

August 1, 2017

BY HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: National Grid's Electric Pension Adjustment Factor Filing
For the Twelve-Month Period Ending March 31, 2017
Docket No. _____**

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed the Company's proposed Pension and Postretirement Benefits Other than Pensions (PBOP) Adjustment Factor (PAF) and annual pension and PBOP reconciliation for the 12-month period ending March 31, 2017. This filing is submitted pursuant to the Company's Pension Adjustment Mechanism Provision (Pension Provision), R.I.P.U.C. No. 2119, which the Rhode Island Public Utilities Commission approved in Docket No. 4323. The Pension Provision allows for the recovery or refund of the prior year's reconciliation of the Company's actual pension and PBOP expenses to the Company's pension and PBOP allowances included in base rates.

This filing includes the pre-filed direct testimony and schedules of William R. Richer in support of the proposed PAF. In his testimony, Mr. Richer describes the origin of the Company's PAF and provides the calculation of the reconciliation of pension and PBOP costs to the allowance for recovery in base distribution rates. Mr. Richer's testimony also presents the Company's proposed PAF as well as the associated the typical bill impacts. Finally, Mr. Richer presents the status of the recovery of the pension and PBOP net under-recovery incurred during the period ending March 31, 2016 which is being recovered through the currently effective PAF.

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

Luly E. Massaro, Commission Clerk
Electric Pension Adjustment Factor Filing
August 1, 2017
Page 2 of 2

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

Very truly yours,



Raquel J. Webster

Enclosures

cc: Leo Wold, Esq.
Steve Scialabba, Division

DIRECT TESTIMONY

OF

WILLIAM R. RICHER

August 1, 2017

Table of Contents

I. Introduction and Qualifications..... 1

II. Purpose of Testimony 2

III. Pension and PBOP Expense Reconciliation..... 3

IV. Pension and PBOP Adjustment Factor..... 7

V. Proposed Treatment of New Accounting Rules on the Operation of the PAF 10

VI. Conclusion 18

1 **I. Introduction and Qualifications**

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

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

5

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

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

10

11 **Q. Please describe your education and professional experience.**

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

21

1 of Financial Reporting, Principal Rate Department Analyst, Manager of General
2 Accounting, Director of Accounting Services, and Assistant Controller.

3
4 **Q. Have you previously testified before the Rhode Island Public Utilities Commission?**

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

7
8 **II. Purpose of Testimony**

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

10 A. My testimony describes the origin of the Company's Pension and Postretirement Benefits
11 Other than Pensions (PBOP) factor (PAF) and provides the calculation of the
12 reconciliation of pension and PBOP costs to the allowance for recovery in base
13 distribution rates as provided for in the Company's Pension Adjustment Mechanism
14 Provision, R.I.P.U.C. No. 2119 (Pension Provision), including a correction to prior years'
15 PAF calculations. My testimony also presents the Company's proposed PAF as well as
16 the associated typical bill impacts. In addition, my testimony presents the status of the
17 recovery of the pension and PBOP net under-recovery incurred during the period ending
18 March 31, 2017, which is being recovered through the currently effective PAF. Finally,
19 my testimony describes new pension/PBOP-related accounting requirements issued by
20 the Financial Accounting Standards Board (FASB) and the Company's proposal for
21 addressing these accounting changes within the operation of the PAF.

1 **Q. Are there any schedules to your testimony?**

2 A. Yes, I am sponsoring the following schedules:

- 3 • Schedule WRR-1 - Pension and Post-Retirement Benefits Other Than Pension
4 (PBOP) Expense Reconciliation
5
- 6 • Schedule WRR-2 - Pension and Post-Retirement Benefits Other Than Pension
7 Adjustment Factor Calculation
8
- 9 • Schedule WRR-3 - Typical Bill Impacts
- 10 • Schedule WRR-4 - Pension and Post-Retirement Benefits Other Than Pension
11 Remaining Balance of FY2014 and FY2015 Deferrals
12
- 13 • Schedule WRR-5 - Pension and Post-Retirement Benefits Other Than Pension
14 Remaining Balance of FY 2016 Deferrals
15
- 16 • Schedule WRR-6 - Prior Period IFA-Related Pension/PBOP Adjustments, including
17 Interest
18

19 **III. Pension and PBOP Expense Reconciliation**

20 **Q. What is the genesis of the Pension Adjustment Mechanism?**

21 A. The PUC approved the PAF for the Company's electric distribution operations in the
22 Company's 2012 base distribution rate case in Docket No. 4323, Order No. 21011 (2012
23 Rate Case). The electric PAF is similar to the mechanism that is in effect for the
24 Company's gas operations. On an annual basis, the Company reconciles its actual
25 pension and PBOP expenses against the associated allowance in base distribution rates as
26 determined in the most recent base distribution rate case (in this case, the Company's
27 2012 Rate Case) through this mechanism, which is provided for under the Company's
28 Pension Provision. Any difference between the pension and PBOP expenses and the

1 associated allowance, either positive or negative, is reflected in rates assessed to the
2 Company's electric customers through the PAF.

3
4 **Q. Generally, how does the reconciliation of pension and PBOP expense operate?**

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

18
19 **Q. Has the Company performed this reconciliation for the period ending March 2017?**

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

21

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

2 A. The Company's reconciliation reflects that it has under-recovered pension expense and
3 over-recovered PBOP expenses for the twelve months ending March 2017 in the amounts
4 of \$2,259,018 and (\$9,541), respectively. In addition, the pension liability was under-
5 funded during this time and, therefore, has a carrying charge of \$118,658, as reflected in
6 the reconciliation. The PBOP liability was under-funded during this time and has a
7 carrying charge of \$159,992.

8
9 **Q. What is the correction being made in this filing that you referred to previously in
10 your testimony?**

11 A. The Company's affiliate, New England Power Company (NEP) operates National Grid's
12 Rhode Island transmission system. However, pursuant to Rhode Island law, utility assets
13 in the state, including transmission investment, must be owned by a Rhode Island
14 corporation, and, consequently all transmission assets are owned by the Company. NEP
15 is a Massachusetts corporation. NEP compensates the Company for the use of these
16 transmission assets through a Federal Energy Regulatory Commission (FERC)-approved
17 Integrated Facilities Agreement (IFA). Pursuant to the IFA, NEP provides the Company
18 with a bill credit for NEP's use of Company-owned transmission assets. This bill credit
19 includes a return on the Company's net investment in the transmission system as well as
20 transmission-related operating costs, depreciation expense, municipal taxes, and other
21 taxes in accordance with FERC-approved formula rate calculations. Among the

1 operating costs that the Company recovers from NEP through the IFA are pension and
2 PBOP costs. The Company discovered that it had not been reflecting a reduction in the
3 PAF for the amount of pension and PBOP costs being recovered through the IFA since
4 the PAF became effective on February 1, 2013 through March 31, 2016. Total pension
5 and PBOP costs credited to the Company by NEP through the IFA bill credit were
6 \$4,537,298 and \$3,439,509, respectively, from February 1, 2013 through March 31,
7 2016. The Company is providing a credit to customers in its FY 2017 PAF of \$4,668,585
8 and \$3,589,491 (including interest) for IFA-related pension and PBOP recoveries,
9 respectively, as shown in the calculation of the PAF on Line 5 of Schedule WRR-2. The
10 calculation of interest is provided on Schedule WRR-6 utilizing the rate of interest paid
11 on customer deposits.

12
13 **Q. How is the Company reflecting IFA pension and PBOP bill credits in the FY 2017**
14 **PAF for the period subsequent to March 31, 2016?**

15 A. The FY 2017 IFA recovery is being reflected as a credit in the derivation of current year
16 pension and PBOP expense on Pages 1 and 2, respectively, of Schedule WRR-1. Line 9
17 of Schedule WRR-1, Page 1 reflects FY 2017 Pension IFA recovery of (\$1,192,915).
18 Line 9 of Schedule WRR-1, Page 2 reflects FY 2017 PBOP IFA recovery of
19 (\$1,126,563).

20

21

1 **IV. Pension and PBOP Adjustment Factor**

2 **Q. What is the Company's proposed PAF to be effective on October 1, 2017 and how is**
3 **it calculated?**

4 A. The proposed PAF is calculated on Schedule WRR-2. The net over-recovery of
5 (\$6,188,260) on Line 6 plus the interest on the net over-recovery of (\$114,940) during
6 the recovery period on Line 7 is divided by the forecasted kWhs during the recovery
7 period (October 1, 2017 through September 30, 2018) on Line 9, resulting in a credit
8 factor of (\$0.00085) per kWh on Line 10.

9

10 **Q. Why is the Company proposing a uniform per kWh PAF?**

11 A. Pursuant to the Pension Provision, the PAF shall be a uniform per kilowatt-hour factor
12 based on the estimated kilowatt-hours to its retail delivery customers.

13

14 **Q. Is the Company providing a typical bill analysis to illustrate the impact of the**
15 **proposed rates on each of the Company's rate classes?**

16 A. Yes. The typical bill analysis illustrating the monthly bill impact of the proposed rate
17 changes for each rate class is provided in Schedule WRR-3. The impact of the proposed
18 PAF on a typical residential customer receiving Standard Offer Service and using 500
19 kWhs per month is a decrease of \$0.91, or approximately 1.0% from \$89.06 to \$88.15.

20

1 **Q. Has the Company included a status of the recovery of the pension and PBOP net**
2 **under-recovery incurred during the period ending March 31, 2015 that the**
3 **Company is recovering through the PAF previously in effect during the eleven**
4 **months ending September 30, 2016?**

5 A. Yes. Page 1 of Schedule WRR-4 shows the status of the pension related under-recovery
6 incurred during the period ending March 31, 2015. The beginning under-recovery
7 balance of \$623,723 reflects the under-recovery balance at the end of FY 2014. The
8 adjustment in April 2015 of \$1,244,165 reflects the under-recovery balance for FY 2015.
9 Page 2 of Schedule WRR-4 shows the status of the PBOP-related over-recovery incurred
10 during the period ending March 31, 2015. The beginning over-recovery balance of
11 \$503,518 reflects the over-recovery balance at the end of FY 2014. The adjustment in
12 April 2015 of \$472,489 reflects the over-recovery balance for FY 2015. The net of the
13 pension and PBOP balances was recovered through the PAF implemented on
14 November 1, 2015, as approved by the PUC in Docket 4518. At March 31, 2017,
15 \$221,136 of deferred pension costs remained to be recovered, while (\$123,400) of
16 deferred PBOP costs remain to be credited to customers, or a net amount to be recovered
17 of \$97,736, which is reflected in the current year's proposed PAF on Line 4 of Schedule
18 WRR-2.

19

1 **Q. Has the Company included a status of the recovery of the pension and PBOP under-**
2 **recovery incurred during the period ending March 31, 2016 that the Company is**
3 **recovering through the PAF currently in effect during the twelve months ending**
4 **September 30, 2017?**

5 A. Yes. Page 1 of Schedule WRR-5 shows the status of the pension related under-recovery
6 incurred during the twelve months ending March 31, 2016. The beginning under-
7 recovery balance of \$5,665,396 reflects the under-recovery balance at the end of FY
8 2016. Page 2 of Schedule WRR-5 shows the status of the PBOP related under-recovery
9 incurred during the twelve months ending March 31, 2016. The beginning under-
10 recovery balance of \$1,450,222 reflects the under-recovery balance at the end of FY
11 2016. The net of the pension and PBOP balances is being recovered through the PAF
12 implemented on October 1, 2016 as approved by the PUC in Docket 4637. Through June
13 2017, \$2.2 million of deferred pension costs remains to be recovered through September
14 2017, while \$0.7 million of deferred PBOP costs remain to be recovered through
15 September 2017, or a net amount to be recovered of \$2.9 million. The Company will
16 continue to apply the currently effective PAF factor through September 30, 2017,
17 including revenue from September 2017 kWh deliveries billed in October 2017. Any
18 balance remaining at that time, positive or negative, will be reflected in next year's
19 proposed PAF.

20

1 **Q. Is the Company providing a proposed Summary of Retail Delivery Rates, Tariff No.**
2 **2095, reflecting the reconciling factors proposed in this filing?**

3 A. Not at this time. The Company has also filed with the PUC for review and approval its
4 proposed Infrastructure, Safety and Reliability (ISR) CapEx and Operation and
5 Maintenance (O&M) reconciling factors for effect on October 1, 2017. The Company
6 has also submitted a Renewable Energy (RE) Growth Factor Filing, with proposed
7 factors also for effect on October 1, 2017. The Company will file a Summary of Retail
8 Delivery Rates reflecting all rate changes proposed for October 1, 2017 in compliance
9 with the PUC's orders in this proceeding and in the ISR reconciliation and RE Growth
10 proceedings.

