

Division 6-1

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 19-1 in Docket No. 4770.)

Division 6-2

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 19-2 in Docket No. 4770.)

Division 6-3

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 19-3 in Docket No. 4770.)

Division 6-4

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 19-4 in Docket No. 4770.)

Division 6-5

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 19-5 in Docket No. 4770.)

Division 6-6

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 19-6 in Docket No. 4770.)

Division 6-7

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 19-7 in Docket No. 4770.)

Division 6-8

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 6-8-1 (Rhode Island Only scenario) and Attachment DIV 6-8-2 (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 6-8-1 (Rhode Island Only scenario) and Attachment DIV 6-8-2 (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 6-8-1 (Rhode Island Only scenario) and Attachment DIV 6-8-2 (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 6-8-3, to reflect these updates.

(This response is identical to the Company's response to Division 19-8 in Docket No. 4770.)

**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.		<u>Six Months Ended March 31, 2019</u>	<u>PST Year Ending March 31, 2020</u>	<u>PST Year Ending March 31, 2021</u>	<u>PST Year Ending March 31, 2022</u>	
<b>Capex - Electric</b>						
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	<b>Combined Capex Total</b>		<b>\$0</b>	<b>\$56,970</b>	<b>\$222,499</b>	<b>\$376,169</b>
<b>IS Capex - Electric &amp; Gas</b>						
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	<b>IS Capex Total</b>		<b>\$0</b>	<b>\$2,259,887</b>	<b>\$5,681,184</b>	<b>\$9,261,803</b>
<b>O&amp;M - Electric &amp; Gas</b>						
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	<b>O&amp;M Total</b>		<b>\$3,049,000</b>	<b>\$11,371,000</b>	<b>\$14,534,000</b>	<b>\$15,511,000</b>
25	<b>Total Revenue Requirement</b>		<b>\$3,049,000</b>	<b>\$13,687,858</b>	<b>\$20,437,682</b>	<b>\$25,148,972</b>

**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**

<u>Line No.</u>			<u>Six Months Ended March 31, 2019</u>	<u>PST Year Ending March 31, 2020</u>	<u>PST Year Ending March 31, 2021</u>	<u>PST Year Ending March 31, 2022</u>
<b>Electric Capex</b>						
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	<b>Electric Capex Total</b>		<b>\$0</b>	<b>\$56,970</b>	<b>\$222,499</b>	<b>\$376,169</b>
<b>IS Capex - Electric Only</b>						
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	<b>Electric IS Capex Total</b>		<b>\$0</b>	<b>\$1,464,181</b>	<b>\$3,680,839</b>	<b>\$6,000,722</b>
<b>O&amp;M - Electric Only</b>						
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	<b>Electric O&amp;M Total</b>		<b>\$3,049,000</b>	<b>\$7,634,867</b>	<b>\$10,047,894</b>	<b>\$10,682,653</b>
25	<b>Total Electric Revenue Requirement</b>		<b>\$3,049,000</b>	<b>\$9,156,018</b>	<b>\$13,951,232</b>	<b>\$17,059,544</b>

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
<b>Gas Capex</b>					
1	Feeder Monitoring Sensor Pg. 54	\$0	\$0	\$0	\$0
2	RTU Separation Pg. 76	\$0	\$0	\$0	\$0
3	<b>Gas Capex Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>IS Capex - Electric Only</b>					
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	<b>Gas IS Capex Total</b>	<b>\$0</b>	<b>\$795,706</b>	<b>\$2,000,345</b>	<b>\$3,261,081</b>
<b>O&amp;M - Gas Only</b>					
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	<b>Gas O&amp;M Total</b>	<b>\$0</b>	<b>\$3,736,133</b>	<b>\$4,486,106</b>	<b>\$4,828,347</b>
25	<b>Total Gas Revenue Requirement</b>	<b>\$0</b>	<b>\$4,531,839</b>	<b>\$6,486,451</b>	<b>\$8,089,428</b>

**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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 69,973</b>	<b>\$ 874,017</b>	<b>\$ 1,029,513</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 38,027</b>	<b>\$ 474,983</b>	<b>\$ 559,487</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 108,000</b>	<b>\$ 1,349,000</b>	<b>\$ 1,589,000</b>
	Electric Capital Investment:				
24	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$334,034</b>	<b>\$1,027,871</b>	<b>\$1,577,483</b>
	Gas Capital Investment:				
29	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$181,530</b>	<b>\$558,594</b>	<b>\$857,280</b>
34	<b>Total Electric Revenue Requirement</b>	<b>\$ -</b>	<b>\$404,007</b>	<b>\$1,901,888</b>	<b>\$2,606,996</b>
35	<b>Total Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$219,557</b>	<b>\$1,033,577</b>	<b>\$1,416,767</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$ 623,564</b>	<b>\$ 2,935,465</b>	<b>\$ 4,023,763</b>

**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	Sum of Line 1	\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$4,727,000</b>	<b>\$4,727,000</b>	<b>\$4,727,000</b>
<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		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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$515,564</b>	<b>\$983,982</b>	<b>\$909,988</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - Advanced Analytics IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$4,727,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$3,545,250</u>		
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	<u>\$393,877</u>	<u>\$525,288</u>	<u>\$175,017</u>
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	<u>\$3,939,127</u>	<u>\$525,288</u>	<u>\$175,017</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, 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 <span style="float: right;">Sum of Lines 1</span>	\$5,419,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year <span style="float: right;">Line 2</span>	\$5,419,000	\$0
4	Retirements <span style="float: right;">Line 4 * 0%</span>	\$0	\$0
5	Net Depreciable Capital Included in Rate Base <span style="float: right;">Column (a) = Line 3 - Line 4; Column (b) and c) = Prior Year Line 5</span>	\$5,419,000	\$5,419,000
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base <span style="float: right;">Line 2</span>	\$5,419,000	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b> <span style="float: right;"><b>Line 5 + Line 7</b></span>	<b>\$5,419,000</b>	<b>\$5,419,000</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend <span style="float: right;">Page 16 of 21, Line 21</span>	\$1,806,153	\$2,408,746
11	Cumulative Tax Depreciation <span style="float: right;">Prior Year Line 11 + Current Year Line 10</span>	\$1,806,153	\$4,214,899
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate <span style="float: right;">As filed per R.I.P.U.C. Docket No. 4770</span>	14.29%	14.29%
13	Book Depreciation <span style="float: right;">Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12</span>	\$387,071	\$774,143
14	Cumulative Book Depreciation <span style="float: right;">Prior Year Line 14 + Current Year Line 13</span>	\$387,071	\$1,161,214
15	Total Cumulative Book Depreciation <span style="float: right;">Line 14</span>	\$387,071	\$1,161,214
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer <span style="float: right;">Line 11 - Line 14</span>	\$1,419,082	\$3,053,685
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve <span style="float: right;">Line 16 * Line 17</span>	\$298,007	\$641,274
19	Less: FY 2021 Federal NOL	\$0	\$0
20	Less: Proration Adjustment <span style="float: right;">Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40</span>	(\$161,795)	(\$186,367)
21	Net Deferred Tax Reserve <span style="float: right;">Sum of Lines 18 through 20</span>	\$136,212	\$454,907
<u>Rate Base Calculation:</u>			
22	Cumulative Incremental Capital Included in Rate Base <span style="float: right;">Line 8</span>	\$5,419,000	\$5,419,000
23	Accumulated Depreciation <span style="float: right;">- Line 15</span>	(\$387,071)	(\$1,161,214)
24	Deferred Tax Reserve <span style="float: right;">- Line 21</span>	(\$136,212)	(\$454,907)
25	Year End Rate Base <span style="float: right;">Sum of Lines 22 through 24</span>	\$4,895,716	\$3,802,879
<u>Revenue Requirement Calculation:</u>			
26	Average Rate Base <span style="float: right;">Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2</span>	\$2,447,858.09	\$4,349,298
27	Pre-Tax ROR <span style="float: right;">Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,</span>	8.80%	8.80%
28	Return and Taxes <span style="float: right;">Worksheet MAL-6</span>	\$215,412	\$382,738
29	Book Depreciation <span style="float: right;">Line 26 * Line 27</span>	\$387,071	\$774,143
30	<b>Annual Revenue Requirement</b> <span style="float: right;"><b>Line 28 + Line 29</b></span>	<b>\$602,483</b>	<b>\$1,156,881</b>

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 <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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 <span style="float: right;">Sum of Line 1</span>	\$3,309,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year <span style="float: right;">Line 2</span>	\$3,309,000
4	Retirements <span style="float: right;">Line 4 * 0%</span>	\$0
5	Net Depreciable Capital Included in Rate Base <span style="float: right;">Column (a) = Line 3 - Line 4</span>	\$3,309,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base <span style="float: right;">Line 2</span>	\$3,309,000
7	Cost of Removal	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b> <span style="float: right;"><b>Line 6 + Line 8</b></span>	<b>\$3,309,000</b>
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend <span style="float: right;">Page 7 of 10, Line 21</span>	\$1,102,890
11	Cumulative Tax Depreciation <span style="float: right;">Current Year Line 10</span>	\$1,102,890
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate <span style="float: right;">As approved per R.I.P.U.C. Docket No. 4770</span>	14.29%
13	Book Depreciation <span style="float: right;">Column (a) = Line 2 * Line 12 * 50%</span>	\$236,357
14	Cumulative Book Depreciation <span style="float: right;">Current Year Line 13</span>	\$236,357
15	Total Cumulative Book Depreciation <span style="float: right;">Line 14</span>	\$236,357
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer <span style="float: right;">Line 11 - Line 15</span>	\$866,533
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve <span style="float: right;">Line 16 * Line 17</span>	\$181,972
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment <span style="float: right;">Col = Page 10 of 10, Line 40</span>	(\$98,797)
21	Net Deferred Tax Reserve <span style="float: right;">Sum of Lines 18 through 20</span>	\$83,175
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base <span style="float: right;">Line 8</span>	\$3,309,000
23	Accumulated Depreciation <span style="float: right;">- Line 15</span>	(\$236,357)
24	Deferred Tax Reserve <span style="float: right;">- Line 21</span>	(\$83,175)
25	Year End Rate Base <span style="float: right;">Sum of Lines 22 through 24</span>	\$2,989,468
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base <span style="float: right;">Column (a) = Current Year Line 25 ÷ 2</span>	\$1,494,733.79
27	Pre-Tax ROR <span style="float: right;">Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper</span>	8.80%
28	Return and Taxes <span style="float: right;">MAL-6</span>	\$131,537
29	Book Depreciation <span style="float: right;">Line 26 * Line 27</span>	\$236,357
30	<b>Annual Revenue Requirement</b> <span style="float: right;"><b>Line 28 + Line 29</b></span>	<b>\$367,894</b>

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 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 100.00%
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% 0.00%
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 33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17 <u>\$1,102,890</u>
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>\$1,102,890</u>



**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
	<b>Deferred Tax Subject to Proration</b>				
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
	<b>Deferred Tax Not Subject to Proration</b>				
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
	<b>Allocation of FY 2021 Estimated Federal NOL</b>				
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
		(i) (j)			
	<b>Proration Calculation</b>	<u>Number of Days in Month</u> <u>Proration Percentage</u>	(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)

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	
<b>Deferred Tax Not Subject to Proration</b>							
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 (d) = 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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 (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	(\$420,182)	(\$181,972)	(\$343,267)	\$105,056	
<b>Proration Calculation</b>							
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)
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	\$ -	\$ -	\$ -	\$ -
13	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 5,423,571</b>	<b>\$ 2,736,730</b>	<b>\$ 2,182,127</b>
	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	\$ -	\$ 2,947,429	\$ 1,487,270	\$ 1,185,873
22	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 2,947,429</b>	<b>\$ 1,487,270</b>	<b>\$ 1,185,873</b>
	Sum of Lines 14 through 21				
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 8,371,000</b>	<b>\$ 4,224,000</b>	<b>\$ 3,368,000</b>
	Line 13 + Line 22				
24	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$978,288</b>	<b>\$2,352,188</b>	<b>\$2,977,034</b>
	Sum of Lines 25 through 27				
29	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$531,649</b>	<b>\$1,278,292</b>	<b>\$1,617,863</b>
	Sum of Lines 30 through 32				
34	<b>Total Electric Revenue Requirement</b>	<b>\$ -</b>	<b>\$6,401,859</b>	<b>\$5,088,917</b>	<b>\$5,159,161</b>
	Line 13 + Line 28				
35	<b>Total Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$3,479,078</b>	<b>\$2,765,562</b>	<b>\$2,803,736</b>
	Line 22 + Line 33				
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$ 9,880,936</b>	<b>\$ 7,854,479</b>	<b>\$ 7,962,897</b>
	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 - 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	Sum of Line 1	\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$13,844,000</b>	<b>\$13,844,000</b>	<b>\$13,844,000</b>
<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		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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$1,509,936</b>	<b>\$2,881,795</b>	<b>\$2,665,090</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - Cybersecurity IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$13,844,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$10,383,000</u>		
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	<u>\$1,153,551</u>	<u>\$1,538,415</u>	<u>\$512,574</u>
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	<u>\$11,536,551</u>	<u>\$1,538,415</u>	<u>\$512,574</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, 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	\$6,734,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	\$6,734,000	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$6,734,000	\$6,734,000
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	\$6,734,000	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$6,734,000</b>	<b>\$6,734,000</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend	\$2,244,442	\$2,993,263
11	Cumulative Tax Depreciation	\$2,244,442	\$5,237,705
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$481,000	\$962,000
14	Cumulative Book Depreciation	\$481,000	\$1,443,000
15	Total Cumulative Book Depreciation	\$481,000	\$1,443,000
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	\$1,763,442	\$3,794,705
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$370,323	\$796,888
19	Less: FY 2021 Federal NOL	\$0	\$0
20	Less: Proration Adjustment	(\$201,057)	(\$231,592)
21	Net Deferred Tax Reserve	\$169,266	\$565,296
<u>Rate Base Calculation:</u>			
22	Cumulative Incremental Capital Included in Rate Base	\$6,734,000	\$6,734,000
23	Accumulated Depreciation	(\$481,000)	(\$1,443,000)
24	Deferred Tax Reserve	(\$169,266)	(\$565,296)
25	Year End Rate Base	\$6,083,734	\$4,725,704
<u>Revenue Requirement Calculation:</u>			
26	Average Rate Base	\$3,041,866.86	\$5,404,719
27	Pre-Tax ROR	8.80%	8.80%
28	Return and Taxes	\$267,684	\$475,615
29	Book Depreciation	\$481,000	\$962,000
30	<b>Annual Revenue Requirement</b>	<b>\$748,684</b>	<b>\$1,437,615</b>

