR Year Effective T	\$1,960	* 0.12%	\$2					
101 FY 2015 Net Adds times ISR Year Effective T	\$35,429	* 0.12%	\$41					
102 FY 2016 Net Adds times ISR Year Effective T	\$38,924	* 0.12%	\$45					
103 FY 2017 Net Adds times ISR Year Effective T	\$44,185	* 0.12%	<u>\$51</u>					
104			<u>\$999</u>					
105								
106 Total ISR Property Tax Recovery			<u>\$5,798</u>					

**The Narragansett Electric Company
d/b/a National Grid
FY 2017 ISR Property Tax Recovery Adjustment (continued)2
(000s)**

Line Notes

1(a)-9(h)	Per FY 2014 Electric ISR Reconciliation Filing R.I.P.U.C. Docket No. 4382	67(k)	Sum of Lines 51(k) through 53(k) + Line 64(k)
14(a)-22(h)	Per FY 2015 Electric ISR Reconciliation Filing R.I.P.U.C. Docket No. 4473	68(b)	Page 2, Line 3
27(b)	Page 4, Line 3	68(c)	FY 2017 forecasted in service amount
27(c)	FY 2016 forecasted in service amount	68(h)	68(a) + 68(d) + 68(f)
27 (h)	27(a) + 27(d) + 27(f)	70(e)	Rate Year depr allowance of \$44,986 * (Line 1(d)+1(f)* comp depr rate of 3.40%) + (Line 14(d)+14(f)* comp depr rate of 3.40%) + (Line , 27(d)+27(f)*comp depr rate of 3.40%) + (Line 68(d) +68(f)*comp depr rate of 3.40%*50%)
29(e)	Rate Year depr allowance of \$44,986 * (Line 1(d)+1(f)* comp depr rate of 3.40%) + (Line 14(d)+14(f)* comp depr rate of 3.40%) + (Line , 27(d)+27(f)*comp depr rate of 3.40%*50%)	70(g)	Page 2, Line 10
29(g)	Page 4, Line 10	70(h)	Sum of Line 70(a) through 70(g)
29(h)	Sum of Line 29(a) through 29(g)	72(h)	Line 68(h) - Line 70(h)
31(h)	Line 27(h) - Line 29(h)	74(a)	Line 33(h)
33(a)	Line 20(h)	74(h)	Line 72(h) * Line 76(h)
33(h)	Line 31(h) * Line 35(h)	76(h)	Line 74(h) / 721(h)
35(h)	Line 33(h) / 31(h)	83(b)	Line 68(b)
43(a) - 67(c)	Per FY 2014 Electric ISR Reconciliation R.I.P.U.C. Docket No. 4382	84(b)	Page 2, Line 8
43(e) - 67(g)	Per FY 2015 Electric ISR Reconciliation R.I.P.U.C. Docket No. 4473	85(b)	Page 2, Line 15
43(j)	Line 27(b)	86(b)	-Line 70(g)
44(j)	Page 4, Line 8	88(b)	Sum of Lines 83(b) through 86(b)
45(j)	Page 4, Line 15	90(b)	Line 9(a)
46(j)	-Line 29(g)	91(c)	Line 90(b) * Line 100(a)
48(j)	Sum of Lines 43(j) through 46(j)	92(c)	Line 90(b) * Line 101(a)
50(j)	Line 9(a)	93(c)	Line 90(b) * Line 102(a)
51(k)	Line 50(j) * Line 60(i)	94(c)	Line 88(b) * Line 90(b)
52(k)	Line 50(j) * Line 61(i)	97(b)	Line 96(a) - Line 97(a)
53(k)	Line 50(j) * Line 48(j)	100(a)	((Lines 43(b)+44(b)+46(b)) - ((Line 43(b)+ Line 1(f)) * 3.4% composite depn rate * 50% * 2/12) - ((Line 43(b)+Line 1(f)) * 3.4%) - ((Line 43(b)+Line 1(f)) * 3.4%)
57(j)	Line 56(i) - Line 57(i)	101(a)	((Lines 43(f)+44(f)+46(f)) - ((Line 43(f)+ Line 14(f)) * 3.4% composite depn rate * 50%) - ((Line 43(f)+Line 14(f)) *3.4%) - ((Line 43(f)+Line 14(f)) * 3.4%)
60(i)	((Lines 43(b)+44(b)+46(b)) - ((Line 43(b)+ Line 1(f)) * 3.4% composite depn rate * 50% * 2/12) - ((Line 43(b)+Line 1(f)) * 3.4%) - ((Line 43(b)+Line 1(f)) * 3.4%)	102(a)	((Lines 43(j)+44(j)+46(j)) - ((Line 43(j)+ Line 27(f)) * 3.4% composite depn rate * 50%) - ((Line 43(j)+Line 27(f)) *3.4%) - ((Line 43(j)+Line 27(f)) * 3.4%)
61(i)	((Lines 43(f)+44(f)+46(f)) - ((Line 43(f)+ Line 14(f)) * 3.4% composite depn rate * 50%) - ((Line 43(f)+Line 14(f)) *3.4%) - ((Line 43(f)+Line 14(f)) * 3.4%)	103(a)	Line 88(b)
62(i)	Line 48(j)	99(b)-103(b)	Line 97(b)
59(j)-62(j)	Line 57(j)	99(c)	Line 99(a) * Line 99(b)
59(k)	Line 59(i) * Line 59(j)	100(c)	Line 100(a) * Line 100(b)
60(k)	Line 60(i) * Line 60(j)	101(c)	Line 101(a) * Line 101(b)
61(k)	Line 61(i) * Line 61(j)	102(c)	Line 102(a) * Line 102(b)
62(k)	Line 62(i) * Line 62(j)	103(c)	Line 103(a) * Line 103(b)
64(k)	Sum of Lines 59(k) through 62(k)	104(c)	Sum of Line 99(c) through 103(c)
		106(c)	Sum of Lines 91(c) through 94(c) + Line 104(c)