11

12 **V. Proposed Treatment of New Accounting Rules on the Operation of the PAF**

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

14 A. In March 2017, the FASB amended Accounting Standards Codification Topic 715 (ASC
15 715), which outlines specific accounting treatment for compensation and retirement
16 benefits. Pension and PBOP costs can be summarized into two components: (1) service
17 costs, which are the estimated benefits earned by employees through active service; and
18 (2) non-service costs, which include interest cost, expected returns on the assets in the
19 plans, and amortization of prior service costs and actuarial gains and losses. Prior to the
20 amendment, both service costs and non-service costs were eligible for capitalization.
21 However, after the amendment, only service costs will be eligible for capitalization. All

1 non-service costs must be treated as Operation and Maintenance (O&M) expense. The
2 other main provision of the FASB update is for the non-service cost component to be
3 presented as a line item on the income statement after operating income. However, this
4 requirement is for presentation in financial statements under generally accepted
5 accounting principles (GAAP) and not for financial statements that are filed with
6 regulatory commissions. The FERC's Uniform System of Accounts requires pension
7 and PBOP costs to be recorded in Account 926, "Employee pensions and benefits,"
8 which is an O&M expense account that is reported before operating income on the
9 income statement.

10
11 **Q. When will the FASB's changes be adopted by National Grid?**

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

1 beginning April 1, 2018, which is the start of its Fiscal Year 2019. The Company has not
2 decided yet whether to adopt these new rules on April 1, 2018 or April 1, 2019.

3
4 **Q. Why is the Company bringing the matter to the PUC before it decides when it will**
5 **adopt the new accounting rules?**

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

9
10 **Q. Does the Company have a recommendation for the PUC regarding the changes to**
11 **the FASB's accounting rules?**

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

14
15 **Q. You described the non-service cost component of pension and PBOP costs above,**
16 **but can you elaborate further?**

17 A. Certainly. As mentioned earlier in my testimony, non-service cost includes interest cost,
18 return on assets, and amortizations. The projected pension and PBOP benefit obligations
19 are discounted to their net present values. Interest cost is the result of the increase in the
20 projected benefit obligation as a result of the passage of time. The return on assets is an
21 annual projection of the long-term growth of the investments in the pension and PBOP

1 plans. Although the interest cost component is an increase to expense, the return on
2 assets component is always a reduction to expense. The amortization component of non-
3 service costs includes the amortization of prior service costs and the amortization of
4 actuarial gains and losses. Prior service costs are the result of plan amendments made
5 periodically to the pension or PBOP plans. Plan amendments can result in increases or
6 decreases to the benefit obligation. These increases or decreases are amortized into
7 pension or PBOP expense over the average remaining service lives of the plan
8 participants and can generate an increase to expense or a reduction to expense. Actuarial
9 gains and losses are the result of differences between assumptions that are used to
10 calculate pension and PBOP expense as compared to actual results. There are many
11 assumptions that go into the determination of pension and PBOP cost, including, but not
12 limited to, the interest rate used to discount the benefit obligation, the estimated return on
13 plan assets, the estimated duration of employment of participants in the plan, the life
14 expectancy of the active and retired plan participants, inflation, and other assumptions.
15 An assumption that is unique to PBOP cost is the estimated trend in the increase in
16 healthcare costs, which generally exceed the pace of inflation. Actuarial gains or losses
17 are effectively a true up of costs calculated based on the many assumptions I just
18 described, to actual results. Gains result when actual costs are lower than was expected,
19 and losses are generated when actual costs are higher than the assumed levels. Just like
20 prior service costs, actuarial gains and losses are amortized over average service lives and
21 can also be an increase to expense or a decrease to expense.

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

8
9 **Q. How does the Company propose to treat the PAF in light of the changes to the FASB**
10 **accounting rules?**

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

19
20 **Q. What other option does the PUC have other than to approve the Company's**
21 **proposal?**

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

8

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

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

20

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

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

- 9 a) The Company's accounting systems would need to be modified significantly to
10 accommodate two separate capitalization approaches at a significant one-time cost.
11 Such modifications would require a software customization that would need to be
12 carried forward, adding significant costs to each future system upgrade or
13 replacement.
- 14 b) To ensure the accuracy of both parallel property accounting systems, additional
15 procedures and controls would need to be established, including the reconciliation of
16 amounts and balances between the two systems.
- 17 c) As previously noted, the complexities of divergent systems would result in significant
18 one-time costs as well as increased ongoing operating costs, all of which would
19 ultimately be borne by customers. The Company does not currently have an estimate
20 of these increased costs. However, costs associated with essentially doubling the
21 number of plant asset records would include the following costs: cost of additional

1 personnel in Plant Accounting, General Accounting, Finance, Information Services,
2 and potentially other departments; increased computing costs associated with
3 increased processing time to close the books each month; and additional computer
4 hardware investment (e.g. among other things, servers and data storage medium).

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

10
11 Furthermore, a general principle in rate making is to charge current customers for current
12 costs. The adoption of the FASB accounting changes will result in an earlier recognition
13 of the non-service costs components as compared to capitalization of those costs, which
14 would result if the FASB update had not been adopted. Therefore, the adoption of the
15 FASB accounting changes more closely aligns with general rate making principles. For
16 these reasons, the Company recommends that the PUC adopt the FASB accounting
17 changes and *not* make any changes to the existing pension and PBOP reconciliation
18 mechanism by allowing the Company to continue to include all non-service costs charged
19 to O&M in reconciled costs.

20

1 VI. Conclusion

2 Q. Does this conclude your testimony?

3 A. Yes.

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

<u>Line No.</u>		<u>April 2016 thru March 2017</u>
(1)	<u>Rate Allowance:</u>	
(2)	National Grid - RI Electric Pension Costs Allowance ¹	\$4,100,051
(3)	National Grid - Service Company Allocated Pension Costs Allowance	\$3,623,508
(4)	Total Pension Costs	<u>\$7,723,559</u>
(5)	<u>Expense Reconciliation:</u>	
(6)	Current Year actual Pension Expense Direct	\$3,790,028
(7)	Current Year actual Service Company Allocated Pension Expense	\$7,213,776
(8)	Current Year actual Affiliated Allocated Pension Expense	\$171,688
(9)	FY 2017 Pension Costs Recovered Through Integrated Facilities Agreement (IFA)	<u>(\$1,192,915)</u>
(10)	Total Current Year Pension Expense	\$9,982,577
(11)	Rate Allowance	\$7,723,559
(12)	Current Year Pension Expense Reconciliation	\$2,259,018
(13)	Funding Carrying Charge	(\$118,658)

Line Notes:

- (2) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 line 26 (k) less line 24 (k)
- (3) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 sum of lines 26 (l) thru 26 (n)
- (4) Line (2) + Line (3)
- (6)-(9) Per Company Books
- (10) Sum of Line (6) through Line (9)
- (11) Line (4)
- (12) Line (10) - Line (11)
- (13) = - Page 3 of 4 Line (19) (f)

¹ Pension rate allowance for purposes of this reconciliation excludes the 10-year recovery of pension and PBOP costs from Docket No. 3617 of \$2,511,132. This recovery ended on December 31, 2013. The amount of amortization of these pension and PBOP costs is also excluded from the expense amount shown on Line 6 above.

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

<u>Line No.</u>		<u>April 2016 thru March 2017</u>
(1)	<u>Rate Allowance</u>	
(2)	National Grid - RI Electric PBOP Costs Allowance	\$1,813,275
(3)	National Grid - Service Company Allocated PBOP Costs Allowance	\$1,728,301
(4)	Total PBOP Costs	<u>\$3,541,576</u>
(5)	<u>Expense Reconciliation</u>	
(6)	Current Year actual PBOP Expense Direct	\$2,063,811
(7)	Current Year actual Service Company Allocated PBOP Expense	\$2,400,636
(8)	Current Year actual Affiliated Allocated PBOP Expense	\$194,151
(9)	FY 2017 PBOP Costs Recovered Through IFA	<u>(\$1,126,563)</u>
(10)	Total Current Year PBOP Expense	\$3,532,035
(11)	Rate Allowance	\$3,541,576
(12)	Current Year PBOP Expense Reconciliation	(\$9,541)
(13)	Funding Carrying Charge	(\$159,992)

Line Notes:

- (2) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 34 of 71 line 1(e)
- (3) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 34 of 71 sum of lines 2(e) through 5(e)
- (4) Line (2) + Line (3)
- (6)-(9) Per Company Books
- (10) Sum of Line (6) through Line (9)
- (11) Line (4)
- (12) Line (10) - Line (11)
- (13) = - Page 4 of 4 Line (18) (f)

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

Line No.		(a) Dkt 4323	(b) Mar-2016	(c) Jun-2016	(d) Sep-2016	(e) Dec-2016	(f) Mar-2017
	<u>Customer Funding</u>						
(1)	Base Rate Recovery:						
(2)	Direct	\$4,100,051	\$1,025,013	\$1,025,013	\$1,025,013	\$1,025,013	\$1,025,013
(3)	Servco	\$3,623,508	\$905,877	\$905,877	\$905,877	\$905,877	\$905,877
(4)	Recovery of Pension and PBOP per R.I.P.U.C Docket No. 3617	\$2,511,132	\$0	\$0	\$0	\$0	\$0
(5)	PAM Surcharge Recovery:		\$466,972	\$544,801	\$544,801	\$1,416,349	\$1,416,349
(6)	Pension Capitalized Amount:						
(7)	Direct		\$1,335,962	\$942,009	\$929,225	\$946,207	\$1,042,034
(8)	<u>Servco/Other Affiliates</u>		\$1,082,312	\$968,869	\$823,074	\$804,495	\$756,132
(9)	Total Customer Funding:		\$4,816,136	\$4,386,569	\$4,227,989	\$5,097,940	\$5,145,404
(10)	<u>Company Contributions¹</u>						
(11)	Pension		Jun-2016 \$1,887,500	Sep-2016 \$1,887,500	Dec-2016 \$1,887,500	Mar-2017 \$1,887,500	Jun-2017 \$4,634,443
(12)	<u>Service Company Allocated Costs</u>		\$1,988,189	\$1,874,746	\$1,728,951	\$1,710,372	\$1,662,009
(13)	Total Contributions		\$3,875,689	\$3,762,246	\$3,616,451	\$3,597,872	\$6,296,452
(14)	Under/(Over) Funding		\$940,447	\$624,322	\$611,538	\$1,500,069	(\$1,151,048)
(15)	Cumulative Under/(Over) Funding		(\$10,398)	\$613,925	\$1,225,463	\$2,725,532	\$1,574,484
(16)	Five Quarter Average						\$1,225,801
(17)	Base for Carrying Charge (greater of line 22 or zero)						\$1,225,801
(18)	Pre-tax WACC						9.68%
(19)	Carrying Charge						<u>\$118,658</u>

Company Contributions¹-This amount represents dollars funded in the subsequent quarter

Line Notes:

- ÷
- (2) (a) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 line (1) (e)
 - (2) (b)-(2) (f) Line (2) (a) ÷ 12 × 3
 - (3) (a) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 sum of lines (2) (e) thru (5) (e)
 - (3) (b)-(3) (f) Line (3) (a) ÷ 12 × 3
 - (4) (a) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 line (24) (p)
 - (5) (b) Docket No. 4518 Schedule WRR-1 Revised, page 1 of 4, Line (13) ÷ 12 × 3
 - (5) (c), (5) (d) The electric pension PAM surcharge for the recovery period ended September 30, 2016 was \$1,867,888 collected over an 11 month period. The surcharge recoveries reflected in the prior year PAM reconciliation totaled \$778,287, leaving a remaining surcharge of \$1,089,601 for the recovery period ended September 30, 2016. Half of this amount is reflected each of the quarters ended June 30, 2016 and September 30, 2016.
 - (5) (e), (5) (f) Docket No. 4637 Schedule WRR-1 Revised, page 1 of 4, Line (11) ÷ 12 × 3
 - (7) (b)-(7) (f) Per Company Books
 - (8) (b)-(8) (f) Per Company Books
 - (9) Sum of Line (2) through Line (8)
 - (11) Per Company Books
 - (12) Line (3) + Line (8)
 - (13) Line (11) + Line (12)
 - (14) Line (9) - line (13)
 - (15) Current year line (14) plus prior year line (15)
 - (16) Average of column (b) through column (f)
 - (17) If line (16) is greater than zero, line (16) if not, zero
 - (18) Docket No. 4323
 - (19) Line (17) × line (18)

