The Narragansett Electric Company
d/b/a National Grid

Distribution Adjustment Charge Filing

Testimony and Schedules of
Ann E. Leary and William R. Richer

August 1, 2017

Submitted to:
Rhode Island Public Utilities Commission
RIPUC Docket No. 4708

Submitted by:

nationalgrid

Filing Letter

Robert J. Humm
Senior Counsel

August 1, 2017

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: 2017 Distribution Adjustment Charge (DAC)
Docket No. 4708

Dear Ms. Massaro:

In accordance with the provisions of the Distribution Adjustment Clause of National Grid's[1] gas tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, enclosed please find 10 copies of National Grid's annual Distribution Adjustment Charge (DAC) filing. The DAC was established in Docket No. 3401 to provide for the recovery and reconciliation of the costs of identifiable special programs. Thus, the DAC is comprised of several factors relative to those specific programs.[2]

The 2017 DAC includes rate-specific Infrastructure, Safety and Reliability (ISR) reconciliation factors based on the reconciliation of the fiscal year (FY) 2017 revenue requirement contained in National Grid's FY 2017 Gas ISR Reconciliation filing filed today under separate cover in Docket No. 4590, and revenue billed through the ISR Plan factors during the same period. Additionally, the proposed 2017 DAC includes a Revenue Decoupling Adjustment (RDA) factor to reconcile actual revenue-per-customer by rate class with the target revenue-per-customer as set forth in National Grid's annual Revenue Decoupling Mechanism filing that National Grid submitted on June 30, 2017 pursuant to the RDA factor, which the Public Utilities Commission (PUC) approved in Docket No. 4206.

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

[2] The DAC includes a System Pressure factor; an Advanced Gas Technology factor; a Low Income Assistance Program factor; an Environmental Response Cost factor; a Pension Adjustment factor; an On-System Margin Credit factor; a Service Quality Performance factor; a Revenue Decoupling Adjustment factor; rate-class specific Infrastructure, Safety and Reliability factors; two Reconciliation factors; a Firm Revenue Credit factor; and an Earnings Sharing Mechanism factor.

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This filing consists of the pre-filed direct testimony and schedules of Ann E. Leary and the pre-filed direct testimony and schedule of William R. Richer. Mr. Richer's testimony provides the calculation of the Pension and Postretirement Benefits Other than Pensions (PBOP) costs to be reconciled in the Pension Adjustment factor. In her testimony, Ms. Leary provides the reconciliation of the various components of the DAC in support of the proposed factors to be effective November 1, 2017. Additionally, as requested by the PUC in last year's DAC proceeding, Docket No. 4634, at Order No. 22844, Ms. Leary describes the resolution of National Grid and the Division of Public Utilities and Carriers (Division) regarding the future of the On-System Margin credit, Low Income Assistance Program (LIAP), and Advanced Gas Technology (AGT) factors. As suggested by the Division in last year's DAC proceeding, National Grid and the Division have agreed to eliminate the On-System Margin credit and LIAP factors to help streamline the DAC. Furthermore, National Grid and the Division propose to continue the AGT factor in this year's DAC at zero, while continuing to recover funds for the AGT Program through base rates. In the meantime, National Grid is working to simplify the qualification process for the AGT Program, which should help make the AGT Program more accessible to customers.

As the underlying data for certain components of the DAC become available only after August 1, National Grid will supplement this filing on September 1, 2017. The supplemental filing will provide proposed DAC rates for effect November 1, 2017, which incorporate factors for all updated DAC components and will include a bill impact analysis. Also, National Grid is not including information concerning the System Pressure factor or the Earnings Sharing Mechanism factor in this filing. National Grid will submit those components, if applicable, as part of its September 1 supplemental filing.

Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me at 401-784-7415.

Very truly yours,

Robert J. Humm

Enclosures

cc: Leo Wold, Esq.
Steve Scialabba, Division
Bruce Oliver, Division

Testimony of
Ann E. Leary

DIRECT TESTIMONY

OF

ANN E. LEARY

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I. Introduction and Qualifications

Q. Please state your name and business address.

A. My name is Ann E. Leary and my business address is Reservoir Woods, 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. What is your position at National Grid and responsibilities within that position?

A. I am the Manager of New England Pricing for National Grid USA Service Company, Inc. In this position, I am responsible for preparing and submitting various regulatory filings with the Rhode Island Public Utilities Commission (PUC) on behalf of The Narragansett Electric Company d/b/a National Grid (Company), and the Massachusetts Department of Public Utilities on behalf of Boston Gas Company and Colonial Gas Company, each d/b/a National Grid.

Q. Please provide your educational background.

A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in 1983.

Q. Please provide your professional background.

A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I became a planning analyst and later accepted the position of Manager of Rates at Essex. Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing for Boston Gas Company (Boston). After Boston merged with KeySpan Energy Delivery, subsequently National Grid, I became the Manager of New England Gas Pricing, the position I hold today.

Q. Have you previously testified before the Rhode Island Public Utilities Commission (the PUC)?

A. Yes, I have testified before the PUC on numerous occasions. In particular, I testified before the PUC regarding the Company's annual Gas Cost Recovery (GCR) filings in 2012 through 2016, at Docket Nos. 4346, 4436, 4520, 4576, and 4647, respectively; in the Company's Distribution Adjustment Charge filing in 2016, at Docket No. 4634; and in the Company's Arrearage Management Program filing in 2016, at Docket No. 4651. I also submitted pre-filed testimony in the Company's 2012 Rate Case Filing, at Docket No. 4323 (2012 Rate Case) and, more recently, in the Company's Gas Revenue Decoupling Mechanism Reconciliation filing submitted in Docket No. 4634 on June 30, 2017. In addition, I have testified extensively in several ratemaking and regulatory proceedings before the Massachusetts Department of Public Utilities and the New Hampshire Public Utilities Commission.

II. Purpose of Testimony

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to describe the reconciliation of the various components of the Distribution Adjustment Clause (DAC) and to propose new factors to become effective November 1, 2017. This filing is submitted pursuant to the Company's currently effective tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A (DAC Provision).

Q. Are you sponsoring any schedules with your testimony?

A. Yes. I am sponsoring the following schedules that accompany my testimony:

- Schedule AEL-1 Summary of DAC Factors
- Schedule AEL-2 System Pressure Factor
- Schedule AEL-3 Advanced Gas Technology Factor
- Schedule AEL-4 Environmental Response Cost Factor
- Schedule AEL-5 Pensions and Postretirement Benefits Factor
- Schedule AEL-6 On-System Margin Credits Factor
- Schedule AEL-7 Revenue Decoupling Adjustment Factor
- Schedule AEL-8 ISR Reconciliation Factors
- Schedule AEL-9 Firm Revenue Credit Factor
- Schedule AEL-10 Reconciliation Factors
- Schedule AEL-11 Reconciliations for FY 17
- Schedule AEL-12 Earnings Sharing Mechanism Factor

III. DAC Summary

Q. Please provide an overview of the DAC and its components.

A. The DAC was established in Docket No. 3401 to provide for the recovery and reconciliation of the costs of identifiable special programs. As described in the Company's DAC Provision, the DAC includes the following components: an annual System Pressure (SP) factor; an Advanced Gas Technology (AGT) factor; a Low Income Assistance Program (LIAP) factor; an Environmental Response Cost (ERC) factor; a Pension Adjustment factor (PAF); an On-System Margin Credit (MC) factor; a Service Quality Performance (SQP) factor; a Revenue Decoupling Adjustment (RDA) factor; rate class specific Infrastructure, Safety, and Reliability (ISR) factors; an Earnings Sharing Mechanism (ESM) factor; a Firm Revenue Credit factor; and two Reconciliation (R) factors for last year's DAC factors.

Q. What is the Company proposing for its DAC factors?

A. As in prior years, the proposed DAC factors are not final as of August 1 because certain underlying data for the development of all of the component factors is not yet available. Based upon the data that is available, the preliminary rates (including ISR rates that became effective April 1, 2017) are shown in Schedule AEL-1.

As discussed later in my testimony, the Company will supplement this filing with updated information in a Supplemental DAC filing on September 1, 2017. The supplemental filing will incorporate all proposed DAC factors and include a bill impact analysis to reflect the final proposed DAC factors. Consistent with the Company's DAC Provision, the proposed DAC factors are to become effective with consumption on and after November 1, 2017.

Q. In Order No. 22844 of Docket No. 4634, the PUC requested that National Grid and the Division of Public Utilities and Carriers (Division) come to a resolution regarding the future of the AGT, LIAP and On-System-Margin credit factors prior to this year's DAC filing. Has the Company and the Division resolved these issues?

A. Yes. The Company and the Division have agreed to eliminate the LIAP and the On-System Margin credit factors for reasons I will explain later in my testimony. At this time, the Company and the Division propose to continue the AGT factor in this year's DAC at zero, while continuing to recover $300,000 through the Company's base rates. In the meantime, as I explain later in my testimony, the Company is working to simplify the qualification process for the AGT Program, which should help make the AGT Program more accessible to customers. The Company will continue to collaborate with the Division regarding such efforts.

IV. DAC Component Details

1. System Pressure

Q. What is the System Pressure component of the DAC?

A. Maintaining proper operating pressure of the Company's distribution system requires the occasional use of the Company's liquefied natural gas (LNG) facilities. The System Pressure cost included in the DAC represents projected LNG demand costs for the period of November 1, 2017 through October 31, 2018 utilized to ensure proper operating pressure along the Company's distribution system. Pursuant to the settlement agreement in the Company's 2012-2013 DAC filing, Docket No. 4339 (DAC Settlement), the System Pressure balancing percentage used to determine the cost reflected in the DAC is 75.77 percent of the projected LNG lease payments for the period referenced above.

Q. Will the Company provide a System Pressure factor in this filing?

A. No. As noted in Docket No. 4196, the Company and the Division agreed that because forecasted LNG costs are directly related to gas costs, the Company will not file a System Pressure factor in its early-August DAC filing. Instead, the Company will file its System Pressure cost and proposed factor as part of its September 1 Supplemental DAC filing concurrent with the Company's GCR filing. Therefore, Schedule AEL-2 in this filing is a placeholder for the System Pressure factor to be proposed on September 1.

2. AGT Program

Q. What is the current AGT Program?

A. The AGT Program was established in Docket No. 2025 to promote the development of energy-efficient natural gas technologies that increase utilization of natural gas during periods of low demand. Increased off-peak usage reduces the unit cost of the gas delivery system for all customers by generating distribution revenue to support fixed costs associated with resources needed during peak periods. The AGT Program provides rebates for technologies such as combined heat and power (CHP) systems, natural gas powered fleet vehicles, chilling systems, electrical generators, process heating, desiccant dehumidifiers, and residential high efficiency space heating equipment.

Q. Please provide an update with respect to the AGT Program's rebate activity over the past fiscal year and any known potential future rebates.

A. In 2013, the PUC approved a $1.8 million AGT Program rebate to Toray Plastics (America), Inc. (Toray) associated with a large cogeneration system to be paid out over four years, with three annual installments of $500,000 and a final installment of $300,000. The first payment of $500,000 was made in June 2015, the second payment of $500,000 was made in August 2016, and the third payment of $500,000 is scheduled to be made in August 2017.

Q. What level of funds is available for new AGT projects in 2017-2018?

A. As shown in Schedule AEL-3, page 2, at the end of March 2017, the AGT Program had a balance of $1,381,233. In addition to the $500,000 rebate to Toray slated to be paid in August 2017, the Company anticipates paying out an incremental $300,000 over the next year as the Toray cogeneration unit that I just mentioned meets its final milestone. The Company is also scheduled to pay out a $300,000 rebate in early fall 2017 to a second customer, as well as a $50,000 rebate to a third customer in late 2017 or early 2018. In addition, consistent with the DAC Settlement, the balance does not include interest earned of $22,067 calculated for the 12 month period from April 2016 through March 2017, since interest on the balance is to be credited to customers through the DAC's reconciliation factor. See Schedule AEL-3, page 2 for the calculation of interest and Schedule AEL-10, page 1, line 10 for the credit to be provided to customers.

Q. How does the Company propose to treat the AGT factor in this year's DAC filing?

A. In last year's DAC proceeding, Docket No. 4634, the Division suggested that the Company consider changes to the AGT Program to increase participation and enhance program benefits. The Company agrees with the Division's suggestion, and is presently working on making such changes. The AGT Program is experiencing continued interest as a result of customers' awareness of and desire for energy planning and cleaner and more economic energy options for their businesses. The Company believes the AGT Program will remain an important catalyst for economic development and clean energy in the state, thus justifying the continuation of the program. In addition, the Company believes there is value in maintaining the AGT Program because the AGT Program promotes technologies that result in benefits that the Company's other programs, such as energy efficiency, do not promote. However, the Company acknowledges that the current process to qualify customers for AGT rebates is complex, which is a barrier to the Company's ability to attract customers to the AGT Program. The Company intends to discuss with the Division possible revisions to the AGT Program qualifications, which should simplify the process and make the program more accessible to customers.

Q. What is the Company proposing for recovery for the AGT Program?

A. The Company is proposing to keep the AGT factor in the DAC at zero, as shown on Schedule AEL-3, page 1, while continuing to recover $300,000 through its base rates.

3. <u>Low Income Assistance Program</u>

Q. What is the Low Income Assistance Program that is included in the DAC?

A. The Low Income Assistance Program (LIAP) included within the DAC provides for the additional funding of two programs that are already funded through base distribution rates. The two programs total $1,785,000 and consist of $1,585,000 of Low Income Heating Assistance and $200,000 of Low Income Weatherization.[1] The Company's Low

[1] The LIAP is different than, and in addition to, the LIHEAP Enhancement Program and the credits provided to low income customers as part of the LIHEAP Enhancement Program. The LIHEAP Enhancement Program credits are granted pursuant to R.I. Gen. Laws § 39-1-27.12, which provides for a state-administered fund that establishes additional credits on customers' bills for those who are in receipt of a LIHEAP grant. The LIHEAP Enhancement Program is funded annually in an amount ranging from $6.5 million to $7.5 million through a separate surcharge on all electric and gas customers' bills.

Income Heating Assistance program piggybacks on the Low Income Heating Energy Assistance Program (LIHEAP), a federally-funded, state-administered program that assists low-income customers in paying their heating bills. The Low Income Heating Assistance program provides additional credits on the gas bills of customers who receive LIHEAP grants. The Low Income Weatherization program provides supplemental funding to the weatherization program administered by the Rhode Island Office of Energy Resources. As indicated above, the Company and Division have agreed to eliminate this factor in the DAC and, as such, the Company will not be proposing to increase LIAP funding in the DAC filing. The funding currently provided through base distribution rates for the two low income programs will continue.

Q. Why are the Company and Division recommending to eliminate the LIAP from the DAC?

A. In last year's DAC proceeding, Docket No. 4634, the Division suggested to eliminate the LIAP factor to help streamline the DAC. The LIAP has not been funded through the DAC for many years. With the onset of the LIHEAP Enhancement Program, which was established pursuant to R.I. Gen. Laws § 39-1-27.12, and as reflected in National Grid's gas tariff, RIPUC NG-GAS No. 101B, the Company and the Division do not believe there is a need to offer additional LIAP funding through the DAC. Therefore, the Company, with agreement from the Division, is proposing to eliminate this component from the DAC. Upon PUC approval of this proposal, the Company will submit a revised DAC tariff in compliance with the PUC's ruling.

4. Environmental Response Costs

Q. What is the purpose of the Environmental Response Cost factor?

A. The Environmental Response Cost (ERC) factor is designed to provide the Company recovery of its reasonable and prudently incurred costs for evaluation, remediation, and clean-up of sites associated with the Company's ownership and/or operation of manufactured gas plants (MGP), manufactured gas storage facilities, and MGP-related off-site waste disposal locations. In addition, the ERC factor includes recovery of environmental costs for removing and replacing mercury regulators and addressing meter disposal issues.

Q. Please describe the proposed ERC factor.

A. Consistent with the Company's DAC Provision at Item 3.5, the ERC factor reflects recovery of the 10-year amortization of annual environmental response costs in excess of the annual amount recovered in base distribution rates. As shown on Schedule AEL-4, page 1, the proposed ERC factor reflects annual amortization of $2,277,642 for the period April 2017 through March 2018 that would be recovered over the 12 months beginning November 2017. A yearly breakdown of this amortization is provided on pages 2 and 3 of Schedule AEL-4. Environmental project-specific expenses for the 12 months ending

March 31, 2017 are provided on page 4 of Schedule AEL-4. In-depth descriptions of the environmental projects and fiscal year 2016-17 activities can be found in the annual environmental report filed with the PUC on July 26, 2017. The Company currently recovers $1,310,000 annually for the recovery of environmental costs in base distribution rates. Netting the annual base rate allowance of $1,310,000 against the amortization expenses of $2,277,642 leaves environmental costs of $967,642 to be recovered from customers over the November 2017 through October 2018 period through the DAC. This amount is divided by forecasted throughput of 39,483,630 dekatherms (dths) for the 12-month period and divided by 10 to derive a factor of $0.0024 per therm.

5. <u>Pension and PBOP Costs</u>

Q. What do the Pension and Postretirement Benefits Other Than Pensions (PBOP) reconciliation entail?

A. In accordance with the Company's DAC Provision at Item 3.6, the Pension Adjustment Factor is designed to recover from or credit to customers the prior year's reconciliation balance which results from the comparison of the Company's actual Pension and PBOP expenses to the Company's Pension and PBOP allowances included in base distribution rates, plus carrying charges. The adjustment factor is based on this difference.

Q. Is the Company providing Pension and PBOP costs in this filing?

A. Yes. The schedules that present the reconciliation of the Company's actual Pension and PBOP expenses and the base rate allowances for the 12-month period ending March 31, 2017 is set forth in Company witness William R. Richer's pre-filed direct testimony and schedules included in this filing. Mr. Richer supports the derivation of such amounts. Based on the amounts determined by Mr. Richer, the Pension Adjustment Factor is a credit of $0.0118 per therm and is calculated by dividing the net over-recovery of actual Pension and PBOP expenses by the forecasted throughput of 39,483,630 dths for the 12-months beginning November 1, 2017. This result is then divided by 10 to derive a per-therm factor as shown in Schedule AEL-5, page 1.

6. <u>On-System Margin Credit</u>

Q. Is the Company proposing changes to the On-System Margin Credit factor?

A. Yes. In last year's DAC proceeding, Docket No. 4634, the Division suggested to eliminate the On-System Margin credit factor to streamline the DAC filing and save the Company, the Division, and the PUC time and resources. As indicated earlier in my testimony, the Company agrees and proposes to eliminate the On-System Margin credit. The On-System Margin credit reconciles the actual non-firm margins with the amount of non-firm margin imputed in the Company's base distribution rates in Docket No. 4323. The annual On-System Margin adjustments have been very small, while the time required to prepare and review the analysis is lengthy and administratively burdensome. Consequently, the Company and the Division have agreed to eliminate this component of the DAC. Therefore, the On-System Margin factor is not a part of this year's DAC filing. As I indicated earlier, upon PUC approval of this proposal, the Company will submit a revised DAC tariff in compliance with the PUC's ruling.

7. Service Quality Program

Q. Please provide a brief description of the Service Quality Program and its current impact on the DAC.

A. Any penalty resulting from the operation of the approved Service Quality Plan is credited to customers through the DAC.[2] The Company's fiscal year (FY) 2017 Annual Service Quality Report filed on July 31, 2017 indicates that the Company did not incur a penalty for its performance during fiscal year 2017. Therefore, there is no impact on the DAC and, consequently, the Service Quality Performance factor is $0.0000 per therm.

8. Revenue Decoupling Adjustment

Q. What is the RDA component of the DAC?

A. Pursuant to its DAC Provision, the Company operates under a Revenue Decoupling Mechanism (RDM). The RDM provides for an annual reconciliation of actual base revenue-per-customer by rate class against a benchmark revenue-per-customer. The Company filed the FY 2017 RDM reconciliation with the PUC on June 30, 2017. As shown on Schedule AEL-7, page 1, the RDA identifies an under-recovery of $177,598

[2] Service Quality Plan, Docket No. 3476.

and a surcharge RDA factor of $0.0006 per therm derived by dividing the under-recovery by the throughput associated with the Residential and Small and Medium Commercial and Industrial (C&I) rate classes of 27,388,666 dths; and then dividing the result by 10 to derive a per-therm factor.

Q. Did the Company transfer residential customers from the non-heating rate class to the heating rate class during the RDM reconciliation period, as it identified last year in Docket No. 4634?

A. Yes. In June and July 2016, the Company transferred 2,449 customers from the non-heating rate class to the heating rate class. Details of this transfer are addressed in the RDM reconciliation filing submitted on June 30, 2017 in Docket No. 4708. The Company is providing the complete RDM reconciliation filing including in Schedule AEL-7, pages 2-31.

9. Earnings Sharing Mechanism

Q. Is the Company reflecting an amount in the proposed DAC factors associated with the Earnings Sharing Mechanism?

A. No. The Company files its annual earnings report at the end of August. Therefore, this DAC component will be addressed by Mr. Richer in the Supplemental DAC filing to be submitted on September 1, 2017. Schedule AEL-12 in this filing is a placeholder for the Earnings Sharing Mechanism factor to be proposed, if applicable, on September 1.

10. ISR Plan

Q. What is the ISR Plan reconciliation?

A. The reconciliation associated with the ISR Plan factors is designed to reconcile the actual FY 2017 revenue requirement on actual cumulative capital investment and actual operation and maintenance (O&M) expense covered by the ISR Plan. The Company submitted its FY 2017 ISR Plan reconciliation filing for the Company's gas business in Docket No. 4590 on August 1, 2017. In that filing, Company witness Melissa A. Little presented the actual FY 2017 revenue requirement on actual cumulative capital investment plus O&M expense. In addition, the ISR Plan reconciliation includes a final balance of the recovery of FY 2016 reconciliation balance to capture any over- or under-billing of that amount.

Q. How is the ISR Plan reconciliation reflected in this filing?

A. The ISR Plan reconciliation set forth in Schedule AEL-8 results in an under-recovery of $6,550,794. To derive the ISR reconciliation factor per rate class, the Company allocated the actual FY 2017 revenue requirement on actual cumulative capital investment and O&M to rate classes based on the rate base allocation from the Company's 2012 Rate Case. This was then compared to billed revenue from the billing of the ISR factors by rate class to arrive at the over- or under-recovery of ISR Plan capital investment and O&M expense by rate class in accordance with the Company's DAC Provision. The Company then divided the total under-recovery for each rate class by the forecasted throughput for each rate class. Schedule AEL-8 shows the ISR reconciliation factors per rate class.

Q. Has the Company reallocated a portion of FY 2017 ISR revenue and FY 2016 ISR Reconciliation revenue between the Residential Non-Heating and Residential Heating rate classes to address the impact resulting from the transfer of customers between these rate classes discussed earlier in the RDM section of your testimony?

A. Yes, the Company has transferred $342,094 of FY 2017 ISR revenue and $192,944 of the FY 2016 ISR Reconciliation revenue from the Residential Heating rate classes to the Residential Non-Heating rate classes.

Q. Why did the Company make these adjustments?

A. In the FY 2017 ISR filing in Docket No. 4590, the Company derived the ISR factors for each rate class using forecasted billing determinants. In last year's DAC filing, Docket No. 4634, the Company also used forecasted billing determinants to derive the FY 2016 ISR Reconciliation Factors. At the time, these forecasts did not reflect the transfer of residential customers from the Residential Non-Heating rate classes to the Residential Heating rate classes. As a result, the forecasted billing determinants for the Residential Non-Heating rate classes were significantly higher than the actual billing determinants. This resulted in a large under-recovery for the Residential Non-Heating rate classes in the FY 2017 and FY 2016 ISR reconciliations of $721,211 and $206,044, respectively. The

Company does not believe it is equitable to require the remaining customers in the Residential Non-Heating rate classes to pay these two large under-recoveries as a result of a transfer of a group of Residential Non-Heating customers to the Residential Heating rate classes. To address this concern, the Company has transferred a portion of the FY 2017 ISR and FY 2016 ISR Reconciliation revenues from the Residential Heating rate classes to the Residential Non-Heating rate classes to better align the revenue credited in the reconciliations with the forecasted billing units used in the calculation of the initial ISR factors. While the Company does not believe such a transfer is warranted for smaller numbers of customers transferred between the four Residential rate classes, the earlier transfers of customers and the timing of when these transfers were reflected in the forecast were an anomaly that the Company believes needed to be addressed, which resulted in a necessary reconciliation for the Residential Non-Heating rate classes.

Q. How did the Company calculate this adjustment?

A. As shown in Schedule AEL-8, page 2, lines 19-23, the Company calculated the adjustment by first identifying the difference between the forecasted throughput for the Residential Non-Heating rate classes for the period April 2016 through March 2017 reflected in Docket No. 4590 and their actual billing determinants. The Company then multiplied this difference of 253,779 dths by the approved Residential Non-Heating FY 2017 ISR Factor (before uncollectible adjustment) of $1.348 per dth to derive a revenue adjustment of $342,094. The Company followed this same process to calculate $192,944 associated with the FY 2016 ISR Reconciliation. The Company then removed these two revenue amounts from the Residential Heating rate classes' reconciliation and added the two revenue amounts to the Residential Non-Heating rate classes' reconciliation shown in Scheduled AEL-8 and Schedule AEL-10, page 6.

Q. What is the impact to the proposed DAC if the Company did not make this adjustment?

A. Without this adjustment, the proposed DAC for the Residential Non-Heating rate class for November 2017 would have been $0.3716 per therm, or $0.1409 per therm higher than what the Company is proposing, which reflects the transfer of revenue as discussed above. For a typical Residential Non-Heating customer using 214 therms annually, this difference of $0.1409 per therm would result in an annual increase of approximately $30, or a bill increase of more than 6 percent. The impact of this adjustment on the proposed DAC for the Residential Heating rate class for November 2017 is that the proposed DAC is slightly higher than without the adjustment, by only $0.0028 per therm. Therefore, the adjustment has a minimal bill impact on the Residential Heating rate class, while resulting in a significant benefit to the Residential Non-Heating rate class.

11. Revenue Credit

Q. Please explain the revenue credit included in this filing originating from the settlement agreement in the Company's 2012 Rate Case in Docket No. 4323 (Rate Case Settlement Agreement).

A. The Company is including the revenue credit associated with a large commercial and industrial customer as specified in Article III, Section A.4 of the Rate Case Settlement Agreement. Pursuant to the Rate Case Settlement Agreement, 50 percent of any incremental distribution revenue billed to this confidential customer is to be credited back to customers through the reconciliation of the DAC until the Company's next general rate case. In Schedule AEL-9, the Company details the distribution revenue which will be credited back to customers. The Company included this revenue credit as part of its Reconciliation Factor, as shown on AEL-10, page 1, line 11.

V. DAC Reconciliation

Q. What is the reconciliation component of the DAC?

A. The reconciliation component of the DAC allows for the reconciliation of the actual amounts approved to be reflected in the DAC factors from the prior year and revenue billed through the DAC, along with a true-up for those items requiring a forecast of their balances at October 31 in order to calculate the DAC factors for November 1. In this filing, the individual items that are being reconciled fall into one of three general groupings, which are rate class specific: (1) those associated with the reconciliation of factors that are related to all rate classes; (2) those associated with the reconciliation of factors that are specific to the Residential and Small and Medium C&I rate classes; and (3) those associated with the reconciliation of factors related solely to the Large and Extra Large rate classes.

A summary of the various items being reconciled is shown on Schedule AEL-10, page 1, Sections 1, 2, and 3.

Q. What reconciliation components are applicable to all rate classes?

A. The items applicable to all rate classes include those that are being reconciled on the basis of the gas year, from November 2016 through October 2017. They include the following components: (1) System Pressure reconciliation,[3] (2) AGT reconciliation, (3) Environmental Response Cost reconciliation, (4) On-System Margin Credits reconciliation, (5) Pension reconciliation, (6) PBOP reconciliation, and (7) prior reconciliation factors. Each component reconciles the amounts approved for recovery or refund and actual revenue billed through June 2017 and forecasted revenue through October 2017.[4] In addition, a true-up amount representing the difference between the forecasted balance and the actual balance as of October 31, 2016 is reflected in the

[3] The System Pressure reconciliation has been calculated in accordance with the DAC Settlement whereby 75.77 percent of the National Grid LNG lease payment to the Company is assigned to the DAC, as well as the incremental costs from comparing the projected LNG usage to actuals for November through March. The detailed schedule summarizing the derivation of the cost will be part of the GCR filing to be submitted on September 1, 2017.

[4] Factors reconciled based on the gas year can also include the ESM factor and AGT factor, when applicable.

reconciliation factor, as well as the interest on the AGT fund balance and Revenue Credit as described earlier in my testimony.

The Company derives the reconciliation factor applicable to all rate classes by adding up the 12-month balance ending October 2017 due from customers of $436,120, plus the net 2016 true up credit of $58,281, the AGT interest credit of $22,067, and the Revenue Credit amount of $322,301, for a total of $33,471 to be recovered from customers. The total is divided by the forecasted throughput for the November 1, 2017 through October 31, 2018 period, or 39,483,630 dths. This result is then divided by 10 to derive a per-therm surcharge of $0.0000 per therm for the 12-month period beginning November 1, 2017. A summary of the various items being reconciled that are applicable to all rate classes is shown on Schedule AEL-10, page 1, Section 1, while the details are set forth on pages 2, 3, and 8. The reconciliation factor applicable to all rate classes will be added to the factor applicable to the Large and Extra-Large rate class customers' reconciliation to derive two distinct reconciliation factors among the two groups of customers. Since the calculation of the reconciliation factor applicable to all rate classes results in a zero factor, the Company will carry forward this amount and reflect it, along with accrued interest, in next year's DAC filing.

Q. What is the reconciliation component applicable only to the Residential and Small and Medium C&I rate classes?

A. The reconciliation of the RDA balance through the RDA factors that are only applicable to Residential and Small and Medium C&I customers results in a separate reconciliation factor for this group of customers. This factor was derived by taking the RDM reconciliation ending balance as of October 31, 2017, which represents an under-recovery of the amount to be recovered through the RDA factor and RDA reconciliation factor of $284,219 as shown in Schedule AEL-10, page 1, line 18, and dividing that total by the forecasted throughput of 27,388,666 dths for the Residential and Small and Medium C&I rate classes This factor is then divided by 10 to derive a per-therm surcharge. The summary of this derivation is shown on Schedule AEL-10, page 1, Section 2.