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")**

	(a)	(b)	(c)	(d)	(e)	(f) CY 2011	(g) CY 2012	(h) Jan-2013	(i) Feb 13 - Jan 14	(j)
1 Total Base Rate Plant DIT Provision						\$15,856,458	\$ 5,546,827	\$ 521,151	\$(1,967,911)	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
2 Total Base Rate Plant DIT Provision						\$13,279,050	\$ 4,353,286	\$(1,639,926)	\$ -	\$ -
3 Incremental FY 12	\$ (228,498)	\$ (226,281)	\$ (224,120)	\$ (222,009)	\$ (219,947)	\$ (228,498)	\$ 2,217	\$ 2,161	\$ 2,110	\$ 2,063
4 Incremental FY 13		\$(2,013,121)	\$(1,937,607)	\$(1,856,261)	\$(1,769,533)		\$(2,013,121)	\$ 75,514	\$ 81,347	\$ 86,727
5 Incremental FY 14			\$ 2,763,058	\$ 2,770,421	\$ 2,769,418			\$ 2,763,058	\$ 7,363	\$ (1,003)
6 FY 2015				\$15,226,743	\$15,464,460				\$15,226,743	\$ 237,717
7 FY 2016					\$ 9,377,550					\$ 9,377,550
8 TOTAL Plant DIT Provision	\$ (228,498)	\$ (2,239,402)	\$ 601,331	\$15,918,894	\$25,621,948	\$13,050,552	\$ 2,342,382	\$ 1,200,808	\$15,317,563	\$ 9,703,054
9 NOL						\$ 4,310,461	\$11,442,811	\$19,452,677	TBD	TBD
10 Lesser of NOL or DIT Provision						\$ 4,310,461	\$ 2,342,382	\$ 1,200,808	TBD	TBD

1(f) Per Dkt 4323 Compliance filing Attachment 1, Page 64 of 71, Line 19(e) less Line 19(a)
1(g)-1(i) Per Dkt 4323 Compliance filing Attachment 1, Page 70 of 71, Lines 32, 42, and 48
3(a)-7(e) ADIT per vintage year ISR revenue requirement calculations
3(f) -7(j) Year over year change in ADIT shown in Cols (a) through (e)

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
True-Up for FY 2012, FY 2013 and FY 2014 Net Operating Losses ("NOL")**

	(a)	(b)	(c)	(d)	(e)
	Revenue Requirement Year				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
1 Return on Rate Base	9.30%	9.84%	9.68%	9.68%	9.68%
	Vintage Capital Investment Year				
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
2 Lesser of NOL or DIT Provision	\$ 4,310,461	\$ 2,342,382	\$ 1,200,808	TBD	TBD
	(a)	(b)	(c)	(d)	(e)

Revenue Requirement Increase due to NOL

	Revenue Requirement Year				
Vintage Capital Investment Year	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
3 FY 2012	\$ 200,436	\$ 424,149	\$ 417,253	\$ 417,253	\$ 417,253
4 FY 2013	\$ -	\$ 115,245	\$ 226,743	\$ 226,743	\$ 226,743
5 FY 2014	\$ -	\$ -	\$ 27,000	\$ 116,238	\$ 116,238
6 TOTAL	\$ 200,436	\$ 539,395	\$ 670,996	\$ 760,233	\$ 760,233
7 Total FY 2012 through FY 2014 revenue requirement impact recovered over 3 years					\$ 1,410,826
8 Recovery per year					\$ 470,275

- 1(a) Per Docket No. 4065
- 1(b)-(c) Per vintage year revenue requirement calculations at Page 11 of 22, and Page 8 of 22, respectively
- 2 Per Page 20 of 22, Line 10
- 3 Line 2(a) * Line 1(a) * 50%; Line 2(a) * Line 1(b); Line 2(a) * Line 1(c); Line 2(a) * Line 1(d); Line 2(a) * Line 1(e)
- 4 Line 2(b) * Line 1(b) * 50%; Line 2(b) * Line 1(c); Line 2(b) * Line 1(d); Line 2(b) * Line 1(e)
- 5 Line 2(c) * Line 1(c) * Page 16, Line 16 (f); Line 2(c) * Line 1(d); Line 2(c) * Line 1(e)
- 6 Sum of Lines 3 through 5
- 7 Line 6(a) + Line 6(b) + Line 6(c)
- 8 Line 7(e) /3

