**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Grid Mod - Electric Projects and IS Electric and Gas Projects**
**Annual Revenue Requirement Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Electric Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | System Data Portal | | $700,000 | $700,000 | $700,000 |
| 2 | Feeder Monitoring Sensors | | $0 | $5,000 | $10,000 |
| 3 | RTU Separation | | $60,000 | $60,000 | $60,000 |
| 4 | GIS Data Enhancement | | $0 | $1,028,000 | $1,028,000 |
| 5 | DSCADA & ADMS | | $0 | $58,311 | $87,467 |
| 6 | GIS Data Enhancement | | $0 | $0 | $0 |
| 7 | Enterprise Service Bus | | $176,877 | $402,346 | $504,066 |
| 8 | Data Lake | | $236,484 | $388,092 | $545,532 |
| 9 | PI Historian | | $8,423 | $333,669 | $333,669 |
| 10 | Advanced Analytics | | $69,973 | $299,978 | $338,852 |
| 11 | Telecommunications | | $0 | $425,022 | $636,886 |
| 12 | Cybersecurity | | $1,569,214 | $802,100 | $623,280 |
| 13 | **Total Electric O&M costs** | Sum of Lines 1 through 12 | **$2,820,970** | **$4,502,518** | **$4,867,750** |
| | Gas Operation and Maintenance (O&M) Expenses: | | | | |
| 14 | DSCADA & ADMS | | $0 | $31,689 | $47,534 |
| 15 | GIS Data Enhancement | | $0 | $0 | $0 |
| 16 | Enterprise Service Bus | | $96,123 | $218,654 | $273,934 |
| 17 | Data Lake | | $128,517 | $210,908 | $296,468 |
| 18 | PI Historian | | $4,577 | $181,332 | $181,332 |
| 19 | Advanced Analytics | | $38,027 | $163,022 | $184,148 |
| 20 | Telecommunications | | $0 | $230,978 | $346,114 |
| 21 | Cybersecurity | | $852,786 | $435,900 | $338,720 |
| 22 | **Total Gas O&M costs** | Sum of Lines 14 through 21 | **$1,120,030** | **$1,472,482** | **$1,668,250** |
| 23 | **Total O&M Expenses** | Sum of Lines 13 + 22 | **$3,941,000** | **$5,975,000** | **$6,536,000** |
| 24 | Electric Capital Investment: | | | | |
| 25 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $639,093 | $1,241,853 | $1,125,862 |
| 26 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $347,366 | $712,635 |
| 27 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $1,271,625 |
| 28 | Total Electric Capital Investment Component of Revenue Requirement | Sum of Lines 25 through 27 | $639,093 | $1,589,219 | $3,110,122 |
| 29 | Gas Capital Investment: | | | | |
| 30 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $313,541 | $591,790 | $531,886 |
| 31 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $142,431 | $269,781 |
| 32 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $668,840 |
| 33 | Total Gas Capital Investment Component of Revenue Requirement | Sum of Lines 30 through 32 | $313,541 | $734,220 | $1,470,508 |
| 34 | **Total Electric Revenue Requirement** | Sum of Lines 13 + 28 | **$3,460,063** | **$6,091,736** | **$7,977,872** |
| 35 | **Total Gas Revenue Requirement** | Sum of Lines 22 + 33 | **$1,433,572** | **$2,206,703** | **$3,138,758** |
| 36 | **Total Electric & Gas Revenue Requirement** | Sum of Lines 34 + 35 | **$4,893,634** | **$8,298,439** | **$11,116,630** |

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

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | System Data Portal | | $700,000 | $700,000 | $700,000 |
| 2 | Feeder Monitoring Sensors | | $0 | $5,000 | $10,000 |
| 3 | RTU Separation | | $60,000 | $60,000 | $60,000 |
| 4 | GIS Data Enhancement | | $0 | $1,028,000 | $1,028,000 |
| 5 | **Total O&M Expenses** | Sum of Lines 1 through 4 | **$760,000** | **$1,793,000** | **$1,798,000** |
| | Capital Investment: | | | | |
| 6 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $62,145 | $152,900 | $147,136 |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $85,278 | $216,210 |
| 8 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $40,891 |
| 9 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 6 through 8 | **$62,145** | **$238,178** | **$404,237** |
| 10 | **Total Electric Revenue Requirement** | Sum of Lines 5 + 9 | **$822,145** | **$2,031,178** | **$2,202,237** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.3 - Grid Mod Shared**
**Page 3 of 21**

**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 - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Feeder Monitor Sensors | | $455,000 | $0 | $0 |
| 2 | RTU Separation | | $570,000 | $0 | $0 |
| 3 | Total Estimated Capital Investment | Sum of Lines 1 through 2 | $1,025,000 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 4 | Total Allowed Capital Included in Rate Base in Current Year | Line 3 | $1,025,000 | $0 | $0 |
| 5 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 6 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b and c) = Prior Year Line 6 | $1,025,000 | $1,025,000 | $1,025,000 |
| | Change in Net Capital Included in Rate Base | | | | |
| 7 | Capital Included in Rate Base | Line 3 | $1,025,000 | $0 | $0 |
| 8 | Cost of Removal | | $0 | $0 | $0 |
| 9 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | **$1,025,000** | **$1,025,000** | **$1,025,000** |
| | Tax Depreciation | | | | |
| 10 | Vintage Year Tax Depreciation: | | | | |
| 11 | FY 2020 Spend | Page 4 of 21, Line 21 | $260,414 | $57,346 | $53,040 |
| 12 | Cumulative Tax Depreciation | Prior Year Line 12 + Current Year Line 11 | $260,414 | $317,760 | $370,800 |
| | Book Depreciation | | | | |
| 13 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.89% | 2.89% | 2.89% |
| 14 | Book Depreciation | Column (a) = Line 1 * Line 13 * 50% ; Column (b and c) = Line 1 * Line 13 | $6,575 | $13,150 | $13,150 |
| 15 | Cumulative Book Depreciation | Prior Year Line 15 + Current Year Line 14 | $6,575 | $19,724 | $32,874 |
| 16 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.09% | 2.09% | 2.09% |
| 17 | Book Depreciation | Column (a) = Line 2 * Line 16 * 50% ; Column (b and c) = Line 2 * Line 16 | $5,957 | $11,913 | $11,913 |
| 18 | Cumulative Book Depreciation | Prior Year Line 18 + Current Year Line 17 | $5,957 | $17,870 | $29,783 |
| 19 | Total Cumulative Book Depreciation | Sum of Lines 15 + 18 | $12,531 | $37,594 | $62,656 |
| | Deferred Tax Calculation: | | | | |
| 20 | Cumulative Book / Tax Timer | Line 12 - Line 19 | $247,883 | $280,166 | $308,144 |
| 21 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 22 | Deferred Tax Reserve | Line 20 * Line 21 | $86,759 | $98,058 | $107,850 |
| 23 | Less: FY 2020 Federal NOL | Page 21 of 21, Line12(n) | $0 | $0 | $0 |
| 24 | Less: Proration Adjustment | Col (a) = Page 9 of 21, Line 40; Col (b) = Page 10 of 21, Line 40; Col (c) = Page 11 of 21, Line 40 | ($47,103) | ($6,135) | ($5,316) |
| 25 | Net Deferred Tax Reserve | Sum of Lines 22 through 24 | $39,656 | $91,924 | $102,534 |
| | Rate Base Calculation: | | | | |
| 26 | Cumulative Incremental Capital Included in Rate Base | Line 9 | $1,025,000 | $1,025,000 | $1,025,000 |
| 27 | Accumulated Depreciation | - Line 19 | ($12,531) | ($37,594) | ($62,656) |
| 28 | Deferred Tax Reserve | - Line 25 | ($39,656) | ($91,924) | ($102,534) |
| 29 | Year End Rate Base | Sum of Lines 26 through 28 | $972,813 | $895,483 | $859,810 |
| | Revenue Requirement Calculation: | | | | |
| 30 | Average Rate Base | Column (a) = Current Year Line 29 ÷ 2; Column (b and c) = (Prior Year Line 29 + Current Year Line 29) ÷ 2 | $486,407 | $934,148 | $877,646 |
| 31 | Pre-Tax ROR | 1/ | 10.20% | 10.20% | 10.20% |
| 32 | Return and Taxes | Line 30 * Line 31 | $49,613 | $95,283 | $89,520 |
| 33 | Book Depreciation | Sum of Line 14 + Line 17 | $12,531 | $25,063 | $25,063 |
| 34 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 9 * 3.176% | $0 | $32,554 | $32,554 |
| 35 | **Annual Revenue Requirement** | **Line 32 through Line 33** | **$62,145** | **$152,900** | **$147,136** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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 - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 3 of 21, Line 3 | $1,025,000 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $1,025,000 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,025,000 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,025,000 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 1 * 25% * 00% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $230,625 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $1,025,000 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $230,625 | | |
| 16 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $794,375 | $794,375 | $794,375 |
| 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 | $29,789 | $57,346 | $53,040 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 3 of 21, Line 8 | $0 | | |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $260,414 | $57,346 | $53,040 |