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 2021 IS Capital Investments**  
**RI Only Grid Mod - Cybersecurity IS**

Line No.			Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$6,734,000	
5	Less Capital Repairs Deduction	Line 3	\$0	
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	100.00%	
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%	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	\$6,734,000	
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	\$6,734,000	\$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	\$2,244,442	\$2,993,263
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	\$2,244,442	\$2,993,263

**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	Sum of Line 1 \$4,427,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$4,427,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$492,193</b>

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 33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17 <u>\$1,475,519</u>
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  
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	
<b>Deferred Tax Subject to Proration</b>						
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	
<b>Deferred Tax Not Subject to Proration</b>						
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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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)						
<b>Proration Calculation</b>						
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(k)= Sum of (l) through (m)	(l)	(m)
26	April 2020	30	91.78%	(\$21,268)	(\$28,324)	\$7,056
27	May 2020	31	83.29%	(\$19,300)	(\$25,703)	\$6,403
28	June 2020	30	75.07%	(\$17,395)	(\$23,166)	\$5,771
29	July 2020	31	66.58%	(\$15,427)	(\$20,545)	\$5,118
30	August 2020	31	58.08%	(\$13,459)	(\$17,924)	\$4,465
31	September 2020	30	49.86%	(\$11,555)	(\$15,388)	\$3,833
32	October 2020	31	41.37%	(\$9,586)	(\$12,767)	\$3,180
33	November 2020	30	33.15%	(\$7,682)	(\$10,230)	\$2,549
34	December 2020	31	24.66%	(\$5,714)	(\$7,609)	\$1,896
35	January 2021	31	16.16%	(\$3,746)	(\$4,988)	\$1,243
36	February 2021	28	8.49%	(\$1,968)	(\$2,621)	\$653
37	March 2021	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$127,100)	(\$169,266)	\$42,167
39	Deferred Tax Without Proration	Line 25		(\$278,070)	(\$370,323)	\$92,253
40	Proration Adjustment	Line 38 - Line 39		\$150,970	\$201,057	(\$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  
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	
<b>Deferred Tax Not Subject to Proration</b>							
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 (d) = 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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 (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	(\$362,340)	(\$243,454)	(\$426,565)	\$307,679	
(i) (j)							
<b>Proration Calculation</b>							
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(k)= Sum of (l) through (n)	(l)	(m)	(n)
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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 546,180</b>	<b>\$ 786,551</b>	<b>\$ 1,063,852</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 296,820</b>	<b>\$ 427,449</b>	<b>\$ 578,148</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 843,000</b>	<b>\$ 1,214,000</b>	<b>\$ 1,642,000</b>
24	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$98,507</b>	<b>\$188,006</b>	<b>\$173,869</b>
29	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$53,534</b>	<b>\$102,172</b>	<b>\$94,489</b>
34	<b>Total Electric Revenue Requirement</b>	<b>-</b>	<b>\$644,687</b>	<b>\$974,557</b>	<b>\$1,237,720</b>
35	<b>Total Gas Revenue Requirement</b>	<b>-</b>	<b>\$350,354</b>	<b>\$529,621</b>	<b>\$672,637</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>-</b>	<b>\$ 995,041</b>	<b>\$ 1,504,178</b>	<b>\$ 1,910,357</b>

**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	Sum of Line 1	\$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	\$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	\$0
7	Cost of Removal		\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$1,394,000</b>	<b>\$1,394,000</b>	<b>\$1,394,000</b>
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2020 Spend	Page 3 of 10, Line 21	\$1,161,655	\$154,908	\$51,613
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$1,161,655	\$1,316,563	\$1,368,176
<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	\$99,571	\$199,143	\$199,143
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$99,571	\$298,714	\$497,857
15	Total Cumulative Book Depreciation	Line 14	\$99,571	\$298,714	\$497,857
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$1,062,084	\$1,017,849	\$870,319
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$223,038	\$213,748	\$182,767
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	(\$121,092)	\$5,043	\$16,820
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20	\$101,945	\$218,792	\$199,587
<u>Rate Base Calculation:</u>					
22	Cumulative Incremental Capital Included in Rate Base	Line 8	\$1,394,000	\$1,394,000	\$1,394,000
23	Accumulated Depreciation	- Line 15	(\$99,571)	(\$298,714)	(\$497,857)
24	Deferred Tax Reserve	- Line 21	(\$101,945)	(\$218,792)	(\$199,587)
25	Year End Rate Base	Sum of Lines 22 through 24	\$1,192,483	\$876,494	\$696,555
<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	\$786,525
27	Pre-Tax ROR		8.80%	8.80%	8.80%
28	Return and Taxes	Line 26 * Line 27	\$52,469	\$91,035	\$69,214
29	Book Depreciation	Line 13	\$99,571	\$199,143	\$199,143
30	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$152,041</b>	<b>\$290,178</b>	<b>\$268,357</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - Data Lake IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$1,394,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$1,045,500</u>		
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	<u>\$116,155</u>	<u>\$154,908</u>	<u>\$51,613</u>
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	<u>\$1,161,655</u>	<u>\$154,908</u>	<u>\$51,613</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, 2021**  
**RI Only Grid Mod - Data Lake IS**

Line No.		Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (b)
<u>Estimated Capital Investment</u>			
1	Data Lake	\$0	
2	Total Estimated Capital Investment	\$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
4	Retirements	Line 4 * 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
<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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 5 + Line 7</b>	<b>\$0</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + 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 14	\$0
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0
19	Less: FY 2021 Federal NOL		\$0
20	Less: Proration Adjustment	Col (a) = Page 9 of 10, Line 40; Col (b) = 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; Column (b) = (Prior Year Line 25 + 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, Worksheet MAL-6	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0
29	Book Depreciation	Line 13	\$0
30	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$0</b>

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 2021 IS Capital Investments**  
**RI Only Grid Mod - Data Lake IS**

Line No.			Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$0</b>

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	\$0
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)  
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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 282,484</b>	<b>\$ -</b>	<b>\$ 58,311</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 153,516</b>	<b>\$ -</b>	<b>\$ 31,689</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 436,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
34	<b>Total Electric Revenue Requirement</b>	<b>-</b>	<b>\$282,484</b>	<b>\$0</b>	<b>\$58,311</b>
35	<b>Total Gas Revenue Requirement</b>	<b>-</b>	<b>\$153,516</b>	<b>\$0</b>	<b>\$31,689</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>- \$</b>	<b>\$ 436,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>

**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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - DSCADA & ADMS IS**

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

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

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 2022 IS Capital Investments**  
**RI Only Grid Mod - DSCADA & ADMS 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 \$0
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 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	
<b>Deferred Tax Subject to Proration</b>						
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	\$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	\$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	
<b>Deferred Tax Not Subject to Proration</b>						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0	\$0	
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
(i) (j)						
<b>Proration Calculation</b>						
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(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																																																																																																																																							
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16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0																																																																																																																																							
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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 / 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																																																																																																																																							
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<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">(i)</th> <th colspan="2">(j)</th> <th colspan="4">(k)= Sum of (l) through (n)</th> </tr> <tr> <th>Month</th> <th>Proration Percentage</th> <th>(l)</th> <th>(m)</th> <th>(l)</th> <th>(m)</th> <th>(n)</th> <th>(n)</th> </tr> </thead> <tbody> <tr> <td>26</td> <td>April 2021</td> <td>30</td> <td>91.78%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>27</td> <td>May 2021</td> <td>31</td> <td>83.29%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>28</td> <td>June 2021</td> <td>30</td> <td>75.07%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>29</td> <td>July 2021</td> <td>31</td> <td>66.58%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>30</td> <td>August 2021</td> <td>31</td> <td>58.08%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>31</td> <td>September 2021</td> <td>30</td> <td>49.86%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>32</td> <td>October 2021</td> <td>31</td> <td>41.37%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>33</td> <td>November 2021</td> <td>30</td> <td>33.15%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>34</td> <td>December 2021</td> <td>31</td> <td>24.66%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>35</td> <td>January 2022</td> <td>31</td> <td>16.16%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> <tr> <td>36</td> <td>February 2022</td> <td>28</td> <td>8.49%</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</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> <td>\$0</td> </tr> <tr> <td>38</td> <td>Total</td> <td>365</td> <td></td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> <td>\$0</td> </tr> </tbody> </table>									(i)		(j)		(k)= Sum of (l) through (n)				Month	Proration Percentage	(l)	(m)	(l)	(m)	(n)	(n)	26	April 2021	30	91.78%	\$0	\$0	\$0	\$0	\$0	27	May 2021	31	83.29%	\$0	\$0	\$0	\$0	\$0	28	June 2021	30	75.07%	\$0	\$0	\$0	\$0	\$0	29	July 2021	31	66.58%	\$0	\$0	\$0	\$0	\$0	30	August 2021	31	58.08%	\$0	\$0	\$0	\$0	\$0	31	September 2021	30	49.86%	\$0	\$0	\$0	\$0	\$0	32	October 2021	31	41.37%	\$0	\$0	\$0	\$0	\$0	33	November 2021	30	33.15%	\$0	\$0	\$0	\$0	\$0	34	December 2021	31	24.66%	\$0	\$0	\$0	\$0	\$0	35	January 2022	31	16.16%	\$0	\$0	\$0	\$0	\$0	36	February 2022	28	8.49%	\$0	\$0	\$0	\$0	\$0	37	March 2022	31	0.00%	\$0	\$0	\$0	\$0	\$0	38	Total	365		\$0	\$0	\$0	\$0	\$0
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**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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 518,968</b>	<b>\$ 1,264,701</b>	<b>\$ 1,326,251</b>
	Sum of Lines 1 through 12	\$ -	\$ 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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 282,032</b>	<b>\$ 687,299</b>	<b>\$ 720,749</b>
	Sum of Lines 14 through 21	\$ -	\$ 282,032	\$ 687,299	\$ 720,749
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 801,000</b>	<b>\$ 1,952,000</b>	<b>\$ 2,047,000</b>
	Line 13 + Line 22	\$ -	\$ 801,000	\$ 1,952,000	\$ 2,047,000
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				\$1,146,195
28	Total Electric Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$1,146,195
	Sum of Lines 25 through 27	-	\$0	\$0	\$1,146,195
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				\$622,897
33	Total Gas Capital Investment Component of Revenue Requirement	-	\$0	\$0	\$622,897
	Sum of Lines 30 through 32	-	\$0	\$0	\$622,897
34	<b>Total Electric Revenue Requirement</b>	<b>-</b>	<b>\$518,968</b>	<b>\$1,264,701</b>	<b>\$2,472,446</b>
	Line 13 + Line 28	-	\$518,968	\$1,264,701	\$2,472,446
35	<b>Total Gas Revenue Requirement</b>	<b>-</b>	<b>\$282,032</b>	<b>\$687,299</b>	<b>\$1,343,646</b>
	Line 22 + Line 33	-	\$282,032	\$687,299	\$1,343,646
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>-</b>	<b>\$ 801,000</b>	<b>\$ 1,952,000</b>	<b>\$ 3,816,092</b>
	Line 34 + Line 35	-	\$ 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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - Enterprise Service Bus IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<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 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	<u>0.00%</u>		
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	<u>\$0</u>		
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</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, 2021**  
**RI Only Grid Mod - Enterprise Service Bus IS**

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

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 <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<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	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$0</u>	<u>\$0</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>\$0</u>	<u>\$0</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 - 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 <u>\$15,912,000</u>
<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% <u>\$0</u>
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 <u>\$15,912,000</u>
<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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8</b> <b><u>\$15,912,000</u></b>
<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 <u>\$1,136,571</u>
<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 <u>(\$475,084)</u>
21	Net Deferred Tax Reserve	Sum of Lines 18 through 20 <u>\$399,965</u>
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base	Line 8 \$15,912,000
23	Accumulated Depreciation	- Line 15 <u>(\$1,136,571)</u>
24	Deferred Tax Reserve	- Line 21 <u>(\$399,965)</u>
25	Year End Rate Base	Sum of Lines 22 through 24 <u>\$14,375,463</u>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b> <b><u>\$1,769,092</u></b>