**The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
ISR Additions February and March 2014**

<u>Line</u> <u>No.</u>	<u>Month</u> <u>No.</u>	<u>Month</u>	<u>FY 2014 Plant</u> <u>Additions</u> (a)	<u>In</u> <u>Rates</u> (b)	<u>Not In</u> <u>Rates</u> (c) = (a) - (b)	<u>Weight</u> (d)	<u>Weighted</u> <u>Average</u> (f) = (d) * (c)
1							
2	1	Apr-13	4,677,463	4,280,528	396,934	0.958	380,395
3	2	May-13	4,677,463	4,280,528	396,934	0.875	347,317
4	3	Jun-13	4,677,463	4,280,528	396,934	0.792	314,240
5	4	Jul-13	4,677,463	4,280,528	396,934	0.708	281,162
6	5	Aug-13	4,677,463	4,280,528	396,934	0.625	248,084
7	6	Sep-13	4,677,463	4,280,528	396,934	0.542	215,006
8	7	Oct-13	4,677,463	4,280,528	396,934	0.458	181,928
9	8	Nov-13	4,677,463	4,280,528	396,934	0.375	148,850
10	9	Dec-13	4,677,463	4,280,528	396,934	0.292	115,772
11	10	Jan-14	4,677,463	4,280,528	396,934	0.208	82,695
12	11	Feb-14	4,677,463	-	4,677,463	0.125	584,683
13	12	Mar-14	4,677,463	-	4,677,463	0.042	194,894
14		Total	<u>\$56,129,551</u>	<u>\$42,805,284</u>	<u>\$13,324,267</u>		<u>\$3,095,026</u>
15	Total February & March 2014				\$ 9,354,925		
16	FY2014 Weighted Average Incremental Rate Base Percentage						<u>23.23%</u>

Column (a)Page 15 of 22, Line 1(c)

Column(b) Page 15 of 22, Line 2(c)

Line 15 = Line 12(c) + Line 13(c)

Line 16 = Line 14(f)/Line 14(c)

The Narragansett Electric Company
FY17 Illustrative CapEx Factors
(for the 12 months beginning April 1, 2016)

Line No.		<u>Total</u> (a)	<u>Residential</u> <u>A16 / A60</u> (b)	<u>Small Commercial &</u> <u>Industrial</u> <u>C-06</u> (c)	<u>General</u> <u>Commercial &</u> <u>Industrial</u> <u>G-02</u> (d)	<u>Large Demand</u> <u>B32 / G32</u> (e)	<u>Optional Large</u> <u>Demand</u> <u>B62 / G62</u> (f)	<u>Street Lighting</u> <u>S05 / S10 / S14</u> (g)	<u>Electric</u> <u>Propulsion</u> <u>X-01</u> (h)
(1)	Illustrative FY2016 Capital Investment Component of Revenue Requirement	\$17,856,781							
(2)	Total Rate Base (\$000s)	\$561,738	\$296,490	\$54,542	\$82,460	\$77,651	\$19,545	\$29,286	\$1,764
(3)	Percentage of Total	100.00%	52.78%	9.71%	14.68%	13.82%	3.48%	5.21%	0.31%
(4)	Allocated Illustrative Revenue Requirement	\$17,856,781	\$9,424,949	\$1,733,808	\$2,621,276	\$2,468,411	\$621,307	\$930,968	\$56,062
(5)	Forecasted kWh - April 2016 through March 2017	7,609,060,643	3,065,917,589	601,237,481	1,297,568,314	2,054,251,445	501,276,997	65,517,525	23,291,291
(6)	Illustrative CapEx Factor - kWh charge		\$0.00307	\$0.00288	n/a	n/a	n/a	\$0.01420	\$0.00240
(7)	Forecasted kW - April 2016 through March 2017				3,570,320	3,311,233	1,179,563		
(8)	Illustrative CapEx Factor - kW Charge		n/a	n/a	\$0.73	\$0.74	\$0.52	n/a	n/a

Line Description:

- (1) per Attachment COMM 2-1 (a), page 1, Line (14), Column (b)
 - (2) per R.I.P.U.C. 4323, Compliance Attachment 3A, (Schedule HSG-1), Page 2, Line (10)
 - (3) Line (2) ÷ Line (2) Total Column
 - (4) Line (1) Total Column x Line (3)
 - (5) per Company forecasts
 - (6) For non demand-based rate classes, Line (4) ÷ Line (5), truncated to 5 decimal places
 - (7) per Company forecasts
 - (8) For demand-based rate classes, Line (4) ÷ Line (7), truncated to 2 decimal places
- Note: charges apply to kW>10 for rate class G-02 and kW>200 for rate class B32/G32