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

Line No.	Customer Funding	(a) Dkt 4323	(b) Mar-2016	(c) Jun-2016	(d) Sep-2016	(e) Dec-2016	(f) Mar-2017
(1)	Base Rate Recovery:						
(2)	Direct	\$1,813,275	\$453,319	\$453,319	\$453,319	\$453,319	\$453,319
(3)	Servco	\$1,728,301	\$432,075	\$432,075	\$432,075	\$432,075	\$432,075
(4)	PAM Surcharge Recovery:		(\$244,002)	(\$284,669)	(\$284,669)	\$362,556	\$362,556
(5)	PBOP Capitalized Amount:						
(6)	Direct		\$486,038	\$510,573	\$503,643	\$512,848	\$564,786
(7)	Servco/Other Affiliates		\$426,659	\$357,100	\$330,087	\$279,557	\$289,700
(8)	Total Customer Funding:		1,554,089	1,468,398	1,434,456	2,040,354	2,102,435
(9)	Company Contributions ¹		Jun-2016	Sep-2015	Dec-2015	Mar-2016	Jun-2016
(10)	PBOP		\$562,500	\$562,500	\$562,500	\$562,500	\$3,000,000
(11)	ServCo/Other Affiliates Allocated Costs		\$858,734	\$789,176	\$762,162	\$711,632	\$721,775
(12)			\$1,421,234	\$1,351,676	\$1,324,662	\$1,274,132	\$3,721,775
(13)	Under/(Over) Funding		\$132,855	\$116,723	\$109,794	\$766,222	(\$1,619,339)
(14)	Cumulative Funding Under/(Over) Funding		\$1,510,930	\$1,627,652	\$1,737,446	\$2,503,668	\$884,329
(15)	Five Quarter Average						\$1,652,805
(16)	Base for Carrying Charge (greater of line 22 or zero)						\$1,652,805
(17)	Pre-tax WACC						9.68%
(18)	Carrying Charge						\$159,992

Company Contributions¹-This amount represents dollars funded in the subsequent quarter

Line Notes:

- (2) (a) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 line (1) (e)
- (2) (b)-(2) (f) Line (2) (a) ÷ 12 × 3
- (3) (a) Docket No. 4323 Compliance Attachment 1 Schedule MDL-3-ELEC page 35 of 71 sum of lines (2) (e) thru (5) (e)
- (3) (b)-(3) (f) Line (3) (a) ÷ 12 × 3
- (4) (b) Docket No. 4518 Schedule WRR-1 Revised, page 2 of 4, Line (13) ÷ 12 × 3
- (4) (c), (4) (d) The electric PBOP PAM surcharge/(refund) for the recovery period ended September 30, 2016 was (\$976,007) refunded over an 11 month period. The refund reflected in the prior year PAM reconciliation totaled (\$406,670), leaving a remaining refund of (\$569,337) for the recovery period ended September 30, 2016. Half of this amount is reflected each of the quarters ended June 30, 2016 and September 30, 2016.
- (4) (e), (4) (f) Docket No. 4637 Schedule WRR-1 Revised, page 2 of 4, Line (11) ÷ 12 × 3
- (6) (b)-(6) (f) Per Company Books
- (7) (b)-(7) (f) Per Company Books
- (8) Sum of Line (2) through Line (7)
- (10) Per Company Books
- (11) Line (3) + Line (7)
- (12) Line (10) + Line (11)
- (13) Line (8) - line (12)
- (14) Current year line (13) plus prior year line (14)
- (15) Average of column (b) through column (f)
- (16) If line (15) is greater than zero, line (15) if not, zero
- (17) Docket No. 4323
- (18) Line (16) × line (17)

**Narragansett Electric - Electric Operations
Calculation of Pension/PBOP Adjustment Factor**

Line No.	<u>Pension</u> (a)	<u>PBOP</u> (b)	<u>Total</u> (c) = (a)+(b)	
<u>Current Year's Reconciliation Balance</u>				
(1)	Current Year Regulatory Expense Reconciliation	\$2,259,018	(\$9,541)	\$2,249,476
(2)	<u>Funding Carrying Charge</u>	<u>(\$118,658)</u>	<u>(\$159,992)</u>	<u>(\$278,649)</u>
(3)	Current Year's Under/(Over) Recovery	\$2,140,360	(\$169,533)	\$1,970,827
 <u>Adjustments to Current Year Deferral</u>				
(4)	Remaining Under/(Over) Balance of 2014 & 2015 Prior Year Deferrals	\$221,136	(\$123,400)	\$97,736
(5)	<u>Prior Period IFA-Related Pension/PBOP Adjustments including Interest</u>	<u>(\$4,668,317)</u>	<u>(\$3,588,506)</u>	<u>(\$8,256,823)</u>
(6)	Net Over-Recovery	(\$2,306,821)	(\$3,881,439)	(\$6,188,260)
(7)	<u>Estimated Interest on (Over)/Under Recovery</u>			<u>(\$114,940)</u>
(8)	Net Over-Recovery including Interest			(\$6,303,199)
(9)	<u>Forecasted kWhs - October 1, 2017 through September 30, 2018</u>			<u>7,337,969,020</u>
(10)	Proposed Pension/PBOP Adjustment Factor for October 1, 2017			(\$0.00085)

Line Notes:

- (1) (a): Schedule WRR-1, Page 1, Line (12); (b): Schedule WRR-1, Page 2, Line (12)
- (2) (a): Schedule WRR-1, Page 1, Line (13); (b): Schedule WRR-1, Page 2, Line (13)
- (3) Line (1) + Line (2)
- (4) (a): Schedule WRR-4, Page 1, Line 37, Col (d); (b): Schedule WRR-4, Page 2, Line 37, Col (d)
- (5) (a): Schedule WRR-6, Page 1, Line 37, Col (d); (b): Schedule WRR-6, Page 2, Line 37, Col (d)
- (6) Line (3) + Line (4) + Line (5)
- (7) Page 2, Line (19) (f)
- (8) Line (6) + Line (7)
- (9) per Company forecast
- (10) Line (8) ÷ Line (9), truncated to 5 decimal places

**Narragansett Electric - Electric Operations
Calculation of Interest on (Over)/Under Recovery**

Line No.	Month	Beginning Under/(Over) With Interest (a)	Estimated Recovery (b)	Ending Under/(Over) (c)	Balance Subject to Interest (d)	Interest Rate (e)	Interest (f)	Cumulative Interest (g)
(1)	Apr-2017	(\$6,188,260)		(\$6,188,260)	(\$6,188,260)	1.84%	(\$9,489)	(\$9,489)
(2)	May-2017	(\$6,197,749)		(\$6,197,749)	(\$6,197,749)	1.84%	(\$9,503)	(\$18,992)
(3)	Jun-2017	(\$6,207,252)		(\$6,207,252)	(\$6,207,252)	1.84%	(\$9,518)	(\$28,510)
(4)	Jul-2017	(\$6,216,770)		(\$6,216,770)	(\$6,216,770)	1.84%	(\$9,532)	(\$38,042)
(5)	Aug-2017	(\$6,226,302)		(\$6,226,302)	(\$6,226,302)	1.84%	(\$9,547)	(\$47,589)
(6)	Sep-2017	(\$6,235,849)		(\$6,235,849)	(\$6,235,849)	1.84%	(\$9,562)	(\$57,151)
(7)	Oct-2017	(\$6,245,411)	\$520,451	(\$5,724,960)	(\$5,985,185)	1.84%	(\$9,177)	(\$66,328)
(8)	Nov-2017	(\$5,734,137)	\$521,285	(\$5,212,852)	(\$5,473,494)	1.84%	(\$8,393)	(\$74,721)
(9)	Dec-2017	(\$5,221,245)	\$522,124	(\$4,699,120)	(\$4,960,182)	1.84%	(\$7,606)	(\$82,326)
(10)	Jan-2018	(\$4,706,726)	\$522,970	(\$4,183,756)	(\$4,445,241)	1.84%	(\$6,816)	(\$89,142)
(11)	Feb-2018	(\$4,190,572)	\$523,822	(\$3,666,751)	(\$3,928,661)	1.84%	(\$6,024)	(\$95,166)
(12)	Mar-2018	(\$3,672,775)	\$524,682	(\$3,148,093)	(\$3,410,434)	1.84%	(\$5,229)	(\$100,396)
(13)	Apr-2018	(\$3,153,322)	\$525,554	(\$2,627,768)	(\$2,890,545)	1.84%	(\$4,432)	(\$104,828)
(14)	May-2018	(\$2,632,200)	\$526,440	(\$2,105,760)	(\$2,368,980)	1.84%	(\$3,632)	(\$108,460)
(15)	Jun-2018	(\$2,109,393)	\$527,348	(\$1,582,045)	(\$1,845,719)	1.84%	(\$2,830)	(\$111,290)
(16)	Jul-2018	(\$1,584,875)	\$528,292	(\$1,056,583)	(\$1,320,729)	1.84%	(\$2,025)	(\$113,315)
(17)	Aug-2018	(\$1,058,608)	\$529,304	(\$529,304)	(\$793,956)	1.84%	(\$1,217)	(\$114,533)
(18)	Sep-2018	(\$530,522)	\$530,522	(\$0)	(\$265,261)	1.84%	(\$407)	(\$114,940)
(19)	Total		\$6,302,793				(\$114,940)	

Column Notes:

- (a) Apr-2017 per Page 1, Line (6); all other months = prior month Column (c) + prior month Column (f)
- (b) Column (a) ÷ number of remaining months in recovery period
- (c) Column (a) + Column (b)
- (d) Average of Column (a) and Column (c)
- (e) Interest rate on customer deposits
- (f) Column (d) x (Column (e) ÷ 12)
- (g) Prior month Column (g) + Current month Column (f)

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

Monthly kWh	Present Rates				Proposed Rates				Increase (Decrease)								Percentage of Customers
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill				
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	
150	\$20.53	\$9.34	\$1.24	\$31.11	\$20.27	\$9.34	\$1.23	\$30.84	(\$0.26)	\$0.00	(\$0.01)	(\$0.27)	-0.8%	0.0%	0.0%	-0.9%	13.7%
300	\$35.03	\$18.68	\$2.24	\$55.95	\$34.50	\$18.68	\$2.22	\$55.40	(\$0.53)	\$0.00	(\$0.02)	(\$0.55)	-0.9%	0.0%	0.0%	-1.0%	17.5%
400	\$44.69	\$24.91	\$2.90	\$72.50	\$43.99	\$24.91	\$2.87	\$71.77	(\$0.70)	\$0.00	(\$0.03)	(\$0.73)	-1.0%	0.0%	0.0%	-1.0%	11.8%
500	\$54.36	\$31.14	\$3.56	\$89.06	\$53.48	\$31.14	\$3.53	\$88.15	(\$0.88)	\$0.00	(\$0.03)	(\$0.91)	-1.0%	0.0%	0.0%	-1.0%	10.8%
600	\$64.03	\$37.37	\$4.23	\$105.63	\$62.97	\$37.37	\$4.18	\$104.52	(\$1.06)	\$0.00	(\$0.05)	(\$1.11)	-1.0%	0.0%	0.0%	-1.1%	9.4%
700	\$73.69	\$43.60	\$4.89	\$122.18	\$72.46	\$43.60	\$4.84	\$120.90	(\$1.23)	\$0.00	(\$0.05)	(\$1.28)	-1.0%	0.0%	0.0%	-1.0%	7.7%
1,200	\$122.02	\$74.74	\$8.20	\$204.96	\$119.91	\$74.74	\$8.11	\$202.76	(\$2.11)	\$0.00	(\$0.09)	(\$2.20)	-1.0%	0.0%	0.0%	-1.1%	15.0%
2,000	\$199.35	\$124.56	\$13.50	\$337.41	\$195.83	\$124.56	\$13.35	\$333.74	(\$3.52)	\$0.00	(\$0.15)	(\$3.67)	-1.0%	0.0%	0.0%	-1.1%	14.1%

	<u>Present Rates</u>		<u>Proposed Rates</u>	
Customer Charge		\$5.00		\$5.00
RE Growth Factor		\$0.22		\$0.22
LIHEAP Charge		\$0.81		\$0.81
Transmission Energy Charge	kWh x	\$0.03179		\$0.03179
Distribution Energy Charge	kWh x	\$0.04589	(1)	\$0.04413
Transition Energy Charge	kWh x	\$0.00057		\$0.00057
Energy Efficiency Program Charge	kWh x	\$0.01154		\$0.01154
Renewable Energy Distribution Charge	kWh x	\$0.00687		\$0.00687
Gross Earnings Tax		4%		4%
Standard Offer Charge	kWh x	\$0.06228		\$0.06228

