

Division 19-1

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 46-47, will the feeder monitoring systems located in Rhode Island be capitalized? If so, will they be capitalized on the books of Narragansett Electric or the Service Company? If capitalized on the books of the Service Company, please explain why they could not be capitalized on the books of Narragansett Electric.

Response:

Yes. The feeder monitoring systems located in Rhode Island are capital investments and would be capitalized on the books of the Company.

(This response is identical to the Company's response to Division 6-1 in Docket No. 4780.)

Division 19-2

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 46-47, are there any reasons why the Company could not propose the installation of feeder monitoring systems within the ISR process and recover the costs through the pre-existing ISR mechanism, rather than recovering the costs through the proposed PST cost tracker tariff?

Response:

Chapter 3 of the Company's Power Sector Transformation (PST) Plan provides a holistic view of investments to enable a modern electric distribution system; feeder monitoring sensors are an important part of the PST Plan. Presenting these investments as a holistic suite provides clarity and transparency for stakeholders in Rhode Island on the overall investment roadmap and associated costs. Furthermore, the annual nature of the Plan facilitates a level of flexibility and the ability to respond to advances in National Grid's Massachusetts and New York jurisdictions.

Although feeder monitoring sensors would meet the safety and reliability requirements of the Infrastructure, Safety, and Reliability (ISR) Plan, the ongoing annual operating and maintenance costs associated with data and communications elements of this investment would not fit within the statutorily prescribed categories of the ISR Plan.

(This response is identical to the Company's response to Division 6-2 in Docket No. 4780.)

Division 19-3

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates page 47, why is the Company waiting until FY20 to commence the program to install the additional feeder monitoring systems and not starting sooner? Are there any practical impediments to commencing sooner?

Response:

The Company presented the feeder monitoring sensors project in the Power Sector Transformation (PST) Plan filing to provide a holistic view of investments associated with the objectives of the PST Plan. If the Public Utilities Commission (PUC) approves the PST tracker and proposed annual review process, then the Company would seek to include the feeder monitoring systems in its first annual PST Plan that it proposes to file with the PUC by December 1, 2018 for approval by April 1, 2019. The only practical impediment to starting earlier is that the Company does not expect to have approval for funding of the program until Fiscal Year 2020.

(This response is identical to the Company's response to Division 6-3 in Docket No. 4780.)

Division 19-4

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates page 53, are there any reasons why the Company could not propose the RTU Separation within the ISR process and recover the costs through the pre-existing ISR mechanism, rather than recovering the costs through a PST cost tracker tariff?

Response:

The Company presented the remote terminal unit (RTU) separation project in the Power Sector Transformation (PST) Plan filing because it is directly linked with the proposed DSCADA and ADMS investments associated with the control center upgrades in the PST Plan. In addition to the capital costs associated with the RTUs, there are annual operating and maintenance costs associated with the data and communications requirements for the project that do not fit within the statutorily prescribed categories of the Infrastructure, Safety, and Reliability (ISR) process.

(This response is identical to the Company's response to Division 6-4 in Docket No. 4780.)

Division 19-5

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates page 53, are there any reasons why the Company could not propose to implement the RTU Separation sooner and include the costs in an amended cost of service filed in Docket 4770 that includes these costs in the revenue requirement for the Rate Year in that case?

Response:

The remote terminal unit (RTU) separation project is associated with the control center upgrades of DSCADA and ADMS also proposed in the Power System Transformation (PST) Plan. The Company does not recommend advancing with the RTU separation project until such time as the Public Utilities Commission has issued findings with respect to the full portfolio of projects within the PST Plan and approved the Company's proposed PST tracker.

(This response is identical to the Company's response to Division 6-5 in Docket No. 4780.)

Division 19-6

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates page 44-46, why is the Company waiting until FY20 to fully implement the System Data Portal and not starting sooner? Are there any practical impediments to commencing sooner?

Response:

The Company is starting implementation of the System Data Portal sooner than FY20. In collaboration with interested parties, the Company secured \$80K in System Reliability Procurement (SRP) funding for FY19 to jump start and begin the initial work on developing new data sets for the System Data Portal. Because the Company believes the System Data Portal project better aligns with the Power Sector Transformation (PST) goals and stakeholder review process, the Company included System Data Portal funding for FY20 and beyond for illustrative purposes in the PST filing. PST funding for FY20 and beyond will be to perform the detailed studies associated with desired data sets to be posted on the portal.

(This response is identical to the Company's response to Division 6-6 in Docket No. 4780.)

Division 19-7

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates page 44-46, are there any reasons why the System Data Portal cannot be implemented sooner and the costs included in an amended cost of service filed in Docket 4770 that includes these costs in the revenue requirement for the Rate Year in that case?

Response:

The Company is starting implementation of the System Data Portal in fiscal year (FY) 2019, through the System Reliability Procurement (SRP) Plan, to jump start the effort of setting up the web portal and beginning the initial work of developing new data sets to be posted on the System Data Portal. Funding this initial work in SRP will enable the Company to begin work in April 2018 - sooner than would have been possible through Docket No. 4770 or Docket No. 4780.

Beyond this initial phase of work, if Public Utilities Commission approval was granted in the FY2020 PST Plan to move ahead with the next phase of work starting April 1, 2019, the System Data Portal could be implemented as soon as would otherwise be possible in Docket No. 4770. The System Data Portal project is a better fit for the Power System Transformation (PST) Plan than base distribution rates or the SRP Plan because it better aligns with the PST goals and stakeholder review process. Therefore, the Company considers the PST Plan to be the right vehicle through which to implement this program.

(This response is identical to the Company's response to Division 6-7 in Docket No. 4780.)

Division 19-8

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 56-60, Section 3.5 (“Operational Data Management”), please identify the line or lines where the annual revenue requirement for the initiatives in this section appears in Appendix 10.2, page 1 of 21 and Appendix 10.3, page 1 of 21. If they do not appear in these Appendices, please explain why not and provide the annual revenue requirements, including both O&M and revenue requirement on capital investments for these initiatives.

Response:

The Company's revenue requirements, as shown in Appendix 10.2 and 10.3, include the operating and maintenance (O&M) costs by each initiative; however, the revenue requirements for capital investments were calculated at the portfolio level and were not itemized by each initiative.

Please refer to Attachment DIV 19-8-1 (Rhode Island Only scenario) and Attachment DIV 19-8-2 (Multi-Jurisdiction scenario) for the revenue requirements, O&M and capital investments, for each initiative as described in Section 3.5, Operational Data Management.

In preparing the Company's response, it was determined that the Company inadvertently removed the O&M costs for Geographic Information System (GIS) Data Enhancement in fiscal year (FY) 2019 in its filing dated January 12, 2018; therefore, the Company has added these costs back in to the revenue requirement calculation for FY2019 as shown on line 22 of page 1 of Attachment DIV 19-8-1 (Rhode Island Only scenario) and Attachment DIV 19-8-2 (Multi-Jurisdiction scenario). Additionally, the Company shifted its costs for Distribution Supervisory Control and Data Acquisition (DSCADA) & Advanced Distribution Management System (ADMS) initiative by one fiscal year to better align with the New York jurisdiction as shown on line 18 of page 1 of Attachment DIV 19-8-1 (Rhode Island Only scenario) and Attachment DIV 19-8-2 (Multi-Jurisdiction scenario). The Company has also updated the revenue requirement summaries for the Rhode Island Only scenario and the Multi-Jurisdiction scenario on pages 1 and 2, respectively, of Appendix 10.1 – Revised, which is provided as Attachment DIV 19-8-3, to reflect these updates.

(This response is identical to the Company's response to Division 6-8 in Docket No. 4780.)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
Page 1 of 3

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Grid Mod Projects Annual Revenue Requirement Summary - RI Only

Line No.		Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022	
Capex - Electric						
1	Feeder Monitoring Sensor	FY20 - Pg. 55; FY21 - Pg. 57; FY22 - Pg. 59	\$0	\$26,261	\$92,520	\$157,314
2	RTU Separation	FY20 - Pg. 77; FY21 - Pg. 79; FY22 - Pg. 81	\$0	\$30,709	\$129,979	\$218,855
3	Combined Capex Total		\$0	\$56,970	\$222,499	\$376,169
IS Capex - Electric & Gas						
4	Enterprise Service Bus	FY20 - Pg. 45; FY21 - Pg. 47; FY22 - Pg. 49	\$0	\$0	\$0	\$1,769,092
5	Data Lake	FY20 - Pg. 25; FY21 - Pg. 27; FY22 - Pg. 29	\$0	\$152,041	\$290,178	\$268,357
6	PI Historian	FY20 - Pg. 67; FY21 - Pg. 69; FY22 - Pg. 71	\$0	\$49,190	\$93,881	\$86,821
7	Advanced Analytics	FY20 - Pg. 5; FY21 - Pg. 7; FY22 - Pg. 9	\$0	\$515,564	\$1,586,465	\$2,434,763
8	Telecommunications	FY20 - Pg. 88; FY21 - Pg. 90; FY22 - Pg. 92	\$0	\$33,157	\$80,181	\$107,872
9	Cybersecurity	FY20 - Pg. 15; FY21 - Pg. 17; FY22 - Pg. 19	\$0	\$1,509,936	\$3,630,479	\$4,594,897
10	DSCADA	FY20 - Pg. 35; FY21 - Pg. 37; FY22 - Pg. 39	\$0	\$0	\$0	\$0
11	IS Capex Total		\$0	\$2,259,887	\$5,681,184	\$9,261,803
O&M - Electric & Gas						
12	Enterprise Service Bus	Pg. 44	\$0	\$801,000	\$1,952,000	\$2,047,000
13	Data Lake	Pg. 24	\$0	\$843,000	\$1,214,000	\$1,642,000
14	PI Historian	Pg. 66	\$0	\$52,000	\$2,052,000	\$2,052,000
15	Advanced Analytics	Pg. 4	\$0	\$108,000	\$1,349,000	\$1,589,000
16	Telecommunications	Pg. 87	\$0	\$0	\$1,950,000	\$2,925,000
17	Cybersecurity	Pg. 14	\$0	\$8,371,000	\$4,224,000	\$3,368,000
18	DSCADA	Pg. 34	\$0	\$436,000	\$0	\$90,000
19	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$5,000	\$10,000
20	RTU Separation	Pg. 76	\$0	\$60,000	\$60,000	\$60,000
21	GIS Data Enhancement (BR)	Pg. 64	\$0	\$0	\$1,028,000	\$1,028,000
22	GIS Data Enhancement (IS)	Pg. 65	\$3,049,000	\$0	\$0	\$0
23	System Data Portal	Pg. 86	\$0	\$700,000	\$700,000	\$700,000
24	O&M Total		\$3,049,000	\$11,371,000	\$14,534,000	\$15,511,000
25	Total Revenue Requirement		\$3,049,000	\$13,687,858	\$20,437,682	\$25,148,972

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
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The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Electric Grid Mod Projects Annual Revenue Requirement Summary - RI Only

Line No.		Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022
Electric Capex					
1	Feeder Monitoring Sensor Pg. 54	\$0	\$26,261	\$92,520	\$157,314
2	RTU Separation Pg. 76	\$0	\$30,709	\$129,979	\$218,855
3	Electric Capex Total	\$0	\$56,970	\$222,499	\$376,169
IS Capex - Electric Only					
4	Enterprise Service Bus Pg. 44	\$0	\$0	\$0	\$1,146,195
5	Data Lake Pg. 24	\$0	\$98,507	\$188,006	\$173,869
6	PI Historian Pg. 66	\$0	\$31,870	\$60,826	\$56,252
7	Advanced Analytics Pg. 4	\$0	\$334,034	\$1,027,871	\$1,577,483
8	Telecommunications Pg. 87	\$0	\$21,482	\$51,949	\$69,890
9	Cybersecurity Pg. 14	\$0	\$978,288	\$2,352,188	\$2,977,034
10	DSCADA Pg. 34	\$0	\$0	\$0	\$0
11	Electric IS Capex Total	\$0	\$1,464,181	\$3,680,839	\$6,000,722
O&M - Electric Only					
12	Enterprise Service Bus Pg. 44	\$0	\$518,968	\$1,264,701	\$1,326,251
13	Data Lake Pg. 24	\$0	\$546,180	\$786,551	\$1,063,852
14	PI Historian Pg. 66	\$0	\$33,691	\$1,329,491	\$1,329,491
15	Advanced Analytics Pg. 4	\$0	\$69,973	\$874,017	\$1,029,513
16	Telecommunications Pg. 87	\$0	\$0	\$1,263,405	\$1,895,108
17	Cybersecurity Pg. 14	\$0	\$5,423,571	\$2,736,730	\$2,182,127
18	DSCADA Pg. 34	\$0	\$282,484	\$0	\$58,311
19	Feeder Monitoring Sensor Pg. 54	\$0	\$0	\$5,000	\$10,000
20	RTU Separation Pg. 76	\$0	\$60,000	\$60,000	\$60,000
21	GIS Data Enhancement (BR) Pg. 64	\$0	\$0	\$1,028,000	\$1,028,000
22	GIS Data Enhancement (IS) Pg. 65	\$3,049,000	\$0	\$0	\$0
23	System Data Portal Pg. 86	\$0	\$700,000	\$700,000	\$700,000
24	Electric O&M Total	\$3,049,000	\$7,634,867	\$10,047,894	\$10,682,653
25	Total Electric Revenue Requirement	\$3,049,000	\$9,156,018	\$13,951,232	\$17,059,544

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
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The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Gas Grid Mod Projects Annual Revenue Requirement Summary - RI Only

Line No.			Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022
Gas Capex						
1	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$0	\$0
2	RTU Separation	Pg. 76	\$0	\$0	\$0	\$0
3	Gas Capex Total		\$0	\$0	\$0	\$0
IS Capex - Electric Only						
4	Enterprise Service Bus	Pg. 44	\$0	\$0	\$0	\$622,897
5	Data Lake	Pg. 24	\$0	\$53,534	\$102,172	\$94,489
6	PI Historian	Pg. 66	\$0	\$17,320	\$33,056	\$30,570
7	Advanced Analytics	Pg. 4	\$0	\$181,530	\$558,594	\$857,280
8	Telecommunications	Pg. 87	\$0	\$11,674	\$28,232	\$37,982
9	Cybersecurity	Pg. 14	\$0	\$531,649	\$1,278,292	\$1,617,863
10	DSCADA	Pg. 34	\$0	\$0	\$0	\$0
11	Gas IS Capex Total		\$0	\$795,706	\$2,000,345	\$3,261,081
O&M - Gas Only						
12	Enterprise Service Bus	Pg. 44	\$0	\$282,032	\$687,299	\$720,749
13	Data Lake	Pg. 24	\$0	\$296,820	\$427,449	\$578,148
14	PI Historian	Pg. 66	\$0	\$18,309	\$722,509	\$722,509
15	Advanced Analytics	Pg. 4	\$0	\$38,027	\$474,983	\$559,487
16	Telecommunications	Pg. 87	\$0	\$0	\$686,595	\$1,029,893
17	Cybersecurity	Pg. 14	\$0	\$2,947,429	\$1,487,270	\$1,185,873
18	DSCADA	Pg. 34	\$0	\$153,516	\$0	\$31,689
19	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$0	\$0
20	RTU Separation	Pg. 76	\$0	\$0	\$0	\$0
21	GIS Data Enhancement (BR)	Pg. 64	\$0	\$0	\$0	\$0
22	GIS Data Enhancement (IS)	Pg. 65	\$0	\$0	\$0	\$0
23	System Data Portal	Pg. 86	\$0	\$0	\$0	\$0
24	Gas O&M Total		\$0	\$3,736,133	\$4,486,106	\$4,828,347
25	Total Gas Revenue Requirement		\$0	\$4,531,839	\$6,486,451	\$8,089,428

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - Advanced Analytics
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ 69,973	\$ 874,017	\$ 1,029,513
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 69,973	\$ 874,017	\$ 1,029,513
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ 38,027	\$ 474,983	\$ 559,487
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 38,027	\$ 474,983	\$ 559,487
23	Total O&M Expenses	\$ -	\$ 108,000	\$ 1,349,000	\$ 1,589,000
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$334,034	\$637,522	\$589,581
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$390,349	\$749,543
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$238,358
28	Total Electric Capital Investment Component of Revenue Requirement		\$334,034	\$1,027,871	\$1,577,483
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$181,530	\$346,460	\$320,407
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$212,134	\$407,338
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$129,535
33	Total Gas Capital Investment Component of Revenue Requirement		\$181,530	\$558,594	\$857,280
34	Total Electric Revenue Requirement	\$ -	\$404,007	\$1,901,888	\$2,606,996
35	Total Gas Revenue Requirement	\$ -	\$219,557	\$1,033,577	\$1,416,767
36	Total Electric & Gas Revenue Requirement	\$ -	\$623,564	\$2,935,465	\$4,023,763

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - Advanced Analytics IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Advanced Analytics	\$4,727,000	\$0	\$0
2	Total Estimated Capital Investment	\$4,727,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$4,727,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5 \$4,727,000	\$4,727,000	\$4,727,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2 \$4,727,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7 \$4,727,000	\$4,727,000	\$4,727,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21 \$3,939,127	\$525,288	\$175,017
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10 \$3,939,127	\$4,464,415	\$4,639,432
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line \$337,643	\$675,286	\$675,286
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13 \$337,643	\$1,012,929	\$1,688,214
15	Total Cumulative Book Depreciation	Line 14 \$337,643	\$1,012,929	\$1,688,214
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$3,601,484	\$3,451,486	\$2,951,218
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$756,312	\$724,812	\$619,756
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 (\$410,619)	\$17,102	\$57,037
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$345,693	\$741,914	\$676,793
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$4,727,000	\$4,727,000	\$4,727,000
23	Accumulated Depreciation	- Line 15 (\$337,643)	(\$1,012,929)	(\$1,688,214)
24	Deferred Tax Reserve	- Line 21 (\$345,693)	(\$741,914)	(\$676,793)
25	Year End Rate Base	Sum of Lines 22 through 24 \$4,043,664	\$2,972,157	\$2,361,993
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 \$2,021,832.00	\$3,507,911	\$2,667,075
27	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27 \$177,921	\$308,696	\$234,703
29	Book Depreciation	Line 13 \$337,643	\$675,286	\$675,286
30	Annual Revenue Requirement	Line 28 + Line 29 \$515,564	\$983,982	\$909,988

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending
			March 31, 2020	March 31, 2021	March 31, 2022
			(a)	(b)	(c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$4,727,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$4,727,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$4,727,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$4,727,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$3,545,250		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$4,727,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$3,545,250		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$1,181,750	\$1,181,750	\$1,181,750
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$393,877	\$525,288	\$175,017
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$3,939,127	\$525,288	\$175,017

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Advanced Analytics		\$5,419,000	
2	Total Estimated Capital Investment	Sum of Lines 1	\$5,419,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$5,419,000	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$5,419,000	\$5,419,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$5,419,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$5,419,000	\$5,419,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$1,806,153	\$2,408,746
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$1,806,153	\$4,214,899
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$387,071	\$774,143
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$387,071	\$1,161,214
15	Total Cumulative Book Depreciation	Line 14	\$387,071	\$1,161,214
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$1,419,082	\$3,053,685
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$298,007	\$641,274
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$161,795)	(\$186,367)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$136,212	\$454,907
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$5,419,000	\$5,419,000
23	Accumulated Depreciation	- Line 15	(\$387,071)	(\$1,161,214)
24	Deferred Tax Reserve	- Line 21	(\$136,212)	(\$454,907)
25	Year End Rate Base	Sum of Lines 22 through 24	\$4,895,716	\$3,802,879
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$2,447,858.09	\$4,349,298
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$215,412	\$382,738
29	Book Depreciation	Line 13	\$387,071	\$774,143
30	Annual Revenue Requirement	Line 28 + Line 29	\$602,483	\$1,156,881

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021	March 31, 2022
			(a)	(b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$5,419,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$5,419,000	
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$5,419,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$5,419,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$5,419,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	<u>\$0</u>	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$5,419,000	\$5,419,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$1,806,153</u>	<u>\$2,408,746</u>
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$1,806,153</u>	<u>\$2,408,746</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - Advanced Analytics IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Advanced Analytics	\$3,309,000
2	Total Estimated Capital Investment	\$3,309,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$3,309,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$3,309,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$3,309,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$3,309,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$1,102,890
11	Cumulative Tax Depreciation	Current Year Line 10 \$1,102,890
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$236,357
14	Cumulative Book Depreciation	Current Year Line 13 \$236,357
15	Total Cumulative Book Depreciation	Line 14 \$236,357
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$866,533
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$181,972
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$98,797)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$83,175
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$3,309,000
23	Accumulated Depreciation	- Line 15 (\$236,357)
24	Deferred Tax Reserve	- Line 21 (\$83,175)
25	Year End Rate Base	Sum of Lines 22 through 24 \$2,989,468
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper \$1,494,733.79
27	Pre-Tax ROR	MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$131,537
29	Book Depreciation	Line 13 \$236,357
30	Annual Revenue Requirement	Line 28 + Line 29 \$367,894

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$3,309,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$3,309,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,309,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,309,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	<u>\$0</u>
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$3,309,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$3,309,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$1,102,890
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$1,102,890</u>

THE NARRAGANSETT ELECTRIC COMPANY
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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Advanced Analytics IS

Line No.		(a)= Column	(b) Vintage Year March 31, 2020
Deferred Tax Subject to Proration			
1	Book Depreciation	Page 2 of 10, Line 13	\$337,643
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$3,545,250)
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$393,877)
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$3,601,484)
6	Effective Tax Rate	Per Tax Department	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$756,312)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0
9	Cost of Removal	Page 3 of 10, Line 20	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$756,312)
15	Net Operating Loss	Page 2 of 10, Line 19	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$756,312)
Allocation of FY 2020 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$3,601,484)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$3,601,484)
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0
23	Effective Tax Rate	Per Tax Department	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$756,312)
Proration Calculation			
		(i)	(j)
		Number of Days in	
		Month	Proration Percentage
26	April 2019	30	91.78%
27	May 2019	31	83.29%
28	June 2019	30	75.07%
29	July 2019	31	66.58%
30	August 2019	31	58.08%
31	September 2019	30	49.86%
32	October 2019	31	41.37%
33	November 2019	30	33.15%
34	December 2019	31	24.66%
35	January 2020	31	16.16%
36	February 2020	28	8.49%
37	March 2020	31	0.00%
38	Total	365	
			(k)= Sum of (l)
			(l)
			(\$345,693)
39	Deferred Tax Without Proration	Line 25	(\$756,312)
40	Proration Adjustment	Line 38 - Line 39	\$410,619

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Advanced Analytics IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$1,062,357	\$387,071	\$675,286	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$2,331,441)	(\$1,806,153)	(\$525,288)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,269,084)	(\$1,419,082)	\$149,998	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$266,508)	(\$298,007)	\$31,500	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$266,508)	(\$298,007)	\$31,500	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$266,508)	(\$298,007)	\$31,500	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,269,084)	(\$1,419,082)	\$149,998	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,269,084)	(\$1,419,082)	\$149,998	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$266,508)	(\$298,007)	\$31,500	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$20,384)	(\$22,793)	\$2,409
27	May 2020	31	83.29%	(\$18,497)	(\$20,684)	\$2,186
28	June 2020	30	75.07%	(\$16,672)	(\$18,642)	\$1,971
29	July 2020	31	66.58%	(\$14,786)	(\$16,533)	\$1,748
30	August 2020	31	58.08%	(\$12,899)	(\$14,424)	\$1,525
31	September 2020	30	49.86%	(\$11,074)	(\$12,383)	\$1,309
32	October 2020	31	41.37%	(\$9,188)	(\$10,274)	\$1,086
33	November 2020	30	33.15%	(\$7,362)	(\$8,233)	\$870
34	December 2020	31	24.66%	(\$5,476)	(\$6,123)	\$647
35	January 2021	31	16.16%	(\$3,590)	(\$4,014)	\$424
36	February 2021	28	8.49%	(\$1,886)	(\$2,109)	\$223
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$121,815)	(\$136,212)	\$14,398
39	Deferred Tax Without Proration	Line 25		(\$266,508)	(\$298,007)	\$31,500
40	Proration Adjustment	Line 38 - Line 39		\$144,693	\$161,795	(\$17,102)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

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The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Advanced Analytics IS

Line No.	Deferred Tax Subject to Proration	(a)=Sum of (b) through (d)	(b)	(c)	(d)		
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$1,685,786	\$236,357	\$774,143	\$675,286	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$3,686,653)	(\$1,102,890)	(\$2,408,746)	(\$175,017)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$2,000,867)	(\$866,533)	(\$1,634,603)	\$500,269	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$420,182)	(\$181,972)	(\$343,267)	\$105,056	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$420,182)	(\$181,972)	(\$343,267)	\$105,056	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$420,182)	(\$181,972)	(\$343,267)	\$105,056	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$2,000,867)	(\$866,533)	(\$1,634,603)	\$500,269	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$2,000,867)	(\$866,533)	(\$1,634,603)	\$500,269	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$420,182)	(\$181,972)	(\$343,267)	\$105,056	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		Number of Days in Month	Proration Percentage				
26	April 2021	30	91.78%	(\$32,137)	(\$13,918)	(\$26,254)	\$8,035
27	May 2021	31	83.29%	(\$29,163)	(\$12,630)	(\$23,825)	\$7,292
28	June 2021	30	75.07%	(\$26,285)	(\$11,384)	(\$21,474)	\$6,572
29	July 2021	31	66.58%	(\$23,311)	(\$10,096)	(\$19,044)	\$5,828
30	August 2021	31	58.08%	(\$20,338)	(\$8,808)	(\$16,615)	\$5,085
31	September 2021	30	49.86%	(\$17,460)	(\$7,561)	(\$14,264)	\$4,365
32	October 2021	31	41.37%	(\$14,486)	(\$6,273)	(\$11,834)	\$3,622
33	November 2021	30	33.15%	(\$11,608)	(\$5,027)	(\$9,483)	\$2,902
34	December 2021	31	24.66%	(\$8,634)	(\$3,739)	(\$7,053)	\$2,159
35	January 2022	31	16.16%	(\$5,660)	(\$2,451)	(\$4,624)	\$1,415
36	February 2022	28	8.49%	(\$2,974)	(\$1,288)	(\$2,430)	\$744
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$192,056)	(\$83,175)	(\$156,900)	\$48,019
39	Deferred Tax Without Proration	Line 25		(\$420,182)	(\$181,972)	(\$343,267)	\$105,056
40	Proration Adjustment	Line 38 - Line 39		\$228,126	\$98,797	\$186,367	(\$57,037)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - Cybersecurity
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
Electric Operation and Maintenance (O&M) Expenses:					
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement (BR)	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement (IS)	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ 5,423,571	\$ 2,736,730	\$ 2,182,127
13	Total Electric O&M costs	\$ -	\$ 5,423,571	\$ 2,736,730	\$ 2,182,127
Gas Operation and Maintenance (O&M) Expenses:					
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ 2,947,429	\$ 1,487,270	\$ 1,185,873
22	Total Gas O&M costs	\$ -	\$ 2,947,429	\$ 1,487,270	\$ 1,185,873
23	Total O&M Expenses	Line 13 + Line 22	\$ 8,371,000	\$ 4,224,000	\$ 3,368,000
Electric Capital Investment:					
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$978,288	\$1,867,115	\$1,726,711
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$485,073	\$931,431
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$318,892
28	Total Electric Capital Investment Component of Revenue Requirement	Sum of Lines 25 through 27	\$978,288	\$2,352,188	\$2,977,034
Gas Capital Investment:					
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$531,649	\$1,014,680	\$938,378
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$263,612	\$506,184
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$173,301
33	Total Gas Capital Investment Component of Revenue Requirement	Sum of Lines 30 through 32	\$531,649	\$1,278,292	\$1,617,863
34	Total Electric Revenue Requirement	Line 13 + Line 28	\$6,401,859	\$5,088,917	\$5,159,161
35	Total Gas Revenue Requirement	Line 22 + Line 33	\$3,479,078	\$2,765,562	\$2,803,736
36	Total Electric & Gas Revenue Requirement	Line 34 + Line 35	\$9,880,936	\$7,854,479	\$7,962,897