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to A-16 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Customers
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
150	\$34.17	\$16.26	\$17.91	\$34.36	\$16.26	\$18.10	\$0.19	0.6%	13.7%
300	\$62.18	\$32.52	\$29.66	\$62.58	\$32.52	\$30.06	\$0.40	0.6%	17.5%
400	\$80.85	\$43.35	\$37.50	\$81.38	\$43.35	\$38.03	\$0.53	0.7%	11.8%
500	\$99.53	\$54.19	\$45.34	\$100.20	\$54.19	\$46.01	\$0.67	0.7%	10.8%
600	\$118.21	\$65.03	\$53.18	\$119.01	\$65.03	\$53.98	\$0.80	0.7%	9.4%
700	\$136.89	\$75.87	\$61.02	\$137.82	\$75.87	\$61.95	\$0.93	0.7%	7.7%
1,200	\$230.28	\$130.06	\$100.22	\$231.87	\$130.06	\$101.81	\$1.59	0.7%	15.0%
2,000	\$379.71	\$216.77	\$162.94	\$382.35	\$216.77	\$165.58	\$2.64	0.7%	14.1%

Present Rates

Customer Charge		\$5.00
RE Growth Factor		\$0.17
LIHEAP Charge		\$0.73
Transmission Energy Charge	kWh x	\$0.02348
Distribution Energy Charge (1)	kWh x	\$0.04164
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.10405

Proposed Rates

Customer Charge		\$5.00
RE Growth Factor		\$0.17
LIHEAP Charge		\$0.73
Transmission Energy Charge	kWh x	\$0.02348
Distribution Energy Charge (2)	kWh x	\$0.04291
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.10405

Note (1): includes the current CapEx Factor of 0.153¢/kWh and the current O&M Factor of 0.183¢/kWh

Note (2): includes the illustrative CapEx Factor of 0.307¢/kWh and the proposed O&M Factor of 0.156¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to A-60 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Customers
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
150	\$26.85	\$16.26	\$10.59	\$27.05	\$16.26	\$10.79	\$0.20	0.7%	10.7%
300	\$52.77	\$32.52	\$20.25	\$53.16	\$32.52	\$20.64	\$0.39	0.7%	23.2%
400	\$70.03	\$43.35	\$26.68	\$70.56	\$43.35	\$27.21	\$0.53	0.8%	14.9%
500	\$87.31	\$54.19	\$33.12	\$87.97	\$54.19	\$33.78	\$0.66	0.8%	12.2%
600	\$104.59	\$65.03	\$39.56	\$105.38	\$65.03	\$40.35	\$0.79	0.8%	9.6%
700	\$121.86	\$75.87	\$45.99	\$122.79	\$75.87	\$46.92	\$0.93	0.8%	7.3%
1,200	\$208.24	\$130.06	\$78.18	\$209.82	\$130.06	\$79.76	\$1.58	0.8%	12.3%
2,000	\$346.44	\$216.77	\$129.67	\$349.08	\$216.77	\$132.31	\$2.64	0.8%	9.8%

Present Rates

Customer Charge		\$0.00
RE Growth Factor		\$0.17
LIHEAP Charge		\$0.73
Transmission Energy Charge	kWh x	\$0.02348
Distribution Energy Charge (1)	kWh x	\$0.02817
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.10405

Proposed Rates

Customer Charge		\$0.00
RE Growth Factor		\$0.17
LIHEAP Charge		\$0.73
Transmission Energy Charge	kWh x	\$0.02348
Distribution Energy Charge (2)	kWh x	\$0.02944
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.10405

Note (1): includes the current CapEx Factor of 0.153¢/kWh and the current O&M Factor of 0.183¢/kWh

Note (2): includes the illustrative CapEx Factor of 0.307¢/kWh and the proposed O&M Factor of 0.156¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to C-06 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percentage of Customers
	Total	Standard Offer	Delivery	Total	Standard Offer	Delivery	Amount	% of Total	
250	\$52.68	\$23.40	\$29.28	\$52.95	\$23.40	\$29.55	\$0.27	0.5%	35.2%
500	\$93.92	\$46.80	\$47.12	\$94.45	\$46.80	\$47.65	\$0.53	0.6%	17.0%
1,000	\$176.38	\$93.59	\$82.79	\$177.43	\$93.59	\$83.84	\$1.05	0.6%	19.0%
1,500	\$258.85	\$140.39	\$118.46	\$260.43	\$140.39	\$120.04	\$1.58	0.6%	9.8%
2,000	\$341.33	\$187.19	\$154.14	\$343.43	\$187.19	\$156.24	\$2.10	0.6%	19.1%

Present Rates

Customer Charge		\$10.00
RE Growth Factor		\$0.26
LIHEAP Charge		\$0.73
Transmission Energy Charge	kWh x	\$0.02072
Distribution Energy Charge (1)	kWh x	\$0.03763
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Proposed Rates

Customer Charge		\$10.00
RE Growth Factor		\$0.26
LIHEAP Charge		\$0.73
Transmission Energy Charge	kWh x	\$0.02072
Distribution Energy Charge (2)	kWh x	\$0.03864
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Note (1): includes the current CapEx Factor of 0.150¢/kWh and the current O&M Factor of 0.200¢/kWh