**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 - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | Feeder Monitor Sensors | | $455,000 | |
| 2 | RTU Separation | | $950,000 | |
| 3 | Total Estimated Capital Investment | Sum of Lines 1 through 2 | $1,405,000 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 4 | Total Allowed Capital Included in Rate Base in Current Year | Line 3 | $1,405,000 | $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 | $1,405,000 | $1,405,000 |
| | Change in Net Capital Included in Rate Base | | | |
| 7 | Capital Included in Rate Base | Line 3 | $1,405,000 | $0 |
| 8 | Cost of Removal | | $0 | $0 |
| 9 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | **$1,405,000** | **$1,405,000** |
| | Tax Depreciation | | | |
| 10 | Vintage Year Tax Depreciation: | | | |
| 11 | FY 2021 Spend | Page 6 of 21, Line 21 | $52,688 | $101,427 |
| 12 | Cumulative Tax Depreciation | Prior Year Line 15 + Current Year Line 14 | $52,688 | $154,115 |
| | Book Depreciation | | | |
| 13 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.89% | 2.89% |
| 14 | Book Depreciation | Column (a) = Line 1 * Line 13 * 50% ; Column (b) = Line 1 * Line 13 | $4,755 | $13,150 |
| 15 | Cumulative Book Depreciation | Prior Year Line 17 + Current Year Line 16 | $4,755 | $17,904 |
| 16 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.09% | 2.09% |
| 17 | Book Depreciation | Column (a) = Line 1 * Line 16 * 50% ; Column (b) = Line 1 * Line 16 | $9,928 | $19,855 |
| 18 | Cumulative Book Depreciation | Prior Year Line 17 + Current Year Line 16 | $9,928 | $29,783 |
| 19 | Total Cumulative Book Depreciation | Sum of Lines 15 + 18 | $14,682 | $47,687 |
| | Deferred Tax Calculation: | | | |
| 20 | Cumulative Book / Tax Timer | Line 12 - Line 18 | $38,006 | $106,428 |
| 21 | Effective Tax Rate | | 35.00% | 35.00% |
| 22 | Deferred Tax Reserve | Line 20 * Line 21 | $13,302 | $37,250 |
| 23 | Less: FY 2021 Federal NOL | Page 21 of 21, Line12(n) | $0 | $0 |
| 24 | Less: Proration Adjustment | Col (a) = Page 10 of 21, Line 40; Col (b) = Page 11 of 21, Line 40 | ($7,222) | ($13,002) |
| 25 | Net Deferred Tax Reserve | Sum of Lines 22 through 24 | $6,080 | $24,248 |
| | Rate Base Calculation: | | | |
| 26 | Cumulative Incremental Capital Included in Rate Base | Line 9 | $1,405,000 | $1,405,000 |
| 27 | Accumulated Depreciation | - Line 19 | ($14,682) | ($47,687) |
| 28 | Deferred Tax Reserve | - Line 25 | ($6,080) | ($24,248) |
| 29 | Year End Rate Base | Sum of Lines 26 through 28 | $1,384,238 | $1,333,065 |
| | Revenue Requirement Calculation: | | | |
| 30 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | $692,118.85 | $1,358,651 |
| 31 | Pre-Tax ROR | | 1/ 10.20% | 10.20% |
| 32 | Return and Taxes | Line 30 * Line 31 | $70,596 | $138,582 |
| 33 | Book Depreciation | Line 17 | $14,682 | $33,005 |
| 34 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $44,623 |
| 35 | **Annual Revenue Requirement** | **Line 32 through Line 33** | **$85,278** | **$216,210** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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 - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 5 of 21, Line 3 | $1,405,000 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $1,405,000 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,405,000 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,405,000 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $1,405,000 | |
| 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 | $1,405,000 | $1,405,000 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% | 7.219% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $52,688 | $101,427 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 5 of 21, Line 8 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $52,688 | $101,427 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.3 - Grid Mod Shared**
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**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 - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | Feeder Monitor Sensors | | $455,000 |
| 2 | RTU Separation | | $190,000 |
| 3 | Total Estimated Capital Investment | Sum of Lines 1 through 2 | $645,000 |
| | Depreciable Net Capital Included in Rate Base | | |
| 4 | Total Allowed Capital Included in Rate Base in Current Year | Line 3 | $645,000 |
| 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 | $645,000 |
| | Change in Net Capital Included in Rate Base | | |
| 7 | Capital Included in Rate Base | Line 3 | $645,000 |
| 8 | Cost of Removal | | $0 |
| 9 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | **$645,000** |
| | Tax Depreciation | | |
| 10 | Vintage Year Tax Depreciation: | | |
| 11 | FY 2022 Spend | Page 8 of 21, Line 21 | $24,188 |
| 12 | Cumulative Tax Depreciation | Prior Year Line 12 + Current Year Line 13 | $24,188 |
| | Book Depreciation | | |
| 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 | Prior Year Line 17 + Current Year Line 16 | $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 1* Line 13 * 50% | $1,986 |
| 18 | Cumulative Book Depreciation | Prior Year Line 17 + Current Year Line 16 | $1,986 |
| 19 | Total Cumulative Book Depreciation | Sum of Lines 15 + 18 | $8,560 |
| | Deferred Tax Calculation: | | |
| 20 | Cumulative Book / Tax Timer | Line 12 - Line 19 | $15,628 |
| 21 | Effective Tax Rate | | 35.00% |
| 22 | Deferred Tax Reserve | Line 20 * Line 21 | $5,470 |
| 23 | Less: FY 2022 Federal NOL | Page 21 of 21, Line12(n) | $0 |
| 24 | Less: Proration Adjustment | Col (a) = Page 11 of 21, Line 40 | ($2,970) |
| 25 | Net Deferred Tax Reserve | Sum of Lines 22 through 24 | $2,500 |
| | Rate Base Calculation: | | |
| 26 | Cumulative Incremental Capital Included in Rate Base | Line 9 | $645,000 |
| 27 | Accumulated Depreciation | - Line 19 | ($8,560) |
| 28 | Deferred Tax Reserve | - Line 25 | ($2,500) |
| 29 | Year End Rate Base | Sum of Lines 26 through 28 | $633,940 |
| | Revenue Requirement Calculation: | | |
| 30 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | $316,970 |
| 31 | Pre-Tax ROR | 1/ | 10.20% |
| 32 | Return and Taxes | Line 30 * Line 31 | $32,331 |
| 33 | Book Depreciation | Line 17 | $8,560 |
| 34 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 35 | **Annual Revenue Requirement** | **Line 32 through Line 33** | **$40,891** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.3 - Grid Mod Shared**
**Page 8 of 21**

**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 - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 7 of 21, Line 3 | $645,000 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $645,000 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $645,000 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $645,000 |
| 9 | Bonus Depreciation Rate (April 2021- December 2021) | 0.00% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0.00% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $645,000 |
| 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 | $645,000 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $24,188 |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 7 of 21, Line 8 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $24,188 |

**THE NARRAGANSETT ELECTRIC COMPANY**
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**RIPUC Docket No. 4770**
**Appendix 10.3 - Grid Mod Shared**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Electric Proration**
**Synergy Grid Mod - Electric**

| Line No. | | | (a)=Sum of (b) through (h) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 3 of 21, Line 14 + Line 17 | $12,531 | $12,531 |
| 2 | Bonus Depreciation | Page 4 of 21, Line 12 | ($230,625) | ($230,625) |
| 3 | Remaining MACRS Tax Depreciation | Page 4 of 21, Line 18 | ($29,789) | ($29,789) |
| 4 | FY20 tax (gain)/loss on retirements | Page 4 of 21, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($247,883) | ($247,883) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($86,759) | ($86,759) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 4 of 21, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 4 of 21, 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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($86,759) | ($86,759) |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($86,759) | ($86,759) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($247,883) | ($247,883) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($247,883) | ($247,883) |
| 20 | Total FY 2020 Federal NOL | | $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 | | 35.00% | 35.00% |
| 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 | ($86,759) | ($86,759) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($6,636) | ($6,636) |
| 27 | May 2019 | 31 | 83.29% | ($6,022) | ($6,022) |
| 28 | June 2019 | 30 | 75.07% | ($5,427) | ($5,427) |
| 29 | July 2019 | 31 | 66.58% | ($4,813) | ($4,813) |
| 30 | August 2019 | 31 | 58.08% | ($4,199) | ($4,199) |
| 31 | September 2019 | 30 | 49.86% | ($3,605) | ($3,605) |
| 32 | October 2019 | 31 | 41.37% | ($2,991) | ($2,991) |
| 33 | November 2019 | 30 | 33.15% | ($2,397) | ($2,397) |
| 34 | December 2019 | 31 | 24.66% | ($1,783) | ($1,783) |
| 35 | January 2020 | 31 | 16.16% | ($1,169) | ($1,169) |
| 36 | February 2020 | 28 | 8.49% | ($614) | ($614) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($39,656) | ($39,656) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($86,759) | ($86,759) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $47,103 | $47,103 |

**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**
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**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 - Electric**

| Line No. | | | (a)=Sum of (b) through (h) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 5 of 21, Line 14 + Line 17 ;Col (c) = Page 3 of 21, Line 14 + Line 17 | $39,745 | $14,682 | $25,063 |
| 2 | Bonus Depreciation | Page 6 of 21, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 6 of 21, Line 18 ;Col (c) = Page 4 of 21, Line 18 | ($110,034) | ($52,688) | ($57,346) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 6 of 21, Line 19 ;Col (c) = Page 4 of 21, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($70,289) | ($38,006) | ($32,284) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($24,601) | ($13,302) | ($11,299) |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 8 of 21, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 8 of 21, 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 | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($24,601) | ($13,302) | ($11,299) |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($24,601) | ($13,302) | ($11,299) |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($38,006) | ($38,006) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($38,006) | ($38,006) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($24,601) | ($13,302) | ($11,299) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($1,882) | ($1,017) | ($864) |
| 27 | May 2020 | 31 | 83.29% | ($1,707) | ($923) | ($784) |
| 28 | June 2020 | 30 | 75.07% | ($1,539) | ($832) | ($707) |
| 29 | July 2020 | 31 | 66.58% | ($1,365) | ($738) | ($627) |
| 30 | August 2020 | 31 | 58.08% | ($1,191) | ($644) | ($547) |
| 31 | September 2020 | 30 | 49.86% | ($1,022) | ($553) | ($470) |
| 32 | October 2020 | 31 | 41.37% | ($848) | ($459) | ($390) |
| 33 | November 2020 | 30 | 33.15% | ($680) | ($367) | ($312) |
| 34 | December 2020 | 31 | 24.66% | ($506) | ($273) | ($232) |
| 35 | January 2021 | 31 | 16.16% | ($331) | ($179) | ($152) |
| 36 | February 2021 | 28 | 8.49% | ($174) | ($94) | ($80) |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($11,245) | ($6,080) | ($5,165) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($24,601) | ($13,302) | ($11,299) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $13,357 | $7,222 | $6,135 |

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

| Line No. | | | (a)=Sum of (b) through (h) Total | (b) Vintage Year March 31, 2022 | (c) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 7 of 21, Line 14 + Line 17; Col (c) = Page 5 of 21, Line 14 + Line 17; Col (d) = Page 3 of 21, Line 14 + Line 17 | $66,627 | $8,560 | $33,005 | $25,063 |
| 2 | Bonus Depreciation | Page 6 of 21, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 8 of 21, Line 18; Col (c) = Page 6 of 21, Line 18; Col (d) = Page 4 of 21, Line 18 | ($178,655) | ($24,188) | ($101,427) | ($53,040) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 8 of 21, Line 19; Col (c) = Page 6 of 21, Line 19; Col (d) = Page 4 of 21, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($112,028) | ($15,628) | ($68,423) | ($27,978) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($39,210) | ($5,470) | ($23,948) | ($9,792) |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 8 of 21, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 8 of 21, 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 | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($39,210) | ($5,470) | ($23,948) | ($9,792) |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($39,210) | ($5,470) | ($23,948) | ($9,792) |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($15,628) | ($15,628) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($15,628) | ($15,628) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($39,210) | ($5,470) | ($23,948) | ($9,792) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($2,999) | ($418) | ($1,832) | ($749) |
| 27 | May 2021 | 31 | 83.29% | ($2,721) | ($380) | ($1,662) | ($680) |
| 28 | June 2021 | 30 | 75.07% | ($2,453) | ($342) | ($1,498) | ($613) |
| 29 | July 2021 | 31 | 66.58% | ($2,175) | ($303) | ($1,329) | ($543) |
| 30 | August 2021 | 31 | 58.08% | ($1,898) | ($265) | ($1,159) | ($474) |
| 31 | September 2021 | 30 | 49.86% | ($1,629) | ($227) | ($995) | ($407) |
| 32 | October 2021 | 31 | 41.37% | ($1,352) | ($189) | ($826) | ($338) |
| 33 | November 2021 | 30 | 33.15% | ($1,083) | ($151) | ($662) | ($271) |
| 34 | December 2021 | 31 | 24.66% | ($806) | ($112) | ($492) | ($201) |
| 35 | January 2022 | 31 | 16.16% | ($528) | ($74) | ($323) | ($132) |
| 36 | February 2022 | 28 | 8.49% | ($278) | ($39) | ($169) | ($69) |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($17,922) | ($2,500) | ($10,946) | ($4,476) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($39,210) | ($5,470) | ($23,948) | ($9,792) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $21,288 | $2,970 | $13,002 | $5,316 |