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

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

Monthly kWh	Present Rates				Proposed Rates				Increase (Decrease)								Percentage of Customers
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill				
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	
150	\$13.51	\$9.34	\$0.95	\$23.80	\$13.24	\$9.34	\$0.94	\$23.52	(\$0.27)	\$0.00	(\$0.01)	(\$0.28)	-1.1%	0.0%	0.0%	-1.2%	13.7%
300	\$25.99	\$18.68	\$1.86	\$46.53	\$25.46	\$18.68	\$1.84	\$45.98	(\$0.53)	\$0.00	(\$0.02)	(\$0.55)	-1.1%	0.0%	0.0%	-1.2%	17.5%
400	\$34.31	\$24.91	\$2.47	\$61.69	\$33.60	\$24.91	\$2.44	\$60.95	(\$0.71)	\$0.00	(\$0.03)	(\$0.74)	-1.2%	0.0%	0.0%	-1.2%	11.8%
500	\$42.63	\$31.14	\$3.07	\$76.84	\$41.75	\$31.14	\$3.04	\$75.93	(\$0.88)	\$0.00	(\$0.03)	(\$0.91)	-1.1%	0.0%	0.0%	-1.2%	10.8%
600	\$50.94	\$37.37	\$3.68	\$91.99	\$49.89	\$37.37	\$3.64	\$90.90	(\$1.05)	\$0.00	(\$0.04)	(\$1.09)	-1.1%	0.0%	0.0%	-1.2%	9.4%
700	\$59.26	\$43.60	\$4.29	\$107.15	\$58.03	\$43.60	\$4.23	\$105.86	(\$1.23)	\$0.00	(\$0.06)	(\$1.29)	-1.1%	0.0%	-0.1%	-1.2%	7.7%
1,200	\$100.86	\$74.74	\$7.32	\$182.92	\$98.75	\$74.74	\$7.23	\$180.72	(\$2.11)	\$0.00	(\$0.09)	(\$2.20)	-1.2%	0.0%	0.0%	-1.2%	15.0%
2,000	\$167.41	\$124.56	\$12.17	\$304.14	\$163.89	\$124.56	\$12.02	\$300.47	(\$3.52)	\$0.00	(\$0.15)	(\$3.67)	-1.2%	0.0%	0.0%	-1.2%	14.1%

	<u>Present Rates</u>		<u>Proposed Rates</u>		
Customer Charge		\$0.00		\$0.00	
RE Growth Factor		\$0.22		\$0.22	
LIHEAP Charge		\$0.81		\$0.81	
Transmission Energy Charge	kWh x	\$0.03179		\$0.03179	
Distribution Energy Charge	kWh x	\$0.03242		\$0.03066	
Transition Energy Charge	kWh x	\$0.00057		\$0.00057	
Energy Efficiency Program Charge	kWh x	\$0.01154		\$0.01154	
Renewable Energy Distribution Charge	kWh x	\$0.00687		\$0.00687	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	\$0.06228	(1)	\$0.06228	(2)

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

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

Monthly kWh	Present Rates				Proposed Rates				Increase (Decrease)								Percentage of Customers
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill				
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	
250	\$25.41	\$15.39	\$1.70	\$42.50	\$32.97	\$15.39	\$2.02	\$50.38	\$7.56	\$0.00	\$0.32	\$7.88	17.8%	0.0%	0.8%	18.5%	35.2%
500	\$55.66	\$30.78	\$3.60	\$90.04	\$54.78	\$30.78	\$3.57	\$89.13	(\$0.88)	\$0.00	(\$0.03)	(\$0.91)	-1.0%	0.0%	0.0%	-1.0%	17.0%
1,000	\$100.15	\$61.56	\$6.74	\$168.45	\$98.39	\$61.56	\$6.66	\$166.61	(\$1.76)	\$0.00	(\$0.08)	(\$1.84)	-1.0%	0.0%	0.0%	-1.1%	19.0%
1,500	\$144.65	\$92.34	\$9.87	\$246.86	\$142.01	\$92.34	\$9.76	\$244.11	(\$2.64)	\$0.00	(\$0.11)	(\$2.75)	-1.1%	0.0%	0.0%	-1.1%	9.8%
2,000	\$189.14	\$123.12	\$13.01	\$325.27	\$185.62	\$123.12	\$12.86	\$321.60	(\$3.52)	\$0.00	(\$0.15)	(\$3.67)	-1.1%	0.0%	0.0%	-1.1%	19.1%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$10.00	\$10.00
RE Growth Factor	\$0.35	\$0.35
LIHEAP Charge	\$0.81	\$0.81
Transmission Energy Charge	kWh x \$0.02838	\$0.02838
Distribution Energy Charge	kWh x \$0.04163 (1)	\$0.03987 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06156	\$0.06156

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 200

Monthly Power kW kWh	Present Rates				Proposed Rates				Increase (Decrease)							
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20 4000	\$443.86	\$246.24	\$28.75	\$718.85	\$436.82	\$246.24	\$28.46	\$711.52	(\$7.04)	\$0.00	(\$0.29)	(\$7.33)	-1.0%	0.0%	0.0%	-1.0%
50 10000	\$983.68	\$615.60	\$66.64	\$1,665.92	\$966.08	\$615.60	\$65.90	\$1,647.58	(\$17.60)	\$0.00	(\$0.74)	(\$18.34)	-1.1%	0.0%	0.0%	-1.1%
100 20000	\$1,883.38	\$1,231.20	\$129.77	\$3,244.35	\$1,848.18	\$1,231.20	\$128.31	\$3,207.69	(\$35.20)	\$0.00	(\$1.46)	(\$36.66)	-1.1%	0.0%	0.0%	-1.1%
150 30000	\$2,783.08	\$1,846.80	\$192.91	\$4,822.79	\$2,730.28	\$1,846.80	\$190.71	\$4,767.79	(\$52.80)	\$0.00	(\$2.20)	(\$55.00)	-1.1%	0.0%	0.0%	-1.1%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$135.00	\$135.00
RE Growth Factor	\$3.37	\$3.37
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.37	\$4.37
Transmission Energy Charge	kWh x \$0.01095	\$0.01095
Distribution Demand Charge-xcs 10 kW	kW x \$5.52	\$5.52
Distribution Energy Charge	kWh x \$0.01059 (1)	\$0.00883 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06156	\$0.06156

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed CapEx Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 300

Monthly Power kW kWh		Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	6000	\$524.90	\$369.36	\$37.26	\$931.52	\$514.34	\$369.36	\$36.82	\$920.52	(\$10.56)	\$0.00	(\$0.44)	(\$11.00)	-1.1%	0.0%	0.0%	-1.2%
50	15000	\$1,186.28	\$923.40	\$87.90	\$2,197.58	\$1,159.88	\$923.40	\$86.80	\$2,170.08	(\$26.40)	\$0.00	(\$1.10)	(\$27.50)	-1.2%	0.0%	-0.1%	-1.3%
100	30000	\$2,288.58	\$1,846.80	\$172.31	\$4,307.69	\$2,235.78	\$1,846.80	\$170.11	\$4,252.69	(\$52.80)	\$0.00	(\$2.20)	(\$55.00)	-1.2%	0.0%	-0.1%	-1.3%
150	45000	\$3,390.88	\$2,770.20	\$256.71	\$6,417.79	\$3,311.68	\$2,770.20	\$253.41	\$6,335.29	(\$79.20)	\$0.00	(\$3.30)	(\$82.50)	-1.2%	0.0%	-0.1%	-1.3%

	Present Rates	Proposed Rates
Customer Charge	\$135.00	\$135.00
RE Growth Factor	\$3.37	\$3.37
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.37	\$4.37
Transmission Energy Charge	kWh x \$0.01095	\$0.01095
Distribution Demand Charge-xcs 10 kW	kW x \$5.52	\$5.52
Distribution Energy Charge	kWh x \$0.01059 (1)	\$0.00883 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06156	\$0.06156

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed CapEx Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 400

Monthly Power kW kWh		Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20	8000	\$605.94	\$492.48	\$45.77	\$1,144.19	\$591.86	\$492.48	\$45.18	\$1,129.52	(\$14.08)	\$0.00	(\$0.59)	(\$14.67)	-1.2%	0.0%	-0.1%	-1.3%
50	20000	\$1,388.88	\$1,231.20	\$109.17	\$2,729.25	\$1,353.68	\$1,231.20	\$107.70	\$2,692.58	(\$35.20)	\$0.00	(\$1.47)	(\$36.67)	-1.3%	0.0%	-0.1%	-1.3%
100	40000	\$2,693.78	\$2,462.40	\$214.84	\$5,371.02	\$2,623.38	\$2,462.40	\$211.91	\$5,297.69	(\$70.40)	\$0.00	(\$2.93)	(\$73.33)	-1.3%	0.0%	-0.1%	-1.4%
150	60000	\$3,998.68	\$3,693.60	\$320.51	\$8,012.79	\$3,893.08	\$3,693.60	\$316.11	\$7,902.79	(\$105.60)	\$0.00	(\$4.40)	(\$110.00)	-1.3%	0.0%	-0.1%	-1.4%

	Present Rates		Proposed Rates		
Customer Charge		\$135.00		\$135.00	
RE Growth Factor		\$3.37		\$3.37	
LIHEAP Charge		\$0.81		\$0.81	
Transmission Demand Charge	kW x	\$4.37		\$4.37	
Transmission Energy Charge	kWh x	\$0.01095		\$0.01095	
Distribution Demand Charge-xcs 10 kW	kW x	\$5.52		\$5.52	
Distribution Energy Charge	kWh x	\$0.01059	(1)	\$0.00883	(2)
Transition Energy Charge	kWh x	\$0.00057		\$0.00057	
Energy Efficiency Program Charge	kWh x	\$0.01154		\$0.01154	
Renewable Energy Distribution Charge	kWh x	\$0.00687		\$0.00687	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	\$0.06156		\$0.06156	

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed CapEx Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 500

Monthly Power kW kWh	Present Rates				Proposed Rates				Increase (Decrease)							
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20 10000	\$686.98	\$615.60	\$54.27	\$1,356.85	\$669.38	\$615.60	\$53.54	\$1,338.52	(\$17.60)	\$0.00	(\$0.73)	(\$18.33)	-1.3%	0.0%	-0.1%	-1.4%
50 25000	\$1,591.48	\$1,539.00	\$130.44	\$3,260.92	\$1,547.48	\$1,539.00	\$128.60	\$3,215.08	(\$44.00)	\$0.00	(\$1.84)	(\$45.84)	-1.3%	0.0%	-0.1%	-1.4%
100 50000	\$3,098.98	\$3,078.00	\$257.37	\$6,434.35	\$3,010.98	\$3,078.00	\$253.71	\$6,342.69	(\$88.00)	\$0.00	(\$3.66)	(\$91.66)	-1.4%	0.0%	-0.1%	-1.4%
150 75000	\$4,606.48	\$4,617.00	\$384.31	\$9,607.79	\$4,474.48	\$4,617.00	\$378.81	\$9,470.29	(\$132.00)	\$0.00	(\$5.50)	(\$137.50)	-1.4%	0.0%	-0.1%	-1.4%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$135.00	\$135.00
RE Growth Factor	\$3.37	\$3.37
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.37	\$4.37
Transmission Energy Charge	kWh x \$0.01095	\$0.01095
Distribution Demand Charge-xcs 10 kW	kW x \$5.52	\$5.52
Distribution Energy Charge	kWh x \$0.01059 (1)	\$0.00883 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06156	\$0.06156

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed CapEx Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

Hours Use: 600

Monthly Power kW kWh	Present Rates				Proposed Rates				Increase (Decrease)							
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
20 12000	\$768.02	\$738.72	\$62.78	\$1,569.52	\$746.90	\$738.72	\$61.90	\$1,547.52	(\$21.12)	\$0.00	(\$0.88)	(\$22.00)	-1.3%	0.0%	-0.1%	-1.4%
50 30000	\$1,794.08	\$1,846.80	\$151.70	\$3,792.58	\$1,741.28	\$1,846.80	\$149.50	\$3,737.58	(\$52.80)	\$0.00	(\$2.20)	(\$55.00)	-1.4%	0.0%	-0.1%	-1.5%
100 60000	\$3,504.18	\$3,693.60	\$299.91	\$7,497.69	\$3,398.58	\$3,693.60	\$295.51	\$7,387.69	(\$105.60)	\$0.00	(\$4.40)	(\$110.00)	-1.4%	0.0%	-0.1%	-1.5%
150 90000	\$5,214.28	\$5,540.40	\$448.11	\$11,202.79	\$5,055.88	\$5,540.40	\$441.51	\$11,037.79	(\$158.40)	\$0.00	(\$6.60)	(\$165.00)	-1.4%	0.0%	-0.1%	-1.5%