Note (2): includes the illustrative CapEx Factor of 0.288¢/kWh and the proposed O&M Factor of 0.163¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$747.10	\$374.38	\$372.72	\$749.49	\$374.38	\$375.11	\$2.39	0.3%
50	10,000	\$1,733.53	\$935.94	\$797.59	\$1,744.99	\$935.94	\$809.05	\$11.46	0.7%
100	20,000	\$3,377.60	\$1,871.88	\$1,505.72	\$3,404.16	\$1,871.88	\$1,532.28	\$26.56	0.8%
150	30,000	\$5,021.65	\$2,807.81	\$2,213.84	\$5,063.32	\$2,807.81	\$2,255.51	\$41.67	0.8%

Present Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (1)	kW x	\$5.23
Distribution Energy Charge (3)	kWh x	\$0.00765
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Proposed Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (2)	kW x	\$5.58
Distribution Energy Charge (4)	kWh x	\$0.00735
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Note (1): Includes the current CapEx Factor of \$0.38/kW

Note (2): Includes the illustrative CapEx Factor of \$0.73/kW

Note (3): includes the current O&M Factor of 0.148¢/kWh

Note (4): includes the proposed O&M Factor of 0.118¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$989.97	\$561.56	\$428.41	\$991.74	\$561.56	\$430.18	\$1.77	0.2%
50	15,000	\$2,340.72	\$1,403.91	\$936.81	\$2,350.62	\$1,403.91	\$946.71	\$9.90	0.4%
100	30,000	\$4,591.97	\$2,807.81	\$1,784.16	\$4,615.40	\$2,807.81	\$1,807.59	\$23.43	0.5%
150	45,000	\$6,843.22	\$4,211.72	\$2,631.50	\$6,880.20	\$4,211.72	\$2,668.48	\$36.98	0.5%

Present Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (1)	kW x	\$5.23
Distribution Energy Charge (3)	kWh x	\$0.00765
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Proposed Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (2)	kW x	\$5.58
Distribution Energy Charge (4)	kWh x	\$0.00735
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Note (1): Includes the current CapEx Factor of \$0.38/kW
Note (2): Includes the illustrative CapEx Factor of \$0.73/kW
Note (3): includes the current O&M Factor of 0.148¢/kWh
Note (4): includes the proposed O&M Factor of 0.118¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$1,232.84	\$748.75	\$484.09	\$1,233.99	\$748.75	\$485.24	\$1.15	0.1%
50	20,000	\$2,947.91	\$1,871.88	\$1,076.03	\$2,956.24	\$1,871.88	\$1,084.36	\$8.33	0.3%
100	40,000	\$5,806.34	\$3,743.75	\$2,062.59	\$5,826.66	\$3,743.75	\$2,082.91	\$20.32	0.3%
150	60,000	\$8,664.79	\$5,615.63	\$3,049.16	\$8,697.08	\$5,615.63	\$3,081.45	\$32.29	0.4%

Present Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (1)	kW x	\$5.23
Distribution Energy Charge (3)	kWh x	\$0.00765
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.08985

Proposed Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (2)	kW x	\$5.58
Distribution Energy Charge (4)	kWh x	\$0.00735
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.08985

Note (1): Includes the current CapEx Factor of \$0.38/kW

Note (2): Includes the illustrative CapEx Factor of \$0.73/kW

Note (3): includes the current O&M Factor of 0.148¢/kWh

Note (4): includes the proposed O&M Factor of 0.118¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$1,475.72	\$935.94	\$539.78	\$1,476.24	\$935.94	\$540.30	\$0.52	0.0%
50	25,000	\$3,555.09	\$2,339.84	\$1,215.25	\$3,561.86	\$2,339.84	\$1,222.02	\$6.77	0.2%
100	50,000	\$7,020.72	\$4,679.69	\$2,341.03	\$7,037.91	\$4,679.69	\$2,358.22	\$17.19	0.2%
150	75,000	\$10,486.34	\$7,019.53	\$3,466.81	\$10,513.95	\$7,019.53	\$3,494.42	\$27.61	0.3%

Present Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (1)	kW x	\$5.23
Distribution Energy Charge (3)	kWh x	\$0.00765
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Proposed Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (2)	kW x	\$5.58
Distribution Energy Charge (4)	kWh x	\$0.00735
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Note (1): Includes the current CapEx Factor of \$0.38/kW

Note (2): Includes the illustrative CapEx Factor of \$0.73/kW

Note (3): includes the current O&M Factor of 0.148¢/kWh

Note (4): includes the proposed O&M Factor of 0.118¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$1,718.60	\$1,123.13	\$595.47	\$1,718.49	\$1,123.13	\$595.36	(\$0.11)	0.0%
50	30,000	\$4,162.28	\$2,807.81	\$1,354.47	\$4,167.49	\$2,807.81	\$1,359.68	\$5.21	0.1%
100	60,000	\$8,235.10	\$5,615.63	\$2,619.47	\$8,249.16	\$5,615.63	\$2,633.53	\$14.06	0.2%
150	90,000	\$12,307.91	\$8,423.44	\$3,884.47	\$12,330.83	\$8,423.44	\$3,907.39	\$22.92	0.2%