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - Cybersecurity IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Cybersecurity	\$13,844,000	\$0	\$0
2	Total Estimated Capital Investment	\$13,844,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$13,844,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5 \$13,844,000	\$13,844,000	\$13,844,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2 \$13,844,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7 \$13,844,000	\$13,844,000	\$13,844,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21 \$11,536,551	\$1,538,415	\$512,574
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10 \$11,536,551	\$13,074,966	\$13,587,540
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line \$988,857	\$1,977,714	\$1,977,714
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13 \$988,857	\$2,966,571	\$4,944,286
15	Total Cumulative Book Depreciation	Line 14 \$988,857	\$2,966,571	\$4,944,286
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$10,547,694	\$10,108,395	\$8,643,254
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$2,215,016	\$2,122,763	\$1,815,083
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 (\$1,202,582)	\$50,086	\$167,046
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$1,012,434	\$2,172,849	\$1,982,129
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$13,844,000	\$13,844,000	\$13,844,000
23	Accumulated Depreciation	- Line 15 (\$988,857)	(\$2,966,571)	(\$4,944,286)
24	Deferred Tax Reserve	- Line 21 (\$1,012,434)	(\$2,172,849)	(\$1,982,129)
25	Year End Rate Base	Sum of Lines 22 through 24 \$11,842,709	\$8,704,580	\$6,917,585
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 \$5,921,354.37	\$10,273,644	\$7,811,082
27	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27 \$521,079	\$904,081	\$687,375
29	Book Depreciation	Line 13 \$988,857	\$1,977,714	\$1,977,714
30	Annual Revenue Requirement	Line 28 + Line 29 \$1,509,936	\$2,881,795	\$2,665,090

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$13,844,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$13,844,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$13,844,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$13,844,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$10,383,000		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$13,844,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$10,383,000		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$3,461,000	\$3,461,000	\$3,461,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$1,153,551	\$1,538,415	\$512,574
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$11,536,551	\$1,538,415	\$512,574

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Cybersecurity		\$6,734,000	
2	Total Estimated Capital Investment	Sum of Lines 1	\$6,734,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$6,734,000	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$6,734,000	\$6,734,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$6,734,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$6,734,000	\$6,734,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$2,244,442	\$2,993,263
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$2,244,442	\$5,237,705
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$481,000	\$962,000
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$481,000	\$1,443,000
15	Total Cumulative Book Depreciation	Line 14	\$481,000	\$1,443,000
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$1,763,442	\$3,794,705
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$370,323	\$796,888
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$201,057)	(\$231,592)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$169,266	\$565,296
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$6,734,000	\$6,734,000
23	Accumulated Depreciation	- Line 15	(\$481,000)	(\$1,443,000)
24	Deferred Tax Reserve	- Line 21	(\$169,266)	(\$565,296)
25	Year End Rate Base	Sum of Lines 22 through 24	\$6,083,734	\$4,725,704
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$3,041,866.86	\$5,404,719
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$267,684	\$475,615
29	Book Depreciation	Line 13	\$481,000	\$962,000
30	Annual Revenue Requirement	Line 28 + Line 29	\$748,684	\$1,437,615

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$6,734,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$6,734,000	
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$6,734,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$6,734,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$6,734,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	<u>\$0</u>	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$6,734,000	\$6,734,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$2,244,442</u>	<u>\$2,993,263</u>
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$2,244,442</u>	<u>\$2,993,263</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - Cybersecurity IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
	<u>Estimated Capital Investment</u>	
1	Cybersecurity	\$4,427,000
2	Total Estimated Capital Investment	\$4,427,000
	<u>Depreciable Net Capital Included in Rate Base</u>	
3	Total Allowed Capital Included in Rate Base in Current Year	\$4,427,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$4,427,000
	<u>Change in Net Capital Included in Rate Base</u>	
6	Capital Included in Rate Base	Line 2 \$4,427,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$4,427,000
	<u>Tax Depreciation</u>	
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$1,475,519
11	Cumulative Tax Depreciation	Current Year Line 10 \$1,475,519
	<u>Book Depreciation</u>	
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$316,214
14	Cumulative Book Depreciation	Current Year Line 13 \$316,214
15	Total Cumulative Book Depreciation	Line 14 \$316,214
	<u>Deferred Tax Calculation:</u>	
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$1,159,305
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$243,454
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$132,177)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$111,277
	<u>Rate Base Calculation:</u>	
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$4,427,000
23	Accumulated Depreciation	- Line 15 (\$316,214)
24	Deferred Tax Reserve	- Line 21 (\$111,277)
25	Year End Rate Base	Sum of Lines 22 through 24 \$3,999,508
	<u>Revenue Requirement Calculation:</u>	
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$1,999,754.17
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$175,978
29	Book Depreciation	Line 13 \$316,214
30	Annual Revenue Requirement	Line 28 + Line 29 \$492,193

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$4,427,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$4,427,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$4,427,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$4,427,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	<u>\$0</u>
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$4,427,000
14	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$4,427,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$1,475,519
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$1,475,519</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Cybersecurity IS

Line No.		(a)= Column	(b) Vintage Year March 31, 2020
Deferred Tax Subject to Proration			
1	Book Depreciation	Page 2 of 10, Line 13	\$988,857
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$10,383,000)
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$1,153,551)
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$10,547,694)
6	Effective Tax Rate	Per Tax Department	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$2,215,016)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0
9	Cost of Removal	Page 3 of 10, Line 20	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$2,215,016)
15	Net Operating Loss	Page 2 of 10, Line 19	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$2,215,016)
Allocation of FY 2020 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$10,547,694)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$10,547,694)
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0
23	Effective Tax Rate	Per Tax Department	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$2,215,016)

	(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$169,413)
27	May 2019	31	83.29%	(\$153,736)
28	June 2019	30	75.07%	(\$138,565)
29	July 2019	31	66.58%	(\$122,888)
30	August 2019	31	58.08%	(\$107,211)
31	September 2019	30	49.86%	(\$92,039)
32	October 2019	31	41.37%	(\$76,362)
33	November 2019	30	33.15%	(\$61,191)
34	December 2019	31	24.66%	(\$45,514)
35	January 2020	31	16.16%	(\$29,837)
36	February 2020	28	8.49%	(\$15,677)
37	March 2020	31	0.00%	\$0
38	Total	365		(\$1,012,434)
39	Deferred Tax Without Proration	Line 25		(\$2,215,016)
40	Proration Adjustment	Line 38 - Line 39		\$1,202,582

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Cybersecurity IS

Line No.			(a)=Sum of (b)	(b)	(c)
			through (c)	Vintage Year	Vintage Year
			Total	March 31, 2021	March 31, 2020
Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$2,458,714	\$481,000	\$1,977,714
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$3,782,857)	(\$2,244,442)	(\$1,538,415)
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,324,143)	(\$1,763,442)	\$439,299
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$278,070)	(\$370,323)	\$92,253
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$278,070)	(\$370,323)	\$92,253
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$278,070)	(\$370,323)	\$92,253
Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,324,143)	(\$1,763,442)	\$439,299
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,324,143)	(\$1,763,442)	\$439,299
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0
23	Effective Tax Rate		21.00%	21.00%	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$278,070)	(\$370,323)	\$92,253

	(i)	(j)	(k)= Sum of (l)	(l)	(m)
Proration Calculation	<u>Number of Days in Month</u>	<u>Proration Percentage</u>			
26	April 2020	30	91.78%	(\$21,268)	\$7,056
27	May 2020	31	83.29%	(\$19,300)	\$6,403
28	June 2020	30	75.07%	(\$17,395)	\$5,771
29	July 2020	31	66.58%	(\$15,427)	\$5,118
30	August 2020	31	58.08%	(\$13,459)	\$4,465
31	September 2020	30	49.86%	(\$11,555)	\$3,833
32	October 2020	31	41.37%	(\$9,586)	\$3,180
33	November 2020	30	33.15%	(\$7,682)	\$2,549
34	December 2020	31	24.66%	(\$5,714)	\$1,896
35	January 2021	31	16.16%	(\$3,746)	\$1,243
36	February 2021	28	8.49%	(\$1,968)	\$653
37	March 2021	31	0.00%	\$0	\$0
38	Total	365		(\$127,100)	\$42,167
39	Deferred Tax Without Proration	Line 25		(\$278,070)	\$92,253
40	Proration Adjustment	Line 38 - Line 39		\$150,970	(\$50,086)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
Page 10 of 10

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Cybersecurity IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$3,255,929	\$316,214	\$962,000	\$1,977,714	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$4,981,356)	(\$1,475,519)	(\$2,993,263)	(\$512,574)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,725,427)	(\$1,159,305)	(\$2,031,263)	\$1,465,140	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$362,340)	(\$243,454)	(\$426,565)	\$307,679	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$362,340)	(\$243,454)	(\$426,565)	\$307,679	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$362,340)	(\$243,454)	(\$426,565)	\$307,679	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,725,427)	(\$1,159,305)	(\$2,031,263)	\$1,465,140	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,725,427)	(\$1,159,305)	(\$2,031,263)	\$1,465,140	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$362,340)	(\$243,454)	(\$426,565)	\$307,679	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		Number of Days in Month	Proration Percentage				
26	April 2021	30	91.78%	(\$27,713)	(\$18,620)	(\$32,625)	\$23,533
27	May 2021	31	83.29%	(\$25,149)	(\$16,897)	(\$29,606)	\$21,355
28	June 2021	30	75.07%	(\$22,667)	(\$15,230)	(\$26,685)	\$19,248
29	July 2021	31	66.58%	(\$20,102)	(\$13,507)	(\$23,666)	\$17,070
30	August 2021	31	58.08%	(\$17,538)	(\$11,784)	(\$20,647)	\$14,892
31	September 2021	30	49.86%	(\$15,056)	(\$10,116)	(\$17,725)	\$12,785
32	October 2021	31	41.37%	(\$12,492)	(\$8,393)	(\$14,706)	\$10,607
33	November 2021	30	33.15%	(\$10,010)	(\$6,726)	(\$11,784)	\$8,500
34	December 2021	31	24.66%	(\$7,445)	(\$5,002)	(\$8,765)	\$6,322
35	January 2022	31	16.16%	(\$4,881)	(\$3,279)	(\$5,746)	\$4,145
36	February 2022	28	8.49%	(\$2,565)	(\$1,723)	(\$3,019)	\$2,178
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$165,617)	(\$111,277)	(\$194,973)	\$140,633
39	Deferred Tax Without Proration	Line 25		(\$362,340)	(\$243,454)	(\$426,565)	\$307,679
40	Proration Adjustment	Line 38 - Line 39		\$196,722	\$132,177	\$231,592	(\$167,046)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - Data Lake
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ 546,180	\$ 786,551	\$ 1,063,852
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 546,180	\$ 786,551	\$ 1,063,852
	Sum of Lines 1 through 12	\$ -	\$ 546,180	\$ 786,551	\$ 1,063,852
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ 296,820	\$ 427,449	\$ 578,148
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 296,820	\$ 427,449	\$ 578,148
	Sum of Lines 14 through 21	\$ -	\$ 296,820	\$ 427,449	\$ 578,148
23	Total O&M Expenses	Line 13 + Line 22	\$ 843,000	\$ 1,214,000	\$ 1,642,000
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$98,507	\$188,006	\$173,869
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
28	Total Electric Capital Investment Component of Revenue Requirement	Sum of Lines 25 through 27	\$98,507	\$188,006	\$173,869
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$53,534	\$102,172	\$94,489
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	Sum of Lines 30 through 32	\$53,534	\$102,172	\$94,489
34	Total Electric Revenue Requirement	Line 13 + Line 28	\$644,687	\$974,557	\$1,237,720
35	Total Gas Revenue Requirement	Line 22 + Line 33	\$350,354	\$529,621	\$672,637
36	Total Electric & Gas Revenue Requirement	Line 34 + Line 35	\$995,041	\$1,504,178	\$1,910,357

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - Data Lake IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Data Lake	\$1,394,000	\$0	\$0
2	Total Estimated Capital Investment	\$1,394,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$1,394,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$1,394,000	\$1,394,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$1,394,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$1,394,000	\$1,394,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21	\$1,161,655	\$154,908
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$1,161,655	\$1,316,563
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$99,571	\$199,143
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$99,571	\$298,714
15	Total Cumulative Book Depreciation	Line 14	\$99,571	\$298,714
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$1,062,084	\$1,017,849
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$223,038	\$213,748
19	Less: FY 2020 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	(\$121,092)	\$5,043
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$101,945	\$218,792
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$1,394,000	\$1,394,000
23	Accumulated Depreciation	- Line 15	(\$99,571)	(\$298,714)
24	Deferred Tax Reserve	- Line 21	(\$101,945)	(\$218,792)
25	Year End Rate Base	Sum of Lines 22 through 24	\$1,192,483	\$876,494
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$596,241.55	\$1,034,489
27	Pre-Tax ROR		8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$52,469	\$91,035
29	Book Depreciation	Line 13	\$99,571	\$199,143
30	Annual Revenue Requirement	Line 28 + Line 29	\$152,041	\$290,178

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$1,394,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$1,394,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$1,394,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$1,394,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$1,045,500		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$1,394,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$1,045,500		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$348,500	\$348,500	\$348,500
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$116,155	\$154,908	\$51,613
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$1,161,655	\$154,908	\$51,613

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Data Lake		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - Data Lake IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Data Lake	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$0
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 \$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$0
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
23	Accumulated Depreciation	- Line 15 \$0
24	Deferred Tax Reserve	- Line 21 \$0
25	Year End Rate Base	Sum of Lines 22 through 24 \$0
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$0.00
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$0
29	Book Depreciation	Line 13 \$0
30	Annual Revenue Requirement	Line 28 + Line 29 \$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$0</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Data Lake IS

Line No.	Description		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$99,571	\$99,571	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$1,045,500)	(\$1,045,500)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$116,155)	(\$116,155)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,062,084)	(\$1,062,084)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$223,038)	(\$223,038)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$223,038)	(\$223,038)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$223,038)	(\$223,038)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,062,084)	(\$1,062,084)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,062,084)	(\$1,062,084)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$223,038)	(\$223,038)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$17,059)	(\$17,059)
27	May 2019	31	83.29%	(\$15,480)	(\$15,480)
28	June 2019	30	75.07%	(\$13,953)	(\$13,953)
29	July 2019	31	66.58%	(\$12,374)	(\$12,374)
30	August 2019	31	58.08%	(\$10,795)	(\$10,795)
31	September 2019	30	49.86%	(\$9,268)	(\$9,268)
32	October 2019	31	41.37%	(\$7,689)	(\$7,689)
33	November 2019	30	33.15%	(\$6,162)	(\$6,162)
34	December 2019	31	24.66%	(\$4,583)	(\$4,583)
35	January 2020	31	16.16%	(\$3,004)	(\$3,004)
36	February 2020	28	8.49%	(\$1,579)	(\$1,579)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$101,945)	(\$101,945)
39	Deferred Tax Without Proration	Line 25		(\$223,038)	(\$223,038)
40	Proration Adjustment	Line 38 - Line 39		\$121,092	\$121,092

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Data Lake IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$199,143	\$0	\$199,143	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$154,908)	\$0	(\$154,908)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$44,235	\$0	\$44,235	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$9,289	\$0	\$9,289	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$9,289	\$0	\$9,289	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$9,289	\$0	\$9,289	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$44,235	\$0	\$44,235	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$44,235	\$0	\$44,235	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$9,289	\$0	\$9,289	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$710	\$0	\$710
27	May 2020	31	83.29%	\$645	\$0	\$645
28	June 2020	30	75.07%	\$581	\$0	\$581
29	July 2020	31	66.58%	\$515	\$0	\$515
30	August 2020	31	58.08%	\$450	\$0	\$450
31	September 2020	30	49.86%	\$386	\$0	\$386
32	October 2020	31	41.37%	\$320	\$0	\$320
33	November 2020	30	33.15%	\$257	\$0	\$257
34	December 2020	31	24.66%	\$191	\$0	\$191
35	January 2021	31	16.16%	\$125	\$0	\$125
36	February 2021	28	8.49%	\$66	\$0	\$66
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$4,246	\$0	\$4,246
39	Deferred Tax Without Proration	Line 25		\$9,289	\$0	\$9,289
40	Proration Adjustment	Line 38 - Line 39		(\$5,043)	\$0	(\$5,043)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Data Lake IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$199,143	\$0	\$0	\$199,143	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$51,613)	\$0	\$0	(\$51,613)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$147,530	\$0	\$0	\$147,530	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$30,981	\$0	\$0	\$30,981	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$30,981	\$0	\$0	\$30,981	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$30,981	\$0	\$0	\$30,981	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$147,530	\$0	\$0	\$147,530	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$147,530	\$0	\$0	\$147,530	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$30,981	\$0	\$0	\$30,981	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	\$2,370	\$0	\$0	\$2,370
27	May 2021	31	83.29%	\$2,150	\$0	\$0	\$2,150
28	June 2021	30	75.07%	\$1,938	\$0	\$0	\$1,938
29	July 2021	31	66.58%	\$1,719	\$0	\$0	\$1,719
30	August 2021	31	58.08%	\$1,500	\$0	\$0	\$1,500
31	September 2021	30	49.86%	\$1,287	\$0	\$0	\$1,287
32	October 2021	31	41.37%	\$1,068	\$0	\$0	\$1,068
33	November 2021	30	33.15%	\$856	\$0	\$0	\$856
34	December 2021	31	24.66%	\$637	\$0	\$0	\$637
35	January 2022	31	16.16%	\$417	\$0	\$0	\$417
36	February 2022	28	8.49%	\$219	\$0	\$0	\$219
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$14,161	\$0	\$0	\$14,161
39	Deferred Tax Without Proration	Line 25		\$30,981	\$0	\$0	\$30,981
40	Proration Adjustment	Line 38 - Line 39		(\$16,820)	\$0	\$0	(\$16,820)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - DSCADA & ADMS
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
Electric Operation and Maintenance (O&M) Expenses:					
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ 282,484	\$ -	\$ 58,311
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 282,484	\$ -	\$ 58,311
Gas Operation and Maintenance (O&M) Expenses:					
14	DSCADA & ADMS	\$ -	\$ 153,516	\$ -	\$ 31,689
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 153,516	\$ -	\$ 31,689
23	Total O&M Expenses	\$ -	\$ 436,000	\$ -	\$ 90,000
Electric Capital Investment:					
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
28	Total Electric Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$0
Gas Capital Investment:					
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$0
34	Total Electric Revenue Requirement	-	\$282,484	\$0	\$58,311
35	Total Gas Revenue Requirement	-	\$153,516	\$0	\$31,689
36	Total Electric & Gas Revenue Requirement	-	\$ 436,000	\$ -	\$ 90,000

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	DCADA & ADMS		\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$0	\$0	\$0
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	\$0	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending
			March 31, 2020	March 31, 2021	March 31, 2022
			(a)	(b)	(c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	DSCADA & ADMS		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - DSCADA & ADMS IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	DCADA & ADMS	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$0
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 \$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$0
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
23	Accumulated Depreciation	- Line 15 \$0
24	Deferred Tax Reserve	- Line 21 \$0
25	Year End Rate Base	Sum of Lines 22 through 24 \$0
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$0.00
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$0
29	Book Depreciation	Line 13 \$0
30	Annual Revenue Requirement	Line 28 + Line 29 \$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - DSCADA & ADMS IS

Line No.	Description	(a)= Column	(b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$0	\$0	
2	Bonus Depreciation	Page 3 of 10, - Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	\$0	\$0	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	\$0	\$0
27	May 2019	31	83.29%	\$0	\$0
28	June 2019	30	75.07%	\$0	\$0
29	July 2019	31	66.58%	\$0	\$0
30	August 2019	31	58.08%	\$0	\$0
31	September 2019	30	49.86%	\$0	\$0
32	October 2019	31	41.37%	\$0	\$0
33	November 2019	30	33.15%	\$0	\$0
34	December 2019	31	24.66%	\$0	\$0
35	January 2020	31	16.16%	\$0	\$0
36	February 2020	28	8.49%	\$0	\$0
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - DSCADA & ADMS IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
	Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$0	\$0	\$0	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	\$0	\$0	\$0	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	
	Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	\$0	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	
	Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$0	\$0	\$0
27	May 2020	31	83.29%	\$0	\$0	\$0
28	June 2020	30	75.07%	\$0	\$0	\$0
29	July 2020	31	66.58%	\$0	\$0	\$0
30	August 2020	31	58.08%	\$0	\$0	\$0
31	September 2020	30	49.86%	\$0	\$0	\$0
32	October 2020	31	41.37%	\$0	\$0	\$0
33	November 2020	30	33.15%	\$0	\$0	\$0
34	December 2020	31	24.66%	\$0	\$0	\$0
35	January 2021	31	16.16%	\$0	\$0	\$0
36	February 2021	28	8.49%	\$0	\$0	\$0
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - DSCADA & ADMS IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	\$0	\$0	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	\$0	\$0	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
26	April 2021	Month					
27	May 2021	30	91.78%	\$0	\$0	\$0	\$0
28	June 2021	31	83.29%	\$0	\$0	\$0	\$0
29	July 2021	30	75.07%	\$0	\$0	\$0	\$0
30	August 2021	31	66.58%	\$0	\$0	\$0	\$0
31	September 2021	31	58.08%	\$0	\$0	\$0	\$0
32	October 2021	30	49.86%	\$0	\$0	\$0	\$0
33	November 2021	31	41.37%	\$0	\$0	\$0	\$0
34	December 2021	30	33.15%	\$0	\$0	\$0	\$0
35	January 2022	31	24.66%	\$0	\$0	\$0	\$0
36	February 2022	28	16.16%	\$0	\$0	\$0	\$0
37	March 2022	31	8.49%	\$0	\$0	\$0	\$0
38	Total	365	0.00%	\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0	\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - Enterprise Service Bus
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ 518,968	\$ 1,264,701	\$ 1,326,251
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 518,968	\$ 1,264,701	\$ 1,326,251
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ 282,032	\$ 687,299	\$ 720,749
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 282,032	\$ 687,299	\$ 720,749
23	Total O&M Expenses	\$ -	\$ 801,000	\$ 1,952,000	\$ 2,047,000
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$1,146,195
28	Total Electric Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$1,146,195
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$622,897
33	Total Gas Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$622,897
34	Total Electric Revenue Requirement	-	\$518,968	\$1,264,701	\$2,472,446
35	Total Gas Revenue Requirement	-	\$282,032	\$687,299	\$1,343,646
36	Total Electric & Gas Revenue Requirement	-	\$ 801,000	\$ 1,952,000	\$ 3,816,092

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	Enterprise Service Bus		\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$0	\$0	\$0
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	\$0	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Enterprise Service Bus		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - Enterprise Service Bus IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Enterprise Service Bus	\$15,912,000
2	Total Estimated Capital Investment	Sum of Line 1 \$15,912,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$15,912,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$15,912,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$15,912,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$15,912,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$5,303,470
11	Cumulative Tax Depreciation	Current Year Line 10 \$5,303,470
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$1,136,571
14	Cumulative Book Depreciation	Current Year Line 13 \$1,136,571
15	Total Cumulative Book Depreciation	Line 14 \$1,136,571
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$4,166,899
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$875,049
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$475,084)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$399,965
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$15,912,000
23	Accumulated Depreciation	- Line 15 (\$1,136,571)
24	Deferred Tax Reserve	- Line 21 (\$399,965)
25	Year End Rate Base	Sum of Lines 22 through 24 \$14,375,463
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$7,187,731.69
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$632,520
29	Book Depreciation	Line 13 \$1,136,571
30	Annual Revenue Requirement	Line 28 + Line 29 \$1,769,092

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$15,912,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$15,912,000
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$15,912,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$15,912,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$15,912,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$15,912,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$5,303,470
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$5,303,470

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Enterprise Service Bus IS

Line No.	Deferred Tax Subject to Proration	(a)= Column	(b)		
			Total	Vintage Year March 31, 2020	
1	Book Depreciation	Page 2 of 10, Line 13	\$0	\$0	
2	Bonus Depreciation	Page 3 of 10, - Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	\$0	\$0	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	
Proration Calculation					
		(i)	(j)	(k)= Sum of (l)	(l)
		Number of Days in			
		Month	Proration Percentage		
26	April 2019	30	91.78%	\$0	\$0
27	May 2019	31	83.29%	\$0	\$0
28	June 2019	30	75.07%	\$0	\$0
29	July 2019	31	66.58%	\$0	\$0
30	August 2019	31	58.08%	\$0	\$0
31	September 2019	30	49.86%	\$0	\$0
32	October 2019	31	41.37%	\$0	\$0
33	November 2019	30	33.15%	\$0	\$0
34	December 2019	31	24.66%	\$0	\$0
35	January 2020	31	16.16%	\$0	\$0
36	February 2020	28	8.49%	\$0	\$0
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Enterprise Service Bus IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
	Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$0	\$0	\$0	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	\$0	\$0	\$0	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	
	Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	\$0	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	
	Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$0	\$0	\$0
27	May 2020	31	83.29%	\$0	\$0	\$0
28	June 2020	30	75.07%	\$0	\$0	\$0
29	July 2020	31	66.58%	\$0	\$0	\$0
30	August 2020	31	58.08%	\$0	\$0	\$0
31	September 2020	30	49.86%	\$0	\$0	\$0
32	October 2020	31	41.37%	\$0	\$0	\$0
33	November 2020	30	33.15%	\$0	\$0	\$0
34	December 2020	31	24.66%	\$0	\$0	\$0
35	January 2021	31	16.16%	\$0	\$0	\$0
36	February 2021	28	8.49%	\$0	\$0	\$0
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Enterprise Service Bus IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$1,136,571	\$1,136,571	\$0	\$0
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$5,303,470)	(\$5,303,470)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$4,166,899)	(\$4,166,899)	\$0	\$0
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$875,049)	(\$875,049)	\$0	\$0
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$875,049)	(\$875,049)	\$0	\$0
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$875,049)	(\$875,049)	\$0	\$0
Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$4,166,899)	(\$4,166,899)	\$0	\$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$4,166,899)	(\$4,166,899)	\$0	\$0
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	\$0
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$875,049)	(\$875,049)	\$0	\$0
Proration Calculation						
		(i)	(j)	(k)= Sum of (l) through (n)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>			
		<u>Month</u>				
26	April 2021	30	91.78%	(\$66,927)	(\$66,927)	\$0
27	May 2021	31	83.29%	(\$60,734)	(\$60,734)	\$0
28	June 2021	30	75.07%	(\$54,740)	(\$54,740)	\$0
29	July 2021	31	66.58%	(\$48,547)	(\$48,547)	\$0
30	August 2021	31	58.08%	(\$42,354)	(\$42,354)	\$0
31	September 2021	30	49.86%	(\$36,360)	(\$36,360)	\$0
32	October 2021	31	41.37%	(\$30,167)	(\$30,167)	\$0
33	November 2021	30	33.15%	(\$24,174)	(\$24,174)	\$0
34	December 2021	31	24.66%	(\$17,980)	(\$17,980)	\$0
35	January 2022	31	16.16%	(\$11,787)	(\$11,787)	\$0
36	February 2022	28	8.49%	(\$6,193)	(\$6,193)	\$0
37	March 2022	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$399,965)	(\$399,965)	\$0
39	Deferred Tax Without Proration	Line 25		(\$875,049)	(\$875,049)	\$0
40	Proration Adjustment	Line 38 - Line 39		\$475,084	\$475,084	\$0