	Present Rates		Proposed Rates	
Customer Charge		\$135.00		\$135.00
RE Growth Factor		\$3.37		\$3.37
LIHEAP Charge		\$0.81		\$0.81
Transmission Demand Charge	kW x	\$4.37		\$4.37
Transmission Energy Charge	kWh x	\$0.01095		\$0.01095
Distribution Demand Charge-xcs 10 kW	kW x	\$5.52		\$5.52
Distribution Energy Charge	kWh x	\$0.01059	(1)	\$0.00883
Transition Energy Charge	kWh x	\$0.00057		\$0.00057
Energy Efficiency Program Charge	kWh x	\$0.01154		\$0.01154
Renewable Energy Distribution Charge	kWh x	\$0.00687		\$0.00687
Gross Earnings Tax		4%		4%
Standard Offer Charge	kWh x	\$0.06156		\$0.06156

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed CapEx Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 200

Monthly Power kW kWh	Present Rates				Proposed Rates				Increase (Decrease)								
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill				
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	
200 40,000	\$3,434.70	\$2,517.20	\$248.00	\$6,199.90	\$3,364.30	\$2,517.20	\$245.06	\$6,126.56	(\$70.40)	\$0.00	(\$2.94)	(\$73.34)	-1.1%	0.0%	0.0%	0.0%	-1.2%
750 150,000	\$12,967.30	\$9,439.50	\$933.62	\$23,340.42	\$12,703.30	\$9,439.50	\$922.62	\$23,065.42	(\$264.00)	\$0.00	(\$11.00)	(\$275.00)	-1.1%	0.0%	0.0%	0.0%	-1.2%
1,000 200,000	\$17,300.30	\$12,586.00	\$1,245.26	\$31,131.56	\$16,948.30	\$12,586.00	\$1,230.60	\$30,764.90	(\$352.00)	\$0.00	(\$14.66)	(\$366.66)	-1.1%	0.0%	0.0%	0.0%	-1.2%
1,500 300,000	\$25,966.30	\$18,879.00	\$1,868.55	\$46,713.85	\$25,438.30	\$18,879.00	\$1,846.55	\$46,163.85	(\$528.00)	\$0.00	(\$22.00)	(\$550.00)	-1.1%	0.0%	0.0%	0.0%	-1.2%
2,500 500,000	\$43,298.30	\$31,465.00	\$3,115.14	\$77,878.44	\$42,418.30	\$31,465.00	\$3,078.47	\$76,961.77	(\$880.00)	\$0.00	(\$36.67)	(\$916.67)	-1.1%	0.0%	0.0%	0.0%	-1.2%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$825.00	\$825.00
RE Growth Factor	\$24.49	\$24.49
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.69	\$4.69
Transmission Energy Charge	kWh x \$0.01123	\$0.01123
Distribution Demand Charge-xcs 10 kW	kW x \$4.41	\$4.41
Distribution Energy Charge	kWh x \$0.01095	(1) \$0.00919 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06293	\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 300

Monthly Power kW	kWh	Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	60,000	\$4,257.90	\$3,775.80	\$334.74	\$8,368.44	\$4,152.30	\$3,775.80	\$330.34	\$8,258.44	(\$105.60)	\$0.00	(\$4.40)	(\$110.00)	-1.3%	0.0%	-0.1%	-1.3%
750	225,000	\$16,054.30	\$14,159.25	\$1,258.90	\$31,472.45	\$15,658.30	\$14,159.25	\$1,242.40	\$31,059.95	(\$396.00)	\$0.00	(\$16.50)	(\$412.50)	-1.3%	0.0%	-0.1%	-1.3%
1,000	300,000	\$21,416.30	\$18,879.00	\$1,678.97	\$41,974.27	\$20,888.30	\$18,879.00	\$1,656.97	\$41,424.27	(\$528.00)	\$0.00	(\$22.00)	(\$550.00)	-1.3%	0.0%	-0.1%	-1.3%
1,500	450,000	\$32,140.30	\$28,318.50	\$2,519.12	\$62,977.92	\$31,348.30	\$28,318.50	\$2,486.12	\$62,152.92	(\$792.00)	\$0.00	(\$33.00)	(\$825.00)	-1.3%	0.0%	-0.1%	-1.3%
2,500	750,000	\$53,588.30	\$47,197.50	\$4,199.41	\$104,985.21	\$52,268.30	\$47,197.50	\$4,144.41	\$103,610.21	(\$1,320.00)	\$0.00	(\$55.00)	(\$1,375.00)	-1.3%	0.0%	-0.1%	-1.3%

	Present Rates	Proposed Rates
Customer Charge	\$825.00	\$825.00
RE Growth Factor	\$24.49	\$24.49
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.69	\$4.69
Transmission Energy Charge	kWh x \$0.01123	\$0.01123
Distribution Demand Charge-xcs 10 kW	kW x \$4.41	\$4.41
Distribution Energy Charge	kWh x \$0.01095 (1)	\$0.00919 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06293	\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 400

Monthly Power kW kWh	Present Rates				Proposed Rates				Increase (Decrease)							
	Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
									Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200 80,000	\$5,081.10	\$5,034.40	\$421.48	\$10,536.98	\$4,940.30	\$5,034.40	\$415.61	\$10,390.31	(\$140.80)	\$0.00	(\$5.87)	(\$146.67)	-1.3%	0.0%	-0.1%	-1.4%
750 300,000	\$19,141.30	\$18,879.00	\$1,584.18	\$39,604.48	\$18,613.30	\$18,879.00	\$1,562.18	\$39,054.48	(\$528.00)	\$0.00	(\$22.00)	(\$550.00)	-1.3%	0.0%	-0.1%	-1.4%
1,000 400,000	\$25,532.30	\$25,172.00	\$2,112.68	\$52,816.98	\$24,828.30	\$25,172.00	\$2,083.35	\$52,083.65	(\$704.00)	\$0.00	(\$29.33)	(\$733.33)	-1.3%	0.0%	-0.1%	-1.4%
1,500 600,000	\$38,314.30	\$37,758.00	\$3,169.68	\$79,241.98	\$37,258.30	\$37,758.00	\$3,125.68	\$78,141.98	(\$1,056.00)	\$0.00	(\$44.00)	(\$1,100.00)	-1.3%	0.0%	-0.1%	-1.4%
2,500 1,000,000	\$63,878.30	\$62,930.00	\$5,283.68	\$132,091.98	\$62,118.30	\$62,930.00	\$5,210.35	\$130,258.65	(\$1,760.00)	\$0.00	(\$73.33)	(\$1,833.33)	-1.3%	0.0%	-0.1%	-1.4%

	<u>Present Rates</u>			<u>Proposed Rates</u>	
Customer Charge		\$825.00		\$825.00	
RE Growth Factor		\$24.49		\$24.49	
LIHEAP Charge		\$0.81		\$0.81	
Transmission Demand Charge	kW x	\$4.69		\$4.69	
Transmission Energy Charge	kWh x	\$0.01123		\$0.01123	
Distribution Demand Charge-xcs 10 kW	kW x	\$4.41		\$4.41	
Distribution Energy Charge	kWh x	\$0.01095	(1)	\$0.00919	(2)
Transition Energy Charge	kWh x	\$0.00057		\$0.00057	
Energy Efficiency Program Charge	kWh x	\$0.01154		\$0.01154	
Renewable Energy Distribution Charge	kWh x	\$0.00687		\$0.00687	
Gross Earnings Tax		4%		4%	
Standard Offer Charge	kWh x	\$0.06293		\$0.06293	

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 500

Monthly Power kW	kWh	Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	100,000	\$5,904.30	\$6,293.00	\$508.22	\$12,705.52	\$5,728.30	\$6,293.00	\$500.89	\$12,522.19	(\$176.00)	\$0.00	(\$7.33)	(\$183.33)	-1.4%	0.0%	-0.1%	-1.4%
750	375,000	\$22,228.30	\$23,598.75	\$1,909.46	\$47,736.51	\$21,568.30	\$23,598.75	\$1,881.96	\$47,049.01	(\$660.00)	\$0.00	(\$27.50)	(\$687.50)	-1.4%	0.0%	-0.1%	-1.4%
1,000	500,000	\$29,648.30	\$31,465.00	\$2,546.39	\$63,659.69	\$28,768.30	\$31,465.00	\$2,509.72	\$62,743.02	(\$880.00)	\$0.00	(\$36.67)	(\$916.67)	-1.4%	0.0%	-0.1%	-1.4%
1,500	750,000	\$44,488.30	\$47,197.50	\$3,820.24	\$95,506.04	\$43,168.30	\$47,197.50	\$3,765.24	\$94,131.04	(\$1,320.00)	\$0.00	(\$55.00)	(\$1,375.00)	-1.4%	0.0%	-0.1%	-1.4%
2,500	1,250,000	\$74,168.30	\$78,662.50	\$6,367.95	\$159,198.75	\$71,968.30	\$78,662.50	\$6,276.28	\$156,907.08	(\$2,200.00)	\$0.00	(\$91.67)	(\$2,291.67)	-1.4%	0.0%	-0.1%	-1.4%

	Present Rates	Proposed Rates
Customer Charge	\$825.00	\$825.00
RE Growth Factor	\$24.49	\$24.49
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.69	\$4.69
Transmission Energy Charge	kWh x \$0.01123	\$0.01123
Distribution Demand Charge-xcs 10 kW	kW x \$4.41	\$4.41
Distribution Energy Charge	kWh x \$0.01095 (1)	\$0.00919 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06293	\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

Hours Use: 600

Monthly Power kW kWh		Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
200	120,000	\$6,727.50	\$7,551.60	\$594.96	\$14,874.06	\$6,516.30	\$7,551.60	\$586.16	\$14,654.06	(\$211.20)	\$0.00	(\$8.80)	(\$220.00)	-1.4%	0.0%	-0.1%	-1.5%
750	450,000	\$25,315.30	\$28,318.50	\$2,234.74	\$55,868.54	\$24,523.30	\$28,318.50	\$2,201.74	\$55,043.54	(\$792.00)	\$0.00	(\$33.00)	(\$825.00)	-1.4%	0.0%	-0.1%	-1.5%
1,000	600,000	\$33,764.30	\$37,758.00	\$2,980.10	\$74,502.40	\$32,708.30	\$37,758.00	\$2,936.10	\$73,402.40	(\$1,056.00)	\$0.00	(\$44.00)	(\$1,100.00)	-1.4%	0.0%	-0.1%	-1.5%
1,500	900,000	\$50,662.30	\$56,637.00	\$4,470.80	\$111,770.10	\$49,078.30	\$56,637.00	\$4,404.80	\$110,120.10	(\$1,584.00)	\$0.00	(\$66.00)	(\$1,650.00)	-1.4%	0.0%	-0.1%	-1.5%
2,500	1,500,000	\$84,458.30	\$94,395.00	\$7,452.22	\$186,305.52	\$81,818.30	\$94,395.00	\$7,342.22	\$183,555.52	(\$2,640.00)	\$0.00	(\$110.00)	(\$2,750.00)	-1.4%	0.0%	-0.1%	-1.5%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$825.00	\$825.00
RE Growth Factor	\$24.49	\$24.49
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$4.69	\$4.69
Transmission Energy Charge	kWh x \$0.01123	\$0.01123
Distribution Demand Charge-xcs 10 kW	kWh x \$4.41	\$4.41
Distribution Energy Charge	kWh x \$0.01095	(1) \$0.00919 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06293	\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 200

Monthly Power kW	kWh	Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	600,000	\$62,900.11	\$37,758.00	\$4,194.09	\$104,852.20	\$61,844.11	\$37,758.00	\$4,150.09	\$103,752.20	(\$1,056.00)	\$0.00	(\$44.00)	(\$1,100.00)	-1.0%	0.0%	0.0%	-1.0%
5,000	1,000,000	\$93,140.11	\$62,930.00	\$6,502.92	\$162,573.03	\$91,380.11	\$62,930.00	\$6,429.59	\$160,739.70	(\$1,760.00)	\$0.00	(\$73.33)	(\$1,833.33)	-1.1%	0.0%	0.0%	-1.1%
7,500	1,500,000	\$130,940.11	\$94,395.00	\$9,388.96	\$234,724.07	\$128,300.11	\$94,395.00	\$9,278.96	\$231,974.07	(\$2,640.00)	\$0.00	(\$110.00)	(\$2,750.00)	-1.1%	0.0%	0.0%	-1.2%
10,000	2,000,000	\$168,740.11	\$125,860.00	\$12,275.00	\$306,875.11	\$165,220.11	\$125,860.00	\$12,128.34	\$303,208.45	(\$3,520.00)	\$0.00	(\$146.66)	(\$3,666.66)	-1.1%	0.0%	0.0%	-1.2%
20,000	4,000,000	\$319,940.11	\$251,720.00	\$23,819.17	\$595,479.28	\$312,900.11	\$251,720.00	\$23,525.84	\$588,145.95	(\$7,040.00)	\$0.00	(\$293.33)	(\$7,333.33)	-1.2%	0.0%	0.0%	-1.2%