Present Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (1)	kW x	\$5.23
Distribution Energy Charge (3)	kWh x	\$0.00765
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Proposed Rates

Customer Charge		\$135.00
RE Growth Factor		\$2.46
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.02
Transmission Energy Charge	kWh x	\$0.00894
Distribution Demand Charge-xcs 10 kW (2)	kW x	\$5.58
Distribution Energy Charge (4)	kWh x	\$0.00735
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.08985

Note (1): Includes the current CapEx Factor of \$0.38/kW

Note (2): Includes the illustrative CapEx Factor of \$0.73/kW

Note (3): includes the current O&M Factor of 0.148¢/kWh

Note (4): includes the proposed O&M Factor of 0.118¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$6,049.49	\$3,336.25	\$2,713.24	\$6,042.82	\$3,336.25	\$2,706.57	(\$6.67)	-0.1%
750	150,000	\$22,618.24	\$12,510.94	\$10,107.30	\$22,788.03	\$12,510.94	\$10,277.09	\$169.79	0.8%
1,000	200,000	\$30,149.49	\$16,681.25	\$13,468.24	\$30,399.49	\$16,681.25	\$13,718.24	\$250.00	0.8%
1,500	300,000	\$45,211.99	\$25,021.88	\$20,190.11	\$45,622.41	\$25,021.88	\$20,600.53	\$410.42	0.9%
2,500	500,000	\$75,336.99	\$41,703.13	\$33,633.86	\$76,068.24	\$41,703.13	\$34,365.11	\$731.25	1.0%

Present Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (1)	kW x	\$4.10
Distribution Energy Charge (3)	kWh x	\$0.00759
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Proposed Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (2)	kW x	\$4.44
Distribution Energy Charge (4)	kWh x	\$0.00743
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Note (1): Includes the current CapEx Factor of \$0.40/kW

Note (2): Includes the illustrative CapEx Factor of \$0.74/kW

Note (3): includes the current O&M Factor of 0.090¢/kWh

Note (4): includes the proposed O&M Factor of 0.074¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$8,280.74	\$5,004.38	\$3,276.36	\$8,270.74	\$5,004.38	\$3,266.36	(\$10.00)	-0.1%
750	225,000	\$30,985.43	\$18,766.41	\$12,219.02	\$31,142.72	\$18,766.41	\$12,376.31	\$157.29	0.5%
1,000	300,000	\$41,305.74	\$25,021.88	\$16,283.86	\$41,539.08	\$25,021.88	\$16,517.20	\$233.34	0.6%
1,500	450,000	\$61,946.36	\$37,532.81	\$24,413.55	\$62,331.78	\$37,532.81	\$24,798.97	\$385.42	0.6%
2,500	750,000	\$103,227.62	\$62,554.69	\$40,672.93	\$103,917.20	\$62,554.69	\$41,362.51	\$689.58	0.7%

Present Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (1)	kW x	\$4.10
Distribution Energy Charge (3)	kWh x	\$0.00759
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Proposed Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (2)	kW x	\$4.44
Distribution Energy Charge (4)	kWh x	\$0.00743
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Note (1): Includes the current CapEx Factor of \$0.40/kW

Note (2): Includes the illustrative CapEx Factor of \$0.74/kW

Note (3): includes the current O&M Factor of 0.090¢/kWh

Note (4): includes the proposed O&M Factor of 0.074¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$10,511.99	\$6,672.50	\$3,839.49	\$10,498.66	\$6,672.50	\$3,826.16	(\$13.33)	-0.1%
750	300,000	\$39,352.62	\$25,021.88	\$14,330.74	\$39,497.41	\$25,021.88	\$14,475.53	\$144.79	0.4%
1,000	400,000	\$52,461.99	\$33,362.50	\$19,099.49	\$52,678.66	\$33,362.50	\$19,316.16	\$216.67	0.4%
1,500	600,000	\$78,680.74	\$50,043.75	\$28,636.99	\$79,041.16	\$50,043.75	\$28,997.41	\$360.42	0.5%
2,500	1,000,000	\$131,118.24	\$83,406.25	\$47,711.99	\$131,766.16	\$83,406.25	\$48,359.91	\$647.92	0.5%

Present Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (1)	kW x	\$4.10
Distribution Energy Charge (3)	kWh x	\$0.00759
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Proposed Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (2)	kW x	\$4.44
Distribution Energy Charge (4)	kWh x	\$0.00743
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Note (1): Includes the current CapEx Factor of \$0.40/kW