Column Notes:
(j) Sum of remaining days in the year (Col (i)) ÷ 365
(l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - Feeder Monitoring Sensors
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ 5,000	\$ 10,000
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ -	\$ 5,000	\$ 10,000
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ -	\$ -	\$ -
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ -	\$ 5,000	\$ 10,000
	Line 13 + Line 22				
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$26,261	\$66,259	\$64,794
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$26,261	\$66,259
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$26,261
28	Total Electric Capital Investment Component of Revenue Requirement	\$ -	\$26,261	\$92,520	\$157,314
	Sum of Lines 25 through 27				
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	\$ -	\$0	\$0	\$0
	Sum of Lines 30 through 32				
34	Total Electric Revenue Requirement	\$ -	\$26,261	\$97,520	\$167,314
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$ -	\$0	\$0	\$0
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$ 26,261	\$ 97,520	\$ 167,314
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Feeder Monitor Sensors	\$455,000	\$0	\$0
2	RTU Separation	\$0	\$0	\$0
3	Total Estimated Capital Investment	\$455,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$455,000	\$0	\$0
5	Retirements	Line 4 * 0% \$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b and c) = Prior Year Line 6 \$455,000	\$455,000	\$455,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3 \$455,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$455,000	\$455,000	\$455,000
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	Page 3 of 10, Line 21 \$17,063	\$32,846	\$30,380
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11 \$17,063	\$49,909	\$80,289
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.89%	2.89%	2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50%; Column (b and c) = Line 1 * Line 13 \$6,575	\$13,150	\$13,150
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14 \$6,575	\$19,724	\$32,874
16	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.09%	2.09%	2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50%; Column (b and c) = Line 2 * Line 16 \$0	\$0	\$0
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17 \$0	\$0	\$0
19	Total Cumulative Book Depreciation	Line 18 + Line 15 \$6,575	\$19,724	\$32,874
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$10,488	\$30,185	\$47,415
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$2,203	\$6,339	\$9,957
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 \$ (1,196)	\$ (2,246)	\$ (1,965)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$1,007	\$4,093	\$7,993
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 455,000	\$ 455,000	\$ 455,000
27	Accumulated Depreciation	- Line 19 (\$6,575)	(\$19,724)	(\$32,874)
28	Deferred Tax Reserve	- Line 25 (\$1,007)	(\$4,093)	(\$7,993)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 447,419	\$431,183	\$414,134
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2; Column (b and c) = (Prior Year Line 29 + Current Year Line 39) ÷ 2 \$223,709	\$439,301	\$422,658
31	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31 \$19,686	\$38,658	\$37,194
33	Book Depreciation	Line 14 - Line 17 \$6,575	\$13,150	\$13,150
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b & c) Line 9 * 3.176% \$0	\$14,451	\$14,451
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$26,261	\$66,259	\$64,794

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Electric Capital Investments
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 10, Line 3	\$455,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$455,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$455,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$455,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 0%	0.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$455,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$455,000	\$455,000	\$455,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%	6.677%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$17,063	\$32,846	\$30,380
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 8	\$0		
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$17,063	\$32,846	\$30,380

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.		Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>			
1	Feeder Monitor Sensors	\$455,000	
2	RTU Separation	\$0	
3	Total Estimated Capital Investment	\$455,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
4	Total Allowed Capital Included in Rate Base in Current Year	\$455,000	\$0
5	Retirements	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	\$455,000	\$455,000
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	\$455,000	\$0
8	Cost of Removal	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	\$455,000	\$455,000
<u>Tax Depreciation</u>			
10	Vintage Year Tax Depreciation:		
11	FY 2021 Spend	\$17,063	\$32,846
12	Cumulative Tax Depreciation	\$17,063	\$49,909
<u>Book Depreciation</u>			
13	Composite Book Depreciation Rate	2.89%	2.89%
14	Book Depreciation	\$6,575	\$13,150
15	Cumulative Book Depreciation	\$6,575	\$19,724
16	Composite Book Depreciation Rate	2.09%	2.09%
17	Book Depreciation	\$0	\$0
18	Cumulative Book Depreciation	\$0	\$0
19	Total Cumulative Book Depreciation	\$6,575	\$19,724
<u>Deferred Tax Calculation:</u>			
20	Cumulative Book / Tax Timer	\$10,488	\$30,185
21	Effective Tax Rate	21.00%	21.00%
22	Deferred Tax Reserve	\$2,203	\$6,339
23	Less: FY 2021 Federal NOL	\$0	\$0
24	Less: Proration Adjustment	(\$1,196)	(\$2,246)
25	Net Deferred Tax Reserve	\$1,007	\$4,093
<u>Rate Base Calculation:</u>			
26	Cumulative Incremental Capital Included in Rate Base	\$ 455,000	\$455,000
27	Accumulated Depreciation	(\$6,575)	(\$19,724)
28	Deferred Tax Reserve	(\$1,007)	(\$4,093)
29	Year End Rate Base	\$ 447,419	\$431,183
<u>Revenue Requirement Calculation:</u>			
30	Average Rate Base	\$223,709.26	\$439,301
31	Pre-Tax ROR	8.80%	8.80%
32	Return and Taxes	\$19,686	\$38,658
33	Book Depreciation	\$6,575	\$13,150
34	Property Taxes	\$0	\$14,451
35	Annual Revenue Requirement	\$26,261	\$66,259

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
Page 5 of 10

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Electric Capital Investments
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 3	\$455,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$455,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$455,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$455,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$455,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$455,000	\$455,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$17,063	\$32,846
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 8	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$17,063	\$32,846

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Feeder Monitor Sensors	\$455,000
2	RTU Separation	\$0
3	Total Estimated Capital Investment	Line 1 + Line 2 \$455,000
<u>Depreciable Net Capital Included in Rate Base</u>		
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$455,000
5	Retirements	Line 4 * 0% \$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 \$455,000
<u>Change in Net Capital Included in Rate Base</u>		
7	Capital Included in Rate Base	Line 3 \$455,000
8	Cost of Removal	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$455,000
<u>Tax Depreciation</u>		
10	Vintage Year Tax Depreciation:	
11	FY 2022 Spend	Page 7 of 10, Line 21 \$17,063
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 13 \$17,063
<u>Book Depreciation</u>		
13	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50% \$6,575
15	Cumulative Book Depreciation	Current Year Line 14 \$6,575
16	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50% \$0
18	Cumulative Book Depreciation	Current Year Line 16 \$0
19	Total Cumulative Book Depreciation	Line 15 + Line 18 \$6,575
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$10,488
21	Effective Tax Rate	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$2,203
23	Less: FY 2022 Federal NOL	\$0
24	Less: Proration Adjustment	Col (a) = Page 10 of 10, Line 40 (\$1,196)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$1,007
<u>Rate Base Calculation:</u>		
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 455,000
27	Accumulated Depreciation	- Line 19 (\$6,575)
28	Deferred Tax Reserve	- Line 25 (\$1,007)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 447,419
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$223,709
31	Pre-Tax ROR	1/ 8.80%
32	Return and Taxes	Line 30 * Line 31 \$19,686
33	Book Depreciation	Line 14 + Line 17 \$6,575
34	Property Taxes	Tax Rate 3.176% MAL-7 \$0
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$26,261

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	<u>100.00%</u>		<u>7.43%</u>	<u>1.37%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-1
Page 7 of 10

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Electric Capital Investments
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 3	\$455,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$455,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$455,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$455,000
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%	0.00%
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$455,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$455,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>3.750%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$17,063
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 8	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u><u>\$17,063</u></u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Electric Proration
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.	Deferred Tax Subject to Proration		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
1	Book Depreciation	Page 2 of 10, Line 14 + Line 17	\$6,575	\$6,575	
2	Bonus Depreciation	Page 3 of 10, Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, Line 18	(\$17,063)	(\$17,063)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$10,488)	(\$10,488)	
6	Effective Tax Rate		21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$2,203)	(\$2,203)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$2,203)	(\$2,203)	
15	Net Operating Loss	Page 2 of 10, Line 23	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$2,203)	(\$2,203)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$10,488)	(\$10,488)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$10,488)	(\$10,488)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 23 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$2,203)	(\$2,203)	
Proration Calculation					
		(i)	(j)	(k)= Sum of (l)	(l)
		Number of Days in			
		Month	Proration Percentage		
26	April 2019	30	91.78%	(\$168)	(\$168)
27	May 2019	31	83.29%	(\$153)	(\$153)
28	June 2019	30	75.07%	(\$138)	(\$138)
29	July 2019	31	66.58%	(\$122)	(\$122)
30	August 2019	31	58.08%	(\$107)	(\$107)
31	September 2019	30	49.86%	(\$92)	(\$92)
32	October 2019	31	41.37%	(\$76)	(\$76)
33	November 2019	30	33.15%	(\$61)	(\$61)
34	December 2019	31	24.66%	(\$45)	(\$45)
35	January 2020	31	16.16%	(\$30)	(\$30)
36	February 2020	28	8.49%	(\$16)	(\$16)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$1,007)	(\$1,007)
39	Deferred Tax Without Proration	Line 25		(\$2,203)	(\$2,203)
40	Proration Adjustment	Line 38 - Line 39		\$1,196	\$1,196

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Electric Proration
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 4 of 10, Line 14 + Line 17 ;Col (c) = Page 2 of 10, Line 14 + Line 17	\$19,724	\$6,575	\$13,150	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18 ;Col (c) = Page 3 of 10, Line 18	(\$49,909)	(\$17,063)	(\$32,846)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19 ;Col (c) = Page 3 of 10, Line 19	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$30,185)	(\$10,488)	(\$19,697)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$6,339)	(\$2,203)	(\$4,136)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$6,339)	(\$2,203)	(\$4,136)	
15	Net Operating Loss	Page 4 of 10, Line 23	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$6,339)	(\$2,203)	(\$4,136)	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$10,488)	(\$10,488)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$10,488)	(\$10,488)		
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 23 / 21%	\$0	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0		
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$6,339)	(\$2,203)	(\$4,136)	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$485)	(\$168)	(\$316)
27	May 2020	31	83.29%	(\$440)	(\$153)	(\$287)
28	June 2020	30	75.07%	(\$397)	(\$138)	(\$259)
29	July 2020	31	66.58%	(\$352)	(\$122)	(\$229)
30	August 2020	31	58.08%	(\$307)	(\$107)	(\$200)
31	September 2020	30	49.86%	(\$263)	(\$92)	(\$172)
32	October 2020	31	41.37%	(\$219)	(\$76)	(\$143)
33	November 2020	30	33.15%	(\$175)	(\$61)	(\$114)
34	December 2020	31	24.66%	(\$130)	(\$45)	(\$85)
35	January 2021	31	16.16%	(\$85)	(\$30)	(\$56)
36	February 2021	28	8.49%	(\$45)	(\$16)	(\$29)
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$2,897)	(\$1,007)	(\$1,891)
39	Deferred Tax Without Proration	Line 25		(\$6,339)	(\$2,203)	(\$4,136)
40	Proration Adjustment	Line 38 - Line 39		\$3,441	\$1,196	\$2,246

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Electric Proration
RI Only Grid Mod - Feeder Monitoring Sensors Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)																																																																																																																	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020																																																																																																																	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 14 + Line 17; Col (c) = Page 4 of 10, Line 14 + Line 17; Col (d) = Page 2 of 10, Line 14 + Line 17	\$32,874	\$6,575	\$13,150	\$13,150																																																																																																																	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0																																																																																																																			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$80,289)	(\$17,063)	(\$32,846)	(\$30,380)																																																																																																																	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0	\$0	\$0																																																																																																																	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$47,415)	(\$10,488)	(\$19,697)	(\$17,231)																																																																																																																	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%																																																																																																																	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)																																																																																																																	
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<table border="1"> <thead> <tr> <th rowspan="2">Proration Calculation</th> <th>(i)</th> <th>(j)</th> <th rowspan="2">(k)= Sum of (l) through (n)</th> <th rowspan="2">(l)</th> <th rowspan="2">(m)</th> <th rowspan="2">(n)</th> </tr> <tr> <th>Number of Days in Month</th> <th>Proration Percentage</th> </tr> </thead> <tbody> <tr> <td>26</td> <td>April 2021</td> <td>30</td> <td>91.78%</td> <td>(\$762)</td> <td>(\$168)</td> <td>(\$316)</td> <td>(\$277)</td> </tr> <tr> <td>27</td> <td>May 2021</td> <td>31</td> <td>83.29%</td> <td>(\$691)</td> <td>(\$153)</td> <td>(\$287)</td> <td>(\$251)</td> </tr> <tr> <td>28</td> <td>June 2021</td> <td>30</td> <td>75.07%</td> <td>(\$623)</td> <td>(\$138)</td> <td>(\$259)</td> <td>(\$226)</td> </tr> <tr> <td>29</td> <td>July 2021</td> <td>31</td> <td>66.58%</td> <td>(\$552)</td> <td>(\$122)</td> <td>(\$229)</td> <td>(\$201)</td> </tr> <tr> <td>30</td> <td>August 2021</td> <td>31</td> <td>58.08%</td> <td>(\$482)</td> <td>(\$107)</td> <td>(\$200)</td> <td>(\$175)</td> </tr> <tr> <td>31</td> <td>September 2021</td> <td>30</td> <td>49.86%</td> <td>(\$414)</td> <td>(\$92)</td> <td>(\$172)</td> <td>(\$150)</td> </tr> <tr> <td>32</td> <td>October 2021</td> <td>31</td> <td>41.37%</td> <td>(\$343)</td> <td>(\$76)</td> <td>(\$143)</td> <td>(\$125)</td> </tr> <tr> <td>33</td> <td>November 2021</td> <td>30</td> <td>33.15%</td> <td>(\$275)</td> <td>(\$61)</td> <td>(\$114)</td> <td>(\$100)</td> </tr> <tr> <td>34</td> <td>December 2021</td> <td>31</td> <td>24.66%</td> <td>(\$205)</td> <td>(\$45)</td> <td>(\$85)</td> <td>(\$74)</td> </tr> <tr> <td>35</td> <td>January 2022</td> <td>31</td> <td>16.16%</td> <td>(\$134)</td> <td>(\$30)</td> <td>(\$56)</td> <td>(\$49)</td> </tr> <tr> <td>36</td> <td>February 2022</td> <td>28</td> <td>8.49%</td> <td>(\$70)</td> <td>(\$16)</td> <td>(\$29)</td> <td>(\$26)</td> </tr> <tr> <td>37</td> <td>March 2022</td> <td>31</td> <td>0.00%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>38</td> <td>Total</td> <td>365</td> <td></td> <td>(\$4,551)</td> <td>(\$1,007)</td> <td>(\$1,891)</td> <td>(\$1,654)</td> </tr> </tbody> </table>							Proration Calculation	(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)	Number of Days in Month	Proration Percentage	26	April 2021	30	91.78%	(\$762)	(\$168)	(\$316)	(\$277)	27	May 2021	31	83.29%	(\$691)	(\$153)	(\$287)	(\$251)	28	June 2021	30	75.07%	(\$623)	(\$138)	(\$259)	(\$226)	29	July 2021	31	66.58%	(\$552)	(\$122)	(\$229)	(\$201)	30	August 2021	31	58.08%	(\$482)	(\$107)	(\$200)	(\$175)	31	September 2021	30	49.86%	(\$414)	(\$92)	(\$172)	(\$150)	32	October 2021	31	41.37%	(\$343)	(\$76)	(\$143)	(\$125)	33	November 2021	30	33.15%	(\$275)	(\$61)	(\$114)	(\$100)	34	December 2021	31	24.66%	(\$205)	(\$45)	(\$85)	(\$74)	35	January 2022	31	16.16%	(\$134)	(\$30)	(\$56)	(\$49)	36	February 2022	28	8.49%	(\$70)	(\$16)	(\$29)	(\$26)	37	March 2022	31	0.00%	\$0	\$0	\$0	\$0	38	Total	365		(\$4,551)	(\$1,007)	(\$1,891)	(\$1,654)
Proration Calculation	(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)																																																																																																																	
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27	May 2021	31	83.29%	(\$691)	(\$153)	(\$287)	(\$251)																																																																																																																
28	June 2021	30	75.07%	(\$623)	(\$138)	(\$259)	(\$226)																																																																																																																
29	July 2021	31	66.58%	(\$552)	(\$122)	(\$229)	(\$201)																																																																																																																
30	August 2021	31	58.08%	(\$482)	(\$107)	(\$200)	(\$175)																																																																																																																
31	September 2021	30	49.86%	(\$414)	(\$92)	(\$172)	(\$150)																																																																																																																
32	October 2021	31	41.37%	(\$343)	(\$76)	(\$143)	(\$125)																																																																																																																
33	November 2021	30	33.15%	(\$275)	(\$61)	(\$114)	(\$100)																																																																																																																
34	December 2021	31	24.66%	(\$205)	(\$45)	(\$85)	(\$74)																																																																																																																
35	January 2022	31	16.16%	(\$134)	(\$30)	(\$56)	(\$49)																																																																																																																
36	February 2022	28	8.49%	(\$70)	(\$16)	(\$29)	(\$26)																																																																																																																
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0																																																																																																																
38	Total	365		(\$4,551)	(\$1,007)	(\$1,891)	(\$1,654)																																																																																																																
39	Deferred Tax Without Proration	Line 25	(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)																																																																																																																	
40	Proration Adjustment	Line 38 - Line 39	\$5,406	\$1,196	\$2,246	\$1,965																																																																																																																	

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Grid Mod RI Only - GIS Data Enhancement (BR)
Annual Revenue Requirement Summary

Line No.			Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
			<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
			(a)	(b)	(c)	(d)
	Operation and Maintenance (O&M) Expenses:					
1	GIS Data Enhancement (BR)		\$0	\$0	\$1,028,000	\$1,028,000
2	Total O&M costs	Sum of Line 1	\$0	\$0	\$1,028,000	\$1,028,000
3	Total Revenue Requirement		\$0	\$0	\$1,028,000	\$1,028,000

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Grid Mod RI Only - GIS Data Enhancement (IS)
Annual Revenue Requirement Summary

Line No.			Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
			<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
			(a)	(b)	(c)	(d)
	Operation and Maintenance (O&M) Expenses:					
1	GIS Data Enhancement (IS)		\$3,049,000	\$0	\$0	\$0
2	Total O&M costs	Sum of Line 1	\$3,049,000	\$0	\$0	\$0
3	Total Revenue Requirement		\$3,049,000	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - PI Historian
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ 33,691	\$ 1,329,491	\$ 1,329,491
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 33,691	\$ 1,329,491	\$ 1,329,491
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ 18,309	\$ 722,509	\$ 722,509
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 18,309	\$ 722,509	\$ 722,509
23	Total O&M Expenses	\$ -	\$ 52,000	\$ 2,052,000	\$ 2,052,000
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$31,870	\$60,826	\$56,252
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
28	Total Electric Capital Investment Component of Revenue Requirement	-	\$31,870	\$60,826	\$56,252
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$17,320	\$33,056	\$30,570
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	-	\$17,320	\$33,056	\$30,570
34	Total Electric Revenue Requirement	-	\$65,561	\$1,390,316	\$1,385,742
35	Total Gas Revenue Requirement	-	\$35,629	\$755,565	\$753,079
36	Total Electric & Gas Revenue Requirement	-	\$ 101,190	\$ 2,145,881	\$ 2,138,821

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	PI Historian		\$451,000	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$451,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$451,000	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$451,000	\$451,000	\$451,000
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$451,000	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$451,000	\$451,000	\$451,000
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$375,830	\$50,117	\$16,698
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$375,830	\$425,947	\$442,645
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$32,214	\$64,429	\$64,429
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$32,214	\$96,643	\$161,071
15	Total Cumulative Book Depreciation	Line 14	\$32,214	\$96,643	\$161,071
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$343,616	\$329,304	\$281,574
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$72,159	\$69,154	\$59,130
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	(\$39,177)	\$1,632	\$5,442
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$32,982	\$70,786	\$64,572
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$451,000	\$451,000	\$451,000
23	Accumulated Depreciation	- Line 15	(\$32,214)	(\$96,643)	(\$161,071)
24	Deferred Tax Reserve	- Line 21	(\$32,982)	(\$70,786)	(\$64,572)
25	Year End Rate Base	Sum of Lines 22 through 24	\$385,803	\$283,572	\$225,356
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$192,901.66	\$334,687	\$254,464
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$16,975	\$29,452	\$22,393
29	Book Depreciation	Line 13	\$32,214	\$64,429	\$64,429
30	Annual Revenue Requirement	Line 28 + Line 29	\$49,190	\$93,881	\$86,821

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$451,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$451,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$451,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$451,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$338,250		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$451,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$338,250		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$112,750	\$112,750	\$112,750
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$37,580	\$50,117	\$16,698
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$375,830	\$50,117	\$16,698

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	PI Historian		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - PI Historian IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	PI Historian	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$0
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 \$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$0
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
23	Accumulated Depreciation	- Line 15 \$0
24	Deferred Tax Reserve	- Line 21 \$0
25	Year End Rate Base	Sum of Lines 22 through 24 \$0
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$0.00
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$0
29	Book Depreciation	Line 13 \$0
30	Annual Revenue Requirement	Line 28 + Line 29 \$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - PI Historian IS

Line No.	Description		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$32,214	\$32,214	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$338,250)	(\$338,250)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$37,580)	(\$37,580)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$343,616)	(\$343,616)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$72,159)	(\$72,159)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$72,159)	(\$72,159)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$72,159)	(\$72,159)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$343,616)	(\$343,616)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$343,616)	(\$343,616)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$72,159)	(\$72,159)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$5,519)	(\$5,519)
27	May 2019	31	83.29%	(\$5,008)	(\$5,008)
28	June 2019	30	75.07%	(\$4,514)	(\$4,514)
29	July 2019	31	66.58%	(\$4,003)	(\$4,003)
30	August 2019	31	58.08%	(\$3,493)	(\$3,493)
31	September 2019	30	49.86%	(\$2,998)	(\$2,998)
32	October 2019	31	41.37%	(\$2,488)	(\$2,488)
33	November 2019	30	33.15%	(\$1,993)	(\$1,993)
34	December 2019	31	24.66%	(\$1,483)	(\$1,483)
35	January 2020	31	16.16%	(\$972)	(\$972)
36	February 2020	28	8.49%	(\$511)	(\$511)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$32,982)	(\$32,982)
39	Deferred Tax Without Proration	Line 25		(\$72,159)	(\$72,159)
40	Proration Adjustment	Line 38 - Line 39		\$39,177	\$39,177

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - PI Historian IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$64,429	\$0	\$64,429	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$50,117)	\$0	(\$50,117)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$14,312	\$0	\$14,312	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$3,005	\$0	\$3,005	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$3,005	\$0	\$3,005	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$3,005	\$0	\$3,005	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$14,312	\$0	\$14,312	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$14,312	\$0	\$14,312	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$3,005	\$0	\$3,005	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$230	\$0	\$230
27	May 2020	31	83.29%	\$209	\$0	\$209
28	June 2020	30	75.07%	\$188	\$0	\$188
29	July 2020	31	66.58%	\$167	\$0	\$167
30	August 2020	31	58.08%	\$145	\$0	\$145
31	September 2020	30	49.86%	\$125	\$0	\$125
32	October 2020	31	41.37%	\$104	\$0	\$104
33	November 2020	30	33.15%	\$83	\$0	\$83
34	December 2020	31	24.66%	\$62	\$0	\$62
35	January 2021	31	16.16%	\$40	\$0	\$40
36	February 2021	28	8.49%	\$21	\$0	\$21
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$1,374	\$0	\$1,374
39	Deferred Tax Without Proration	Line 25		\$3,005	\$0	\$3,005
40	Proration Adjustment	Line 38 - Line 39		(\$1,632)	\$0	(\$1,632)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - PI Historian IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$64,429	\$0	\$0	\$64,429	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$16,698)	\$0	\$0	(\$16,698)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$47,731	\$0	\$0	\$47,731	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$10,023	\$0	\$0	\$10,023	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$10,023	\$0	\$0	\$10,023	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$10,023	\$0	\$0	\$10,023	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$47,731	\$0	\$0	\$47,731	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$47,731	\$0	\$0	\$47,731	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$10,023	\$0	\$0	\$10,023	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	\$767	\$0	\$0	\$767
27	May 2021	31	83.29%	\$696	\$0	\$0	\$696
28	June 2021	30	75.07%	\$627	\$0	\$0	\$627
29	July 2021	31	66.58%	\$556	\$0	\$0	\$556
30	August 2021	31	58.08%	\$485	\$0	\$0	\$485
31	September 2021	30	49.86%	\$416	\$0	\$0	\$416
32	October 2021	31	41.37%	\$346	\$0	\$0	\$346
33	November 2021	30	33.15%	\$277	\$0	\$0	\$277
34	December 2021	31	24.66%	\$206	\$0	\$0	\$206
35	January 2022	31	16.16%	\$135	\$0	\$0	\$135
36	February 2022	28	8.49%	\$71	\$0	\$0	\$71
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$4,581	\$0	\$0	\$4,581
39	Deferred Tax Without Proration	Line 25		\$10,023	\$0	\$0	\$10,023
40	Proration Adjustment	Line 38 - Line 39		(\$5,442)	\$0	\$0	(\$5,442)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - RTU Separation
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ 60,000	\$ 60,000	\$ 60,000
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 60,000	\$ 60,000	\$ 60,000
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ -	\$ -	\$ -
23	Total O&M Expenses	\$ -	\$ 60,000	\$ 60,000	\$ 60,000
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$30,709	\$78,797	\$77,291
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$51,182	\$131,328
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$10,236
28	Total Electric Capital Investment Component of Revenue Requirement	-	\$30,709	\$129,979	\$218,855
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$0
34	Total Electric Revenue Requirement	-	\$90,709	\$189,979	\$278,855
35	Total Gas Revenue Requirement	-	\$0	\$0	\$0
36	Total Electric & Gas Revenue Requirement	-	\$ 90,709	\$ 189,979	\$ 278,855

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - RTU Separation Electric

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Feeder Monitor Sensors	\$0	\$0	\$0
2	RTU Separation	\$570,000	\$0	\$0
3	Total Estimated Capital Investment	\$570,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$570,000	\$0	\$0
5	Retirements	Line 4 * 0% \$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b and c) = Prior Year Line 6 \$570,000	\$570,000	\$570,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3 \$570,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$570,000	\$570,000	\$570,000
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	Page 3 of 10, Line 21 \$21,375	\$41,148	\$38,059
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11 \$21,375	\$62,523	\$100,582
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.89%	2.89%	2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50%; Column (b and c) = Line 1 * Line 13 \$0	\$0	\$0
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14 \$0	\$0	\$0
16	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.09%	2.09%	2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50%; Column (b and c) = Line 2 * Line 16 \$5,957	\$11,913	\$11,913
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17 \$5,957	\$17,870	\$29,783
19	Total Cumulative Book Depreciation	Line 18 + Line 15 \$5,957	\$17,870	\$29,783
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$15,419	\$44,654	\$70,800
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$3,238	\$9,377	\$14,868
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 \$ (1,758)	\$ (3,333)	\$ (2,981)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$1,480	\$6,044	\$11,887
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 570,000	\$ 570,000	\$ 570,000
27	Accumulated Depreciation	- Line 19 (\$5,957)	(\$17,870)	(\$29,783)
28	Deferred Tax Reserve	- Line 25 (\$1,480)	(\$6,044)	(\$11,887)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 562,564	\$546,086	\$528,331
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2; Column (b and c) = (Prior Year Line 29 + Current Year Line 39) ÷ 2 \$281,282	\$554,325	\$537,209
31	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31 \$24,753	\$48,781	\$47,274
33	Book Depreciation	Line 14 - Line 17 \$5,957	\$11,913	\$11,913
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b & c) Line 9 * 3.176% \$0	\$18,103	\$18,103
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$30,709	\$78,797	\$77,291

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Electric Capital Investments
RI Only Grid Mod - RTU Separation Electric

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 3	\$570,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$570,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$570,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$570,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 0%	0.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$570,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$570,000	\$570,000	\$570,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%	6.677%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$21,375	\$41,148	\$38,059
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 8	\$0		
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$21,375	\$41,148	\$38,059

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - RTU Separation Electric

Line No.		Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>			
1	Feeder Monitor Sensors	\$0	
2	RTU Separation	\$950,000	
3	Total Estimated Capital Investment	\$950,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
4	Total Allowed Capital Included in Rate Base in Current Year	\$950,000	\$0
5	Retirements	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	\$950,000	\$950,000
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	\$950,000	\$0
8	Cost of Removal	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	\$950,000	\$950,000
<u>Tax Depreciation</u>			
10	Vintage Year Tax Depreciation:		
11	FY 2021 Spend	\$35,625	\$68,581
12	Cumulative Tax Depreciation	\$35,625	\$104,206
<u>Book Depreciation</u>			
13	Composite Book Depreciation Rate	2.89%	2.89%
14	Book Depreciation	\$0	\$0
15	Cumulative Book Depreciation	\$0	\$0
16	Composite Book Depreciation Rate	2.09%	2.09%
17	Book Depreciation	\$9,928	\$19,855
18	Cumulative Book Depreciation	\$9,928	\$29,783
19	Total Cumulative Book Depreciation	\$9,928	\$29,783
<u>Deferred Tax Calculation:</u>			
20	Cumulative Book / Tax Timer	\$25,698	\$74,424
21	Effective Tax Rate	21.00%	21.00%
22	Deferred Tax Reserve	\$5,396	\$15,629
23	Less: FY 2021 Federal NOL	\$0	\$0
24	Less: Proration Adjustment	(\$2,930)	(\$5,555)
25	Net Deferred Tax Reserve	\$2,467	\$10,074
<u>Rate Base Calculation:</u>			
26	Cumulative Incremental Capital Included in Rate Base	\$ 950,000	\$950,000
27	Accumulated Depreciation	(\$9,928)	(\$29,783)
28	Deferred Tax Reserve	(\$2,467)	(\$10,074)
29	Year End Rate Base	\$ 937,606	\$910,144
<u>Revenue Requirement Calculation:</u>			
30	Average Rate Base	\$468,802.95	\$923,875
31	Pre-Tax ROR	8.80%	8.80%
32	Return and Taxes	\$41,255	\$81,301
33	Book Depreciation	\$9,928	\$19,855
34	Property Taxes	\$0	\$30,172
35	Annual Revenue Requirement	\$51,182	\$131,328