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 <u>\$0</u>
	<u>Bonus Depreciation</u>	
4	Plant Additions	Line 1 \$15,912,000
5	Less Capital Repairs Deduction	Line 3 <u>\$0</u>
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%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%
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 \$15,912,000
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 \$15,912,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946 33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17 <u>\$5,303,470</u>
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>\$5,303,470</u>



**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	
<b>Deferred Tax Subject to Proration</b>						
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	\$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	\$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	
<b>Deferred Tax Not Subject to Proration</b>						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0	\$0	
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
(i) (j)						
<b>Proration Calculation</b>						
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(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.	Description	Reference	(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	
<b>Deferred Tax Subject to Proration</b>							
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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
26	April 2021	30	91.78%	(\$66,927)	(\$66,927)	\$0	\$0
27	May 2021	31	83.29%	(\$60,734)	(\$60,734)	\$0	\$0
28	June 2021	30	75.07%	(\$54,740)	(\$54,740)	\$0	\$0
29	July 2021	31	66.58%	(\$48,547)	(\$48,547)	\$0	\$0
30	August 2021	31	58.08%	(\$42,354)	(\$42,354)	\$0	\$0
31	September 2021	30	49.86%	(\$36,360)	(\$36,360)	\$0	\$0
32	October 2021	31	41.37%	(\$30,167)	(\$30,167)	\$0	\$0
33	November 2021	30	33.15%	(\$24,174)	(\$24,174)	\$0	\$0
34	December 2021	31	24.66%	(\$17,980)	(\$17,980)	\$0	\$0
35	January 2022	31	16.16%	(\$11,787)	(\$11,787)	\$0	\$0
36	February 2022	28	8.49%	(\$6,193)	(\$6,193)	\$0	\$0
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$399,965)	(\$399,965)	\$0	\$0
39	Deferred Tax Without Proration	Line 25		(\$875,049)	(\$875,049)	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$475,084	\$475,084	\$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 - 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	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$ -	\$ -	\$ 5,000	\$ 10,000
	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	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$ -	\$ -	\$ -	\$ -
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	\$ -	\$ -	\$ 5,000	\$ 10,000
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through 27	\$ -	\$26,261	\$92,520	\$157,314
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 30 through 32	\$ -	\$0	\$0	\$0
34	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 28	\$ -	\$26,261	\$97,520	\$167,314
35	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 33	\$ -	\$0	\$0	\$0
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 34 + Line 35	\$ -	\$ 26,261	\$ 97,520	\$ 167,314

**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 - Electric**

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

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 - Electric**

Line No.		Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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 - 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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$455,000</b>	<b>\$455,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>\$26,261</b>	<b>\$66,259</b>

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 2021 Electric Capital Investments**  
**RI Only Grid Mod - Electric**

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

**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 - 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 <u>\$455,000</u>
<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% <u>\$0</u>
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 <u>\$455,000</u>
<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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8</b> <b><u>\$455,000</u></b>
<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 <u>\$6,575</u>
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$10,488
21	Effective Tax Rate	<u>21.00%</u>
22	Deferred Tax Reserve	Line 20 * Line 21 <u>\$2,203</u>
23	Less: FY 2022 Federal NOL	\$0
24	Less: Proration Adjustment	Col (a) = Page 10 of 10, Line 40 <u>(\$1,196)</u>
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 <u><u>\$1,007</u></u>
<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 <u><u>\$ 447,419</u></u>
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$223,709
31	Pre-Tax ROR	1/ <u>8.80%</u>
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	<b>Annual Revenue Requirement</b>	<b>Sum of Lines 32 through 34</b> <b><u>\$26,261</u></b>

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**  
**Power Sector Transformation (PST)**  
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Electric Capital Investments**  
**RI Only Grid Mod - Electric**

Line No.		Fiscal Year Ending <u>March 31, 2022</u> (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 <u>0.00%</u>
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 <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>\$17,063</u>



**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 - Electric**

Line No.	Description		(a)=Sum of (b) through (c)	(b) Vintage Year	(c) Vintage Year
			Total	March 31, 2021	March 31, 2020
<b>Deferred Tax Subject to Proration</b>					
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)
<b>Deferred Tax Not Subject to Proration</b>					
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)
<b>Allocation of FY 2021 Estimated Federal NOL</b>					
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)
		(i)	(j)		
	<b>Proration Calculation</b>	<u>Number of Days in</u>	<u>Proration Percentage</u>	(k)= Sum of (l) through (m)	
		Month		(l)	(m)
26	April 2020	30	91.78%	(\$485)	(\$316)
27	May 2020	31	83.29%	(\$440)	(\$287)
28	June 2020	30	75.07%	(\$397)	(\$259)
29	July 2020	31	66.58%	(\$352)	(\$229)
30	August 2020	31	58.08%	(\$307)	(\$200)
31	September 2020	30	49.86%	(\$263)	(\$172)
32	October 2020	31	41.37%	(\$219)	(\$143)
33	November 2020	30	33.15%	(\$175)	(\$114)
34	December 2020	31	24.66%	(\$130)	(\$85)
35	January 2021	31	16.16%	(\$85)	(\$56)
36	February 2021	28	8.49%	(\$45)	(\$29)
37	March 2021	31	0.00%	\$0	\$0
38	Total	365		(\$2,897)	(\$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 - 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)
<b>Deferred Tax Not Subject to Proration</b>						
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)
<b>Allocation of FY 2022 Estimated Federal NOL</b>						
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)

	(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
26	April 2021	30	91.78%	(\$762)	(\$168)	(\$277)
27	May 2021	31	83.29%	(\$691)	(\$153)	(\$251)
28	June 2021	30	75.07%	(\$623)	(\$138)	(\$226)
29	July 2021	31	66.58%	(\$552)	(\$122)	(\$201)
30	August 2021	31	58.08%	(\$482)	(\$107)	(\$175)
31	September 2021	30	49.86%	(\$414)	(\$92)	(\$150)
32	October 2021	31	41.37%	(\$343)	(\$76)	(\$125)
33	November 2021	30	33.15%	(\$275)	(\$61)	(\$100)
34	December 2021	31	24.66%	(\$205)	(\$45)	(\$74)
35	January 2022	31	16.16%	(\$134)	(\$30)	(\$49)
36	February 2022	28	8.49%	(\$70)	(\$16)	(\$26)
37	March 2022	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$4,551)	(\$1,007)	(\$1,891)
39	Deferred Tax Without Proration	Line 25		(\$9,957)	(\$2,203)	(\$4,136)
40	Proration Adjustment	Line 38 - Line 39		\$5,406	\$1,196	\$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 <u>2019</u> (a)	Fiscal Year <u>2020</u> (b)	Fiscal Year <u>2021</u> (c)	Fiscal Year <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 <span style="float: right;">Sum of Line 1</span>	\$0	\$0	\$1,028,000	\$1,028,000
3	<b>Total Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,028,000</b>	<b>\$1,028,000</b>

**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 <u>2019</u> (a)	Fiscal Year <u>2020</u> (b)	Fiscal Year <u>2021</u> (c)	Fiscal Year <u>2022</u> (d)
	Operation and Maintenance (O&M) Expenses:				
1	GIS Data Enhancement (IS)	\$3,049,000	\$0	\$0	\$0
2	Total O&M costs <span style="float: right;">Sum of Line 1</span>	\$3,049,000	\$0	\$0	\$0
3	<b>Total Revenue Requirement</b>	<b>\$3,049,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 33,691</b>	<b>\$ 1,329,491</b>	<b>\$ 1,329,491</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 18,309</b>	<b>\$ 722,509</b>	<b>\$ 722,509</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 52,000</b>	<b>\$ 2,052,000</b>	<b>\$ 2,052,000</b>
	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$31,870</b>	<b>\$60,826</b>	<b>\$56,252</b>
	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$17,320</b>	<b>\$33,056</b>	<b>\$30,570</b>
34	<b>Total Electric Revenue Requirement</b>	<b>-</b>	<b>\$65,561</b>	<b>\$1,390,316</b>	<b>\$1,385,742</b>
35	<b>Total Gas Revenue Requirement</b>	<b>-</b>	<b>\$35,629</b>	<b>\$755,565</b>	<b>\$753,079</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>-</b>	<b>\$101,190</b>	<b>\$2,145,881</b>	<b>\$2,138,821</b>

**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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$451,000</b>	<b>\$451,000</b>	<b>\$451,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$49,190</b>	<b>\$93,881</b>	<b>\$86,821</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - PI Historian IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$451,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$338,250</u>		
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	<u>\$37,580</u>	<u>\$50,117</u>	<u>\$16,698</u>
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	<u>\$375,830</u>	<u>\$50,117</u>	<u>\$16,698</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, 2021**  
**RI Only Grid Mod - PI Historian IS**

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

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 <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<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	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$0</u>	<u>\$0</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>\$0</u>	<u>\$0</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 - 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 <span style="float: right;">Sum of Line 1</span>	\$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year <span style="float: right;">Line 2</span>	\$0
4	Retirements <span style="float: right;">Line 4 * 0%</span>	\$0
5	Net Depreciable Capital Included in Rate Base <span style="float: right;">Column (a) = Line 3 - Line 4</span>	\$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base <span style="float: right;">Line 2</span>	\$0
7	Cost of Removal	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b> <span style="float: right;"><b>Line 6 + Line 8</b></span>	<b>\$0</b>
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend <span style="float: right;">Page 7 of 10, Line 21</span>	\$0
11	Cumulative Tax Depreciation <span style="float: right;">Current Year Line 10</span>	\$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate <span style="float: right;">As approved per R.I.P.U.C. Docket No. 4770</span>	14.29%
13	Book Depreciation <span style="float: right;">Column (a) = Line 2 * Line 12 * 50%</span>	\$0
14	Cumulative Book Depreciation <span style="float: right;">Current Year Line 13</span>	\$0
15	Total Cumulative Book Depreciation <span style="float: right;">Line 14</span>	\$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer <span style="float: right;">Line 11 - Line 15</span>	\$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve <span style="float: right;">Line 16 * Line 17</span>	\$0
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment <span style="float: right;">Col = Page 10 of 10, Line 40</span>	\$0
21	Net Deferred Tax Reserve <span style="float: right;">Sum of Lines 18 through 20</span>	\$0
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base <span style="float: right;">Line 8</span>	\$0
23	Accumulated Depreciation <span style="float: right;">- Line 15</span>	\$0
24	Deferred Tax Reserve <span style="float: right;">- Line 21</span>	\$0
25	Year End Rate Base <span style="float: right;">Sum of Lines 22 through 24</span>	\$0
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base <span style="float: right;">Column (a) = Current Year Line 25 ÷ 2</span>	\$0.00
27	Pre-Tax ROR <span style="float: right;">Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6</span>	8.80%
28	Return and Taxes <span style="float: right;">Line 26 * Line 27</span>	\$0
29	Book Depreciation <span style="float: right;">Line 13</span>	\$0
30	<b>Annual Revenue Requirement</b> <span style="float: right;"><b>Line 28 + Line 29</b></span>	<b>\$0</b>

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 2022 IS Capital Investments**  
**RI Only Grid Mod - PI Historian 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 \$0
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 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	
<b>Deferred Tax Subject to Proration</b>						
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	
<b>Deferred Tax Not Subject to Proration</b>						
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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
<b>Proration Calculation</b>						
		(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%	\$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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 / 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	\$10,023	\$0	\$0	\$10,023	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$30,709</b>	<b>\$129,979</b>	<b>\$218,855</b>
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
34	<b>Total Electric Revenue Requirement</b>	<b>\$ -</b>	<b>\$90,709</b>	<b>\$189,979</b>	<b>\$278,855</b>
35	<b>Total Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$ 90,709</b>	<b>\$ 189,979</b>	<b>\$ 278,855</b>

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
RI Only Grid Mod - RTU Separation Electric  
Annual Grid Mod RI Only Electric 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)
	Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$0	\$0	\$0	\$0
2	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0
3	RTU Separation	\$0	\$60,000	\$60,000	\$60,000
4	GIS Data Enhancement	\$0	\$0	\$0	\$0
5	<b>Total O&amp;M Expenses</b>				
	Sum of Lines 1 through 4	<u>\$0</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>
	Capital Investment:				
6	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment		\$30,709	\$78,797	\$77,291
7	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment			\$51,182	\$131,328
8	Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment				\$10,236
9	<b>Total Capital Investment Component of Revenue Requirement</b>				
	Sum of Lines 6 through 8	<u>-</u>	<u>\$30,709</u>	<u>\$129,979</u>	<u>\$218,855</u>
10	<b>Total Electric Revenue Requirement</b>				
	Line 5 + Line 9	<u>-</u>	<u>\$90,709</u>	<u>\$189,979</u>	<u>\$278,855</u>