Q. What reconciliation components are applicable to the Large and Extra-Large Rate classes?

A. The Large and Extra-Large reconciliation factor includes the following components: (1) the prior reconciliation factor applicable to the Large and Extra-Large rate classes; and (2) the reconciliation of the base rate allowances for the AGT Program, Environmental Response Costs, and low income programs for the April 2016 through March 2017 period, which are subject to reconciliation in the DAC. For Residential and Small and Medium C&I customers, the reconciliation of these base rate allowances to billed revenue is completed as part of the RDM reconciliation, where actual revenue is reconciled to targets that include these base rate allowances. Therefore, the recoveries for the base rate components for these DAC components need be separately reconciled only for the Large and Extra-Large rate classes, which are excluded from the Company's RDM.

The base rate reconciliation factors for these programs are calculated by dividing the total annual base rate allowances approved by the PUC for each program by the total annual forecasted firm throughput from the Company's 2012 Rate Case. The Company then multiplies these base rate reconciliation factors by the forecasted throughput for Large and Extra-Large rate classes from the Company's 2012 Rate Case to obtain the forecasted monthly revenues. The forecasted monthly revenues are then compared to the actual revenues to derive the annual over- or under-recoveries for the 12 months ending March 31, 2017 for each program.

The reconciliation of these four components for customers receiving delivery service on only the Large and Extra-Large rate classes resulted in a reconciliation credit factor of $0.0011 per therm. This factor was calculated by taking the ending balances of the base rate allowances at the end of March 2017, which is a credit balance of $131,856, and adding to it the balance of the Reconciliation factor associated with the previous reconciliation for these rate classes, which is an over-recovery of $2,921; and then dividing the total amount by the forecasted throughput of 12,094,964 dths associated with the Large and Extra-Large customers. This factor was then divided by 10 to derive a credit factor of $0.0011 per therm. Finally, this credit factor was added to the

Reconciliation factor applicable to all rate classes, as described earlier in my testimony, to derive a net credit Reconciliation factor applicable to the Large and Extra-Large rate classes of $0.0011 per therm for the 12-month period beginning November 1, 2017. A summary of these items is shown on Attachment AEL-10, page 1, Section 3; while the details are set forth in Attachment AEL-10, page 3, line 41, and page 4.

The Company will be updating the ending balances with one additional month of actual revenue for each of these reconciliation items in its September 1 Supplemental DAC filing.

Q. Did the Company provide DAC reconciliations over the historical fiscal year as it did last year?

A. Yes. In Schedule AEL-11, the Non-Base Rate components, the RDM, and the ISR Plan reconciliations are provided for the fiscal year ending March 31, 2017. Although such rates are not designed over the period of the fiscal year, Schedule AEL-11 is provided for informational purposes.

Q. What is the basis of the forecast utilized in the preliminary DAC?

A. The preliminary DAC factors are based on the current projected throughput of 39,483,630 dths for the November 1, 2017 to October 31, 2018 period. This forecast will also be used in the Company's GCR filing on September 1 and will be supported by Company witness Theodore Poe.

VI. Bill Impacts

Q. Is the Company providing bill impacts in this filing?

A. No, the Company is not presenting bill impacts at this time. As the System Pressure costs and any earnings that may be subject to sharing are not reflected in this filing, bill impact analysis at this time would provide limited information as to the overall impact of the change in the DAC factors. Rather, the Company will submit bill impacts for the cumulative impact of all of its proposed DAC factors with its September 1 Supplemental DAC filing.

Q. Does this conclude your testimony?

A. Yes.

Schedules of
Ann E. Leary

Schedules of Ann E. Leary

Schedule
AEL-1

Schedule AEL-1
Summary of DAC Factors

National Grid - RI Gas
Summary of DAC Factors
Effective November 1, 2017

Section 1: DAC factor (not including annual ISR component) November 1, 2017 - October 31, 2018

Line No.	Description	Reference	Amount	Factor: Residential/ Small/ Medium C&I	Factor: Large/ X-Large	
1	System Pressure (SP)	AEL-2	$0 (TBD)	$0.0000	$0.0000	
2	Advanced Gas Technology Program (AGT)	AEL-3	$0	$0.0000	$0.0000	
3	Low Income Assistance Program (LIAP)		$0	$0.0000	$0.0000	
4	Environmental Response Cost Factor (ERCF)	AEL-4	$967,642	$0.0024	$0.0024	
5	Pension Adjustment Factor (PAF)	AEL-5	($4,679,974)	($0.0118)	($0.0118)	
6	On-System Margin Credits (MC)	AEL-6		$0.0000	$0.0000	
7	Reconciliation Factor (R)	AEL-10	($101,307)	$0.0000	($0.0011)	
8	Service Quality Factor (SQP)		$0	$0.0000	$0.0000	
9	Earnings Sharing Mechanism (ESM)	AEL-12	$0 (TBD)	$0.0000	$0.0000	
10	Subtotal	Sum ([1]:[9])	($3,813,639)	($0.0094)	($0.0105)	
11	Uncollectible Percentage	Dkt 4323	3.18%	3.18%	3.18%	
12	DAC factors grossed up for uncollectible	[10]/(1-[11])	($3,938,895)	($0.0097)	($0.0108)	per therm
13	Revenue Decoupling Adjustment (RDA)	AEL-7	$177,598	$0.0006	$0.0000	
14	Revenue Decoupling Adjustment Reconciliation	AEL-10	$284,219	$0.0010	$0.0000	
15	DAC factor	[12]+[13]+[14]	($3,477,079)	**($0.0081)**	**($0.0108)**	**per therm**

Section 2: DAC factors including annual ISR component

Line No.		ISR Reconciliation w/o uncollectible[1] (therms)	Uncollectible Percentage[2]	ISR Reconciliation* (therms) (A)	Base DAC Component*[3] (therms) (B)	DAC Component Subtotal Rates* (therms) (C) =(A) + (B)	ISR Component*[4] (therms) (D)	November 1, 2017 DAC Rates* (therms) (E) = (C)+(D)
16	Res-NH	$0.0465	3.18%	$0.0480	($0.0081)	$0.0399	$0.1908	$0.2307
17	Res-NH-LI	$0.0465	3.18%	$0.0480	($0.0081)	$0.0399	$0.1908	$0.2307
18	Res-H	$0.0203	3.18%	$0.0209	($0.0081)	$0.0128	$0.1221	$0.1349
19	Res-H-LI	$0.0203	3.18%	$0.0209	($0.0081)	$0.0128	$0.1221	$0.1349
20	Small	$0.0306	3.18%	$0.0316	($0.0081)	$0.0235	$0.1327	$0.1562
21	Medium	$0.0195	3.18%	$0.0201	($0.0081)	$0.0120	$0.0890	$0.1010
22	Large LL	$0.0162	3.18%	$0.0167	($0.0108)	$0.0059	$0.0846	$0.0905
23	Large HL	$0.0120	3.18%	$0.0124	($0.0108)	$0.0016	$0.0808	$0.0824
24	XL-LL	$0.0021	3.18%	$0.0022	($0.0108)	($0.0086)	$0.0239	$0.0153
25	XL-HL	$0.0006	3.18%	$0.0006	($0.0108)	($0.0102)	$0.0217	$0.0115

***Factors Include Uncollectible Allowance**

[1] AEL-8
[2] Per Docket 4323
[3] Section 1, Line 15
[4] FY 18 ISR component per Docket 4678

Schedule
AEL-2

Schedule AEL-2
System Pressure Factor

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Schedule AEL-3
Advanced Gas Technology Program Factor

National Grid - RI Gas
AGT Factor
Effective November 1, 2017

Line No.	Description		
1	AGT collected through DAC	$0	
2	Firm Throughput	39,483,630	dth
3	AGT Factor	$0.0000	per dth
4	AGT Factor	**$0.0000**	**per therm**

2 Company Forecast
3 Line (1) / Line (2)
4 Line (3) / 10, truncated to 4 decimal places

National Grid - RI Gas
AGT Account Balance and Interest Calculation

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
		30	31	30	31	31	30	31	30	31	31	28	31	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Beginning Balance	$1,601,951	$1,634,125	$1,653,645	$1,666,305	$1,676,648	$1,185,587	$1,195,475	$1,207,174	$1,206,700	$1,240,793	$1,287,688	$1,336,168	
2	Rebate Disbursements	$0	$0	$0	$0	$500,000	$0	$0	$0	$0	$0	$0	$0	
3	Other Disbursements	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
4	Sub-total Disbursements	$0	$0	$0	$0	$500,000	$0	$0	$0	$0	$0	$0	$0	
5	Forecasted Throughput from Docket 4323 (dth)	3,826,443	2,321,424	1,505,558	1,230,159	1,063,069	1,175,941	1,391,267	2,407,560	4,054,661	5,577,080	5,765,550	5,359,362	35,678,072
	L/XL Classes	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
	Res H, NH, Small & Medium C&I Classes	2,834,155	1,601,409	952,282	699,582	585,919	627,326	803,356	1,637,426	2,990,996	4,413,512	4,500,868	4,164,009	25,810,840
6	Base Rates Revenue													
7	Forecasted L/XL Classes	$8,344	$6,054	$4,652	$4,461	$4,012	$4,613	$4,943	$6,476	$8,944	$9,784	$10,634	$10,051	$82,969
8	Forecasted Res H, NH, Small & Medium C&I Classes	$23,831	$13,465	$8,007	$5,882	$4,927	$5,275	$6,755	$13,768	$25,150	$37,111	$37,846	$35,013	$217,031
9	Sub-total Revenue	$32,175	$19,520	$12,660	$10,344	$8,939	$9,888	$11,699	$20,244	$34,094	$46,895	$48,480	$45,064	$300,000
10	AGT Balance Refund	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
11	AGT Balance Reconciliation													$0
12	AGT Interest Refund								($20,718)					($20,718)
13	Ending Balance	$1,634,125	$1,653,645	$1,666,305	$1,676,648	$1,185,587	$1,195,475	$1,207,174	$1,206,700	$1,240,793	$1,287,688	$1,336,168	$1,381,233	
	Interest Calculation													
14	Month's Average Balance	$1,618,038	$1,643,885	$1,659,975	$1,671,476	$1,431,118	$1,190,531	$1,201,324	$1,206,937	$1,223,747	$1,264,241	$1,311,928	$1,358,700	
15	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%	
16	Calculated Interest (not applied to balance)	$1,995	$2,094	$2,047	$2,129	$1,823	$1,468	$1,530	$1,488	$1,689	$1,879	$1,761	$2,164	$22,067

1 Column (a) Ending Balance per Docket 4634, SLN-3, Page 2 of 2
2 Rebate to Toray Plastics of America.
4 Line (2) + Line (3)
5 Rate year forecast as presented in Docket 4323
7 Large and Extra Large C&I throughput from Line (5) * $0.0084 (AGT base rate). Actual revenue for these rate classes are reconciled through the Reconciliation Factor for Large and Extra Large C&I.
8 Res H, NH, Small & Medium throughput from Line (5) * $0.0084 (AGT base rate). Actual revenue for these rate classes are reconciled through the Revenue Decoupling Mechanism (RDM).
9 Line (7) + Line (8)
12 Interest earned for the period of April 2015 to March 2016 which was transferred to Recon Factor to reflect the true-up noted in Docket 4634, SLN-10S, Page 1 of 8, Line 10.
13 Lines (1) - (4) + (9) + (10)
14 Lines ((1)+(13)) / 2
15 Per RIPUC NG-Gas No. 101, Section 3, Schedule A
16 Column (m), total interest refunded to customers at AEL-10, Page 1, line 10 per Docket 4339 Settlement of Issues

Schedule
AEL-4

Schedule AEL-4
Environmental Response Cost Factor

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
Effective November 1, 2017

Line No.	Description	Reference	Amount	
1	Amortization of Pre-FY2007 expenses	Page 3, Col L, Ln 6	$0	
2	Amortization of FY2007 expenses	Page 3, Col L, Ln 9	$0	
3	Amortization of FY2008 expenses - year 10 of 10	Page 3, Col L, Ln 12	($4,580)	
4	Amortization of FY2009 expenses - year 9 of 10	Page 3, Col L, Ln 15	$96,575	
5	Amortization of FY2010 expenses - year 8 of 10	Page 3, Col L, Ln 18	$208,826	
6	Amortization of FY2011 expenses - year 7 of 10	Page 3, Col L, Ln 21	$452,295	
7	Amortization of FY2012 expenses - year 6 of 10	Page 3, Col L, Ln 24	$558,394	
8	Amortization of FY2013 expenses - year 5 of 10	Page 3, Col L, Ln 27	$136,852	
9	Amortization of FY2014 expenses - year 4 of 10	Page 3, Col L, Ln 30	$300,824	
10	Amortization of FY2015 expenses - year 3 of 10	Page 3, Col L, Ln 33	$112,908	
11	Amortization of FY2016 expenses - year 2 of 10	Page 3, Col L, Ln 36	$111,792	
12	Amortization of FY2017 expenses - year 1 of 10	Page 3, Col L, Ln 39	$303,756	
13		Subtotal	$2,277,642	
14	Base Rate Environmental Cost Allowance		$1,310,000	
15	Cost in excess of Allowance		$967,642	
16	Firm Throughput		39,483,630	dths
17	Environmental Response Cost Factor per dekatherm		$0.0240	per dth
18	Environmental Response Cost Factor per therm		**$0.0024**	**per therm**

13 Sum of Lines 1 to 12
14 Docket 4323
15 Line 13 - Line 14
16 Company Forecast
17 Line 15 / Line 16
18 Line 17 / 10, truncated to 4 decimal places

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

Line No.			FY2007 (a)	FY2008 (b)	FY2009 (c)	FY2010 (d)	FY2011 (e)	FY2012 (f)	FY2013 (g)	FY2014 (h)	FY2015 (i)	FY2016 (j)	FY2017 (k)
	ENVIRONMENTAL AMORTIZATION												
1	FY 2005												
2	NET ERC costs net of insurance	$136,707											
3	Amortization Period (years)	10	$13,671	$13,671	$13,671	$13,671	$13,671	$13,671	$13,671	$13,671	$13,668	$0	
4	FY 2006												
5	NET ERC costs net of insurance	$436,020											
6	Amortization Period (years)	10	$43,602	$43,602	$43,602	$43,602	$43,602	$43,602	$43,602	$43,602	$43,602	$43,602	$0
7	FY 2007												
8	NET ERC costs net of insurance	($758,291)											
9	Amortization Period (years)	10		($75,829)	($75,829)	($75,829)	($75,829)	($75,829)	($75,829)	($75,829)	($75,829)	($75,829)	($75,830)
10	FY 2008 & adjustment for FY2007												
11	NET ERC costs net of insurance	($45,755)											
12	Amortization Period (years)	10			($4,575)	($4,575)	($4,575)	($4,575)	($4,575)	($4,575)	($4,575)	($4,575)	($4,575)
13	FY 2009												
14	NET ERC costs net of insurance	$965,754											
15	Amortization Period (years)	10				$96,575	$96,575	$96,575	$96,575	$96,575	$96,575	$96,575	$96,575
16	FY 2010												
17	NET ERC costs net of insurance	$2,088,264											
18	Amortization Period (years)	10					$208,826	$208,826	$208,826	$208,826	$208,826	$208,826	$208,826
19	FY 2011												
20	NET ERC costs net of insurance	$4,522,947											
21	Amortization Period (years)	10						$452,295	$452,295	$452,295	$452,295	$452,295	$452,295
22	FY 2012												
23	NET ERC costs net of insurance	$5,583,936											
24	Amortization Period (years)	10							$558,394	$558,394	$558,394	$558,394	$558,394
25	FY 2013												
26	NET ERC costs net of insurance	$1,368,521											
27	Amortization Period (years)	10								$136,852	$136,852	$136,852	$136,852
28	FY 2014												
29	NET ERC costs net of insurance	$3,008,237											
30	Amortization Period (years)	10									$300,824	$300,824	$300,824
31	FY 2015												
32	NET ERC costs net of insurance	$1,129,080											
33	Amortization Period (years)	10										$112,908	$112,908
34	FY 2016												
35	NET ERC costs net of insurance	$1,117,923											
36	Amortization Period (years)	10											$111,792
37	FY 2017												
38	NET ERC costs net of insurance	$3,037,565											
39	Amortization Period (years)	10											
37	Amortization Expense sub-total		$659,735	$583,906	$579,331	$675,906	$884,732	$1,337,029	$644,393	$1,382,515	$1,730,632	$1,829,872	$1,898,061
38	ENVIRONMENTAL REMEDIATION COSTS												
39	Beginning Balance		$6,597,346	$5,839,055	$5,793,300	$6,759,054	$8,847,318	$13,370,265	$18,954,201	$20,322,722	$23,330,959	$24,460,039	$25,577,962
40	Environmental Expenditures, net of Insurance		($758,291)	($45,755)	$965,754	$2,088,264	$4,522,947	$5,583,936	$1,368,521	$3,008,237	$1,129,080	$1,117,923	$3,037,565
41	Ending Balance		$5,839,055	$5,793,300	$6,759,054	$8,847,318	$13,370,265	$18,954,201	$20,322,722	$23,330,959	$24,460,039	$25,577,962	$28,615,527
42	ACCUMULATED ENVIRONMENTAL REMEDIATION												
43	Beginning Balance		$3,119,378	$3,779,113	$4,363,019	$4,942,350	$5,618,256	$6,502,988	$7,840,017	$8,484,410	$9,866,925	$11,597,557	$13,427,429
44	Amortization Expense (1)		$659,735	$583,906	$579,331	$675,906	$884,732	$1,337,029	$644,393	$1,382,515	$1,730,632	$1,829,872	$1,898,061
45	Ending Balance		$3,779,113	$4,363,019	$4,942,350	$5,618,256	$6,502,988	$7,840,017	$8,484,410	$9,866,925	$11,597,557	$13,427,429	$15,325,490
46	NET ENVIRONMENTAL REMEDIATION COSTS		$2,059,942	$1,430,281	$1,816,704	$3,229,062	$6,867,277	$11,114,184	$11,838,312	$13,464,034	$12,862,482	$12,150,533	$13,290,037

(1) Amortization Expense is shown on a June 30 basis

Line No.			FY2018 (l)	FY2019 (m)	FY2020 (n)	FY2021 (o)	FY2022 (p)	FY2023 (q)	FY2024 (r)	FY2025 (s)	FY2026 (t)	FY2027 (u)
	ENVIRONMENTAL AMORTIZATION											
1	FY 2005											
2	NET ERC costs net of insurance	$136,707										
3	Amortization Period (years)	10										
4	FY 2006											
5	NET ERC costs net of insurance	$436,020										
6	Amortization Period (years)	10										
7	FY 2007											
8	NET ERC costs net of insurance	($758,291)										
9	Amortization Period (years)	10	$0									
10	FY 2008 & adjustment for FY2007											
11	NET ERC costs net of insurance	($45,755)										
12	Amortization Period (years)	10	($4,580)	$0								
13	FY 2009											
14	NET ERC costs net of insurance	$965,754										
15	Amortization Period (years)	10	$96,575	$96,579	$0							
16	FY 2010											
17	NET ERC costs net of insurance	$2,088,264										
18	Amortization Period (years)	10	$208,826	$208,826	$208,830	$0						
19	FY 2011											
20	NET ERC costs net of insurance	$4,522,947										
21	Amortization Period (years)	10	$452,295	$452,295	$452,295	$452,292	$0					
22	FY 2012											
23	NET ERC costs net of insurance	$5,583,936										
24	Amortization Period (years)	10	$558,394	$558,394	$558,394	$558,394	$558,390	$0				
25	FY 2013											
26	NET ERC costs net of insurance	$1,368,521										
27	Amortization Period (years)	10	$136,852	$136,852	$136,852	$136,852	$136,852	$136,853	$0			
28	FY 2014											
29	NET ERC costs net of insurance	$3,008,237										
30	Amortization Period (years)	10	$300,824	$300,824	$300,824	$300,824	$300,824	$300,824	$300,821	$0		
31	FY 2015											
32	NET ERC costs net of insurance	$1,129,080										
33	Amortization Period (years)	10	$112,908	$112,908	$112,908	$112,908	$112,908	$112,908	$112,908	$112,908	$0	
34	FY 2016											
35	NET ERC costs net of insurance	$1,117,923										
36	Amortization Period (years)	10	$111,792	$111,792	$111,792	$111,792	$111,792	$111,792	$111,792	$111,792	$111,795	$0
37	FY 2017											
38	NET ERC costs net of insurance	$3,037,565										
39	Amortization Period (years)	10	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,761
37	Amortization Expense sub-total		$2,277,642	$2,282,226	$2,185,651	$1,976,818	$1,524,522	$966,133	$829,277	$528,456	$415,551	$303,761
38	ENVIRONMENTAL REMEDIATION COSTS											
39	Beginning Balance		$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527
40	Environmental Expenditures, net of Insurance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
41	Ending Balance		$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527	$28,615,527
42	ACCUMULATED ENVIRONMENTAL REMEDIATION											
43	Beginning Balance		$15,325,490	$17,603,132	$19,885,358	$22,071,009	$24,047,827	$25,572,349	$26,538,482	$27,367,759	$27,896,215	$28,311,766
44	Amortization Expense (1)		$2,277,642	$2,282,226	$2,185,651	$1,976,818	$1,524,522	$966,133	$829,277	$528,456	$415,551	$303,761
45	Ending Balance		$17,603,132	$19,885,358	$22,071,009	$24,047,827	$25,572,349	$26,538,482	$27,367,759	$27,896,215	$28,311,766	$28,615,526
46	NET ENVIRONMENTAL REMEDIATION COSTS		$11,012,395	$8,730,169	$6,544,518	$4,567,700	$3,043,178	$2,077,045	$1,247,768	$719,312	$303,761	$0

(1) Amortization Expense is shown on a June 30 basis

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC FY 2017 Detail

Line No.			Total Costs at 3/31/2016 (a)	FY 2017 Costs (b)	Total Costs at 3/31/2017 (c) = (a) + (b)
1	Environmental Expenses				
2	907 & 908	Allens Avenue	$20,783,287	$1,923,333	$22,706,620
3	307	PCB Reg Pipe Abandon.	$1,393,153	$195,591	$1,588,744
4	379	Petroleum Site	$7,986,062	$79,413	$8,065,474
5	700	18 & 21 Holders COR	$2,776,743	$0	$2,776,743
6	161	Canal Street, Westerly	$29,133	$0	$29,133
7	178	Site Inv Connell Hwy Newp	$44,092	$0	$44,092
8	144	Westerly Soil Investigation	$82,184	$0	$82,184
9	171	Contaminated Regulators	$3,094,828	$4,048	$3,098,876
10	781	Mendon Road	$121,355	$0	$121,355
11	782	Tidewater	$1,542,818	$118,409	$1,661,227
12	783	Hamlet	$140,529	$17,850	$158,378
13	--	Thames & Wellington	$5,640,322	$436,235	$6,076,557
14	--	Misc MGP (NEG)	$372,890	$45,254	$418,144
15	--	Insurance Recovery	$1,302,189	$46,369	$1,348,558
16	--	East Providence (First Ave) Holder	$331,289	$15,393	$346,682
17	--	560 Thames Street Newp	$2,237	$155,670	$157,906
18		Sub-Total	$45,643,110	$3,037,565	$48,680,675
19	Insurance Recovery/Settlement				
20	910	Environmental Insurance Settlement		$0	
21	Net FY 2017 Environmental Response Costs			$3,037,565	

1-18 Col (a): Docket 4634, SLN-4, Page 4, Col (c)
1-18 Col (b): Annual Environmental Report for Gas Service, Period of April 1, 2016 - March 31, 2017
21 Line (18), col (b) + Line (20)

Schedule
AEL-5

Schedule AEL-5
Pensions and Postretirement Benefits Factor

National Grid - RI Gas
Pension Adjustment Factors
Effective November 1, 2017

Line No.			
	Pension Factor		
1	Pension Reconciliation	($1,707,068)	
2	Carrying Charges	($401,195)	
3	Total Pension Cost	($2,108,263)	
4	Firm Throughput	39,483,630	dth
5	Pension Factor per dth	($0.0530)	per dth
6	Pension Factor per therm	($0.0053)	per therm
	PBOP Factor		
7	PBOP Reconciliation	($2,565,382)	
8	Carrying Charges	($6,329)	
9	Total PBOP Cost	($2,571,711)	
10	Firm Throughput	39,483,630	
11	PBOP Factor per dth	($0.0650)	per dth
12	PBOP Factor per therm	($0.0065)	per therm
	Pension & PBOP Factor Combined		
13	Pension & PBOP Factor per dth	($0.1180)	per dth
14	Pension & PBOP Factor per therm	**($0.0118)**	**per therm**

1 WRR-1, Page 1, Line 11
2 WRR-1, Page 1, Line 12
3 Line (1) + Line (2)
4 Company Forecast
5 Line (3) / Line (4)
6 Line (5) / 10
7 WRR-1, Page 2, Line 11
8 WRR-1, Page 2, Line 12
9 Line (7) + Line (8)
10 Company Forecast
11 Line (9) / Line (10)
12 Line (11) / 10
13 Line (5) + Line (11)
14 Line (6) + Line (12)

Schedule
AEL-6

Schedule AEL-6
On-System Margin Credits Factor

This page is intentionally left blank.
On-System Margin Credit has been removed from this filing per agreement with the Division.

Schedule
AEL-7

Schedule AEL-7
Revenue Decoupling Adjustment Factor

National Grid - RI Gas
RDM Factor
Effective November 1, 2017

1	Residential Non-Heat (incl Low Income)	$502,204
2	Residential Heat (incl Low Income)	($1,825,388)
3	Small C&I	$557,984
4	Medium C&I	$942,798
5	Net Under Recovery of RPC	$177,598
6	Firm Therm Throughput Forecast for RDM Rate Classes (Nov 2017-Oct 2018)	273,886,657
7	Proposed RDA Factor per therm	$0.0006

1 Schedule AEL-7, Page 21, Column (l), Line 36
2 Schedule AEL-7, Page 22, Column (l), Line 72
3 Schedule AEL-7, Page 23, Column (l), Line 84
4 Schedule AEL-7, Page 23, Column (l), Line 96
5 Sum of lines 1-4
6 Firm throughput (in therms) forecast for Residential Heat and Non-Heat, Small and Medium C&I rate classes.
7 Line 5 / Line 6 truncated to four decimal places.

nationalgrid

Robert Humm
Senior Counsel

June 30, 2017

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: National Grid's Gas Revenue Decoupling Mechanism Reconciliation Filing For April 1, 2016 to March 31, 2017 Docket No. _______

Dear Ms. Massaro:

On behalf of National Grid,[1] enclosed please find the Company's annual Revenue Decoupling Mechanism (RDM) reconciliation filing for the period April 1, 2016 to March 31, 2017. National Grid submits this filing pursuant to the provisions of the Distribution Adjustment Clause of National Grid's gas tariff, RIPUC NG-Gas No. 101, at Section 3, Schedule A, which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment (RDA) factor to be included in National Grid's annual Distribution Adjustment Charge (DAC) filing.

This filing consists of the pre-filed direct testimony and schedules of Ann E. Leary. In her testimony, Ms. Leary provides an overview of National Grid's RDM reconciliation, and describes the actual RDM results for the period April 1, 2016 to March 31, 2017. Ms. Leary also describes the adjustment to the target revenue-per-customer along with adjustments to billed revenue associated with the transfer of customers from the non-heating rate classes to the heating rate classes. As discussed in last year's RDM reconciliation filing in Docket No. 4634, National Grid has been conducting further analysis of the residential rate classes to determine if an adjustment similar to that made in Docket No. 4634 should be proposed.

As a result of National Grid's RDM reconciliation, and reflecting the adjustments to the target revenue-per-customer and billed revenue associated with the transfer of customers from the non-heating rate classes to the heating rate classes, National Grid under-recovered revenue of $177,598 under its RDM during the period April 1, 2016 to March 31, 2017. National Grid is not presenting a proposed RDA factor at this time because the RDA factor is just one of several factors included in the DAC. Rather, National Grid will submit the RDA factor in its August 1, 2017 annual DAC filing.

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

Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7415.

Very truly yours,

Robert Humm

Enclosures

cc: Leo Wold, Esq.
Steve Scialabba, Division

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET ______
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: ANN E. LEARY
JUNE 30, 2017

DIRECT TESTIMONY

OF

ANN E. LEARY

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET ______
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: ANN E. LEARY
JUNE 30, 2017

TABLE OF CONTENTS

I. Introduction and Qualifications

Q. Please state your name and business address.

A. My name is Ann E. Leary. My business address is 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. What is your position at National Grid and responsibilities within that position?

A. I am the Manager of New England Gas Pricing for National Grid USA Service Company, Inc. In this position, I am responsible for preparing and submitting various regulatory filings with the Rhode Island Public Utilities Commission (PUC) on behalf of The Narragansett Electric Company d/b/a National Grid (Company or National Grid), and with the Massachusetts Department of Public Utilities on behalf of Boston Gas Company and Colonial Gas Company, each d/b/a National Grid.

Q. Please provide your educational background.

A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in 1983.

Q. Please provide your professional background.

A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I became a planning analyst and later accepted the position of Manager of Rates at Essex. Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing for Boston Gas Company (Boston). After Boston merged with KeySpan Energy Delivery, subsequently National Grid, I became the Manager of New England Gas Pricing, the position I hold today.

Q. Have you previously testified before the PUC?

A. Yes, I have testified before the PUC on numerous occasions. In particular, I testified before the PUC regarding the Company's annual Gas Cost Recovery (GCR) filings in 2012 through 2016, at Docket Nos. 4346, 4436, 4520, 4576, and 4647, respectively; in the Company's Distribution Adjustment Charge (DAC) filing in 2016, at Docket No. 4634; and in the Company's Arrearage Management Program filing in 2016, at Docket No. 4651. I also submitted pre-filed testimony in the Company's 2012 Rate Case Filing, Docket No. 4323 (2012 Rate Case). In addition, I have testified extensively in several ratemaking and regulatory proceedings before the Massachusetts Department of Public Utilities and the New Hampshire Public Utilities Commission.

II. Purpose of Testimony

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the Company's March 31, 2017 Revenue Decoupling Mechanism (RDM) reconciliation balance, which will be used to compute the proposed Revenue Decoupling Adjustment (RDA) factor to be incorporated in the Company's upcoming August 1, 2017 annual DAC filing. Specifically, I provide an overview of the Company's RDM reconciliation and explain the RDM results for the reconciliation period April 1, 2016 through March 31, 2017.