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Electric Capital Investments
RI Only Grid Mod - RTU Separation Electric

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 3	\$950,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$950,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$950,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$950,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$950,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$950,000	\$950,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$35,625	\$68,581
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 8	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$35,625	\$68,581

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - RTU Separation Electric

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Feeder Monitor Sensors	\$0
2	RTU Separation	\$190,000
3	Total Estimated Capital Investment	Line 1 + Line 2 \$190,000
<u>Depreciable Net Capital Included in Rate Base</u>		
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$190,000
5	Retirements	Line 4 * 0% \$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 \$190,000
<u>Change in Net Capital Included in Rate Base</u>		
7	Capital Included in Rate Base	Line 3 \$190,000
8	Cost of Removal	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$190,000
<u>Tax Depreciation</u>		
10	Vintage Year Tax Depreciation:	
11	FY 2022 Spend	Page 7 of 10, Line 21 \$7,125
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 13 \$7,125
<u>Book Depreciation</u>		
13	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50% \$0
15	Cumulative Book Depreciation	Current Year Line 14 \$0
16	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50% \$1,986
18	Cumulative Book Depreciation	Current Year Line 16 \$1,986
19	Total Cumulative Book Depreciation	Line 15 + Line 18 \$1,986
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$5,140
21	Effective Tax Rate	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$1,079
23	Less: FY 2022 Federal NOL	\$0
24	Less: Proration Adjustment	Col (a) = Page 10 of 10, Line 40 (\$586)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$493
<u>Rate Base Calculation:</u>		
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 190,000
27	Accumulated Depreciation	- Line 19 (\$1,986)
28	Deferred Tax Reserve	- Line 25 (\$493)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 187,521
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$93,761
31	Pre-Tax ROR	1/ 8.80%
32	Return and Taxes	Line 30 * Line 31 \$8,251
33	Book Depreciation	Line 14 + Line 17 \$1,986
34	Property Taxes	Tax Rate 3.176% MAL-7 \$0
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$10,236

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	<u>100.00%</u>		<u>7.43%</u>	<u>1.37%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Electric Capital Investments
RI Only Grid Mod - RTU Separation Electric

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 3	\$190,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$190,000
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$190,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$190,000
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%	0.00%
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$190,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$190,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$7,125
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 8	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$7,125

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Electric Proration
RI Only Grid Mod - RTU Separation Electric

Line No.	Deferred Tax Subject to Proration		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
1	Book Depreciation	Page 2 of 10, Line 14 + Line 17	\$5,957	\$5,957	
2	Bonus Depreciation	Page 3 of 10, Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, Line 18	(\$21,375)	(\$21,375)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$15,419)	(\$15,419)	
6	Effective Tax Rate		21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$3,238)	(\$3,238)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$3,238)	(\$3,238)	
15	Net Operating Loss	Page 2 of 10, Line 23	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$3,238)	(\$3,238)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$15,419)	(\$15,419)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$15,419)	(\$15,419)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 23 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$3,238)	(\$3,238)	
Proration Calculation					
		(i)	(j)	(k)= Sum of (l)	(l)
		Number of Days in			
		Month	Proration Percentage		
26	April 2019	30	91.78%	(\$248)	(\$248)
27	May 2019	31	83.29%	(\$225)	(\$225)
28	June 2019	30	75.07%	(\$203)	(\$203)
29	July 2019	31	66.58%	(\$180)	(\$180)
30	August 2019	31	58.08%	(\$157)	(\$157)
31	September 2019	30	49.86%	(\$135)	(\$135)
32	October 2019	31	41.37%	(\$112)	(\$112)
33	November 2019	30	33.15%	(\$89)	(\$89)
34	December 2019	31	24.66%	(\$67)	(\$67)
35	January 2020	31	16.16%	(\$44)	(\$44)
36	February 2020	28	8.49%	(\$23)	(\$23)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$1,480)	(\$1,480)
39	Deferred Tax Without Proration	Line 25		(\$3,238)	(\$3,238)
40	Proration Adjustment	Line 38 - Line 39		\$1,758	\$1,758

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Electric Proration
RI Only Grid Mod - RTU Separation Electric

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 14 + Line 17 ;Col (c) = Page 2 of 10, Line 14 + Line 17	\$21,841	\$9,928	\$11,913	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18 ;Col (c) = Page 3 of 10, Line 18	(\$76,773)	(\$35,625)	(\$41,148)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19 ;Col (c) = Page 3 of 10, Line 19	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$54,933)	(\$25,698)	(\$29,235)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$11,536)	(\$5,396)	(\$6,139)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$11,536)	(\$5,396)	(\$6,139)	
15	Net Operating Loss	Page 4 of 10, Line 23	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$11,536)	(\$5,396)	(\$6,139)	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$25,698)	(\$25,698)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$25,698)	(\$25,698)		
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 23 / 21%	\$0	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0		
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$11,536)	(\$5,396)	(\$6,139)	
Proration Calculation						
		(i) <u>Number of Days in Month</u>	(j) <u>Proration Percentage</u>	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$882)	(\$413)	(\$470)
27	May 2020	31	83.29%	(\$801)	(\$375)	(\$426)
28	June 2020	30	75.07%	(\$722)	(\$338)	(\$384)
29	July 2020	31	66.58%	(\$640)	(\$299)	(\$341)
30	August 2020	31	58.08%	(\$558)	(\$261)	(\$297)
31	September 2020	30	49.86%	(\$479)	(\$224)	(\$255)
32	October 2020	31	41.37%	(\$398)	(\$186)	(\$212)
33	November 2020	30	33.15%	(\$319)	(\$149)	(\$170)
34	December 2020	31	24.66%	(\$237)	(\$111)	(\$126)
35	January 2021	31	16.16%	(\$155)	(\$73)	(\$83)
36	February 2021	28	8.49%	(\$82)	(\$38)	(\$43)
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$5,273)	(\$2,467)	(\$2,806)
39	Deferred Tax Without Proration	Line 25		(\$11,536)	(\$5,396)	(\$6,139)
40	Proration Adjustment	Line 38 - Line 39		\$6,263	\$2,930	\$3,333

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Electric Proration
RI Only Grid Mod - RTU Separation Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 14 + Line 17; Col (c) = Page 4 of 10, Line 14 + Line 17; Col (d) = Page 2 of 10, Line 14 + Line 17	\$33,754	\$1,986	\$19,855	\$11,913	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$113,765)	(\$7,125)	(\$68,581)	(\$38,059)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$80,012)	(\$5,140)	(\$48,726)	(\$26,146)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
15	Net Operating Loss	Page 6 of 10, Line 23	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$5,140)	(\$5,140)			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$5,140)	(\$5,140)			
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 23 / 21%	\$0	\$0			
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0			
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0			
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%			
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
Proration Calculation							
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)
26	April 2021	30	91.78%	(\$1,285)	(\$83)	(\$783)	(\$420)
27	May 2021	31	83.29%	(\$1,166)	(\$75)	(\$710)	(\$381)
28	June 2021	30	75.07%	(\$1,051)	(\$68)	(\$640)	(\$343)
29	July 2021	31	66.58%	(\$932)	(\$60)	(\$568)	(\$305)
30	August 2021	31	58.08%	(\$813)	(\$52)	(\$495)	(\$266)
31	September 2021	30	49.86%	(\$698)	(\$45)	(\$425)	(\$228)
32	October 2021	31	41.37%	(\$579)	(\$37)	(\$353)	(\$189)
33	November 2021	30	33.15%	(\$464)	(\$30)	(\$283)	(\$152)
34	December 2021	31	24.66%	(\$345)	(\$22)	(\$210)	(\$113)
35	January 2022	31	16.16%	(\$226)	(\$15)	(\$138)	(\$74)
36	February 2022	28	8.49%	(\$119)	(\$8)	(\$72)	(\$39)
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$7,680)	(\$493)	(\$4,677)	(\$2,510)
39	Deferred Tax Without Proration	Line 25		(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)
40	Proration Adjustment	Line 38 - Line 39		\$9,122	\$586	\$5,555	\$2,981

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Grid Mod RI Only - System Data Portal
Annual Revenue Requirement Summary

Line No.			Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
			<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
			(a)	(b)	(c)	(d)
	Operation and Maintenance (O&M) Expenses:					
1	System Data Portal		\$0	\$700,000	\$700,000	\$700,000
2	Total O&M costs	Sum of Line 1	\$0	\$700,000	\$700,000	\$700,000
3	Total Revenue Requirement		\$0	\$700,000	\$700,000	\$700,000

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod RI Only - Telecommunications
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	1,263,405	1,895,108
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ -	\$ 1,263,405	\$ 1,895,108
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	686,595	1,029,893
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ -	\$ 686,595	\$ 1,029,893
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ -	\$ 1,950,000	\$ 2,925,000
	Line 13 + Line 22				
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$21,482	\$41,000	\$37,917
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$10,949	\$21,024
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$10,949
28	Total Electric Capital Investment Component of Revenue Requirement	\$ -	\$21,482	\$51,949	\$69,890
	Sum of Lines 25 through 27				
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$11,674	\$22,281	\$20,606
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$5,950	\$11,426
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$5,950
33	Total Gas Capital Investment Component of Revenue Requirement	\$ -	\$11,674	\$28,232	\$37,982
	Sum of Lines 30 through 32				
34	Total Electric Revenue Requirement	\$ -	\$21,482	\$1,315,354	\$1,964,998
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$ -	\$11,674	\$714,827	\$1,067,874
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$33,157	\$2,030,181	\$3,032,872
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
RI Only Grid Mod - Telecommunications IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Telecommunications	\$304,000	\$0	\$0
2	Total Estimated Capital Investment	\$304,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$304,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5 \$304,000	\$304,000	\$304,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2 \$304,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7 \$304,000	\$304,000	\$304,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21 \$253,331	\$33,782	\$11,256
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10 \$253,331	\$287,113	\$298,369
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line \$21,714	\$43,429	\$43,429
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13 \$21,714	\$65,143	\$108,571
15	Total Cumulative Book Depreciation	Line 14 \$21,714	\$65,143	\$108,571
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$231,617	\$221,970	\$189,798
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$48,640	\$46,614	\$39,857
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 (\$26,407)	\$1,100	\$3,668
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$22,232	\$47,714	\$43,526
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$304,000	\$304,000	\$304,000
23	Accumulated Depreciation	- Line 15 (\$21,714)	(\$65,143)	(\$108,571)
24	Deferred Tax Reserve	- Line 21 (\$22,232)	(\$47,714)	(\$43,526)
25	Year End Rate Base	Sum of Lines 22 through 24 \$260,054	\$191,144	\$151,903
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 \$130,026.84	\$225,599	\$171,523
27	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27 \$11,442	\$19,853	\$15,094
29	Book Depreciation	Line 13 \$21,714	\$43,429	\$43,429
30	Annual Revenue Requirement	Line 28 + Line 29 \$33,157	\$63,281	\$58,523

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
RI Only Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$304,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$304,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$304,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$304,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$228,000		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$304,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$228,000		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$76,000	\$76,000	\$76,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$25,331	\$33,782	\$11,256
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$253,331	\$33,782	\$11,256

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
RI Only Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Telecommunications		\$152,000	
2	Total Estimated Capital Investment	Sum of Lines 1	\$152,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$152,000	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$152,000	\$152,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$152,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$152,000	\$152,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$50,662	\$67,564
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$50,662	\$118,226
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$10,857	\$21,714
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$10,857	\$32,571
15	Total Cumulative Book Depreciation	Line 14	\$10,857	\$32,571
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$39,805	\$85,655
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$8,359	\$17,987
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$4,538)	(\$5,227)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$3,821	\$12,760
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$152,000	\$152,000
23	Accumulated Depreciation	- Line 15	(\$10,857)	(\$32,571)
24	Deferred Tax Reserve	- Line 21	(\$3,821)	(\$12,760)
25	Year End Rate Base	Sum of Lines 22 through 24	\$137,322	\$106,669
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$68,661.07	\$121,995
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$6,042	\$10,736
29	Book Depreciation	Line 13	\$10,857	\$21,714
30	Annual Revenue Requirement	Line 28 + Line 29	\$16,899	\$32,450

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
RI Only Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021	March 31, 2022
			(a)	(b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$152,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$152,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$152,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$152,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$152,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$152,000	\$152,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$50,662	\$67,564
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$50,662	\$67,564

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
RI Only Grid Mod - Telecommunications IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Telecommunications	\$152,000
2	Total Estimated Capital Investment	\$152,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$152,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$152,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$152,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$152,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$50,662
11	Cumulative Tax Depreciation	Current Year Line 10 \$50,662
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$10,857
14	Cumulative Book Depreciation	Current Year Line 13 \$10,857
15	Total Cumulative Book Depreciation	Line 14 \$10,857
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$39,805
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$8,359
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$4,538)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$3,821
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$152,000
23	Accumulated Depreciation	- Line 15 (\$10,857)
24	Deferred Tax Reserve	- Line 21 (\$3,821)
25	Year End Rate Base	Sum of Lines 22 through 24 \$137,322
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$68,661.07
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$6,042
29	Book Depreciation	Line 13 \$10,857
30	Annual Revenue Requirement	Line 28 + Line 29 \$16,899

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
RI Only Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$152,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$152,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$152,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$152,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	<u>\$0</u>
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$152,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$152,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$50,662
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$50,662</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Telecommunications IS

Line No.			(a)= Column (b)		
			Total	(b) Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$21,714	\$21,714	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$228,000)	(\$228,000)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$25,331)	(\$25,331)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$231,617)	(\$231,617)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$48,640)	(\$48,640)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$48,640)	(\$48,640)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$48,640)	(\$48,640)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$231,617)	(\$231,617)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$231,617)	(\$231,617)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$48,640)	(\$48,640)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$3,720)	(\$3,720)
27	May 2019	31	83.29%	(\$3,376)	(\$3,376)
28	June 2019	30	75.07%	(\$3,043)	(\$3,043)
29	July 2019	31	66.58%	(\$2,698)	(\$2,698)
30	August 2019	31	58.08%	(\$2,354)	(\$2,354)
31	September 2019	30	49.86%	(\$2,021)	(\$2,021)
32	October 2019	31	41.37%	(\$1,677)	(\$1,677)
33	November 2019	30	33.15%	(\$1,344)	(\$1,344)
34	December 2019	31	24.66%	(\$999)	(\$999)
35	January 2020	31	16.16%	(\$655)	(\$655)
36	February 2020	28	8.49%	(\$344)	(\$344)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$22,232)	(\$22,232)
39	Deferred Tax Without Proration	Line 25		(\$48,640)	(\$48,640)
40	Proration Adjustment	Line 38 - Line 39		\$26,407	\$26,407

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Telecommunications IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
	Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$54,286	\$10,857	\$43,429	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$84,444)	(\$50,662)	(\$33,782)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$30,158)	(\$39,805)	\$9,647	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$6,333)	(\$8,359)	\$2,026	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$6,333)	(\$8,359)	\$2,026	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$6,333)	(\$8,359)	\$2,026	
	Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$30,158)	(\$39,805)	\$9,647	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$30,158)	(\$39,805)	\$9,647	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$6,333)	(\$8,359)	\$2,026	
	Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$484)	(\$639)	\$155
27	May 2020	31	83.29%	(\$440)	(\$580)	\$141
28	June 2020	30	75.07%	(\$396)	(\$523)	\$127
29	July 2020	31	66.58%	(\$351)	(\$464)	\$112
30	August 2020	31	58.08%	(\$307)	(\$405)	\$98
31	September 2020	30	49.86%	(\$263)	(\$347)	\$84
32	October 2020	31	41.37%	(\$218)	(\$288)	\$70
33	November 2020	30	33.15%	(\$175)	(\$231)	\$56
34	December 2020	31	24.66%	(\$130)	(\$172)	\$42
35	January 2021	31	16.16%	(\$85)	(\$113)	\$27
36	February 2021	28	8.49%	(\$45)	(\$59)	\$14
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$2,895)	(\$3,821)	\$926
39	Deferred Tax Without Proration	Line 25	(\$6,333)	(\$8,359)	\$2,026	
40	Proration Adjustment	Line 38 - Line 39	\$3,438	\$4,538	(\$1,100)	

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
RI Only Grid Mod - Telecommunications IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$76,000	\$10,857	\$21,714	\$43,429	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$129,482)	(\$50,662)	(\$67,564)	(\$11,256)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$53,482)	(\$39,805)	(\$45,850)	\$32,173	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$11,231)	(\$8,359)	(\$9,628)	\$6,756	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$11,231)	(\$8,359)	(\$9,628)	\$6,756	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$11,231)	(\$8,359)	(\$9,628)	\$6,756	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$53,482)	(\$39,805)	(\$45,850)	\$32,173	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$53,482)	(\$39,805)	(\$45,850)	\$32,173	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$11,231)	(\$8,359)	(\$9,628)	\$6,756	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	(\$859)	(\$639)	(\$736)	\$517
27	May 2021	31	83.29%	(\$780)	(\$580)	(\$668)	\$469
28	June 2021	30	75.07%	(\$703)	(\$523)	(\$602)	\$423
29	July 2021	31	66.58%	(\$623)	(\$464)	(\$534)	\$375
30	August 2021	31	58.08%	(\$544)	(\$405)	(\$466)	\$327
31	September 2021	30	49.86%	(\$467)	(\$347)	(\$400)	\$281
32	October 2021	31	41.37%	(\$387)	(\$288)	(\$332)	\$233
33	November 2021	30	33.15%	(\$310)	(\$231)	(\$266)	\$187
34	December 2021	31	24.66%	(\$231)	(\$172)	(\$198)	\$139
35	January 2022	31	16.16%	(\$151)	(\$113)	(\$130)	\$91
36	February 2022	28	8.49%	(\$79)	(\$59)	(\$68)	\$48
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$5,134)	(\$3,821)	(\$4,401)	\$3,088
39	Deferred Tax Without Proration	Line 25		(\$11,231)	(\$8,359)	(\$9,628)	\$6,756
40	Proration Adjustment	Line 38 - Line 39		\$6,098	\$4,538	\$5,227	(\$3,668)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Attachment DIV 19-8-2
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The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Grid Mod Projects Annual Revenue Requirement Summary - Synergy

Line No.		Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022	
Capex - Electric						
1	Feeder Monitoring Sensor	FY20 - Pg. 55; FY21 - Pg. 57; FY22 - Pg. 59	\$0	\$26,261	\$90,772	\$157,450
2	RTU Separation	FY20 - Pg. 77; FY21 - Pg. 79; FY22 - Pg. 81	\$0	\$30,709	\$129,979	\$218,855
3	Combined Capex Total		\$0	\$56,970	\$220,751	\$376,305
IS Capex - Electric & Gas						
4	Enterprise Service Bus	FY20 - Pg. 45; FY21 - Pg. 47; FY22 - Pg. 49	\$0	\$0	\$0	\$690,204
5	Data Lake	FY20 - Pg. 25; FY21 - Pg. 27; FY22 - Pg. 29	\$0	\$38,174	\$72,857	\$67,378
6	PI Historian	FY20 - Pg. 67; FY21 - Pg. 69; FY22 - Pg. 71	\$0	\$12,325	\$23,522	\$21,753
7	Advanced Analytics	FY20 - Pg. 5; FY21 - Pg. 7; FY22 - Pg. 9	\$0	\$343,346	\$818,728	\$1,024,351
8	Telecommunications	FY20 - Pg. 88; FY21 - Pg. 90; FY22 - Pg. 92	\$0	\$13,088	\$31,650	\$42,581
9	Cybersecurity	FY20 - Pg. 15; FY21 - Pg. 17; FY22 - Pg. 19	\$0	\$431,691	\$1,038,037	\$1,314,878
10	DSCADA	FY20 - Pg. 35; FY21 - Pg. 37; FY22 - Pg. 39	\$0	\$0	\$0	\$0
11	IS Capex Total		\$0	\$838,623	\$1,984,795	\$3,161,144
O&M - Electric & Gas						
12	Enterprise Service Bus	Pg. 44	\$0	\$273,000	\$621,000	\$778,000
13	Data Lake	Pg. 24	\$0	\$365,000	\$599,000	\$842,000
14	PI Historian	Pg. 66	\$0	\$13,000	\$515,000	\$515,000
15	Advanced Analytics	Pg. 4	\$0	\$108,000	\$463,000	\$523,000
16	Telecommunications	Pg. 87	\$0	\$0	\$656,000	\$983,000
17	Cybersecurity	Pg. 14	\$0	\$2,422,000	\$1,238,000	\$962,000
18	DSCADA	Pg. 34	\$0	\$436,000	\$0	\$90,000
19	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$5,000	\$10,000
20	RTU Separation	Pg. 76	\$0	\$60,000	\$60,000	\$60,000
21	GIS Data Enhancements (BR)	Pg. 64	\$0	\$0	\$1,028,000	\$1,028,000
22	GIS Data Enhancements (IS)	Pg. 65	\$427,000	\$0	\$0	\$0
23	System Data Portal	Pg. 86	\$0	\$700,000	\$700,000	\$700,000
24	O&M Total		\$427,000	\$4,377,000	\$5,885,000	\$6,491,000
25	Total Revenue Requirement		\$427,000	\$5,272,594	\$8,090,546	\$10,028,449

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
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The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Electric Grid Mod Projects Annual Revenue Requirement Summary - Synergy

Line No.			Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022
Electric Capex						
1	Feeder Monitoring Sensor	Pg. 54	\$0	\$26,261	\$90,772	\$157,450
2	RTU Separation	Pg. 76	\$0	\$30,709	\$129,979	\$218,855
3	Electric Capex Total		\$0	\$56,970	\$220,751	\$376,305
IS Capex - Electric Only						
4	Enterprise Service Bus	Pg. 44	\$0	\$0	\$0	\$447,183
5	Data Lake	Pg. 24	\$0	\$24,733	\$47,204	\$43,654
6	PI Historian	Pg. 66	\$0	\$7,985	\$15,240	\$14,094
7	Advanced Analytics	Pg. 4	\$0	\$222,454	\$530,454	\$663,677
8	Telecommunications	Pg. 87	\$0	\$8,480	\$20,506	\$27,588
9	Cybersecurity	Pg. 14	\$0	\$279,692	\$672,544	\$851,909
10	DSCADA	Pg. 34	\$0	\$0	\$0	\$0
11	Electric IS Capex Total		\$0	\$543,344	\$1,285,949	\$2,048,105
O&M - Electric Only						
12	Enterprise Service Bus	Pg. 44	\$0	\$176,877	\$402,346	\$504,066
13	Data Lake	Pg. 24	\$0	\$236,484	\$388,092	\$545,532
14	PI Historian	Pg. 66	\$0	\$8,423	\$333,669	\$333,669
15	Advanced Analytics	Pg. 4	\$0	\$69,973	\$299,978	\$338,852
16	Telecommunications	Pg. 87	\$0	\$0	\$425,022	\$636,886
17	Cybersecurity	Pg. 14	\$0	\$1,569,214	\$802,100	\$623,280
18	DSCADA	Pg. 34	\$0	\$282,484	\$0	\$58,311
19	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$5,000	\$10,000
20	RTU Separation	Pg. 76	\$0	\$60,000	\$60,000	\$60,000
21	GIS Data Enhancements (BR)	Pg. 64	\$0	\$0	\$1,028,000	\$1,028,000
22	GIS Data Enhancements (IS)	Pg. 65	\$427,000	\$0	\$0	\$0
23	System Data Portal	Pg. 86	\$0	\$700,000	\$700,000	\$700,000
24	Electric O&M Total		\$427,000	\$3,103,454	\$4,444,207	\$4,838,595
25	Total Electric Revenue Requirement		\$427,000	\$3,703,769	\$5,950,907	\$7,263,005

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Gas Grid Mod Projects Annual Revenue Requirement Summary - Synergy

Line No.			Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022
Gas Capex						
1	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$0	\$0
2	RTU Separation	Pg. 76	\$0	\$0	\$0	\$0
3	Gas Capex Total		\$0	\$0	\$0	\$0
IS Capex - Electric Only						
4	Enterprise Service Bus	Pg. 44	\$0	\$0	\$0	\$243,021
5	Data Lake	Pg. 24	\$0	\$13,441	\$25,653	\$23,724
6	PI Historian	Pg. 66	\$0	\$4,340	\$8,282	\$7,659
7	Advanced Analytics	Pg. 4	\$0	\$120,892	\$288,274	\$360,674
8	Telecommunications	Pg. 87	\$0	\$4,608	\$11,144	\$14,993
9	Cybersecurity	Pg. 14	\$0	\$151,998	\$365,493	\$462,968
10	DSCADA	Pg. 34	\$0	\$0	\$0	\$0
11	Gas IS Capex Total		\$0	\$295,279	\$698,846	\$1,113,039
O&M - Gas Only						
12	Enterprise Service Bus	Pg. 44	\$0	\$96,123	\$218,654	\$273,934
13	Data Lake	Pg. 24	\$0	\$128,517	\$210,908	\$296,468
14	PI Historian	Pg. 66	\$0	\$4,577	\$181,332	\$181,332
15	Advanced Analytics	Pg. 4	\$0	\$38,027	\$163,022	\$184,148
16	Telecommunications	Pg. 87	\$0	\$0	\$230,978	\$346,114
17	Cybersecurity	Pg. 14	\$0	\$852,786	\$435,900	\$338,720
18	DSCADA	Pg. 34	\$0	\$153,516	\$0	\$31,689
19	Feeder Monitoring Sensor	Pg. 54	\$0	\$0	\$0	\$0
20	RTU Separation	Pg. 76	\$0	\$0	\$0	\$0
21	GIS Data Enhancements (BR)	Pg. 64	\$0	\$0	\$0	\$0
22	GIS Data Enhancements (IS)	Pg. 65	\$0	\$0	\$0	\$0
23	System Data Portal	Pg. 86	\$0	\$0	\$0	\$0
24	Gas O&M Total		\$0	\$1,273,546	\$1,440,793	\$1,652,405
25	Total Gas Revenue Requirement		\$0	\$1,568,825	\$2,139,639	\$2,765,444

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - Advanced Analytics
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ 69,973	\$ 299,978	\$ 338,852
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 69,973	\$ 299,978	\$ 338,852
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ 38,027	\$ 163,022	\$ 184,148
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 38,027	\$ 163,022	\$ 184,148
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ 108,000	\$ 463,000	\$ 523,000
	Line 13 + Line 22				
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$222,454	\$424,565	\$392,639
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$105,889	\$203,327
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$67,711
28	Total Electric Capital Investment Component of Revenue Requirement	\$ -	\$222,454	\$530,454	\$663,677
	Sum of Lines 25 through Line 27				
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$120,892	\$230,729	\$213,379
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$57,545	\$110,498
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$36,798
33	Total Gas Capital Investment Component of Revenue Requirement	\$ -	\$120,892	\$288,274	\$360,674
	Sum of Lines 30 through Line 32				
34	Total Electric Revenue Requirement	\$ -	\$292,427	\$830,432	\$1,002,528
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$ -	\$158,919	\$451,297	\$544,822
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$ 451,346	\$ 1,281,728	\$ 1,547,351
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - Advanced Analytics IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Advanced Analytics	\$3,148,000	\$0	\$0
2	Total Estimated Capital Investment	\$3,148,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$3,148,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5 \$3,148,000	\$3,148,000	\$3,148,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2 \$3,148,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7 \$3,148,000	\$3,148,000	\$3,148,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21 \$2,623,307	\$349,822	\$116,555
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10 \$2,623,307	\$2,973,129	\$3,089,684
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line \$224,857	\$449,714	\$449,714
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13 \$224,857	\$674,571	\$1,124,286
15	Total Cumulative Book Depreciation	Line 14 \$224,857	\$674,571	\$1,124,286
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$2,398,450	\$2,298,558	\$1,965,398
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$503,674	\$482,697	\$412,734
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 (\$273,456)	\$11,389	\$37,985
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$230,218	\$494,086	\$450,718
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$3,148,000	\$3,148,000	\$3,148,000
23	Accumulated Depreciation	- Line 15 (\$224,857)	(\$674,571)	(\$1,124,286)
24	Deferred Tax Reserve	- Line 21 (\$230,218)	(\$494,086)	(\$450,718)
25	Year End Rate Base	Sum of Lines 22 through 24 \$2,692,925	\$1,979,342	\$1,572,996
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 \$1,346,462.26	\$2,336,133	\$1,776,169
27	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27 \$118,489	\$205,580	\$156,303
29	Book Depreciation	Line 13 \$224,857	\$449,714	\$449,714
30	Annual Revenue Requirement	Line 28 + Line 29 \$343,346	\$655,294	\$606,017