Note (2): Includes the illustrative CapEx Factor of \$0.74/kW

Note (3): includes the current O&M Factor of 0.090¢/kWh

Note (4): includes the proposed O&M Factor of 0.074¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$12,743.24	\$8,340.63	\$4,402.61	\$12,726.58	\$8,340.63	\$4,385.95	(\$16.66)	-0.1%
750	375,000	\$47,719.80	\$31,277.34	\$16,442.46	\$47,852.09	\$31,277.34	\$16,574.75	\$132.29	0.3%
1,000	500,000	\$63,618.24	\$41,703.13	\$21,915.11	\$63,818.24	\$41,703.13	\$22,115.11	\$200.00	0.3%
1,500	750,000	\$95,415.12	\$62,554.69	\$32,860.43	\$95,750.53	\$62,554.69	\$33,195.84	\$335.41	0.4%
2,500	1,250,000	\$159,008.86	\$104,257.81	\$54,751.05	\$159,615.11	\$104,257.81	\$55,357.30	\$606.25	0.4%

Present Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (1)	kW x	\$4.10
Distribution Energy Charge (3)	kWh x	\$0.00759
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Proposed Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (2)	kW x	\$4.44
Distribution Energy Charge (4)	kWh x	\$0.00743
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Note (1): Includes the current CapEx Factor of \$0.40/kW

Note (2): Includes the illustrative CapEx Factor of \$0.74/kW

Note (3): includes the current O&M Factor of 0.090¢/kWh

Note (4): includes the proposed O&M Factor of 0.074¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$14,974.49	\$10,008.75	\$4,965.74	\$14,954.49	\$10,008.75	\$4,945.74	(\$20.00)	-0.1%
750	450,000	\$56,086.99	\$37,532.81	\$18,554.18	\$56,206.78	\$37,532.81	\$18,673.97	\$119.79	0.2%
1,000	600,000	\$74,774.49	\$50,043.75	\$24,730.74	\$74,957.82	\$50,043.75	\$24,914.07	\$183.33	0.2%
1,500	900,000	\$112,149.49	\$75,065.63	\$37,083.86	\$112,459.91	\$75,065.63	\$37,394.28	\$310.42	0.3%
2,500	1,500,000	\$186,899.49	\$125,109.38	\$61,790.11	\$187,464.08	\$125,109.38	\$62,354.70	\$564.59	0.3%

Present Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (1)	kW x	\$4.10
Distribution Energy Charge (3)	kWh x	\$0.00759
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Proposed Rates

Customer Charge		\$825.00
RE Growth Factor		\$17.78
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.40
Transmission Energy Charge	kWh x	\$0.00930
Distribution Demand Charge - > 200 kW (2)	kW x	\$4.44
Distribution Energy Charge (4)	kWh x	\$0.00743
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Note (1): Includes the current CapEx Factor of \$0.40/kW

Note (2): Includes the illustrative CapEx Factor of \$0.74/kW

Note (3): includes the current O&M Factor of 0.090¢/kWh

Note (4): includes the proposed O&M Factor of 0.074¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$104,120.63	\$50,043.75	\$54,076.88	\$104,995.63	\$50,043.75	\$54,951.88	\$875.00	0.8%
5,000	1,000,000	\$161,487.29	\$83,406.25	\$78,081.04	\$162,945.63	\$83,406.25	\$79,539.38	\$1,458.34	0.9%
7,500	1,500,000	\$233,195.63	\$125,109.38	\$108,086.25	\$235,383.13	\$125,109.38	\$110,273.75	\$2,187.50	0.9%
10,000	2,000,000	\$304,903.96	\$166,812.50	\$138,091.46	\$307,820.63	\$166,812.50	\$141,008.13	\$2,916.67	1.0%
20,000	4,000,000	\$591,737.29	\$333,625.00	\$258,112.29	\$597,570.63	\$333,625.00	\$263,945.63	\$5,833.34	1.0%

Present Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (1)	kW x	\$3.54
Distribution Energy Charge	kWh x	\$0.00120
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Proposed Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (2)	kW x	\$3.82
Distribution Energy Charge	kWh x	\$0.00120
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kW x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Note (1): Includes the current CapEx kW Charge of \$0.23/kW and the current O&M kW Charge of \$0.32/kW

Note (2): Includes the illustrative CapEx kW Charge of \$0.52/kW and the proposed O&M kW Charge of \$0.31/kW

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$136,583.13	\$75,065.63	\$61,517.50	\$137,458.13	\$75,065.63	\$62,392.50	\$875.00	0.6%
5,000	1,500,000	\$215,591.46	\$125,109.38	\$90,482.08	\$217,049.80	\$125,109.38	\$91,940.42	\$1,458.34	0.7%
7,500	2,250,000	\$314,351.87	\$187,664.06	\$126,687.81	\$316,539.37	\$187,664.06	\$128,875.31	\$2,187.50	0.7%
10,000	3,000,000	\$413,112.29	\$250,218.75	\$162,893.54	\$416,028.96	\$250,218.75	\$165,810.21	\$2,916.67	0.7%
20,000	6,000,000	\$808,153.96	\$500,437.50	\$307,716.46	\$813,987.29	\$500,437.50	\$313,549.79	\$5,833.33	0.7%

Present Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (1)	kW x	\$3.54
Distribution Energy Charge	kWh x	\$0.00120
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Proposed Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (2)	kW x	\$3.82
Distribution Energy Charge	kWh x	\$0.00120
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Note (1): Includes the current CapEx kW Charge of \$0.23/kW and the current O&M kW Charge of \$0.32/kW