In addition, I present a proposed adjustment to the Target Revenue-Per-Customer and billed revenue associated with an additional transfer of customers from the Residential non-heating rate classes to the Residential heating rate classes during the reconciliation period. As discussed in last year's RDM filing in Docket No. 4634, while the Company had performed a similar transfer of 970 customers during the reconciliation period ending March 31, 2016, the Company was continuing to analyze the usage of non-heating customers to determine if it should perform an additional transfer. The Company committed to a similar adjustment in this year's filing if it made another transfer of customers between these rate classes and any of those customers exhibited usage indicative of gas heating during the rate year[1] of the Company's last rate case in 2012. As discussed later in my testimony, the Company identified a third group of customers on the non-heating rate classes, which the Company transferred to the heating rate classes during the reconciliation period ending March 31, 2017. Therefore, the Company is proposing adjustments to the Target Revenue-Per-Customer and billed revenue that are similar to those included in Docket No. 4634.

[1] The rate year in the 2012 Rate Case was the 12-month period February 2013 through January 2014.

This filing is submitted pursuant to the Company's Distribution Adjustment Clause provision contained in its currently effective tariff, RIPUC NG-Gas No. 101, at Section 3, Schedule A, Sheets 1-2, paragraph 1.2 (Applicability).

Q. Are you sponsoring any schedules with your testimony?

A. Yes, I am sponsoring the following schedules that accompany my testimony:

Schedule AEL-1	Annual Gas RDM Reconciliation Balance
Schedule AEL-2	Monthly RDM Reconciliation by Rate Class for the Period April 1, 2016 through March 31, 2017
Schedule AEL-3	Adjusted Revenue-Per-Customer Targets
Schedule AEL-4	Calculation of Non-Heating to Heating Revenue Adjustment
Schedule AEL-5	Actual vs. Normal Billing Heating Degree Day Comparison for April 2016 through March 2017
Schedule AEL-6	Illustrative Example of RDM Reconciliation for the Period April 1, 2016 through March 31, 2017 Without Adjusting Target Revenue-Per-Customer and Normalizing Revenue

III. RDM Reconciliation

Q. Please provide an overview of the Company's RDM reconciliation.

A. In Docket No. 4206, the PUC approved a Revenue-Per-Customer RDM that provides for an annual reconciliation, by rate class, between a target level of base rate revenue and actual base rate revenue billed during the reconciliation period. The reconciliation is driven by the comparison of the Actual Revenue-Per-Customer during the reconciliation period and the Target Revenue-Per-Customer. The reconciliation is performed on a monthly basis and covers the Company's fiscal year (the period April 1 through March 31 of the following year) for all Residential and Small and Medium Commercial and Industrial (C&I) firm rate classes. Under the RDM, customers subject to the RDM receive any net over-recovery of target revenue and are surcharged for any net under-recovery of target revenue through the RDA factor, which is one of several components of the DAC, effective November 1 each year.

Q. What are the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer?

A. The Target Revenue-Per-Customer is the Revenue-Per-Customer that the Company is allowed to earn applicable to the customers in each rate class that is included in the RDM. The Actual Revenue-Per-Customer is the actual average Revenue-Per-Customer resulting from the customers in each rate class that is included in the RDM based upon the base rate revenue billed by the Company divided by the actual number of customers billed.

Q. What is the result of the RDM reconciliation presented in this filing?

A. The RDM reconciliation results in a net under-recovery balance of $177,598, as shown in Schedule AEL-1, for the period April 1, 2016 through March 31, 2017.

Q. How did the Company determine the RDM reconciliation balance at the end of March 2017?

A. On a monthly basis and for each rate class, the Company calculated the difference between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company has over-recovered its RDM target revenue and must credit customers the excess amount. If the Actual Revenue-Per-Customer is less than the Target Revenue-Per-Customer, the Company has under-recovered its RDM target revenue and must surcharge customers the deficiency. The monthly difference between the Actual and Target Revenue-Per-Customer is multiplied by the number of customers billed in the month to derive the amount of revenue the Company has either over-recovered or under-recovered for the month. For each month, the monthly revenue over- or under-recovery accumulates and the balance accrues interest, which is also reflected in the final monthly balance.[2] The Company presents this annual reconciliation in Schedule AEL-2.

Q. Has the Company made any adjustment to the Target Revenue-Per-Customer for the Residential heating and non-heating customer classes approved in Docket No. 4634?[3]

[2] Interest on the average monthly balance is calculated at the same interest rate that is used to calculate interest on the Company's other DAC balances, which is the Bank of America Prime Rate less 200 basis points.

[3] In Docket No. 4634, the Company adjusted the Target Revenue-Per-Customer for the Residential heating and non-heating customer classes to normalize for the mid-June 2015 transfer of 970 customers from non-heating rate classes to the heating rate classes, such that the customers were in their new rate classes at the beginning of the reconciliation period that was the subject of that proceeding (i.e., April 2015).

A. Yes. In its pre-filed direct testimony in Docket No. 4634, the Company indicated that it was conducting a more comprehensive review of the usage of customers on the non-heating rate classes as a result of the then-recent transfer of customers between the non-heating and heating rate classes presented in that proceeding, and indicated it may need to transfer additional customers to the heating rate classes. If there was a similar transfer of customers as a result of this ongoing evaluation, the Company stated that it would adjust the number of non-heating and heating customers used to determine the Target Revenue-Per-Customer for the two RDM groups for the same reason it did so in Docket No. 4573 and Docket No. 4634.

Q. What was the result of the Company's additional analysis it conducted in 2016?

A. The Company identified an additional group of customers on the non-heating rate classes that should have been on the heating rate classes. As a result, by the end of July 2016, the Company transferred 684 customers from the non-heating rate classes to the heating rate classes that exhibited usage characteristics of gas heating during the 2012 Rate Case's rate year.

Q. How did the Company identify these 684 customers?

A. In Docket No. 4573, the Company reflected the November 2014 transfer of 2,600 customers with annual usage exceeding 1,000 therms per year. In determining the threshold to identify this initial group of customers, the Company took a conservative approach to minimize, if not eliminate, the risk of transferring true non-heating customers to the heating rate classes. In performing the further analysis discussed in the pre-filed testimony in Docket No. 4573, the Company re-evaluated the 1,000 therms per year criteria and determined a more appropriate threshold should be the median usage for a heating customer, which was 860 therms per year. With this lower threshold, in Docket No. 4634, the Company identified an additional 970 customers who exhibited a usage level indicating that they were using gas for heating purposes. Over this past year, the Company and its affiliated gas operating companies have conducted an overall comprehensive statistical study to analyze heating usage in the various non-heating rate classes, resulting in the transfer of 2,449 of the Company's customers from non-heating to heating during June and July 2016. Of the customers transferred, the Company determined that 684 customers exhibited heating usage prior to the end of the rate year in the 2012 Rate Case and, as such, updated its non-heating and heating Target Revenue-Per-Customer one final time to reflect the transfer of these 684 customers. The Company sent letters to these customers notifying them that they had been transferred to one of the heating rate classes.

Q. What is the adjustment to the Target Revenue-Per-Customer proposed in this filing?

A. In Schedule AEL-3, the Company presents its calculation of the adjusted Target Revenue-Per-Customer for the non-heating and heating customer classes. In Schedule

AEL-3, the Company begins with the number of non-heating and heating customers approved in Docket No. 4514 used to calculate the Target Revenue-Per-Customer for the period February 2013[4] through March 2014. Next, the Company shows the adjustment to the number of customers approved in Docket No. 4573 as a result of the transfer of 2,600 customers in November 2014. Then, the Company shows the adjustment for the 970 customers approved in Docket No. 4634 who transferred to heating by mid-June 2015. Finally, the Company shows the adjustment for the 684 customers transferred by the end of July 2016 by decreasing the number of non-heating customers by 684 and increasing the number of heating customers by 684. No adjustment was needed to the Final Revenue Requirement in determining the monthly Target Revenue-Per-Customer because it is a fixed amount, which was approved in Docket No. 4514 in accordance with the Settlement Agreement in the 2012 Rate Case, and the Company has not adjusted the allocation of the revenue requirement to the rate classes affected by the transfer of customers between rate classes.

Q. Does the Company anticipate updating the Target Revenue-Per-Customer for any of its RDM groups in future filings?

A. No. The Company believes the analysis it has developed best identifies Residential heating customers that should be transferred to non-heating based on their annual load profile.

---

[4] February 2013 was the effective date of new base distribution rates in the 2012 Rate Case.

Q. Did the transfer of 684 Residential customers between rate classes require any adjustments to the Actual Revenue-Per-Customer used to derive the overall RDM reconciliation balance?

A. Yes. As it did last year, the Company also adjusted the actual billed base rate revenue and customer counts in order to calculate the appropriate Actual Revenue-Per-Customer for the two Residential RDM groups for the months of April 2016 through July 2016. Restating billed revenue and customer counts for this period has the effect of reflecting actual revenue and customer counts as if these customers were billed on the heating rate classes for the entire reconciliation period. These adjustments were necessary to ensure that the comparison between the Target Revenue-Per-Customer and Actual Revenue-Per-Customer was performed on the same basis.

Q. Please explain the adjustment made to actual revenue and customer counts for the months of April 2016 through July 2016 associated with the transfer of the 684 customers.

A. As of the end of July 2016, the Company transferred 684 customers from the non-heating rate classes to the heating rate classes. However, as described above, in order to appropriately compare the Target Revenue-Per-Customer with the Actual Revenue-Per-Customer, it was necessary to restate the actual revenue and customer count assuming these customers were on the heating rate classes beginning April 1, 2016. Therefore, as shown in Schedule AEL-4, the Company reduced the customer count of the non-heating rate classes by 684, along with the associated distribution revenue billed during the months of April 2016 through July 2016, which is the last month in which any of these customers were billed the non-heating rates. Correspondingly, the Company increased the customer count of the heating rate classes by 684, along with the associated distributed revenue for the same months as if such customers had been billed on the heating rates since April 1, 2016.

Q. How did the Company calculate the revenue adjustments made to the non-heating and heating RDM groups?

A. The Company obtained, for each of the 684 customers who were transferred, the actual monthly usage and associated billed revenue for the period April 2016 through the date of each customer's transfer to the heating rate class. As shown in Schedule AEL-4, Line 10, the distribution revenue for the 684 customers billed at the distribution rates for the non-heating rate classes totaled $70,250 for the months of April 2016 through July 2016. Also in Schedule AEL-4, the Company calculated the revenue for these customers as if they had been billed on the heating rate classes by multiplying the actual billing determinants shown on Lines 24 through 29 by the applicable heating rates shown on Lines 12 through 23. The distribution revenue for the 684 customers resulting from this calculation is $71,320 for the months of April 2016 through July 2016, as shown in Schedule AEL-4, Page 2, Line 39.

IV. Results of the RDM Reconciliation

Q. What are the results for the RDM reconciliation for the year ending March 2017?

A. For the reconciliation period April 2016 through March 2017, the Company has calculated a net under-recovery of target revenue of $177,598, as summarized in Schedule AEL-1.

Q. What are the driver(s) for the net under-recovery?

A. As shown in Schedule AEL-1, the total Company net under-recovery of $177,598 was driven by a $1.3 million combined over-recovery for the Residential RDM groups and a $1.5 million combined under-recovery for the Small and Medium C&I RDM groups. The $1.5 million under-recovery in the Small and Medium C&I RDM groups was driven by a reduction in actual revenue due to warmer weather.[5] Schedule AEL-5 shows the billing heating degree day comparison for this reconciliation period. For the Residential RDM groups, the over-recovery is the result of two factors. First, the Actual Revenue-Per-Customer declined due to warmer weather, similar to the weather's impact on the Small and Medium C&I RDM groups, which would typically generate an under-recovery. The weather's impact, however, was offset by the adjustments the Company has made to the non-heating and heating Target Revenue-Per-Customer, which reduced the Target Revenue-Per-Customer. The lower Target Revenue-Per-Customer, which is a function of revenue based on normal forecasted sales volumes and numbers of

[5] FY2017 weather was approximately 7.4 percent warmer than normal and 4.2 percent colder than in FY2016.

customers – as adjusted in Docket Nos. 4514, 4573, 4634, and this docket – when compared to weather-normal Actual Revenue-Per-Customer, will inherently generate an over-recovery as compared to if none of the adjustments had occurred, which is to the customers' benefit.

Q. How did the adjustments to the Target Revenue-Per-Customer and actual revenues resulting from the transfer of 684 customers impact the RDM reconciliation?

A. As described above, the Company adjusted both the Target Revenue-Per-Customer as well as actual revenue to avoid an unintended revenue impact resulting from the transfer of the 684 customers from the non-heating rate classes to the heating rate classes. The illustration of the impact on the RDM reconciliation if the Company made no adjustment for the 684 customers is presented in Schedule AEL-6. If the Target Revenue-Per-Customer was not adjusted for the 684 customers who should have been billed the distribution rates of the heating rate classes during the rate year in the 2012 Rate Case, and if actual distribution revenue and customer counts for the months of April 2016 through July 2016 were not normalized for this transfer, the net RDM under-recovery would have been $341,856, as shown in Schedule AEL-6, rather than the net under-recovery of $177,598, as presented in Schedule AEL-1. Therefore, the Company's proposed adjustments result in a lower surcharge to customers by $164,258 compared to what would have been surcharged to customers had the Company not made these adjustments.

V. <u>Bill Impacts</u>

Q. Does the Company include bill impacts in this filing?

A. No, the Company is not presenting bill impact information at this time. Because the RDA factor will be proposed in the DAC filing along with several other factors, the bill impact of a RDA factor on a stand-alone basis provides limited information as to the cumulative impact of the change in the overall DAC factors. Rather, the Company will submit bill impacts for the cumulative impact of all of its proposed DAC factors, including the RDA factor, with its August 1, 2017 DAC filing.

Q. Does this conclude your testimony?

A. Yes.

The Narragansett Electric Company Annual Gas RDM Reconciliation Balance

1	Residential Non-Heat (incl Low Income)	$502,204
2	Residential Heat (incl Low Income)	($1,825,388)
3	Small C&I	$557,984
4	Medium C&I	$942,798
5	Net Under Recovery of Target Recovery	$177,598

1 Schedule AEL-2, Page 1, Column (l), Line 36
2 Schedule AEL-2, Page 2, Column (l), Line 72
3 Schedule AEL-2, Page 3, Column (l), Line 84
4 Schedule AEL-2, Page 3, Column (l), Line 96
5 Sum of lines 1-4

RDM Reconciliation by Rate Class by Month

		Reference	Apr-16 30 (a)	May-16 31 (b)	Jun-16 30 (c)	Jul-16 31 (d)	Aug-16 31 (e)	Sep-16 30 (f)	Oct-16 31 (g)	Nov-16 30 (h)	Dec-16 31 (i)	Jan-17 31 (j)	Feb-17 28 (k)	Mar-17 31 (l)
	Residential Non-Heat													
1	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 8	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46
2	Beginning Balance Under/(Over) Recovery	Line 12	$0	$6,176	$35,860	$33,412	$72,564	$109,376	$155,505	$195,515	$234,721	$310,582	$372,003	$446,026
3	Adjusted Number of Customers	AEL-4, Line 43[1]	20,635	20,639	19,400	19,038	19,051	19,072	19,115	19,191	19,250	19,252	19,272	19,308
4	Adjusted Actual Base Revenue	AEL-4, Line 55[1]	$512,121	$423,483	$394,050	$330,073	$318,193	$315,245	$334,657	$373,091	$403,484	$474,902	$469,265	$448,628
5	Actual Base Revenue Per Customer	Line 4 / Line 3	$24.82	$20.52	$20.31	$17.34	$16.70	$16.53	$17.51	$19.44	$20.96	$24.67	$24.35	$23.24
6	RPC Variance (Benchmark- Actual)	Line 1 - Line 5	$0.30	$1.44	($0.13)	$2.05	$1.93	$2.41	$2.08	$2.03	$3.92	$3.16	$3.81	$4.22
7	Monthly Under/(Over) Recovery of RPC	Line 3 * Line 6	$6,172	$29,657	($2,491)	$39,085	$36,696	$45,966	$39,786	$38,941	$75,485	$60,914	$73,474	$81,492
8	Preliminary Ending Balance	Line 2 + Line 7	$6,172	$35,833	$33,369	$72,497	$109,260	$155,342	$195,291	$234,455	$310,206	$371,496	$445,477	$527,518
9	Average Balance	(Line 2 + Line 8) / 2	$3,086	$21,005	$34,615	$52,954	$90,912	$132,359	$175,398	$214,985	$272,463	$341,039	$408,740	$486,772
10	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
11	Interest Applied	(Line 9 * Line 10) / 365 * # days	$4	$27	$43	$67	$116	$163	$223	$265	$376	$507	$549	$775
12	Ending Balance Under/(Over) Recovery	Line 8 + Line 11	$6,176	$35,860	$33,412	$72,564	$109,376	$155,505	$195,515	$234,721	$310,582	$372,003	$446,026	$528,293
	Residential Non-Heat Low Income													
13	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 8	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46
14	Beginning Balance Under/(Over) Recovery	Line 24	$0	($5,764)	($9,147)	($12,223)	($12,104)	($11,896)	($11,632)	($11,830)	($12,992)	($15,373)	($19,431)	($23,262)
15	Adjusted Number of Customers	AEL-4, Line 46[1]	391	423	313	254	246	247	243	236	235	233	232	226
16	Adjusted Actual Base Revenue	AEL-4, Line 58[1]	$15,582	$12,660	$9,381	$4,790	$4,360	$4,399	$4,943	$6,213	$8,209	$10,517	$10,336	$8,992
17	Actual Base Revenue Per Customer	Line 16 / Line 15	$39.85	$29.93	$29.97	$18.86	$17.72	$17.81	$20.34	$26.33	$34.93	$45.14	$44.55	$39.79
18	RPC Variance (Benchmark- Actual)	Line 13 - Line 17	($14.73)	($7.97)	($9.79)	$0.53	$0.91	$1.13	($0.75)	($4.86)	($10.05)	($17.31)	($16.39)	($12.33)
19	Monthly Under/(Over) Recovery of RPC	Line 15 * Line 18	($5,761)	($3,373)	($3,063)	$135	$223	$279	($183)	($1,146)	($2,362)	($4,033)	($3,802)	($2,787)
20	Preliminary Ending Balance	Line 14 + Line 19	($5,761)	($9,137)	($12,210)	($12,089)	($11,881)	($11,617)	($11,815)	($12,976)	($15,354)	($19,406)	($23,234)	($26,050)
21	Average Balance	(Line 14 + Line 20) / 2	($2,880)	($7,451)	($10,678)	($12,156)	($11,992)	($11,757)	($11,724)	($12,403)	($14,173)	($17,389)	($21,333)	($24,656)
22	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
23	Interest Applied	(Line 21 * Line 22) / 365 * # days	($4)	($9)	($13)	($15)	($15)	($14)	($15)	($15)	($20)	($26)	($29)	($39)
24	Ending Balance Under/(Over) Recovery	Line 20 + Line 23	($5,764)	($9,147)	($12,223)	($12,104)	($11,896)	($11,632)	($11,830)	($12,992)	($15,373)	($19,431)	($23,262)	($26,089)
	Residential Non-Heat (incl Low Income)													
25	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 8	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46
26	Beginning Balance Under/(Over) Recovery	Line 36	$0	$412	$26,713	$21,189	$60,460	$97,480	$143,873	$183,685	$221,729	$295,209	$352,572	$422,763
27	Adjusted Number of Customers	Line 3 + Line 15	21,026	21,062	19,713	19,292	19,297	19,319	19,358	19,427	19,485	19,485	19,504	19,534
28	Adjusted Actual Base Revenue	Line 4 + Line 16	$527,703	$436,143	$403,431	$334,863	$322,552	$319,644	$339,600	$379,304	$411,693	$485,419	$479,601	$457,620
29	Actual Base Revenue Per Customer	Line 28 / Line 27	$25.10	$20.71	$20.47	$17.36	$16.72	$16.55	$17.54	$19.52	$21.13	$24.91	$24.59	$23.43
30	RPC Variance (Benchmark- Actual)	Line 25 - Line 29	$0.02	$1.25	($0.28)	$2.03	$1.91	$2.39	$2.05	$1.95	$3.75	$2.92	$3.57	$4.03
31	Monthly Under/(Over) Recovery of RPC	Line 27 * Line 30	$412	$26,284	($5,554)	$39,219	$36,919	$46,245	$39,603	$37,794	$73,124	$56,882	$69,672	$78,705
32	Preliminary Ending Balance	Line 26 + Line 31	$412	$26,696	$21,159	$60,408	$97,379	$143,725	$183,476	$221,479	$294,852	$352,090	$422,243	$501,468
33	Average Balance	(Line 26 + Line 32) / 2	$206	$13,554	$23,936	$40,798	$78,920	$120,602	$163,675	$202,582	$258,291	$323,650	$387,407	$462,116
34	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
35	Interest Applied	(Line 33 * Line 34) / 365 * # days	$0	$17	$30	$52	$101	$149	$209	$250	$356	$481	$520	$736
36	Ending Balance Under/(Over) Recovery	Line 32 + Line 35	$412	$26,713	$21,189	$60,460	$97,480	$143,873	$183,685	$221,729	$295,209	$352,572	$422,763	$502,204

[1] For April 2016 through July 2016 see Schedule AEL-4. For August 2016 through March 2017, data is provided by the Company's billing system.

The Narragansett Electric Company
d/b/a National Grid

RDM Reconciliation by Rate Class by Month

		Reference	Apr-16 30 (a)	May-16 31 (b)	Jun-16 30 (c)	Jul-16 31 (d)	Aug-16 31 (e)	Sep-16 30 (f)	Oct-16 31 (g)	Nov-16 30 (h)	Dec-16 31 (i)	Jan-17 31 (j)	Feb-17 28 (k)	Mar-17 31 (l)
	Residential Heating													
37	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 16	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59
38	Beginning Balance Under/(Over) Recovery	Line 48	$0	$31,137	($271,975)	($524,053)	($552,066)	($573,495)	($546,048)	($667,088)	($1,192,953)	($1,430,875)	($2,171,353)	($1,953,379)
39	Adjusted Number of Customers	AEL-4, Line 49[1]	200,370	198,745	199,038	199,345	199,329	199,718	200,965	202,786	204,265	205,147	205,721	206,060
40	Adjusted Actual Base Revenue	AEL-4, Line 61[1]	$10,575,421	$7,125,583	$5,103,204	$4,332,786	4,081,939	4,103,613	4,628,383	7,300,743	11,359,721	15,088,398	14,958,598	13,755,925
41	Actual Base Revenue Per Customer	Line 40 / Line 39	$52.78	$35.85	$25.64	$21.74	$20.48	$20.55	$23.03	$36.00	$55.61	$73.55	$72.71	$66.76
42	RPC Variance (Benchmark- Actual)	Line 37 - Line 41	$0.16	($1.52)	($1.26)	($0.14)	($0.10)	$0.14	($0.60)	($2.59)	($1.16)	($3.60)	$1.07	$1.83
43	Monthly Under/(Over) Recovery of RPC	Line 39 * Line 42	$31,118	($302,959)	($251,587)	($27,328)	($20,713)	$28,137	($120,268)	($524,719)	($236,112)	($737,803)	$220,741	$376,787
44	Preliminary Ending Balance	Line 38 + Line 43	$31,118	($271,822)	($523,562)	($551,381)	($572,779)	($545,358)	($666,316)	($1,191,807)	($1,429,065)	($2,168,678)	($1,950,612)	($1,576,592)
45	Average Balance	(Line 38 + Line 44) / 2	$15,559	($120,342)	($397,769)	($537,717)	($562,422)	($559,427)	($606,182)	($929,448)	($1,311,009)	($1,799,776)	($2,060,983)	($1,764,985)
46	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
47	Interest Applied	(Line 45 * Line 46) / 365 * # days	$19	($153)	($490)	($685)	($717)	($690)	($772)	($1,146)	($1,809)	($2,675)	($2,767)	($2,811)
48	Ending Balance Under/(Over) Recovery	Line 44 + Line 47	$31,137	($271,975)	($524,053)	($552,066)	($573,495)	($546,048)	($667,088)	($1,192,953)	($1,430,875)	($2,171,353)	($1,953,379)	($1,579,403)
	Residential Heating - Low Income													
49	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 16	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59
50	Beginning Balance Under/(Over) Recovery	Line 60	$0	$52,774	$32,552	$3,279	($16,977)	($34,264)	($48,545)	($84,506)	($143,054)	($195,757)	($285,687)	($270,411)
51	Adjusted Number of Customers	AEL-4, Line 52[1]	18,299	19,168	19,299	19,049	18,716	18,483	18,194	17,919	17,660	17,419	17,244	17,050
52	Adjusted Actual Base Revenue	AEL-4, Line 64[1]	$915,912	$678,285	$499,715	$431,669	$398,583	$396,605	$444,011	$657,166	$1,014,175	$1,308,080	$1,256,717	$1,144,545
53	Actual Base Revenue Per Customer	Line 52 / Line 51	$50.05	$35.39	$25.89	$22.66	$21.30	$21.46	$24.40	$36.67	$57.43	$75.09	$72.88	$67.13
54	RPC Variance (Benchmark- Actual)	Line 49 - Line 53	$2.88	($1.06)	($1.52)	($1.06)	($0.92)	($0.77)	($1.97)	($3.26)	($2.97)	($5.14)	$0.91	$1.46
55	Monthly Under/(Over) Recovery of RPC	Line 51 * Line 54	$52,741	($20,276)	($29,295)	($20,248)	($17,254)	($14,230)	($35,877)	($58,408)	($52,469)	($89,573)	$15,649	$24,836
56	Preliminary Ending Balance	Line 50 + Line 55	$52,741	$32,498	$3,257	($16,969)	($34,231)	($48,494)	($84,421)	($142,914)	($195,523)	($285,330)	($270,038)	($245,575)
57	Average Balance	(Line 50 + Line 56) / 2	$26,371	$42,636	$17,905	($6,845)	($25,604)	($41,379)	($66,483)	($113,710)	($169,289)	($240,543)	($277,863)	($257,993)
58	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
59	Interest Applied	(Line 57 * Line 58) / 365 * # days	$33	$54	$22	($9)	($33)	($51)	($85)	($140)	($234)	($358)	($373)	($411)
60	Ending Balance Under/(Over) Recovery	Line 56 + Line 59	$52,774	$32,552	$3,279	($16,977)	($34,264)	($48,545)	($84,506)	($143,054)	($195,757)	($285,687)	($270,411)	($245,986)
	Residential Heat (incl Low Income)													
61	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 16	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59
62	Beginning Balance Under/(Over) Recovery	Line 72	$0	$83,911	($239,423)	($520,774)	($569,043)	($607,759)	($594,593)	($751,594)	($1,336,007)	($1,626,631)	($2,457,040)	($2,223,790)
63	Adjusted Number of Customers	Line 39 + Line 51	218,669	217,913	218,337	218,394	218,045	218,201	219,159	220,705	221,925	222,566	222,965	223,110
64	Adjusted Actual Base Revenue	Line 40 + Line 52	$11,491,333	$7,803,868	$5,602,919	$4,764,455	$4,480,522	$4,500,218	$5,072,394	$7,957,909	$12,373,896	$16,396,477	$16,215,316	$14,900,471
65	Actual Base Revenue Per Customer	Line 64 / Line 63	$52.55	$35.81	$25.66	$21.82	$20.55	$20.62	$23.14	$36.06	$55.76	$73.67	$72.73	$66.79
66	RPC Variance (Benchmark- Actual)	Line 61 - Line 65	$0.38	($1.48)	($1.29)	($0.22)	($0.17)	$0.06	($0.71)	($2.64)	($1.30)	($3.72)	$1.06	$1.80
67	Monthly Under/(Over) Recovery of RPC	Line 63 * Line 66	$83,859	($323,234)	($280,883)	($47,576)	($37,967)	$13,907	($156,144)	($583,127)	($288,581)	($827,376)	$236,390	$401,623
68	Preliminary Ending Balance	Line 62 + Line 67	$83,859	($239,324)	($520,305)	($568,349)	($607,010)	($593,852)	($750,737)	($1,334,721)	($1,624,588)	($2,454,008)	($2,220,650)	($1,822,167)
69	Average Balance	(Line 62 + Line 68) / 2	$41,929	($77,707)	($379,864)	($544,562)	($588,027)	($600,805)	($672,665)	($1,043,158)	($1,480,298)	($2,040,320)	($2,338,845)	($2,022,978)
70	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
71	Interest Applied	(Line 69 * Line 70) / 365 * # days	$52	($99)	($468)	($694)	($749)	($741)	($857)	($1,286)	($2,043)	($3,033)	($3,140)	($3,222)
72	Ending Balance Under/(Over) Recovery	Line 68 + Line 71	$83,911	($239,423)	($520,774)	($569,043)	($607,759)	($594,593)	($751,594)	($1,336,007)	($1,626,631)	($2,457,040)	($2,223,790)	($1,825,388)

[1] For April 2016 through July 2016 see Schedule AEL-4. For August 2016 through March 2017, data is provided by the Company's billing system.