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$3,148,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$3,148,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,148,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,148,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$2,361,000		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$3,148,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$2,361,000		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$787,000	\$787,000	\$787,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$262,307	\$349,822	\$116,555
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$2,623,307	\$349,822	\$116,555

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Advanced Analytics		\$1,470,000	
2	Total Estimated Capital Investment	Sum of Lines 1	\$1,470,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$1,470,000	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$1,470,000	\$1,470,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$1,470,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$1,470,000	\$1,470,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$489,951	\$653,415
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$489,951	\$1,143,366
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$105,000	\$210,000
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$105,000	\$315,000
15	Total Cumulative Book Depreciation	Line 14	\$105,000	\$315,000
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$384,951	\$828,366
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$80,840	\$173,957
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$43,890)	(\$50,555)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$36,950	\$123,401
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$1,470,000	\$1,470,000
23	Accumulated Depreciation	- Line 15	(\$105,000)	(\$315,000)
24	Deferred Tax Reserve	- Line 21	(\$36,950)	(\$123,401)
25	Year End Rate Base	Sum of Lines 22 through 24	\$1,328,050	\$1,031,599
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$664,024.99	\$1,179,824
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$58,434	\$103,825
29	Book Depreciation	Line 13	\$105,000	\$210,000
30	Annual Revenue Requirement	Line 28 + Line 29	\$163,434	\$313,825

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$1,470,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$1,470,000	
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$1,470,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$1,470,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$1,470,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	<u>\$0</u>	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$1,470,000	\$1,470,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$489,951</u>	<u>\$653,415</u>
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$489,951</u>	<u>\$653,415</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - Advanced Analytics IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Advanced Analytics	\$940,000
2	Total Estimated Capital Investment	\$940,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	\$940,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$940,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$940,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$940,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$313,302
11	Cumulative Tax Depreciation	Current Year Line 10 \$313,302
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$67,143
14	Cumulative Book Depreciation	Current Year Line 13 \$67,143
15	Total Cumulative Book Depreciation	Line 14 \$67,143
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$246,159
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$51,693
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$28,066)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$23,628
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$940,000
23	Accumulated Depreciation	- Line 15 (\$67,143)
24	Deferred Tax Reserve	- Line 21 (\$23,628)
25	Year End Rate Base	Sum of Lines 22 through 24 \$849,229
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$424,614.62
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$37,366
29	Book Depreciation	Line 13 \$67,143
30	Annual Revenue Requirement	Line 28 + Line 29 \$104,509

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - Advanced Analytics IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$940,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$940,000
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$940,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$940,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$940,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$940,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$313,302
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$313,302

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Advanced Analytics IS

Line No.	Description		(a)= Column (b)		
			Total	(b) Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$224,857	\$224,857	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$2,361,000)	(\$2,361,000)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$262,307)	(\$262,307)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$2,398,450)	(\$2,398,450)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$503,674)	(\$503,674)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$503,674)	(\$503,674)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$503,674)	(\$503,674)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$2,398,450)	(\$2,398,450)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$2,398,450)	(\$2,398,450)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$503,674)	(\$503,674)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$38,523)	(\$38,523)
27	May 2019	31	83.29%	(\$34,958)	(\$34,958)
28	June 2019	30	75.07%	(\$31,508)	(\$31,508)
29	July 2019	31	66.58%	(\$27,944)	(\$27,944)
30	August 2019	31	58.08%	(\$24,379)	(\$24,379)
31	September 2019	30	49.86%	(\$20,929)	(\$20,929)
32	October 2019	31	41.37%	(\$17,364)	(\$17,364)
33	November 2019	30	33.15%	(\$13,914)	(\$13,914)
34	December 2019	31	24.66%	(\$10,349)	(\$10,349)
35	January 2020	31	16.16%	(\$6,785)	(\$6,785)
36	February 2020	28	8.49%	(\$3,565)	(\$3,565)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$230,218)	(\$230,218)
39	Deferred Tax Without Proration	Line 25		(\$503,674)	(\$503,674)
40	Proration Adjustment	Line 38 - Line 39		\$273,456	\$273,456

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Advanced Analytics IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (c)	(b)	(c)																																																																																						
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020																																																																																						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$554,714	\$105,000	\$449,714																																																																																						
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0																																																																																							
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$839,773)	(\$489,951)	(\$349,822)																																																																																						
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0																																																																																							
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$285,059)	(\$384,951)	\$99,892																																																																																						
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%																																																																																						
7	Deferred Tax Reserve	Line 5 * Line 6	(\$59,862)	(\$80,840)	\$20,977																																																																																						
Deferred Tax Not Subject to Proration																																																																																											
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0																																																																																							
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0																																																																																							
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0																																																																																							
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0																																																																																							
12	Effective Tax Rate		21.00%	21.00%																																																																																							
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0																																																																																							
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$59,862)	(\$80,840)	\$20,977																																																																																						
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0																																																																																						
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17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$285,059)	(\$384,951)	\$99,892																																																																																						
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0																																																																																						
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$285,059)	(\$384,951)	\$99,892																																																																																						
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0																																																																																						
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0																																																																																						
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0																																																																																						
23	Effective Tax Rate		21.00%	21.00%	21.00%																																																																																						
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0																																																																																						
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$59,862)	(\$80,840)	\$20,977																																																																																						
<table border="1"> <thead> <tr> <th rowspan="2"></th> <th>(i)</th> <th>(j)</th> <th rowspan="2">(k)= Sum of (l) through (m)</th> <th rowspan="2">(l)</th> <th rowspan="2">(m)</th> </tr> <tr> <th>Number of Days in Month</th> <th>Proration Percentage</th> </tr> </thead> <tbody> <tr> <td>26</td> <td>April 2020</td> <td>30</td> <td>91.78%</td> <td>(\$4,579)</td> <td>\$1,604</td> </tr> <tr> <td>27</td> <td>May 2020</td> <td>31</td> <td>83.29%</td> <td>(\$4,155)</td> <td>\$1,456</td> </tr> <tr> <td>28</td> <td>June 2020</td> <td>30</td> <td>75.07%</td> <td>(\$3,745)</td> <td>\$1,312</td> </tr> <tr> <td>29</td> <td>July 2020</td> <td>31</td> <td>66.58%</td> <td>(\$3,321)</td> <td>\$1,164</td> </tr> <tr> <td>30</td> <td>August 2020</td> <td>31</td> <td>58.08%</td> <td>(\$2,897)</td> <td>\$1,015</td> </tr> <tr> <td>31</td> <td>September 2020</td> <td>30</td> <td>49.86%</td> <td>(\$2,487)</td> <td>\$872</td> </tr> <tr> <td>32</td> <td>October 2020</td> <td>31</td> <td>41.37%</td> <td>(\$2,064)</td> <td>\$723</td> </tr> <tr> <td>33</td> <td>November 2020</td> <td>30</td> <td>33.15%</td> <td>(\$1,654)</td> <td>\$580</td> </tr> <tr> <td>34</td> <td>December 2020</td> <td>31</td> <td>24.66%</td> <td>(\$1,230)</td> <td>\$431</td> </tr> <tr> <td>35</td> <td>January 2021</td> <td>31</td> <td>16.16%</td> <td>(\$806)</td> <td>\$283</td> </tr> <tr> <td>36</td> <td>February 2021</td> <td>28</td> <td>8.49%</td> <td>(\$424)</td> <td>\$148</td> </tr> <tr> <td>37</td> <td>March 2021</td> <td>31</td> <td>0.00%</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>38</td> <td>Total</td> <td>365</td> <td></td> <td>(\$27,362)</td> <td>\$9,588</td> </tr> </tbody> </table>							(i)	(j)	(k)= Sum of (l) through (m)	(l)	(m)	Number of Days in Month	Proration Percentage	26	April 2020	30	91.78%	(\$4,579)	\$1,604	27	May 2020	31	83.29%	(\$4,155)	\$1,456	28	June 2020	30	75.07%	(\$3,745)	\$1,312	29	July 2020	31	66.58%	(\$3,321)	\$1,164	30	August 2020	31	58.08%	(\$2,897)	\$1,015	31	September 2020	30	49.86%	(\$2,487)	\$872	32	October 2020	31	41.37%	(\$2,064)	\$723	33	November 2020	30	33.15%	(\$1,654)	\$580	34	December 2020	31	24.66%	(\$1,230)	\$431	35	January 2021	31	16.16%	(\$806)	\$283	36	February 2021	28	8.49%	(\$424)	\$148	37	March 2021	31	0.00%	\$0	\$0	38	Total	365		(\$27,362)	\$9,588
	(i)	(j)	(k)= Sum of (l) through (m)	(l)	(m)																																																																																						
	Number of Days in Month	Proration Percentage																																																																																									
26	April 2020	30	91.78%	(\$4,579)	\$1,604																																																																																						
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29	July 2020	31	66.58%	(\$3,321)	\$1,164																																																																																						
30	August 2020	31	58.08%	(\$2,897)	\$1,015																																																																																						
31	September 2020	30	49.86%	(\$2,487)	\$872																																																																																						
32	October 2020	31	41.37%	(\$2,064)	\$723																																																																																						
33	November 2020	30	33.15%	(\$1,654)	\$580																																																																																						
34	December 2020	31	24.66%	(\$1,230)	\$431																																																																																						
35	January 2021	31	16.16%	(\$806)	\$283																																																																																						
36	February 2021	28	8.49%	(\$424)	\$148																																																																																						
37	March 2021	31	0.00%	\$0	\$0																																																																																						
38	Total	365		(\$27,362)	\$9,588																																																																																						
39	Deferred Tax Without Proration	Line 25	(\$59,862)	(\$80,840)	\$20,977																																																																																						
40	Proration Adjustment	Line 38 - Line 39	\$32,501	\$43,890	(\$11,389)																																																																																						

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Advanced Analytics IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$726,857	\$67,143	\$210,000	\$449,714	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$1,083,272)	(\$313,302)	(\$653,415)	(\$116,555)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$356,415)	(\$246,159)	(\$443,415)	\$333,159	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$74,847)	(\$51,693)	(\$93,117)	\$69,963	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$74,847)	(\$51,693)	(\$93,117)	\$69,963	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$74,847)	(\$51,693)	(\$93,117)	\$69,963	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$356,415)	(\$246,159)	(\$443,415)	\$333,159	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$356,415)	(\$246,159)	(\$443,415)	\$333,159	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$74,847)	(\$51,693)	(\$93,117)	\$69,963	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	(\$5,725)	(\$3,954)	(\$7,122)	\$5,351
27	May 2021	31	83.29%	(\$5,195)	(\$3,588)	(\$6,463)	\$4,856
28	June 2021	30	75.07%	(\$4,682)	(\$3,234)	(\$5,825)	\$4,377
29	July 2021	31	66.58%	(\$4,152)	(\$2,868)	(\$5,166)	\$3,882
30	August 2021	31	58.08%	(\$3,623)	(\$2,502)	(\$4,507)	\$3,386
31	September 2021	30	49.86%	(\$3,110)	(\$2,148)	(\$3,869)	\$2,907
32	October 2021	31	41.37%	(\$2,580)	(\$1,782)	(\$3,210)	\$2,412
33	November 2021	30	33.15%	(\$2,068)	(\$1,428)	(\$2,572)	\$1,933
34	December 2021	31	24.66%	(\$1,538)	(\$1,062)	(\$1,913)	\$1,438
35	January 2022	31	16.16%	(\$1,008)	(\$696)	(\$1,254)	\$942
36	February 2022	28	8.49%	(\$530)	(\$366)	(\$659)	\$495
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$34,211)	(\$23,628)	(\$42,562)	\$31,979
39	Deferred Tax Without Proration	Line 25		(\$74,847)	(\$51,693)	(\$93,117)	\$69,963
40	Proration Adjustment	Line 38 - Line 39		\$40,636	\$28,066	\$50,555	(\$37,985)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - Cybersecurity
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ 1,569,214	\$ 802,100	\$ 623,280
13	Total Electric O&M costs	\$ -	\$ 1,569,214	\$ 802,100	\$ 623,280
	Sum of Lines 1 through 12	\$ -	\$ 1,569,214	\$ 802,100	\$ 623,280
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ 852,786	\$ 435,900	\$ 338,720
22	Total Gas O&M costs	\$ -	\$ 852,786	\$ 435,900	\$ 338,720
	Sum of Lines 14 through 21	\$ -	\$ 852,786	\$ 435,900	\$ 338,720
23	Total O&M Expenses	\$ -	\$ 2,422,000	\$ 1,238,000	\$ 962,000
	Line 13 + Line 22	\$ -	\$ 2,422,000	\$ 1,238,000	\$ 962,000
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$279,692	\$533,808	\$493,667
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$138,736	\$266,400
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$91,843
28	Total Electric Capital Investment Component of Revenue Requirement		\$279,692	\$672,544	\$851,909
	Sum of Lines 25 through Line 27		\$279,692	\$672,544	\$851,909
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$151,998	\$290,097	\$268,282
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$75,396	\$144,774
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$49,912
33	Total Gas Capital Investment Component of Revenue Requirement		\$151,998	\$365,493	\$462,968
	Sum of Lines 30 through Line 32		\$151,998	\$365,493	\$462,968
34	Total Electric Revenue Requirement		\$1,848,906	\$1,474,645	\$1,475,189
	Line 13 + Line 28		\$1,848,906	\$1,474,645	\$1,475,189
35	Total Gas Revenue Requirement		\$1,004,785	\$801,393	\$801,689
	Line 22 + Line 33		\$1,004,785	\$801,393	\$801,689
36	Total Electric & Gas Revenue Requirement		\$ 2,853,691	\$ 2,276,037	\$ 2,276,878
	Line 34 + Line 35		\$ 2,853,691	\$ 2,276,037	\$ 2,276,878

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	Cybersecurity		\$3,958,000	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$3,958,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$3,958,000	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$3,958,000	\$3,958,000	\$3,958,000
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$3,958,000	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$3,958,000	\$3,958,000	\$3,958,000
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$3,298,300	\$439,833	\$146,545
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$3,298,300	\$3,738,133	\$3,884,678
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$282,714	\$565,429	\$565,429
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$282,714	\$848,143	\$1,413,571
15	Total Cumulative Book Depreciation	Line 14	\$282,714	\$848,143	\$1,413,571
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$3,015,586	\$2,889,990	\$2,471,107
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$633,273	\$606,898	\$518,932
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	(\$343,818)	\$14,320	\$47,758
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$289,455	\$621,218	\$566,691
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$3,958,000	\$3,958,000	\$3,958,000
23	Accumulated Depreciation	- Line 15	(\$282,714)	(\$848,143)	(\$1,413,571)
24	Deferred Tax Reserve	- Line 21	(\$289,455)	(\$621,218)	(\$566,691)
25	Year End Rate Base	Sum of Lines 22 through 24	\$3,385,831	\$2,488,640	\$1,977,738
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$1,692,915.40	\$2,937,235	\$2,233,189
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$148,977	\$258,477	\$196,521
29	Book Depreciation	Line 13	\$282,714	\$565,429	\$565,429
30	Annual Revenue Requirement	Line 28 + Line 29	\$431,691	\$823,905	\$761,949

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$3,958,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$3,958,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,958,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,958,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$2,968,500		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$3,958,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$2,968,500		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$989,500	\$989,500	\$989,500
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$329,800	\$439,833	\$146,545
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$3,298,300	\$439,833	\$146,545

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Cybersecurity		\$1,926,000	
2	Total Estimated Capital Investment	Sum of Lines 1	\$1,926,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$1,926,000	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$1,926,000	\$1,926,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$1,926,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$1,926,000	\$1,926,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$641,936	\$856,107
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$641,936	\$1,498,043
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$137,571	\$275,143
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$137,571	\$412,714
15	Total Cumulative Book Depreciation	Line 14	\$137,571	\$412,714
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$504,365	\$1,085,329
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$105,917	\$227,919
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$57,504)	(\$66,238)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$48,412	\$161,681
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$1,926,000	\$1,926,000
23	Accumulated Depreciation	- Line 15	(\$137,571)	(\$412,714)
24	Deferred Tax Reserve	- Line 21	(\$48,412)	(\$161,681)
25	Year End Rate Base	Sum of Lines 22 through 24	\$1,740,016	\$1,351,605
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$870,008.24	\$1,545,811
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$76,561	\$136,031
29	Book Depreciation	Line 13	\$137,571	\$275,143
30	Annual Revenue Requirement	Line 28 + Line 29	\$214,132	\$411,174

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$1,926,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$1,926,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$1,926,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$1,926,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$1,926,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$1,926,000	\$1,926,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$641,936	\$856,107
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$641,936	\$856,107

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - Cybersecurity IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Cybersecurity	\$1,275,000
2	Total Estimated Capital Investment	\$1,275,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$1,275,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$1,275,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$1,275,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$1,275,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$424,958
11	Cumulative Tax Depreciation	Current Year Line 10 \$424,958
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$91,071
14	Cumulative Book Depreciation	Current Year Line 13 \$91,071
15	Total Cumulative Book Depreciation	Line 14 \$91,071
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$333,887
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$70,116
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$38,068)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$32,049
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$1,275,000
23	Accumulated Depreciation	- Line 15 (\$91,071)
24	Deferred Tax Reserve	- Line 21 (\$32,049)
25	Year End Rate Base	Sum of Lines 22 through 24 \$1,151,880
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$575,940.02
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$50,683
29	Book Depreciation	Line 13 \$91,071
30	Annual Revenue Requirement	Line 28 + Line 29 \$141,754

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$1,275,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$1,275,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$1,275,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$1,275,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	<u>\$0</u>
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$1,275,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$1,275,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$424,958
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$424,958</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Cybersecurity IS

Line No.	Description		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$282,714	\$282,714	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$2,968,500)	(\$2,968,500)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$329,800)	(\$329,800)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$3,015,586)	(\$3,015,586)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$633,273)	(\$633,273)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$633,273)	(\$633,273)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$633,273)	(\$633,273)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$3,015,586)	(\$3,015,586)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$3,015,586)	(\$3,015,586)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$633,273)	(\$633,273)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$48,435)	(\$48,435)
27	May 2019	31	83.29%	(\$43,953)	(\$43,953)
28	June 2019	30	75.07%	(\$39,616)	(\$39,616)
29	July 2019	31	66.58%	(\$35,134)	(\$35,134)
30	August 2019	31	58.08%	(\$30,652)	(\$30,652)
31	September 2019	30	49.86%	(\$26,314)	(\$26,314)
32	October 2019	31	41.37%	(\$21,832)	(\$21,832)
33	November 2019	30	33.15%	(\$17,495)	(\$17,495)
34	December 2019	31	24.66%	(\$13,012)	(\$13,012)
35	January 2020	31	16.16%	(\$8,530)	(\$8,530)
36	February 2020	28	8.49%	(\$4,482)	(\$4,482)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$289,455)	(\$289,455)
39	Deferred Tax Without Proration	Line 25		(\$633,273)	(\$633,273)
40	Proration Adjustment	Line 38 - Line 39		\$343,818	\$343,818

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Cybersecurity IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
	Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$703,000	\$137,571	\$565,429	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$1,081,769)	(\$641,936)	(\$439,833)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$378,769)	(\$504,365)	\$125,596	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$79,541)	(\$105,917)	\$26,375	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$79,541)	(\$105,917)	\$26,375	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$79,541)	(\$105,917)	\$26,375	
	Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$378,769)	(\$504,365)	\$125,596	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$378,769)	(\$504,365)	\$125,596	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$79,541)	(\$105,917)	\$26,375	
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$6,084)	(\$8,101)	\$2,017
27	May 2020	31	83.29%	(\$5,521)	(\$7,351)	\$1,831
28	June 2020	30	75.07%	(\$4,976)	(\$6,626)	\$1,650
29	July 2020	31	66.58%	(\$4,413)	(\$5,876)	\$1,463
30	August 2020	31	58.08%	(\$3,850)	(\$5,127)	\$1,277
31	September 2020	30	49.86%	(\$3,305)	(\$4,401)	\$1,096
32	October 2020	31	41.37%	(\$2,742)	(\$3,651)	\$909
33	November 2020	30	33.15%	(\$2,197)	(\$2,926)	\$729
34	December 2020	31	24.66%	(\$1,634)	(\$2,176)	\$542
35	January 2021	31	16.16%	(\$1,071)	(\$1,427)	\$355
36	February 2021	28	8.49%	(\$563)	(\$750)	\$187
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$36,357)	(\$48,412)	\$12,055
39	Deferred Tax Without Proration	Line 25		(\$79,541)	(\$105,917)	\$26,375
40	Proration Adjustment	Line 38 - Line 39		\$43,185	\$57,504	(\$14,320)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Cybersecurity IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$931,643	\$91,071	\$275,143	\$565,429	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$1,427,610)	(\$424,958)	(\$856,107)	(\$146,545)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$495,967)	(\$333,887)	(\$580,964)	\$418,884	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$104,153)	(\$70,116)	(\$122,002)	\$87,966	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$104,153)	(\$70,116)	(\$122,002)	\$87,966	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$104,153)	(\$70,116)	(\$122,002)	\$87,966	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$495,967)	(\$333,887)	(\$580,964)	\$418,884	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$495,967)	(\$333,887)	(\$580,964)	\$418,884	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$104,153)	(\$70,116)	(\$122,002)	\$87,966	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	(\$7,966)	(\$5,363)	(\$9,331)	\$6,728
27	May 2021	31	83.29%	(\$7,229)	(\$4,867)	(\$8,468)	\$6,105
28	June 2021	30	75.07%	(\$6,516)	(\$4,386)	(\$7,632)	\$5,503
29	July 2021	31	66.58%	(\$5,778)	(\$3,890)	(\$6,769)	\$4,880
30	August 2021	31	58.08%	(\$5,041)	(\$3,394)	(\$5,905)	\$4,258
31	September 2021	30	49.86%	(\$4,328)	(\$2,914)	(\$5,070)	\$3,655
32	October 2021	31	41.37%	(\$3,591)	(\$2,417)	(\$4,206)	\$3,033
33	November 2021	30	33.15%	(\$2,877)	(\$1,937)	(\$3,370)	\$2,430
34	December 2021	31	24.66%	(\$2,140)	(\$1,441)	(\$2,507)	\$1,808
35	January 2022	31	16.16%	(\$1,403)	(\$944)	(\$1,643)	\$1,185
36	February 2022	28	8.49%	(\$737)	(\$496)	(\$863)	\$623
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$47,606)	(\$32,049)	(\$55,765)	\$40,207
39	Deferred Tax Without Proration	Line 25		(\$104,153)	(\$70,116)	(\$122,002)	\$87,966
40	Proration Adjustment	Line 38 - Line 39		\$56,547	\$38,068	\$66,238	(\$47,758)

Column Notes:
(j) Sum of remaining days in the year (Col (i)) ÷ 365
(l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - Data Lake
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ 236,484	\$ 388,092	\$ 545,532
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 236,484	\$ 388,092	\$ 545,532
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ 128,517	\$ 210,908	\$ 296,468
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 128,517	\$ 210,908	\$ 296,468
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ 365,000	\$ 599,000	\$ 842,000
	Line 13 + Line 22				
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$24,733	\$47,204	\$43,654
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
28	Total Electric Capital Investment Component of Revenue Requirement	\$ -	\$24,733	\$47,204	\$43,654
	Sum of Lines 25 through Line 27				
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$13,441	\$25,653	\$23,724
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	\$ -	\$13,441	\$25,653	\$23,724
	Sum of Lines 30 through Line 32				
34	Total Electric Revenue Requirement	\$ -	\$261,216	\$435,296	\$589,186
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$ -	\$141,957	\$236,561	\$320,192
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$ 403,174	\$ 671,857	\$ 909,378
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - Data Lake IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Data Lake	\$350,000	\$0	\$0
2	Total Estimated Capital Investment	\$350,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$350,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5 \$350,000	\$350,000	\$350,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2 \$350,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7 \$350,000	\$350,000	\$350,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21 \$291,664	\$38,894	\$12,959
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10 \$291,664	\$330,558	\$343,517
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line \$25,000	\$50,000	\$50,000
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13 \$25,000	\$75,000	\$125,000
15	Total Cumulative Book Depreciation	Line 14 \$25,000	\$75,000	\$125,000
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$266,664	\$255,558	\$218,517
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$55,999	\$53,667	\$45,889
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 (\$30,403)	\$1,266	\$4,223
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$25,596	\$54,933	\$50,112
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$350,000	\$350,000	\$350,000
23	Accumulated Depreciation	- Line 15 (\$25,000)	(\$75,000)	(\$125,000)
24	Deferred Tax Reserve	- Line 21 (\$25,596)	(\$54,933)	(\$50,112)
25	Year End Rate Base	Sum of Lines 22 through 24 \$299,404	\$220,067	\$174,888
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 \$149,701.95	\$259,735	\$197,477
27	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27 \$13,174	\$22,857	\$17,378
29	Book Depreciation	Line 13 \$25,000	\$50,000	\$50,000
30	Annual Revenue Requirement	Line 28 + Line 29 \$38,174	\$72,857	\$67,378

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$350,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$350,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$350,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$350,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$262,500		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$350,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$262,500		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$87,500	\$87,500	\$87,500
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$29,164	\$38,894	\$12,959
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$291,664	\$38,894	\$12,959

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Data Lake		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - Data Lake IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
	<u>Estimated Capital Investment</u>	
1	Data Lake	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
	<u>Depreciable Net Capital Included in Rate Base</u>	
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
	<u>Change in Net Capital Included in Rate Base</u>	
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$0
	<u>Tax Depreciation</u>	
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
	<u>Book Depreciation</u>	
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
	<u>Deferred Tax Calculation:</u>	
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 \$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$0
	<u>Rate Base Calculation:</u>	
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
23	Accumulated Depreciation	- Line 15 \$0
24	Deferred Tax Reserve	- Line 21 \$0
25	Year End Rate Base	Sum of Lines 22 through 24 \$0
	<u>Revenue Requirement Calculation:</u>	
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$0.00
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$0
29	Book Depreciation	Line 13 \$0
30	Annual Revenue Requirement	Line 28 + Line 29 \$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - Data Lake IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Data Lake IS

Line No.	Description		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$25,000	\$25,000	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$262,500)	(\$262,500)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$29,164)	(\$29,164)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$266,664)	(\$266,664)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$55,999)	(\$55,999)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$55,999)	(\$55,999)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$55,999)	(\$55,999)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$266,664)	(\$266,664)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$266,664)	(\$266,664)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$55,999)	(\$55,999)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$4,283)	(\$4,283)
27	May 2019	31	83.29%	(\$3,887)	(\$3,887)
28	June 2019	30	75.07%	(\$3,503)	(\$3,503)
29	July 2019	31	66.58%	(\$3,107)	(\$3,107)
30	August 2019	31	58.08%	(\$2,710)	(\$2,710)
31	September 2019	30	49.86%	(\$2,327)	(\$2,327)
32	October 2019	31	41.37%	(\$1,931)	(\$1,931)
33	November 2019	30	33.15%	(\$1,547)	(\$1,547)
34	December 2019	31	24.66%	(\$1,151)	(\$1,151)
35	January 2020	31	16.16%	(\$754)	(\$754)
36	February 2020	28	8.49%	(\$396)	(\$396)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$25,596)	(\$25,596)
39	Deferred Tax Without Proration	Line 25		(\$55,999)	(\$55,999)
40	Proration Adjustment	Line 38 - Line 39		\$30,403	\$30,403