**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)
<b>Estimated Capital Investment</b>				
1	Feeder Monitor Sensors	\$0	\$0	\$0
2	RTU Separation	\$570,000	\$0	\$0
3	Total Estimated Capital Investment	\$570,000	\$0	\$0
<b>Depreciable Net Capital Included in Rate Base</b>				
4	Total Allowed Capital Included in Rate Base in Current Year	\$570,000	\$0	\$0
5	Retirements	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	\$570,000	\$570,000	\$570,000
<b>Change in Net Capital Included in Rate Base</b>				
7	Capital Included in Rate Base	\$570,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$570,000</b>	<b>\$570,000</b>	<b>\$570,000</b>
<b>Tax Depreciation</b>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	\$21,375	\$41,148	\$38,059
12	Cumulative Tax Depreciation	\$21,375	\$62,523	\$100,582
<b>Book Depreciation</b>				
13	Composite Book Depreciation Rate	2.89%	2.89%	2.89%
14	Book Depreciation	\$0	\$0	\$0
15	Cumulative Book Depreciation	\$0	\$0	\$0
16	Composite Book Depreciation Rate	2.09%	2.09%	2.09%
17	Book Depreciation	\$5,957	\$11,913	\$11,913
18	Cumulative Book Depreciation	\$5,957	\$17,870	\$29,783
19	Total Cumulative Book Depreciation	\$5,957	\$17,870	\$29,783
<b>Deferred Tax Calculation:</b>				
20	Cumulative Book / Tax Timer	\$15,419	\$44,654	\$70,800
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	\$3,238	\$9,377	\$14,868
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	\$ (1,758)	\$ (3,333)	\$ (2,981)
25	Net Deferred Tax Reserve	\$1,480	\$6,044	\$11,887
<b>Rate Base Calculation:</b>				
26	Cumulative Incremental Capital Included in Rate Base	\$ 570,000	\$ 570,000	\$ 570,000
27	Accumulated Depreciation	(\$5,957)	(\$17,870)	(\$29,783)
28	Deferred Tax Reserve	(\$1,480)	(\$6,044)	(\$11,887)
29	Year End Rate Base	\$ 562,564	\$546,086	\$528,331
<b>Revenue Requirement Calculation:</b>				
30	Average Rate Base	\$281,282	\$554,325	\$537,209
31	Pre-Tax ROR	8.80%	8.80%	8.80%
32	Return and Taxes	\$24,753	\$48,781	\$47,274
33	Book Depreciation	\$5,957	\$11,913	\$11,913
34	Property Taxes	\$0	\$18,103	\$18,103
35	<b>Annual Revenue Requirement</b>	<b>\$30,709</b>	<b>\$78,797</b>	<b>\$77,291</b>

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 <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	Line 3 \$950,000	\$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 \$950,000	\$950,000
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	Line 3 \$950,000	\$0
8	Cost of Removal	\$0	\$0
9	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$950,000</b>	<b>\$950,000</b>
<u>Tax Depreciation</u>			
10	Vintage Year Tax Depreciation:		
11	FY 2021 Spend	Page 5 of 10, Line 21 \$35,625	\$68,581
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11 \$35,625	\$104,206
<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 \$0	\$0
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14 \$0	\$0
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 \$9,928	\$19,855
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17 \$9,928	\$29,783
19	Total Cumulative Book Depreciation	Line 18 + Line 15 \$9,928	\$29,783
<u>Deferred Tax Calculation:</u>			
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$25,698	\$74,424
21	Effective Tax Rate	21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$5,396	\$15,629
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 (\$2,930)	(\$5,555)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$2,467	\$10,074
<u>Rate Base Calculation:</u>			
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 950,000	\$950,000
27	Accumulated Depreciation	- Line 19 (\$9,928)	(\$29,783)
28	Deferred Tax Reserve	- Line 25 (\$2,467)	(\$10,074)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 937,606	\$910,144
<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 \$468,802.95	\$923,875
31	Pre-Tax ROR	1/ 8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31 \$41,255	\$81,301
33	Book Depreciation	Line 14 + Line 17 \$9,928	\$19,855
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b) Line 9 * 3.176% \$0	\$30,172
35	<b>Annual Revenue Requirement</b>	<b>Sum of Lines 32 through 34 \$51,182</b>	<b>\$131,328</b>

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**  
**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	March 31, 2022
			(a)	(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 <u>\$190,000</u>
<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% <u>\$0</u>
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 <u>\$190,000</u>
<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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8</b> <b><u>\$190,000</u></b>
<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 <u>\$1,986</u>
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$5,140
21	Effective Tax Rate	<u>21.00%</u>
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 <u>(\$586)</u>
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 <u>\$493</u>
<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 <u>\$ 187,521</u>
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$93,761
31	Pre-Tax ROR	1/ <u>8.80%</u>
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	<b>Annual Revenue Requirement</b>	<b>Sum of Lines 32 through 34</b> <b><u>\$10,236</u></b>

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**  
**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 <u>March 31, 2022</u> (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 <u>0.00%</u>
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 <u>\$0</u>
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 <u>100.00%</u>
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% <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 \$190,000
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 \$190,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946 <u>3.750%</u>
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 <u>\$7,125</u>



**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.	Description		(a)=Sum of (b) through (c)	(b) Vintage Year	(c) Vintage Year
			Total	March 31, 2021	March 31, 2020
<b>Deferred Tax Subject to Proration</b>					
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)
<b>Deferred Tax Not Subject to Proration</b>					
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)
<b>Allocation of FY 2021 Estimated Federal NOL</b>					
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)		
	<b>Proration Calculation</b>	<u>Number of Days in</u>		(k)= Sum of (l) through (m)	
		<u>Month</u>	<u>Proration Percentage</u>		
26	April 2020	30	91.78%	(\$882)	(\$413)
27	May 2020	31	83.29%	(\$801)	(\$375)
28	June 2020	30	75.07%	(\$722)	(\$338)
29	July 2020	31	66.58%	(\$640)	(\$299)
30	August 2020	31	58.08%	(\$558)	(\$261)
31	September 2020	30	49.86%	(\$479)	(\$224)
32	October 2020	31	41.37%	(\$398)	(\$186)
33	November 2020	30	33.15%	(\$319)	(\$149)
34	December 2020	31	24.66%	(\$237)	(\$111)
35	January 2021	31	16.16%	(\$155)	(\$73)
36	February 2021	28	8.49%	(\$82)	(\$38)
37	March 2021	31	0.00%	\$0	\$0
38	Total	365		(\$5,273)	(\$2,467)
39	Deferred Tax Without Proration		Line 25	(\$11,536)	(\$5,396)
40	Proration Adjustment		Line 38 - Line 39	\$6,263	\$2,930

**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 <u>2019</u> (a)	Fiscal Year <u>2020</u> (b)	Fiscal Year <u>2021</u> (c)	Fiscal Year <u>2022</u> (d)
	Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$0	\$700,000	\$700,000	\$700,000
2	Total O&M costs <span style="float: right;">Sum of Line 1</span>	\$0	\$700,000	\$700,000	\$700,000
3	<b>Total Revenue Requirement</b>	<b>\$0</b>	<b>\$700,000</b>	<b>\$700,000</b>	<b>\$700,000</b>

**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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,263,405</b>	<b>\$ 1,895,108</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 686,595</b>	<b>\$ 1,029,893</b>
	Sum of Lines 14 through 21				
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,950,000</b>	<b>\$ 2,925,000</b>
	Line 13 + Line 22				
24	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$21,482</b>	<b>\$51,949</b>	<b>\$69,890</b>
	Sum of Lines 25 through 27				
29	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$11,674</b>	<b>\$28,232</b>	<b>\$37,982</b>
	Sum of Lines 30 through 32				
34	<b>Total Electric Revenue Requirement</b>	<b>\$ -</b>	<b>\$21,482</b>	<b>\$1,315,354</b>	<b>\$1,964,998</b>
	Line 13 + Line 28				
35	<b>Total Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$11,674</b>	<b>\$714,827</b>	<b>\$1,067,874</b>
	Line 22 + Line 33				
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$33,157</b>	<b>\$2,030,181</b>	<b>\$3,032,872</b>
	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	Sum of Line 1	\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$304,000</b>	<b>\$304,000</b>	<b>\$304,000</b>
<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		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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$33,157</b>	<b>\$63,281</b>	<b>\$58,523</b>

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 2020 IS Capital Investments**  
**RI Only Grid Mod - Telecommunications IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$304,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$228,000</u>		
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	<u>\$25,331</u>	<u>\$33,782</u>	<u>\$11,256</u>
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	<u>\$253,331</u>	<u>\$33,782</u>	<u>\$11,256</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, 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 <span style="float: right;">Sum of Lines 1</span>	\$152,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year <span style="float: right;">Line 2</span>	\$152,000	\$0
4	Retirements <span style="float: right;">Line 4 * 0%</span>	\$0	\$0
5	Net Depreciable Capital Included in Rate Base <span style="float: right;">Column (a) = Line 3 - Line 4; Column (b) and c) = Prior Year Line 5</span>	\$152,000	\$152,000
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base <span style="float: right;">Line 2</span>	\$152,000	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b> <span style="float: right;"><b>Line 5 + Line 7</b></span>	<b>\$152,000</b>	<b>\$152,000</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend <span style="float: right;">Page 16 of 21, Line 21</span>	\$50,662	\$67,564
11	Cumulative Tax Depreciation <span style="float: right;">Prior Year Line 11 + Current Year Line 10</span>	\$50,662	\$118,226
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate <span style="float: right;">As filed per R.I.P.U.C. Docket No. 4770</span>	14.29%	14.29%
13	Book Depreciation <span style="float: right;">Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12</span>	\$10,857	\$21,714
14	Cumulative Book Depreciation <span style="float: right;">Prior Year Line 14 + Current Year Line 13</span>	\$10,857	\$32,571
15	Total Cumulative Book Depreciation <span style="float: right;">Line 14</span>	\$10,857	\$32,571
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer <span style="float: right;">Line 11 - Line 14</span>	\$39,805	\$85,655
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve <span style="float: right;">Line 16 * Line 17</span>	\$8,359	\$17,987
19	Less: FY 2021 Federal NOL	\$0	\$0
20	Less: Proration Adjustment <span style="float: right;">Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40</span>	(\$4,538)	(\$5,227)
21	Net Deferred Tax Reserve <span style="float: right;">Sum of Lines 18 through 20</span>	\$3,821	\$12,760
<u>Rate Base Calculation:</u>			
22	Cumulative Incremental Capital Included in Rate Base <span style="float: right;">Line 8</span>	\$152,000	\$152,000
23	Accumulated Depreciation <span style="float: right;">- Line 15</span>	(\$10,857)	(\$32,571)
24	Deferred Tax Reserve <span style="float: right;">- Line 21</span>	(\$3,821)	(\$12,760)
25	Year End Rate Base <span style="float: right;">Sum of Lines 22 through 24</span>	\$137,322	\$106,669
<u>Revenue Requirement Calculation:</u>			
26	Average Rate Base <span style="float: right;">Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2</span>	\$68,661.07	\$121,995
27	Pre-Tax ROR <span style="float: right;">Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Worksheet MAL-6</span>	8.80%	8.80%
28	Return and Taxes <span style="float: right;">Line 26 * Line 27</span>	\$6,042	\$10,736
29	Book Depreciation <span style="float: right;">Line 13</span>	\$10,857	\$21,714
30	<b>Annual Revenue Requirement</b> <span style="float: right;"><b>Line 28 + Line 29</b></span>	<b>\$16,899</b>	<b>\$32,450</b>

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

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 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 \$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 <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 \$0
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 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																		
<b>Deferred Tax Subject to Proration</b>																							
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																		
<b>Deferred Tax Not Subject to Proration</b>																							
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																		
<b>Allocation of FY 2021 Estimated Federal NOL</b>																							
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																		
<table border="0" style="width: 100%;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">(i)</td> <td style="width: 33%; text-align: center;">(j)</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;"><u>Number of Days in</u></td> <td style="text-align: center;"><u>Proration Percentage</u></td> <td style="text-align: center;">(k)= Sum of (l) through (m)</td> <td style="text-align: center;">(l)</td> <td style="text-align: center;">(m)</td> </tr> <tr> <td></td> <td style="text-align: center;"><u>Month</u></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>							(i)	(j)					<u>Number of Days in</u>	<u>Proration Percentage</u>	(k)= Sum of (l) through (m)	(l)	(m)		<u>Month</u>				
	(i)	(j)																					
	<u>Number of Days in</u>	<u>Proration Percentage</u>	(k)= Sum of (l) through (m)	(l)	(m)																		
	<u>Month</u>																						
26	April 2020	30	91.78%	(\$484)	\$155																		
27	May 2020	31	83.29%	(\$440)	\$141																		
28	June 2020	30	75.07%	(\$396)	\$127																		
29	July 2020	31	66.58%	(\$351)	\$112																		
30	August 2020	31	58.08%	(\$307)	\$98																		
31	September 2020	30	49.86%	(\$263)	\$84																		
32	October 2020	31	41.37%	(\$218)	\$70																		
33	November 2020	30	33.15%	(\$175)	\$56																		
34	December 2020	31	24.66%	(\$130)	\$42																		
35	January 2021	31	16.16%	(\$85)	\$27																		
36	February 2021	28	8.49%	(\$45)	\$14																		
37	March 2021	31	0.00%	\$0	\$0																		
38	Total	365		(\$2,895)	\$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.	Description	Reference	(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	
<b>Deferred Tax Subject to Proration</b>							
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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 / 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	(\$11,231)	(\$8,359)	(\$9,628)	\$6,756	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</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  
Power Sector Transformation (PST)  
Rhode Island Renewable Energy  
Grid Mod Projects Annual Revenue Requirement Summary - Synergy**

<u>Line No.</u>		<u>Six Months Ended March 31, 2019</u>	<u>PST Year Ending March 31, 2020</u>	<u>PST Year Ending March 31, 2021</u>	<u>PST Year Ending March 31, 2022</u>
<b>Capex - Electric</b>					
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	<b>Combined Capex Total</b>	<b>\$0</b>	<b>\$56,970</b>	<b>\$220,751</b>	<b>\$376,305</b>
<b>IS Capex - Electric &amp; Gas</b>					
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	<b>IS Capex Total</b>	<b>\$0</b>	<b>\$838,623</b>	<b>\$1,984,795</b>	<b>\$3,161,144</b>
<b>O&amp;M - Electric &amp; Gas</b>					
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	<b>O&amp;M Total</b>	<b>\$427,000</b>	<b>\$4,377,000</b>	<b>\$5,885,000</b>	<b>\$6,491,000</b>
25	<b>Total Revenue Requirement</b>	<b>\$427,000</b>	<b>\$5,272,594</b>	<b>\$8,090,546</b>	<b>\$10,028,449</b>