RDM Reconciliation by Rate Class by Month

			Apr-16 30 (a)	May-16 31 (b)	Jun-16 30 (c)	Jul-16 31 (d)	Aug-16 31 (e)	Sep-16 30 (f)	Oct-16 31 (g)	Nov-16 30 (h)	Dec-16 31 (i)	Jan-17 31 (j)	Feb-17 28 (k)	Mar-17 31 (l)
		Reference												
	Small C&I													
73	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 20	$77.93	$50.14	$33.47	$31.72	$29.56	$29.40	$32.02	$46.85	$78.12	$116.16	$101.17	$104.13
74	Beginning Balance Under/(Over) Recovery	Line 84	$0	$67,665	$104,844	$94,110	$116,755	$126,398	$146,827	$180,541	$191,363	$208,385	$436,436	$407,135
75	Actual Number of Customers	Company's billing system	19,134	19,032	18,846	18,738	18,599	18,586	18,742	18,961	19,196	19,289	19,315	19,296
76	Actual Base Revenue	Company's billing system	1,423,551	917,255	641,708	571,952	540,237	526,255	566,617	877,774	1,482,813	2,012,942	1,983,879	1,859,179
77	Actual Base Revenue Per Customer	Line 76 / Line 75	$74.40	$48.20	$34.05	$30.52	$29.05	$28.31	$30.23	$46.29	$77.25	$104.36	$102.71	$96.35
78	RPC Variance (Benchmark- Actual)	Line 73 - Line 77	$3.53	$1.95	($0.58)	$1.20	$0.51	$1.09	$1.79	$0.56	$0.87	$11.80	($1.55)	$7.78
79	Monthly Under/(Over) Recovery of RPC	Line 75 * Line 78	$67,623	$37,069	($10,857)	$22,511	$9,489	$20,260	$33,506	$10,593	$16,746	$227,573	($29,867)	$150,081
80	Preliminary Ending Balance	Line 74 + Line 79	$67,623	$104,734	$93,987	$116,620	$126,243	$146,658	$180,333	$191,134	$208,109	$435,958	$406,569	$557,216
81	Average Balance	(Line 74 + Line 80) / 2	$33,812	$86,200	$99,416	$105,365	$121,499	$136,528	$163,580	$185,838	$199,736	$322,171	$421,503	$482,176
82	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
83	Interest Applied	(Line 81 * Line 82) / 365 * # days	$42	$110	$123	$134	$155	$168	$208	$229	$276	$479	$566	$768
84	Ending Balance Under/(Over) Recovery	Line 80 + Line 83	$67,665	$104,844	$94,110	$116,755	$126,398	$146,827	$180,541	$191,363	$208,385	$436,436	$407,135	$557,984
	Medium C&I													
85	Benchmark Revenue Per Customer (RPC)	AEL-3, Line 24	$390.91	$306.74	$258.99	$228.10	$215.25	$227.59	$250.75	$319.05	$401.46	$503.80	$518.03	$496.12
86	Beginning Balance Under/(Over) Recovery	Line 96	$0	$18,521	($16,311)	($10,475)	($48,609)	($7,334)	($45,598)	($60,915)	$68,856	$212,602	$297,974	$592,914
87	Actual Number of Customers	Company's billing system	4,903	4,895	4,878	4,878	4,936	4,964	4,996	5,013	5,039	5,048	5,057	5,068
88	Actual Base Revenue	Company's billing system	1,898,121	1,536,308	1,257,486	1,150,785	1,021,187	1,167,976	1,268,009	1,469,636	1,879,405	2,458,166	2,325,356	2,165,666
89	Actual Base Revenue Per Customer	Line 88 / Line 87	$387.13	$313.85	$257.79	$235.91	$206.89	$235.29	$253.80	$293.17	$372.97	$486.96	$459.83	$427.32
90	RPC Variance (Benchmark- Actual)	Line 85 - Line 89	$3.78	($7.12)	$1.20	($7.81)	$8.37	($7.70)	($3.05)	$25.89	$28.49	$16.84	$58.20	$68.80
91	Monthly Under/(Over) Recovery of RPC	Line 87 * Line 90	$18,509	($34,833)	$5,853	($38,097)	$41,311	($38,232)	($15,249)	$129,766	$143,553	$84,993	$294,342	$348,663
92	Preliminary Ending Balance	Line 86 + Line 91	$18,509	($16,312)	($10,458)	($48,572)	($7,298)	($45,565)	($60,847)	$68,851	$212,408	$297,595	$592,316	$941,576
93	Average Balance	(Line 86 + Line 92) / 2	$9,255	$1,104	($13,385)	($29,523)	($27,954)	($26,450)	($53,223)	$3,968	$140,632	$255,099	$445,145	$767,245
94	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
95	Interest Applied	(Line 93 * Line 94) / 365 * # days	$11	$1	($17)	($38)	($36)	($33)	($68)	$5	$194	$379	$598	$1,222
96	Ending Balance Under/(Over) Recovery	Line 92 + Line 95	$18,521	($16,311)	($10,475)	($48,609)	($7,334)	($45,598)	($60,915)	$68,856	$212,602	$297,974	$592,914	$942,798

Adjusted Revenue-Per-Customer Targets

		Apr (a)	May (b)	Jun (c)	Jul (d)	Aug (e)	Sep (f)	Oct (g)	Nov (h)	Dec (i)	Jan (j)	Feb (k)	Mar (l)	Total (m)
1	Residential Non-Heat (incl Low-Income)													
2	Number of Customers	26,197	26,140	26,085	26,015	25,964	25,969	25,980	26,058	26,107	26,125	26,234	26,255	
3	Number of Accounts Transferred Nov 2014	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)	
4	Number of Accounts Transferred Jun 2015	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	(970)	
5	Number of Accounts Transferred Jul 2016	(684)	(684)	(684)	(684)	(684)	(684)	(684)	(684)	(684)	(684)	(684)	(684)	
6	Adjusted Number of Customers	21,943	21,886	21,831	21,761	21,710	21,715	21,726	21,804	21,853	21,871	21,980	22,001	
7	Final Revenue Requirement	$551,147	$480,518	$440,626	$421,958	$404,421	$411,267	$425,590	$468,132	$543,736	$608,707	$619,002	$604,058	$5,979,163
8	**Adjusted RPC**	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46	
9	Residential Heating (incl Low-Income)													
10	Number of Customers	206,526	205,560	204,853	204,218	203,713	203,918	204,929	206,779	208,036	208,864	206,524	206,734	
11	Number of Accounts Transferred Nov 2014	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	2,600	
12	Number of Accounts Transferred Jun 2015	970	970	970	970	970	970	970	970	970	970	970	970	
13	Number of Accounts Transferred Jul 2016	684	684	684	684	684	684	684	684	684	684	684	684	
14	Adjusted Number of Customers	210,780	209,814	209,107	208,472	207,967	208,172	209,183	211,033	212,290	213,118	210,778	210,988	
15	Final Revenue Requirement	$11,157,590	$7,202,607	$5,097,052	$4,502,584	$4,237,221	$4,306,645	$4,692,464	$7,051,595	$11,560,624	$14,908,187	$15,552,475	$14,470,701	$104,739,746
16	**Adjusted RPC**	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59	
17	Small													
18	Number of Customers	18,697	18,524	18,381	18,270	18,221	18,243	18,367	18,680	18,856	18,995	18,800	18,800	
19	Final Revenue Requirement	$1,457,117	$928,852	$615,286	$579,616	$538,554	$536,429	$588,115	$875,201	$1,472,999	$2,206,366	$1,901,912	$1,957,612	$13,658,058
20	**RPC**	$77.93	$50.14	$33.47	$31.72	$29.56	$29.40	$32.02	$46.85	$78.12	$116.16	$101.17	$104.13	
21	Medium C&I													
22	Number of Customers	4,702	4,691	4,694	4,684	4,665	4,678	4,700	4,734	4,758	4,773	4,696	4,705	
23	Final Revenue Requirement	$1,838,057	$1,438,900	$1,215,685	$1,068,436	$1,004,164	$1,064,655	$1,178,537	$1,510,387	$1,910,148	$2,404,616	$2,432,687	$2,334,238	$19,400,509
24	**RPC**	$390.91	$306.74	$258.99	$228.10	$215.25	$227.59	$250.75	$319.05	$401.46	$503.80	$518.03	$496.12	

Lines 2, 10, 18, 22: Number of customers per Docket 4514, RDM Filing, Schedule SNL-4, Page 1, Lines 2, 6, 10, 14.
Lines 3, 11: Number of customers transferred from Residential Non-Heating to Residential Heating in Docket 4573, RDM Filing, Schedule SNL-3.
Line 4, 12: Number of customers transferred from Residential Non-Heating to Residential Heating in Docket 4634, RDM Filing, Schedule SNL-3.
Line 5, 13: Number of customers transferred from Residential Non-Heating to Residential Heating as of July 2016, see Schedule AEL-4, Line 7 for actual customers impacted month to month.
Lines 7, 15, 19, 23: Final revenue requirement allocations from Docket 4514, RDM Filing, Schedules SNL-4, Page 1, Lines 3, 7, 11, 15.

Billing Determinants and Associated Base Revenues of 684 Residential Customers Transferred

		Reference	Apr-16 (a)		May-16 (b)	Jun-16 (c)	Jul-16 (d)	Total (e)
1	Billing Determinants and Billed Base Revenues of Non-Heating Residential Customers Transferred							
	Volumes							
2	Residential Non Heat	Data provided from the Company's billing system.	52,300		27,702	13,222	110	93,333
3	Residential Non Heat Low Income	Data provided from the Company's billing system.	4,632		2,822	1,536	-	8,990
4	Total	Line 2 + Line 3	56,932		30,524	14,758	110	102,323
	Customer Count							
5	Residential Non Heat	Data provided from the Company's billing system.	631		579	557	17	
6	Residential Non Heat Low Income	Data provided from the Company's billing system.	52		56	60	-	
7	Total	Line 5 + Line 6	683	*	635	617	17	684
	Base Rate Revenue							
8	Residential Non Heat Base Rate Revenue	Data provided from the Company's billing system.	$31,640		$19,835	$13,066	$190	$64,731
9	Residential Non Heat LI Base Rate Revenue	Data provided from the Company's billing system.	$2,437		$1,769	$1,312	$0	$5,518
10	Total	Line 8 + Line 9	$34,077		$21,604	$14,378	$190	$70,250
11	Calculation of Associated Heating Revenue							
	Residential Heating							
	Peak							
12	Customer Charge	RIPUC NG-Gas No. 101, Section 4, Schedule C, Sheet 1, Rate 12	$13.00		$13.00	$13.00	$13.00	
13	Headblock (up to 125 therms)	RIPUC NG-Gas No. 101, Section 4, Schedule C, Sheet 1, Rate 12	$0.4672		$0.4672	$0.4672	$0.4672	
14	Tailblock	RIPUC NG-Gas No. 101, Section 4, Schedule C, Sheet 1, Rate 12	$0.3010		$0.3010	$0.3010	$0.3010	
	Off Peak							
15	Customer Charge	RIPUC NG-Gas No. 101, Section 4, Schedule C, Sheet 1, Rate 12	$13.00		$13.00	$13.00	$13.00	
16	Headblock (up to 30 therms)	RIPUC NG-Gas No. 101, Section 4, Schedule C, Sheet 1, Rate 12	$0.4672		$0.4672	$0.4672	$0.4672	
17	Tailblock	RIPUC NG-Gas No. 101, Section 4, Schedule C, Sheet 1, Rate 12	$0.3010		$0.3010	$0.3010	$0.3010	
	Residential Heating Low Income							
	Peak							
18	Customer Charge	RIPUC NG-Gas No. 101, Section 4, Schedule D, Sheet 1, Rate 13	$11.70		$11.70	$11.70	$11.70	
19	Headblock (up to 125 therms)	RIPUC NG-Gas No. 101, Section 4, Schedule D, Sheet 1, Rate 13	$0.4205		$0.4205	$0.4205	$0.4205	
20	Tailblock	RIPUC NG-Gas No. 101, Section 4, Schedule D, Sheet 1, Rate 13	$0.2709		$0.2709	$0.2709	$0.2709	
	Off Peak							
21	Customer Charge	RIPUC NG-Gas No. 101, Section 4, Schedule D, Sheet 1, Rate 13	$11.70		$11.70	$11.70	$11.70	
22	Headblock (up to 30 therms)	RIPUC NG-Gas No. 101, Section 4, Schedule D, Sheet 1, Rate 13	$0.4205		$0.4205	$0.4205	$0.4205	
23	Tailblock	RIPUC NG-Gas No. 101, Section 4, Schedule D, Sheet 1, Rate 13	$0.2709		$0.2709	$0.2709	$0.2709	
	Volumes							
	Regular							
24	Head Block	Company's billing system data calculated for head block volume.	50,480		23,597	12,452	78	86,607
25	Tail Block	Company's billing system data calculated for tail block volume.	1,819		4,105	770	32	6,726
26	Total	Line 24 + Line 25	52,300		27,702	13,222	110	93,333
	Low Income							
27	Head Block	Company's billing system data calculated for head block volume.	4,491		2,312	1,486	-	8,288
28	Tail Block	Company's billing system data calculated for tail block volume.	142		510	50	-	701
29	Total	Line 27 + Line 28	4,632		2,822	1,536	-	8,990
30	Total Volumes:	Line 26 + Line 29	56,932		30,524	14,758	110	102,323

***Note: There was 1 additional Residential Non Heating account number in June that was not in the April or May data so the total number of accounts transferred equals 684.**

The Narragansett Electric Company
d/b/a National Grid

Billing Determinants and Associated Base Revenues of 684 Residential Customers Transferred

		Reference	Apr-16 (a)	May-16 (b)	Jun-16 (c)	Jul-16 (d)	Total (e)
	Residential Heat Base Rate Revenue						
31	Customer Charge	Line 5 * Line 12	$8,203	$7,527	$7,241	$221	$23,192
32	Head Block	Line 13 * Line 24	$23,584	$11,024	$5,818	$36	$40,463
33	Tail Block	Line 14 * Line 25	$548	$1,235	$232	$10	$2,025
34	Total	Sum [Line 31: Line 33]	$32,335	$19,787	$13,290	$267	$65,679
	Residential Heat LI Base Rate Revenue						
35	Customer Charge	Line 6 * Line 18	$608	$655	$702	$0	$1,966
36	Head Block	Line 19 * Line 27	$1,888	$972	$625	$0	$3,485
37	Tail Block	Line 20 * Line 28	$38	$138	$13	$0	$190
38	Total	Sum [Line 35: Line 37]	$2,535	$1,766	$1,340	$0	$5,641
39	Total Residential Heat Base Rate Revenue:	Line 34 + Line 38	$34,870	$21,552	$14,631	$267	$71,320
40	Adjusted Customer Counts and Base Revenue of Tranferred Residential Customers						
	Adjustment to Non-Heat Customer Count						
41	Actual Residential Non-Heating Count	Data provided from the Company's billing system.	21,266	21,218	19,957	19,055	
42	Adjustment: Transfer to Heat	- (Line 5)	(631)	(579)	(557)	(17)	
43	Adjusted Residential Non-Heating Count	Line 41 + Line 42	20,635	20,639	19,400	19,038	
44	Actual Residential Non-Heating LI Count	Data provided from the Company's billing system.	443	479	373	254	
45	Adjustment: Transfer to Heat LI	- (Line 6)	(52)	(56)	(60)	-	
46	Adjusted Residential Non-Heating LI Count	Line 44 + Line 45	391	423	313	254	
	Adjustment to Heat Customer Count						
47	Actual Residential Heating Count	Data provided from the Company's billing system.	199,739	198,166	198,481	199,328	
48	Adjustment: Transfer to Heat	Line 5	631	579	557	17	
49	Adjusted Residential Heating Count	Line 47 + Line 48	200,370	198,745	199,038	199,345	
50	Actual Residential Heating LI Count	Data provided from the Company's billing system.	18,247	19,112	19,239	19,049	
51	Adjustment: Transfer to Heat	Line 6	52	56	60	-	
52	Adjusted Residential Heating LI Count	Line 50 + Line 51	18,299	19,168	19,299	19,049	
	Adjustment to Non-Heat Base Rate Revenue						
53	Actual Non-Heat Base Rate Revenue	Data provided from the Company's billing system.	$543,761	$443,318	$407,116	$330,263	$1,724,458
54	Adjustment: Transfer to Heat	- (Line 8)	($31,640)	($19,835)	($13,066)	($190)	($64,731)
55	Adjusted Non-Heat Base Rate Revenue	Line 53 + Line 54	$512,121	$423,483	$394,050	$330,073	$1,659,727
56	Actual Non-Heat LI Base Rate Revenue	Data provided from the Company's billing system.	$18,289	$14,626	$10,839	$4,790	$48,544
57	Adjustment: Transfer to Heat LI	- (Line 9) / .9	($2,708)	($1,966)	($1,458)	$0	($6,131)
58	Adjusted Non-Heat LI Base Rate Revenue	Line 56 + Line 57	$15,582	$12,660	$9,381	$4,790	$42,413
	Adjustment to Heat Base Rate Revenue						
59	Actual Heat Base Rate Revenue	Data provided from the Company's billing system.	$10,543,086	$7,105,796	$5,089,914	$4,332,519	$27,071,316
60	Adjustment: Transfer to Heat	Line 34	$32,335	$19,787	$13,290	$267	$65,679
61	Adjusted Heat Base Rate Revenue	Line 59 + Line 60	$10,575,421	$7,125,583	$5,103,204	$4,332,786	27,136,995
62	Actual Heat LI Base Rate Revenue	Data provided from the Company's billing system.	$913,095	$676,323	$498,225	$431,669	$2,519,313
63	Adjustment: Transfer to Heat LI	Line 38 / .9	$2,817	$1,962	$1,489	$0	$6,268
64	Adjusted Heat LI Base Rate Revenue	Line 62 + Line 63	$915,912	$678,285	$499,715	$431,669	2,525,580
65	Difference: Heating vs. Non-Heating Revenue (Distribution Charges Higher under Heating rates)						
66	Residential	Line 34 - Line 8	$695	($48)	$224	$77	$948
67	Residential Low-Income	Line 38/ .9 - Line 9/ .9	$109	($4)	$31	$0	$136
68	Total	Line 66 + Line 67	$804	($52)	$256	$77	$1,084

Actual vs. Normal Billing Degree Day Comparison for April 2016 - March 2017

	Month/Year	Actual Billing Degree Days (a)		Normal Billing Degree Days (b)
1	Apr-16	613		654
2	May-16	374		340
3	Jun-16	80		122
4	Jul-16	5		16
5	Aug-16	0		0
6	Sep-16	6		17
7	Oct-16	138		150
8	Nov-16	400		443
9	Dec-16	731		760
10	Jan-17	947		985
11	Feb-17	897		1,045
12	Mar-17	853		915
13	**Total**	5,043		5,448
14	**Degree Day Difference**		405	
15	**Degree Day Difference (%)**		-7.4%	

Source: Normal Heating Degree Day Report
Line 13: Sum of Lines 1 through 12
Line 14: Abs(Line 13 Column (b) - Line 13 Column (a))
Line 15: (Line 13 Column (a) / Line 13 Column (b)) - 1

The Narragansett Electric Company Annual Gas RDM Reconciliation Balance
Excluding Proposed Adjustment for Transferred Customers

1	Residential Non-Heat (incl Low Income)	$308,389
2	Residential Heat (incl Low Income)	($1,467,315)
3	Small C&I	$557,984
4	Medium C&I	$942,798
5	Net Under Recovery of RPC	$341,856

1 Schedule AEL-6, Page 2, Column (l), Line 36
2 Schedule AEL-6, Page 3, Column (l), Line 72
3 Schedule AEL-6, Page 4, Column (l), Line 84
4 Schedule AEL-6, Page 4, Column (l), Line 96
5 Sum of lines 1-4

The Narragansett Electric Company
d/b/a National Grid

RDM Reconciliation by Rate Class by Month Without Adjusting Target RPCs and Normalizing Revenue

		Reference	Apr-16 30 (a)	May-16 31 (b)	Jun-16 30 (c)	Jul-16 31 (d)	Aug-16 31 (e)	Sep-16 30 (f)	Oct-16 31 (g)	Nov-16 30 (h)	Dec-16 31 (i)	Jan-17 31 (j)	Feb-17 28 (k)	Mar-17 31 (l)
	Residential Non-Heat													
1	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 7	$24.36	$21.29	$19.57	$18.80	$18.06	$18.36	$18.99	$20.82	$24.13	$26.99	$27.31	$26.63
2	Beginning Balance Under/(Over) Recovery	Line 12	$0	($25,781)	($17,393)	($33,976)	($6,037)	$19,828	$54,810	$83,255	$109,782	$170,924	$215,877	$273,299
3	Actual Number of Customers	Company's billing system	21,266	21,218	19,957	19,055	19,051	19,072	19,115	19,191	19,250	19,252	19,272	19,308
4	Actual Base Revenue	Company's billing system	$543,761	$443,318	$407,116	$330,263	$318,193	$315,245	$334,657	$373,091	$403,484	$474,902	$469,265	$448,628
5	Actual Base Revenue Per Customer	Line 4 / Line 3	$25.57	$20.89	$20.40	$17.33	$16.70	$16.53	$17.51	$19.44	$20.96	$24.67	$24.35	$23.24
6	RPC Variance (Benchmark- Actual)	Line 1 - Line 5	($1.21)	$0.40	($0.83)	$1.47	$1.36	$1.83	$1.48	$1.38	$3.17	$2.32	$2.96	$3.39
7	Monthly Under/(Over) Recovery of RPC	Line 3 * Line 6	($25,766)	$8,416	($16,551)	$27,964	$25,856	$34,936	$28,357	$26,408	$60,949	$44,665	$57,094	$65,508
8	Preliminary Ending Balance	Line 2 + Line 7	($25,766)	($17,365)	($33,944)	($6,012)	$19,819	$54,764	$83,167	$109,663	$170,731	$215,589	$272,971	$338,806
9	Average Balance	(Line 2 + Line 8) / 2	($12,883)	($21,573)	($25,669)	($19,994)	$6,891	$37,296	$68,988	$96,459	$140,256	$193,257	$244,424	$306,053
10	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
11	Interest Applied	(Line 9 * Line 10) / 365 * # days	($16)	($27)	($32)	($25)	$9	$46	$88	$119	$194	$287	$328	$487
12	Ending Balance Under/(Over) Recovery	Line 8 + Line 11	($25,781)	($17,393)	($33,976)	($6,037)	$19,828	$54,810	$83,255	$109,782	$170,924	$215,877	$273,299	$339,294
	Residential Non-Heat Low Income													
13	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 7	$24.36	$21.29	$19.57	$18.80	$18.06	$18.36	$18.99	$20.82	$24.13	$26.99	$27.31	$26.63
14	Beginning Balance Under/(Over) Recovery	Line 24	$0	($7,503)	($11,943)	($15,500)	($15,535)	($15,471)	($15,354)	($15,703)	($17,023)	($19,588)	($23,849)	($27,883)
15	Actual Number of Customers	Company's billing system	443	479	373	254	246	247	243	236	235	233	232	226
16	Actual Base Revenue	Company's billing system	$18,289	$14,626	$10,839	$4,790	$4,360	$4,399	$4,943	$6,213	$8,209	$10,517	$10,336	$8,992
17	Actual Base Revenue Per Customer	Line 16 / Line 15	$41.28	$30.53	$29.06	$18.86	$17.72	$17.81	$20.34	$26.33	$34.93	$45.14	$44.55	$39.79
18	RPC Variance (Benchmark- Actual)	Line 13 - Line 17	($16.93)	($9.24)	($9.49)	($0.06)	$0.34	$0.55	($1.35)	($5.51)	($10.81)	($18.15)	($17.24)	($13.16)
19	Monthly Under/(Over) Recovery of RPC	Line 15 * Line 18	($7,499)	($4,428)	($3,539)	($15)	$83	$136	($329)	($1,300)	($2,539)	($4,229)	($3,999)	($2,974)
20	Preliminary Ending Balance	Line 14 + Line 19	($7,499)	($11,931)	($15,483)	($15,515)	($15,452)	($15,335)	($15,683)	($17,003)	($19,562)	($23,817)	($27,849)	($30,858)
21	Average Balance	(Line 14 + Line 20) / 2	($3,749)	($9,717)	($13,713)	($15,507)	($15,493)	($15,403)	($15,519)	($16,353)	($18,293)	($21,702)	($25,849)	($29,371)
22	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
23	Interest Applied	(Line 21 * Line 22) / 365 * # days	($5)	($12)	($17)	($20)	($20)	($19)	($20)	($20)	($25)	($32)	($35)	($47)
24	Ending Balance Under/(Over) Recovery	Line 20 + Line 23	($7,503)	($11,943)	($15,500)	($15,535)	($15,471)	($15,354)	($15,703)	($17,023)	($19,588)	($23,849)	($27,883)	($30,904)
	Residential Non-Heat (incl Low Income)													
25	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 7	$24.36	$21.29	$19.57	$18.80	$18.06	$18.36	$18.99	$20.82	$24.13	$26.99	$27.31	$26.63
26	Beginning Balance Under/(Over) Recovery	Line 36	$0	($33,285)	($29,336)	($49,475)	($21,572)	$4,356	$39,455	$67,552	$92,759	$151,337	$192,027	$245,415
27	Actual Number of Customers	Line 3 + Line 15	21,709	21,697	20,330	19,309	19,297	19,319	19,358	19,427	19,485	19,485	19,504	19,534
28	Actual Base Revenue	Line 4 + Line 16	$562,050	$457,943	$417,955	$335,054	$322,552	$319,644	$339,600	$379,304	$411,693	$485,419	$479,601	$457,620
29	Actual Base Revenue Per Customer	Line 28 / Line 27	$25.89	$21.11	$20.56	$17.35	$16.72	$16.55	$17.54	$19.52	$21.13	$24.91	$24.59	$23.43
30	RPC Variance (Benchmark- Actual)	Line 25 - Line 29	($1.53)	$0.18	($0.99)	$1.45	$1.34	$1.82	$1.45	$1.29	$3.00	$2.08	$2.72	$3.20
31	Monthly Under/(Over) Recovery of RPC	Line 27 * Line 30	($33,264)	$3,988	($20,091)	$27,949	$25,939	$35,072	$28,029	$25,108	$58,409	$40,436	$53,095	$62,533
32	Preliminary Ending Balance	Line 26 + Line 31	($33,264)	($29,296)	($49,427)	($21,527)	$4,367	$39,428	$67,484	$92,660	$151,168	$191,772	$245,122	$307,949
33	Average Balance	(Line 26 + Line 32) / 2	($16,632)	($31,291)	($39,382)	($35,501)	($8,602)	$21,892	$53,470	$80,106	$121,964	$171,554	$218,575	$276,682
34	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
35	Interest Applied	(Line 33 * Line 34) / 365 * # days	($21)	($40)	($49)	($45)	($11)	$27	$68	$99	$168	$255	$293	$441
36	Ending Balance Under/(Over) Recovery	Line 32 + Line 35	($33,285)	($29,336)	($49,475)	($21,572)	$4,356	$39,455	$67,552	$92,759	$151,337	$192,027	$245,415	$308,389

RDM Reconciliation by Rate Class by Month Without Adjusting Target RPCs and Normalizing Revenue

		Reference	Apr-16 30 (a)	May-16 31 (b)	Jun-16 30 (c)	Jul-16 31 (d)	Aug-16 31 (e)	Sep-16 30 (f)	Oct-16 31 (g)	Nov-16 30 (h)	Dec-16 31 (i)	Jan-17 31 (j)	Feb-17 28 (k)	Mar-17 31 (l)
	Residential Heating													
37	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 14	$53.11	$34.44	$24.46	$21.67	$20.44	$20.76	$22.51	$33.52	$54.63	$70.18	$74.03	$68.81
38	Beginning Balance Under/(Over) Recovery	Line 48	$0	$64,513	($216,382)	($452,791)	($466,633)	($474,543)	($433,345)	($539,443)	($1,043,103)	($1,244,837)	($1,938,798)	($1,671,059)
39	Actual Number of Customers	Company's billing system	199,739	198,166	198,481	199,328	199,329	199,718	200,965	202,786	204,265	205,147	205,721	206,060
40	Actual Base Revenue	Company's billing system	$10,543,086	$7,105,796	$5,089,914	$4,332,519	$4,081,939	$4,103,613	$4,628,383	$7,300,743	$11,359,721	$15,088,398	$14,958,598	$13,755,925
41	Actual Base Revenue Per Customer	Line 40 / Line 39	$52.78	$35.86	$25.64	$21.74	$20.48	$20.55	$23.03	$36.00	$55.61	$73.55	$72.71	$66.76
42	RPC Variance (Benchmark- Actual)	Line 37 - Line 41	$0.32	($1.42)	($1.19)	($0.07)	($0.04)	$0.21	($0.52)	($2.48)	($0.98)	($3.37)	$1.31	$2.05
43	Monthly Under/(Over) Recovery of RPC	Line 39 * Line 42	$64,473	($280,798)	($235,997)	($13,257)	($7,311)	$41,757	($105,479)	($502,685)	($200,156)	($691,597)	$270,160	$422,753
44	Preliminary Ending Balance	Line 38 + Line 43	$64,473	($216,285)	($452,378)	($466,047)	($473,944)	($432,786)	($538,824)	($1,042,128)	($1,243,259)	($1,936,434)	($1,668,638)	($1,248,307)
45	Average Balance	(Line 38 + Line 44) / 2	$32,237	($75,886)	($334,380)	($459,419)	($470,288)	($453,664)	($486,084)	($790,785)	($1,143,181)	($1,590,635)	($1,803,718)	($1,459,683)
46	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
47	Interest Applied	(Line 45 * Line 46) / 365 * # days	$40	($97)	($412)	($585)	($599)	($559)	($619)	($975)	($1,578)	($2,364)	($2,421)	($2,324)
48	Ending Balance Under/(Over) Recovery	Line 44 + Line 47	$64,513	($216,382)	($452,791)	($466,633)	($474,543)	($433,345)	($539,443)	($1,043,103)	($1,244,837)	($1,938,798)	($1,671,059)	($1,250,631)
	Residential Heating - Low Income													
49	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 14	$53.11	$34.44	$24.46	$21.67	$20.44	$20.76	$22.51	$33.52	$54.63	$70.18	$74.03	$68.81
50	Beginning Balance Under/(Over) Recovery	Line 60	$0	$55,984	$37,954	$10,254	($8,639)	($24,655)	($37,663)	($72,271)	($128,856)	($178,428)	($264,406)	($244,956)
51	Actual Number of Customers	Company's billing system	18,247	19,112	19,239	19,049	18,716	18,483	18,194	17,919	17,660	17,419	17,244	17,050
52	Actual Base Revenue	Company's billing system	$913,095	$676,323	$498,225	$431,669	$398,583	$396,605	$444,011	$657,166	$1,014,175	$1,308,080	$1,256,717	$1,144,545
53	Actual Base Revenue Per Customer	Line 52 / Line 51	$50.04	$35.39	$25.90	$22.66	$21.30	$21.46	$24.40	$36.67	$57.43	$75.09	$72.88	$67.13
54	RPC Variance (Benchmark- Actual)	Line 49 - Line 53	$3.07	($0.95)	($1.44)	($0.99)	($0.85)	($0.70)	($1.90)	($3.15)	($2.80)	($4.92)	$1.15	$1.68
55	Monthly Under/(Over) Recovery of RPC	Line 51 * Line 54	$55,950	($18,091)	($27,729)	($18,894)	($15,995)	($12,969)	($34,538)	($56,461)	($49,360)	($85,650)	$19,792	$28,640
56	Preliminary Ending Balance	Line 50 + Line 55	$55,950	$37,894	$10,224	($8,640)	($24,634)	($37,625)	($72,201)	($128,732)	($178,216)	($264,077)	($244,615)	($216,317)
57	Average Balance	(Line 50 + Line 56) / 2	$27,975	$46,939	$24,089	$807	($16,636)	($31,140)	($54,932)	($100,501)	($153,536)	($221,253)	($254,510)	($230,637)
58	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
59	Interest Applied	(Line 57 * Line 58) / 365 * # days	$34	$60	$30	$1	($21)	($38)	($70)	($124)	($212)	($329)	($342)	($367)
60	Ending Balance Under/(Over) Recovery	Line 56 + Line 59	$55,984	$37,954	$10,254	($8,639)	($24,655)	($37,663)	($72,271)	($128,856)	($178,428)	($264,406)	($244,956)	($216,684)
	Residential Heat (incl Low Income)													
61	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 14	$53.11	$34.44	$24.46	$21.67	$20.44	$20.76	$22.51	$33.52	$54.63	$70.18	$74.03	$68.81
62	Beginning Balance Under/(Over) Recovery	Line 72	$0	$120,498	($178,428)	($442,537)	($475,271)	($499,198)	($471,008)	($611,714)	($1,171,959)	($1,423,265)	($2,203,204)	($1,916,015)
63	Actual Number of Customers	Line 39 + Line 51	217,986	217,278	217,720	218,377	218,045	218,201	219,159	220,705	221,925	222,566	222,965	223,110
64	Actual Base Revenue	Line 40 + Line 52	$11,456,182	$7,782,120	$5,588,139	$4,764,188	$4,480,522	$4,500,218	$5,072,394	$7,957,909	$12,373,896	$16,396,477	$16,215,316	$14,900,471
65	Actual Base Revenue Per Customer	Line 64 / Line 63	$52.55	$35.82	$25.67	$21.82	$20.55	$20.62	$23.14	$36.06	$55.76	$73.67	$72.73	$66.79
66	RPC Variance (Benchmark- Actual)	Line 61 - Line 65	$0.55	($1.38)	($1.21)	($0.15)	($0.11)	$0.13	($0.64)	($2.53)	($1.12)	($3.49)	$1.30	$2.02
67	Monthly Under/(Over) Recovery of RPC	Line 63 * Line 66	$120,423	($298,889)	($263,726)	($32,150)	($23,307)	$28,788	($140,016)	($559,146)	($249,516)	($777,247)	$289,952	$451,392
68	Preliminary Ending Balance	Line 62 + Line 67	$120,423	($178,391)	($442,154)	($474,687)	($498,578)	($470,410)	($611,024)	($1,170,860)	($1,421,475)	($2,200,511)	($1,913,252)	($1,464,623)
69	Average Balance	(Line 62 + Line 68) / 2	$60,212	($28,947)	($310,291)	($458,612)	($486,925)	($484,804)	($541,016)	($891,287)	($1,296,717)	($1,811,888)	($2,058,228)	($1,690,319)
70	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
71	Interest Applied	(Line 69 * Line 70) / 365 * # days	$74	($37)	($383)	($584)	($620)	($598)	($689)	($1,099)	($1,790)	($2,693)	($2,763)	($2,692)
72	Ending Balance Under/(Over) Recovery	Line 68 + Line 71	$120,498	($178,428)	($442,537)	($475,271)	($499,198)	($471,008)	($611,714)	($1,171,959)	($1,423,265)	($2,203,204)	($1,916,015)	($1,467,315)