**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)**
**Annual Grid Mod Synergy IS Revenue Requirement Summary**
**Annual Revenue Requirement Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | IS Electric Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | DSCADA & ADMS | | $0 | $58,311 | $87,467 |
| 2 | GIS Data Enhancement | | $0 | $0 | $0 |
| 3 | Enterprise Service Bus | | $176,877 | $402,346 | $504,066 |
| 4 | Data Lake | | $236,484 | $388,092 | $545,532 |
| 5 | PI Historian | | $8,423 | $333,669 | $333,669 |
| 6 | Advanced Analytics | | $69,973 | $299,978 | $338,852 |
| 7 | Telecommunications | | $0 | $425,022 | $636,886 |
| 8 | Cybersecurity | | $1,569,214 | $802,100 | $623,280 |
| 9 | **Total IS Electric O&M costs** | **Sum of Line 1 through Line 8** | **$2,060,970** | **$2,709,518** | **$3,069,750** |
| | IS Gas Operation and Maintenance (O&M) Expenses: | | | | |
| 10 | DSCADA & ADMS | | $0 | $31,689 | $47,534 |
| 11 | GIS Data Enhancement | | $0 | $0 | $0 |
| 12 | Enterprise Service Bus | | $96,123 | $218,654 | $273,934 |
| 13 | Data Lake | | $128,517 | $210,908 | $296,468 |
| 14 | PI Historian | | $4,577 | $181,332 | $181,332 |
| 15 | Advanced Analytics | | $38,027 | $163,022 | $184,148 |
| 16 | Telecommunications | | $0 | $230,978 | $346,114 |
| 17 | Cybersecurity | | $852,786 | $435,900 | $338,720 |
| 18 | **Total IS Gas O&M costs** | **Sum of Line 10 through Line 16** | **$1,120,030** | **$1,472,482** | **$1,668,250** |
| 19 | **Total IS O&M Expenses** | | **$3,181,000** | **$4,182,000** | **$4,738,000** |
| 20 | IS Electric Capital Investment: | | | | |
| 21 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $576,948 | $1,088,953 | $978,725 |
| 22 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $262,087 | $496,425 |
| 23 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $1,230,734 |
| 24 | Total IS Electric Capital Investment Component of Revenue Requirement | | $576,948 | $1,351,041 | $2,705,885 |
| 25 | IS Gas Capital Investment: | | | | |
| 26 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $313,541 | $591,790 | $531,886 |
| 27 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $142,431 | $269,781 |
| 28 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $668,840 |
| 29 | Total IS Gas Capital Investment Component of Revenue Requirement | | $313,541 | $734,220 | $1,470,508 |
| 30 | **Total IS Electric Revenue Requirement** | | **$2,637,918** | **$4,060,558** | **$5,775,635** |
| 31 | **Total IS Gas Revenue Requirement** | | **$1,433,572** | **$2,206,703** | **$3,138,758** |
| 32 | **Total IS Electric & Gas Revenue Requirement** | | **$4,071,490** | **$6,267,261** | **$8,914,393** |

**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 - IS**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Grid Mod IS Investments | | $7,689,000 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $7,689,000 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $7,689,000 | $0 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $7,689,000 | $7,689,000 | $7,689,000 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $7,689,000 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | $7,689,000 | $7,689,000 | $7,689,000 |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 4 of 21, Line 21 | $3,716,151 | $2,648,764 | $882,524 |
| 11 | Cumulative Tax Depreciation | Prior Year Line 11 + Current Year Line 10 | $3,716,151 | $6,364,915 | $7,247,439 |
| | Book Depreciation | | | | |
| 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) = Line 1 * Line 12 | $549,214 | $1,098,429 | $1,098,429 |
| 14 | Cumulative Book Depreciation | Prior Year Line 14 + Current Year Line 13 | $549,214 | $1,647,643 | $2,746,071 |
| 15 | Total Cumulative Book Depreciation | Sum of Line 14 | $549,214 | $1,647,643 | $2,746,071 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $3,166,937 | $4,717,272 | $4,501,368 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $1,108,428 | $1,651,045 | $1,575,479 |
| 19 | Less: FY 2020 Federal NOL | Page 21 of 21, Line12(n) | $0 | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 19 of 21, Line 40; Col (b) = Page 20 of 21, Line 40; Col (c) = Page 11 of 21, Line 40 | ($601,790) | ($294,599) | $41,027 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $506,638 | $1,356,446 | $1,616,505 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $7,689,000 | $7,689,000 | $7,689,000 |
| 23 | Accumulated Depreciation | - Line 15 | ($549,214) | ($1,647,643) | ($2,746,071) |
| 24 | Deferred Tax Reserve | - Line 21 | ($506,638) | ($1,356,446) | ($1,616,505) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $6,633,148 | $4,684,911 | $3,326,423 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 38 ÷ 2; Column (b) = (Prior Year Line 38 + Current Year Line 38) ÷ 2 | $3,316,574 | $5,659,030 | $4,005,667 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 1/ | 10.29% | 10.29% | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $341,275 | $582,314 | $412,183 |
| 29 | Book Depreciation | Line 13 | $549,214 | $1,098,429 | $1,098,429 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$890,490** | **$1,680,743** | **$1,510,612** |

**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 - IS**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 3 of 21, Line 3 | $7,689,000 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $7,689,000 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $7,689,000 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $7,689,000 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 1 * 25% * 0% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $1,730,025 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $7,689,000 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $1,730,025 | | |
| 16 | Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $5,958,975 | $5,958,975 | $5,958,975 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.330% | 44.450% | 14.810% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $1,986,126 | $2,648,764 | $882,524 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 3 of 21, Line 8 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $3,716,151 | $2,648,764 | $882,524 |

**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 - IS**

| Line No. | | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Grid Mod IS Investments | | | $3,456,000 | |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | | $3,456,000 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | | $3,456,000 | $0 |
| 4 | Retirements | Line 4 * 0% | | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | | $3,456,000 | $3,456,000 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | | $3,456,000 | $0 |
| 7 | Cost of Removal | | | $0 | $0 |
| 8 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | | **$3,456,000** | **$3,456,000** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2021 Spend | Page 6 of 21, Line 21 | | $1,151,885 | $1,536,192 |
| 11 | Cumulative Tax Depreciation | Prior Year Line 11 + Current Year Line 10 | | $1,151,885 | $2,688,077 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | | 14.29% | 14.29% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | | $246,857 | $493,714 |
| 14 | Cumulative Book Depreciation | Prior Year Line 14 + Current Year Line 13 | | $246,857 | $740,571 |
| 15 | Total Cumulative Book Depreciation | Sum of Line 14 | | $246,857 | $740,571 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | | $905,028 | $1,947,506 |
| 17 | Effective Tax Rate | | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | | $316,760 | $681,627 |
| 19 | Less: FY 2021 Federal NOL | Page 21 of 21, Line12(n) | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 20 of 21, Line 40; Col (b) = Page 21 of 21, Line 40 | | ($171,976) | ($198,095) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | | $144,784 | $483,532 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | | $3,456,000 | $3,456,000 |
| 23 | Accumulated Depreciation | - Line 15 | | ($246,857) | ($740,571) |
| 24 | Deferred Tax Reserve | - Line 21 | | ($144,784) | ($483,532) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | | $3,064,359 | $2,231,896 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | | $1,532,179.53 | $2,648,128 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 1/ | 10.29% | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | | $157,661 | $272,492 |
| 29 | Book Depreciation | Line 13 | | $246,857 | $493,714 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | | **$404,518** | **$766,207** |

**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 - IS**

| Line No. | | | Fiscal Year Ending Aug 2020 (a) | Fiscal Year Ending Aug-2021 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 5 of 21, Line 3 | $3,456,000 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $3,456,000 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $3,456,000 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $3,456,000 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $3,456,000 | |
| 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 | $3,456,000 | $3,456,000 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.330% | 44.450% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $1,151,885 | $1,536,192 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 5 of 21, Line 8 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $1,151,885 | $1,536,192 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.3 - Grid Mod Shared**
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**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 - IS**

| Line No. | | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | Grid Mod IS Investments | | | $16,229,000 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | | $16,229,000 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | | $16,229,000 |
| 4 | Retirements | Line 4 * 0% | | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | | $16,229,000 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | | $16,229,000 |
| 7 | Cost of Removal | | | $0 |
| 8 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | | **$16,229,000** |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2022 Spend | Page 8 of 21, Line 21 | | $5,409,126 |
| 11 | Cumulative Tax Depreciation | Prior Year Line 11 + Current Year Line 10 | | $5,409,126 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | | 14.29% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | | $1,159,214 |
| 14 | Cumulative Book Depreciation | Prior Year Line 14 + Current Year Line 13 | | $1,159,214 |
| 15 | Total Cumulative Book Depreciation | Sum of Line 14 | | $1,159,214 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | | $4,249,912 |
| 17 | Effective Tax Rate | | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | | $1,487,469 |
| 19 | Less: FY 2022 Federal NOL | Page 21 of 21, Line 12(n) | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 21 of 21, Line 40 | | ($807,580) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | | $679,889 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | | $16,229,000 |
| 23 | Accumulated Depreciation | - Line 15 | | ($1,159,214) |
| 24 | Deferred Tax Reserve | - Line 21 | | ($679,889) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | | $14,389,897 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | | $7,194,948.43 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 1/ | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | | $740,360 |
| 29 | Book Depreciation | Line 13 | | $1,159,214 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | | **$1,899,574** |