**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.			<u>Six Months Ended March 31, 2019</u>	<u>PST Year Ending March 31, 2020</u>	<u>PST Year Ending March 31, 2021</u>	<u>PST Year Ending March 31, 2022</u>
<b>Electric Capex</b>						
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	<b>Electric Capex Total</b>		<b>\$0</b>	<b>\$56,970</b>	<b>\$220,751</b>	<b>\$376,305</b>
<b>IS Capex - Electric Only</b>						
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	<b>Electric IS Capex Total</b>		<b>\$0</b>	<b>\$543,344</b>	<b>\$1,285,949</b>	<b>\$2,048,105</b>
<b>O&amp;M - Electric Only</b>						
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	<b>Electric O&amp;M Total</b>		<b>\$427,000</b>	<b>\$3,103,454</b>	<b>\$4,444,207</b>	<b>\$4,838,595</b>
25	<b>Total Electric Revenue Requirement</b>		<b>\$427,000</b>	<b>\$3,703,769</b>	<b>\$5,950,907</b>	<b>\$7,263,005</b>

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
<b>Gas Capex</b>					
1	Feeder Monitoring Sensor Pg. 54	\$0	\$0	\$0	\$0
2	RTU Separation Pg. 76	\$0	\$0	\$0	\$0
3	<b>Gas Capex Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>IS Capex - Electric Only</b>					
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	<b>Gas IS Capex Total</b>	<b>\$0</b>	<b>\$295,279</b>	<b>\$698,846</b>	<b>\$1,113,039</b>
<b>O&amp;M - Gas Only</b>					
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	<b>Gas O&amp;M Total</b>	<b>\$0</b>	<b>\$1,273,546</b>	<b>\$1,440,793</b>	<b>\$1,652,405</b>
25	<b>Total Gas Revenue Requirement</b>	<b>\$0</b>	<b>\$1,568,825</b>	<b>\$2,139,639</b>	<b>\$2,765,444</b>

**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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 69,973</b>	<b>\$ 299,978</b>	<b>\$ 338,852</b>
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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 38,027</b>	<b>\$ 163,022</b>	<b>\$ 184,148</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 108,000</b>	<b>\$ 463,000</b>	<b>\$ 523,000</b>
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$222,454</b>	<b>\$530,454</b>	<b>\$663,677</b>
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$120,892</b>	<b>\$288,274</b>	<b>\$360,674</b>
34	<b>Total Electric Revenue Requirement</b>	<b>\$ -</b>	<b>\$292,427</b>	<b>\$830,432</b>	<b>\$1,002,528</b>
35	<b>Total Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$158,919</b>	<b>\$451,297</b>	<b>\$544,822</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$451,346</b>	<b>\$1,281,728</b>	<b>\$1,547,351</b>

**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	\$3,148,000	\$0	\$0
4	Retirements	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$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	\$3,148,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$3,148,000</b>	<b>\$3,148,000</b>	<b>\$3,148,000</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	\$2,623,307	\$349,822	\$116,555
11	Cumulative Tax Depreciation	\$2,623,307	\$2,973,129	\$3,089,684
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	14.29%	14.29%	14.29%
13	Book Depreciation	\$224,857	\$449,714	\$449,714
14	Cumulative Book Depreciation	\$224,857	\$674,571	\$1,124,286
15	Total Cumulative Book Depreciation	\$224,857	\$674,571	\$1,124,286
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	\$2,398,450	\$2,298,558	\$1,965,398
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	\$503,674	\$482,697	\$412,734
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	(\$273,456)	\$11,389	\$37,985
21	Net Deferred Tax Reserve	\$230,218	\$494,086	\$450,718
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	\$3,148,000	\$3,148,000	\$3,148,000
23	Accumulated Depreciation	(\$224,857)	(\$674,571)	(\$1,124,286)
24	Deferred Tax Reserve	(\$230,218)	(\$494,086)	(\$450,718)
25	Year End Rate Base	\$2,692,925	\$1,979,342	\$1,572,996
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	\$1,346,462.26	\$2,336,133	\$1,776,169
27	Pre-Tax ROR	8.80%	8.80%	8.80%
28	Return and Taxes	\$118,489	\$205,580	\$156,303
29	Book Depreciation	\$224,857	\$449,714	\$449,714
30	<b>Annual Revenue Requirement</b>	<b>\$343,346</b>	<b>\$655,294</b>	<b>\$606,017</b>

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 2020 IS Capital Investments**  
**Synergy Grid Mod - Advanced Analytics IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$3,148,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$2,361,000</u>		
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	<u>\$262,307</u>	\$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	<u>\$2,623,307</u>	\$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	\$1,470,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	\$1,470,000	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$1,470,000	\$1,470,000
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	\$1,470,000	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$1,470,000</b>	<b>\$1,470,000</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend	\$489,951	\$653,415
11	Cumulative Tax Depreciation	\$489,951	\$1,143,366
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$105,000	\$210,000
14	Cumulative Book Depreciation	\$105,000	\$315,000
15	Total Cumulative Book Depreciation	\$105,000	\$315,000
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	\$384,951	\$828,366
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$80,840	\$173,957
19	Less: FY 2021 Federal NOL	\$0	\$0
20	Less: Proration Adjustment	(\$43,890)	(\$50,555)
21	Net Deferred Tax Reserve	\$36,950	\$123,401
<u>Rate Base Calculation:</u>			
22	Cumulative Incremental Capital Included in Rate Base	\$1,470,000	\$1,470,000
23	Accumulated Depreciation	(\$105,000)	(\$315,000)
24	Deferred Tax Reserve	(\$36,950)	(\$123,401)
25	Year End Rate Base	\$1,328,050	\$1,031,599
<u>Revenue Requirement Calculation:</u>			
26	Average Rate Base	\$664,024.99	\$1,179,824
27	Pre-Tax ROR	8.80%	8.80%
28	Return and Taxes	\$58,434	\$103,825
29	Book Depreciation	\$105,000	\$210,000
30	<b>Annual Revenue Requirement</b>	<b>\$163,434</b>	<b>\$313,825</b>

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 2021 IS Capital Investments**  
**Synergy Grid Mod - Advanced Analytics IS**

Line No.			Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>	
	<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	Sum of Line 1 \$940,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$940,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$104,509</b>

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 <u>March 31, 2022</u> (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	<u>0.00%</u>
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	<u>\$0</u>
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	<u>100.00%</u>
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%	<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	\$940,000
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	\$940,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	<u>33.33%</u>
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	<u>\$313,302</u>



**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.		(a)=Sum of (b) through (c)	(b) Vintage Year March 31, 2021	(c) Vintage Year March 31, 2020
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Col (b) = Page 4 of 10, Line 13; Col (c) = Page 2 of 10, Line 13	\$554,714	\$105,000
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	(\$839,773)	(\$489,951)
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)
6	Effective Tax Rate	Per Tax Department	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$59,862)	(\$80,840)
	<b>Deferred Tax Not Subject to Proration</b>			
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)
15	Net Operating Loss	Col (b) = Page 4 of 10, Line 19; Col (c) = Page 2 of 10, Line 19	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$59,862)	(\$80,840)
	<b>Allocation of FY 2021 Estimated Federal NOL</b>			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$285,059)	(\$384,951)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$285,059)	(\$384,951)
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
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		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	(\$59,862)	(\$80,840)
		(i)	(j)	
	<b>Proration Calculation</b>	<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(k)= Sum of (l) through (m)
26	April 2020	30	91.78%	(\$4,579)
27	May 2020	31	83.29%	(\$5,611)
28	June 2020	30	75.07%	(\$3,745)
29	July 2020	31	66.58%	(\$3,321)
30	August 2020	31	58.08%	(\$2,897)
31	September 2020	30	49.86%	(\$2,487)
32	October 2020	31	41.37%	(\$2,064)
33	November 2020	30	33.15%	(\$1,654)
34	December 2020	31	24.66%	(\$1,230)
35	January 2021	31	16.16%	(\$806)
36	February 2021	28	8.49%	(\$424)
37	March 2021	31	0.00%	\$0
38	Total	365		(\$27,362)
39	Deferred Tax Without Proration	Line 25	(\$59,862)	(\$80,840)
40	Proration Adjustment	Line 38 - Line 39	\$32,501	\$43,890

**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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 / 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	(\$74,847)	(\$51,693)	(\$93,117)	\$69,963	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</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	<b>Total Electric O&amp;M costs</b>	\$ -	\$ 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	<b>Total Gas O&amp;M costs</b>	\$ -	\$ 852,786	\$ 435,900	\$ 338,720
23	<b>Total O&amp;M Expenses</b>	\$ -	\$ 2,422,000	\$ 1,238,000	\$ 962,000
	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	-	\$279,692	\$672,544	\$851,909
	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	-	\$151,998	\$365,493	\$462,968
34	<b>Total Electric Revenue Requirement</b>	-	\$1,848,906	\$1,474,645	\$1,475,189
35	<b>Total Gas Revenue Requirement</b>	-	\$1,004,785	\$801,393	\$801,689
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	-	\$ 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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$3,958,000</b>	<b>\$3,958,000</b>	<b>\$3,958,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$431,691</b>	<b>\$823,905</b>	<b>\$761,949</b>

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 2020 IS Capital Investments**  
**Synergy Grid Mod - Cybersecurity IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$3,958,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$2,968,500</u>		
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	<u>\$329,800</u>	<u>\$439,833</u>	<u>\$146,545</u>
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	<u>\$3,298,300</u>	<u>\$439,833</u>	<u>\$146,545</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, 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	\$1,926,000	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	\$1,926,000	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$1,926,000	\$1,926,000
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	\$1,926,000	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$1,926,000</b>	<b>\$1,926,000</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend	\$641,936	\$856,107
11	Cumulative Tax Depreciation	\$641,936	\$1,498,043
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$137,571	\$275,143
14	Cumulative Book Depreciation	\$137,571	\$412,714
15	Total Cumulative Book Depreciation	\$137,571	\$412,714
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	\$504,365	\$1,085,329
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$105,917	\$227,919
19	Less: FY 2021 Federal NOL	\$0	\$0
20	Less: Proration Adjustment	(\$57,504)	(\$66,238)
21	Net Deferred Tax Reserve	\$48,412	\$161,681
<u>Rate Base Calculation:</u>			
22	Cumulative Incremental Capital Included in Rate Base	\$1,926,000	\$1,926,000
23	Accumulated Depreciation	(\$137,571)	(\$412,714)
24	Deferred Tax Reserve	(\$48,412)	(\$161,681)
25	Year End Rate Base	\$1,740,016	\$1,351,605
<u>Revenue Requirement Calculation:</u>			
26	Average Rate Base	\$870,008.24	\$1,545,811
27	Pre-Tax ROR	8.80%	8.80%
28	Return and Taxes	\$76,561	\$136,031
29	Book Depreciation	\$137,571	\$275,143
30	<b>Annual Revenue Requirement</b>	<b>\$214,132</b>	<b>\$411,174</b>

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 2021 IS Capital Investments**  
Synergy Grid Mod - Cybersecurity IS

Line No.			Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>0.00%</u>	
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$1,926,000	
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	<u>\$1,926,000</u>	
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	<u>\$1,926,000</u>	
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	<u>0.00%</u>	
12	Bonus Depreciation	Line 8 * Line 11	<u>\$0</u>	
	<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	<u>\$0</u>	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	<u>\$1,926,000</u>	<u>\$1,926,000</u>
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$641,936</u>	<u>\$856,107</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>\$641,936</u>	<u>\$856,107</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 - 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	Sum of Line 1 \$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$1,275,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$141,754</b>

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	<u>0.00%</u>
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<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	\$0
	<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	\$0
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 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	
<b>Deferred Tax Subject to Proration</b>						
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	
<b>Deferred Tax Not Subject to Proration</b>						
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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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) (j)						
<b>Proration Calculation</b>						
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 / 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	(\$104,153)	(\$70,116)	(\$122,002)	\$87,966	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</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	<b>Total Electric O&amp;M costs</b>	\$ -	\$ 236,484	\$ 388,092	\$ 545,532
	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	<b>Total Gas O&amp;M costs</b>	\$ -	\$ 128,517	\$ 210,908	\$ 296,468
23	<b>Total O&amp;M Expenses</b>	\$ -	\$ 365,000	\$ 599,000	\$ 842,000
	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>		\$24,733	\$47,204	\$43,654
	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>		\$13,441	\$25,653	\$23,724
34	<b>Total Electric Revenue Requirement</b>	\$ -	\$261,216	\$435,296	\$589,186
35	<b>Total Gas Revenue Requirement</b>	\$ -	\$141,957	\$236,561	\$320,192
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	\$ -	\$403,174	\$671,857	\$909,378

**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	Sum of Line 1	\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$350,000</b>	<b>\$350,000</b>	<b>\$350,000</b>
<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		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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$38,174</b>	<b>\$72,857</b>	<b>\$67,378</b>