The Narragansett Electric Company
d/b/a National Grid

RDM Reconciliation by Rate Class by Month Without Adjusting Target RPCs and Normalizing Revenue

		Reference	Apr-16 30 (a)	May-16 31 (b)	Jun-16 30 (c)	Jul-16 31 (d)	Aug-16 31 (e)	Sep-16 30 (f)	Oct-16 31 (g)	Nov-16 30 (h)	Dec-16 31 (i)	Jan-17 31 (j)	Feb-17 28 (k)	Mar-17 31 (l)
	Small C&I													
73	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 18	$77.93	$50.14	$33.47	$31.72	$29.56	$29.40	$32.02	$46.85	$78.12	$116.16	$101.17	$104.13
74	Beginning Balance Under/(Over) Recovery	Line 84	$0	$67,665	$104,844	$94,110	$116,755	$126,398	$146,827	$180,541	$191,363	$208,385	$436,436	$407,135
75	Actual Number of Customers	Company's billing system	19,134	19,032	18,846	18,738	18,599	18,586	18,742	18,961	19,196	19,289	19,315	19,296
76	Actual Base Revenue	Company's billing system	$1,423,551	$917,255	$641,708	$571,952	$540,237	$526,255	$566,617	$877,774	$1,482,813	$2,012,942	$1,983,879	$1,859,179
77	Actual Base Revenue Per Customer	Line 76 / Line 75	$74.40	$48.20	$34.05	$30.52	$29.05	$28.31	$30.23	$46.29	$77.25	$104.36	$102.71	$96.35
78	RPC Variance (Benchmark- Actual)	Line 73 - Line 77	$3.53	$1.95	($0.58)	$1.20	$0.51	$1.09	$1.79	$0.56	$0.87	$11.80	($1.55)	$7.78
79	Monthly Under/(Over) Recovery of RPC	Line 75 * Line 78	$67,623	$37,069	($10,857)	$22,511	$9,489	$20,260	$33,506	$10,593	$16,746	$227,573	($29,867)	$150,081
80	Preliminary Ending Balance	Line 74 + Line 79	$67,623	$104,734	$93,987	$116,620	$126,243	$146,658	$180,333	$191,134	$208,109	$435,958	$406,569	$557,216
81	Average Balance	(Line 74 + Line 80) / 2	$33,812	$86,200	$99,416	$105,365	$121,499	$136,528	$163,580	$185,838	$199,736	$322,171	$421,503	$482,176
82	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
83	Interest Applied	(Line 81 * Line 82) / 365 * # days	$42	$110	$123	$134	$155	$168	$208	$229	$276	$479	$566	$768
84	Ending Balance Under/(Over) Recovery	Line 80 + Line 83	$67,665	$104,844	$94,110	$116,755	$126,398	$146,827	$180,541	$191,363	$208,385	$436,436	$407,135	$557,984
	Medium C&I													
85	Benchmark Revenue Per Customer (RPC)	Docket 4634, SNL-3, Line 22	$390.91	$306.74	$258.99	$228.10	$215.25	$227.59	$250.75	$319.05	$401.46	$503.80	$518.03	$496.12
86	Beginning Balance Under/(Over) Recovery	Line 96	$0	$18,521	($16,311)	($10,475)	($48,609)	($7,334)	($45,598)	($60,915)	$68,856	$212,602	$297,974	$592,914
87	Actual Number of Customers	Company's billing system	4,903	4,895	4,878	4,878	4,936	4,964	4,996	5,013	5,039	5,048	5,057	5,068
88	Actual Base Revenue	Company's billing system	$1,898,121	$1,536,308	$1,257,486	$1,150,785	$1,021,187	$1,167,976	$1,268,009	$1,469,636	$1,879,405	$2,458,166	$2,325,356	$2,165,666
89	Actual Base Revenue Per Customer	Line 88 / Line 87	$387.13	$313.85	$257.79	$235.91	$206.89	$235.29	$253.80	$293.17	$372.97	$486.96	$459.83	$427.32
90	RPC Variance (Benchmark- Actual)	Line 85 - Line 89	$3.78	($7.12)	$1.20	($7.81)	$8.37	($7.70)	($3.05)	$25.89	$28.49	$16.84	$58.20	$68.80
91	Monthly Under/(Over) Recovery of RPC	Line 87 * Line 90	$18,509	($34,833)	$5,853	($38,097)	$41,311	($38,232)	($15,249)	$129,766	$143,553	$84,993	$294,342	$348,663
92	Preliminary Ending Balance	Line 86 + Line 91	$18,509	($16,312)	($10,458)	($48,572)	($7,298)	($45,565)	($60,847)	$68,851	$212,408	$297,595	$592,316	$941,576
93	Average Balance	(Line 86 + Line 92) / 2	$9,255	$1,104	($13,385)	($29,523)	($27,954)	($26,450)	($53,223)	$3,968	$140,632	$255,099	$445,145	$767,245
94	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
95	Interest Applied	(Line 93 * Line 94) / 365 * # days	$11	$1	($17)	($38)	($36)	($33)	($68)	$5	$194	$379	$598	$1,222
96	Ending Balance Under/(Over) Recovery	Line 92 + Line 95	$18,521	($16,311)	($10,475)	($48,609)	($7,334)	($45,598)	($60,915)	$68,856	$212,602	$297,974	$592,914	$942,798

Schedule AEL-8
ISR Reconciliation Factors

National Grid - RI Gas
FY 17 ISR Reconciliation Factors
Effective November 1, 2017

Line No.	Revenue Requirement	Rate Class	Rate Base Allocator %	Allocation to Rate Class	Actual Revenue	Difference	ISR Recon Under/(Over) Recovery	Total Under Recovery by Rate Class	Forecasted Throughput (dth)	ISR Recon (dth)	ISR Recon (therm)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
2	**$29,113,213**										
3		Res-NH	3.73%	$1,086,217	$913,144	$173,073	$10,193	$183,266	393,708	$0.4654	$0.0465
4		Res-H	61.56%	$17,921,554	$14,459,716	$3,461,838	$426,654	$3,888,493	19,061,247	$0.2039	$0.0203
5		Small	8.19%	$2,383,505	$1,693,045	$690,460	$67,268	$757,728	2,473,406	$0.3063	$0.0306
6		Medium	13.58%	$3,954,543	$2,960,193	$994,351	$74,481	$1,068,832	5,460,304	$0.1957	$0.0195
7		Large LL	6.04%	$1,757,559	$1,335,440	$422,119	$11,073	$433,193	2,665,414	$0.1625	$0.0162
8		Large HL	2.35%	$685,420	$539,389	$146,032	$1,300	$147,332	1,224,355	$0.1203	$0.0120
9		XL-LL	0.77%	$223,859	$195,729	$28,131	($1,576)	$26,555	1,263,370	$0.0210	$0.0021
10		XL-HL	3.78%	$1,100,553	$1,059,847	$40,706	$4,689	$45,395	6,941,825	$0.0065	$0.0006
11		Total	100.00%	$29,113,213	$23,156,502	$5,956,711	$594,083	$6,550,794	39,483,630		

(a) Docket 4590, FY 17 ISR Cumulative Revenue Requirement filed August 2017.
(c) Docket 4323, 2012 Rate Case
(d) Col (a), Line 2 * Col (c), Lines 3 through 10 respectively
(e) Page 2, Col (m), Lines 24 through 31
(f) Column (d) - Column (e)
(g) AEL-10 - Pages 6-7 Column (l) Lines 25, 33, 41, 49, 57, 65, 73, 81
(h) Column (f) + Column (g)
(i) Per Company Forecast
(j) Column (h) / Column (i)
(k) Column (j) / 10

National Grid - RI Gas
FY 2017 Gas ISR

Line No.			Apr-16 (a) Actual	May-16 (b) Actual	Jun-16 (c) Actual	Jul-16 (d) Actual	Aug-16 (e) Actual	Sep-16 (f) Actual	Oct-16 (g) Actual	Nov-16 (h) Actual	Dec-16 (i) Actual	Jan-17 (j) Actual	Feb-17 (k) Actual	Mar-17 (l) Actual	**Total** (m)
	RI Firm Throughput (dth)														
1	Res-NH		62,960	41,123	29,766	18,985	16,446	16,379	20,258	28,568	39,507	52,335	52,271	48,480	427,078
2	Res-H		1,930,631	1,162,655	629,582	432,234	370,661	375,326	516,689	1,205,454	2,206,055	3,185,835	3,123,153	2,837,099	17,975,374
3	Small		245,627	129,552	71,339	48,956	43,038	36,525	49,483	122,150	273,372	434,196	426,066	388,051	2,268,355
4	Medium		558,619	369,646	211,771	158,015	162,022	156,319	206,721	370,678	629,145	910,589	840,771	768,485	5,342,780
5	Large LL		279,497	174,112	55,090	16,674	38,532	28,670	65,557	211,011	362,624	535,934	454,607	392,596	2,614,904
6	Large HL		93,117	84,774	75,665	69,488	57,392	68,327	76,631	87,702	103,577	134,286	132,574	117,204	1,100,737
7	XL-LL		124,061	104,983	19,361	(16,246)	19,981	16,895	29,458	127,019	171,612	260,884	197,315	155,662	1,210,985
8	XL-HL		460,044	528,391	459,153	521,146	463,608	535,925	448,314	542,409	578,276	686,830	603,339	489,752	6,317,187
9	Total	Sum ([1]:[8])	3,754,555	2,595,237	1,551,727	1,249,252	1,171,679	1,234,367	1,413,111	2,694,991	4,364,168	6,200,888	5,830,097	5,197,328	37,257,399
	ISR Actual Revenue														
10	Res-NH		$63,982	$60,361	$40,982	$26,194	$22,712	$22,698	$27,978	$39,257	$55,004	$72,441	$72,333	$67,108	$571,050
11	Res-H		$1,249,757	$1,037,005	$526,732	$362,390	$311,053	$316,055	$433,623	$1,006,572	$1,866,355	$2,679,625	$2,626,214	$2,386,429	$14,801,810
12	Small		$149,690	$104,423	$53,937	$37,091	$32,638	$27,795	$37,528	$92,173	$209,002	$330,031	$323,766	$294,972	$1,693,045
13	Medium		$264,233	$219,929	$118,187	$88,374	$90,698	$87,808	$115,727	$206,471	$355,056	$510,904	$471,609	$431,197	$2,960,193
14	Large LL		$113,086	$96,206	$28,553	$8,660	$20,032	$14,956	$34,083	$109,155	$190,054	$279,257	$236,818	$204,580	$1,335,440
15	Large HL		$36,443	$44,685	$37,411	$34,429	$28,462	$34,002	$38,006	$43,278	$51,785	$66,748	$65,880	$58,260	$539,389
16	XL-LL		$17,520	$18,148	$3,140	($2,640)	$3,250	$2,758	$4,792	$20,557	$28,140	$42,529	$32,158	$25,378	$195,729
17	XL-HL		$65,521	$94,706	$77,195	$87,803	$78,181	$90,687	$75,606	$91,015	$98,312	$116,089	$101,950	$82,783	$1,059,847
18	Total	Sum ([10]:[17])	$1,960,233	$1,675,463	$886,136	$642,302	$587,026	$596,758	$767,343	$1,608,477	$2,853,706	$4,097,624	$3,930,727	$3,550,707	$23,156,502
	Res-H & Res-NH Revenue Adj.														
19	Projected Firm Throughput (dth)	Docket No. 4590	87,291	46,799	31,200	24,471	22,307	24,221	28,799	47,133	70,003	85,641	105,392	107,599	680,857
20	Actual Firm Throughput (dth)	Line 1	62,960	41,123	29,766	18,985	16,446	16,379	20,258	28,568	39,507	52,335	52,271	48,480	427,078
21	Difference	Line 19 - Line 20	24,331	5,676	1,434	5,486	5,862	7,842	8,541	18,565	30,496	33,306	53,121	59,119	
22	ISR Rate w/o Uncollectibles	Docket No. 4590	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	$1.3480	
23	Adjusted Revenue	Line 21 * Line 22	$32,798	$7,652	$1,933	$7,395	$7,901	$10,570	$11,513	$25,026	$41,108	$44,897	$71,607	$79,693	$342,094
	ISR Adjusted Revenue														
24	Res-NH	Line 10 + Line 23	$96,780	$68,012	$42,916	$33,589	$30,613	$33,269	$39,491	$64,283	$96,112	$117,338	$143,940	$146,801	$913,144
25	Res-H	Line 11 - Line 23	$1,216,959	$1,029,354	$524,799	$354,996	$303,152	$305,484	$422,110	$981,546	$1,825,246	$2,634,728	$2,554,607	$2,306,736	$14,459,716
26	Small	Line12	$149,690	$104,423	$53,937	$37,091	$32,638	$27,795	$37,528	$92,173	$209,002	$330,031	$323,766	$294,972	$1,693,045
27	Medium	Line 13	$264,233	$219,929	$118,187	$88,374	$90,698	$87,808	$115,727	$206,471	$355,056	$510,904	$471,609	$431,197	$2,960,193
28	Large LL	Line 14	$113,086	$96,206	$28,553	$8,660	$20,032	$14,956	$34,083	$109,155	$190,054	$279,257	$236,818	$204,580	$1,335,440
29	Large HL	Line 15	$36,443	$44,685	$37,411	$34,429	$28,462	$34,002	$38,006	$43,278	$51,785	$66,748	$65,880	$58,260	$539,389
30	XL-LL	Line 16	$17,520	$18,148	$3,140	($2,640)	$3,250	$2,758	$4,792	$20,557	$28,140	$42,529	$32,158	$25,378	$195,729
31	XL-HL	Line 17	$65,521	$94,706	$77,195	$87,803	$78,181	$90,687	$75,606	$91,015	$98,312	$116,089	$101,950	$82,783	$1,059,847
32	Total	Sum ([24]:[31])	$1,960,233	$1,675,463	$886,136	$642,302	$587,026	$596,758	$767,343	$1,608,477	$2,853,706	$4,097,624	$3,930,727	$3,550,707	$23,156,502

Schedule AEL-9

Schedule AEL-9
Firm Revenue Credit Factor

Revenue Credit per Docket 4323
FY 2017

			Distribution Charges				
Line No.	Month Bill Applies	Therms	Customer Charge	Distribution Charge	Demand Charge	Total	50% Credit
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Mar-2017	631,650	$425	$16,170	$36,942	$53,537	$26,769
2	Feb-2017	585,141	$425	$14,980	$36,942	$52,347	$26,173
3	Jan-2017	652,459	$425	$16,703	$36,942	$54,070	$27,035
4	Dec-2016	561,286	$425	$14,369	$36,942	$51,736	$25,868
5	Nov-2016	650,663	$425	$16,657	$36,942	$54,024	$27,012
6	Oct-2016	689,521	$425	$17,652	$36,750	$54,827	$27,414
7	Sep-2016	574,703	$425	$14,712	$36,750	$51,888	$25,944
8	Aug-2016	723,211	$425	$18,514	$36,750	$55,690	$27,845
9	Jul-2016	718,806	$425	$18,401	$36,750	$55,577	$27,788
10	Jun-2016	660,700	$425	$16,914	$36,750	$54,089	$27,045
11	May-2016	672,427	$425	$17,214	$36,750	$54,390	$27,195
12	Apr-2016	595,757	$425	$15,251	$36,750	$52,427	$26,213
13	Total	7,716,324	$5,100	$197,538	$441,964	$644,601	$322,301

Lines 1-12 Columns (a) through (e): Data provided from the Company's billing system.
Col (g) As noted in the Settlement Agreement in Docket 4323, Article III, Section A.4, 50% of distribution revenue will be credited back to customers.

Schedule
AEL-10

Schedule AEL-10
Reconciliation Factors

National Grid - RI Gas
Reconciliation Factor effective November 1, 2017

Section 1: Reconciliation of Prior Year DAC Factors (All Rate Classes)

Line No.	Description	Schedule	Page #	Ending Balance		Period
1	System Pressure		Page 2, line 9	$478,831		Based on Nov 16-Oct 17
2	AGT Factor		Page 2, line 17	$0		Based on Apr 16 - Mar 17
3	Environmental - DAC		Page 2, line 25	$55,002		Based on Nov 16-Oct 17
4	On-System Margin Credits		Page 3, line 49	($31,924)		Based on Nov 16-Oct 17
5	Pension		Page 3, line 57	$11,182		Based on Nov 16-Oct 17
6	PBOP		Page 3, line 65	($40,867)		Based on Nov 16-Oct 17
7	Previous Reconciliation Factor		Page 2, line 33	($48,105)		Based on Nov 16-Oct 17
8	Earnings Sharing Mechanism		Page 3, line 73	$12,001		Based on Nov 16-Oct 17
9	True-up October 16		Page 8, line 24	($58,281)		Based on Actual Oct 16 vs. Oct 16 Forecast
10	AGT Interest on Fund balance		AEL-3, page 2, line 16, col (m)	($22,067)		Based on Apr 16 - Mar 17
11	Revenue Credit per Docket 4323		AEL-9, line 13, col (g)	($322,301)		
12	Sub Total		Sum ([1]: [11])	$33,471		
13	Firm Throughput		Nov 2017 - Oct 2018	39,483,630	dth	
14	Reconciliation Factor		Line (12) / Line (13)	$0.0008	per dth	
15	Reconciliation Factor		Line (14) / 10, truncated to 4 decimal places	**$0.0000**	**per therm**	

Section 2: Revenue Decoupling Mechanism Reconciliation

Line No.	Description	Schedule	Page #	Ending Balance		Period
16	RDA Reconciliation		Page 5, line 13	$458,441		Based on Nov 16-Oct 17
17	RDM Recon Reconciliation		Page 5, line 27	($174,222)		Based on Nov 16-Oct 17
18	Sub Total		Line (16) + Line (17)	$284,219		
19	Firm Throughput, Residential, Small & Medium C&I		Nov 2017 - Oct 2018	27,388,666	dth	
20	RDA Reconciliation Factor		Line (18) / Line (19)	$0.0103	per dth	
21	RDA Reconciliation Factor		Line (20) / 10, truncated to 4 decimal places	**$0.0010**	**per therm**	

Section 3: Reconciliation of Prior year DAC Factors (Large & X-Large Only)

Line No.	Description	Schedule	Page #	Ending Balance		Period
22	AGT Factor - Base Rates		Page 4, line 18	($11,622)		Based on Apr 16 - Mar 17
23	LIAP Factor - Base Rates		Page 4, line 30	($69,346)		Based on Apr 16 - Mar 17
24	Environmental - Base Rates		Page 4, line 41	($50,888)		Based on Apr 16 - Mar 17
25	Previous Reconciliation Factor		Page 3, line 41	($2,921)		Based on Nov 16-Oct 17
26	Sub Total		Sum ([22]:[25])	($134,777)		
27	Firm Throughput, Large and Extra Large C&I		Nov 2017 - Oct 2018	12,094,964	dth	
28	L / XL Reconciliation Factor		Line (26) / Line (27)	($0.0111)	per dth	
29	L / XL Reconciliation Factor[1]		Line (28) / 10, truncated to 4 decimal places	**($0.0011)**	**per therm**	

[1] This rate will be combined with the Reconciliation factor of ($0) per therm for an overall Large and Extra Large Reconciliation factor of ($0.0011) per therm

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

Line No.		Nov-16 30 Actual (a)	Dec-16 31 Actual (b)	Jan-17 31 Actual (c)	Feb-17 28 Actual (d)	Mar-17 31 Actual (e)	Apr-17 30 Actual (f)	May-17 31 Actual (g)	Jun-17 30 Actual (h)	Jul-17 31 Forecast (i)	Aug-17 31 Forecast (j)	Sep-17 30 Forecast (k)	Oct-17 31 Forecast (l)	12 month End
1	**System Pressure Recon Adjust.**													
2	System Pressure Acct Beg. Balance Under/(Over) Recovery	$0	$25,076	$151,832	$47,918	($42,364)	$133,287	$70,905	$113,261	$174,666	$255,361	$338,751	$419,592	$0
3	Actual Costs	$124,066	$289,071	$125,400	$125,400	$367,915	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$1,900,311
4	Actual Revenue	$99,005	$162,437	$229,462	$215,685	$192,336	$186,616	$81,866	$62,912	$43,781	$41,243	$43,925	$65,685	$1,424,953
5	Ending Balance Under/(Over) Recovery	$25,061	$151,710	$47,770	($42,367)	$133,215	$70,737	$113,105	$174,415	$254,951	$338,184	$418,892	$477,973	$475,358
6	Average Monthly Balance Under/(Over) Recovery	$12,530	$88,393	$99,801	$2,775	$45,426	$102,012	$92,005	$143,838	$214,808	$296,772	$378,821	$448,783	
7	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
8	Interest Applied	$15	$122	$148	$4	$72	$168	$156	$251	$410	$567	$701	$858	$3,473
9	Sys Pressure End Balance Under/(Over) Recovery	$25,076	$151,832	$47,918	($42,364)	$133,287	$70,905	$113,261	$174,666	$255,361	$338,751	$419,592	$478,831	$478,831
10	**Advanced Gas Technology**													
11	AGT Acct Beg. Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
12	Actual AGT Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
13	Ending AGT Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
14	Average Monthly Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
15	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
16	Interest Applied	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
17	AGT End Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
18	**Environmental Recon. Adjust - DAC**													
19	Environmental Acct Beg. Balance Under/(Over) Recovery	$588,061	$552,774	$492,032	$405,876	$324,756	$252,439	$182,184	$151,490	$127,929	$111,592	$96,185	$79,728	$588,061
20	Actual Environmental Revenue	$35,990	$61,462	$86,823	$81,610	$72,776	$70,612	$30,977	$23,805	$16,566	$15,605	$16,620	$24,854	$537,700
21	Ending Environmental Balance Under/(Over) Recovery	$552,071	$491,312	$405,209	$324,266	$251,980	$181,827	$151,207	$127,685	$111,363	$95,987	$79,565	$54,874	$50,361
22	Average Monthly Balance Under/(Over) Recovery	$570,066	$522,043	$448,621	$365,071	$288,368	$217,133	$166,696	$139,588	$119,646	$103,789	$87,875	$67,301	
23	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
24	Interest Applied	$703	$720	$667	$490	$459	$357	$283	$244	$229	$198	$163	$129	$4,641
25	Environmental Recon End Balance Under/(Over) Recovery	$552,774	$492,032	$405,876	$324,756	$252,439	$182,184	$151,490	$127,929	$111,592	$96,185	$79,728	$55,002	$55,002
26	**Reconciliation Factor (Applicable to all) - DAC**													
27	Recon Factor Acct Beg. Balance Under/(Over) Recovery	($292,904)	($296,612)	($266,269)	($223,222)	($182,689)	($146,563)	($111,470)	($96,158)	($84,414)	($76,284)	($68,620)	($60,429)	($292,904)
28	Actual Recon Revenue	$3,345	($30,731)	($43,411)	($40,805)	($36,388)	($35,305)	($15,488)	($11,902)	($8,283)	($7,803)	($8,310)	($12,427)	($247,508)
29	Ending Recon Balance Under/(Over) Recovery	($296,249)	($265,881)	($222,858)	($182,417)	($146,301)	($111,258)	($95,982)	($84,256)	($76,131)	($68,481)	($60,310)	($48,002)	($45,396)
30	Average Monthly Balance Under/(Over) Recovery	($294,577)	($281,247)	($244,564)	($202,819)	($164,495)	($128,911)	($103,726)	($90,207)	($80,272)	($72,383)	($64,465)	($54,215)	
31	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
32	Interest Applied	($363)	($388)	($363)	($272)	($262)	($212)	($176)	($158)	($153)	($138)	($119)	($104)	($2,709)
33	Reconciliation End Balance Under/(Over) Recovery	($296,612)	($266,269)	($223,222)	($182,689)	($146,563)	($111,470)	($96,158)	($84,414)	($76,284)	($68,620)	($60,429)	($48,105)	($48,105)

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

		Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	
		30	31	31	28	31	30	31	30	31	31	30	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	12 month End
34	**Reconciliation Factor (L & XL)- DAC**													
35	Recon Factor Acct Beg. Balance Under/(Over) Recovery	($144,846)	($131,895)	($117,387)	($98,130)	($81,599)	($67,853)	($50,357)	($43,227)	($35,657)	($27,757)	($19,984)	($12,041)	($144,846)
36	Actual Recon Revenue (L & XL)	($13,121)	($14,680)	($19,417)	($16,652)	($13,865)	($17,593)	($7,209)	($7,639)	($7,961)	($7,818)	($7,973)	($9,134)	($143,062)
37	Ending Recon Balance Under/(Over) Recovery	($131,725)	($117,215)	($97,970)	($81,478)	($67,734)	($50,260)	($43,148)	($35,588)	($27,696)	($19,939)	($12,011)	($2,907)	($1,784)
38	Average Monthly Balance Under/(Over) Recovery	($138,285)	($124,555)	($107,679)	($89,804)	($74,666)	($59,056)	($46,752)	($39,408)	($31,677)	($23,848)	($15,998)	($7,474)	
39	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
40	Interest Applied	($170)	($172)	($160)	($121)	($119)	($97)	($79)	($69)	($61)	($46)	($30)	($14)	($1,137)
41	Reconciliation End Balance Under/(Over) Recovery	($131,895)	($117,387)	($98,130)	($81,599)	($67,853)	($50,357)	($43,227)	($35,657)	($27,757)	($19,984)	($12,041)	($2,921)	($2,921)
42	**On-system Credits Recon. Adjust. - DAC**													
43	On-system Credit Acct Beg. Balance Under/(Over) Recovery	($63,674)	($66,966)	($62,665)	($56,552)	($50,795)	($45,674)	($40,701)	($38,556)	($36,922)	($35,808)	($34,760)	($33,637)	($63,674)
44	Actual On-system Revenue	$3,211	($4,390)	($6,202)	($5,829)	($5,198)	($5,044)	($2,212)	($1,700)	($1,183)	($1,115)	($1,187)	($1,775)	($32,624)
45	Ending On-system Balance Under/(Over) Recovery	($66,885)	($62,576)	($56,463)	($50,723)	($45,597)	($40,630)	($38,489)	($36,856)	($35,739)	($34,693)	($33,573)	($31,862)	($31,050)
46	Average Monthly Balance Under/(Over) Recovery	($65,280)	($64,771)	($59,564)	($53,637)	($48,196)	($43,152)	($39,595)	($37,706)	($36,330)	($35,251)	($34,167)	($32,749)	
47	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
48	Interest Applied	($80)	($89)	($89)	($72)	($77)	($71)	($67)	($66)	($69)	($67)	($63)	($63)	($874)
49	On-system Credit End Balance Under/(Over) Recovery	($66,966)	($62,665)	($56,552)	($50,795)	($45,674)	($40,701)	($38,556)	($36,922)	($35,808)	($34,760)	($33,637)	($31,924)	($31,924)
50	**Pension Adjustment**													
51	Pen Acct Beg. Balance Under/(Over) Recovery	($298,016)	($238,409)	($207,986)	($164,851)	($124,240)	($88,021)	($52,832)	($37,421)	($25,573)	($17,331)	($9,554)	($1,254)	($298,016)
52	Actual Pension Revenue	($59,938)	($30,731)	($43,411)	($40,805)	($36,388)	($35,305)	($15,488)	($11,902)	($8,283)	($7,803)	($8,310)	($12,427)	($310,791)
53	Ending Pension Balance Under/(Over) Recovery	($238,078)	($207,678)	($164,575)	($124,046)	($87,852)	($52,716)	($37,344)	($25,519)	($17,290)	($9,528)	($1,244)	$11,173	$12,775
54	Average Monthly Balance Under/(Over) Recovery	($268,047)	($223,043)	($186,280)	($144,449)	($106,046)	($70,369)	($45,088)	($31,470)	($21,432)	($13,430)	($5,399)	$4,959	
55	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
56	Interest Applied	($330)	($308)	($277)	($194)	($169)	($116)	($77)	($55)	($41)	($26)	($10)	$9	($1,592)
57	Pension Adjustment End Balance Under/(Over) Recovery	($238,409)	($207,986)	($164,851)	($124,240)	($88,021)	($52,832)	($37,421)	($25,573)	($17,331)	($9,554)	($1,254)	$11,182	$11,182
58	**PBOP Adjustment**													
59	PBOP Acct Beg. Balance Under/(Over) Recovery	($1,855,809)	($1,714,585)	($1,510,470)	($1,221,019)	($948,497)	($705,494)	($469,406)	($366,123)	($286,778)	($231,659)	($179,663)	($124,147)	($1,855,809)
60	Actual PBOP Revenue	($143,424)	($206,339)	($291,479)	($273,978)	($244,318)	($237,053)	($103,992)	($79,915)	($55,614)	($52,389)	($55,796)	($83,438)	($1,827,735)
61	Ending PBOP Balance Under/(Over) Recovery	($1,712,385)	($1,508,246)	($1,218,991)	($947,041)	($704,179)	($468,441)	($365,414)	($286,208)	($231,164)	($179,270)	($123,867)	($40,709)	($28,074)
62	Average Monthly Balance Under/(Over) Recovery	($1,784,097)	($1,611,415)	($1,364,730)	($1,084,030)	($826,338)	($586,968)	($417,410)	($326,166)	($258,971)	($205,464)	($151,765)	($82,428)	
63	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
64	Interest Applied	($2,200)	($2,224)	($2,028)	($1,455)	($1,316)	($965)	($709)	($570)	($495)	($393)	($281)	($158)	($12,792)
65	PBOP Adjustment End Balance Under/(Over) Recovery	($1,714,585)	($1,510,470)	($1,221,019)	($948,497)	($705,494)	($469,406)	($366,123)	($286,778)	($231,659)	($179,663)	($124,147)	($40,867)	($40,867)
66	**Earnings Sharing Mechanism**													
67	ESM Acct Beg. Balance Under/(Over) Recovery	$0	$11,781	$11,798	$11,815	$11,831	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$0
68	Actual ESM Revenue	($11,774)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($11,774)
69	Ending ESM Balance Under/(Over) Recovery	$11,774	$11,781	$11,798	$11,815	$11,831	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$11,774
70	Average Monthly Balance Under/(Over) Recovery	$5,887	$11,781	$11,798	$11,815	$11,831	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	
71	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
72	Interest Applied	$7	$16	$18	$16	$19	$19	$20	$21	$23	$23	$22	$23	$227
73	ESM Adjustment End Balance Under/(Over) Recovery	$11,781	$11,798	$11,815	$11,831	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$12,001	$12,001

Column (a), Line 11, per Docket 4634, SLN-1S, Page 1, Line 2.
Column (a), Line 19, per Docket 4634, SLN-1S, Page 1, Line 4.
Column (a), Line 27, per Docket 4634, SLN-10S, Page 1, Line 12.
Column (a), Line 35, per Docket 4634, SLN-10S, Page 1, Line 26.
Column (a), Line 43, per Docket 4634, SLN-1S, Page 1 , Line 6.
Column (a), Line 51, per Docket 4634, SLN-5S Revised, Page 1, Line 3.
Column (a), Line 59, per Docket 4634, SLN-5S Revised, Page 1, Line 9.
Column (a), Line 67, per Docket 4634, SLN-1S Revised, Page 1, Line 9.