**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 - IS**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 7 of 21, Line 3 | $16,229,000 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $16,229,000 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $16,229,000 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $16,229,000 |
| 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 |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $16,229,000 |
| 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 | $16,229,000 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.330% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $5,409,126 |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 7 of 21, Line 8 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $5,409,126 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.3 - Grid Mod Shared**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration**
**Synergy Grid Mod - IS**

| Line No. | | | (a)=Sum of (b) through (h) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 13 of 21, Line 13 | $549,214 | $549,214 |
| 2 | Bonus Depreciation | Page 14 of 21, Line 12 | ($1,730,025) | ($1,730,025) |
| 3 | Remaining MACRS Tax Depreciation | Page 14 of 21, Line 18 | ($1,986,126) | ($1,986,126) |
| 4 | FY20 tax (gain)/loss on retirements | Page 14 of 21, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($3,166,937) | ($3,166,937) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($1,108,428) | ($1,108,428) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 14 of 21, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 14 of 21, Line 20 | $0 | $0 |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2020 | Tax Department | $0 | $0 |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 |
| 12 | Effective Tax Rate | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($1,108,428) | ($1,108,428) |
| 15 | Net Operating Loss | Page 13 of 21, Line 19 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($1,108,428) | ($1,108,428) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($3,166,937) | ($3,166,937) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($3,166,937) | ($3,166,937) |
| 20 | Total FY 2020 Federal NOL | Page 13 of 21, Line 19 / 35% | $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 | | 35.00% | 35.00% |
| 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 | ($1,108,428) | ($1,108,428) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($84,777) | ($84,777) |
| 27 | May 2019 | 31 | 83.29% | ($76,932) | ($76,932) |
| 28 | June 2019 | 30 | 75.07% | ($69,340) | ($69,340) |
| 29 | July 2019 | 31 | 66.58% | ($61,495) | ($61,495) |
| 30 | August 2019 | 31 | 58.08% | ($53,650) | ($53,650) |
| 31 | September 2019 | 30 | 49.86% | ($46,058) | ($46,058) |
| 32 | October 2019 | 31 | 41.37% | ($38,213) | ($38,213) |
| 33 | November 2019 | 30 | 33.15% | ($30,621) | ($30,621) |
| 34 | December 2019 | 31 | 24.66% | ($22,776) | ($22,776) |
| 35 | January 2020 | 31 | 16.16% | ($14,931) | ($14,931) |
| 36 | February 2020 | 28 | 8.49% | ($7,845) | ($7,845) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($506,638) | ($506,638) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($1,108,428) | ($1,108,428) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $601,790 | $601,790 |

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

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

| Line No. | | | (a)=Sum of (b) through (h) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 15 of 21, Line 13; Col (c) = Page 13 of 21, Line 13 | $1,345,286 | $246,857 | $1,098,429 |
| 2 | Bonus Depreciation | Page 16 of 21, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 16 of 21, Line 18; Col (c) = Page 14 of 21, Line 18 | ($3,800,649) | ($1,151,885) | ($2,648,764) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 16 of 21, Line 19; Col (c) = Page 14 of 21, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($2,455,363) | ($905,028) | ($1,550,335) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($859,377) | ($316,760) | ($542,617) |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 16 of 21, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 16 of 21, Line 20 | $0 | $0 | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2021 | Tax Department | $0 | $0 | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($859,377) | ($316,760) | ($542,617) |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($859,377) | ($316,760) | ($542,617) |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($2,455,363) | ($905,028) | ($1,550,335) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($2,455,363) | ($905,028) | ($1,550,335) |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | 35.00% |
| 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 | ($859,377) | ($316,760) | ($542,617) |

| | **Proration Calculation** | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| 26 | April 2020 | 30 | 91.78% | ($65,729) | ($24,227) | ($41,502) |
| 27 | May 2020 | 31 | 83.29% | ($59,646) | ($21,985) | ($37,661) |
| 28 | June 2020 | 30 | 75.07% | ($53,760) | ($19,816) | ($33,945) |
| 29 | July 2020 | 31 | 66.58% | ($47,678) | ($17,574) | ($30,104) |
| 30 | August 2020 | 31 | 58.08% | ($41,595) | ($15,332) | ($26,264) |
| 31 | September 2020 | 30 | 49.86% | ($35,709) | ($13,162) | ($22,547) |
| 32 | October 2020 | 31 | 41.37% | ($29,627) | ($10,920) | ($18,707) |
| 33 | November 2020 | 30 | 33.15% | ($23,741) | ($8,751) | ($14,990) |
| 34 | December 2020 | 31 | 24.66% | ($17,658) | ($6,509) | ($11,150) |
| 35 | January 2021 | 31 | 16.16% | ($11,576) | ($4,267) | ($7,309) |
| 36 | February 2021 | 28 | 8.49% | ($6,082) | ($2,242) | ($3,840) |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($392,802) | ($144,784) | ($248,018) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($859,377) | ($316,760) | ($542,617) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $466,575 | $171,976 | $294,599 |

**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 - IS**

| Line No. | | | (a)=Sum of (b) through (h) Total | (b) Vintage Year March 31, 2022 | (c) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 17 of 21, Line 13; Col (c) = Page 15 of 21, Line 13; Col (d) = Page 13 of 21, Line 13 | $2,751,357 | $1,159,214 | $493,714 | $1,098,429 |
| 2 | Bonus Depreciation | Page 18 of 21, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 18 of 21, Line 18; Col (c) = Page 16 of 21, Line 18; Col (d) = Page 14 of 21, Line 18 | ($7,827,842) | ($5,409,126) | ($1,536,192) | ($882,524) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 18 of 21, Line 19; Col (c) = Page 16 of 21, Line 19; Col (d) = Page 14 of 21, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($5,076,485) | ($4,249,912) | ($1,042,478) | $215,905 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($1,776,770) | ($1,487,469) | ($364,867) | $75,567 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 18 of 21, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 18 of 21, 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 | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($1,776,770) | ($1,487,469) | ($364,867) | $75,567 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($1,776,770) | ($1,487,469) | ($364,867) | $75,567 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($5,076,485) | ($4,249,912) | ($1,042,478) | $215,905 |
| 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 | ($5,076,485) | ($4,249,912) | ($1,042,478) | $215,905 |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | 35.00% | 35.00% |
| 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 | ($1,776,770) | ($1,487,469) | ($364,867) | $75,567 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($135,894) | ($113,768) | ($27,907) | $5,780 |
| 27 | May 2021 | 31 | 83.29% | ($123,319) | ($103,240) | ($25,324) | $5,245 |
| 28 | June 2021 | 30 | 75.07% | ($111,150) | ($93,052) | ($22,825) | $4,727 |
| 29 | July 2021 | 31 | 66.58% | ($98,574) | ($82,524) | ($20,243) | $4,192 |
| 30 | August 2021 | 31 | 58.08% | ($85,999) | ($71,996) | ($17,660) | $3,658 |
| 31 | September 2021 | 30 | 49.86% | ($73,829) | ($61,808) | ($15,161) | $3,140 |
| 32 | October 2021 | 31 | 41.37% | ($61,254) | ($51,280) | ($12,579) | $2,605 |
| 33 | November 2021 | 30 | 33.15% | ($49,084) | ($41,092) | ($10,080) | $2,088 |
| 34 | December 2021 | 31 | 24.66% | ($36,509) | ($30,564) | ($7,497) | $1,553 |
| 35 | January 2022 | 31 | 16.16% | ($23,934) | ($20,037) | ($4,915) | $1,018 |
| 36 | February 2022 | 28 | 8.49% | ($12,575) | ($10,528) | ($2,582) | $535 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($812,122) | ($679,889) | ($166,773) | $34,540 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($1,776,770) | ($1,487,469) | ($364,867) | $75,567 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $964,648 | $807,580 | $198,095 | ($41,027) |

**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)**
**AMI**
**Annual Revenue Requirement General Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Electric Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | AMI Costs | | $ 3,975,282 | $ 2,294,486 | $ 4,277,539 |
| 2 | CMS Costs | | $ - | $ - | $ - |
| 3 | Meter Data Service Costs | | $ - | $ 389,698 | $ 802,778 |
| 4 | Customer Engagement Plans Costs | | $ 925,740 | $ 3,394,245 | $ 2,004,136 |
| 5 | IS Costs - Electric | | $ 4,364,767 | $ 3,156,360 | $ 4,695,673 |
| 6 | **Total Electric O&M costs** | Sum of Lines 1 through 5 | **$ 9,265,789** | **$ 9,234,790** | **$ 11,780,126** |
| | Gas Operation and Maintenance (O&M) Expenses: | | | | |
| 7 | AMI Costs | | $ 1,323,178 | $ 1,999 | $ 3,080 |
| 8 | CMS Costs | | $ - | $ - | $ - |
| 9 | Meter Data Service Costs | | $ - | $ 389,698 | $ 802,778 |
| 10 | Customer Engagement Plans Costs | | $ 925,740 | $ 3,394,245 | $ 2,004,136 |
| 11 | IS Costs - Gas | | $ 2,372,024 | $ 1,368,169 | $ 949,645 |
| 12 | **Total Gas O&M costs** | Sum of Lines 7 through 11 | **$ 4,620,942** | **$ 5,154,112** | **$ 3,759,640** |
| | **Total O&M costs** | | **$ 13,886,731** | **$ 14,388,902** | **$ 15,539,766** |
| 13 | Electric Capital Investment: | | | | |
| 14 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $129,381 | $302,197 | $288,527 |
| 15 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $3,899,962 | $8,791,684 |
| 16 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $5,402,629 |
| 17 | **Total Electric Capital Investment Component of Revenue Requirement** | Sum of Lines 13 through 16 | **$129,381** | **$4,202,159** | **$14,482,840** |
| 18 | Gas Capital Investment: | | | | |
| 19 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $52,777 | $122,937 | $117,309 |
| 20 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $584,519 | $1,162,730 |
| 21 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $25,946 |
| 22 | **Total Gas Capital Investment Component of Revenue Requirement** | Sum of Lines 18 through 21 | **$52,777** | **$707,456** | **$1,305,985** |
| 23 | **Total Electric Revenue Requirement** | Line 6 + Line 17 | **$ 9,395,171** | **$ 13,436,950** | **$ 26,262,967** |
| 24 | **Total Gas Revenue Requirement** | Line 12 + Line 22 | **$ 4,673,719** | **$ 5,861,568** | **$ 5,065,625** |
| 25 | **Total Electric & Gas Revenue Requirement** | Line 23 + Line 24 | **$ 14,068,890** | **$19,298,518** | **$31,328,591** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**AMI - Electric**
**Annual Revenue Requirement Electric Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | AMI Costs | | $ 3,975,282 | $ 2,294,486 | $ 4,277,539 |
| 2 | CMS Costs | | $ - | $ - | $ - |
| 3 | Meter Data Service Costs | | $ - | $ 389,698 | $ 802,778 |
| 4 | Customer Engagement Plans Costs | | $ 925,740 | $ 3,394,245 | $ 2,004,136 |
| 5 | **Total O&M costs** | Sum of Lines 1 through 4 | **$ 4,901,022** | **$ 6,078,430** | **$ 7,084,454** |
| | Capital Investment: | | | | |
| 6 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $ 129,381 | $ 302,197 | $ 288,527 |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $ 3,050,327 | $ 7,182,372 |
| 8 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $ 5,402,629 |
| 9 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 6 through 8 | **$ 129,381** | **$ 3,352,524** | **$ 12,873,529** |
| 10 | **Total Revenue Requirement** | Line 5 + Line 9 | **$ 5,030,404** | **$ 9,430,954** | **$ 19,957,982** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**AMI - Gas**
**Annual Revenue Requirement Gas Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | AMI Costs | | $1,323,178 | $1,999 | $3,080 |
| 2 | CMS Costs | | $0 | $0 | $0 |
| 3 | Meter Data Service Costs | | $0 | $389,698 | $802,778 |
| 4 | Customer Engagement Plans Costs | | $925,740 | $3,394,245 | $2,004,136 |
| 5 | **Total O&M costs** | Sum of Lines 1 through 4 | **$2,248,918** | **$3,785,943** | **$2,809,995** |
| 6 | Capital Investment: | | | | |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $52,777 | $122,937 | $117,309 |
| 8 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $122,787 | $288,152 |
| 9 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $25,946 |
| 10 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 7 through 9 | **$52,777** | **$245,724** | **$431,408** |
| 11 | **Total Revenue Requirement** | Line 5 + Line 10 | **$2,301,695** | **$4,031,667** | **$3,241,402** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.4 - AMI Stand Alone**
**Page 4 of 31**