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 2020 IS Capital Investments**  
**Synergy Grid Mod - Data Lake IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$350,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$262,500</u>		
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	<u>\$29,164</u>	<u>\$38,894</u>	<u>\$12,959</u>
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	<u>\$291,664</u>	<u>\$38,894</u>	<u>\$12,959</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, 2021**  
**Synergy Grid Mod - Data Lake IS**

Line No.		Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (b)
<u>Estimated Capital Investment</u>			
1	Data Lake	\$0	
2	Total Estimated Capital Investment	\$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
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b) and c) = Prior Year Line 5	\$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	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 5 + Line 7</b>	<b>\$0</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + 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 14	\$0
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$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
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; Column (b) = (Prior Year Line 25 + 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, Worksheet MAL-6	8.80%
28	Return and Taxes	Line 26 * Line 27	\$0
29	Book Depreciation	Line 13	\$0
30	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$0</b>

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 2021 IS Capital Investments**  
**Synergy Grid Mod - Data Lake IS**

Line No.			Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$0</b>

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 <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 <hr/> \$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 <hr/> \$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department 100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7 <hr/> \$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 <hr/> 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 <hr/> \$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946 33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17 <hr/> \$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 <hr/> <hr/> \$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.			(a)= Column (b) (b)	
			Total	Vintage Year March 31, 2020
<b>Deferred Tax Subject to Proration</b>				
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)
<b>Deferred Tax Not Subject to Proration</b>				
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)
<b>Allocation of FY 2020 Estimated Federal NOL</b>				
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)
(i) (j)				
<u>Number of Days in</u>				
	<u>Month</u>	<u>Proration Percentage</u>	(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 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)																																																																																																												
			<u>Total</u>	<u>Vintage Year March 31, 2022</u>	<u>Vintage Year March 31, 2021</u>	<u>Vintage Year March 31, 2020</u>																																																																																																									
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																																																																																																									
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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																																																																																																									
<b>Allocation of FY 2022 Estimated Federal NOL</b>																																																																																																															
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 / 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%																																																																																																									
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<table border="0" style="width:100%"> <thead> <tr> <th></th> <th align="center">(i)</th> <th align="center">(j)</th> <th align="center">(k)= Sum of (l) through (n)</th> <th align="center">(l)</th> <th align="center">(m)</th> <th align="center">(n)</th> </tr> <tr> <th><b>Proration Calculation</b></th> <th align="center"><u>Number of Days in Month</u></th> <th align="center"><u>Proration Percentage</u></th> <th></th> <th></th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>26</td> <td>April 2021</td> <td align="right">30</td> <td align="right">91.78%</td> <td align="right">\$595</td> <td align="right">\$0</td> <td align="right">\$595</td> </tr> <tr> <td>27</td> <td>May 2021</td> <td align="right">31</td> <td align="right">83.29%</td> <td align="right">\$540</td> <td align="right">\$0</td> <td align="right">\$540</td> </tr> <tr> <td>28</td> <td>June 2021</td> <td align="right">30</td> <td align="right">75.07%</td> <td align="right">\$487</td> <td align="right">\$0</td> <td align="right">\$487</td> </tr> <tr> <td>29</td> <td>July 2021</td> <td align="right">31</td> <td align="right">66.58%</td> <td align="right">\$432</td> <td align="right">\$0</td> <td align="right">\$432</td> </tr> <tr> <td>30</td> <td>August 2021</td> <td align="right">31</td> <td align="right">58.08%</td> <td align="right">\$376</td> <td align="right">\$0</td> <td align="right">\$376</td> </tr> <tr> <td>31</td> <td>September 2021</td> <td align="right">30</td> <td align="right">49.86%</td> <td align="right">\$323</td> <td align="right">\$0</td> <td align="right">\$323</td> </tr> <tr> <td>32</td> <td>October 2021</td> <td align="right">31</td> <td align="right">41.37%</td> <td align="right">\$268</td> <td align="right">\$0</td> <td align="right">\$268</td> </tr> <tr> <td>33</td> <td>November 2021</td> <td align="right">30</td> <td align="right">33.15%</td> <td align="right">\$215</td> <td align="right">\$0</td> <td align="right">\$215</td> </tr> <tr> <td>34</td> <td>December 2021</td> <td align="right">31</td> <td align="right">24.66%</td> <td align="right">\$160</td> <td align="right">\$0</td> <td align="right">\$160</td> </tr> <tr> <td>35</td> <td>January 2022</td> <td align="right">31</td> <td align="right">16.16%</td> <td align="right">\$105</td> <td align="right">\$0</td> <td align="right">\$105</td> </tr> <tr> <td>36</td> <td>February 2022</td> <td align="right">28</td> <td align="right">8.49%</td> <td align="right">\$55</td> <td align="right">\$0</td> <td align="right">\$55</td> </tr> <tr> <td>37</td> <td>March 2022</td> <td align="right">31</td> <td align="right">0.00%</td> <td align="right">\$0</td> <td align="right">\$0</td> <td align="right">\$0</td> </tr> <tr> <td>38</td> <td>Total</td> <td align="right">365</td> <td></td> <td align="right">\$3,555</td> <td align="right">\$0</td> <td align="right">\$3,555</td> </tr> </tbody> </table>								(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)	<b>Proration Calculation</b>	<u>Number of Days in Month</u>	<u>Proration Percentage</u>					26	April 2021	30	91.78%	\$595	\$0	\$595	27	May 2021	31	83.29%	\$540	\$0	\$540	28	June 2021	30	75.07%	\$487	\$0	\$487	29	July 2021	31	66.58%	\$432	\$0	\$432	30	August 2021	31	58.08%	\$376	\$0	\$376	31	September 2021	30	49.86%	\$323	\$0	\$323	32	October 2021	31	41.37%	\$268	\$0	\$268	33	November 2021	30	33.15%	\$215	\$0	\$215	34	December 2021	31	24.66%	\$160	\$0	\$160	35	January 2022	31	16.16%	\$105	\$0	\$105	36	February 2022	28	8.49%	\$55	\$0	\$55	37	March 2022	31	0.00%	\$0	\$0	\$0	38	Total	365		\$3,555	\$0	\$3,555
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**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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 282,484</b>	<b>\$ -</b>	<b>\$ 58,311</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 153,516</b>	<b>\$ -</b>	<b>\$ 31,689</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 436,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>
	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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
34	<b>Total Electric Revenue Requirement</b>	<b>\$0</b>	<b>\$282,484</b>	<b>\$0</b>	<b>\$58,311</b>
35	<b>Total Gas Revenue Requirement</b>	<b>\$0</b>	<b>\$153,516</b>	<b>\$0</b>	<b>\$31,689</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$ 436,000</b>	<b>\$ -</b>	<b>\$ 90,000</b>

**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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

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 <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$0</b>

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 <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 \$0
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 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	
<b>Deferred Tax Subject to Proration</b>						
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	\$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	\$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	
<b>Deferred Tax Not Subject to Proration</b>						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0	\$0	
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
(i) (j)						
<b>Proration Calculation</b>						
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(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.	Description	Reference	(a)=Sum of (b) through (d)				
			Total	(b) Vintage Year March 31, 2022	(c) Vintage Year March 31, 2021	(d) Vintage Year March 31, 2020	
<b>Deferred Tax Subject to Proration</b>							
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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 / 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	\$0	\$0	\$0	\$0	
<b>Proration Calculation</b>							
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)
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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 176,877</b>	<b>\$ 402,346</b>	<b>\$ 504,066</b>
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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 96,123</b>	<b>\$ 218,654</b>	<b>\$ 273,934</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 273,000</b>	<b>\$ 621,000</b>	<b>\$ 778,000</b>
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 447,183</b>
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>-</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 243,021</b>
34	<b>Total Electric Revenue Requirement</b>	<b>-</b>	<b>\$ 176,877</b>	<b>\$ 402,346</b>	<b>\$ 951,249</b>
35	<b>Total Gas Revenue Requirement</b>	<b>-</b>	<b>\$ 96,123</b>	<b>\$ 218,654</b>	<b>\$ 516,955</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>-</b>	<b>\$ 273,000</b>	<b>\$ 621,000</b>	<b>\$ 1,468,204</b>

**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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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 2020 IS Capital Investments**  
Synergy Grid Mod - Enterprise Service Bus IS

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
<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	<u>\$0</u>		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	<u>\$0</u>		
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%		
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	<u>0.00%</u>		
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	<u>\$0</u>		
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</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, 2021**  
**Synergy Grid Mod - Enterprise Service Bus IS**

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

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 2021 IS Capital Investments**  
**Synergy Grid Mod - Enterprise Service Bus IS**

Line No.			Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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 <span style="float: right;">Sum of Line 1</span>	\$6,208,000
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year <span style="float: right;">Line 2</span>	\$6,208,000
4	Retirements <span style="float: right;">Line 4 * 0%</span>	\$0
5	Net Depreciable Capital Included in Rate Base <span style="float: right;">Column (a) = Line 3 - Line 4</span>	\$6,208,000
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base <span style="float: right;">Line 2</span>	\$6,208,000
7	Cost of Removal	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b> <span style="float: right;"><b>Line 6 + Line 8</b></span>	<b>\$6,208,000</b>
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2022 Spend <span style="float: right;">Page 7 of 10, Line 21</span>	\$2,069,126
11	Cumulative Tax Depreciation <span style="float: right;">Current Year Line 10</span>	\$2,069,126
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate <span style="float: right;">As approved per R.I.P.U.C. Docket No. 4770</span>	14.29%
13	Book Depreciation <span style="float: right;">Column (a) = Line 2 * Line 12 * 50%</span>	\$443,429
14	Cumulative Book Depreciation <span style="float: right;">Current Year Line 13</span>	\$443,429
15	Total Cumulative Book Depreciation <span style="float: right;">Line 14</span>	\$443,429
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer <span style="float: right;">Line 11 - Line 15</span>	\$1,625,697
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve <span style="float: right;">Line 16 * Line 17</span>	\$341,396
19	Less: FY 2022 Federal NOL	\$0
20	Less: Proration Adjustment <span style="float: right;">Col = Page 10 of 10, Line 40</span>	(\$185,352)
21	Net Deferred Tax Reserve <span style="float: right;">Sum of Lines 18 through 20</span>	\$156,045
<u>Rate Base Calculation:</u>		
22	Cumulative Incremental Capital Included in Rate Base <span style="float: right;">Line 8</span>	\$6,208,000
23	Accumulated Depreciation <span style="float: right;">- Line 15</span>	(\$443,429)
24	Deferred Tax Reserve <span style="float: right;">- Line 21</span>	(\$156,045)
25	Year End Rate Base <span style="float: right;">Sum of Lines 22 through 24</span>	\$5,608,527
<u>Revenue Requirement Calculation:</u>		
26	Average Rate Base <span style="float: right;">Column (a) = Current Year Line 25 ÷ 2</span>	\$2,804,263.37
27	Pre-Tax ROR <span style="float: right;">Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6</span>	8.80%
28	Return and Taxes <span style="float: right;">Line 26 * Line 27</span>	\$246,775
29	Book Depreciation <span style="float: right;">Line 13</span>	\$443,429
30	<b>Annual Revenue Requirement</b> <span style="float: right;"><b>Line 28 + Line 29</b></span>	<b>\$690,204</b>

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 2022 IS Capital Investments**  
**Synergy 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 \$6,208,000
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 \$6,208,000
5	Less Capital Repairs Deduction	Line 3 <u>\$0</u>
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 <u>100.00%</u>
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% <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 \$6,208,000
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 \$6,208,000
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946 33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17 <u>\$2,069,126</u>
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>\$2,069,126</u>



**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) through (c)	(b)	(c)	
			Total	Vintage Year March 31, 2021	Vintage Year March 31, 2020	
<b>Deferred Tax Subject to Proration</b>						
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	\$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	\$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	
<b>Deferred Tax Not Subject to Proration</b>						
8	Capital Repairs Deduction	Page 5 of 10, Line 3	\$0	\$0	\$0	
9	Cost of Removal	Page 5 of 10, Line 20	\$0	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
(i) (j)						
<b>Proration Calculation</b>						
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	(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.	Description	Reference	(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	
<b>Deferred Tax Subject to Proration</b>							
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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</u>				
26	April 2021	30	91.78%	(\$26,111)	(\$26,111)	\$0	\$0
27	May 2021	31	83.29%	(\$23,695)	(\$23,695)	\$0	\$0
28	June 2021	30	75.07%	(\$21,357)	(\$21,357)	\$0	\$0
29	July 2021	31	66.58%	(\$18,940)	(\$18,940)	\$0	\$0
30	August 2021	31	58.08%	(\$16,524)	(\$16,524)	\$0	\$0
31	September 2021	30	49.86%	(\$14,186)	(\$14,186)	\$0	\$0
32	October 2021	31	41.37%	(\$11,770)	(\$11,770)	\$0	\$0
33	November 2021	30	33.15%	(\$9,431)	(\$9,431)	\$0	\$0
34	December 2021	31	24.66%	(\$7,015)	(\$7,015)	\$0	\$0
35	January 2022	31	16.16%	(\$4,599)	(\$4,599)	\$0	\$0
36	February 2022	28	8.49%	(\$2,416)	(\$2,416)	\$0	\$0
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$156,045)	(\$156,045)	\$0	\$0
39	Deferred Tax Without Proration	Line 25		(\$341,396)	(\$341,396)	\$0	\$0
40	Proration Adjustment	Line 38 - Line 39		\$185,352	\$185,352	\$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 - 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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 10,000</b>
	Sum of Lines 1 through 12	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 10,000</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	Sum of Lines 14 through 21	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 10,000</b>
	Line 13 + Line 22	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 10,000</b>
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	-	\$26,261	\$90,772	\$157,450
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	-	\$0	\$0	\$0
34	<b>Total Electric Revenue Requirement</b>	<b>-</b>	<b>\$26,261</b>	<b>\$95,772</b>	<b>\$167,450</b>
	Line 13 + Line 28	<b>-</b>	<b>\$26,261</b>	<b>\$95,772</b>	<b>\$167,450</b>
35	<b>Total Gas Revenue Requirement</b>	<b>-</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	Line 22 + Line 33	<b>-</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>-</b>	<b>\$ 26,261</b>	<b>\$ 95,772</b>	<b>\$ 167,450</b>
	Line 34 + Line 35	<b>-</b>	<b>\$ 26,261</b>	<b>\$ 95,772</b>	<b>\$ 167,450</b>