National Grid - RI Gas
Base Rate / Fiscal Year Reconciling Components

Line No.		Source	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	12 month End
			30	31	30	31	31	30	31	30	31	31	28	31	
			Actual	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	
	DAC FACTORS: $/dth	Source													
1	AGT Factor - Base Rates	Dkt 4323	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	
2	LIAP Factor - Base Rates	Dkt 4323	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	
3	LIHEAP Factor - Base Rates	Dkt 4323	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	
4	Low Income Weatherization Factor - Base Rates	Dkt 4323	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	
5	Environmental - Base Rates	Dkt 4323	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	
	RI Firm Forecasted Throughput (dth) Feb 13 - Jan 14 (Rate Year)		3,826,443	2,321,424	1,505,558	1,230,159	1,063,069	1,175,941	1,391,267	2,407,560	4,054,661	5,577,080	5,765,550	5,359,362	35,678,072
6	RI Firm L-XL Forecasted Throughput (dth)	Dkt 4323	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
7	**Actual RI Firm L-XL Firm through-put (dth)**	**CSR**	**956,719**	**892,261**	**609,269**	**591,061**	**579,512**	**649,817**	**619,961**	**968,141**	**1,216,088**	**1,617,934**	**1,387,836**	**1,155,214**	8,785,564
	AGT Recon. Adjustment - Base Rates L-XL												**Target Collection L-XL**		**$82,980**
8	AGT Recon. Acct Beg. Balance Under/(Over) Recovery		$0	$299	($1,151)	($1,623)	($2,133)	($2,996)	($3,849)	($4,122)	($5,790)	($7,077)	($10,905)	($11,949)	
9	Fcst Firm Through-put L-XL		992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
10	Fcst L/XL AGT Collections		$8,344	$6,054	$4,652	$4,461	$4,012	$4,613	$4,943	$6,476	$8,944	$9,784	$10,634	$10,051	$82,968
11	Actual Firm Through-put L-XL		956,719	892,261	609,269	591,061	579,512	649,817	619,961	968,141	1,216,088	1,617,934	1,387,836	1,155,214	11,243,812
12	Actual AGT Collections		$8,045	$7,503	$5,123	$4,970	$4,873	$5,464	$5,213	$8,141	$10,226	$13,604	$11,670	$9,714	$94,546
13	Collection Variance		$299	($1,449)	($471)	($509)	($861)	($851)	($270)	($1,665)	($1,282)	($3,820)	($1,036)	$337	
14	Ending Balance Under/(Over) Recovery		$299	($1,150)	($1,622)	($2,132)	($2,994)	($3,847)	($4,119)	($5,787)	($7,072)	($10,897)	($11,941)	($11,612)	
15	Average Balance Under/(Over) Recovery		$150	($575)	($811)	($1,066)	($1,497)	($1,923)	($2,060)	($2,893)	($3,536)	($5,449)	($5,971)	($5,806)	
16	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%	
17	Interest Applied		$0	($1)	($1)	($1)	($2)	($2)	($3)	($4)	($5)	($8)	($8)	($9)	($44)
18	AGT End Balance Under/(Over) Recovery		$299	($1,151)	($1,623)	($2,133)	($2,996)	($3,849)	($4,122)	($5,790)	($7,077)	($10,905)	($11,949)	($11,622)	**($11,622)**
	LIAP Recon. Adjustment - Base Rates L-XL												**Target Collection L-XL**		**$493,731**
19	LIAP Recon. Acct Beg. Balance Under/(Over) Recovery		$0	$1,781	($6,840)	($9,651)	($12,692)	($17,833)	($22,921)	($24,554)	($34,498)	($42,177)	($64,989)	($71,242)	
20	Fcst Firm Through-put L-XL		992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
21	Fcst LIAP Collections		$49,645	$36,023	$27,681	$26,545	$23,872	$27,448	$29,414	$38,530	$53,216	$58,214	$63,273	$59,804	$493,665
22	Actual Firm Through-put L-XL		956,719	892,261	609,269	591,061	579,512	649,817	619,961	968,141	1,216,088	1,617,934	1,387,836	1,155,214	11,243,812
23	Actual LIAP Collections No EE		$42,502	$39,639	$27,067	$26,258	$25,745	$28,868	$27,542	$43,010	$54,025	$71,877	$61,655	$51,320	$499,508
24	Actual LIAP Collections EE Only		$5,363	$5,002	$3,415	$3,313	$3,249	$3,643	$3,475	$5,427	$6,817	$9,070	$7,780	$6,476	$63,030
25	Collection Variance		$1,780	($8,618)	($2,801)	($3,026)	($5,122)	($5,063)	($1,603)	($9,907)	($7,626)	($22,733)	($6,162)	$2,008	
26	Ending Balance Under/(Over) Recovery		$1,780	($6,837)	($9,641)	($12,677)	($17,814)	($22,896)	($24,524)	($34,461)	($42,124)	($64,910)	($71,151)	($69,234)	
27	Average Balance Under/(Over) Recovery		$890	($2,528)	($8,241)	($11,164)	($15,253)	($20,364)	($23,723)	($29,508)	($38,311)	($53,543)	($68,070)	($70,238)	
28	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%	
29	Interest Applied		$1	($3)	($10)	($14)	($19)	($25)	($30)	($36)	($53)	($80)	($91)	($112)	($473)
30	LIAP End Balance Under/(Over) Recovery		$1,781	($6,840)	($9,651)	($12,692)	($17,833)	($22,921)	($24,554)	($34,498)	($42,177)	($64,989)	($71,242)	($69,346)	**($69,346)**
	Environmental Recon. Adjust - Base Rates L-XL												**Target Collection L-XL**		**$362,346**
31	Environmental Recon. Acct Beg. Balance Under/(Over) Recovery		$0	$1,307	($5,020)	($7,083)	($9,314)	($13,087)	($16,820)	($18,019)	($25,316)	($30,951)	($47,692)	($52,280)	
32	Fcst Firm Through-put L-XL		992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
33	Fcst Environmental Collections		$36,434	$26,437	$20,315	$19,481	$17,520	$20,144	$21,586	$28,277	$39,055	$42,723	$46,436	$43,890	$362,298
34	Actual Firm Through-put L-XL		956,719	892,261	609,269	591,061	579,512	649,817	619,961	968,141	1,216,088	1,617,934	1,387,836	1,155,214	11,243,812
35	Actual Environmental Collections		$35,128	$32,761	$22,371	$21,702	$21,278	$23,859	$22,763	$35,547	$44,651	$59,406	$50,957	$42,416	$412,839
36	Collection Variance		$1,306	($6,324)	($2,056)	($2,221)	($3,758)	($3,715)	($1,177)	($7,270)	($5,596)	($16,683)	($4,521)	$1,474	
37	Ending Environmental Balance Under/(Over) Recovery		$1,306	($5,017)	($7,076)	($9,304)	($13,072)	($16,802)	($17,997)	($25,289)	($30,912)	($47,634)	($52,213)	($50,806)	
38	Average Balance Under/(Over) Recovery		$653	($1,855)	($6,048)	($8,194)	($11,193)	($14,944)	($17,409)	($21,654)	($28,114)	($39,292)	($49,953)	($51,543)	
39	Bk America Rate less 200 Basis Points		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%	
40	Interest Applied		$1	($2)	($7)	($10)	($14)	($18)	($22)	($27)	($39)	($58)	($67)	($82)	($347)
41	Environmental End Balance Under/(Over) Recovery		$1,307	($5,020)	($7,083)	($9,314)	($13,087)	($16,820)	($18,019)	($25,316)	($30,951)	($47,692)	($52,280)	($50,888)	**($50,888)**

National Grid - RI Gas
RDA Reconciliation

Line No.		Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Total
		30	31	31	28	31	30	31	30	31	31	30	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1	Actual Firm Throughput - decatherms													
2	Res-NH	28,568	39,507	52,335	52,271	48,480	45,685	30,341	24,941	25,629	24,348	25,656	35,674	433,434
3	Res-H	1,205,454	2,206,055	3,185,835	3,123,153	2,837,099	2,470,609	1,086,418	723,631	333,615	289,355	335,174	684,134	18,480,531
4	Small	122,150	273,372	434,196	426,066	388,051	329,980	110,717	71,536	2,491	2,243	2,511	43,678	2,206,991
5	Medium	370,678	629,145	910,589	840,771	768,485	731,416	309,696	241,595	158,138	147,199	159,385	250,580	5,517,679
6	Total	1,726,850	3,148,079	4,582,955	4,442,262	4,042,114	3,577,689	1,537,171	1,061,702	519,873	463,145	522,728	1,014,066	26,638,635
7	**RDM Acct Beg. Balance**	($284,715)	$194,657	$227,463	$274,898	$320,903	$362,957	$400,318	$417,561	$429,222	$435,385	$440,977	$447,165	
8	Actual RDM Revenue	($479,427)	($32,516)	($47,062)	($45,605)	($41,510)	($36,733)	($16,549)	($10,922)	($5,338)	($4,755)	($5,367)	($10,412)	
9	Ending RDM Balance Under/(Over) Recovery	$194,712	$227,172	$274,525	$320,503	$362,413	$399,691	$416,867	$428,483	$434,560	$440,141	$446,344	$457,577	
10	Average Monthly Balance	($45,001)	$210,914	$250,994	$297,701	$341,658	$381,324	$408,592	$423,022	$431,891	$437,763	$443,661	$452,371	
11	Bk America Rate less 200 Basis Points	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
12	Interest Applied	($55)	$291	$373	$400	$544	$627	$694	$739	$825	$837	$820	$864	$4,474
13	RDM Recon End Balance Under/(Over) Recovery	$194,657	$227,463	$274,898	$320,903	$362,957	$400,318	$417,561	$429,222	$435,385	$440,977	$447,165	$458,441	
14	RDM Revenue per rate class													
15	Res-NH	($7,931)	($408)	($537)	($537)	($498)	($469)	($327)	($257)	($263)	($250)	($263)	($366)	($12,106)
16	Res-H	($334,671)	($22,786)	($32,715)	($32,063)	($29,136)	($25,367)	($11,697)	($7,444)	($3,425)	($2,971)	($3,441)	($7,024)	($512,740)
17	Small	($33,912)	($2,824)	($4,459)	($4,374)	($3,985)	($3,388)	($1,192)	($736)	($26)	($23)	($26)	($448)	($55,393)
18	Medium	($102,912)	($6,498)	($9,351)	($8,631)	($7,892)	($7,510)	($3,334)	($2,485)	($1,624)	($1,511)	($1,637)	($2,573)	($155,958)
19	Total	($479,427)	($32,516)	($47,062)	($45,605)	($41,510)	($36,733)	($16,549)	($10,922)	($5,338)	($4,755)	($5,367)	($10,412)	($736,197)
20	**RDM Recon Adjustment**													
21	RDM Recon Acct Beg.Balance Under/(Over) Recovery	($2,002,854)	($1,962,003)	($1,736,540)	($1,408,860)	($1,090,738)	($801,159)	($544,675)	($429,450)	($353,542)	($316,751)	($283,979)	($246,833)	($2,002,854)
22	Actual RDM Recon Revenue	($43,293)	($228,014)	($330,015)	($319,799)	($291,084)	($257,590)	($116,051)	($76,591)	($37,431)	($33,346)	($37,636)	($73,013)	($1,843,863)
23	Ending RDM Recon Balance Under/(Over) Recovery	($1,959,561)	($1,733,989)	($1,406,525)	($1,089,061)	($799,654)	($543,569)	($428,624)	($352,859)	($316,111)	($283,405)	($246,343)	($173,820)	($158,991)
24	Average Monthly Balance Under/(Over) Recovery	($1,981,207)	($1,847,996)	($1,571,532)	($1,248,961)	($945,196)	($672,364)	($486,649)	($391,155)	($334,827)	($300,078)	($265,161)	($210,326)	
25	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
26	Interest Applied	($2,443)	($2,550)	($2,336)	($1,677)	($1,505)	($1,105)	($827)	($683)	($640)	($573)	($490)	($402)	($15,231)
27	RDM Recon Adjustment End Balance Under/(Over) Recovery	($1,962,003)	($1,736,540)	($1,408,860)	($1,090,738)	($801,159)	($544,675)	($429,450)	($353,542)	($316,751)	($283,979)	($246,833)	($174,222)	($174,222)
28	RDM Recon and Recon Adj End Balance Under/(Over) Recovery												**$284,219**	

6 Sum Lines (2) through (5).
7 (a) Beginning balance, Docket 4634, Schedule SLN-1S, Line 13 + monthly interest calculated from April - October at Bk America rate less 200 basis points.
19 Sum Lines (14) through (18).
21 (a) Beginning balance, Docket 4634, SLN-1S, Line 14.
28 Line 13 + Line 27.

National Grid - RI Gas
ISR Reconciliation for FY 16

Line No.		Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Total
		30	31	31	28	31	30	31	30	31	31	30	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	ISR Recon Rates $/decatherm	Prorated												
1	Res-NH	$0.4627	$0.6126	$0.6091	$0.6089	$0.6091	$0.6090	$0.6386	$0.6102	$0.6090	$0.6090	$0.6090	$0.6090	
2	Res-H	$0.2537	$0.3229	$0.3210	$0.3210	$0.3211	$0.3210	$0.3366	$0.3216	$0.3210	$0.3210	$0.3210	$0.3210	
3	Small	$0.2712	$0.3953	$0.3930	$0.3929	$0.3931	$0.3930	$0.4121	$0.3938	$0.3930	$0.3930	$0.3930	$0.3930	
4	Medium	$0.1619	$0.2072	$0.2060	$0.2060	$0.2060	$0.2060	$0.2160	$0.2064	$0.2060	$0.2060	$0.2060	$0.2060	
5	Large LL	$0.1737	$0.2374	$0.2360	$0.2360	$0.2360	$0.2360	$0.2475	$0.2365	$0.2360	$0.2360	$0.2360	$0.2360	
6	Large HL	$0.1529	$0.1941	$0.1930	$0.1930	$0.1930	$0.1930	$0.2024	$0.1934	$0.1930	$0.1930	$0.1930	$0.1930	
7	XL-LL	$0.0315	$0.0241	$0.0240	$0.0240	$0.0240	$0.0240	$0.0252	$0.0240	$0.0240	$0.0240	$0.0240	$0.0240	
8	XL-HL	$0.0243	$0.0141	$0.0140	$0.0140	$0.0140	$0.0140	$0.0147	$0.0140	$0.0140	$0.0140	$0.0140	$0.0140	
	Actual Firm Throughput - decatherms													
9	Res-NH	28,568	39,507	52,335	52,271	48,480	45,685	30,341	24,941	25,629	24,348	25,656	35,674	433,434
10	Res-H	1,205,454	2,206,055	3,185,835	3,123,153	2,837,099	2,470,609	1,086,418	723,631	333,615	289,355	335,174	684,134	18,480,531
11	Small	122,150	273,372	434,196	426,066	388,051	329,980	110,717	71,536	2,491	2,243	2,511	43,678	2,206,991
12	Medium	370,678	629,145	910,589	840,771	768,485	731,416	309,696	241,595	158,138	147,199	159,385	250,580	5,517,679
13	Large LL	211,011	362,624	535,934	454,607	392,596	405,972	96,214	63,411	38,056	31,484	38,657	92,056	2,722,620
14	Large HL	87,702	103,577	134,286	132,574	117,204	121,526	69,268	76,054	69,410	68,640	69,473	76,143	1,125,858
15	XL-LL	127,019	171,612	260,884	197,315	155,662	229,543	16,897	30,887	26,996	24,231	27,220	49,633	1,317,899
16	XL-HL	542,409	578,276	686,830	603,339	489,752	709,035	390,569	464,987	528,931	527,168	529,074	543,369	6,593,741
17	Total sum([8]:[15])	2,694,991	4,364,168	6,200,888	5,830,097	5,197,328	5,043,765	2,110,119	1,697,042	1,183,267	1,114,668	1,187,152	1,775,267	38,398,752
18	**ISR Res-NH Acct Beg. Balance Under/(Over-Recovery)**	$408,476	$428,044	$374,046	$307,333	$239,334	$179,591	$132,231	$98,989	$77,628	$62,153	$47,430	$31,878	
19	**FY 2015 Recon**	$52,284												
20	Adjusted Res-NH Revenue	$33,231	$54,551	$67,220	$68,365	$60,077	$47,616	$33,438	$21,516	$15,608	$14,828	$15,625	$21,725	
21	Ending Res-NH Balance Under/(Over) Recovery	$427,529	$373,493	$306,827	$238,968	$179,258	$131,975	$98,793	$77,474	$62,020	$47,325	$31,805	$10,153	
22	Average Monthly Balance Under/(Over) Recovery	$418,002	$400,769	$340,437	$273,150	$209,296	$155,783	$115,512	$88,231	$69,824	$54,739	$39,617	$21,016	
23	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
24	Interest Applied	$515	$553	$506	$367	$333	$256	$196	$154	$133	$105	$73	$40	
25	ISR Res-NH Recon End Balance Under/(Over) Recovery	$428,044	$374,046	$307,333	$239,334	$179,591	$132,231	$98,989	$77,628	$62,153	$47,430	$31,878	$10,193	
26	**ISR Res-H Acct Beg. Balance Under/(Over) Recovery**	$5,539,691	$5,784,345	$5,109,838	$4,129,261	$3,168,297	$2,292,316	$1,522,191	$1,172,866	$948,280	$842,900	$751,539	$645,238	
27	**FY 2015 Recon**	$523,526												
28	Actual Res-H Revenue	$285,849	$682,019	$987,438	$965,859	$880,325	$773,258	$351,612	$226,436	$107,090	$92,883	$107,591	$219,607	
29	Ending Res-H Balance Under/(Over) Recovery	$5,777,368	$5,102,326	$4,122,400	$3,163,402	$2,287,972	$1,519,058	$1,170,579	$946,430	$841,190	$750,017	$643,948	$425,631	
30	Average Monthly Balance Under/(Over) Recovery	$5,658,530	$5,443,335	$4,616,119	$3,646,331	$2,728,134	$1,905,687	$1,346,385	$1,059,648	$894,735	$796,458	$697,743	$535,435	
31	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
32	Interest Applied	$6,976	$7,513	$6,861	$4,895	$4,344	$3,133	$2,287	$1,851	$1,710	$1,522	$1,290	$1,023	
33	ISR Res-H Recon End Balance Under/(Over) Recovery	$5,784,345	$5,109,838	$4,129,261	$3,168,297	$2,292,316	$1,522,191	$1,172,866	$948,280	$842,900	$751,539	$645,238	$426,654	
34	**ISR Small C&I Acct Beg. Balance Under/(Over) Recovery**	$798,851	$884,576	$777,646	$608,015	$441,297	$289,347	$160,037	$114,645	$86,652	$85,837	$85,119	$84,289	
35	**FY 2015 Recon**	$117,809												
36	Actual Small C&I Revenue	$33,122	$108,076	$170,661	$167,421	$152,531	$129,680	$45,625	$28,168	$979	$881	$987	$17,165	
37	Ending Small C&I Balance Under/(Over) Recovery	$883,539	$776,500	$606,986	$440,594	$288,766	$159,668	$114,411	$86,476	$85,673	$84,956	$84,132	$67,123	
38	Average Monthly Balance Under/(Over) Recovery	$841,195	$830,538	$692,316	$524,304	$365,032	$224,507	$137,224	$100,560	$86,162	$85,397	$84,626	$75,706	
39	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
40	Interest Applied	$1,037	$1,146	$1,029	$704	$581	$369	$233	$176	$165	$163	$156	$145	
41	ISR Small C&I Recon End Balance Under/(Over) Recovery	$884,576	$777,646	$608,015	$441,297	$289,347	$160,037	$114,645	$86,652	$85,837	$85,119	$84,289	$67,268	
42	**ISR Medium Acct Beg. Balance Under/(Over) Recovery**	$1,034,650	$1,131,262	$1,002,357	$816,102	$643,906	$486,469	$336,475	$270,095	$220,658	$188,472	$158,480	$125,910	
43	**FY 2015 Recon**	$155,306												
44	Actual Medium Revenue	$60,028	$130,377	$187,605	$173,175	$158,336	$150,670	$66,895	$49,865	$32,576	$30,323	$32,833	$51,620	
45	Ending Medium Balance Under/(Over) Recovery	$1,129,928	$1,000,885	$814,752	$642,927	$485,570	$335,800	$269,580	$220,230	$188,082	$158,149	$125,647	$74,290	
46	Average Monthly Balance Under/(Over) Recovery	$1,082,289	$1,066,074	$908,554	$729,515	$564,738	$411,134	$303,028	$245,162	$204,370	$173,311	$142,064	$100,100	
47	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
48	Interest Applied	$1,334	$1,471	$1,350	$979	$899	$676	$515	$428	$391	$331	$263	$191	
49	ISR Medium Recon End Balance Under/(Over) Recovery	$1,131,262	$1,002,357	$816,102	$643,906	$486,469	$336,475	$270,095	$220,658	$188,472	$158,480	$125,910	$74,481	

National Grid - RI Gas
ISR Reconciliation for FY 16

Line No.		Nov-16 30 Actual (a)	Dec-16 31 Actual (b)	Jan-17 31 Actual (c)	Feb-17 28 Actual (d)	Mar-17 31 Actual (e)	Apr-17 30 Actual (f)	May-17 31 Actual (g)	Jun-17 30 Actual (h)	Jul-17 31 Forecast (i)	Aug-17 31 Forecast (j)	Sep-17 30 Forecast (k)	Oct-17 31 Forecast (l)	Total
50	**ISR Large LL Acct Beg. Balance Under/(Over) Recovery**	$582,891	$602,396	$517,079	$391,257	$284,438	$192,148	$96,578	$72,913	$58,033	$49,154	$41,811	$32,757	
51	**FY 2015 Recon**	$55,428												
52	Actual Large LL Revenue	$36,653	$86,089	$126,496	$107,272	$92,670	$95,807	$23,809	$14,994	$8,981	$7,430	$9,123	$21,725	
53	Ending Large LL Balance Under/(Over) Recovery	$601,666	$516,307	$390,583	$283,985	$191,769	$96,340	$72,769	$57,919	$49,052	$41,724	$32,688	$11,032	
54	Average Monthly Balance Under/(Over) Recovery	$592,279	$559,352	$453,831	$337,621	$238,104	$144,244	$84,673	$65,416	$53,542	$45,439	$37,249	$21,894	
55	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
56	Interest Applied	$730	$772	$675	$453	$379	$237	$144	$114	$102	$87	$69	$42	
57	ISR Large LL Recon End Balance Under/(Over) Recovery	$602,396	$517,079	$391,257	$284,438	$192,148	$96,578	$72,913	$58,033	$49,154	$41,811	$32,757	$\boxed{\$11,073}$	
58	**ISR Large HL Acct Beg. Balance Under/(Over) Recovery**	$192,127	$200,950	$181,104	$155,434	$130,041	$107,607	$84,310	$70,423	$55,826	$42,524	$29,345	$15,979	
59	**FY 2015 Recon**	$21,986												
60	Actual Large HL Revenue	$13,406	$20,109	$25,920	$25,584	$22,624	$23,455	$14,018	$14,706	$13,396	$13,248	$13,408	$14,696	
61	Ending Large HL Balance Under/(Over) Recovery	$200,707	$180,840	$155,184	$129,850	$107,417	$84,152	$70,291	$55,716	$42,430	$29,277	$15,937	$1,283	
62	Average Monthly Balance Under/(Over) Recovery	$196,417	$190,895	$168,144	$142,642	$118,729	$95,879	$77,300	$63,069	$49,128	$35,900	$22,641	$8,631	
63	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
64	Interest Applied	$242	$263	$250	$191	$189	$158	$131	$110	$94	$69	$42	$16	
65	ISR Large HL Recon End Balance Under/(Over) Recovery	$200,950	$181,104	$155,434	$130,041	$107,607	$84,310	$70,423	$55,826	$42,524	$29,345	$15,979	$\boxed{\$1,300}$	
66	**ISR XL LL Acct Beg. Balance Under/(Over) Recovery**	$28,462	$26,937	$22,827	$16,595	$11,879	$8,158	$2,658	$2,236	$1,497	$851	$271	($383)	
67	**FY 2015 Recon**	$2,438												
68	Actual XL LL Revenue	$3,997	$4,144	$6,262	$4,735	$3,737	$5,509	$426	$742	$648	$582	$653	$1,191	
69	Ending XL LL Balance Under/(Over) Recovery	$26,902	$22,793	$16,566	$11,859	$8,142	$2,649	$2,232	$1,494	$849	$270	($382)	($1,574)	
70	Average Monthly Balance Under/(Over) Recovery	$27,682	$24,865	$19,696	$14,227	$10,010	$5,403	$2,445	$1,865	$1,173	$561	($56)	($978)	
71	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
72	Interest Applied	$34	$34	$29	$19	$16	$9	$4	$3	$2	$1	($0)	($2)	
73	ISR XL LL Recon End Balance Under/(Over) Recovery	$26,937	$22,827	$16,595	$11,879	$8,158	$2,658	$2,236	$1,497	$851	$271	($383)	$\boxed{(\$1,576)}$	
74	**ISR XL HL Acct Beg. Balance Under/(Over) Recovery**	$93,283	$88,948	$80,921	$71,416	$63,061	$56,298	$46,456	$40,797	$34,340	$26,993	$19,657	$12,280	
75	**FY 2015 Recon**	$8,720												
76	Actual XL HL Revenue	$13,168	$8,144	$9,617	$8,446	$6,858	$9,926	$5,734	$6,523	$7,405	$7,380	$7,407	$7,607	
77	Ending XL HL Balance Under/(Over) Recovery	$88,835	$80,803	$71,303	$62,971	$56,203	$46,372	$40,723	$34,274	$26,935	$19,613	$12,250	$4,673	
78	Average Monthly Balance Under/(Over) Recovery	$91,059	$84,876	$76,112	$67,194	$59,632	$51,335	$43,589	$37,535	$30,637	$23,303	$15,954	$8,476	
79	Bk America Rate less 200 Basis Points	1.50%	1.63%	1.75%	1.75%	1.88%	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	
80	Interest Applied	$112	$117	$113	$90	$95	$84	$74	$66	$59	$45	$30	$16	
81	ISR XL HL Recon End Balance Under/(Over) Recovery	$88,948	$80,921	$71,416	$63,061	$56,298	$46,456	$40,797	$34,340	$26,993	$19,657	$12,280	$\boxed{\$4,689}$	
													Approved Amount to be Recovered[1]	$8,602,697
													Under/ (Over) Recovery	$594,083

[1]Docket 4634, SLN-8S, Page 1 of 2

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

Line No.	Description	Forecast[1]	Actual	Variance
		October 31, 2016 Ending Deferred Balances		
		(a)	(b)	(c) = (b) - (a)
1	System Pressure	$393,621	$408,232	$14,611
2	Advanced Gas Technology	$32,872	$32,872	$0
3	Environmental - DAC	$54,965	$60,098	$5,133
4	Previous Reconciliation Factor - Applicable to All	$24,132	$27,291	$3,159
5	Previous Reconciliation Factor - Large & Extra Large	($11,071)	($14,077)	($3,006)
6	On-System Margin Credits	$25,510	$26,695	$1,185
7	Pension	($206,130)	($219,948)	($13,818)
8	PBOP	($261,056)	($284,351)	($23,294)
9	Earnings Sharing Mechanism	($55,019)	($58,178)	($3,159)
10	RDM			
11	RDA Reconciliation	($2,097,985)	($2,195,246)	($97,261)
12	RDM Recon Reconciliation	$95,131	$97,660	$2,529
13		($2,002,854)	($2,097,586)	($94,732)
14	ISR Recon			
15	Residential Non-Heating	$52,284	$60,081	$7,797
16	Residential Heating	$523,526	$534,554	$11,028
17	Small C&I	$117,809	$124,346	$6,537
18	Medium C&I	$155,306	$165,575	$10,269
19	Large Low Load C&I	$55,428	$69,330	$13,902
20	Large High Load C&I	$21,986	$25,855	$3,869
21	Extra Large Low Load C&I	$2,438	$5,053	$2,615
22	Extra Large High Load C&I	$8,720	$8,343	($377)
23		$937,497	$993,137	$55,640
24	**Total**	($1,067,533)	($1,125,814)	($58,281)

[1]Docket 4634, SLN-10S, Pages 2-3, 5-7 filed on September 1, 2016.