	Present Rates	Proposed Rates
Customer Charge	\$17,000.00	\$17,000.00
RE Growth Factor	\$539.30	\$539.30
LIHEAP Charge	\$0.81	\$0.81
Transmission Demand Charge	kW x \$3.40	\$3.40
Transmission Energy Charge	kWh x \$0.01524	\$0.01524
Distribution Demand Charge-xcs 10 kW	kW x \$3.90	\$3.90
Distribution Energy Charge	kWh x \$0.00488	\$0.00312 (2)
Transition Energy Charge	kWh x \$0.00057	\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154	\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687	\$0.00687
Gross Earnings Tax	4%	4%
Standard Offer Charge	kWh x \$0.06293	\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 300

Monthly Power kW kWh		Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	900,000	\$74,630.11	\$56,637.00	\$5,469.46	\$136,736.57	\$73,046.11	\$56,637.00	\$5,403.46	\$135,086.57	(\$1,584.00)	\$0.00	(\$66.00)	(\$1,650.00)	-1.2%	0.0%	0.0%	-1.2%
5,000	1,500,000	\$112,690.11	\$94,395.00	\$8,628.55	\$215,713.66	\$110,050.11	\$94,395.00	\$8,518.55	\$212,963.66	(\$2,640.00)	\$0.00	(\$110.00)	(\$2,750.00)	-1.2%	0.0%	-0.1%	-1.3%
7,500	2,250,000	\$160,265.11	\$141,592.50	\$12,577.40	\$314,435.01	\$156,305.11	\$141,592.50	\$12,412.40	\$310,310.01	(\$3,960.00)	\$0.00	(\$165.00)	(\$4,125.00)	-1.3%	0.0%	-0.1%	-1.3%
10,000	3,000,000	\$207,840.11	\$188,790.00	\$16,526.25	\$413,156.36	\$202,560.11	\$188,790.00	\$16,306.25	\$407,656.36	(\$5,280.00)	\$0.00	(\$220.00)	(\$5,500.00)	-1.3%	0.0%	-0.1%	-1.3%
20,000	6,000,000	\$398,140.11	\$377,580.00	\$32,321.67	\$808,041.78	\$387,580.11	\$377,580.00	\$31,881.67	\$797,041.78	(\$10,560.00)	\$0.00	(\$440.00)	(\$11,000.00)	-1.3%	0.0%	-0.1%	-1.4%

	<u>Present Rates</u>		<u>Proposed Rates</u>
Customer Charge	\$17,000.00		\$17,000.00
RE Growth Factor	\$539.30		\$539.30
LIHEAP Charge	\$0.81		\$0.81
Transmission Demand Charge	kW x \$3.40		\$3.40
Transmission Energy Charge	kWh x \$0.01524		\$0.01524
Distribution Demand Charge-xcs 10 kW	kW x \$3.90		\$3.90
Distribution Energy Charge	kWh x \$0.00488	(1)	\$0.00312 (2)
Transition Energy Charge	kWh x \$0.00057		\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154		\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687		\$0.00687
Gross Earnings Tax	4%		4%
Standard Offer Charge	kWh x \$0.06293		\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 400

Monthly Power kW kWh		Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	1,200,000	\$86,360.11	\$75,516.00	\$6,744.84	\$168,620.95	\$84,248.11	\$75,516.00	\$6,656.84	\$166,420.95	(\$2,112.00)	\$0.00	(\$88.00)	(\$2,200.00)	-1.3%	0.0%	-0.1%	-1.3%
5,000	2,000,000	\$132,240.11	\$125,860.00	\$10,754.17	\$268,854.28	\$128,720.11	\$125,860.00	\$10,607.50	\$265,187.61	(\$3,520.00)	\$0.00	(\$146.67)	(\$3,666.67)	-1.3%	0.0%	-0.1%	-1.4%
7,500	3,000,000	\$189,590.11	\$188,790.00	\$15,765.84	\$394,145.95	\$184,310.11	\$188,790.00	\$15,545.84	\$388,645.95	(\$5,280.00)	\$0.00	(\$220.00)	(\$5,500.00)	-1.3%	0.0%	-0.1%	-1.4%
10,000	4,000,000	\$246,940.11	\$251,720.00	\$20,777.50	\$519,437.61	\$239,900.11	\$251,720.00	\$20,484.17	\$512,104.28	(\$7,040.00)	\$0.00	(\$293.33)	(\$7,333.33)	-1.4%	0.0%	-0.1%	-1.4%
20,000	8,000,000	\$476,340.11	\$503,440.00	\$40,824.17	\$1,020,604.28	\$462,260.11	\$503,440.00	\$40,237.50	\$1,005,937.61	(\$14,080.00)	\$0.00	(\$586.67)	(\$14,666.67)	-1.4%	0.0%	-0.1%	-1.4%

	Present Rates		Proposed Rates
Customer Charge	\$17,000.00		\$17,000.00
RE Growth Factor	\$539.30		\$539.30
LIHEAP Charge	\$0.81		\$0.81
Transmission Demand Charge	kW x \$3.40		\$3.40
Transmission Energy Charge	kWh x \$0.01524		\$0.01524
Distribution Demand Charge-xcs 10 kW	kW x \$3.90		\$3.90
Distribution Energy Charge	kWh x \$0.00488	(1)	\$0.00312 (2)
Transition Energy Charge	kWh x \$0.00057		\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154		\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687		\$0.00687
Gross Earnings Tax	4%		4%
Standard Offer Charge	kWh x \$0.06293		\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 500

Monthly Power kW kWh		Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	1,500,000	\$98,090.11	\$94,395.00	\$8,020.21	\$200,505.32	\$95,450.11	\$94,395.00	\$7,910.21	\$197,755.32	(\$2,640.00)	\$0.00	(\$110.00)	(\$2,750.00)	-1.3%	0.0%	-0.1%	-1.4%
5,000	2,500,000	\$151,790.11	\$157,325.00	\$12,879.80	\$321,994.91	\$147,390.11	\$157,325.00	\$12,696.46	\$317,411.57	(\$4,400.00)	\$0.00	(\$183.34)	(\$4,583.34)	-1.4%	0.0%	-0.1%	-1.4%
7,500	3,750,000	\$218,915.11	\$235,987.50	\$18,954.28	\$473,856.89	\$212,315.11	\$235,987.50	\$18,679.28	\$466,981.89	(\$6,600.00)	\$0.00	(\$275.00)	(\$6,875.00)	-1.4%	0.0%	-0.1%	-1.5%
10,000	5,000,000	\$286,040.11	\$314,650.00	\$25,028.75	\$625,718.86	\$277,240.11	\$314,650.00	\$24,662.09	\$616,552.20	(\$8,800.00)	\$0.00	(\$366.66)	(\$9,166.66)	-1.4%	0.0%	-0.1%	-1.5%
20,000	10,000,000	\$554,540.11	\$629,300.00	\$49,326.67	\$1,233,166.78	\$536,940.11	\$629,300.00	\$48,593.34	\$1,214,833.45	(\$17,600.00)	\$0.00	(\$733.33)	(\$18,333.33)	-1.4%	0.0%	-0.1%	-1.5%

	Present Rates		Proposed Rates
Customer Charge	\$17,000.00		\$17,000.00
RE Growth Factor	\$539.30		\$539.30
LIHEAP Charge	\$0.81		\$0.81
Transmission Demand Charge	kW x \$3.40		\$3.40
Transmission Energy Charge	kWh x \$0.01524		\$0.01524
Distribution Demand Charge-xcs 10 kW	kW x \$3.90		\$3.90
Distribution Energy Charge	kWh x \$0.00488	(1)	\$0.00312 (2)
Transition Energy Charge	kWh x \$0.00057		\$0.00057
Energy Efficiency Program Charge	kWh x \$0.01154		\$0.01154
Renewable Energy Distribution Charge	kWh x \$0.00687		\$0.00687
Gross Earnings Tax	4%		4%
Standard Offer Charge	kWh x \$0.06293		\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-62 Rate Customers

Hours Use: 600

Monthly Power kW	kWh	Present Rates				Proposed Rates				Increase (Decrease)							
		Delivery	SOS	GET	Total	Delivery	SOS	GET	Total	\$				% of Total Bill			
										Delivery	SOS	GET	Total	Delivery	SOS	GET	Total
3,000	1,800,000	\$109,820.11	\$113,274.00	\$9,295.59	\$232,389.70	\$106,652.11	\$113,274.00	\$9,163.59	\$229,089.70	(\$3,168.00)	\$0.00	(\$132.00)	(\$3,300.00)	-1.4%	0.0%	-0.1%	-1.4%
5,000	3,000,000	\$171,340.11	\$188,790.00	\$15,005.42	\$375,135.53	\$166,060.11	\$188,790.00	\$14,785.42	\$369,635.53	(\$5,280.00)	\$0.00	(\$220.00)	(\$5,500.00)	-1.4%	0.0%	-0.1%	-1.5%
7,500	4,500,000	\$248,240.11	\$283,185.00	\$22,142.71	\$553,567.82	\$240,320.11	\$283,185.00	\$21,812.71	\$545,317.82	(\$7,920.00)	\$0.00	(\$330.00)	(\$8,250.00)	-1.4%	0.0%	-0.1%	-1.5%
10,000	6,000,000	\$325,140.11	\$377,580.00	\$29,280.00	\$732,000.11	\$314,580.11	\$377,580.00	\$28,840.00	\$721,000.11	(\$10,560.00)	\$0.00	(\$440.00)	(\$11,000.00)	-1.4%	0.0%	-0.1%	-1.5%
20,000	12,000,000	\$632,740.11	\$755,160.00	\$57,829.17	\$1,445,729.28	\$611,620.11	\$755,160.00	\$56,949.17	\$1,423,729.28	(\$21,120.00)	\$0.00	(\$880.00)	(\$22,000.00)	-1.5%	0.0%	-0.1%	-1.5%

	Present Rates		Proposed Rates
Customer Charge	\$17,000.00		\$17,000.00
RE Growth Factor	\$539.30		\$539.30
LIHEAP Charge	\$0.81		\$0.81
Transmission Demand Charge		kW x	\$3.40
Transmission Energy Charge		kWh x	\$0.01524
Distribution Demand Charge-xcs 10 kW		kW x	\$3.90
Distribution Energy Charge		kWh x	\$0.00488
Transition Energy Charge		kWh x	\$0.00057
Energy Efficiency Program Charge		kWh x	\$0.01154
Renewable Energy Distribution Charge		kWh x	\$0.00687
Gross Earnings Tax	4%		4%
Standard Offer Charge		kWh x	\$0.06293

Note (1): includes the current Pension Reconciliation Factor of 0.00091¢/kWh

Note (2): includes the proposed Pension Reconciliation Factor of -0.00085¢/kWh

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
2014 and 2015 Pension Deferral Recovery**

Line No.	Month	Under/(Over)			Ending Balance	Interest Rate	Interest
		Beginning Balance	Adjustment	Recovery			
		(a)	(b)	(c)	(d)	(e)	(f)
(1)	Apr-14	\$623,723			\$623,723	2.35%	\$1,221
(2)	May-14	\$624,945			\$624,945	2.35%	\$1,224
(3)	Jun-14	\$626,169			\$626,169	2.35%	\$1,226
(4)	Jul-14	\$627,395			\$627,395	2.35%	\$1,229
(5)	Aug-14	\$628,624			\$628,624	2.35%	\$1,231
(6)	Sep-14	\$629,855			\$629,855	2.35%	\$1,233
(7)	Oct-14	\$631,088			\$631,088	2.35%	\$1,236
(8)	Nov-14	\$632,324			\$632,324	2.35%	\$1,238
(9)	Dec-14	\$633,562			\$633,562	2.35%	\$1,241
(10)	Jan-15	\$634,803			\$634,803	2.35%	\$1,243
(11)	Feb-15	\$636,046			\$636,046	2.35%	\$1,246
(12)	Mar-15	\$637,292			\$637,292	2.54%	\$1,349
(13)	Apr-15	\$638,641	\$1,244,165		\$1,882,806	2.54%	\$2,669
(14)	May-15	\$1,885,475			\$1,885,475	2.54%	\$3,991
(15)	Jun-15	\$1,889,466			\$1,889,466	2.54%	\$3,999
(16)	Jul-15	\$1,893,465			\$1,893,465	2.54%	\$4,008
(17)	Aug-15	\$1,897,473			\$1,897,473	2.54%	\$4,016
(18)	Sep-15	\$1,901,489			\$1,901,489	2.54%	\$4,025
(19)	Oct-15	\$1,905,514			\$1,905,514	2.54%	\$4,033
(20)	Nov-15	\$1,909,547		\$39,681	\$1,869,866	2.54%	\$4,000
(21)	Dec-15	\$1,873,866		\$154,109	\$1,719,757	2.54%	\$3,803
(22)	Jan-16	\$1,723,560		\$156,961	\$1,566,599	2.54%	\$3,482
(23)	Feb-16	\$1,570,081		\$152,708	\$1,417,373	2.54%	\$3,162
(24)	Mar-16	\$1,420,535		\$151,548	\$1,268,986	2.14%	\$2,398
(25)	Apr-16	\$1,271,385		\$142,842	\$1,128,543	2.14%	\$2,140
(26)	May-16	\$1,130,683		\$126,646	\$1,004,037	2.14%	\$1,903
(27)	Jun-16	\$1,005,941		\$152,772	\$853,168	2.14%	\$1,658
(28)	Jul-16	\$854,826		\$172,870	\$681,956	2.14%	\$1,370
(29)	Aug-16	\$683,326		\$196,539	\$486,788	2.14%	\$1,043
(30)	Sep-16	\$487,831		\$185,739	\$302,092	2.14%	\$704
(31)	Oct-16	\$302,796		\$84,032	\$218,764	2.14%	\$465
(32)	Nov-16	\$219,229			\$219,229	2.14%	\$391
(33)	Dec-16	\$219,620			\$219,620	2.14%	\$392
(34)	Jan-17	\$220,012			\$220,012	2.14%	\$392
(35)	Feb-17	\$220,404			\$220,404	2.14%	\$393
(36)	Mar-17	\$220,797			\$220,797	1.84%	\$339
(37)	Total		\$1,244,165	\$1,716,447	\$221,136		\$69,694