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**AMI - IS**
**Annual Revenue Requirement IS Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | IS Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | IS Costs - Electric | | $ 4,364,767 | $ 3,156,360 | $ 4,695,673 |
| 2 | IS Costs - Gas | | $ 2,372,024 | $ 1,368,169 | $ 949,645 |
| 3 | **Total IS O&M costs** | Sum of Lines 1 through 2 | **$ 6,736,791** | **$ 4,524,529** | **$ 5,645,318** |
| 4 | IS Electric Capital Investment: | | | | |
| 5 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $0 | $0 | $0 |
| 6 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $849,635 | $1,609,312 |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $0 |
| 8 | **Total IS Electric Capital Investment Component of Revenue Requirement** | Sum of Lines 5 through 7 | **$0** | **$849,635** | **$1,609,312** |
| 9 | IS Gas Capital Investment: | | | | |
| 10 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $0 | $0 | $0 |
| 11 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $461,733 | $874,577 |
| 12 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $0 |
| 13 | **Total IS Gas Capital Investment Component of Revenue Requirement** | Sum of Lines 10 through 12 | **$0** | **$461,733** | **$874,577** |
| 14 | **Total IS Electric Revenue Requirement** | Line 1 + Line 8 | **$4,364,767** | **$4,005,996** | **$6,304,984** |
| 15 | **Total IS Gas Revenue Requirement** | Line 2 + Line 13 | **$2,372,024** | **$1,829,901** | **$1,824,222** |
| 16 | **Total IS Electric & Gas Revenue Requirement** | Line 14 + Line 15 | **$6,736,791** | **$5,835,897** | **$8,129,206** |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Electric AMI Investments | | $1,641,097 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Line 1 | $1,641,097 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $1,641,097 | $0 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $1,641,097 | $1,641,097 | $1,641,097 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $1,641,097 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | **$1,641,097** | **$1,641,097** | **$1,641,097** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 6 of 31, Line 21 | $416,941 | $91,815 | $84,921 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $416,941 | $508,756 | $593,677 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $51,284 | $102,569 | $102,569 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $51,284 | $153,853 | $256,421 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $51,284 | $153,853 | $256,421 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 through Line 15 | $365,657 | $354,903 | $337,256 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $127,980 | $124,216 | $118,039 |
| 19 | Less: FY 2020 Federal NOL | | $0 | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 11 of 31, Line 40; Col (b) = , Line 40; Col (c) = Page 13 of 31, Line 40 | ($69,483) | $2,043 | $3,353 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $58,497 | $126,260 | $121,393 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $1,641,097 | $1,641,097 | $1,641,097 |
| 23 | Accumulated Depreciation | - Line 15 | ($51,284) | ($153,853) | ($256,421) |
| 24 | Deferred Tax Reserve | - Line 21 | ($58,497) | ($126,260) | ($121,393) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $1,531,316 | $1,360,985 | $1,263,283 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 38 ÷ 2; Column (b) = (Prior Year Line 38 + Current Year Line 38) ÷ 2 | $765,658 | $1,446,151 | $1,312,134 |
| 27 | Pre-Tax ROR | 1/ | 10.20% | 10.20% | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $78,097 | $147,507 | $133,838 |
| 29 | Book Depreciation | Line 13 | $51,284 | $102,569 | $102,569 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $52,121 | $52,121 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$129,381** | **$302,197** | **$288,527** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 5 of 31, Line 2 | $1,641,097 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $1,641,097 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,641,097 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,641,097 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 1 * 25% * 00% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $369,247 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $1,641,097 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $369,247 | | |
| 16 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $1,271,850 | $1,271,850 | $1,271,850 |
| 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 | $47,694 | $91,815 | $84,921 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 5 of 31, Line 7 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $416,941 | $91,815 | $84,921 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.4 - AMI Stand Alone**
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**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | AMI Electric Investments | Section 2, Page 27 of 27, Chart 11 | $37,725,154 | |
| 2 | Total Estimated Capital Investment | Line 1 | $37,725,154 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $37,725,154 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $37,725,154 | $37,725,154 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | $37,725,154 | $0 |
| 7 | Cost of Removal | | $286,011 | $0 |
| 8 | **Total Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | $38,011,165 | $37,725,154 |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2021 Spend | Page 8 of 31, Line 21 | $1,700,704 | $2,723,379 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $1,700,704 | $4,424,083 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $1,178,911 | $2,357,822 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $1,178,911 | $3,536,733 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $1,178,911 | $3,536,733 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | $521,793 | $887,350 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $182,628 | $310,572 |
| 19 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = , Line 40; Col (b) = Page 13 of 31, Line 40 | ($44,804) | ($69,464) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $137,824 | $241,108 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $38,011,165 | $38,011,165 |
| 23 | Accumulated Depreciation | - Line 15 | ($1,178,911) | ($3,536,733) |
| 24 | Deferred Tax Reserve | - Line 21 | ($137,824) | ($241,108) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $36,694,430 | $34,233,323 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | $18,347,215 | $35,463,877 |
| 27 | Pre-Tax ROR | 1/ | 10.20% | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $1,871,416 | $3,617,315 |
| 29 | Book Depreciation | Line 13 | $1,178,911 | $2,357,822 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $1,207,235 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$3,050,327** | **$7,182,372** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 7 of 31, Line 2 | $37,725,154 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $37,725,154 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $37,725,154 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $37,725,154 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $37,725,154 | |
| 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 | $37,725,154 | $37,725,154 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% | 7.219% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $1,414,693 | $2,723,379 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 7 of 31, Line 7 | $286,011 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $1,700,704 | $2,723,379 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.4 - AMI Stand Alone**
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**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | AMI Electric Investments | Section 2, Page 27 of 27, Chart 11 | $66,783,096 |
| 2 | Total Estimated Capital Investment | Line 1 | $66,783,096 |
| | Depreciable Net Capital Included in Rate Base | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $66,783,096 |
| 4 | Retirements | Line 4 * 0% | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5 | $66,783,096 |
| | Change in Net Capital Included in Rate Base | | |
| 6 | Capital Included in Rate Base | Line 2 | $66,783,096 |
| 7 | Cost of Removal | | $590,067 |
| 8 | **Total Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | $67,373,163 |
| | Tax Depreciation | | |
| 9 | Vintage Year Tax Depreciation: | | |
| 10 | FY 2022 Spend | Page 10 of 31, Line 21 | $3,094,433 |
| 11 | Cumulative Tax Depreciation | Prior Year Line 12 + Current Year Line 13 | $3,094,433 |
| | Book Depreciation | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | $2,086,972 |
| 14 | Cumulative Book Depreciation | Prior Year Line 17 + Current Year Line 16 | $2,086,972 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $2,086,972 |
| | Deferred Tax Calculation: | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $1,007,461 |
| 17 | Effective Tax Rate | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $352,611 |
| 19 | Less: FY 2022 Federal NOL | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 13 of 31, Line 40 | ($79,314) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $273,297 |
| | Rate Base Calculation: | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $67,373,163 |
| 23 | Accumulated Depreciation | - Line 15 | ($2,086,972) |
| 24 | Deferred Tax Reserve | - Line 21 | ($273,297) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $65,012,894 |
| | Revenue Requirement Calculation: | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | $32,506,447 |
| 27 | Pre-Tax ROR | | 1/ 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $3,315,658 |
| 29 | Book Depreciation | Line 13 | $2,086,972 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$5,402,629** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 9 of 31, Line 2 | $66,783,096 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | | | |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $66,783,096 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $66,783,096 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $66,783,096 |
| 9 | Bonus Depreciation Rate (April 2021- December 2021) | 0.00% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0.00% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | | | |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $66,783,096 |
| 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 | $66,783,096 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $2,504,366 |
| | | | |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | | $590,067 |
| | | | |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $3,094,433 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.4 - AMI Stand Alone**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Electric Proration**
**AMI - Electric**

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 5 of 31, Line 13 | $51,284 | $51,284 |
| 2 | Bonus Depreciation | Page 6 of 31, Line 12 | ($369,247) | ($369,247) |
| 3 | Remaining MACRS Tax Depreciation | Page 6 of 31, Line 18 | ($47,694) | ($47,694) |
| 4 | FY20 tax (gain)/loss on retirements | Page 6 of 31, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($365,657) | ($365,657) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($127,980) | ($127,980) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 6 of 31, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 6 of 31, 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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($127,980) | ($127,980) |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($127,980) | ($127,980) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($365,657) | ($365,657) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($365,657) | ($365,657) |
| 20 | Total FY 2020 Federal NOL | | $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 | | 35.00% | 35.00% |
| 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 | ($127,980) | ($127,980) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($9,788) | ($9,788) |
| 27 | May 2019 | 31 | 83.29% | ($8,883) | ($8,883) |
| 28 | June 2019 | 30 | 75.07% | ($8,006) | ($8,006) |
| 29 | July 2019 | 31 | 66.58% | ($7,100) | ($7,100) |
| 30 | August 2019 | 31 | 58.08% | ($6,194) | ($6,194) |
| 31 | September 2019 | 30 | 49.86% | ($5,318) | ($5,318) |
| 32 | October 2019 | 31 | 41.37% | ($4,412) | ($4,412) |
| 33 | November 2019 | 30 | 33.15% | ($3,536) | ($3,536) |
| 34 | December 2019 | 31 | 24.66% | ($2,630) | ($2,630) |
| 35 | January 2020 | 31 | 16.16% | ($1,724) | ($1,724) |
| 36 | February 2020 | 28 | 8.49% | ($906) | ($906) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($58,497) | ($58,497) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($127,980) | ($127,980) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $69,483 | $69,483 |