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Data Lake IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
	Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$50,000	\$0	\$50,000	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$38,894)	\$0	(\$38,894)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$11,106	\$0	\$11,106	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$2,332	\$0	\$2,332	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$2,332	\$0	\$2,332	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$2,332	\$0	\$2,332	
	Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$11,106	\$0	\$11,106	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$11,106	\$0	\$11,106	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$2,332	\$0	\$2,332	
	Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$178	\$0	\$178
27	May 2020	31	83.29%	\$162	\$0	\$162
28	June 2020	30	75.07%	\$146	\$0	\$146
29	July 2020	31	66.58%	\$129	\$0	\$129
30	August 2020	31	58.08%	\$113	\$0	\$113
31	September 2020	30	49.86%	\$97	\$0	\$97
32	October 2020	31	41.37%	\$80	\$0	\$80
33	November 2020	30	33.15%	\$64	\$0	\$64
34	December 2020	31	24.66%	\$48	\$0	\$48
35	January 2021	31	16.16%	\$31	\$0	\$31
36	February 2021	28	8.49%	\$17	\$0	\$17
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$1,066	\$0	\$1,066
39	Deferred Tax Without Proration	Line 25		\$2,332	\$0	\$2,332
40	Proration Adjustment	Line 38 - Line 39		(\$1,266)	\$0	(\$1,266)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Data Lake IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$50,000	\$0	\$0	\$50,000	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$12,959)	\$0	\$0	(\$12,959)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$37,041	\$0	\$0	\$37,041	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$7,779	\$0	\$0	\$7,779	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$7,779	\$0	\$0	\$7,779	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$7,779	\$0	\$0	\$7,779	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$37,041	\$0	\$0	\$37,041	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$37,041	\$0	\$0	\$37,041	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$7,779	\$0	\$0	\$7,779	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	\$595	\$0	\$0	\$595
27	May 2021	31	83.29%	\$540	\$0	\$0	\$540
28	June 2021	30	75.07%	\$487	\$0	\$0	\$487
29	July 2021	31	66.58%	\$432	\$0	\$0	\$432
30	August 2021	31	58.08%	\$376	\$0	\$0	\$376
31	September 2021	30	49.86%	\$323	\$0	\$0	\$323
32	October 2021	31	41.37%	\$268	\$0	\$0	\$268
33	November 2021	30	33.15%	\$215	\$0	\$0	\$215
34	December 2021	31	24.66%	\$160	\$0	\$0	\$160
35	January 2022	31	16.16%	\$105	\$0	\$0	\$105
36	February 2022	28	8.49%	\$55	\$0	\$0	\$55
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$3,555	\$0	\$0	\$3,555
39	Deferred Tax Without Proration	Line 25		\$7,779	\$0	\$0	\$7,779
40	Proration Adjustment	Line 38 - Line 39		(\$4,223)	\$0	\$0	(\$4,223)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - DSCADA & ADMS
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ 282,484	\$ -	\$ 58,311
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 282,484	\$ -	\$ 58,311
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ 153,516	\$ -	\$ 31,689
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 153,516	\$ -	\$ 31,689
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ 436,000	\$ -	\$ 90,000
	Line 13 + Line 22				
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
28	Total Electric Capital Investment Component of Revenue Requirement	\$0	\$0	\$0	\$0
	Sum of Lines 25 through Line 27				
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	\$0	\$0	\$0	\$0
	Sum of Lines 30 through Line 32				
34	Total Electric Revenue Requirement	\$0	\$282,484	\$0	\$58,311
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$0	\$153,516	\$0	\$31,689
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$ 436,000	\$ -	\$ 90,000
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	DCADA & ADMS		\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$0	\$0	\$0
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	\$0	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending
			March 31, 2020	March 31, 2021	March 31, 2022
			(a)	(b)	(c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	DSCADA & ADMS		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - DSCADA & ADMS IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	DCADA & ADMS	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$0
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 \$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$0
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
23	Accumulated Depreciation	- Line 15 \$0
24	Deferred Tax Reserve	- Line 21 \$0
25	Year End Rate Base	Sum of Lines 22 through 24 \$0
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$0.00
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$0
29	Book Depreciation	Line 13 \$0
30	Annual Revenue Requirement	Line 28 + Line 29 \$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - DSCADA & ADMS IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - DSCADA & ADMS IS

Line No.	Deferred Tax Subject to Proration	(a)= Column	(b)		
			Total	Vintage Year March 31, 2020	
1	Book Depreciation	Page 2 of 10, Line 13	\$0	\$0	
2	Bonus Depreciation	Page 3 of 10, - Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	\$0	\$0	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	
Proration Calculation					
		(i)	(j)	(k)= Sum of (l)	(l)
		Number of Days in			
		Month	Proration Percentage		
26	April 2019	30	91.78%	\$0	\$0
27	May 2019	31	83.29%	\$0	\$0
28	June 2019	30	75.07%	\$0	\$0
29	July 2019	31	66.58%	\$0	\$0
30	August 2019	31	58.08%	\$0	\$0
31	September 2019	30	49.86%	\$0	\$0
32	October 2019	31	41.37%	\$0	\$0
33	November 2019	30	33.15%	\$0	\$0
34	December 2019	31	24.66%	\$0	\$0
35	January 2020	31	16.16%	\$0	\$0
36	February 2020	28	8.49%	\$0	\$0
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - DSCADA & ADMS IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
	Deferred Tax Subject to Proration					
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$0	\$0	\$0	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	\$0	\$0	\$0	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	
	Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	\$0	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	
	Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$0	\$0	\$0
27	May 2020	31	83.29%	\$0	\$0	\$0
28	June 2020	30	75.07%	\$0	\$0	\$0
29	July 2020	31	66.58%	\$0	\$0	\$0
30	August 2020	31	58.08%	\$0	\$0	\$0
31	September 2020	30	49.86%	\$0	\$0	\$0
32	October 2020	31	41.37%	\$0	\$0	\$0
33	November 2020	30	33.15%	\$0	\$0	\$0
34	December 2020	31	24.66%	\$0	\$0	\$0
35	January 2021	31	16.16%	\$0	\$0	\$0
36	February 2021	28	8.49%	\$0	\$0	\$0
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - DSCADA & ADMS IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	\$0	\$0	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	\$0	\$0	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	\$0	\$0	\$0	\$0
27	May 2021	31	83.29%	\$0	\$0	\$0	\$0
28	June 2021	30	75.07%	\$0	\$0	\$0	\$0
29	July 2021	31	66.58%	\$0	\$0	\$0	\$0
30	August 2021	31	58.08%	\$0	\$0	\$0	\$0
31	September 2021	30	49.86%	\$0	\$0	\$0	\$0
32	October 2021	31	41.37%	\$0	\$0	\$0	\$0
33	November 2021	30	33.15%	\$0	\$0	\$0	\$0
34	December 2021	31	24.66%	\$0	\$0	\$0	\$0
35	January 2022	31	16.16%	\$0	\$0	\$0	\$0
36	February 2022	28	8.49%	\$0	\$0	\$0	\$0
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0	\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - Enterprise Service Bus
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ 176,877	\$ 402,346	\$ 504,066
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 176,877	\$ 402,346	\$ 504,066
	Sum of Lines 1 through 12	\$ -	\$ 176,877	\$ 402,346	\$ 504,066
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ 96,123	\$ 218,654	\$ 273,934
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 96,123	\$ 218,654	\$ 273,934
	Sum of Lines 14 through 21	\$ -	\$ 96,123	\$ 218,654	\$ 273,934
23	Total O&M Expenses	\$ -	\$ 273,000	\$ 621,000	\$ 778,000
	Line 13 + Line 22	\$ -	\$ 273,000	\$ 621,000	\$ 778,000
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$447,183
28	Total Electric Capital Investment Component of Revenue Requirement		\$0	\$0	\$447,183
	Sum of Lines 25 through Line 27		\$0	\$0	\$447,183
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$243,021
33	Total Gas Capital Investment Component of Revenue Requirement		\$0	\$0	\$243,021
	Sum of Lines 30 through Line 32		\$0	\$0	\$243,021
34	Total Electric Revenue Requirement		\$176,877	\$402,346	\$951,249
	Line 13 + Line 28		\$176,877	\$402,346	\$951,249
35	Total Gas Revenue Requirement		\$96,123	\$218,654	\$516,955
	Line 22 + Line 33		\$96,123	\$218,654	\$516,955
36	Total Electric & Gas Revenue Requirement	\$ -	\$ 273,000	\$ 621,000	\$ 1,468,204
	Line 34 + Line 35	\$ -	\$ 273,000	\$ 621,000	\$ 1,468,204

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	Enterprise Service Bus		\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$0	\$0	\$0
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	\$0	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending	Fiscal Year Ending	Fiscal Year Ending
			March 31, 2020	March 31, 2021	March 31, 2022
			(a)	(b)	(c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Enterprise Service Bus		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - Enterprise Service Bus IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Enterprise Service Bus	\$6,208,000
2	Total Estimated Capital Investment	Sum of Line 1 \$6,208,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$6,208,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$6,208,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$6,208,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$6,208,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$2,069,126
11	Cumulative Tax Depreciation	Current Year Line 10 \$2,069,126
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$443,429
14	Cumulative Book Depreciation	Current Year Line 13 \$443,429
15	Total Cumulative Book Depreciation	Line 14 \$443,429
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$1,625,697
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$341,396
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$185,352)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$156,045
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$6,208,000
23	Accumulated Depreciation	- Line 15 (\$443,429)
24	Deferred Tax Reserve	- Line 21 (\$156,045)
25	Year End Rate Base	Sum of Lines 22 through 24 \$5,608,527
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper \$2,804,263.37
27	Pre-Tax ROR	MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$246,775
29	Book Depreciation	Line 13 \$443,429
30	Annual Revenue Requirement	Line 28 + Line 29 \$690,204

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$6,208,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$6,208,000
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$6,208,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$6,208,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$6,208,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$6,208,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$2,069,126
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$2,069,126

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Enterprise Service Bus IS

Line No.	Deferred Tax Subject to Proration	(a)= Column	(b)		
			Total	Vintage Year March 31, 2020	
1	Book Depreciation	Page 2 of 10, Line 13	\$0	\$0	
2	Bonus Depreciation	Page 3 of 10, - Line 12	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	\$0	\$0	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	
Proration Calculation					
		(i)	(j)	(k)= Sum of (l)	(l)
		Number of Days in			
		Month	Proration Percentage		
26	April 2019	30	91.78%	\$0	\$0
27	May 2019	31	83.29%	\$0	\$0
28	June 2019	30	75.07%	\$0	\$0
29	July 2019	31	66.58%	\$0	\$0
30	August 2019	31	58.08%	\$0	\$0
31	September 2019	30	49.86%	\$0	\$0
32	October 2019	31	41.37%	\$0	\$0
33	November 2019	30	33.15%	\$0	\$0
34	December 2019	31	24.66%	\$0	\$0
35	January 2020	31	16.16%	\$0	\$0
36	February 2020	28	8.49%	\$0	\$0
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			(a)=Sum of (b)	(b)	(c)	
			through (c)	Vintage Year	Vintage Year	
			Total	March 31, 2021	March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$0	\$0	\$0	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	\$0	\$0	\$0	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$0	\$0	\$0	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$0	\$0	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	\$0	\$0	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$0	\$0	\$0
27	May 2020	31	83.29%	\$0	\$0	\$0
28	June 2020	30	75.07%	\$0	\$0	\$0
29	July 2020	31	66.58%	\$0	\$0	\$0
30	August 2020	31	58.08%	\$0	\$0	\$0
31	September 2020	30	49.86%	\$0	\$0	\$0
32	October 2020	31	41.37%	\$0	\$0	\$0
33	November 2020	30	33.15%	\$0	\$0	\$0
34	December 2020	31	24.66%	\$0	\$0	\$0
35	January 2021	31	16.16%	\$0	\$0	\$0
36	February 2021	28	8.49%	\$0	\$0	\$0
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$0	\$0	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Enterprise Service Bus IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$443,429	\$443,429	\$0	\$0
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$2,069,126)	(\$2,069,126)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,625,697)	(\$1,625,697)	\$0	\$0
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$341,396)	(\$341,396)	\$0	\$0
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$341,396)	(\$341,396)	\$0	\$0
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$341,396)	(\$341,396)	\$0	\$0
Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,625,697)	(\$1,625,697)	\$0	\$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,625,697)	(\$1,625,697)	\$0	\$0
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	\$0
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$341,396)	(\$341,396)	\$0	\$0
Proration Calculation						
		(i)	(j)	(k)= Sum of (l) through (n)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>			
		<u>Month</u>				
26	April 2021	30	91.78%	(\$26,111)	(\$26,111)	\$0
27	May 2021	31	83.29%	(\$23,695)	(\$23,695)	\$0
28	June 2021	30	75.07%	(\$21,357)	(\$21,357)	\$0
29	July 2021	31	66.58%	(\$18,940)	(\$18,940)	\$0
30	August 2021	31	58.08%	(\$16,524)	(\$16,524)	\$0
31	September 2021	30	49.86%	(\$14,186)	(\$14,186)	\$0
32	October 2021	31	41.37%	(\$11,770)	(\$11,770)	\$0
33	November 2021	30	33.15%	(\$9,431)	(\$9,431)	\$0
34	December 2021	31	24.66%	(\$7,015)	(\$7,015)	\$0
35	January 2022	31	16.16%	(\$4,599)	(\$4,599)	\$0
36	February 2022	28	8.49%	(\$2,416)	(\$2,416)	\$0
37	March 2022	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$156,045)	(\$156,045)	\$0
39	Deferred Tax Without Proration	Line 25		(\$341,396)	(\$341,396)	\$0
40	Proration Adjustment	Line 38 - Line 39		\$185,352	\$185,352	\$0

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - Feeder Monitoring Sensors
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ 5,000	\$ 10,000
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ -	\$ 5,000	\$ 10,000
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ -	\$ -	\$ -
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ -	\$ 5,000	\$ 10,000
	Line 13 + Line 22				
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$26,261	\$66,259	\$64,794
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$24,514	\$66,394
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$26,261
28	Total Electric Capital Investment Component of Revenue Requirement	\$ -	\$26,261	\$90,772	\$157,450
	Sum of Lines 25 through Line 27				
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement	\$ -	\$0	\$0	\$0
	Sum of Lines 30 through Line 32				
34	Total Electric Revenue Requirement	\$ -	\$26,261	\$95,772	\$167,450
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$ -	\$0	\$0	\$0
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$ 26,261	\$ 95,772	\$ 167,450
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Feeder Monitor Sensors	\$455,000	\$0	\$0
2	RTU Separation	\$0	\$0	\$0
3	Total Estimated Capital Investment	\$455,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$455,000	\$0	\$0
5	Retirements	Line 4 * 0% \$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b and c) = Prior Year Line 6 \$455,000	\$455,000	\$455,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3 \$455,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$455,000	\$455,000	\$455,000
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	Page 3 of 10, Line 21 \$17,063	\$32,846	\$30,380
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11 \$17,063	\$49,909	\$80,289
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.89%	2.89%	2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50%; Column (b and c) = Line 1 * Line 13 \$6,575	\$13,150	\$13,150
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14 \$6,575	\$19,724	\$32,874
16	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.09%	2.09%	2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50%; Column (b and c) = Line 2 * Line 16 \$0	\$0	\$0
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17 \$0	\$0	\$0
19	Total Cumulative Book Depreciation	Line 18 + Line 15 \$6,575	\$19,724	\$32,874
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$10,488	\$30,185	\$47,415
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$2,203	\$6,339	\$9,957
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 \$ (1,196)	\$ (2,246)	\$ (1,965)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$1,007	\$4,093	\$7,993
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 455,000	\$ 455,000	\$ 455,000
27	Accumulated Depreciation	- Line 19 (\$6,575)	(\$19,724)	(\$32,874)
28	Deferred Tax Reserve	- Line 25 (\$1,007)	(\$4,093)	(\$7,993)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 447,419	\$431,183	\$414,134
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2; Column (b and c) = (Prior Year Line 29 + Current Year Line 39) ÷ 2 \$223,709	\$439,301	\$422,658
31	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31 \$19,686	\$38,658	\$37,194
33	Book Depreciation	Line 14 - Line 17 \$6,575	\$13,150	\$13,150
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b & c) Line 9 * 3.176% \$0	\$14,451	\$14,451
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$26,261	\$66,259	\$64,794

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Electric Capital Investments
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 10, Line 3	\$455,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$455,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$455,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$455,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 0%	0.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$455,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$455,000	\$455,000	\$455,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%	6.677%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$17,063	\$32,846	\$30,380
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 8	\$0		
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$17,063	\$32,846	\$30,380

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Feeder Monitor Sensors		\$455,000	
2	RTU Separation		\$0	
3	Total Estimated Capital Investment	Line 1 + Line 2	\$455,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$455,000	\$0
5	Retirements	Line 4 * 0%	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6	\$455,000	\$455,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3	\$455,000	\$0
8	Cost of Removal		\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8	\$455,000	\$455,000
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2021 Spend	Page 5 of 10, Line 21	\$17,063	\$32,846
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11	\$17,063	\$49,909
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.89%	2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50% ; Column (b) = Line 1 * Line 13	\$4,755	\$13,150
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14	\$4,755	\$17,904
16	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.09%	2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50% ; Column (b) = Line 2 * Line 16	\$0	\$0
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17	\$0	\$0
19	Total Cumulative Book Depreciation	Line 18 + Line 15	\$4,755	\$17,904
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	Line 12 - Line 19	\$12,308	\$32,005
21	Effective Tax Rate		21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21	\$2,585	\$6,721
23	Less: FY 2021 Federal NOL		\$0	\$0
24	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$1,403)	(\$2,246)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24	\$1,181	\$4,475
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	Line 9	\$ 455,000	\$455,000
27	Accumulated Depreciation	- Line 19	(\$4,755)	(\$17,904)
28	Deferred Tax Reserve	- Line 25	(\$1,181)	(\$4,475)
29	Year End Rate Base	Sum of Lines 26 through 28	\$ 449,064	\$432,620
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2; Column (b) = (Prior Year Line 29 + Current Year Line 29) ÷ 2	\$224,531.91	\$440,842
31	Pre-Tax ROR		8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31	\$19,759	\$38,794
33	Book Depreciation	Line 14 + Line 17	\$4,755	\$13,150
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b) Line 9 * 3.176%	\$0	\$14,451
35	Annual Revenue Requirement	Sum of Lines 32 through 34	\$24,514	\$66,394

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	<u>100.00%</u>		<u>7.43%</u>	<u>1.37%</u>	<u>8.80%</u>

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Electric Capital Investments
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 3	\$455,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$455,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$455,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$455,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$455,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$455,000	\$455,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$17,063	\$32,846
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 8	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$17,063	\$32,846

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Feeder Monitor Sensors	\$455,000
2	RTU Separation	\$0
3	Total Estimated Capital Investment	Line 1 + Line 2 \$455,000
<u>Depreciable Net Capital Included in Rate Base</u>		
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$455,000
5	Retirements	Line 4 * 0% \$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 \$455,000
<u>Change in Net Capital Included in Rate Base</u>		
7	Capital Included in Rate Base	Line 3 \$455,000
8	Cost of Removal	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$455,000
<u>Tax Depreciation</u>		
10	Vintage Year Tax Depreciation:	
11	FY 2022 Spend	Page 7 of 10, Line 21 \$17,063
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 13 \$17,063
<u>Book Depreciation</u>		
13	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50% \$6,575
15	Cumulative Book Depreciation	Current Year Line 14 \$6,575
16	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50% \$0
18	Cumulative Book Depreciation	Current Year Line 16 \$0
19	Total Cumulative Book Depreciation	Line 15 + Line 18 \$6,575
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$10,488
21	Effective Tax Rate	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$2,203
23	Less: FY 2022 Federal NOL	\$0
24	Less: Proration Adjustment	Col (a) = Page 10 of 10, Line 40 (\$1,196)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$1,007
<u>Rate Base Calculation:</u>		
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 455,000
27	Accumulated Depreciation	- Line 19 (\$6,575)
28	Deferred Tax Reserve	- Line 25 (\$1,007)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 447,419
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$223,709
31	Pre-Tax ROR	1/ 8.80%
32	Return and Taxes	Line 30 * Line 31 \$19,686
33	Book Depreciation	Line 14 + Line 17 \$6,575
34	Property Taxes	Tax Rate 3.176% MAL-7 \$0
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$26,261

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	<u>100.00%</u>		<u>7.43%</u>	<u>1.37%</u>	<u>8.80%</u>

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d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Electric Capital Investments
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 3	\$455,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$455,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$455,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$455,000
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%	0.00%
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$455,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$455,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>3.750%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$17,063
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 8	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u><u>\$17,063</u></u>

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Electric Proration
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.		(a)= Column	(b) Vintage Year March 31, 2020
Deferred Tax Subject to Proration			
1	Book Depreciation	Page 2 of 10, Line 14 + Line 17	\$6,575
2	Bonus Depreciation	Page 3 of 10, Line 12	\$0
3	Remaining MACRS Tax Depreciation	Page 3 of 10, Line 18	(\$17,063)
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, Line 19	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$10,488)
6	Effective Tax Rate		21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$2,203)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0
9	Cost of Removal	Page 3 of 10, Line 20	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$2,203)
15	Net Operating Loss	Page 2 of 10, Line 23	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$2,203)
Allocation of FY 2020 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$10,488)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$10,488)
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 23 / 21%	\$0
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0
23	Effective Tax Rate	Per Tax Department	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$2,203)

Line No.	Proration Calculation	Number of Days in		(k)= Sum of (l)	(l)
		Month	Proration Percentage		
26	April 2019	30	91.78%	(\$168)	(\$168)
27	May 2019	31	83.29%	(\$153)	(\$153)
28	June 2019	30	75.07%	(\$138)	(\$138)
29	July 2019	31	66.58%	(\$122)	(\$122)
30	August 2019	31	58.08%	(\$107)	(\$107)
31	September 2019	30	49.86%	(\$92)	(\$92)
32	October 2019	31	41.37%	(\$76)	(\$76)
33	November 2019	30	33.15%	(\$61)	(\$61)
34	December 2019	31	24.66%	(\$45)	(\$45)
35	January 2020	31	16.16%	(\$30)	(\$30)
36	February 2020	28	8.49%	(\$16)	(\$16)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$1,007)	(\$1,007)
39	Deferred Tax Without Proration	Line 25		(\$2,203)	(\$2,203)
40	Proration Adjustment	Line 38 - Line 39		\$1,196	\$1,196

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Electric Proration
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 4 of 10, Line 14 + Line 17 ;Col (c) = Page 2 of 10, Line 14 + Line 17	\$17,904	\$4,755	\$13,150	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18 ;Col (c) = Page 3 of 10, Line 18	(\$49,909)	(\$17,063)	(\$32,846)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19 ;Col (c) = Page 3 of 10, Line 19	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$32,005)	(\$12,308)	(\$19,697)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$6,721)	(\$2,585)	(\$4,136)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$6,721)	(\$2,585)	(\$4,136)	
15	Net Operating Loss	Page 4 of 10, Line 23	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$6,721)	(\$2,585)	(\$4,136)	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$12,308)	(\$12,308)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$12,308)	(\$12,308)		
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 23 / 21%	\$0	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0		
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$6,721)	(\$2,585)	(\$4,136)	
(i) (j)						
Proration Calculation						
		<u>Number of Days in</u>		(k)= Sum of (l) through (m)	(l)	(m)
		<u>Month</u>	<u>Proration Percentage</u>			
26	April 2020	30	91.78%	(\$514)	(\$198)	(\$316)
27	May 2020	31	83.29%	(\$466)	(\$179)	(\$287)
28	June 2020	30	75.07%	(\$420)	(\$162)	(\$259)
29	July 2020	31	66.58%	(\$373)	(\$143)	(\$229)
30	August 2020	31	58.08%	(\$325)	(\$125)	(\$200)
31	September 2020	30	49.86%	(\$279)	(\$107)	(\$172)
32	October 2020	31	41.37%	(\$232)	(\$89)	(\$143)
33	November 2020	30	33.15%	(\$186)	(\$71)	(\$114)
34	December 2020	31	24.66%	(\$138)	(\$53)	(\$85)
35	January 2021	31	16.16%	(\$91)	(\$35)	(\$56)
36	February 2021	28	8.49%	(\$48)	(\$18)	(\$29)
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$3,072)	(\$1,181)	(\$1,891)
39	Deferred Tax Without Proration	Line 25		(\$6,721)	(\$2,585)	(\$4,136)
40	Proration Adjustment	Line 38 - Line 39		\$3,649	\$1,403	\$2,246

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Electric Proration
Synergy Grid Mod - Feeder Monitoring Sensors Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b)	(b)	(c)	(d)	
			through (d)	Vintage Year	Vintage Year	Vintage Year	
			Total	March 31, 2022	March 31, 2021	March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 14 + Line 17; Col (c) = Page 4 of 10, Line 14 + Line 17; Col (d) = Page 2 of 10, Line 14 + Line 17	\$32,874	\$6,575	\$13,150	\$13,150	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$80,289)	(\$17,063)	(\$32,846)	(\$30,380)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$47,415)	(\$10,488)	(\$19,697)	(\$17,231)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)	
15	Net Operating Loss	Page 6 of 10, Line 23	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$10,488)	(\$10,488)			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$10,488)	(\$10,488)			
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 23 / 21%	\$0	\$0			
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0			
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0			
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%			
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)	
Proration Calculation							
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)
26	April 2021	30	91.78%	(\$762)	(\$168)	(\$316)	(\$277)
27	May 2021	31	83.29%	(\$691)	(\$153)	(\$287)	(\$251)
28	June 2021	30	75.07%	(\$623)	(\$138)	(\$259)	(\$226)
29	July 2021	31	66.58%	(\$552)	(\$122)	(\$229)	(\$201)
30	August 2021	31	58.08%	(\$482)	(\$107)	(\$200)	(\$175)
31	September 2021	30	49.86%	(\$414)	(\$92)	(\$172)	(\$150)
32	October 2021	31	41.37%	(\$343)	(\$76)	(\$143)	(\$125)
33	November 2021	30	33.15%	(\$275)	(\$61)	(\$114)	(\$100)
34	December 2021	31	24.66%	(\$205)	(\$45)	(\$85)	(\$74)
35	January 2022	31	16.16%	(\$134)	(\$30)	(\$56)	(\$49)
36	February 2022	28	8.49%	(\$70)	(\$16)	(\$29)	(\$26)
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$4,551)	(\$1,007)	(\$1,891)	(\$1,654)
39	Deferred Tax Without Proration	Line 25		(\$9,957)	(\$2,203)	(\$4,136)	(\$3,618)
40	Proration Adjustment	Line 38 - Line 39		\$5,406	\$1,196	\$2,246	\$1,965

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Grid Mod Synergy - GIS Data Enhancement (BR)
Annual Revenue Requirement Summary

Line No.		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
		<u>2019</u> (a)	<u>2020</u> (b)	<u>2021</u> (c)	<u>2022</u> (d)
	Operation and Maintenance (O&M) Expenses:				
1	GIS Data Enhancement (BR)	\$0	\$0	\$1,028,000	\$1,028,000
2	Total O&M costs	\$0	\$0	\$1,028,000	\$1,028,000
	Sum of Line 1				
3	Total Revenue Requirement	\$0	\$0	\$1,028,000	\$1,028,000

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Grid Mod Synergy - GIS Data Enhancement (IS)
Annual Revenue Requirement Summary

Line No.			Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
			<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
			(a)	(b)	(c)	(d)
	Operation and Maintenance (O&M) Expenses:					
1	GIS Data Enhancement (IS)		\$427,000	\$0	\$0	\$0
2	Total O&M costs	Sum of Line 1	\$427,000	\$0	\$0	\$0
3	Total Revenue Requirement		\$427,000	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - PI Historian
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ 8,423	\$ 333,669	\$ 333,669
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ 8,423	\$ 333,669	\$ 333,669
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ 4,577	\$ 181,332	\$ 181,332
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ 4,577	\$ 181,332	\$ 181,332
23	Total O&M Expenses	\$ -	\$ 13,000	\$ 515,000	\$ 515,000
	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$ 7,985	\$ 15,240	\$ 14,094
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$ 0	\$ 0
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$ 0
28	Total Electric Capital Investment Component of Revenue Requirement	-	\$ 7,985	\$ 15,240	\$ 14,094
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$ 4,340	\$ 8,282	\$ 7,659
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$ 0	\$ 0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$ 0
33	Total Gas Capital Investment Component of Revenue Requirement	-	\$ 4,340	\$ 8,282	\$ 7,659
34	Total Electric Revenue Requirement	-	\$ 16,408	\$ 348,909	\$ 347,763
35	Total Gas Revenue Requirement	-	\$ 8,917	\$ 189,614	\$ 188,991
36	Total Electric & Gas Revenue Requirement	-	\$ 25,325	\$ 538,522	\$ 536,753