1 See AEL-11, Page 1, Line 9
2 See AEL-11, Page 1, Line 20
3 See AEL-11, Page 1, Line 32
4 See AEL-11, Page 2, Line 44
5 See AEL-11, Page 2, Line 56
6 See AEL-11, Page 2, Line 68
7 See AEL-11, Page 3, Line 80
8 See AEL-11, Page 3, Line 92
9 See AEL-11, Page 3, Lines 104
10 See AEL-11, Page 4, Lines 18 and 36
14 See AEL-11, Pages 5-8, Lines 12, 24, 36, 48, 60, 72, 84, 96
24 Net owed to Company, sum[Lines(1:9)] + Line 13 + Line 23

Schedule
AEL-11

Schedule AEL-11
Reconciliations for FY 17

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2016 - March 2017)

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	**System Pressure Recon Adjust.**												
2	System Pressure Acct Beg. Balance Under/(Over) Recovery	$23,895	$8,646	$30,898	$97,927	$176,087	$257,169	$335,869	$0	$25,076	$151,832	$47,918	($42,364)
3	Actual Costs	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$289,071	$125,400	$125,400	$367,915
4	Actual Revenue	$139,335	$101,839	$57,116	$46,080	$43,258	$45,731	$52,175	$99,005	$162,437	$229,462	$215,685	$192,336
5	Ending Balance Under/(Over) Recovery	$8,626	$30,873	$97,848	$175,913	$256,894	$335,504	$407,759	$25,061	$151,710	$47,770	($42,367)	$133,215
6	Average Monthly Balance Under/(Over) Recovery	$16,261	$19,760	$64,373	$136,920	$216,491	$296,337	$371,814	$12,530	$88,393	$99,801	$2,775	$45,426
7	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
8	Interest Applied	$20	$25	$79	$174	$275	$364	$472	$15	$122	$148	$4	$72
9	Sys Pressure End Balance Under/(Over) Recovery	$8,646	$30,898	$97,927	$176,087	$257,169	$335,869	$408,232	$25,076	$151,832	$47,918	($42,364)	$133,287
10	**Advanced Gas Technology**												
11	AGT Acct Beg. Balance Under/(Over) Recovery	$32,586	$32,626	$32,667	$32,707	$32,749	$32,790	$32,831	$32,872	$0	$0	$0	$0
12	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($32,872)	$0	$0	$0	$0
13	AGT DAC True-up	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
14	Subtotal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
15	Actual AGT Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
16	Ending AGT Balance Under/(Over) Recovery	$32,586	$32,626	$32,667	$32,707	$32,749	$32,790	$32,831	$0	$0	$0	$0	$0
17	Average Monthly Balance Under/(Over) Recovery	$32,586	$32,626	$32,667	$32,707	$32,749	$32,790	$32,831	$0	$0	$0	$0	$0
18	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
19	Interest Applied	$40	$41	$40	$42	$42	$40	$42	$0	$0	$0	$0	$0
20	AGT End Balance Under/(Over) Recovery	$32,626	$32,667	$32,707	$32,749	$32,790	$32,831	$32,872	$0	$0	$0	$0	$0
21	**Environmental Recon. Adjust - DAC**												
22	Environmental Acct Beg. Balance Under/(Over) Recovery	$229,591	$180,888	$145,314	$125,413	$109,373	$94,303	$78,341	$60,098	$552,774	$492,032	$405,876	$324,756
23	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($54,965)	$0	$0	$0	$0
24	Environmental DAC True-up	$0	$0	$0	$0	$0	$0	$0	($5,133)	$0	$0	$0	$0
25	Environmental Response Cost	$0	$0	$0	$0	$0	$0	$0	$588,061	$0	$0	$0	$0
26	Subtotal	$0	$0	$0	$0	$0	$0	$0	$588,061	$0	$0	$0	$0
27	Actual Environmental Revenue	$48,955	$35,781	$20,067	$16,190	$15,199	$16,068	$18,331	$35,990	$61,462	$86,823	$81,610	$72,776
28	Ending Environmental Balance Under/(Over) Recovery	$180,636	$145,107	$125,247	$109,223	$94,174	$78,235	$60,010	$552,071	$491,312	$405,209	$324,266	$251,980
29	Average Monthly Balance Under/(Over) Recovery	$205,113	$162,998	$135,281	$117,318	$101,773	$86,269	$69,175	$570,066	$522,043	$448,621	$365,071	$288,368
30	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
31	Interest Applied	$252	$207	$166	$149	$129	$106	$88	$703	$720	$667	$490	$459
32	Environmental Recon End Balance Under/(Over) Recovery	$180,888	$145,314	$125,413	$109,373	$94,303	$78,341	$60,098	$552,774	$492,032	$405,876	$324,756	$252,439

12 Docket 4634, SLN-10S, Page 1, Ln 2
13 AEL-10, Page 8, Ln 2
14 Col (h): Sum Lines (11:13)
23 Docket 4634, SLN-10S, Page 1, Ln 3
24 AEL-10, Page 8, Ln 3
25 Col (h) per Docket 4634, SLN-1S, Pg 1, Ln 4
26 Col (h): Sum Lines(22:25)

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2016 - March 2017)

		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
33	**Reconciliation Factor (Applicable to all) - DAC**												
34	Recon Factor Acct Beg. Balance Under/(Over) Recovery	$131,680	$101,698	$79,794	$67,535	$57,651	$48,366	$38,531	$27,291	($296,612)	($266,269)	($223,222)	($182,689)
35	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($24,132)	$0	$0	$0	$0
36	Reconcilation (All) DAC True-up	$0	$0	$0	$0	$0	$0	$0	($3,159)	$0	$0	$0	$0
37	Reconciliation (All) Factor Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	($292,904)	$0	$0	$0	$0
38	Subtotal	$0	$0	$0	$0	$0	$0	$0	($292,904)	$0	$0	$0	$0
39	Actual Recon Revenue	$30,126	$22,019	$12,350	$9,963	$9,353	$9,888	$11,281	$3,345	($30,731)	($43,411)	($40,805)	($36,388)
40	Ending Recon Balance Under/(Over) Recovery	$101,554	$79,679	$67,444	$57,572	$48,298	$38,478	$27,250	($296,249)	($265,881)	($222,858)	($182,417)	($146,301)
41	Average Monthly Balance Under/(Over) Recovery	$116,617	$90,688	$73,619	$62,553	$52,975	$43,422	$32,891	($294,577)	($281,247)	($244,564)	($202,819)	($164,495)
42	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
43	Interest Applied	$143	$115	$91	$80	$67	$54	$42	($363)	($388)	($363)	($272)	($262)
44	Reconciliation End Balance Under/(Over) Recovery	$101,698	$79,794	$67,535	$57,651	$48,366	$38,531	$27,292	($296,612)	($266,269)	($223,222)	($182,689)	($146,563)
45	**Reconciliation Factor (L & XL)- DAC**												
46	Recon Factor Acct Beg. Balance Under/(Over) Recovery	($87,894)	($73,599)	($59,489)	($50,465)	($41,684)	($33,057)	($23,332)	($14,077)	($131,895)	($117,387)	($98,130)	($81,599)
47	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$11,071	$0	$0	$0	$0
48	Reconcilation (L & XL) DAC True-up	$0	$0	$0	$0	$0	$0	$0	$3,006	$0	$0	$0	$0
49	Reconciliation (L & XL)Factor Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	($144,846)	$0	$0	$0	$0
50	Subtotal	$0	$0	$0	$0	$0	$0	$0	($144,846)	$0	$0	$0	$0
51	Actual Recon Revenue (L & XL)	($14,394)	($14,195)	($9,092)	($8,839)	($8,674)	($9,760)	($9,279)	($13,121)	($14,680)	($19,417)	($16,652)	($13,865)
52	Ending Recon Balance Under/(Over) Recovery	($73,500)	($59,404)	($50,397)	($41,626)	($33,010)	($23,297)	($14,053)	($131,725)	($117,215)	($97,970)	($81,478)	($67,734)
53	Average Monthly Balance Under/(Over) Recovery	($80,697)	($66,502)	($54,943)	($46,045)	($37,347)	($28,177)	($18,693)	($138,285)	($124,555)	($107,679)	($89,804)	($74,666)
54	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
55	Interest Applied	($99)	($84)	($68)	($58)	($47)	($35)	($24)	($170)	($172)	($160)	($121)	($119)
56	Reconciliation End Balance Under/(Over) Recovery	($73,599)	($59,489)	($50,465)	($41,684)	($33,057)	($23,332)	($14,077)	($131,895)	($117,387)	($98,130)	($81,599)	($67,853)
57	**On-system Credits Recon. Adjust. - DAC**												
58	On-system Credit Acct Beg. Balance Under/(Over) Recovery	$65,698	$54,474	$46,280	$41,703	$38,017	$34,557	$30,889	$26,695	($66,966)	($62,665)	($56,552)	($50,795)
59	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($25,510)	$0	$0	$0	$0
60	On-system DAC True-up	$0	$0	$0	$0	$0	$0	$0	($1,185)	$0	$0	$0	$0
61	On-system Credit Cost	$0	$0	$0	$0	$0	$0	$0	($63,674)	$0	$0	$0	$0
62	Subtotal	$0	$0	$0	$0	$0	$0	$0	($63,674)	$0	$0	$0	$0
63	Actual On-system Revenue	$11,298	$8,258	$4,631	$3,736	$3,507	$3,708	$4,230	$3,211	($4,390)	($6,202)	($5,829)	($5,198)
64	Ending On-system Balance Under/(Over) Recovery	$54,400	$46,216	$41,649	$37,967	$34,510	$30,849	$26,659	($66,885)	($62,576)	($56,463)	($50,723)	($45,597)
65	Average Monthly Balance Under/(Over) Recovery	$60,049	$50,345	$43,964	$39,835	$36,264	$32,703	$28,774	($65,280)	($64,771)	($59,564)	($53,637)	($48,196)
66	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
67	Interest Applied	$74	$64	$54	$51	$46	$40	$37	($80)	($89)	($89)	($72)	($77)
68	On-system Credit End Balance Under/(Over) Recovery	$54,474	$46,280	$41,703	$38,017	$34,557	$30,889	$26,695	($66,966)	($62,665)	($56,552)	($50,795)	($45,674)

35 Docket 4634, SLN-10S, Page 1, Ln 7
36 AEL-10, Page 8, Ln 4
37 Col (h) per Docket 4634, SLN-10S, Pg 1, Ln 12
38 Col (h): Sum Lines(34:37)
47 Docket 4634, SLN-10S, Page 1, Ln 25
48 AEL-10, Page 8, Ln 5
49 Col (h) per Docket 4634, SLN-10S, Pg 1, Ln 26
50 Col (h): Sum Lines(46:49)
59 Docket 4634, SLN-10S, Page 1, Ln 4
60 AEL-10, Page 8, Ln 6
61 Col (h) per Docket 4634, SLN-1S, Pg 1 , Ln 6
62 Col (h): Sum Lines(58:61)

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2016 - March 2017)

		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
69	**Pension Adjustment**												
70	Pen Acct Beg. Balance Under/(Over) Recovery	($675,772)	($544,720)	($449,017)	($395,508)	($352,394)	($311,894)	($268,992)	($219,948)	($238,409)	($207,986)	($164,851)	($124,240)
71	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$206,130	$0	$0	$0	$0
72	Pension DAC True-up	$0	$0	$0	$0	$0	$0	$0	$13,818	$0	$0	$0	$0
73	Pension Cost	$0	$0	$0	$0	$0	$0	$0	($298,016)	$0	$0	$0	$0
74	Subtotal	$0	$0	$0	$0	$0	$0	$0	($298,016)	$0	$0	$0	$0
75	Actual Pension Revenue	($131,802)	($96,334)	($54,028)	($43,589)	($40,921)	($43,259)	($49,355)	($59,938)	($30,731)	($43,411)	($40,805)	($36,388)
76	Ending Pension Balance Under/(Over) Recovery	($543,970)	($448,386)	($394,989)	($351,919)	($311,473)	($268,635)	($219,637)	($238,078)	($207,678)	($164,575)	($124,046)	($87,852)
77	Average Monthly Balance Under/(Over) Recovery	($609,871)	($496,553)	($422,003)	($373,713)	($331,933)	($290,265)	($244,315)	($268,047)	($223,043)	($186,280)	($144,449)	($106,046)
78	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
79	Interest Applied	($750)	($631)	($519)	($475)	($422)	($357)	($310)	($330)	($308)	($277)	($194)	($169)
80	Pension Adjustment End Balance Under/(Over) Recovery	($544,720)	($449,017)	($395,508)	($352,394)	($311,894)	($268,992)	($219,948)	($238,409)	($207,986)	($164,851)	($124,240)	($88,021)
81	**PBOP Adjustment**												
82	PBOP Acct Beg. Balance Under/(Over) Recovery	($1,053,498)	($832,474)	($671,037)	($580,729)	($507,941)	($439,563)	($367,136)	($284,351)	($1,714,585)	($1,510,470)	($1,221,019)	($948,497)
83	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$261,056	$0	$0	$0	$0
84	PBOP DAC True-up	$0	$0	$0	$0	$0	$0	$0	$23,294	$0	$0	$0	$0
85	PBOP Cost	$0	$0	$0	$0	$0	$0	$0	($1,855,809)	$0	$0	$0	$0
86	Subtotal	$0	$0	$0	$0	$0	$0	$0	($1,855,809)	$0	$0	$0	$0
87	Actual PBOP Revenue	($222,182)	($162,392)	($91,077)	($73,479)	($68,980)	($72,922)	($83,199)	($143,424)	($206,339)	($291,479)	($273,978)	($244,318)
88	Ending PBOP Balance Under/(Over) Recovery	($831,316)	($670,082)	($579,960)	($507,250)	($438,961)	($366,641)	($283,937)	($1,712,385)	($1,508,246)	($1,218,991)	($947,041)	($704,179)
89	Average Monthly Balance Under/(Over) Recovery	($942,407)	($751,278)	($625,498)	($543,989)	($473,451)	($403,102)	($325,537)	($1,784,097)	($1,611,415)	($1,364,730)	($1,084,030)	($826,338)
90	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
91	Interest Applied	($1,159)	($954)	($769)	($691)	($602)	($496)	($414)	($2,200)	($2,224)	($2,028)	($1,455)	($1,316)
92	PBOP Adjustment End Balance Under/(Over) Recovery	($832,474)	($671,037)	($580,729)	($507,941)	($439,563)	($367,136)	($284,351)	($1,714,585)	($1,510,470)	($1,221,019)	($948,497)	($705,494)
93	**Earnings Sharing Mechanism**												
94	ESM Acct Beg. Balance Under/(Over) Recovery	($162,298)	($132,353)	($110,488)	($98,266)	($88,422)	($79,175)	($69,378)	($58,178)	$11,781	$11,798	$11,815	$11,831
95	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$55,019	$0	$0	$0	$0
96	ESM DAC True-up	$0	$0	$0	$0	$0	$0	$0	$3,159	$0	$0	$0	$0
97	ESM Cost	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
98	Subtotal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
99	Actual ESM Revenue	($30,126)	($22,019)	($12,350)	($9,963)	($9,353)	($9,888)	($11,281)	($11,774)	$0	$0	$0	$0
100	Ending ESM Balance Under/(Over) Recovery	($132,172)	($110,334)	($98,138)	($88,303)	($79,069)	($69,287)	($58,097)	$11,774	$11,781	$11,798	$11,815	$11,831
101	Average Monthly Balance Under/(Over) Recovery	($147,235)	($121,343)	($104,313)	($93,285)	($83,745)	($74,231)	($63,738)	$5,887	$11,781	$11,798	$11,815	$11,831
102	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
103	Interest Applied	($181)	($154)	($128)	($119)	($106)	($91)	($81)	$7	$16	$18	$16	$19
104	ESM Adjustment End Balance Under/(Over) Recovery	($132,353)	($110,488)	($98,266)	($88,422)	($79,175)	($69,378)	($58,178)	$11,781	$11,798	$11,815	$11,831	$11,850

71 Docket 4634, SLN-10S, Page 1, Ln 5
72 AEL-10, Page 8, Ln 7
73 Col (h) per Docket 4634, SLN-5S, Pg 1, Ln 3
74 Col (h): Sum Lines(70:73)
83 Docket 4634, SLN-10S, Page 1, Ln 6
84 AEL-10, Page 8, Ln 8
85 Col (h) per Docket 4634, SLN-5S, Pg 1, Ln 9
86 Col (h): Sum Lines(82:85)
94 Col (h) per Docket 4634, SLN-10S, Pg 1, Ln 8

National Grid - RI Gas
RDA Reconciliation (April 2016 - March 2017)

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Total
		30	31	30	31	31	30	31	30	31	31	28	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Actual Firm Throughput - dekatherms													
1	Res-NH	62,960	41,123	29,766	18,985	16,446	16,379	20,258	28,568	39,507	52,335	52,271	48,480	427,078
2	Res-H	1,930,631	1,162,655	629,582	432,234	370,661	375,326	516,689	1,205,454	2,206,055	3,185,835	3,123,153	2,837,099	17,975,374
3	Small	245,627	129,552	71,339	48,956	43,038	36,525	49,483	122,150	273,372	434,196	426,066	388,051	2,268,355
4	Medium	558,619	369,646	211,771	158,015	162,022	156,319	206,721	370,678	629,145	910,589	840,771	768,485	5,342,780
5	Total	2,797,837	1,702,976	942,458	658,191	592,167	584,549	793,150	1,726,850	3,148,079	4,582,955	4,442,262	4,042,114	26,013,587
6	**RDM Reconciliation**													
7	RDM Acct Beg. Balance Under/(Over) Recovery	($6,250,652)	($4,854,371)	($3,956,912)	($3,492,704)	($3,168,851)	($2,877,245)	($2,587,952)	($2,195,246)	$194,657	$227,463	$274,898	$320,903	
8	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$2,097,985	$0	$0	$0	$0	
9	RDM DAC True-up	$0	$0	$0	$0	$0	$0	$0	$97,261	$0	$0	$0	$0	
10	RDM Balance November 2016	$0	$0	$0	$0	$0	$0	$0	($282,230)	$0	$0	$0	$0	
11	Interest on RDM Balance	$0	$0	$0	$0	$0	$0	$0	($2,485)	$0	$0	$0	$0	
12	Subtotal	$0	$0	$0	$0	$0	$0	$0	($284,715)	$0	$0	$0	$0	
13	Actual RDM Revenue	($1,403,104)	($903,053)	($468,785)	($328,082)	($295,444)	($292,651)	($395,743)	($479,427)	($32,516)	($47,062)	($45,605)	($41,510)	
14	Ending RDM Balance Under/(Over) Recovery	($4,847,548)	($3,951,318)	($3,488,127)	($3,164,622)	($2,873,407)	($2,584,595)	($2,192,210)	$194,712	$227,172	$274,525	$320,503	$362,413	
15	Average Monthly Balance Under/(Over) Recovery	($5,549,100)	($4,402,844)	($3,722,519)	($3,328,663)	($3,021,129)	($2,730,920)	($2,390,081)	($45,001)	$210,914	$250,994	$297,701	$341,658	
16	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%	
17	Interest Applied	($6,823)	($5,594)	($4,577)	($4,229)	($3,838)	($3,358)	($3,037)	($55)	$291	$373	$400	$544	($29,903)
18	RDM Recon End Balance Under/(Over) Recovery	($4,854,371)	($3,956,912)	($3,492,704)	($3,168,851)	($2,877,245)	($2,587,952)	($2,195,246)	$194,657	$227,463	$274,898	$320,903	$362,957	
19	RDM Revenue per rate class													
20	Res-NH	($21,463)	($17,494)	($9,488)	($6,153)	($5,266)	($5,332)	($6,544)	($12,094)	($19,516)	($26,142)	($26,140)	($24,297)	($179,930)
21	Res-H	($658,149)	($494,608)	($200,673)	($140,092)	($118,690)	($122,188)	($166,906)	($510,336)	($1,089,782)	($1,591,345)	($1,561,859)	($1,421,899)	($8,076,527)
22	Small	($83,734)	($55,113)	($22,739)	($15,867)	($13,781)	($11,891)	($15,985)	($51,713)	($135,045)	($216,883)	($213,072)	($194,484)	($1,030,305)
23	Medium	($190,433)	($157,252)	($67,500)	($51,214)	($51,881)	($50,890)	($66,777)	($156,929)	($310,795)	($454,845)	($420,462)	($385,150)	($2,364,127)
24	Total	($953,779)	($724,467)	($300,398)	($213,326)	($189,618)	($190,300)	($256,212)	($731,072)	($1,555,138)	($2,289,216)	($2,221,533)	($2,025,829)	($11,650,889)
25	**RDM Recon Adjustment**													
26	RDM Recon Acct Beg. Balance Under/(Over) Recovery	$202,746	$166,492	$143,209	$131,189	$122,821	$115,291	$107,819	$97,660	($1,962,003)	($1,736,540)	($1,408,860)	($1,090,738)	
27	Transfer to 2016-2017 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($95,131)	$0	$0	$0	$0	
28	RDM DAC True-up	$0	$0	$0	$0	$0	$0	$0	($2,529)	$0	$0	$0	$0	
29	RDM Balance November 2016	$0	$0	$0	$0	$0	$0	$0	($2,002,854)	$0	$0	$0	$0	
30	Subtotal	$0	$0	$0	$0	$0	$0	$0	($2,002,854)	$0	$0	$0	$0	
31	Actual RDM Recon Revenue	$36,481	$23,480	$12,188	$8,530	$7,681	$7,609	$10,289	($43,293)	($228,014)	($330,015)	($319,799)	($291,084)	
32	Ending RDM Recon Balance Under/(Over) Recovery	$166,265	$143,012	$131,021	$122,659	$115,140	$107,682	$97,530	($1,959,561)	($1,733,989)	($1,406,525)	($1,089,061)	($799,654)	
33	Average Monthly Balance Under/(Over) Recovery	$184,506	$154,752	$137,115	$126,924	$118,980	$111,486	$102,674	($1,981,207)	($1,847,996)	($1,571,532)	($1,248,961)	($945,196)	
34	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%	
35	Interest Applied	$227	$197	$169	$161	$151	$137	$130	($2,443)	($2,550)	($2,336)	($1,677)	($1,505)	
36	RDM Recon Adjustment End Balance Under/(Over) Recovery	$166,492	$143,209	$131,189	$122,821	$115,291	$107,819	$97,660	($1,962,003)	($1,736,540)	($1,408,860)	($1,090,738)	($801,159)	

8 Docket 4634, SLN-10S, Page 1, Line 16
9 AEL-10, Page 8, Line 11
10 Docket 4634, SLN-1S, Page 1, Line 13
11 Beginning balance, Docket 4634, Schedule SLN-1S, Line 13 + monthly interest calculated from April - October at Bk America rate less 200 basis points
12 Col (h): Sum Lines(7:11)
27 Docket 4634, SLN-10S, Page 1, Line 17
28 AEL-10, Page 8, Line 12
29 Docket 4634, SLN-10S, Page 1, Line 18
30 Col (h): Sum Lines(26:29)

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	**ISR Res-NH Acct Beg. Balance Under/(Over) Recovery**	$132,031	$110,141	$95,050	$84,827	$78,325	$72,693	$67,056	$60,081	$428,044	$374,046	$307,333	$239,334
2	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($7,797)	$0	$0	$0	$0
3	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$52,284	$0	$0	$0	$0
4	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$404,911	$0	$0	$0	$0
5	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$3,565	$0	$0	$0	$0
6	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$408,476	$0	$0	$0	$0
7	Actual Res-NH Revenue	$22,039	$15,221	$10,334	$6,606	$5,728	$5,723	$7,055	$33,231	$54,551	$67,220	$68,365	$60,077
8	Ending Res-NH Balance Under/(Over) Recovery	$109,992	$94,920	$84,716	$78,221	$72,597	$66,970	$60,000	$427,529	$373,493	$306,827	$238,968	$179,258
9	Average Monthly Balance Under/(Over) Recovery	$121,012	$102,531	$89,883	$81,524	$75,461	$69,831	$63,528	$418,002	$400,769	$340,437	$273,150	$209,296
10	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
11	Interest Applied	$149	$130	$111	$104	$96	$86	$81	$515	$553	$506	$367	$333
12	ISR Res-NH Recon End Balance Under/(Over) Recovery	$110,141	$95,050	$84,827	$78,325	$72,693	$67,056	$60,081	$428,044	$374,046	$307,333	$239,334	$179,591
13	**ISR Res-H Acct Beg. Balance Under/(Over) Recovery**	$1,635,198	$1,245,814	$998,160	$872,793	$786,805	$713,044	$637,961	$534,554	$5,784,345	$5,109,838	$4,129,261	$3,168,297
14	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($11,028)	$0	$0	$0	$0
15	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$523,526	$0	$0	$0	$0
16	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$5,491,348	$0	$0	$0	$0
17	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$48,343	$0	$0	$0	$0
18	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$5,539,691	$0	$0	$0	$0
19	Actual Res-H Revenue	$391,154	$249,078	$126,516	$87,042	$74,712	$75,913	$104,152	$285,849	$682,019	$987,438	$965,859	$880,325
20	Ending Res-H Balance Under/(Over) Recovery	$1,244,044	$996,736	$871,644	$785,751	$712,092	$637,131	$533,809	$5,777,368	$5,102,326	$4,122,400	$3,163,402	$2,287,972
21	Average Monthly Balance Under/(Over) Recovery	$1,439,621	$1,121,275	$934,902	$829,272	$749,449	$675,088	$585,885	$5,658,530	$5,443,335	$4,616,119	$3,646,331	$2,728,134
22	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
23	Interest Applied	$1,770	$1,425	$1,149	$1,054	$952	$830	$744	$6,976	$7,513	$6,861	$4,895	$4,344
24	ISR Res-H Recon End Balance Under/(Over) Recovery	$1,245,814	$998,160	$872,793	$786,805	$713,044	$637,961	$534,554	$5,784,345	$5,109,838	$4,129,261	$3,168,297	$2,292,316

2 AEL-10, Pg 8, Line 15
3 Dkt 4634, SLN-8S, Pg 1, Line 3, Col (g)
4 Dkt 4634, SLN-8S, Pg 1, Line 3, Col (f)
5 Apr16-Oct16 @ BOA Rate less 200 Basis Points
6 Line 4 + Line 5
14 AEL-10, Pg 8, Line 16
15 Dkt 4634, SLN-8S, Pg 1, Line 4, Col (g)
16 Dkt 4634, SLN-8S, Pg 1, Line 4, Col (f)
17 Apr16-Oct16 @ BOA Rate less 200 Basis Points
18 Line 16 + Line 17

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
25	**ISR Small C&I Acct Beg. Balance Under/(Over) Recovery**	$233,634	$190,781	$166,963	$154,742	$146,392	$139,058	$132,824	$124,346	$884,576	$777,646	$608,015	$441,297
26	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($6,537)	$0	$0	$0	$0
27	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$117,809	$0	$0	$0	$0
28	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$791,880	$0	$0	$0	$0
29	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$6,971	$0	$0	$0	$0
30	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$798,851	$0	$0	$0	$0
31	Actual Small C&I Revenue	$43,114	$24,045	$12,419	$8,541	$7,516	$6,400	$8,642	$33,122	$108,076	$170,661	$167,421	$152,531
32	Ending Small C&I Balance Under/(Over) Recovery	$190,520	$166,736	$154,544	$146,201	$138,876	$132,657	$124,183	$883,539	$776,500	$606,986	$440,594	$288,766
33	Average Monthly Balance Under/(Over) Recovery	$212,077	$178,759	$160,754	$150,471	$142,634	$135,858	$128,504	$841,195	$830,538	$692,316	$524,304	$365,032
34	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
35	Interest Applied	$261	$227	$198	$191	$181	$167	$163	$1,037	$1,146	$1,029	$704	$581
36	ISR Small C&I Recon End Balance Under/(Over) Recovery	$190,781	$166,963	$154,742	$146,392	$139,058	$132,824	$124,346	$884,576	$777,646	$608,015	$441,297	$289,347
37	**ISR Medium Acct Beg. Balance Under/(Over) Recovery**	$399,514	$328,245	$278,449	$251,809	$231,952	$211,539	$191,752	$165,575	$1,131,262	$1,002,357	$816,102	$643,906
38	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($10,269)	$0	$0	$0	$0
39	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$155,306	$0	$0	$0	$0
40	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$1,025,621	$0	$0	$0	$0
41	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$9,029	$0	$0	$0	$0
42	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$1,034,650	$0	$0	$0	$0
43	Actual Medium Revenue	$71,717	$50,180	$26,966	$20,164	$20,694	$20,035	$26,404	$60,028	$130,377	$187,605	$173,175	$158,336
44	Ending Medium Balance Under/(Over) Recovery	$327,797	$278,064	$251,483	$231,645	$211,258	$191,505	$165,348	$1,129,928	$1,000,885	$814,752	$642,927	$485,570
45	Average Monthly Balance Under/(Over) Recovery	$363,656	$303,154	$264,966	$241,727	$221,605	$201,522	$178,550	$1,082,289	$1,066,074	$908,554	$729,515	$564,738
46	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
47	Interest Applied	$447	$385	$326	$307	$282	$248	$227	$1,334	$1,471	$1,350	$979	$899
48	ISR Medium Recon End Balance Under/(Over) Recovery	$328,245	$278,449	$251,809	$231,952	$211,539	$191,752	$165,575	$1,131,262	$1,002,357	$816,102	$643,906	$486,469