Note (2): Includes the illustrative CapEx kW Charge of \$0.52/kW and the proposed O&M kW Charge of \$0.31/kW

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$169,045.63	\$100,087.50	\$68,958.13	\$169,920.63	\$100,087.50	\$69,833.13	\$875.00	0.5%
5,000	2,000,000	\$269,695.63	\$166,812.50	\$102,883.13	\$271,153.96	\$166,812.50	\$104,341.46	\$1,458.33	0.5%
7,500	3,000,000	\$395,508.13	\$250,218.75	\$145,289.38	\$397,695.63	\$250,218.75	\$147,476.88	\$2,187.50	0.6%
10,000	4,000,000	\$521,320.63	\$333,625.00	\$187,695.63	\$524,237.29	\$333,625.00	\$190,612.29	\$2,916.66	0.6%
20,000	8,000,000	\$1,024,570.63	\$667,250.00	\$357,320.63	\$1,030,403.96	\$667,250.00	\$363,153.96	\$5,833.33	0.6%

Present Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (1)	kW x	\$3.54
Distribution Energy Charge	kWh x	\$0.00120
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Proposed Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (2)	kW x	\$3.82
Distribution Energy Charge	kWh x	\$0.00120
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kW x	\$0.00232

Gross Earnings Tax 4%

Standard Offer Charge kWh x \$0.08007

Note (1): Includes the current CapEx kW Charge of \$0.23/kW and the current O&M kW Charge of \$0.32/kW

Note (2): Includes the illustrative CapEx kW Charge of \$0.52/kW and the proposed O&M kW Charge of \$0.31/kW

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$201,508.13	\$125,109.38	\$76,398.75	\$202,383.13	\$125,109.38	\$77,273.75	\$875.00	0.4%
5,000	2,500,000	\$323,799.80	\$208,515.63	\$115,284.17	\$325,258.13	\$208,515.63	\$116,742.50	\$1,458.33	0.5%
7,500	3,750,000	\$476,664.38	\$312,773.44	\$163,890.94	\$478,851.88	\$312,773.44	\$166,078.44	\$2,187.50	0.5%
10,000	5,000,000	\$629,528.96	\$417,031.25	\$212,497.71	\$632,445.63	\$417,031.25	\$215,414.38	\$2,916.67	0.5%
20,000	10,000,000	\$1,240,987.29	\$834,062.50	\$406,924.79	\$1,246,820.63	\$834,062.50	\$412,758.13	\$5,833.34	0.5%

Present Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (1)	kW x	\$3.54
Distribution Energy Charge	kWh x	\$0.00120
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Proposed Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (2)	kW x	\$3.82
Distribution Energy Charge	kWh x	\$0.00120
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kW x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Note (1): Includes the current CapEx kW Charge of \$0.23/kW and the current O&M kW Charge of \$0.32/kW

Note (2): Includes the illustrative CapEx kW Charge of \$0.52/kW and the proposed O&M kW Charge of \$0.31/kW

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed and Illustrative
Rates Applicable to 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	\$233,970.63	\$150,131.25	\$83,839.38	\$234,845.63	\$150,131.25	\$84,714.38	\$875.00	0.4%
5,000	3,000,000	\$377,903.96	\$250,218.75	\$127,685.21	\$379,362.29	\$250,218.75	\$129,143.54	\$1,458.33	0.4%
7,500	4,500,000	\$557,820.63	\$375,328.13	\$182,492.50	\$560,008.13	\$375,328.13	\$184,680.00	\$2,187.50	0.4%
10,000	6,000,000	\$737,737.29	\$500,437.50	\$237,299.79	\$740,653.96	\$500,437.50	\$240,216.46	\$2,916.67	0.4%
20,000	12,000,000	\$1,457,403.96	\$1,000,875.00	\$456,528.96	\$1,463,237.29	\$1,000,875.00	\$462,362.29	\$5,833.33	0.4%

Present Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (1)	kW x	\$3.54
Distribution Energy Charge	kWh x	\$0.00120
Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kWh x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Proposed Rates

Customer Charge		\$17,000.00
RE Growth Factor		\$347.07
LIHEAP Charge		\$0.73
Proposed Transmission Demand Charge	kW x	\$3.22
Transmission Energy Charge	kWh x	\$0.01247
Distribution Demand Charge (2)	kW x	\$3.82
Distribution Energy Charge	kWh x	\$0.00120
Proposed Transition Energy Charge	kWh x	(\$0.00201)
Energy Efficiency Program Charge	kWh x	\$0.00983
Renewable Energy Distribution Charge	kW x	\$0.00232
Gross Earnings Tax		4%
Standard Offer Charge	kWh x	\$0.08007

Note (1): Includes the current CapEx kW Charge of \$0.23/kW and the current O&M kW Charge of \$0.32/kW

Note (2): Includes the illustrative CapEx kW Charge of \$0.52/kW and the proposed O&M kW Charge of \$0.31/kW