Column Notes:

- (a) Beginning balance per RIPUC 4518 Schedule WRR-3, Revised Page 1 line (1)
Prior month Column (d) + prior month Column (f)
- (b) Per RIPUC 4518 Schedule WRR-3, Revised Page 1 line (3)
- (c) Page 3 Column (e)
- (d) Column (a) + Column (b) - Column (c)
- (e) Rate of interest paid on Customer Deposits
- (f) ((Column (a) + Column (d)) ÷ 2) x (Column (e) ÷ 12))

Line Notes:

- (37) (b), (c) & (f) Sum of Line (1) thru Line (36)
- (37) (d) = (36) (d) + (36) (f)

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
2014 and 2015 PBOP Deferral Recovery**

Line No.	Month	Under/(Over)			Under/(Over)		Interest Rate (e)	Interest (f)
		Beginning Balance (a)	Adjustment (b)	Refund (c)	Ending Balance (d)			
(1)	Apr-14	(\$503,518)			(\$503,518)	2.35%	(\$986)	
(2)	May-14	(\$504,504)			(\$504,504)	2.35%	(\$988)	
(3)	Jun-14	(\$505,492)			(\$505,492)	2.35%	(\$990)	
(4)	Jul-14	(\$506,482)			(\$506,482)	2.35%	(\$992)	
(5)	Aug-14	(\$507,474)			(\$507,474)	2.35%	(\$994)	
(6)	Sep-14	(\$508,468)			(\$508,468)	2.35%	(\$996)	
(7)	Oct-14	(\$509,464)			(\$509,464)	2.35%	(\$998)	
(8)	Nov-14	(\$510,461)			(\$510,461)	2.35%	(\$1,000)	
(9)	Dec-14	(\$511,461)			(\$511,461)	2.35%	(\$1,002)	
(10)	Jan-15	(\$512,463)			(\$512,463)	2.35%	(\$1,004)	
(11)	Feb-15	(\$513,466)			(\$513,466)	2.35%	(\$1,006)	
(12)	Mar-15	(\$514,472)			(\$514,472)	2.54%	(\$1,089)	
(13)	Apr-15	(\$515,561)	(\$472,489)		(\$988,050)	2.54%	(\$1,591)	
(14)	May-15	(\$989,641)			(\$989,641)	2.54%	(\$2,095)	
(15)	Jun-15	(\$991,736)			(\$991,736)	2.54%	(\$2,099)	
(16)	Jul-15	(\$993,835)			(\$993,835)	2.54%	(\$2,104)	
(17)	Aug-15	(\$995,939)			(\$995,939)	2.54%	(\$2,108)	
(18)	Sep-15	(\$998,047)			(\$998,047)	2.54%	(\$2,113)	
(19)	Oct-15	(\$1,000,159)			(\$1,000,159)	2.54%	(\$2,117)	
(20)	Nov-15	(\$1,002,276)		(\$20,634)	(\$981,642)	2.54%	(\$2,100)	
(21)	Dec-15	(\$983,742)		(\$81,141)	(\$902,601)	2.54%	(\$1,996)	
(22)	Jan-16	(\$904,597)		(\$81,590)	(\$823,007)	2.54%	(\$1,828)	
(23)	Feb-16	(\$824,836)		(\$79,357)	(\$745,479)	2.54%	(\$1,662)	
(24)	Mar-16	(\$747,141)		(\$78,970)	(\$668,171)	2.14%	(\$1,262)	
(25)	Apr-16	(\$669,433)		(\$74,289)	(\$595,144)	2.14%	(\$1,128)	
(26)	May-16	(\$596,271)		(\$65,873)	(\$530,398)	2.14%	(\$1,005)	
(27)	Jun-16	(\$531,403)		(\$79,464)	(\$451,939)	2.14%	(\$877)	
(28)	Jul-16	(\$452,816)		(\$89,898)	(\$362,918)	2.14%	(\$727)	
(29)	Aug-16	(\$363,645)		(\$102,208)	(\$261,437)	2.14%	(\$557)	
(30)	Sep-16	(\$261,994)		(\$96,599)	(\$165,395)	2.14%	(\$381)	
(31)	Oct-16	(\$165,776)		(\$43,697)	(\$122,079)	2.14%	(\$257)	
(32)	Nov-16	(\$122,336)			(\$122,336)	2.14%	(\$218)	
(33)	Dec-16	(\$122,554)			(\$122,554)	2.14%	(\$219)	
(34)	Jan-17	(\$122,773)			(\$122,773)	2.14%	(\$219)	
(35)	Feb-17	(\$122,992)			(\$122,992)	2.14%	(\$219)	
(36)	Mar-17	(\$123,211)			(\$123,211)	1.84%	(\$189)	
(37)	Total		(\$472,489)	(\$893,720)	(\$123,400)		(\$41,113)	

Column Notes:

- (a) Beginning balance per RIPUC 4518 Schedule WRR-3, Revised Page 1 line (2)
Prior month Column (d) + prior month Column (f)
- (b) Per RIPUC 4518 Schedule WRR-3, Revised Page 1 line (4)
- (c) Page 3 Column (e)
- (d) Column (a) + Column (b) - Column (c)
- (e) Rate of interest paid on Customer Deposits
- (f) ((Column (a) + Column (d)) ÷ 2) x (Column (e) ÷ 12)

Line Notes:

- (37) (b), (c) & (f) Sum of Line (1) thru Line (36)
- (37) (d) = (36) (d) + (36) (f)

Pension Adjustment Factor Reconciliation
Segregation of PAF Revenue Components

Line No.	Month	Combined Billed PAF Revenue (a)	PAF kWh Billed (b)	Component of PAF Recovering PBOP (c)	Billed Revenue Associated PBOP (d)	Billed Revenue Associated with Pension (e)
(1)	Nov-15*	\$19,047	158,725,833	(\$0.00013)	(\$20,634)	\$39,681
(2)	Dec-15	\$72,968	624,159,731	(\$0.00013)	(\$81,141)	\$154,109
(3)	Jan-16	\$75,371	627,611,762	(\$0.00013)	(\$81,590)	\$156,961
(4)	Feb-16	\$73,351	610,439,511	(\$0.00013)	(\$79,357)	\$152,708
(5)	Mar-16	\$72,578	607,462,620	(\$0.00013)	(\$78,970)	\$151,548
(6)	Apr-16	\$68,553	571,456,521	(\$0.00013)	(\$74,289)	\$142,842
(7)	May-16	\$60,773	506,712,348	(\$0.00013)	(\$65,873)	\$126,646
(8)	Jun-16	\$73,308	611,260,814	(\$0.00013)	(\$79,464)	\$152,772
(9)	Jul-16	\$82,972	691,526,304	(\$0.00013)	(\$89,898)	\$172,870
(10)	Aug-16	\$94,331	786,212,317	(\$0.00013)	(\$102,208)	\$196,539
(11)	Sep-16	\$89,140	743,066,106	(\$0.00013)	(\$96,599)	\$185,739
(12)	Oct-16**	\$40,335	336,128,205	(\$0.00013)	(\$43,697)	\$84,032

* Pro-rated for usage after November 1, 2015

** Pro-rated for usage before October 1, 2016

Column Notes:

(a) Per company revenue reports

(b) Per company revenue reports

(c) RIPUC 4518 Schedule WRR-3, Revised Page 1 [line (2) + line (4) + line (6)] ÷ line (8), truncated to 5 decimal places

(d) Column (b) x Column (c)

(e) Column (a) - Column (d)

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
2016 Pension Deferral Recovery**

Line No.	Month	Under/(Over)			Under/(Over)		
		Beginning Balance (a)	Adjustment (b)	Recovery (c)	Ending Balance (d)	Interest Rate (e)	Interest (f)
(1)	Apr-16	\$5,665,396			\$5,665,396	2.14%	\$10,103
(2)	May-16	\$5,675,499			\$5,675,499	2.14%	\$10,121
(3)	Jun-16	\$5,685,621			\$5,685,621	2.14%	\$10,139
(4)	Jul-16	\$5,695,760			\$5,695,760	2.14%	\$10,157
(5)	Aug-16	\$5,705,917			\$5,705,917	2.14%	\$10,176
(6)	Sep-16	\$5,716,093			\$5,716,093	2.14%	\$10,194
(7)	Oct-16	\$5,726,287		\$171,729	\$5,554,558	2.14%	\$10,059
(8)	Nov-16	\$5,564,617		\$395,094	\$5,169,523	2.14%	\$9,571
(9)	Dec-16	\$5,179,094		\$431,145	\$4,747,949	2.14%	\$8,852
(10)	Jan-17	\$4,756,801		\$473,150	\$4,283,651	2.14%	\$8,061
(11)	Feb-17	\$4,291,712		\$443,485	\$3,848,227	2.14%	\$7,258
(12)	Mar-17	\$3,855,485		\$431,965	\$3,423,520	1.84%	\$5,581
(13)	Apr-17	\$3,429,101		\$429,766	\$2,999,335	1.84%	\$4,928
(14)	May-17	\$3,004,263		\$382,086	\$2,622,178	1.84%	\$4,314
(15)	Jun-17	\$2,626,491		\$429,044	\$2,197,447	1.84%	\$3,698
(16)	Jul-17	\$2,201,146		\$0	\$2,201,146	1.84%	\$3,375
(17)	Aug-17	\$2,204,521		\$0	\$2,204,521	1.84%	\$3,380
(18)	Sep-17	\$2,207,901		\$0	\$2,207,901	1.84%	\$3,385
(19)	Oct-17	\$2,211,286		\$0	\$2,211,286	1.84%	\$3,391
(20)	Total			\$3,587,463	\$2,214,677		\$136,744

Column Notes:

- (a) Beginning balance per RIPUC 4637 Schedule WRR-2, Revised Page 1 line (1)
- (b) Prior month Column (d) + prior month Column (f)
- (c) Page 3 Column (e)
- (d) Column (a) + Column (b) - Column (c)
- (e) Rate of interest paid on Customer Deposits
- (f) ((Column (a) + Column (d)) ÷ 2) x (Column (e) ÷ 12))

Line Notes:

- (20) (c), (20) (f) Sum of Line (1) thru Line (36)
- (20) (d) = (36) (d) + (36) (f)

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
2016 PBOP Deferral Recovery**