**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**
**AMI - Electric**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 7 of 31, Line 13; Col (c) = Page 5 of 31, Line 13 | $1,281,480 | $1,178,911 | $102,569 |
| 2 | Bonus Depreciation | Page 8 of 31, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 8 of 31, Line 18; Col (c) = Page 6 of 31, Line 18 | ($1,506,508) | ($1,414,693) | ($91,815) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 8 of 31, Line 19; Col (c) = Page 6 of 31, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($225,028) | ($235,782) | $10,754 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($78,760) | ($82,524) | $3,764 |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 8 of 31, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 8 of 31, Line 20 | ($286,011) | ($286,011) | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2021 | | $0 | $0 | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | ($286,011) | ($286,011) | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | ($100,104) | ($100,104) | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($178,864) | ($182,628) | $3,764 |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($178,864) | ($182,628) | $3,764 |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($235,782) | ($235,782) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | ($286,011) | ($286,011) | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($521,793) | ($521,793) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($78,760) | ($82,524) | $3,764 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($6,024) | ($6,312) | $288 |
| 27 | May 2020 | 31 | 83.29% | ($5,466) | ($5,728) | $261 |
| 28 | June 2020 | 30 | 75.07% | ($4,927) | ($5,162) | $235 |
| 29 | July 2020 | 31 | 66.58% | ($4,370) | ($4,578) | $209 |
| 30 | August 2020 | 31 | 58.08% | ($3,812) | ($3,994) | $182 |
| 31 | September 2020 | 30 | 49.86% | ($3,273) | ($3,429) | $156 |
| 32 | October 2020 | 31 | 41.37% | ($2,715) | ($2,845) | $130 |
| 33 | November 2020 | 30 | 33.15% | ($2,176) | ($2,280) | $104 |
| 34 | December 2020 | 31 | 24.66% | ($1,618) | ($1,696) | $77 |
| 35 | January 2021 | 31 | 16.16% | ($1,061) | ($1,112) | $51 |
| 36 | February 2021 | 28 | 8.49% | ($557) | ($584) | $27 |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($35,999) | ($37,720) | $1,720 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($78,760) | ($82,524) | $3,764 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $42,761 | $44,804 | ($2,043) |

**Column Notes:**

(j) Sum of remaining days in the year (Col (i)) ÷ 365

(l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

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

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 9 of 31, Line 13; Col (c) = Page 7 of 31, Line 13; Col (d) = Page 5 of 31, Line 13 | $4,547,362 | $2,086,972 | $2,357,822 | $102,569 |
| 2 | Bonus Depreciation | Page 10 of 31, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 10 of 31, Line 18; Col (c) = Page 8 of 31, Line 18; Col (d) = Page 6 of 31, Line 18 | ($5,312,666) | ($2,504,366) | ($2,723,379) | ($84,921) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 10 of 31, Line 19; Col (c) = Page 8 of 31, Line 19; Col (d) = Page 6 of 31, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($765,304) | ($417,394) | ($365,557) | $17,648 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($267,856) | ($146,088) | ($127,945) | $6,177 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 10 of 31, Line 19 | $0 | $0 | | |
| 9 | Cost of Removal | Page 10 of 31, Line 20 | ($590,067) | ($590,067) | | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2022 | | $0 | $0 | | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | ($590,067) | ($590,067) | | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | ($206,524) | ($206,524) | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($474,380) | ($352,611) | ($127,945) | $6,177 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($474,380) | ($352,611) | ($127,945) | $6,177 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($417,394) | ($417,394) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | ($590,067) | ($590,067) | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($1,007,461) | ($1,007,461) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($267,856) | ($146,088) | ($127,945) | $6,177 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($20,487) | ($11,173) | ($9,786) | $472 |
| 27 | May 2021 | 31 | 83.29% | ($18,591) | ($10,139) | ($8,880) | $429 |
| 28 | June 2021 | 30 | 75.07% | ($16,756) | ($9,139) | ($8,004) | $386 |
| 29 | July 2021 | 31 | 66.58% | ($14,861) | ($8,105) | ($7,098) | $343 |
| 30 | August 2021 | 31 | 58.08% | ($12,965) | ($7,071) | ($6,193) | $299 |
| 31 | September 2021 | 30 | 49.86% | ($11,130) | ($6,070) | ($5,316) | $257 |
| 32 | October 2021 | 31 | 41.37% | ($9,234) | ($5,036) | ($4,411) | $213 |
| 33 | November 2021 | 30 | 33.15% | ($7,400) | ($4,036) | ($3,535) | $171 |
| 34 | December 2021 | 31 | 24.66% | ($5,504) | ($3,002) | ($2,629) | $127 |
| 35 | January 2022 | 31 | 16.16% | ($3,608) | ($1,968) | ($1,723) | $83 |
| 36 | February 2022 | 28 | 8.49% | ($1,896) | ($1,034) | ($906) | $44 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($122,431) | ($66,774) | ($58,481) | $2,823 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($267,856) | ($146,088) | ($127,945) | $6,177 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $145,425 | $79,314 | $69,464 | ($3,353) |

**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)**
**Revenue Requirement on Estimated Gas Capital Investment 12 months ending March 31, 2020**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | AMI Gas Investments | | $659,941 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $659,941 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $659,941 | $0 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $659,941 | $659,941 | $659,941 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $659,941 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | **$659,941** | **$659,941** | **$659,941** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 6 of 31, Line 21 | $167,667 | $36,922 | $34,150 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $167,667 | $204,589 | $238,739 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $20,623 | $41,246 | $41,246 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $20,623 | $61,869 | $103,116 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $20,623 | $61,869 | $103,116 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $147,044 | $142,720 | $135,623 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $51,465 | $49,952 | $47,468 |
| 19 | Less: FY 2020 Federal NOL | | $0 | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 20 of 31, Line 40; Col (b) = , Line 40; Col (c) = Page 22 of 31, Line 40 | ($27,942) | $822 | $1,348 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $23,524 | $50,774 | $48,817 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $659,941 | $659,941 | $659,941 |
| 23 | Accumulated Depreciation | - Line 15 | ($20,623) | ($61,869) | ($103,116) |
| 24 | Deferred Tax Reserve | - Line 21 | ($23,524) | ($50,774) | ($48,817) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $615,794 | $547,298 | $508,009 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 38 ÷ 2; Column (b) = (Prior Year Line 38 + Current Year Line 38) ÷ 2 | $307,897 | $581,546 | $527,653 |
| 27 | Pre-Tax ROR | 1/ | 10.44% | 10.44% | 10.44% |
| 28 | Return and Taxes | Line 26 * Line 27 | $32,154 | $60,731 | $55,103 |
| 29 | Book Depreciation | Line 13 | $20,623 | $41,246 | $41,246 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $20,960 | $20,960 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$52,777** | **$122,937** | **$117,309** |

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

| | Ratio | Rate | Rate | Taxes | Return |
|---|---|---|---|---|---|
| Long Term Debt | 48.47% | 5.18% | 2.51% | | 2.51% |
| 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% | 2.77% | 7.92% |
| | 100.00% | | 7.67% | 2.77% | 10.44% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Gas Capital Investments**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 14 of 31, Line 2 | $659,941 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $659,941 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $659,941 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $659,941 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 0% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $148,487 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $659,941 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $148,487 | | |
| 16 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $511,454 | $511,454 | $511,454 |
| 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 | $19,180 | $36,922 | $34,150 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 14 of 31, Line 7 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $167,667 | $36,922 | $34,150 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Gas Capital Investment 12 months ending March 31, 2021**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | AMI Gas Investments | | $1,501,671 | |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $1,501,671 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $1,501,671 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $1,501,671 | $1,501,671 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | $1,501,671 | $0 |
| 7 | Cost of Removal | | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | **$1,501,671** | **$1,501,671** |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2021 Spend | Page 8 of 31, Line 21 | $56,313 | $108,406 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $56,313 | $164,719 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $46,927 | $93,854 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $46,927 | $140,782 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $46,927 | $140,782 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | $9,386 | $23,937 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $3,285 | $8,378 |
| 19 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = , Line 40; Col (b) = Page 22 of 31, Line 40 | ($1,784) | ($2,765) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $1,502 | $5,613 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $1,501,671 | $1,501,671 |
| 23 | Accumulated Depreciation | - Line 15 | ($46,927) | ($140,782) |
| 24 | Deferred Tax Reserve | - Line 21 | ($1,502) | ($5,613) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $1,453,243 | $1,355,277 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | $726,621 | $1,404,260 |
| 27 | Pre-Tax ROR | | 1/ 10.44% | 10.44% |
| 28 | Return and Taxes | Line 26 * Line 27 | $75,859 | $146,605 |
| 29 | Book Depreciation | Line 13 | $46,927 | $93,854 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $47,693 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$122,787** | **$288,152** |

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

| | Ratio | Rate | Rate | Taxes | Return |
|---|---|---|---|---|---|
| Long Term Debt | 48.47% | 5.18% | 2.51% | | 2.51% |
| 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% | 2.77% | 7.92% |
| | 100.00% | | 7.67% | 2.77% | 10.44% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Gas Capital Investments**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 16 of 31, Line 2 | $1,501,671 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $1,501,671 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,501,671 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,501,671 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $1,501,671 | |
| 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 | $1,501,671 | $1,501,671 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% | 7.219% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $56,313 | $108,406 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 16 of 31, Line 7 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $56,313 | $108,406 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Gas Capital Investment 12 months ending March 31, 2022**
**AMI - Gas**

| Line No. | | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | AMI Gas Investments | | | $317,321 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | | $317,321 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | | $317,321 |
| 4 | Retirements | Line 4 * 0% | | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5 | | $317,321 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | | $317,321 |
| 7 | Cost of Removal | | | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | | $317,321 |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2022 Spend | Page 10 of 31, Line 21 | | $11,900 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | | $11,900 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | | $9,916 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | | $9,916 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | | $9,916 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | | $1,984 |
| 17 | Effective Tax Rate | | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | | $694 |
| 19 | Less: FY 2022 Federal NOL | | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 22 of 31, Line 40 | | ($377) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | | $317 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | | $317,321 |
| 23 | Accumulated Depreciation | - Line 15 | | ($9,916) |
| 24 | Deferred Tax Reserve | - Line 21 | | ($317) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | | $307,088 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | | $153,544 |
| 27 | Pre-Tax ROR | | 1/ | 10.44% |
| 28 | Return and Taxes | Line 26 * Line 27 | | $16,030 |
| 29 | Book Depreciation | Line 13 | | $9,916 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 | | $0 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | | **$25,946** |

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

| | Ratio | Rate | Rate | Taxes | Return |
|---|---|---|---|---|---|
| Long Term Debt | 48.47% | 5.18% | 2.51% | | 2.51% |
| 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% | 2.77% | 7.92% |
| | 100.00% | | 7.67% | 2.77% | 10.44% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Gas Capital Investments**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 18 of 31, Line 2 | $317,321 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $317,321 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $317,321 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $317,321 |
| 9 | Bonus Depreciation Rate (April 2021- December 2021) | 0% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $317,321 |
| 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 | $317,321 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $11,900 |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 18 of 31, Line 7 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $11,900 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Gas Proration**
**AMI - Gas**