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	PI Historian		\$113,000	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$113,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$113,000	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$113,000	\$113,000	\$113,000
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$113,000	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7	\$113,000	\$113,000	\$113,000
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$94,166	\$12,557	\$4,184
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$94,166	\$106,723	\$110,907
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50%; Column (b and c) = Line 1 * Line	\$8,071	\$16,143	\$16,143
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$8,071	\$24,214	\$40,357
15	Total Cumulative Book Depreciation	Line 14	\$8,071	\$24,214	\$40,357
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$86,095	\$82,509	\$70,550
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$18,080	\$17,327	\$14,815
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40	(\$9,816)	\$409	\$1,363
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$8,264	\$17,736	\$16,179
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$113,000	\$113,000	\$113,000
23	Accumulated Depreciation	- Line 15	(\$8,071)	(\$24,214)	(\$40,357)
24	Deferred Tax Reserve	- Line 21	(\$8,264)	(\$17,736)	(\$16,179)
25	Year End Rate Base	Sum of Lines 22 through 24	\$96,665	\$71,050	\$56,464
<u>Revenue Requirement Calculation:</u>					
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$48,332.34	\$83,857	\$63,757
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$4,253	\$7,379	\$5,611
29	Book Depreciation	Line 13	\$8,071	\$16,143	\$16,143
30	Annual Revenue Requirement	Line 28 + Line 29	\$12,325	\$23,522	\$21,753

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$113,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$113,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$113,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$113,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$84,750		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$113,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$84,750		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$28,250	\$28,250	\$28,250
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$9,416	\$12,557	\$4,184
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$94,166	\$12,557	\$4,184

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	PI Historian		\$0	
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$0	\$0
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	\$0	\$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$0	\$0
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
23	Accumulated Depreciation	- Line 15	\$0	\$0
24	Deferred Tax Reserve	- Line 21	\$0	\$0
25	Year End Rate Base	Sum of Lines 22 through 24	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$0.00	\$0
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0	\$0
29	Book Depreciation	Line 13	\$0	\$0
30	Annual Revenue Requirement	Line 28 + Line 29	\$0	\$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - PI Historian IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	PI Historian	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$0
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 \$0
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$0
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
23	Accumulated Depreciation	- Line 15 \$0
24	Deferred Tax Reserve	- Line 21 \$0
25	Year End Rate Base	Sum of Lines 22 through 24 \$0
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$0.00
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$0
29	Book Depreciation	Line 13 \$0
30	Annual Revenue Requirement	Line 28 + Line 29 \$0

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - PI Historian IS

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - PI Historian IS

Line No.	Description		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$8,071	\$8,071	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$84,750)	(\$84,750)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$9,416)	(\$9,416)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$86,095)	(\$86,095)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$18,080)	(\$18,080)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$18,080)	(\$18,080)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$18,080)	(\$18,080)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$86,095)	(\$86,095)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$86,095)	(\$86,095)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$18,080)	(\$18,080)	
Proration Calculation					
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l)	(l)
26	April 2019	30	91.78%	(\$1,383)	(\$1,383)
27	May 2019	31	83.29%	(\$1,255)	(\$1,255)
28	June 2019	30	75.07%	(\$1,131)	(\$1,131)
29	July 2019	31	66.58%	(\$1,003)	(\$1,003)
30	August 2019	31	58.08%	(\$875)	(\$875)
31	September 2019	30	49.86%	(\$751)	(\$751)
32	October 2019	31	41.37%	(\$623)	(\$623)
33	November 2019	30	33.15%	(\$499)	(\$499)
34	December 2019	31	24.66%	(\$372)	(\$372)
35	January 2020	31	16.16%	(\$244)	(\$244)
36	February 2020	28	8.49%	(\$128)	(\$128)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$8,264)	(\$8,264)
39	Deferred Tax Without Proration	Line 25		(\$18,080)	(\$18,080)
40	Proration Adjustment	Line 38 - Line 39		\$9,816	\$9,816

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - PI Historian IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$16,143	\$0	\$16,143	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$12,557)	\$0	(\$12,557)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$3,586	\$0	\$3,586	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$753	\$0	\$753	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$753	\$0	\$753	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$753	\$0	\$753	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$3,586	\$0	\$3,586	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$3,586	\$0	\$3,586	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$753	\$0	\$753	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	\$58	\$0	\$58
27	May 2020	31	83.29%	\$52	\$0	\$52
28	June 2020	30	75.07%	\$47	\$0	\$47
29	July 2020	31	66.58%	\$42	\$0	\$42
30	August 2020	31	58.08%	\$36	\$0	\$36
31	September 2020	30	49.86%	\$31	\$0	\$31
32	October 2020	31	41.37%	\$26	\$0	\$26
33	November 2020	30	33.15%	\$21	\$0	\$21
34	December 2020	31	24.66%	\$15	\$0	\$15
35	January 2021	31	16.16%	\$10	\$0	\$10
36	February 2021	28	8.49%	\$5	\$0	\$5
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		\$344	\$0	\$344
39	Deferred Tax Without Proration	Line 25		\$753	\$0	\$753
40	Proration Adjustment	Line 38 - Line 39		(\$409)	\$0	(\$409)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - P1 Historian IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$16,143	\$0	\$0	\$16,143	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$4,184)	\$0	\$0	(\$4,184)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$11,959	\$0	\$0	\$11,959	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$2,511	\$0	\$0	\$2,511	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$2,511	\$0	\$0	\$2,511	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$2,511	\$0	\$0	\$2,511	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	\$11,959	\$0	\$0	\$11,959	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$11,959	\$0	\$0	\$11,959	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$2,511	\$0	\$0	\$2,511	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	\$192	\$0	\$0	\$192
27	May 2021	31	83.29%	\$174	\$0	\$0	\$174
28	June 2021	30	75.07%	\$157	\$0	\$0	\$157
29	July 2021	31	66.58%	\$139	\$0	\$0	\$139
30	August 2021	31	58.08%	\$122	\$0	\$0	\$122
31	September 2021	30	49.86%	\$104	\$0	\$0	\$104
32	October 2021	31	41.37%	\$87	\$0	\$0	\$87
33	November 2021	30	33.15%	\$69	\$0	\$0	\$69
34	December 2021	31	24.66%	\$52	\$0	\$0	\$52
35	January 2022	31	16.16%	\$34	\$0	\$0	\$34
36	February 2022	28	8.49%	\$18	\$0	\$0	\$18
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$1,148	\$0	\$0	\$1,148
39	Deferred Tax Without Proration	Line 25		\$2,511	\$0	\$0	\$2,511
40	Proration Adjustment	Line 38 - Line 39		(\$1,363)	\$0	\$0	(\$1,363)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - RTU Separation
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ 60,000	\$ 60,000	\$ 60,000
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	\$ -	\$ -
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs		Sum of Lines 1 through 12		
		\$ -	\$ 60,000	\$ 60,000	\$ 60,000
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	\$ -	\$ -
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs		Sum of Lines 14 through 21		
		\$ -	\$ -	\$ -	\$ -
23	Total O&M Expenses		Line 13 + Line 22		
		\$ -	\$ 60,000	\$ 60,000	\$ 60,000
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$30,709	\$78,797	\$77,291
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$51,182	\$131,328
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$10,236
28	Total Electric Capital Investment Component of Revenue Requirement		Sum of Lines 25 through Line 27		
			\$30,709	\$129,979	\$218,855
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$0	\$0	\$0
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$0	\$0
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$0
33	Total Gas Capital Investment Component of Revenue Requirement		Sum of Lines 30 through Line 32		
			\$0	\$0	\$0
34	Total Electric Revenue Requirement		Line 13 + Line 28		
			\$90,709	\$189,979	\$278,855
35	Total Gas Revenue Requirement		Line 22 + Line 33		
			\$0	\$0	\$0
36	Total Electric & Gas Revenue Requirement		Line 34 + Line 35		
			\$ 90,709	\$ 189,979	\$ 278,855

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - RTU Separation Electric

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Feeder Monitor Sensors	\$0	\$0	\$0
2	RTU Separation	\$570,000	\$0	\$0
3	Total Estimated Capital Investment	\$570,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$570,000	\$0	\$0
5	Retirements	Line 4 * 0% \$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b and c) = Prior Year Line 6 \$570,000	\$570,000	\$570,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3 \$570,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$570,000	\$570,000	\$570,000
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	Page 3 of 10, Line 21 \$21,375	\$41,148	\$38,059
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11 \$21,375	\$62,523	\$100,582
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.89%	2.89%	2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50%; Column (b and c) = Line 1 * Line 13 \$0	\$0	\$0
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14 \$0	\$0	\$0
16	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 2.09%	2.09%	2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50%; Column (b and c) = Line 2 * Line 16 \$5,957	\$11,913	\$11,913
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17 \$5,957	\$17,870	\$29,783
19	Total Cumulative Book Depreciation	Line 18 + Line 15 \$5,957	\$17,870	\$29,783
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$15,419	\$44,654	\$70,800
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$3,238	\$9,377	\$14,868
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 \$ (1,758)	\$ (3,333)	\$ (2,981)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$1,480	\$6,044	\$11,887
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 570,000	\$ 570,000	\$ 570,000
27	Accumulated Depreciation	- Line 19 (\$5,957)	(\$17,870)	(\$29,783)
28	Deferred Tax Reserve	- Line 25 (\$1,480)	(\$6,044)	(\$11,887)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 562,564	\$546,086	\$528,331
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2; Column (b and c) = (Prior Year Line 29 + Current Year Line 39) ÷ 2 \$281,282	\$554,325	\$537,209
31	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31 \$24,753	\$48,781	\$47,274
33	Book Depreciation	Line 14 - Line 17 \$5,957	\$11,913	\$11,913
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b & c) Line 9 * 3.176% \$0	\$18,103	\$18,103
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$30,709	\$78,797	\$77,291

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Electric Capital Investments
Synergy Grid Mod - RTU Separation Electric

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 10, Line 3	\$570,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$570,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$570,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$570,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 0%	0.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$570,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$570,000	\$570,000	\$570,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%	6.677%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$21,375	\$41,148	\$38,059
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 8	\$0		
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$21,375	\$41,148	\$38,059

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - RTU Separation Electric

Line No.		Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>			
1	Feeder Monitor Sensors	\$0	
2	RTU Separation	\$950,000	
3	Total Estimated Capital Investment	\$950,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
4	Total Allowed Capital Included in Rate Base in Current Year	\$950,000	\$0
5	Retirements	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	\$950,000	\$950,000
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	\$950,000	\$0
8	Cost of Removal	\$0	\$0
9	Total Net Plant in Service Including Cost of Removal	\$950,000	\$950,000
<u>Tax Depreciation</u>			
10	Vintage Year Tax Depreciation:		
11	FY 2021 Spend	\$35,625	\$68,581
12	Cumulative Tax Depreciation	\$35,625	\$104,206
<u>Book Depreciation</u>			
13	Composite Book Depreciation Rate	2.89%	2.89%
14	Book Depreciation	\$0	\$0
15	Cumulative Book Depreciation	\$0	\$0
16	Composite Book Depreciation Rate	2.09%	2.09%
17	Book Depreciation	\$9,928	\$19,855
18	Cumulative Book Depreciation	\$9,928	\$29,783
19	Total Cumulative Book Depreciation	\$9,928	\$29,783
<u>Deferred Tax Calculation:</u>			
20	Cumulative Book / Tax Timer	\$25,698	\$74,424
21	Effective Tax Rate	21.00%	21.00%
22	Deferred Tax Reserve	\$5,396	\$15,629
23	Less: FY 2021 Federal NOL	\$0	\$0
24	Less: Proration Adjustment	(\$2,930)	(\$5,555)
25	Net Deferred Tax Reserve	\$2,467	\$10,074
<u>Rate Base Calculation:</u>			
26	Cumulative Incremental Capital Included in Rate Base	\$ 950,000	\$950,000
27	Accumulated Depreciation	(\$9,928)	(\$29,783)
28	Deferred Tax Reserve	(\$2,467)	(\$10,074)
29	Year End Rate Base	\$ 937,606	\$910,144
<u>Revenue Requirement Calculation:</u>			
30	Average Rate Base	\$468,802.95	\$923,875
31	Pre-Tax ROR	8.80%	8.80%
32	Return and Taxes	\$41,255	\$81,301
33	Book Depreciation	\$9,928	\$19,855
34	Property Taxes	\$0	\$30,172
35	Annual Revenue Requirement	\$51,182	\$131,328

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	100.00%		7.43%	1.37%	8.80%

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Electric Capital Investments
Synergy Grid Mod - RTU Separation Electric

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 3	\$950,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$950,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$950,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$950,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$950,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$950,000	\$950,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$35,625	\$68,581
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 8	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$35,625	\$68,581

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated Electric Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - RTU Separation Electric

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Feeder Monitor Sensors	\$0
2	RTU Separation	\$190,000
3	Total Estimated Capital Investment	Line 1 + Line 2 \$190,000
<u>Depreciable Net Capital Included in Rate Base</u>		
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3 \$190,000
5	Retirements	Line 4 * 0% \$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 \$190,000
<u>Change in Net Capital Included in Rate Base</u>		
7	Capital Included in Rate Base	Line 3 \$190,000
8	Cost of Removal	\$0
9	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$190,000
<u>Tax Depreciation</u>		
10	Vintage Year Tax Depreciation:	
11	FY 2022 Spend	Page 7 of 10, Line 21 \$7,125
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 13 \$7,125
<u>Book Depreciation</u>		
13	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.89%
14	Book Depreciation	Column (a) = Line 1 * Line 13 * 50% \$0
15	Cumulative Book Depreciation	Current Year Line 14 \$0
16	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 2.09%
17	Book Depreciation	Column (a) = Line 2 * Line 16 * 50% \$1,986
18	Cumulative Book Depreciation	Current Year Line 16 \$1,986
19	Total Cumulative Book Depreciation	Line 15 + Line 18 \$1,986
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$5,140
21	Effective Tax Rate	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$1,079
23	Less: FY 2022 Federal NOL	\$0
24	Less: Proration Adjustment	Col (a) = Page 10 of 10, Line 40 (\$586)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$493
<u>Rate Base Calculation:</u>		
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 190,000
27	Accumulated Depreciation	- Line 19 (\$1,986)
28	Deferred Tax Reserve	- Line 25 (\$493)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 187,521
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$93,761
31	Pre-Tax ROR	1/ 8.80%
32	Return and Taxes	Line 30 * Line 31 \$8,251
33	Book Depreciation	Line 14 + Line 17 \$1,986
34	Property Taxes	Tax Rate 3.176% MAL-7 \$0
35	Annual Revenue Requirement	Sum of Lines 32 through 34 \$10,236

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.47%	4.69%	2.27%		2.27%
Short Term Debt	0.45%	1.76%	0.01%		0.01%
Preferred Stock	0.11%	4.50%	0.00%		0.00%
Common Equity	50.97%	10.10%	5.15%	1.37%	6.52%
	<u>100.00%</u>		<u>7.43%</u>	<u>1.37%</u>	<u>8.80%</u>

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Electric Capital Investments
Synergy Grid Mod - RTU Separation Electric

Line No.			Fiscal Year Ending March 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 3	\$190,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$190,000
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$190,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$190,000
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%	0.00%
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$190,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$190,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$7,125
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 8	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$7,125

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Electric Proration
Synergy Grid Mod - RTU Separation Electric

Line No.		(a)= Column (b)	(b) Vintage Year March 31, 2020
Deferred Tax Subject to Proration			
1	Book Depreciation	Page 2 of 10, Line 14 + Line 17	\$5,957
2	Bonus Depreciation	Page 3 of 10, Line 12	\$0
3	Remaining MACRS Tax Depreciation	Page 3 of 10, Line 18	(\$21,375)
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, Line 19	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$15,419)
6	Effective Tax Rate		21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$3,238)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0
9	Cost of Removal	Page 3 of 10, Line 20	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$3,238)
15	Net Operating Loss	Page 2 of 10, Line 23	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$3,238)
Allocation of FY 2020 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$15,419)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$15,419)
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 23 / 21%	\$0
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0
23	Effective Tax Rate	Per Tax Department	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$3,238)

		(i)	(j)	(k)= Sum of (l)	(l)
Proration Calculation		<u>Number of Days in</u>			
		<u>Month</u>	<u>Proration Percentage</u>		
26	April 2019	30	91.78%	(\$248)	(\$248)
27	May 2019	31	83.29%	(\$225)	(\$225)
28	June 2019	30	75.07%	(\$203)	(\$203)
29	July 2019	31	66.58%	(\$180)	(\$180)
30	August 2019	31	58.08%	(\$157)	(\$157)
31	September 2019	30	49.86%	(\$135)	(\$135)
32	October 2019	31	41.37%	(\$112)	(\$112)
33	November 2019	30	33.15%	(\$89)	(\$89)
34	December 2019	31	24.66%	(\$67)	(\$67)
35	January 2020	31	16.16%	(\$44)	(\$44)
36	February 2020	28	8.49%	(\$23)	(\$23)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$1,480)	(\$1,480)
39	Deferred Tax Without Proration	Line 25		(\$3,238)	(\$3,238)
40	Proration Adjustment	Line 38 - Line 39		\$1,758	\$1,758

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Electric Proration
Synergy Grid Mod - RTU Separation Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 4 of 10, Line 14 + Line 17 ;Col (c) = Page 2 of 10, Line 14 + Line 17	\$21,841	\$9,928	\$11,913	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18 ;Col (c) = Page 3 of 10, Line 18	(\$76,773)	(\$35,625)	(\$41,148)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19 ;Col (c) = Page 3 of 10, Line 19	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$54,933)	(\$25,698)	(\$29,235)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$11,536)	(\$5,396)	(\$6,139)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$11,536)	(\$5,396)	(\$6,139)	
15	Net Operating Loss	Page 4 of 10, Line 23	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$11,536)	(\$5,396)	(\$6,139)	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$25,698)	(\$25,698)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$25,698)	(\$25,698)		
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 23 / 21%	\$0	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0		
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$11,536)	(\$5,396)	(\$6,139)	
(i) (j)						
Proration Calculation						
		<u>Number of Days in</u>		(k)= Sum of (l) through (m)	(l)	(m)
		<u>Month</u>	<u>Proration Percentage</u>			
26	April 2020	30	91.78%	(\$882)	(\$413)	(\$470)
27	May 2020	31	83.29%	(\$801)	(\$375)	(\$426)
28	June 2020	30	75.07%	(\$722)	(\$338)	(\$384)
29	July 2020	31	66.58%	(\$640)	(\$299)	(\$341)
30	August 2020	31	58.08%	(\$558)	(\$261)	(\$297)
31	September 2020	30	49.86%	(\$479)	(\$224)	(\$255)
32	October 2020	31	41.37%	(\$398)	(\$186)	(\$212)
33	November 2020	30	33.15%	(\$319)	(\$149)	(\$170)
34	December 2020	31	24.66%	(\$237)	(\$111)	(\$126)
35	January 2021	31	16.16%	(\$155)	(\$73)	(\$83)
36	February 2021	28	8.49%	(\$82)	(\$38)	(\$43)
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$5,273)	(\$2,467)	(\$2,806)
39	Deferred Tax Without Proration	Line 25		(\$11,536)	(\$5,396)	(\$6,139)
40	Proration Adjustment	Line 38 - Line 39		\$6,263	\$2,930	\$3,333

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Electric Proration
Synergy Grid Mod - RTU Separation Electric

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 14 + Line 17; Col (c) = Page 4 of 10, Line 14 + Line 17;	\$33,754	\$1,986	\$19,855	\$11,913	
2	Bonus Depreciation	Col (d) = Page 2 of 10, Line 14 + Line 17 Page 5 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$113,765)	(\$7,125)	(\$68,581)	(\$38,059)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$80,012)	(\$5,140)	(\$48,726)	(\$26,146)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
15	Net Operating Loss	Page 6 of 10, Line 23	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$5,140)	(\$5,140)			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$5,140)	(\$5,140)			
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 23 / 21%	\$0	\$0			
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0			
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0			
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%			
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)	
Proration Calculation							
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)
26	April 2021	30	91.78%	(\$1,285)	(\$83)	(\$783)	(\$420)
27	May 2021	31	83.29%	(\$1,166)	(\$75)	(\$710)	(\$381)
28	June 2021	30	75.07%	(\$1,051)	(\$68)	(\$640)	(\$343)
29	July 2021	31	66.58%	(\$932)	(\$60)	(\$568)	(\$305)
30	August 2021	31	58.08%	(\$813)	(\$52)	(\$495)	(\$266)
31	September 2021	30	49.86%	(\$698)	(\$45)	(\$425)	(\$228)
32	October 2021	31	41.37%	(\$579)	(\$37)	(\$353)	(\$189)
33	November 2021	30	33.15%	(\$464)	(\$30)	(\$283)	(\$152)
34	December 2021	31	24.66%	(\$345)	(\$22)	(\$210)	(\$113)
35	January 2022	31	16.16%	(\$226)	(\$15)	(\$138)	(\$74)
36	February 2022	28	8.49%	(\$119)	(\$8)	(\$72)	(\$39)
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$7,680)	(\$493)	(\$4,677)	(\$2,510)
39	Deferred Tax Without Proration	Line 25		(\$16,802)	(\$1,079)	(\$10,232)	(\$5,491)
40	Proration Adjustment	Line 38 - Line 39		\$9,122	\$586	\$5,555	\$2,981

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Grid Mod Synergy - System Data Portal
Annual Revenue Requirement Summary

Line No.			Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
			<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
			(a)	(b)	(c)	(d)
	Operation and Maintenance (O&M) Expenses:					
1	System Data Portal		\$0	\$700,000	\$700,000	\$700,000
2	Total O&M costs	Sum of Line 1	\$0	\$700,000	\$700,000	\$700,000
3	Total Revenue Requirement		\$0	\$700,000	\$700,000	\$700,000

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Grid Mod Synergy - Telecommunications
Annual Revenue Requirement Summary

Line No.		Fiscal Year Ending March 31, 2019 (a)	Fiscal Year Ending March 31, 2020 (b)	Fiscal Year Ending March 31, 2021 (c)	Fiscal Year Ending March 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$ -	\$ -	\$ -	\$ -
2	Feeder Monitoring Sensors	\$ -	\$ -	\$ -	\$ -
3	RTU Separation	\$ -	\$ -	\$ -	\$ -
4	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
5	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
6	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
7	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
8	Data Lake	\$ -	\$ -	\$ -	\$ -
9	PI Historian	\$ -	\$ -	\$ -	\$ -
10	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
11	Telecommunications	\$ -	\$ -	425,022	636,886
12	Cybersecurity	\$ -	\$ -	\$ -	\$ -
13	Total Electric O&M costs	\$ -	\$ -	\$ 425,022	\$ 636,886
	Sum of Lines 1 through 12				
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$ -	\$ -	\$ -	\$ -
15	GIS Data Enhancement	\$ -	\$ -	\$ -	\$ -
16	Enterprise Service Bus	\$ -	\$ -	\$ -	\$ -
17	Data Lake	\$ -	\$ -	\$ -	\$ -
18	PI Historian	\$ -	\$ -	\$ -	\$ -
19	Advanced Analytics	\$ -	\$ -	\$ -	\$ -
20	Telecommunications	\$ -	\$ -	230,978	346,114
21	Cybersecurity	\$ -	\$ -	\$ -	\$ -
22	Total Gas O&M costs	\$ -	\$ -	\$ 230,978	\$ 346,114
	Sum of Lines 14 through 21				
23	Total O&M Expenses	\$ -	\$ -	\$ 656,000	\$ 983,000
	Line 13 + Line 22				
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$8,480	\$16,184	\$14,967
26	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$4,322	\$8,299
27	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$4,322
28	Total Electric Capital Investment Component of Revenue Requirement	\$ -	\$8,480	\$20,506	\$27,588
	Sum of Lines 25 through Line 27				
29	Gas Capital Investment:				
30	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$4,608	\$8,795	\$8,134
31	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$2,349	\$4,510
32	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$2,349
33	Total Gas Capital Investment Component of Revenue Requirement	\$ -	\$4,608	\$11,144	\$14,993
	Sum of Lines 30 through Line 32				
34	Total Electric Revenue Requirement	\$ -	\$8,480	\$445,529	\$664,474
	Line 13 + Line 28				
35	Total Gas Revenue Requirement	\$ -	\$4,608	\$242,122	\$361,107
	Line 22 + Line 33				
36	Total Electric & Gas Revenue Requirement	\$ -	\$13,088	\$687,650	\$1,025,581
	Line 34 + Line 35				

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020
Synergy Grid Mod - Telecommunications IS

Line No.		Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Telecommunications	\$120,000	\$0	\$0
2	Total Estimated Capital Investment	\$120,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$120,000	\$0	\$0
4	Retirements	Line 4 * 0% \$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5 \$120,000	\$120,000	\$120,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2 \$120,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 7 \$120,000	\$120,000	\$120,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	Page 3 of 10, Line 21 \$99,999	\$13,335	\$4,443
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10 \$99,999	\$113,334	\$117,777
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770 14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50%; Column (b and c) = Line 1 * Line \$8,571	\$17,143	\$17,143
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13 \$8,571	\$25,714	\$42,857
15	Total Cumulative Book Depreciation	Line 14 \$8,571	\$25,714	\$42,857
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$91,428	\$87,620	\$74,920
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$19,200	\$18,400	\$15,733
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40; Col (c) = Page 10 of 10, Line 40 (\$10,424)	\$434	\$1,448
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$8,776	\$18,834	\$17,181
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$120,000	\$120,000	\$120,000
23	Accumulated Depreciation	- Line 15 (\$8,571)	(\$25,714)	(\$42,857)
24	Deferred Tax Reserve	- Line 21 (\$8,776)	(\$18,834)	(\$17,181)
25	Year End Rate Base	Sum of Lines 22 through 24 \$102,653	\$75,451	\$59,962
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 \$51,326.39	\$89,052	\$67,707
27	Pre-Tax ROR	1/ 8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27 \$4,517	\$7,837	\$5,958
29	Book Depreciation	Line 13 \$8,571	\$17,143	\$17,143
30	Annual Revenue Requirement	Line 28 + Line 29 \$13,088	\$24,979	\$23,101

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 IS Capital Investments
Synergy Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending March 31, 2020 (a)	Fiscal Year Ending March 31, 2021 (b)	Fiscal Year Ending March 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 2 of 10, Line 2	\$120,000		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$120,000		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$120,000		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$120,000		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$90,000		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$120,000		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$90,000		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$30,000	\$30,000	\$30,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$9,999	\$13,335	\$4,443
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0
20	Cost of Removal	Page 2 of 10, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$99,999	\$13,335	\$4,443

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2021
Synergy Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending March 31, 2021 (a)	Fiscal Year Ending March 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Telecommunications		\$60,000	
2	Total Estimated Capital Investment	Sum of Lines 1	\$60,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$60,000	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$60,000	\$60,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$60,000	\$0
7	Cost of Removal		\$0	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 5 + Line 7	\$60,000	\$60,000
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$19,998	\$26,670
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$19,998	\$46,668
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$4,286	\$8,571
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$4,286	\$12,857
15	Total Cumulative Book Depreciation	Line 14	\$4,286	\$12,857
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$15,712	\$33,811
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$3,300	\$7,100
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40	(\$1,791)	(\$2,063)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$1,508	\$5,037
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$60,000	\$60,000
23	Accumulated Depreciation	- Line 15	(\$4,286)	(\$12,857)
24	Deferred Tax Reserve	- Line 21	(\$1,508)	(\$5,037)
25	Year End Rate Base	Sum of Lines 22 through 24	\$54,206	\$42,106
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	\$27,103.06	\$48,156
27	Pre-Tax ROR	Workpaper MAL-6	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$2,385	\$4,238
29	Book Depreciation	Line 13	\$4,286	\$8,571
30	Annual Revenue Requirement	Line 28 + Line 29	\$6,671	\$12,809