26 AEL-10, Pg 8, Line 17
27 Dkt 4634, SLN-8S, Pg 1, Line 5, Col (g)
28 Dkt 4634, SLN-8S, Pg 1, Line 5, Col (f)
29 Apr16-Oct16 @ BOA Rate less 200 Basis Points
30 Line 28 + Line 29
38 AEL-10, Pg 8, Line 18
39 Dkt 4634, SLN-8S, Pg 1, Line 6, Col (g)
40 Dkt 4634, SLN-8S, Pg 1, Line 6, Col (f)
41 Apr16-Oct16 @ BOA Rate less 200 Basis Points
42 Line 40 + Line 41

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
49	**ISR Large LL Acct Beg. Balance Under/(Over) Recovery**	$152,136	$117,260	$94,312	$87,574	$85,606	$80,906	$77,415	$69,330	$602,396	$517,079	$391,257	$284,438
50	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($13,902)	$0	$0	$0	$0
51	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$55,428	$0	$0	$0	$0
52	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$577,805	$0	$0	$0	$0
53	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$5,087	$0	$0	$0	$0
54	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$582,891	$0	$0	$0	$0
55	Actual Large LL Revenue	$35,042	$23,082	$6,850	$2,078	$4,806	$3,589	$8,178	$36,653	$86,089	$126,496	$107,272	$92,670
56	Ending Large LL Balance Under/(Over) Recovery	$117,094	$94,178	$87,462	$85,496	$80,800	$77,318	$69,237	$601,666	$516,307	$390,583	$283,985	$191,769
57	Average Monthly Balance Under/(Over) Recovery	$134,615	$105,719	$90,887	$86,535	$83,203	$79,112	$73,326	$592,279	$559,352	$453,831	$337,621	$238,104
58	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
59	Interest Applied	$166	$134	$112	$110	$106	$97	$93	$730	$772	$675	$453	$379
60	ISR Large LL Recon End Balance Under/(Over) Recovery	$117,260	$94,312	$87,574	$85,606	$80,906	$77,415	$69,330	$602,396	$517,079	$391,257	$284,438	$192,148
61	**ISR Large HL Acct Beg. Balance Under/(Over) Recovery**	$90,025	$78,735	$67,860	$58,754	$50,372	$43,444	$35,146	$25,855	$200,950	$181,104	$155,434	$130,041
62	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($3,869)	$0	$0	$0	$0
63	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$21,986	$0	$0	$0	$0
64	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$190,450	$0	$0	$0	$0
65	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$1,677	$0	$0	$0	$0
66	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$192,127	$0	$0	$0	$0
67	Actual Large HL Revenue	$11,394	$10,968	$9,183	$8,452	$6,987	$8,347	$9,329	$13,406	$20,109	$25,920	$25,584	$22,624
68	Ending Large HL Balance Under/(Over) Recovery	$78,631	$67,766	$58,676	$50,302	$43,385	$35,098	$25,816	$200,707	$180,840	$155,184	$129,850	$107,417
69	Average Monthly Balance Under/(Over) Recovery	$84,328	$73,251	$63,268	$54,528	$46,878	$39,271	$30,481	$196,417	$190,895	$168,144	$142,642	$118,729
70	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
71	Interest Applied	$104	$93	$78	$69	$60	$48	$39	$242	$263	$250	$191	$189
72	ISR Large HL Recon End Balance Under/(Over) Recovery	$78,735	$67,860	$58,754	$50,372	$43,444	$35,146	$25,855	$200,950	$181,104	$155,434	$130,041	$107,607

50 AEL-10, Pg 8, Line 19
51 Dkt 4634, SLN-8S, Pg 1, Line 7, Col (g)
52 Dkt 4634, SLN-8S, Pg 1, Line 7, Col (f)
53 Apr16-Oct16 @ BOA Rate less 200 Basis Points
54 Line 52 + Line 53
62 AEL-10, Pg 8, Line 20
63 Dkt 4634, SLN-8S, Pg 1, Line 8, Col (g)
64 Dkt 4634, SLN-8S, Pg 1, Line 8, Col (f)
65 Apr16-Oct16 @ BOA Rate less 200 Basis Points
66 Line 64 + Line 65

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

Line No.		Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
73	**ISR XL LL Acct Beg. Balance Under/(Over) Recovery**	$16,573	$11,863	$7,645	$6,921	$7,546	$6,797	$6,163	$5,053	$26,937	$22,827	$16,595	$11,879
74	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($2,615)	$0	$0	$0	$0
75	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$2,438	$0	$0	$0	$0
76	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$28,213	$0	$0	$0	$0
77	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$248	$0	$0	$0	$0
78	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$28,462	$0	$0	$0	$0
79	Actual XL LL Revenue	$4,728	$4,231	$732	($615)	$757	$643	$1,117	$3,997	$4,144	$6,262	$4,735	$3,737
80	Ending XL LL Balance Under/(Over) Recovery	$11,845	$7,632	$6,912	$7,536	$6,788	$6,155	$5,046	$26,902	$22,793	$16,566	$11,859	$8,142
81	Average Monthly Balance Under/(Over) Recovery	$14,209	$9,747	$7,279	$7,229	$7,167	$6,476	$5,604	$27,682	$24,865	$19,696	$14,227	$10,010
82	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
83	Interest Applied	$17	$12	$9	$9	$9	$8	$7	$34	$34	$29	$19	$16
84	ISR XL LL Recon End Balance Under/(Over) Recovery	$11,863	$7,645	$6,921	$7,546	$6,797	$6,163	$5,053	$26,937	$22,827	$16,595	$11,879	$8,158
85	**ISR XL HL Acct Beg. Balance Under/(Over) Recovery**	$121,454	$106,367	$87,998	$73,023	$55,960	$40,756	$23,086	$8,343	$88,948	$80,921	$71,416	$63,061
86	ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	$377	$0	$0	$0	$0
87	**FY 2015 Recon**	$0	$0	$0	$0	$0	$0	$0	$8,720	$0	$0	$0	$0
88	**FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$92,469	$0	$0	$0	$0
89	Interest Applied on FY16 balance	$0	$0	$0	$0	$0	$0	$0	$814	$0	$0	$0	$0
90	Total FY 2016 Recon	$0	$0	$0	$0	$0	$0	$0	$93,283	$0	$0	$0	$0
91	Actual XL HL Revenue	$15,226	$18,493	$15,073	$17,145	$15,266	$17,709	$14,763	$13,168	$8,144	$9,617	$8,446	$6,858
92	Ending XL HL Balance Under/(Over) Recovery	$106,227	$87,874	$72,924	$55,878	$40,694	$23,047	$8,323	$88,835	$80,803	$71,303	$62,971	$56,203
93	Average Monthly Balance Under/(Over) Recovery	$113,841	$97,121	$80,461	$64,451	$48,327	$31,901	$15,705	$91,059	$84,876	$76,112	$67,194	$59,632
94	Bk America Rate less 200 Basis Points	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.63%	1.75%	1.75%	1.88%
95	Interest Applied	$140	$123	$99	$82	$61	$39	$20	$112	$117	$113	$90	$95
96	ISR XL HL Recon End Balance Under/(Over) Recovery	$106,367	$87,998	$73,023	$55,960	$40,756	$23,086	$8,343	$88,948	$80,921	$71,416	$63,061	$56,298

74 AEL-10, Pg 8, Line 21
75 Dkt 4634, SLN-8S, Pg 1, Line 9, Col (g)
76 Dkt 4634, SLN-8S, Pg 1, Line 9, Col (f)
77 Apr16-Oct16 @ BOA Rate less 200 Basis Points
78 Line 76 + Line 77
86 AEL-10, Pg 8, Line 22
87 Dkt 4634, SLN-8S, Pg 1, Line 10, Col (g)
88 Dkt 4634, SLN-8S, Pg 1, Line 10, Col (f)
89 Apr16-Oct16 @ BOA Rate less 200 Basis Points
90 Line 88 + Line 89

Schedule
AEL-12

Schedule AEL-12
Earnings Sharing Mechanism Factor

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DIRECT TESTIMONY

OF

WILLIAM R. RICHER

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I. <u>Introduction and Qualifications</u>

Q. Please state your full name and business address.

A. My name is William R. Richer and my business address is 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. By whom are you employed and in what position?

A. I am the Director of Revenue Requirements, Rhode Island, for National Grid USA Service Company, Inc. (Service Company). In this role, I provide services to the gas and electric businesses of The Narragansett Electric Company (the Company).

Q. Please describe your education and professional experience.

A. In 1985, I earned a Bachelor of Science degree in Accounting from Northeastern University. During my academic term, I interned at the public accounting firm Pannell Kerr Forster in Boston, Massachusetts, as a staff auditor and continued with this firm after my graduation. In February 1986, I joined Price Waterhouse in Providence, Rhode Island, where I worked as a staff auditor and senior auditor. During this time, I became a Certified Public Accountant in the State of Rhode Island. In June 1990, I joined National Grid (then known as New England Electric System) in the Service Company (then known as New England Power Service Company) as a supervisor of Plant Accounting. Since that time, I have held various positions within the Service Company, including Manager of Financial Reporting, Principal Rate Department Analyst, Manager of General Accounting, Director of Accounting Services, and Assistant Controller.

Q. Have you previously testified before the Rhode Island Public Utilities Commission?

A. Yes. I have testified before the Rhode Island Public Utilities Commission (PUC) on numerous occasions.

II. Purpose of Testimony

Q. What is the purpose of your testimony in this proceeding?

A. My testimony describes the origin of the Company's pension and postretirement benefits other than pensions (PBOP) factor, and provides the calculation of the reconciliation of pension and PBOP costs to the allowance for recovery in base distribution rates as provided for in the Pension Adjustment Factor (PAF) Provision in the Company's tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Item 3.6 (Tariff). My testimony also describes new pension and PBOP-related accounting requirements issued by the Financial Accounting Standards Board (FASB) and the Company's proposal for addressing these accounting changes within the operation of the PAF.

Q. Are there any schedules to your testimony?

A. Yes, I am sponsoring the following schedule:

- Schedule WRR-1 - Pension and Post-Retirement Benefits Other Than Pension (PBOP) Expense Reconciliation.

III. Pension and PBOP Expense Reconciliation

Q. Generally, how does the reconciliation of pension and PBOP expense operate?

A. In the Company's 2008 general rate case in Docket No. 3943 (2008 Rate Case), the PUC approved the Company's proposal to reconcile its pension and PBOP expenses against the allowance in base rates and recover or refund any difference annually through the Distribution Adjustment Charge (DAC). In accordance with the PAF Provision in the Company's Tariff, the PAF is designed to recover or refund the prior year's reconciliation of the Company's actual pension and PBOP expenses to the Company's pension and PBOP expenses included in base rates. The adjustment factor is based on this difference.

In the Company's general rate case filed in 2012 in Docket No. 4343 (2012 Rate Case), the rate allowances for both pension and PBOP were established at then-current levels.

The PAF is based on the difference between the Company's actual pension and PBOP expense for the prior 12-month period ended March 31, 2017 and the allowance included in base distribution rates. In addition, the Company will contribute to the pension and PBOP plans at the "Minimum Funding Obligation" level. The Minimum Funding Obligation level is equal to the amount billed to customers plus the amounts of capitalized pension and PBOP costs. The amount billed to customers includes (1) the pension and PBOP allowance in base distribution rates, and (2) plus or minus the amount billed or credited to customers through the PAF. If the Company does not fund its pension and PBOP plans at the Minimum Funding Obligation level, the Company will pay a carrying charge to customers at the weighted average cost of capital. This payment would be applied to the cumulative five quarter average shortfall between the Minimum Funding Obligation level and amounts the Company contributes to the pension and PBOP plans, plus amounts paid to the Service Company for allocated pension and PBOP costs.

Q. Has the Company performed this reconciliation for the period ending March 2017?

A. Yes. This reconciliation is included as Schedule WRR-1.

Q. What is the result of the Company's reconciliation?

A. The Company's reconciliation indicates that it has over-recovered pension expenses in the amount of $1,707,068 and over-recovered PBOP expenses in the amount of $2,565,382 for the 12 months ending March 2017. In addition, the pension liability was under-funded during this time, resulting in a carrying charge of $401,195. The PBOP liability was under-funded during this time, resulting in a carrying charge of $6,329.

IV. Proposed Treatment of New Accounting Rules on the Operation of the PAF

Q. What are the new FASB accounting rules for pensions and PBOPs?

A. In March 2017, the FASB amended Accounting Standards Codification Topic 715 (ASC 715), which outlines specific accounting treatment for compensation and retirement benefits. Pension and PBOP costs can be summarized into several components, including (1) service costs, which are the estimated benefits earned by employees through active service; and (2) non-service costs, which include interest, expected returns on the assets in the plans, and amortization of prior service costs and actuarial gains and losses. Prior to the amendment, both service costs and non-service costs were eligible for capitalization. However, after the amendment, only service costs will be eligible for capitalization. All non-service costs must be treated as Operation and Maintenance (O&M) expense. The other main provision of the FASB update is for the non-service cost component to be presented as a line item on the income statement after operating income. However, this requirement is for presentation in financial statements under generally accepted accounting principles (GAAP), and not for financial statements that are filed with regulatory commissions. The Federal Energy Regulatory Commission's (FERC) Uniform System of Accounts requires pension and PBOP costs to be recorded in Account 926, "Employee pensions and benefits," which is an O&M expense account that is reported before operating income on the income statement.

Q. When will the FASB's changes be adopted by National Grid?

A. The FASB's new accounting rules are required to be implemented in the fiscal year following December 15, 2017 for public companies that file financial statements with the Securities Exchange Commission (SEC). National Grid's U.S. operating companies are not public companies and do not file financial statements with the SEC. Therefore, National Grid's U.S. operating companies would be required to adopt the new accounting rules no later than the fiscal year following December 15, 2018. For the Company, this would be April 1, 2019, which is the start of its Fiscal Year 2020. However, non-public companies could choose to adopt these rules earlier consistent with the timing of public SEC registrant companies. For the Company, this would result in implementation beginning April 1, 2018, which is the start of its Fiscal Year 2019. The Company has not decided yet whether to adopt these new rules on April 1, 2018 or April 1, 2019.

Q. Why is the Company bringing the matter to the PUC before it decides when it will adopt the new accounting rules?

A. The Company needs to understand all of the implications of the new accounting rules, including how the regulatory commissions in each of its jurisdictions will treat the changes before it can decide when to implement the rules.

Q. Does the Company have a recommendation for the PUC regarding the changes to the FASB's accounting rules?

A. Yes. The Company proposes that the PAF continue to operate unchanged. The reasons are explained later in my testimony.

Q. You described the non-service cost component of pension and PBOP costs above, but can you elaborate further?

A. Certainly. As mentioned earlier in my testimony, non-service cost includes interest, return on assets, and amortizations. The projected pension and PBOP benefit obligations are discounted to their net present values. Interest cost is the result of the increase in the projected benefit obligation as a result of the passage of time. The return on assets is a projection of the long-term growth of the investments in the pension and PBOP plans. While the interest cost component is an increase to expense, the return on assets component is always a reduction to expense. The amortization component of non-service costs is the amortization of prior service costs and the amortization of actuarial gains and losses. Prior service costs are the result of amendments made periodically to the pension or PBOP plans. Plan amendments can result in increases or decreases to the benefit obligation. These increases or decreases are amortized into pension or PBOP expense over the average remaining service lives of the plan participants and can generate a positive expense or a reduction to expense. Actuarial gains and losses are the result of differences between assumptions that are used to calculate pension and PBOP expense as compared to actual results. There are many assumptions that go into the determination of pension and PBOP cost, including, but not limited to, the interest rate used to discount the benefit obligation, the estimated return on plan assets, the estimated duration of employment of participants in the plan, the life expectancy of the active and retired plan participants, inflation, and other assumptions. An assumption that is unique to PBOP cost is the estimated trend in the increase in healthcare costs, which far exceeds the pace of inflation. Actuarial gains or losses are effectively a true up of costs calculated based on the many assumptions I just described, to actual results. Gains result when actual costs are lower than was expected, and losses are generated when actual costs are higher than the assumed levels. Just like prior service costs, actuarial gains and losses are amortized over average service lives and can also be a positive expense or a decrease to expense.

So, unlike service costs, which are always a positive cost, non-service costs can be a net positive cost in any particular year, or non-service costs can be a net negative cost in a year. Net negative costs are akin to positive income. Pension and PBOP costs, specifically the non-service cost component, are volatile costs and are generally outside of the control of the Company. The PUC recognized this when it approved the establishment of the PAF. The existence of the PAF is the direct the result of the volatility caused by the non-service cost component of pension and PBOP expense.

Q. How does the Company propose to treat the PAF in light of the changes to the FASB accounting rules?

A. The Company proposes that the PAF continue to operate unchanged. Non-service costs have always been included in the PAF, but only the non-capitalized component of non-service costs. In this filing, the Company proposes to continue to include non-service costs charged to O&M expense in the PAF, including the portion that can no longer be capitalized when the new accounting rules are adopted. In other words, the Company proposes that all non-service costs charged to O&M expense be included in the costs reconciled to the pension and PBOP costs being recovered in base rates as the reconciliation was designed and approved to operate.

Q. What other option does the PUC have other than to approve the Company's proposal?

A. Pension and PBOP costs have always been allowed to be recovered from customers in one form another, either as an O&M expense in base rates or recovered as a component of capitalized constructed assets. Since a portion of the non-service component of pension and PBOP costs has always been allowed to be recovered as part of the cost of constructed assets, the PUC could require the Company to not adopt the FASB's accounting standards change when filing its financial statements to the PUC, and continue to capitalize a portion of non-service costs as it always has.

Q. Would it be advisable for the PUC to take this approach? If not, what are the implications of not adopting the FASB accounting update?

A. No, the Company does not believe this is the best approach to take. The Company cannot avoid adopting the FASB accounting changes for its U.S. GAAP financial statements that it files with its debt holders. The Company must always follow U.S. GAAP reporting requirements. The Company's financial statements that are filed with the PUC, while in a different format than the financial statements filed with its debt holders, have always been based on U.S. GAAP. Thus, a decision by the PUC to reject the FASB accounting change for financial statements that the Company files with the PUC would be unprecedented. It would also require the Company to maintain one set of books for U.S. GAAP reporting and a separate set of books for reporting to the PUC.

Q. What are the consequences if the PUC were to require the Company to reject the FASB update and continue to require the Company to capitalize a portion of pension and PBOP non-service costs?

A. If the PUC were to decline to adopt the provisions of the FASB update, a portion of the non-service cost components of pension and PBOP costs would continue to be capitalized for PUC reporting purposes, but such costs would be expenses for U.S. GAAP reporting. Such treatment would result in a significant burden to the Company in a number of ways, including the following:

a) The Company's accounting systems would need to be significantly modified to be able to accommodate two separate capitalization approaches at a significant one-time cost. Such modifications would require a software customization that would need to be carried forward, adding significant costs to each future system upgrade or replacement.

b) To ensure the accuracy of both parallel property accounting systems, additional procedures and controls would need to be established, including the reconciliation of amounts and balances between the two systems.

c) The complexities of divergent systems would result in significant one-time costs as I just mentioned, as well as increased ongoing operating costs, all of which would ultimately be borne by customers. The Company does not currently have an estimate of these increased costs. However, costs associated with essentially doubling the number of plant asset records would include the cost of additional personnel in Plant Accounting, General Accounting, Finance, Information Services, and potentially other departments; increased computing costs associated with increased processing time to close the books each month; and additional computer hardware investment (e.g. servers and data storage medium, among others).

d) The adoption of the FASB update by the PUC would avoid the potential for confusion for readers of the Company's financial statements if U.S. GAAP and PUC/FERC reports were presented on different bases. Current differences between GAAP and PUC/FERC reporting are relatively minor, but not adopting the FASB update would create significant GAAP and PUC differences.

Furthermore, a general principle in rate making is to charge current customers for current costs. The adoption of the FASB accounting changes will result in an earlier recognition of the non-service costs components as compared to capitalization of those costs, which would result if the FASB update had not been adopted. Therefore, the adoption of the FASB accounting changes more closely aligns with general rate making principles. It is for these reasons that the Company recommends that the PUC adopt the FASB accounting changes and ***not*** make any changes to the existing pension and PBOP reconciliation mechanism by allowing the Company to continue to include all non-service costs charged to O&M in reconciled costs.

V. <u>Conclusion</u>

Q. Does this conclude your testimony?

A. Yes.

Schedule
WRR-1

Narragansett Electric - Gas Operations
Pension Costs
12 Months Ended March 31, 2017

Line No.		April 2016 thru March 2017
1	Rate Allowance:	
2	National Grid - RI Gas Pension Costs Allowance	$4,702,324
3	National Grid - Service Company Allocated Pension Costs Allowance	$2,977,528
4	Total Pension Costs in Base Rates	$7,679,852
5	Expense Reconciliation:	
6	Current Year actual Pension Expense Direct	$2,753,414
7	Current Year actual Service Company Allocated Pension Expense	$3,155,938
8	Current Year actual Affiliated Allocated Pension Expense	$63,432
9	Total Current Year Pension Expense Including Service Company-Allocated Expense	$5,972,785
10	Rate Allowance	$7,679,852
11	**Current Year Pension Expense Reconciliation**	($1,707,068)
12	**Funding Carrying Charge**	($401,195)

Line Notes:
2 Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 Line 1 (e)
3 Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of Lines 2 (e) through 5 (e)
4 Line 2 plus Line 3
6-8 Per Company Books
9 Sum of Lines 6 through 8
10 Line 4
11 Line 9 minus Line 10
12 Minus Page 3 of 4 Line 18 (f)

Narragansett Electric - Gas Operations
Post-Retirement Benefits Other Than Pension (PBOP) Costs
12 Months Ended March 31, 2017

Line No.		April 2016 thru March 2017
1	Rate Allowance	
2	National Grid - RI Gas PBOP Costs Allowance	$2,470,365
3	National Grid - Service Company Allocated PBOP Costs Allowance	1,852,439
4	Total PBOP Costs	$4,322,804
5	Expense Reconciliation	
6	Current Year actual PBOP Expense Direct	$626,927
7	Current Year actual Service Company Allocated PBOP Expense	$1,049,777
8	Current Year actual Affiliated Allocated PBOP Expense	$80,719
9	Total Current Year PBOP Expense Including Service Company-Allocated Expense	$1,757,422
10	Rate Allowance	$4,322,804
11	**Current Year PBOP Expense Reconciliation**	($2,565,382)
12	**Total Funding Carrying Charge**	($6,329)

Line Notes:
2 Docket No. 4323 Attachment MDL-3-GAS page 35 of 65 Line 1 (e)
3 Docket No. 4323 Attachment MDL-3-GAS page 35 of 65 sum of Lines 2 (e) thru 5 (e)
4 Line 2 plus Line 3
6-8 Per Company Books
9 Sum of Lines 6 through 8
10 Line 4
11 Line 9 minus Line 10
12 Minus Page 4 of 4 Line 18 (f)

Narragansett Electric - Gas Operations
Pension Funding Carrying Charges
12 Months Ended March 31, 2017

		(a)	(b)	(c)	(d)	(e)	(f)
	Customer Funding	Dkt 4323	Mar-2016	Jun-2016	Sep-2016	Dec-2016	Mar-2017
1	Base Rate Recovery:						
2	Direct	$4,702,324	$1,175,581	$1,175,581	$1,175,581	$1,175,581	$1,175,581
3	Servco	$2,977,528	$744,382	$744,382	$744,382	$744,382	$744,382
4	PAF Surcharge Recovery:		($253,160)	($253,160)	($253,160)	($99,992)	($23,409)
5	Pension Capitalized Amount:						
6	Direct		$921,980	$963,840	$1,061,813	$960,691	$868,101
7	Servco/Other Affiliates		$382,367	$388,360	$381,644	$385,730	$419,352
8	Total Customer Funding:		$2,971,150	$3,019,003	$3,110,261	$3,166,391	$3,184,007
9	**Company Contributions[1]**		Jun-2016	Sep-2016	Dec-2016	Mar-2017	Jun-2017
10	Pension		1,422,000	$1,422,000	$1,422,000	$1,422,000	7,431,039
11	Service Company Allocated Costs		$1,126,749	$1,132,742	$1,126,026	$1,130,112	$1,163,734
12	**Total Contributions**		2,548,749	$2,554,742	$2,548,026	$2,552,112	$8,594,773
13	Under/(Over) Funding		$422,401	$464,261	$562,235	$614,279	($5,410,766)
14	Cumulative Under/(Over) Funding		$4,119,685	$4,583,946	$5,146,180	$5,760,460	$349,694
15	Five Quarter Average						$3,991,993
16	Base for Carrying Charge (greater of line 22 or zero)						$3,991,993
17	Pre-tax WACC						10.05%
18	Carrying Charge						$401,195

Company Contributions[1]-This amount represents dollars funded in the subsequent quarter

Line Notes

2(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 line 1 (e)
2(b) - 2(f)	Line 2 (a) divided by 12 times 3
3(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of lines 2 (e) through 5 (e)
3(b) - 3(f)	Line 3 (a) divided by 12 times 3
4(b) - 4(d)	Docket No. 4573 Schedule WRR-3 Revised, page 1 of 4, Line 11 divided by 12 times 3
4(e)	Docket No. 4573 Schedule WRR-3 Revised, page 1 of 4, Line 11 divided by 12 times 1 plus Docket No. 4634 Schedule WRR-1 Revised, page 1 of 4, Line 11 divided by 12 times 2
4(f)	Docket No. 4634 Schedule WRR-1 Revised, page 1 of 4, Line 11 divided by 12 times 3
6(b) - 6(f)	Per Company Books
7(b) - 7(f)	Per Company Books
8(b) - 8(f)	Sum of Line 2 through Line 7
10	Per Company Books
11	Line 3 plus line 7
12	Line 10 plus Line 11
13	Line 8 minus Line 12
14	Current year Line 13 plus prior year Line 14
15	Average of column (b) through column (e)
16	If Line 15 is greater than zero, Line 15 if not, zero
17	Docket No 4323
18	Line 16 times Line 17

Narragansett Electric - Gas Operations
PBOP Funding - Carrying Charges
12 Months Ended March 31, 2017

		(a)	(b)	(c)	(d)	(e)	(f)
	Customer Funding	Dkt 4323	Mar-2016	Jun-2016	Sep-2016	Dec-2016	Mar-2017
1	Base Rate Recovery:						
2	Direct	$2,470,365	$617,591	$617,591	$617,591	$617,591	$617,591
3	Servco	$1,852,439	$463,110	$463,110	$463,110	$463,110	$463,110
4	PAF Surcharge Recovery:		($517,894)	($517,894)	($517,894)	($481,933)	($463,952)
5	PBOP Capitalized Amount:						
6	Direct		$264,191	$219,457	$241,765	$218,740	$197,659
7	Servco/Other Affiliates		$140,829	$134,773	$141,062	$110,718	$143,604
8	Total Customer Funding:		$967,827	$917,038	$945,634	$928,227	$958,011
9	**Company Contributions**[1]		Jun-2016	Sep-2016	Dec-2016	Mar-2017	Jun-2017
10	PBOP		$263,826	$263,750	$263,750	$263,750	$500,000
11	Service Company Allocated Costs		603,939	597,883	604,171	573,828	606,714
12			$867,765	$861,633	$867,921	$837,578	$1,106,714
13	Under/(Over) Funding		$100,062	$55,405	$77,712	$90,649	($148,702)
14	Cumulative Funding Under/(Over) Funding		($34,491)	$20,914	$98,626	$189,275	$40,573
15	Five Quarter Average						$62,979
16	Base for Carrying Charge (greater of line 22 or zero)						$62,979
17	Pre-tax WACC						10.05%
18	Carrying Charge						$6,329

Company Contributions[1]-This amount represents dollars funded in the subsequent quarter

Line Notes

2(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 line 1 (e)
2(b) - 2(f)	Line 2 (a) divided by 12 times 3
3(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of lines 2 (e) thru 5 (e)
3(b) - 3(f)	Line 3 (a) divided by 12 times 3
4(b) - 4(d)	Docket No. 4573 Schedule WRR-3 Revised, page 2 of 4, Line 11 divided by 12 times 3
4(e)	Docket No. 4573 Schedule WRR-3 Revised, page 2 of 4, Line 11 divided by 12 times 1 plus Docket No. 4634 Schedule WRR-1 Revised, page 2 of 4, Line 11 divided by 12 times 2
4(f)	Docket No. 4634 Schedule WRR-1 Revised, page 2 of 4, Line 11 divided by 12 times 3
6(b) - 6(f)	Per Company Books
7(b) - 7(f)	Per Company Books
8 (b) - 8(f)	Sum of Line 2 through Line 7
10	Per Company Books
11	Line 3 plus line 7
12	Line 10 plus Line 11
13	Line 8 minus Line 12
14	Current year Line 13 plus prior year Line 14
15	Average of column (b) through column (e)
16	If Line 15 is greater than zero, Line 15 if not, zero
17	Docket No 4323
18	Line 16 times Line 17