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 14 of 31, Line 13 | $20,623 | $20,623 |
| 2 | Bonus Depreciation | Page 15 of 31, Line 12 | ($148,487) | ($148,487) |
| 3 | Remaining MACRS Tax Depreciation | Page 15 of 31, Line 18 | ($19,180) | ($19,180) |
| 4 | FY20 tax (gain)/loss on retirements | Page 15 of 31, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($147,044) | ($147,044) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($51,465) | ($51,465) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 15 of 31, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 15 of 31, 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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($51,465) | ($51,465) |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($51,465) | ($51,465) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($147,044) | ($147,044) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($147,044) | ($147,044) |
| 20 | Total FY 2020 Federal NOL | | $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 | | 35.00% | 35.00% |
| 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 | ($51,465) | ($51,465) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($3,936) | ($3,936) |
| 27 | May 2019 | 31 | 83.29% | ($3,572) | ($3,572) |
| 28 | June 2019 | 30 | 75.07% | ($3,220) | ($3,220) |
| 29 | July 2019 | 31 | 66.58% | ($2,855) | ($2,855) |
| 30 | August 2019 | 31 | 58.08% | ($2,491) | ($2,491) |
| 31 | September 2019 | 30 | 49.86% | ($2,139) | ($2,139) |
| 32 | October 2019 | 31 | 41.37% | ($1,774) | ($1,774) |
| 33 | November 2019 | 30 | 33.15% | ($1,422) | ($1,422) |
| 34 | December 2019 | 31 | 24.66% | ($1,058) | ($1,058) |
| 35 | January 2020 | 31 | 16.16% | ($693) | ($693) |
| 36 | February 2020 | 28 | 8.49% | ($364) | ($364) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($23,524) | ($23,524) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($51,465) | ($51,465) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $27,942 | $27,942 |

**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 Gas Proration**
**AMI - Gas**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 16 of 31, Line 13; Col (c) = Page 14 of 31, Line 13 | $88,174 | $46,927 | $41,246 |
| 2 | Bonus Depreciation | Page 17 of 31, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 17 of 31, Line 18; Col (c) = Page 15 of 31, Line 18 | ($93,235) | ($56,313) | ($36,922) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 17 of 31, Line 19; Col (c) = Page 15 of 31, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($5,061) | ($9,386) | $4,324 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($1,772) | ($3,285) | $1,514 |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 17 of 31, Line 3 | $0 | $0 | $0 |
| 9 | Cost of Removal | Page 17 of 31, 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 | | 35.00% | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($1,772) | ($3,285) | $1,514 |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($1,772) | ($3,285) | $1,514 |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($9,386) | ($9,386) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($9,386) | ($9,386) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($1,772) | ($3,285) | $1,514 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($135) | ($251) | $116 |
| 27 | May 2020 | 31 | 83.29% | ($123) | ($228) | $105 |
| 28 | June 2020 | 30 | 75.07% | ($111) | ($206) | $95 |
| 29 | July 2020 | 31 | 66.58% | ($98) | ($182) | $84 |
| 30 | August 2020 | 31 | 58.08% | ($86) | ($159) | $73 |
| 31 | September 2020 | 30 | 49.86% | ($74) | ($137) | $63 |
| 32 | October 2020 | 31 | 41.37% | ($61) | ($113) | $52 |
| 33 | November 2020 | 30 | 33.15% | ($49) | ($91) | $42 |
| 34 | December 2020 | 31 | 24.66% | ($36) | ($68) | $31 |
| 35 | January 2021 | 31 | 16.16% | ($24) | ($44) | $20 |
| 36 | February 2021 | 28 | 8.49% | ($13) | ($23) | $11 |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($810) | ($1,502) | $692 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($1,772) | ($3,285) | $1,514 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $962 | $1,784 | ($822) |

**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 10.4 - AMI Stand Alone**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Gas Proration**
**AMI - Gas**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 18 of 31, Line 13; Col (c) = Page 16 of 31, Line 13; Col (d) = Page 14 of 31, Line 13 | $145,017 | $9,916 | $93,854 | $41,246 |
| 2 | Bonus Depreciation | Page 19 of 31, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 19 of 31, Line 18; Col (c) = Page 17 of 31, Line 18; Col (d) = Page 15 of 31, Line 18 | ($154,456) | ($11,900) | ($108,406) | ($34,150) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 19 of 31, Line 19; Col (c) = Page 17 of 31, Line 19; Col (d) = Page 15 of 31, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($9,439) | ($1,984) | ($14,552) | $7,096 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($3,304) | ($694) | ($5,093) | $2,484 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 19 of 31, Line 3 | $0 | $0 | $0 | $0 |
| 9 | Cost of Removal | Page 19 of 31, Line 20 | $0 | $0 | $0 | $0 |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2022 | | $0 | $0 | $0 | $0 |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | $0 | $0 |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($3,304) | ($694) | ($5,093) | $2,484 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($3,304) | ($694) | ($5,093) | $2,484 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($1,984) | ($1,984) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($1,984) | ($1,984) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 24 | Deferred Tax Benefit subject to proration | Line 22 * Line 23 | $0 | $0 | | |
| 25 | Net Deferred Tax Reserve subject to proration | Line 7 + Line 24 | ($3,304) | ($694) | ($5,093) | $2,484 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($253) | ($53) | ($390) | $190 |
| 27 | May 2021 | 31 | 83.29% | ($229) | ($48) | ($353) | $172 |
| 28 | June 2021 | 30 | 75.07% | ($207) | ($43) | ($319) | $155 |
| 29 | July 2021 | 31 | 66.58% | ($183) | ($39) | ($283) | $138 |
| 30 | August 2021 | 31 | 58.08% | ($160) | ($34) | ($247) | $120 |
| 31 | September 2021 | 30 | 49.86% | ($137) | ($29) | ($212) | $103 |
| 32 | October 2021 | 31 | 41.37% | ($114) | ($24) | ($176) | $86 |
| 33 | November 2021 | 30 | 33.15% | ($91) | ($19) | ($141) | $69 |
| 34 | December 2021 | 31 | 24.66% | ($68) | ($14) | ($105) | $51 |
| 35 | January 2022 | 31 | 16.16% | ($45) | ($9) | ($69) | $33 |
| 36 | February 2022 | 28 | 8.49% | ($23) | ($5) | ($36) | $18 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($1,510) | ($317) | ($2,328) | $1,135 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($3,304) | ($694) | ($5,093) | $2,484 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $1,794 | $377 | $2,765 | ($1,348) |

**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)**
**Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | AMI IS Investments | | $0 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $0 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 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 4 - Line 5; Column (b) = Prior Year Line 6 | $0 | $0 | $0 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $0 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $0 | $0 | $0 |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 6 of 31, Line 21 | $0 | $0 | $0 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $0 | $0 | $0 |
| | Book Depreciation | | | | |
| 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) = Line 1 * Line 12 | $0 | $0 | $0 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $0 | $0 | $0 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $0 | $0 | $0 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $0 | $0 | $0 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 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 29 of 31, Line 40; Col (b) = , Line 40; Col (c) = Page 31 of 31, Line 40 | $0 | $0 | $0 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $0 | $0 | $0 |
| | Rate Base Calculation: | | | | |
| 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 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 38 ÷ 2; Column (b) = (Prior Year Line 38 + Current Year Line 38) ÷ 2 | $0 | $0 | $0 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 10.29% | 10.29% | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $0 | $0 | $0 |
| 29 | Book Depreciation | Line 13 | $0 | $0 | $0 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$0** | **$0** | **$0** |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 23 of 31, Line 2 | $0 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 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% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 0% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 | | |
| | Remaining Tax Depreciation | | | | |
| 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 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $0 | $0 | $0 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.33% | 44.45% | 14.81% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $0 | $0 | $0 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 23 of 31, Line 7 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, 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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | AMI IS Investments | | $11,203,661 | |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $11,203,661 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $11,203,661 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $11,203,661 | $11,203,661 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | $11,203,661 | $0 |
| 7 | Cost of Removal | | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $11,203,661 | $11,203,661 |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2021 Spend | Page 8 of 31, Line 21 | $3,734,180 | $4,980,027 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $3,734,180 | $8,714,207 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 14.29% | 14.29% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $800,262 | $1,600,523 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $800,262 | $2,400,785 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $800,262 | $2,400,785 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | $2,933,918 | $6,313,422 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $1,026,871 | $2,209,698 |
| 19 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = , Line 40; Col (b) = Page 31 of 31, Line 40 | ($557,511) | ($642,183) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $469,360 | $1,567,515 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $11,203,661 | $11,203,661 |
| 23 | Accumulated Depreciation | - Line 15 | ($800,262) | ($2,400,785) |
| 24 | Deferred Tax Reserve | - Line 21 | ($469,360) | ($1,567,515) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $9,934,040 | $7,235,362 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | $4,967,020 | $8,584,701 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as filed in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 10.29% | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $511,106 | $883,366 |
| 29 | Book Depreciation | Line 13 | $800,262 | $1,600,523 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$1,311,368** | **$2,483,889** |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 25 of 31, Line 2 | $11,203,661 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $11,203,661 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $11,203,661 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $11,203,661 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $11,203,661 | |
| 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 | $11,203,661 | $11,203,661 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.33% | 44.45% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $3,734,180 | $4,980,027 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 25 of 31, Line 7 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $3,734,180 | $4,980,027 |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | AMI IS Investments | | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $0 |
| | Depreciable Net Capital Included in Rate Base | | |
| 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 4 - Line 5 | $0 |
| | Change in Net Capital Included in Rate Base | | |
| 6 | Capital Included in Rate Base | Line 2 | $0 |
| 7 | Cost of Removal | | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $0 |
| | Tax Depreciation | | |
| 9 | Vintage Year Tax Depreciation: | | |
| 10 | FY 2022 Spend | Page 10 of 31, Line 21 | $0 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $0 |
| | Book Depreciation | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 14.29% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | $0 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $0 |
| 15 | Total Cumulative Book Depreciation | Sum of Lines 14 | $0 |
| | Deferred Tax Calculation: | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $0 |
| 17 | Effective Tax Rate | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $0 |
| 19 | Less: FY 2022 Federal NOL | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 31 of 31, Line 40 | $0 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $0 |
| | Rate Base Calculation: | | |
| 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 |
| | Revenue Requirement Calculation: | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | $0 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $0 |
| 29 | Book Depreciation | Line 13 | $0 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$0** |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 27 of 31, Line 2 | $0 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | Bonus Depreciation | | |
| 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 2021- December 2021) | 0.00% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0.00% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | Remaining Tax Depreciation | | |
| 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 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $0 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.33% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $0 |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 27 of 31, Line 7 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $0 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.4 - AMI Stand Alone**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve IS Proration**
**AMI - IS**