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	100.00%		6.90%	1.90%	8.80%

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 IS Capital Investments
Synergy Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending	Fiscal Year Ending
			March 31, 2021 (a)	March 31, 2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 4 of 10, Line 2	\$60,000	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$60,000	
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$60,000	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$60,000	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$60,000	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	<u>\$0</u>	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$60,000	\$60,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$19,998</u>	\$26,670
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$19,998</u>	<u>\$26,670</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2022
Synergy Grid Mod - Telecommunications IS

Line No.		Fiscal Year Ending March 31, 2022 (a)
<u>Estimated Capital Investment</u>		
1	Telecommunications	\$60,000
2	Total Estimated Capital Investment	Sum of Line 1 \$60,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$60,000
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$60,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$60,000
7	Cost of Removal	\$0
8	Total Net Plant in Service Including Cost of Removal	Line 6 + Line 8 \$60,000
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend	Page 7 of 10, Line 21 \$19,998
11	Cumulative Tax Depreciation	Current Year Line 10 \$19,998
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 2 * Line 12 * 50% \$4,286
14	Cumulative Book Depreciation	Current Year Line 13 \$4,286
15	Total Cumulative Book Depreciation	Line 14 \$4,286
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$15,712
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$3,300
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment	Col = Page 10 of 10, Line 40 (\$1,791)
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 \$1,508
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$60,000
23	Accumulated Depreciation	- Line 15 (\$4,286)
24	Deferred Tax Reserve	- Line 21 (\$1,508)
25	Year End Rate Base	Sum of Lines 22 through 24 \$54,206
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base	Column (a) = Current Year Line 25 ÷ 2 \$27,103.06
27	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 8.80%
28	Return and Taxes	Line 26 * Line 27 \$2,385
29	Book Depreciation	Line 13 \$4,286
30	Annual Revenue Requirement	Line 28 + Line 29 \$6,671

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	10.10%	5.05%	1.90%	6.95%
	<u>100.00%</u>		<u>6.90%</u>	<u>1.90%</u>	<u>8.80%</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 IS Capital Investments
Synergy Grid Mod - Telecommunications IS

Line No.			Fiscal Year Ending <u>March 31, 2022</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 6 of 10, Line 2	\$60,000
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$60,000
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$60,000
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	<u>100.00%</u>
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$60,000
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$60,000
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$60,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
18	Remaining Tax Depreciation	Line 16 * Line 17	\$19,998
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 6 of 10, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$19,998</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Power Sector Transformation (PST)
Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Telecommunications IS

Line No.	Description		(a)= Column (b)		
			Total	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2 of 10, Line 13	\$8,571	\$8,571	
2	Bonus Depreciation	Page 3 of 10, - Line 12	(\$90,000)	(\$90,000)	
3	Remaining MACRS Tax Depreciation	Page 3 of 10, - Line 18	(\$9,999)	(\$9,999)	
4	FY20 tax (gain)/loss on retirements	Page 3 of 10, - Line 19	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$91,428)	(\$91,428)	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$19,200)	(\$19,200)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 3 of 10, Line 3	\$0	\$0	
9	Cost of Removal	Page 3 of 10, Line 20	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$19,200)	(\$19,200)	
15	Net Operating Loss	Page 2 of 10, Line 19	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$19,200)	(\$19,200)	
Allocation of FY 2020 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$91,428)	(\$91,428)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$91,428)	(\$91,428)	
20	Total FY 2020 Federal NOL	Page 2 of 10, Line 19 / 21%	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	
23	Effective Tax Rate	Per Tax Department	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$19,200)	(\$19,200)	
Proration Calculation					
		(i)	(j)	(k)= Sum of (l)	(l)
		Number of Days in			
		Month	Proration Percentage		
26	April 2019	30	91.78%	(\$1,468)	(\$1,468)
27	May 2019	31	83.29%	(\$1,333)	(\$1,333)
28	June 2019	30	75.07%	(\$1,201)	(\$1,201)
29	July 2019	31	66.58%	(\$1,065)	(\$1,065)
30	August 2019	31	58.08%	(\$929)	(\$929)
31	September 2019	30	49.86%	(\$798)	(\$798)
32	October 2019	31	41.37%	(\$662)	(\$662)
33	November 2019	30	33.15%	(\$530)	(\$530)
34	December 2019	31	24.66%	(\$395)	(\$395)
35	January 2020	31	16.16%	(\$259)	(\$259)
36	February 2020	28	8.49%	(\$136)	(\$136)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$8,776)	(\$8,776)
39	Deferred Tax Without Proration	Line 25		(\$19,200)	(\$19,200)
40	Proration Adjustment	Line 38 - Line 39		\$10,424	\$10,424

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Telecommunications IS

Line No.			(a)=Sum of (b) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
Deferred Tax Subject to Proration						
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$21,429	\$4,286	\$17,143	
2	Bonus Depreciation	Page 5 of 10, Line 12	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (b) = Page 5 of 10, Line 18; Col (c) = Page 3 of 10, Line 18	(\$33,333)	(\$19,998)	(\$13,335)	
4	FY21 tax (gain)/loss on retirements	Col (b) = Page 5 of 10, Line 19; Col (c) = Page 3 of 10, Line 19	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$11,904)	(\$15,712)	\$3,808	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$2,500)	(\$3,300)	\$800	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0		
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$2,500)	(\$3,300)	\$800	
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$2,500)	(\$3,300)	\$800	
Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$11,904)	(\$15,712)	\$3,808	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$11,904)	(\$15,712)	\$3,808	
20	Total FY 2021 Federal NOL	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19 / 21%	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$2,500)	(\$3,300)	\$800	
Proration Calculation						
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$191)	(\$252)	\$61
27	May 2020	31	83.29%	(\$174)	(\$229)	\$56
28	June 2020	30	75.07%	(\$156)	(\$206)	\$50
29	July 2020	31	66.58%	(\$139)	(\$183)	\$44
30	August 2020	31	58.08%	(\$121)	(\$160)	\$39
31	September 2020	30	49.86%	(\$104)	(\$137)	\$33
32	October 2020	31	41.37%	(\$86)	(\$114)	\$28
33	November 2020	30	33.15%	(\$69)	(\$91)	\$22
34	December 2020	31	24.66%	(\$51)	(\$68)	\$16
35	January 2021	31	16.16%	(\$34)	(\$44)	\$11
36	February 2021	28	8.49%	(\$18)	(\$23)	\$6
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$1,143)	(\$1,508)	\$366
39	Deferred Tax Without Proration	Line 25		(\$2,500)	(\$3,300)	\$800
40	Proration Adjustment	Line 38 - Line 39		\$1,357	\$1,791	(\$434)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration
Synergy Grid Mod - Telecommunications IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)	(b)	(c)	(d)	
			Total	Vintage Year March 31, 2022	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
1	Book Depreciation	Col (b) = Page 6 of 10, Line 13; Col (c) = Page 4 of 10, Line 13; Col (d) = Page 2 of 10, Line 13	\$30,000	\$4,286	\$8,571	\$17,143	
2	Bonus Depreciation	Page 7 of 10, Line 12	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Col (b) = Page 7 of 10, Line 18; Col (c) = Page 5 of 10, Line 18; Col (d) = Page 3 of 10, Line 18	(\$51,111)	(\$19,998)	(\$26,670)	(\$4,443)	
4	FY22 tax (gain)/loss on retirements	Col (b) = Page 7 of 10, Line 19; Col (c) = Page 5 of 10, Line 19; Col (d) = Page 3 of 10, Line 19	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$21,111)	(\$15,712)	(\$18,099)	\$12,700	
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$4,433)	(\$3,300)	(\$3,801)	\$2,667	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 7 of 10, Line 3	\$0	\$0			
9	Cost of Removal	Page 7 of 10, Line 20	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$4,433)	(\$3,300)	(\$3,801)	\$2,667	
15	Net Operating Loss	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$4,433)	(\$3,300)	(\$3,801)	\$2,667	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$21,111)	(\$15,712)	(\$18,099)	\$12,700	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$21,111)	(\$15,712)	(\$18,099)	\$12,700	
20	Total FY 2022 Federal NOL	Col (b) = Page 6 of 10, Line 19; Col (c) = Page 4 of 10, Line 19; Col (d) = Page 2 of 10, Line 19	\$0	\$0	\$0	\$0	
21	Allocated FY 2022 Federal NOL Not Subject to Proration	/ 21%	\$0	\$0	\$0	\$0	
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
24	Deferred Tax Benefit subject to proration	Per Tax Department	21.00%	21.00%	21.00%	21.00%	
25	Net Deferred Tax Reserve subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$4,433)	(\$3,300)	(\$3,801)	\$2,667	
Proration Calculation							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
		<u>Month</u>					
26	April 2021	30	91.78%	(\$339)	(\$252)	(\$291)	\$204
27	May 2021	31	83.29%	(\$308)	(\$229)	(\$264)	\$185
28	June 2021	30	75.07%	(\$277)	(\$206)	(\$238)	\$167
29	July 2021	31	66.58%	(\$246)	(\$183)	(\$211)	\$148
30	August 2021	31	58.08%	(\$215)	(\$160)	(\$184)	\$129
31	September 2021	30	49.86%	(\$184)	(\$137)	(\$158)	\$111
32	October 2021	31	41.37%	(\$153)	(\$114)	(\$131)	\$92
33	November 2021	30	33.15%	(\$122)	(\$91)	(\$105)	\$74
34	December 2021	31	24.66%	(\$91)	(\$68)	(\$78)	\$55
35	January 2022	31	16.16%	(\$60)	(\$44)	(\$51)	\$36
36	February 2022	28	8.49%	(\$31)	(\$23)	(\$27)	\$19
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$2,026)	(\$1,508)	(\$1,737)	\$1,219
39	Deferred Tax Without Proration	Line 25		(\$4,433)	(\$3,300)	(\$3,801)	\$2,667
40	Proration Adjustment	Line 38 - Line 39		\$2,407	\$1,791	\$2,063	(\$1,448)

Column Notes:

- (j) Sum of remaining days in the year (Col (i)) ÷ 365
- (l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Appendix 10.1 - Revenue Requirement Summaries (Revised)
Page 1 of 2

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Annual Revenue Requirement Summary
including shared AMI and Grid Mod

Line No.		Six Months Ended March 31, 2019	PST Year Ending March 31, 2020	PST Year Ending March 31, 2021	PST Year Ending March 31, 2022
1	Grid Mod - Electric	\$427,000	\$3,703,769	\$5,950,907	\$7,263,005
2	AMI - Electric	\$2,000,000	\$5,329,264	\$10,721,800	\$22,240,662
3	Electric Transportation	\$0	\$920,583	\$1,496,285	\$2,563,267
4	Electric Heat	\$0	\$383,093	\$406,193	\$454,646
5	Energy Storage	\$0	\$115,164	\$267,682	\$422,699
6	Solar	\$0	\$79,708	\$369,516	\$951,409
7	Total Electric	\$2,427,000	\$10,531,580	\$19,212,383	\$33,895,688
8	Grid Mod - Gas	\$0	\$1,568,825	\$2,139,639	\$2,765,444
9	AMI - Gas	\$0	\$1,706,877	\$949,702	\$1,296,765
10	Total Gas	\$0	\$3,275,702	\$3,089,341	\$4,062,209
11	Total Gas and Electric	\$2,427,000	\$13,807,282	\$22,301,724	\$37,957,897

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Appendix 10.1 - Revenue Requirement Summaries (Revised)
Page 2 of 2

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Rhode Island Renewable Energy
Annual Revenue Requirement Summary
including standalone RI AMI and Grid Mod

Line No.		Six Months Ended March 31, 2019	Fiscal Year Ending March 31, 2020	Fiscal Year Ending March 31, 2021	Fiscal Year Ending March 31, 2022
1	Grid Mod - Electric	\$3,049,000	\$9,156,018	\$13,951,232	\$17,059,544
2	AMI - Electric	\$2,000,000	\$9,386,982	\$13,127,594	\$25,255,307
3	Electric Transportation	\$0	\$920,583	\$1,496,285	\$2,563,267
4	Electric Heat	\$0	\$383,093	\$406,193	\$454,646
5	Energy Storage	\$0	\$115,164	\$267,682	\$422,699
6	Solar	\$0	\$79,708	\$369,516	\$951,409
7	Total Electric	\$5,049,000	\$20,041,548	\$29,618,502	\$46,706,872
8	Grid Mod - Gas	\$0	\$4,531,839	\$6,486,451	\$8,089,428
9	AMI - Gas	\$0	\$3,744,704	\$2,158,977	\$2,447,779
10	Total Gas	\$0	\$8,276,544	\$8,645,428	\$10,537,207
11	Total Gas and Electric	\$5,049,000	\$28,318,092	\$38,263,930	\$57,244,079

Division 19-9

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 53-56, Section 3.4.3 ("Geographic Information System (GIS) Data Enhancement"), please identify any and all Grid Modernization Programs identified in Chapter 3 that are dependent upon the GIS Data Enhancement being implemented first or concurrently.

Response:

Grid Modernization projects identified in Chapter 3, which are dependent on the Geographic Information System (GIS) Data Enhancement being implemented first, or concurrently, are the DSCADA & ADMS and Advanced Analytics projects. Other PST projects - including System Data Portal, Telecommunications and Advanced Meter Functionality (AMF) - would see enabling benefits and capabilities from GIS Data Enhancement. For example, GIS Data Enhancements will enable the collection of better data, so the Company can plan, operate and deploy Telecommunications and AMF assets more effectively.

(This response is identical to the Company's response to Division 6-9 in Docket No. 4780.)

Division 19-10

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 53-56, Section 3.4.3 (“Geographic Information System (GIS) Data Enhancement”), please provide a breakdown of the costs of the project by (a) software and other shared assets used by multi-jurisdictions and (b) costs related solely to populating Rhode Island data.

Response:

The Rhode Island portion of GIS Data Enhancement costs for software and other shared assets for the Information Systems (IS) that would be used by multiple jurisdictions is provided in Table 3-8, Chapter 3 and replicated below.

Table 3-8: GIS Data Enhancement Cash Flow Estimate for IS Resources - Multi-Jurisdiction Scenario

GIS Data Enhancement (IS) Cash Flow, \$M	FY19	FY20	FY21	FY22	FY23
CAPEX	\$ -	\$ -	\$ -	\$ -	\$ -
O&M	\$ 0.43	\$ -	\$ -	\$ -	\$ -
Total	\$ 0.43	\$ -	\$ -	\$ -	\$ -

Table 3-7 in Chapter 3, and replicated below, shows the software and other IS asset costs for the Rhode Island Only scenario, under the assumption that no other jurisdictions would contribute to these IS resources costs.

Table 3-7: GIS Data Enhancement Cash Flow Estimate for IS Resources - Rhode Island Only Scenario

GIS Data Enhancement (IS) Cash Flow, \$M	FY19	FY20	FY21	FY22	FY23
CAPEX	\$ -	\$ -	\$ -	\$ -	\$ -
O&M	\$ 3.05	\$ -	\$ -	\$ -	\$ -
Total	\$ 3.05	\$ -	\$ -	\$ -	\$ -

Non-IS Resources costs related solely to populating Rhode Island data are provided in Table 3-9, Chapter 3 and replicated below.

Table 3-9: GIS Data Enhancement Cash Flow Estimate for Non-IS Resources

GIS Data Enhancement (Non-IS) Cash Flow, \$M	FY19	FY20	FY21	FY22	FY23
CAPEX	\$ -	\$ -	\$ -	\$ -	\$ -
O&M	\$ -	\$ -	\$ 1.03	\$ 1.03	\$ 1.03
Total	\$ -	\$ -	\$ 1.03	\$ 1.03	\$ 1.03

(This response is identical to the Company’s response to Division 6-10 in Docket No. 4780.)

Division 19-11

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 53-56, Section 3.4.3 ("Geographic Information System (GIS) Data Enhancement") and Appendices 10.2 (page 1 of 21) and 10.3 (page 1 of 21), please explain why the revenue requirement shown on line 4 for GIS Data Enhancement is identical for both the Rhode Island alone and multi-jurisdictional scenarios.

Response:

The GIS Data Enhancement project consists of two elements: GIS software enhancements (i.e., Information Systems (IS) Resources) and the population of appropriate data in the GIS system (i.e., Non-IS Resources). GIS software enhancements have the potential to be utilized in other affiliated jurisdictions, whereas the population of data is specific to Rhode Island. The FY20 through FY22 revenue requirements presented on line 4 in Appendices 10.2 and 10.3 represents the Non-IS Resources portion of the GIS Data Enhancement operating and maintenance (O&M) costs, which would be the same costs in both scenarios.

(This response is identical to the Company's response to Division 6-11 in Docket No. 4780.)

Division 19-12

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 55, Section 3.4.3 ("Geographic Information System (GIS) Data Enhancement"), Table 3-7:

- a. Is the Company proposing to recover the \$3.05 million shown for FY19 in the PST cost tracker tariff?
- b. Is there any reason why this amount could not be amortized over the life of the system instead of recovered in one year?
- c. Please indicate how much of the \$3.05 million results from Service Company rental charges and ordinary O&M from the Service Company.

Response:

- a. Yes. The Company is seeking to recover the Fiscal Year (FY) 2019 operating and maintenance (O&M) costs associated with the GIS Data Enhancement project. Please see Attachment DIV 19-8-1 (Rhode Island-only scenario), Attachment DIV 19-8-2 (Multi-Jurisdiction scenario), and Attachment DIV 19-8-3 (Summary) provided with the response to Division 19-8, which show the revenue requirements of Information System (IS) National Grid USA Service Company, Inc. assets for each Grid Modernization initiative, including GIS Data Enhancement. Please note that the Company has updated the revenue requirements for the GIS Data Enhancement project for both the Rhode Island-only and the Multi-Jurisdiction scenarios, so they represent the impacts of the FY2019 spending.
- b. The FY2019 expenditures for the GIS Data Enhancement project are O&M expenses. This amount could be amortized over the life of the asset with a return; however, the Company's proposal provides a better matching of accounting costs and cash flows.
- c. All of the costs associated with the GIS Data Enhancement are O&M costs that would flow through to the Company directly, in both the Rhode Island-only and Multi-Jurisdiction scenarios. Because there are no National Grid USA Service Company, Inc. capital costs associated with this project, there would be no rent expense generated as a result of a capital asset, and the entire \$3.05 million (in the Rhode Island-only scenario) is then considered O&M flow through. Please see Attachment DIV 19-8-1 (Rhode Island-only scenario) and Attachment DIV 19-8-3 (Summary) provided with the response to Division 19-8, which show the revenue requirement of IS National Grid USA Service

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770
Responses to Division's Nineteenth Set of Data Requests
Issued January 29, 2018

Company, Inc. assets for each Grid Modernization initiative, including GIS Data Enhancement.

(This response is identical to the Company's response to Division 6-12 in Docket No. 4780.)

Division 19-13

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, Bates pages 48-53, Sections 3.4.1 and 3.4.2 (DSCADA & ADMS), please identify any and all Grid Modernization Programs identified in Chapter 3 that are dependent upon the DSCADA & ADMS being implemented first or concurrently.

Response:

None of the Grid Modernization projects identified in Chapter 3 are dependent on DSCADA & ADMS being implemented first or concurrently. However, the scope of RTU Separation and GIS Data Enhancement, and Information Management projects may be altered if the DSCADA & ADMS project did not progress as proposed. In addition, DSCADA & ADMS allow for the inclusion and use of exponentially growing data from multiple grid modernization programs.

(This response is identical to the Company's response to Division 6-13 in Docket No. 4780.)

Division 19-14

Request:

Please identify any of the Grid Modernization initiatives in Chapter 3 of Power Sector Transformation Book PST-1 that cannot, as a practical matter (excluding reasons related to cost recovery), be implemented unless the project is done on a multi-jurisdictional basis.

Response:

DSCADA & ADMS would not be proposed (and have not been proposed in the Power Sector Transformation) to be implemented on a Rhode Island-only basis because Rhode Island and Massachusetts share a control room and a common instance of the control center operations system.

(This response is identical to the Company's response to Division 6-14 in Docket No. 4780.)

Division 19-15

Request:

Please identify any of the Grid Modernization initiatives in Chapter 3 of Power Sector Transformation Book PST-1 that the Company would not propose to implement on a multi-jurisdictional basis unless the Company is assured of recovering the costs from the other jurisdiction(s) before implementing it for the benefit of Rhode Island.

Response:

The Company would only propose the costs associated with Multi-Jurisdiction implementation scenarios if it were assured of recovering the costs from the other jurisdiction(s) before implementing the initiative(s) for the benefit of Rhode Island. These initiatives include: DSCADA & ADMS, GIS Data Enhancement (IS), Enterprise Service Bus, Data Lake, PI Historian, Advanced Analytics, Telecommunications, and Cybersecurity. In the event that the Company is not assured of recovering costs from the other jurisdiction(s), the Company would propose these initiatives on a Rhode Island-only basis, with the exception of DSCADA & ADMS. DSCADA & ADMS would not be proposed to be implemented on a Rhode Island-only basis because Rhode Island and Massachusetts share a control room and a common instance of the control center operations system.

(This response is identical to the Company's response to Division 6-15 in Docket No. 4780.)

Division 19-16

Request:

Referring to Chapter 3 of Power Sector Transformation Book PST-1, please identify any and all Grid Modernization Programs identified in Chapter 3 that are dependent upon the implementation of Advanced Metering Functionality being implemented first or concurrently.

Response:

None of the Grid Modernization Programs identified in Chapter 3 are dependent on Advanced Metering Functionality (AMF) being implemented first or concurrently. However, some of the projects – including System Data Portal and DSCADA & ADMS - would see direct benefits or enhanced capability from AMF, and the need for other projects - including Operational Data Management, Telecommunications, and Cyber Security - grows with the implementation of AMF.

(This response is identical to the Company's response to Division 6-16 in Docket No. 4780.)

Division 19-17

Request:

To the extent the Company maintains that a PST project in Rhode Island is dependent upon the Massachusetts DPU approving cost recovery for parallel implementation in Massachusetts for the Company's Massachusetts affiliate, please explain why it is in the interest of Rhode Island ratepayers for Narragansett Electric to delay or decline to implement any such PST projects if the DPU does not approve cost recovery for the Company's Massachusetts' affiliate share of the cost.

Response:

The only Power Sector Transformation (PST) project in Rhode Island that is dependent upon the Massachusetts implementation is the DSCADA & ADMS project because Rhode Island and Massachusetts share a control room and a common instance of the control center operations system. Providing common tools and implementing common work practices in the control center improve the efficiency and ensure the distribution system is operated safely and reliably for the benefit of Rhode Island customers.

(This response is identical to the Company's response to Division 6-17 in Docket No. 4780.)

Division 19-18

Request:

To the extent (i) the Rhode Island Commission directs the Company to pursue a Rhode Island standalone option for a PST project that has the future potential to benefit affiliates of the Company in Massachusetts or New York, (ii) Rhode Island funds the upfront costs for the project, and (iii) at a later date, one or more of the Company's affiliates later utilize the system that was funded by Rhode Island ratepayers, would the affiliates or the Service Company give a refund or some form of monetary credit to Rhode Island that effectively results in the affiliates then using the system paying their allocated share of the upfront costs? If the answer would depend upon which PST project is involved, please also specify and explain.

Response:

If the Public Utilities Commission directs the Company to progress a Rhode Island-only scenario, cost allocation between affiliate companies would progress as follows: For operating and maintenance (O&M) expenditures, costs would initially be allocated 100 percent to the Company as they are being incurred. If, during a fiscal year the project transitions to a multi-jurisdictional project, the O&M costs within that fiscal year and future fiscal years can be reallocated appropriately. O&M costs for any previously closed fiscal years cannot be re-allocated retrospectively. Capital costs for a project that has the potential to be utilized in a multi-jurisdictional manner will be created as National Grid USA Service Company, Inc. (Service Company) assets. Capital costs will be accounted for in the Service Company accounts and when placed in service, an allocated rental expense will be charged to the operating companies utilizing the asset. Therefore, if only the Company is utilizing the asset, 100 percent of the assets rental expense would be borne by Rhode Island. The allocation of rental expense can be adjusted for going forward rents as new entities utilize the asset. The rent expense allocation would be based on the remaining net book value of the asset and would be shared proportionately by each benefitting operating company based on an appropriate allocation methodology.

(This response is identical to the Company's response to Division 6-18 in Docket No. 4780.)

Division 19-19

Request:

Are there any Cybersecurity projects being proposed in Dockets 4770 and 4780 that overlap in purpose?

Response:

The capabilities proposed in Docket 4780 are incremental to the capabilities set forth by the Cyber Security 1 and Cyber Security 2 Programs included in Docket 4770, and will be delivered and tracked as separate programs. Docket 4780 introduces new objectives and complexities, such as increased third party and customer interactions, that were not previously considered during definition of the Cyber Security 1 and Cyber Security 2 Programs proposed in Docket 4770. The Company will assess capabilities to leverage potential synergies in capability, cost, and delivery at the respective time of investment.

(This response is identical to the Company's response to Division 6-19 in Docket No. 4780.)

Division 19-20

Request:

Please provide a schedule of all Cybersecurity projects proposed in both Dockets 4770 and 4780, including total cost estimated for Rhode Island. Please also indicate whether the Cybersecurity project is solely for Rhode Island or multi-jurisdictional.

Response:

Please see Excel Attachment DIV 19-20, which presents the schedule for the suite of Cyber Security projects proposed in Docket 4770, including total cost estimated for Rhode Island for a Multi-Jurisdiction scenario. Note that a Rhode Island-only scenario is not applicable to the projects presented in the Docket 4770 filing. Please also see Attachment DIV 19-8-1 and Attachment DIV 19-8-2 provided with the response to Division 19-8, which presents the revenue requirements for the Power System Transformation (PST) Cyber Security programs proposed in Docket 4780 for both the Rhode Island-only and Multi-Jurisdiction scenarios, respectively, including total cost estimated for Rhode Island. Note that the PST Cyber Security programs have not been developed to the level of detail required to estimate individual project costs at this point. Also note that the Cyber Security capabilities proposed in Docket 4780 are incremental to the capabilities set forth by the Cyber Security program included in Docket 4770, and will be delivered and tracked as separate programs.

(This response is identical to the Company's response to Division 6-20 in Docket No. 4780.)

Division 19-21

Request:

Referring to Power Sector Transformation Book PST-2, Appendices 10.2 (page 1 of 21) and 10.3 (page 1 of 21):

- a. Please provide a breakdown of the revenue requirement for each of the projects for the same years shown in these Appendices, (i) by O&M and (ii) by revenue requirement for projects capitalized on the books of Narragansett Electric.
- b. Please also include an additional column showing the breakdown of the revenue requirement (if any) for each of the projects shown in these Appendices, but for Fiscal Year Ending March 31, 2019. Please also breakdown (i) by O&M and (ii) by revenue requirement for projects capitalized on the books of Narragansett Electric.
- c. In a separate schedule, for each project and fiscal year, please also show the amounts of the revenue requirement attributable to charges from the Service Company and Service Company rents associated with projects capitalized on the books of the Service Company for each of the fiscal years.

Response:

- a. Please see Attachment DIV 19-8-1 (Rhode Island-only Scenario) and Attachment DIV 19-8-2 (Multi-Jurisdiction Scenario), provided with the response to Division 19-8 for a breakdown of the revenue requirement for each of the Grid Modernization initiatives for the same years shown in Appendices 10.2 and 10.3.
- b. Please see Attachment DIV 19-8-1 (Rhode Island-only Scenario) and Attachment DIV 19-8-2 (Multi-Jurisdiction Scenario), provided with the response to Division 19-8 for a breakdown of the revenue requirement for each of the Grid Modernization initiatives that includes a column for Fiscal Year 2019 operating and maintenance and revenue requirement for projects capitalized.
- c. Please see Page 1 (Summary), Lines 4 through 11 in Attachment DIV 19-8-1 (Rhode Island-only Scenario) and Attachment DIV 19-8-2 (Multi-Jurisdiction Scenario), provided with the response to Division 19-8, which show the revenue requirements of Information System National Grid USA Service Company, Inc. assets for each Grid Modernization initiative.

(This response is identical to the Company's response to Division 6-21 in Docket No. 4780.)