**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	\$455,000	\$0	\$0
5	Retirements	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	\$455,000	\$455,000	\$455,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	\$455,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$455,000</b>	<b>\$455,000</b>	<b>\$455,000</b>
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	\$17,063	\$32,846	\$30,380
12	Cumulative Tax Depreciation	\$17,063	\$49,909	\$80,289
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	2.89%	2.89%	2.89%
14	Book Depreciation	\$6,575	\$13,150	\$13,150
15	Cumulative Book Depreciation	\$6,575	\$19,724	\$32,874
16	Composite Book Depreciation Rate	2.09%	2.09%	2.09%
17	Book Depreciation	\$0	\$0	\$0
18	Cumulative Book Depreciation	\$0	\$0	\$0
19	Total Cumulative Book Depreciation	\$6,575	\$19,724	\$32,874
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	\$10,488	\$30,185	\$47,415
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	\$2,203	\$6,339	\$9,957
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	\$ (1,196)	\$ (2,246)	\$ (1,965)
25	Net Deferred Tax Reserve	\$1,007	\$4,093	\$7,993
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	\$ 455,000	\$ 455,000	\$ 455,000
27	Accumulated Depreciation	(\$6,575)	(\$19,724)	(\$32,874)
28	Deferred Tax Reserve	(\$1,007)	(\$4,093)	(\$7,993)
29	Year End Rate Base	\$ 447,419	\$431,183	\$414,134
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	\$223,709	\$439,301	\$422,658
31	Pre-Tax ROR	8.80%	8.80%	8.80%
32	Return and Taxes	\$19,686	\$38,658	\$37,194
33	Book Depreciation	\$6,575	\$13,150	\$13,150
34	Property Taxes	\$0	\$14,451	\$14,451
35	<b>Annual Revenue Requirement</b>	<b>\$26,261</b>	<b>\$66,259</b>	<b>\$64,794</b>

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 <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$455,000</b>	<b>\$455,000</b>
<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	\$4,755	\$13,150
15	Cumulative Book Depreciation	\$4,755	\$17,904
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	\$4,755	\$17,904
<u>Deferred Tax Calculation:</u>			
20	Cumulative Book / Tax Timer	\$12,308	\$32,005
21	Effective Tax Rate	21.00%	21.00%
22	Deferred Tax Reserve	\$2,585	\$6,721
23	Less: FY 2021 Federal NOL	\$0	\$0
24	Less: Proration Adjustment	(\$1,403)	(\$2,246)
25	Net Deferred Tax Reserve	\$1,181	\$4,475
<u>Rate Base Calculation:</u>			
26	Cumulative Incremental Capital Included in Rate Base	\$ 455,000	\$455,000
27	Accumulated Depreciation	(\$4,755)	(\$17,904)
28	Deferred Tax Reserve	(\$1,181)	(\$4,475)
29	Year End Rate Base	\$ 449,064	\$432,620
<u>Revenue Requirement Calculation:</u>			
30	Average Rate Base	\$224,531.91	\$440,842
31	Pre-Tax ROR	8.80%	8.80%
32	Return and Taxes	\$19,759	\$38,794
33	Book Depreciation	\$4,755	\$13,150
34	Property Taxes	\$0	\$14,451
35	<b>Annual Revenue Requirement</b>	<b>\$24,514</b>	<b>\$66,394</b>

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**  
**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 <u>March 31, 2021</u>	Fiscal Year Ending <u>March 31, 2022</u>
		(a)	(b)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions <span style="float: right;">Page 4 of 10, Line 3</span>	\$455,000	
2	Capital Repairs Deduction Rate <span style="float: right;">Per Tax Department</span>	<u>0.00%</u>	
3	Capital Repairs Deduction <span style="float: right;">Line 1 * Line 2</span>	\$0	
	 <u>Bonus Depreciation</u>		
4	Plant Additions <span style="float: right;">Line 1</span>	\$455,000	
5	Less Capital Repairs Deduction <span style="float: right;">Line 3</span>	<u>\$0</u>	
6	Plant Additions Net of Capital Repairs Deduction <span style="float: right;">Line 4 - Line 5</span>	\$455,000	
7	Percent of Plant Eligible for Bonus Depreciation <span style="float: right;">Per Tax Department</span>	<u>100.00%</u>	
8	Plant Eligible for Bonus Depreciation <span style="float: right;">Line 6 * Line 7</span>	\$455,000	
9	Bonus Depreciation Rate (April 2020 - December 2020) <span style="float: right;">0%</span>	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021) <span style="float: right;">0%</span>	<u>0.00%</u>	
11	Total Bonus Depreciation Rate <span style="float: right;">Line 9 + Line 10</span>	0.00%	
12	Bonus Depreciation <span style="float: right;">Line 8 * Line 11</span>	\$0	
	 <u>Remaining Tax Depreciation</u>		
13	Plant Additions <span style="float: right;">Line 1</span>	\$455,000	
14	Less Capital Repairs Deduction <span style="float: right;">Line 3</span>	\$0	
15	Less Bonus Depreciation <span style="float: right;">Line 12</span>	<u>\$0</u>	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation <span style="float: right;">Line 13 - Line 14 - Line 15</span>	\$455,000	\$455,000
17	20 YR MACRS Tax Depreciation Rates <span style="float: right;">Per IRS Publication 946</span>	3.750%	7.219%
18	Remaining Tax Depreciation <span style="float: right;">Line 16 * Line 17</span>	<u>\$17,063</u>	<u>\$32,846</u>
19	FY21 Loss incurred due to retirements <span style="float: right;">Per Tax Department</span>	\$0	\$0
20	Cost of Removal <span style="float: right;">Page 4 of 10, Line 8</span>	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction <span style="float: right;">Sum of Lines 3, 12, 18, 19, and 20</span>	<u>\$17,063</u>	<u>\$32,846</u>

**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 <u>\$455,000</u>
<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 <u>\$455,000</u>
<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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8</b> <b><u>\$455,000</u></b>
<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 <u>\$6,575</u>
<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 <u>\$2,203</u>
23	Less: FY 2022 Federal NOL	\$0
24	Less: Proration Adjustment	Col (a) = Page 10 of 10, Line 40 <u>(\$1,196)</u>
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 <u>\$1,007</u>
<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 <u>\$ 447,419</u>
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$223,709
31	Pre-Tax ROR	1/ <u>8.80%</u>
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	<b>Annual Revenue Requirement</b>	<b>Sum of Lines 32 through 34</b> <b><u>\$26,261</u></b>

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**  
**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 <u>March 31, 2022</u> (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 <u>0.00%</u>
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 <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>\$17,063</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**  
**Synergy Grid Mod - Feeder Monitoring Sensors Electric**

Line No.			(a)=	(b)	
			Column (b)	Vintage Year	
			Total	March 31, 2020	
<b>Deferred Tax Subject to Proration</b>					
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)	
<b>Deferred Tax Not Subject to Proration</b>					
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)	
<b>Allocation of FY 2020 Estimated Federal NOL</b>					
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)	
(i) (j)					
<u>Number of Days in</u>					
	<b>Proration Calculation</b>	<u>Month</u>	<u>Proration Percentage</u>	(k)= Sum of (l)	(l)
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.			(a)=Sum of (b)	(b)	(c)	
			through (c)	Vintage Year	Vintage Year	
			Total	March 31, 2021	March 31, 2020	
<b>Deferred Tax Subject to Proration</b>						
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)	
<b>Deferred Tax Not Subject to Proration</b>						
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)	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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)	
<b>Proration Calculation</b>						
		(i) <u>Number of Days in</u>	(j)	(k)= Sum of (l)	(l)	(m)
		<u>Month</u>	<u>Proration Percentage</u>	through (m)		
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)

**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) 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)	
<b>Deferred Tax Not Subject to Proration</b>							
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)	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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)	
<b>Proration Calculation</b>							
		(i) <u>Number of Days in</u>	(j) <u>Proration Percentage</u>	(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 <u>2019</u> (a)	Fiscal Year <u>2020</u> (b)	Fiscal Year <u>2021</u> (c)	Fiscal Year <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	<b>Total Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,028,000</b>	<b>\$1,028,000</b>

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 <u>2019</u> (a)	Fiscal Year <u>2020</u> (b)	Fiscal Year <u>2021</u> (c)	Fiscal Year <u>2022</u> (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	<b>Total Revenue Requirement</b>		<b>\$427,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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	<b>Total Electric O&amp;M costs</b>	\$ -	\$ 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	<b>Total Gas O&amp;M costs</b>	\$ -	\$ 4,577	\$ 181,332	\$ 181,332
23	<b>Total O&amp;M Expenses</b>	\$ -	\$ 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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>		\$ 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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>		\$ 4,340	\$ 8,282	\$ 7,659
34	<b>Total Electric Revenue Requirement</b>	\$ -	\$ 16,408	\$ 348,909	\$ 347,763
35	<b>Total Gas Revenue Requirement</b>	\$ -	\$ 8,917	\$ 189,614	\$ 188,991
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	\$ -	\$ 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	\$113,000	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	\$113,000	\$0	\$0
4	Retirements	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$113,000	\$113,000	\$113,000
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	\$113,000	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$113,000</b>	<b>\$113,000</b>	<b>\$113,000</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2020 Spend	\$94,166	\$12,557	\$4,184
11	Cumulative Tax Depreciation	\$94,166	\$106,723	\$110,907
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	14.29%	14.29%	14.29%
13	Book Depreciation	\$8,071	\$16,143	\$16,143
14	Cumulative Book Depreciation	\$8,071	\$24,214	\$40,357
15	Total Cumulative Book Depreciation	\$8,071	\$24,214	\$40,357
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	\$86,095	\$82,509	\$70,550
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	\$18,080	\$17,327	\$14,815
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0
20	Less: Proration Adjustment	(\$9,816)	\$409	\$1,363
21	Net Deferred Tax Reserve	\$8,264	\$17,736	\$16,179
<u>Rate Base Calculation:</u>				
22	Cumulative Incremental Capital Included in Rate Base	\$113,000	\$113,000	\$113,000
23	Accumulated Depreciation	(\$8,071)	(\$24,214)	(\$40,357)
24	Deferred Tax Reserve	(\$8,264)	(\$17,736)	(\$16,179)
25	Year End Rate Base	\$96,665	\$71,050	\$56,464
<u>Revenue Requirement Calculation:</u>				
26	Average Rate Base	\$48,332.34	\$83,857	\$63,757
27	Pre-Tax ROR	8.80%	8.80%	8.80%
28	Return and Taxes	\$4,253	\$7,379	\$5,611
29	Book Depreciation	\$8,071	\$16,143	\$16,143
30	<b>Annual Revenue Requirement</b>	<b>\$12,325</b>	<b>\$23,522</b>	<b>\$21,753</b>

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 2020 IS Capital Investments**  
**Synergy Grid Mod - PI Historian IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$113,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$84,750</u>		
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	<u>\$9,416</u>	<u>\$12,557</u>	<u>\$4,184</u>
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	<u>\$94,166</u>	<u>\$12,557</u>	<u>\$4,184</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, 2021**  
**Synergy Grid Mod - PI Historian IS**

Line No.		Fiscal Year Ending <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (b)
<u>Estimated Capital Investment</u>			
1	PI Historian	\$0	
2	Total Estimated Capital Investment	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	\$0	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2021 Spend	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0
15	Total Cumulative Book Depreciation	\$0	\$0
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0
19	Less: FY 2021 Federal NOL	\$0	\$0
20	Less: Proration Adjustment	\$0	\$0
21	Net Deferred Tax Reserve	\$0	\$0
<u>Rate Base Calculation:</u>			
22	Cumulative Incremental Capital Included in Rate Base	\$0	\$0
23	Accumulated Depreciation	\$0	\$0
24	Deferred Tax Reserve	\$0	\$0
25	Year End Rate Base	\$0	\$0
<u>Revenue Requirement Calculation:</u>			
26	Average Rate Base	\$0.00	\$0
27	Pre-Tax ROR	8.80%	8.80%
28	Return and Taxes	\$0	\$0
29	Book Depreciation	\$0	\$0
30	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>

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 2021 IS Capital Investments**  
**Synergy Grid Mod - PI Historian IS**

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

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 2022 IS Capital Investments  
Synergy Grid Mod - PI Historian 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	<u>0.00%</u>
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	<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	\$0
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 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	
<b>Deferred Tax Subject to Proration</b>						
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	
<b>Deferred Tax Not Subject to Proration</b>						
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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
<b>Proration Calculation</b>						
		(i)	(j)	(k)= Sum of (l) through (m)	(l)	(m)
	<u>Number of Days in Month</u>		<u>Proration Percentage</u>			
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 - PI Historian IS