Line No.	Month	Under/(Over)			Under/(Over)		Interest	
		Beginning Balance (a)	Adjustment (b)	Recovery (c)	Ending Balance (d)	Rate (e)	Interest (f)	
(1)	Apr-16	\$1,450,222			\$1,450,222	2.14%	\$2,586	
(2)	May-16	\$1,452,808			\$1,452,808	2.14%	\$2,591	
(3)	Jun-16	\$1,455,399			\$1,455,399	2.14%	\$2,595	
(4)	Jul-16	\$1,457,995			\$1,457,995	2.14%	\$2,600	
(5)	Aug-16	\$1,460,595			\$1,460,595	2.14%	\$2,605	
(6)	Sep-16	\$1,463,199			\$1,463,199	2.14%	\$2,609	
(7)	Oct-16	\$1,465,809		\$42,136	\$1,423,673	2.14%	\$2,576	
(8)	Nov-16	\$1,426,249		\$91,615	\$1,334,634	2.14%	\$2,462	
(9)	Dec-16	\$1,337,096		\$99,164	\$1,237,932	2.14%	\$2,296	
(10)	Jan-17	\$1,240,228		\$108,676	\$1,131,552	2.14%	\$2,115	
(11)	Feb-17	\$1,133,667		\$101,826	\$1,031,841	2.14%	\$1,931	
(12)	Mar-17	\$1,033,772		\$99,395	\$934,377	1.84%	\$1,509	
(13)	Apr-17	\$935,886		\$98,592	\$837,294	1.84%	\$1,359	
(14)	May-17	\$838,653		\$88,291	\$750,362	1.84%	\$1,218	
(15)	Jun-17	\$751,580		\$100,739	\$650,841	1.84%	\$1,075	
(16)	Jul-17	\$651,917		\$0	\$651,917	1.84%	\$1,000	
(17)	Aug-17	\$652,916		\$0	\$652,916	1.84%	\$1,001	
(18)	Sep-17	\$653,917		\$0	\$653,917	1.84%	\$1,003	
(19)	Oct-17	\$654,920		\$0	\$654,920	1.84%	\$1,004	
(20)	Total			\$830,434	\$655,924		\$36,136	

Column Notes:

- (a) Beginning balance per RIPUC 4637 Schedule WRR-2, Revised Page 1 line (2)
Prior month Column (d) + prior month Column (f)
- (c) Page 3 Column (d)
- (d) Column (a) + Column (b) - Column (c)
- (e) Rate of interest paid on Customer Deposits
- (f) ((Column (a) + Column (d)) ÷ 2) x (Column (e) ÷ 12))

Line Notes:

- (20) (c), (20) (f) Sum of Line (1) thru Line (36)
- (20) (d) = (36) (d) + (36) (f)

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
Segregation of PAF Revenue Components**

Line No.		Combined Billed PAF Revenue (a)	PAF kWh Billed (b)	Component of PAF Recovering PBOP (c)	Billed Revenue Associated PBOP (d)	Billed Revenue Associated with Pension (e)
(1)	Oct-16*	\$213,865	247,856,457	\$0.00017	\$42,136	\$171,729
(2)	Nov-16	\$486,709	538,909,651	\$0.00017	\$91,615	\$395,094
(3)	Dec-16	\$530,309	583,316,761	\$0.00017	\$99,164	\$431,145
(4)	Jan-17	\$581,826	639,269,015	\$0.00017	\$108,676	\$473,150
(5)	Feb-17	\$545,311	598,976,060	\$0.00017	\$101,826	\$443,485
(6)	Mar-17	\$531,360	584,677,659	\$0.00017	\$99,395	\$431,965
(7)	Apr-17	\$528,358	579,955,224	\$0.00017	\$98,592	\$429,766
(8)	May-17	\$470,377	519,355,947	\$0.00017	\$88,291	\$382,086
(9)	Jun-17	\$529,783	592,583,630	\$0.00017	\$100,739	\$429,044
(10)	Jul-17			\$0.00017	\$0	
(11)	Aug-17			\$0.00017	\$0	
(12)	Sep-17			\$0.00017	\$0	
(13)	Oct-17**			\$0.00017	\$0	

* Prorated for usage on and after October 1, 2016

** Prorated for usage before October 1, 2017

Column Notes:

(a) Per company revenue reports

(b) Per company revenue reports

(c) RIPUC 4637 Schedule WRR-2, Revised Page 1 [line (2) + line (4) + line (6)] ÷ line (8), truncated to 5 decimal places

(d) Column (b) x Column (c)

(e) Column (a) - Column (d)

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
Interest on IFA-Related Pension Refund**

Line No.	Month	Beginning Balance (a)	Adjustment (b)	Recovery (c)	Ending Balance (d)	Interest Rate (e)	Interest (f)
(1)	Apr-14		(\$255,241)		(\$255,241)	2.35%	(\$250)
(2)	May-14	(\$255,491)			(\$255,491)	2.35%	(\$500)
(3)	Jun-14	(\$255,991)			(\$255,991)	2.35%	(\$501)
(4)	Jul-14	(\$256,493)			(\$256,493)	2.35%	(\$502)
(5)	Aug-14	(\$256,995)			(\$256,995)	2.35%	(\$503)
(6)	Sep-14	(\$257,498)			(\$257,498)	2.35%	(\$504)
(7)	Oct-14	(\$258,002)			(\$258,002)	2.35%	(\$505)
(8)	Nov-14	(\$258,508)			(\$258,508)	2.35%	(\$506)
(9)	Dec-14	(\$259,014)			(\$259,014)	2.35%	(\$507)
(10)	Jan-15	(\$259,521)			(\$259,521)	2.35%	(\$508)
(11)	Feb-15	(\$260,029)			(\$260,029)	2.35%	(\$509)
(12)	Mar-15	(\$260,539)			(\$260,539)	2.54%	(\$551)
(13)	Apr-15	(\$261,090)	(\$983,480)		(\$1,244,570)	2.54%	(\$1,593)
(14)	May-15	(\$1,246,164)			(\$1,246,164)	2.54%	(\$2,638)
(15)	Jun-15	(\$1,248,801)			(\$1,248,801)	2.54%	(\$2,643)
(16)	Jul-15	(\$1,251,445)			(\$1,251,445)	2.54%	(\$2,649)
(17)	Aug-15	(\$1,254,093)			(\$1,254,093)	2.54%	(\$2,654)
(18)	Sep-15	(\$1,256,748)			(\$1,256,748)	2.54%	(\$2,660)
(19)	Oct-15	(\$1,259,408)			(\$1,259,408)	2.54%	(\$2,666)
(20)	Nov-15	(\$1,262,074)			(\$1,262,074)	2.54%	(\$2,671)
(21)	Dec-15	(\$1,264,745)			(\$1,264,745)	2.54%	(\$2,677)
(22)	Jan-16	(\$1,267,422)			(\$1,267,422)	2.54%	(\$2,683)
(23)	Feb-16	(\$1,270,105)			(\$1,270,105)	2.54%	(\$2,688)
(24)	Mar-16	(\$1,272,793)			(\$1,272,793)	2.14%	(\$2,270)
(25)	Apr-16	(\$1,275,063)	(\$3,298,577)		(\$4,573,640)	2.14%	(\$5,215)
(26)	May-16	(\$4,578,855)			(\$4,578,855)	2.14%	(\$8,166)
(27)	Jun-16	(\$4,587,021)			(\$4,587,021)	2.14%	(\$8,180)
(28)	Jul-16	(\$4,595,201)			(\$4,595,201)	2.14%	(\$8,195)
(29)	Aug-16	(\$4,603,396)			(\$4,603,396)	2.14%	(\$8,209)
(30)	Sep-16	(\$4,611,605)			(\$4,611,605)	2.14%	(\$8,224)
(31)	Oct-16	(\$4,619,829)			(\$4,619,829)	2.14%	(\$8,239)
(32)	Nov-16	(\$4,628,068)			(\$4,628,068)	2.14%	(\$8,253)
(33)	Dec-16	(\$4,636,321)			(\$4,636,321)	2.14%	(\$8,268)
(34)	Jan-17	(\$4,644,589)			(\$4,644,589)	2.14%	(\$8,283)
(35)	Feb-17	(\$4,652,872)			(\$4,652,872)	2.14%	(\$8,298)
(36)	Mar-17	(\$4,661,170)			(\$4,661,170)	1.84%	(\$7,147)
(37)	Total		(\$4,537,298)		(\$4,668,317)		(\$131,019)

Column Notes:

- (a) Prior month Column (d) + prior month Column (f)
- (b) Per Company Books
- (d) Column (a) + Column (b) - Column (c)
- (e) Rate of interest paid on Customer Deposits
- (f) = ((Column (a) + Column (d)) ÷ 2) x (Column (e) ÷ 12)

Line Notes:

- (37) (b), (3&) (f) Sum of Line (1) thru Line (36)
- (37) (d) = (36) (d) + (36) (f)

**Narragansett Electric - Electric Operations
Pension Adjustment Factor Reconciliation
Interest on IFA-Related PBOP Refund**

<u>Line No.</u>	<u>Month</u>	<u>Beginning Balance</u> (a)	<u>Adjustment</u> (b)	<u>Recovery</u> (c)	<u>Ending Balance</u> (d)	<u>Interest Rate</u> (e)	<u>Interest</u> (f)
(1)	Apr-14	\$0	(\$940,500)		(\$940,500)	2.35%	(\$921)
(2)	May-14	(\$941,421)			(\$941,421)	2.35%	(\$1,844)
(3)	Jun-14	(\$943,265)			(\$943,265)	2.35%	(\$1,847)
(4)	Jul-14	(\$945,112)			(\$945,112)	2.35%	(\$1,851)
(5)	Aug-14	(\$946,963)			(\$946,963)	2.35%	(\$1,854)
(6)	Sep-14	(\$948,817)			(\$948,817)	2.35%	(\$1,858)
(7)	Oct-14	(\$950,675)			(\$950,675)	2.35%	(\$1,862)
(8)	Nov-14	(\$952,537)			(\$952,537)	2.35%	(\$1,865)
(9)	Dec-14	(\$954,402)			(\$954,402)	2.35%	(\$1,869)
(10)	Jan-15	(\$956,271)			(\$956,271)	2.35%	(\$1,873)
(11)	Feb-15	(\$958,144)			(\$958,144)	2.35%	(\$1,876)
(12)	Mar-15	(\$960,020)			(\$960,020)	2.54%	(\$2,032)
(13)	Apr-15	(\$962,052)	(\$1,201,725)		(\$2,163,777)	2.54%	(\$3,308)
(14)	May-15	(\$2,167,086)			(\$2,167,086)	2.54%	(\$4,587)
(15)	Jun-15	(\$2,171,673)			(\$2,171,673)	2.54%	(\$4,597)
(16)	Jul-15	(\$2,176,269)			(\$2,176,269)	2.54%	(\$4,606)
(17)	Aug-15	(\$2,180,876)			(\$2,180,876)	2.54%	(\$4,616)
(18)	Sep-15	(\$2,185,492)			(\$2,185,492)	2.54%	(\$4,626)
(19)	Oct-15	(\$2,190,118)			(\$2,190,118)	2.54%	(\$4,636)
(20)	Nov-15	(\$2,194,754)			(\$2,194,754)	2.54%	(\$4,646)
(21)	Dec-15	(\$2,199,399)			(\$2,199,399)	2.54%	(\$4,655)
(22)	Jan-16	(\$2,204,055)			(\$2,204,055)	2.54%	(\$4,665)
(23)	Feb-16	(\$2,208,720)			(\$2,208,720)	2.54%	(\$4,675)
(24)	Mar-16	(\$2,213,395)			(\$2,213,395)	2.14%	(\$3,947)
(25)	Apr-16	(\$2,217,342)	(\$1,297,284)		(\$3,514,626)	2.14%	(\$5,111)
(26)	May-16	(\$3,519,737)			(\$3,519,737)	2.14%	(\$6,277)
(27)	Jun-16	(\$3,526,014)			(\$3,526,014)	2.14%	(\$6,288)
(28)	Jul-16	(\$3,532,302)			(\$3,532,302)	2.14%	(\$6,299)
(29)	Aug-16	(\$3,538,601)			(\$3,538,601)	2.14%	(\$6,311)
(30)	Sep-16	(\$3,544,912)			(\$3,544,912)	2.14%	(\$6,322)
(31)	Oct-16	(\$3,551,234)			(\$3,551,234)	2.14%	(\$6,333)
(32)	Nov-16	(\$3,557,567)			(\$3,557,567)	2.14%	(\$6,344)
(33)	Dec-16	(\$3,563,911)			(\$3,563,911)	2.14%	(\$6,356)
(34)	Jan-17	(\$3,570,267)			(\$3,570,267)	2.14%	(\$6,367)
(35)	Feb-17	(\$3,576,634)			(\$3,576,634)	2.14%	(\$6,378)
(36)	Mar-17	(\$3,583,012)			(\$3,583,012)	1.84%	(\$5,494)
(37)	Total		(\$3,439,509)		(\$3,588,506)		(\$148,997)

Column Notes:

- (a) Prior month Column (d) + prior month Column (f)
- (b) Per Company Books
- (d) Column (a) Column (b) - Column (c)
- (e) Rate of interest paid on Customer Deposits
- (f) = ((Column (a) + Column (d)) ÷ 2) x (Column (e) ÷ 12)

Line Notes:

- (37) (b), (3&) (f) Sum of Line (1) thru Line (36)
- (37) (d) = (36) (d) + (36) (f)