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d)				
			Total	(b) Vintage Year March 31, 2022	(c) Vintage Year March 31, 2021	(d) 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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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	
<b>Proration Calculation</b>							
		(i) Number of Days in Month	(j) Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)
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	<b>Total Electric O&amp;M costs</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>
	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	<b>Total Gas O&amp;M costs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
23	<b>Total O&amp;M Expenses</b>	<b>\$ -</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>	<b>\$ 60,000</b>
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$30,709</b>	<b>\$129,979</b>	<b>\$218,855</b>
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
34	<b>Total Electric Revenue Requirement</b>	<b>\$ -</b>	<b>\$90,709</b>	<b>\$189,979</b>	<b>\$278,855</b>
35	<b>Total Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	<b>\$ -</b>	<b>\$ 90,709</b>	<b>\$ 189,979</b>	<b>\$ 278,855</b>

**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	\$570,000	\$0	\$0
5	Retirements	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	\$570,000	\$570,000	\$570,000
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	\$570,000	\$0	\$0
8	Cost of Removal	\$0	\$0	\$0
9	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$570,000</b>	<b>\$570,000</b>	<b>\$570,000</b>
<u>Tax Depreciation</u>				
10	Vintage Year Tax Depreciation:			
11	FY 2020 Spend	\$21,375	\$41,148	\$38,059
12	Cumulative Tax Depreciation	\$21,375	\$62,523	\$100,582
<u>Book Depreciation</u>				
13	Composite Book Depreciation Rate	2.89%	2.89%	2.89%
14	Book Depreciation	\$0	\$0	\$0
15	Cumulative Book Depreciation	\$0	\$0	\$0
16	Composite Book Depreciation Rate	2.09%	2.09%	2.09%
17	Book Depreciation	\$5,957	\$11,913	\$11,913
18	Cumulative Book Depreciation	\$5,957	\$17,870	\$29,783
19	Total Cumulative Book Depreciation	\$5,957	\$17,870	\$29,783
<u>Deferred Tax Calculation:</u>				
20	Cumulative Book / Tax Timer	\$15,419	\$44,654	\$70,800
21	Effective Tax Rate	21.00%	21.00%	21.00%
22	Deferred Tax Reserve	\$3,238	\$9,377	\$14,868
23	Less: FY 2020 Federal NOL	\$ -	\$ -	\$ -
24	Less: Proration Adjustment	\$ (1,758)	\$ (3,333)	\$ (2,981)
25	Net Deferred Tax Reserve	\$1,480	\$6,044	\$11,887
<u>Rate Base Calculation:</u>				
26	Cumulative Incremental Capital Included in Rate Base	\$ 570,000	\$ 570,000	\$ 570,000
27	Accumulated Depreciation	(\$5,957)	(\$17,870)	(\$29,783)
28	Deferred Tax Reserve	(\$1,480)	(\$6,044)	(\$11,887)
29	Year End Rate Base	\$ 562,564	\$546,086	\$528,331
<u>Revenue Requirement Calculation:</u>				
30	Average Rate Base	\$281,282	\$554,325	\$537,209
31	Pre-Tax ROR	8.80%	8.80%	8.80%
32	Return and Taxes	\$24,753	\$48,781	\$47,274
33	Book Depreciation	\$5,957	\$11,913	\$11,913
34	Property Taxes	\$0	\$18,103	\$18,103
35	<b>Annual Revenue Requirement</b>	<b>\$30,709</b>	<b>\$78,797</b>	<b>\$77,291</b>

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 <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	Line 3 \$950,000	\$0
5	Retirements	Line 4 * 0%	\$0
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 \$950,000	\$950,000
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	Line 3 \$950,000	\$0
8	Cost of Removal	\$0	\$0
9	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$950,000</b>	<b>\$950,000</b>
<u>Tax Depreciation</u>			
10	Vintage Year Tax Depreciation:		
11	FY 2021 Spend	Page 5 of 10, Line 21 \$35,625	\$68,581
12	Cumulative Tax Depreciation	Prior Year Line 12 + Current Year Line 11 \$35,625	\$104,206
<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 \$0	\$0
15	Cumulative Book Depreciation	Prior Year Line 15 + Current Year Line 14 \$0	\$0
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 \$9,928	\$19,855
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17 \$9,928	\$29,783
19	Total Cumulative Book Depreciation	Line 18 + Line 15 \$9,928	\$29,783
<u>Deferred Tax Calculation:</u>			
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$25,698	\$74,424
21	Effective Tax Rate	21.00%	21.00%
22	Deferred Tax Reserve	Line 20 * Line 21 \$5,396	\$15,629
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 (\$2,930)	(\$5,555)
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 \$2,467	\$10,074
<u>Rate Base Calculation:</u>			
26	Cumulative Incremental Capital Included in Rate Base	Line 9 \$ 950,000	\$950,000
27	Accumulated Depreciation	- Line 19 (\$9,928)	(\$29,783)
28	Deferred Tax Reserve	- Line 25 (\$2,467)	(\$10,074)
29	Year End Rate Base	Sum of Lines 26 through 28 \$ 937,606	\$910,144
<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 \$468,802.95	\$923,875
31	Pre-Tax ROR	1/ 8.80%	8.80%
32	Return and Taxes	Line 30 * Line 31 \$41,255	\$81,301
33	Book Depreciation	Line 14 + Line 17 \$9,928	\$19,855
34	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b) Line 9 * 3.176% \$0	\$30,172
35	<b>Annual Revenue Requirement</b>	<b>Sum of Lines 32 through 34 \$51,182</b>	<b>\$131,328</b>

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**  
**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 <u>March 31, 2021</u>	Fiscal Year Ending <u>March 31, 2022</u>
			(a)	(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	<u>\$0</u>	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$950,000	
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>	
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	<u>\$950,000</u>	
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	\$950,000	
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 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	<u>\$35,625</u>	<u>\$68,581</u>
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 4 of 10, Line 8	<u>\$0</u>	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u>\$35,625</u>	<u>\$68,581</u>

**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 <u>\$190,000</u>
<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% <u>\$0</u>
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 <u>\$190,000</u>
<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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8</b> <b><u>\$190,000</u></b>
<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 <u>\$1,986</u>
<u>Deferred Tax Calculation:</u>		
20	Cumulative Book / Tax Timer	Line 12 - Line 19 \$5,140
21	Effective Tax Rate	<u>21.00%</u>
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 <u>(\$586)</u>
25	Net Deferred Tax Reserve	Sum of Lines 22 through 24 <u>\$493</u>
<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 <u>\$ 187,521</u>
<u>Revenue Requirement Calculation:</u>		
30	Average Rate Base	Column (a) = Current Year Line 29 ÷ 2 \$93,761
31	Pre-Tax ROR	1/ <u>8.80%</u>
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	<b>Annual Revenue Requirement</b>	<b>Sum of Lines 32 through 34</b> <b><u>\$10,236</u></b>

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**  
**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 <u>March 31, 2022</u> (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 <u>0.00%</u>
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 <u>\$0</u>
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 <u>100.00%</u>
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% <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 \$190,000
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 \$190,000
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946 <u>3.750%</u>
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 <u>\$7,125</u>





**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; 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)
<b>Deferred Tax Not Subject to Proration</b>						
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)
<b>Allocation of FY 2022 Estimated Federal NOL</b>						
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)

Line No.	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%	(\$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**

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

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	<b>Total Electric O&amp;M costs</b>	\$ -	\$ -	\$ 425,022	\$ 636,886
	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	<b>Total Gas O&amp;M costs</b>	\$ -	\$ -	\$ 230,978	\$ 346,114
23	<b>Total O&amp;M Expenses</b>	\$ -	\$ -	\$ 656,000	\$ 983,000
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	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	\$ -	\$ 8,480	\$ 20,506	\$ 27,588
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	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	\$ -	\$ 4,608	\$ 11,144	\$ 14,993
34	<b>Total Electric Revenue Requirement</b>	\$ -	\$ 8,480	\$ 445,529	\$ 664,474
35	<b>Total Gas Revenue Requirement</b>	\$ -	\$ 4,608	\$ 242,122	\$ 361,107
36	<b>Total Electric &amp; Gas Revenue Requirement</b>	\$ -	\$ 13,088	\$ 687,650	\$ 1,025,581

**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	Sum of Line 1	\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>\$120,000</b>
<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		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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29</b>	<b>\$13,088</b>	<b>\$24,979</b>	<b>\$23,101</b>

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 2020 IS Capital Investments**  
**Synergy Grid Mod - Telecommunications IS**

Line No.			Fiscal Year Ending <u>March 31, 2020</u> (a)	Fiscal Year Ending <u>March 31, 2021</u> (b)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>\$0</u>		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$120,000		
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>		
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	<u>100.00%</u>		
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%	<u>0.00%</u>		
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	<u>\$90,000</u>		
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	<u>\$9,999</u>	<u>\$13,335</u>	<u>\$4,443</u>
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	<u>\$99,999</u>	<u>\$13,335</u>	<u>\$4,443</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, 2021**  
**Synergy Grid Mod - Telecommunications IS**

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

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 <u>March 31, 2021</u> (a)	Fiscal Year Ending <u>March 31, 2022</u> (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	<u>0.00%</u>	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<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>	<u>\$26,670</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>\$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	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 8 \$60,000</b>
<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	<b>Annual Revenue Requirement</b>	<b>Line 28 + Line 29 \$6,671</b>

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 100.00%
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% 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 \$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 33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17 <u>\$19,998</u>
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 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	
<b>Deferred Tax Subject to Proration</b>						
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	
<b>Deferred Tax Not Subject to Proration</b>						
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	
<b>Allocation of FY 2021 Estimated Federal NOL</b>						
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	
<b>Proration Calculation</b>						
		(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%	(\$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	
<b>Deferred Tax Not Subject to Proration</b>							
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	
<b>Allocation of FY 2022 Estimated Federal NOL</b>							
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 / 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	(\$4,433)	(\$3,300)	(\$3,801)	\$2,667	
<b>Proration Calculation</b>							
		(i)	(j)	(k)= Sum of (l) through (n)	(l)	(m)	(n)
		<u>Number of Days in</u>	<u>Proration Percentage</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 <u>March 31, 2019</u>	PST Year Ending <u>March 31, 2020</u>	PST Year Ending <u>March 31, 2021</u>	PST Year Ending <u>March 31, 2022</u>
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	<b>Total Electric</b>	<b>\$2,427,000</b>	<b>\$10,531,580</b>	<b>\$19,212,383</b>	<b>\$33,895,688</b>
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	<b>Total Gas</b>	<b>\$0</b>	<b>\$3,275,702</b>	<b>\$3,089,341</b>	<b>\$4,062,209</b>
11	<b>Total Gas and Electric</b>	<b>\$2,427,000</b>	<b>\$13,807,282</b>	<b>\$22,301,724</b>	<b>\$37,957,897</b>

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	<b>Total Electric</b>	<b>\$5,049,000</b>	<b>\$20,041,548</b>	<b>\$29,618,502</b>	<b>\$46,706,872</b>
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	<b>Total Gas</b>	<b>\$0</b>	<b>\$8,276,544</b>	<b>\$8,645,428</b>	<b>\$10,537,207</b>
<b>11</b>	<b>Total Gas and Electric</b>	<b>\$5,049,000</b>	<b>\$28,318,092</b>	<b>\$38,263,930</b>	<b>\$57,244,079</b>

Division 6-9

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 19-9 in Docket No. 4770.)

Division 6-10

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	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 0.43</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 3.05</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1.03</b>	<b>\$ 1.03</b>	<b>\$ 1.03</b>

(This response is identical to the Company's response to Division 19-10 in Docket No. 4770.)

Division 6-11

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 19-11 in Docket No. 4770.)

Division 6-12

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 6-8-1 (Rhode Island-only scenario), Attachment DIV 6-8-2 (Multi-Jurisdiction scenario), and Attachment DIV 6-8-3 (Summary) provided with the response to Division 6-8, 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 6-8-1 (Rhode Island-only scenario) and Attachment DIV 6-8-3 (Summary) provided with the response to Division 6-8, which show the revenue requirement of IS National Grid USA Service

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

(This response is identical to the Company's response to Division 19-12 in Docket No. 4770.)

Division 6-13

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 19-13 in Docket No. 4770.)

Division 6-14

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 19-14 in Docket No. 4770.)

Division 6-15

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 19-15 in Docket No. 4770.)

Division 6-16

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 19-16 in Docket No. 4770.)

Division 6-17

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 19-17 in Docket No. 4770.)

Division 6-18

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 19-18 in Docket No. 4770.)

Division 6-19

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 19-19 in Docket No. 4770.)

Division 6-20

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 6-20, 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 6-8-1 and Attachment DIV 6-8-2 provided with the response to Division 6-8, 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 19-20 in Docket No. 4770.)

Division 6-21

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 6-8-1 (Rhode Island-only Scenario) and Attachment DIV 6-8-2 (Multi-Jurisdiction Scenario), provided with the response to Division 6-8 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 6-8-1 (Rhode Island-only Scenario) and Attachment DIV 6-8-2 (Multi-Jurisdiction Scenario), provided with the response to Division 6-8 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 6-8-1 (Rhode Island-only Scenario) and Attachment DIV 6-8-2 (Multi-Jurisdiction Scenario), provided with the response to Division 6-8, 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 19-21 in Docket No. 4770.)