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 23 of 31, Line 13 | $0 | $0 |
| 2 | Bonus Depreciation | Page 24 of 31, Line 12 | $0 | $0 |
| 3 | Remaining MACRS Tax Depreciation | Page 24 of 31, Line 18 | $0 | $0 |
| 4 | FY20 tax (gain)/loss on retirements | Page 24 of 31, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | $0 | $0 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | $0 | $0 |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 24 of 31, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 24 of 31, 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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | $0 | $0 |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | $0 | $0 |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | $0 | $0 |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | $0 | $0 |
| 20 | Total FY 2020 Federal NOL | | $0 | $0 |
| 21 | Allocated FY 2020 Federal NOL Not Subject to Proration | (Line 18 / Line 19 ) * Line 20 | $0 | 0.00 |
| 22 | Allocated FY 2020 Federal NOL Subject to Proration | (Line 17 / Line 19 ) * Line 20 | $0 | $0 |
| 23 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 24 | Deferred Tax Benefit subject to proration | Line 22 * Line 23 | $0 | $0 |
| 25 | Net Deferred Tax Reserve subject to proration | Line 7 + Line 24 | $0 | $0 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | $0 | $0 |
| 27 | May 2019 | 31 | 83.29% | $0 | $0 |
| 28 | June 2019 | 30 | 75.07% | $0 | $0 |
| 29 | July 2019 | 31 | 66.58% | $0 | $0 |
| 30 | August 2019 | 31 | 58.08% | $0 | $0 |
| 31 | September 2019 | 30 | 49.86% | $0 | $0 |
| 32 | October 2019 | 31 | 41.37% | $0 | $0 |
| 33 | November 2019 | 30 | 33.15% | $0 | $0 |
| 34 | December 2019 | 31 | 24.66% | $0 | $0 |
| 35 | January 2020 | 31 | 16.16% | $0 | $0 |
| 36 | February 2020 | 28 | 8.49% | $0 | $0 |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | $0 | $0 |
| 39 | Deferred Tax Without Proration | Line 25 | | $0 | $0 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $0 | $0 |

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

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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration**
**AMI - IS**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 25 of 31, Line 13; Col (c) = Page 23 of 31, Line 13 | $800,262 | $800,262 | $0 |
| 2 | Bonus Depreciation | Page 26 of 31, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 26 of 31, Line 18; Col (c) = Page 24 of 31, Line 18 | ($3,734,180) | ($3,734,180) | $0 |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 26 of 31, Line 19; Col (c) = Page 24 of 31, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($2,933,918) | ($2,933,918) | $0 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($1,026,871) | ($1,026,871) | $0 |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 26 of 31, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 26 of 31, 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 | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($1,026,871) | ($1,026,871) | $0 |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($1,026,871) | ($1,026,871) | $0 |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($2,933,918) | ($2,933,918) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($2,933,918) | ($2,933,918) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($1,026,871) | ($1,026,871) | $0 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($78,539) | ($78,539) | $0 |
| 27 | May 2020 | 31 | 83.29% | ($71,271) | ($71,271) | $0 |
| 28 | June 2020 | 30 | 75.07% | ($64,238) | ($64,238) | $0 |
| 29 | July 2020 | 31 | 66.58% | ($56,970) | ($56,970) | $0 |
| 30 | August 2020 | 31 | 58.08% | ($49,702) | ($49,702) | $0 |
| 31 | September 2020 | 30 | 49.86% | ($42,669) | ($42,669) | $0 |
| 32 | October 2020 | 31 | 41.37% | ($35,401) | ($35,401) | $0 |
| 33 | November 2020 | 30 | 33.15% | ($28,368) | ($28,368) | $0 |
| 34 | December 2020 | 31 | 24.66% | ($21,100) | ($21,100) | $0 |
| 35 | January 2021 | 31 | 16.16% | ($13,832) | ($13,832) | $0 |
| 36 | February 2021 | 28 | 8.49% | ($7,268) | ($7,268) | $0 |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($469,360) | ($469,360) | $0 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($1,026,871) | ($1,026,871) | $0 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $557,511 | $557,511 | $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)

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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration**
**AMI - IS**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 27 of 31, Line 13; Col (c) = Page 25 of 31, Line 13; Col (d) = Page 23 of 31, Line 13 | $1,600,523 | $0 | $1,600,523 | $0 |
| 2 | Bonus Depreciation | Page 28 of 31, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 28 of 31, Line 18; Col (c) = Page 26 of 31, Line 18; Col (d) = Page 24 of 31, Line 18 | ($4,980,027) | $0 | ($4,980,027) | $0 |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 28 of 31, Line 19; Col (c) = Page 26 of 31, Line 19; Col (d) = Page 24 of 31, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($3,379,504) | $0 | ($3,379,504) | $0 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($1,182,826) | $0 | ($1,182,826) | $0 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 28 of 31, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 26 of 31, 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 | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($1,182,826) | $0 | ($1,182,826) | $0 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($1,182,826) | $0 | ($1,182,826) | $0 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | $0 | $0 | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | $0 | $0 | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($1,182,826) | $0 | ($1,182,826) | $0 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($90,467) | $0 | ($90,467) | $0 |
| 27 | May 2021 | 31 | 83.29% | ($82,096) | $0 | ($82,096) | $0 |
| 28 | June 2021 | 30 | 75.07% | ($73,994) | $0 | ($73,994) | $0 |
| 29 | July 2021 | 31 | 66.58% | ($65,623) | $0 | ($65,623) | $0 |
| 30 | August 2021 | 31 | 58.08% | ($57,251) | $0 | ($57,251) | $0 |
| 31 | September 2021 | 30 | 49.86% | ($49,149) | $0 | ($49,149) | $0 |
| 32 | October 2021 | 31 | 41.37% | ($40,778) | $0 | ($40,778) | $0 |
| 33 | November 2021 | 30 | 33.15% | ($32,676) | $0 | ($32,676) | $0 |
| 34 | December 2021 | 31 | 24.66% | ($24,305) | $0 | ($24,305) | $0 |
| 35 | January 2022 | 31 | 16.16% | ($15,933) | $0 | ($15,933) | $0 |
| 36 | February 2022 | 28 | 8.49% | ($8,372) | $0 | ($8,372) | $0 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($540,643) | $0 | ($540,643) | $0 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($1,182,826) | $0 | ($1,182,826) | $0 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $642,183 | $0 | $642,183 | $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)**
**AMI**
**Annual Revenue Requirement General Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Electric Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | AMI Costs | | $ 3,180,226 | $ 2,285,684 | $ 4,235,568 |
| 2 | CMS Costs | | $ - | $ - | $ - |
| 3 | Meter Data Service Costs | | $ - | $ 389,698 | $ 802,778 |
| 4 | Customer Engagement Plans Costs | | $ 925,740 | $ 3,394,245 | $ 2,004,136 |
| 5 | IS Costs - Electric | | $ 1,114,327 | $ 1,452,916 | $ 3,117,347 |
| 6 | **Total Electric O&M costs** | Sum of Lines 1 through 5 | **$ 5,220,293** | **$ 7,522,544** | **$ 10,159,829** |
| | Gas Operation and Maintenance (O&M) Expenses: | | | | |
| 7 | AMI Costs | | $ 1,058,542 | $ 1,999 | $ 3,080 |
| 8 | CMS Costs | | $ - | $ - | $ - |
| 9 | Meter Data Service Costs | | $ - | $ 119,534 | $ 246,239 |
| 10 | Customer Engagement Plans Costs | | $ - | $ - | $ - |
| 11 | IS Costs - Gas | | $ 605,579 | $ 524,139 | $ 496,453 |
| 12 | **Total Gas O&M costs** | Sum of Lines 7 through 11 | **$ 1,664,121** | **$ 645,672** | **$ 745,772** |
| | **Total O&M costs** | | **$ 6,884,414** | **$ 8,168,216** | **$ 10,905,601** |
| 13 | Electric Capital Investment: | | | | |
| 14 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $116,334 | $271,721 | $259,430 |
| 15 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $3,198,281 | $7,432,853 |
| 16 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $5,334,525 |
| 17 | **Total Electric Capital Investment Component of Revenue Requirement** | Sum of Lines 13 through 16 | **$116,334** | **$3,470,003** | **$13,026,809** |
| 18 | Gas Capital Investment: | | | | |
| 19 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $45,576 | $106,167 | $101,308 |
| 20 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $216,171 | $454,945 |
| 21 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $23,430 |
| 22 | **Total Gas Capital Investment Component of Revenue Requirement** | Sum of Lines 18 through 21 | **$45,576** | **$322,338** | **$579,682** |
| 23 | **Total Electric Revenue Requirement** | Line 6 + Line 17 | **$ 5,336,627** | **$ 10,992,547** | **$ 23,186,638** |
| 24 | **Total Gas Revenue Requirement** | Line 12 + Line 22 | **$ 1,709,697** | **$ 968,010** | **$ 1,325,454** |
| 25 | **Total Electric & Gas Revenue Requirement** | Line 23 + Line 24 | **$ 7,046,324** | **$11,960,557** | **$24,512,092** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**AMI - Electric**
**Annual Revenue Requirement Electric Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | AMI Costs | | $ 3,180,226 | $ 2,285,684 | $ 4,235,568 |
| 2 | CMS Costs | | $ - | $ - | $ - |
| 3 | Meter Data Service Costs | | $ - | $ 389,698 | $ 802,778 |
| 4 | Customer Engagement Plans Costs | | $ 925,740 | $ 3,394,245 | $ 2,004,136 |
| 5 | **Total O&M costs** | Sum of Lines 1 through 4 | **$ 4,105,966** | **$ 6,069,628** | **$ 7,042,482** |
| | Capital Investment: | | | | |
| 6 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $ 116,334 | $ 271,721 | $ 259,430 |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $ 2,985,433 | $ 7,029,694 |
| 8 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $ 5,334,525 |
| 9 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 6 through 8 | **$ 116,334** | **$ 3,257,155** | **$ 12,623,650** |
| 10 | **Total Revenue Requirement** | Line 5 + Line 9 | **$ 4,222,300** | **$ 9,326,783** | **$ 19,666,132** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**AMI - Gas**
**Annual Revenue Requirement Gas Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | AMI Costs | | $1,058,542 | $1,999 | $3,080 |
| 2 | CMS Costs | | $0 | $0 | $0 |
| 3 | Meter Data Service Costs | | $0 | $119,534 | $246,239 |
| 4 | Customer Engagement Plans Costs | | $0 | $0 | $0 |
| 5 | **Total O&M costs** | Sum of Lines 1 through 4 | **$1,058,542** | **$121,533** | **$249,320** |
| 6 | Capital Investment: | | | | |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $45,576 | $106,167 | $101,308 |
| 8 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $100,499 | $235,849 |
| 9 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $23,430 |
| 10 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 7 through 9 | **$45,576** | **$206,666** | **$360,586** |
| 11 | **Total Revenue Requirement** | Line 5 + Line 10 | **$1,104,118** | **$328,199** | **$609,905** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**AMI - IS**
**Annual Revenue Requirement IS Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | IS Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | IS Costs - Electric | | $ 1,114,327 | $ 1,452,916 | $ 3,117,347 |
| 2 | IS Costs - Gas | | $ 605,579 | $ 524,139 | $ 496,453 |
| 3 | **Total IS O&M costs** | Sum of Lines 1 through 2 | **$ 1,719,906** | **$ 1,977,055** | **$ 3,613,799** |
| 4 | IS Electric Capital Investment: | | | | |
| 5 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $0 | $0 | $0 |
| 6 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $212,848 | $403,159 |
| 7 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $0 |
| 8 | **Total IS Electric Capital Investment Component of Revenue Requirement** | Sum of Lines 5 through 7 | **$0** | **$212,848** | **$403,159** |
| 9 | IS Gas Capital Investment: | | | | |
| 10 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2020 Capital Investment | | $0 | $0 | $0 |
| 11 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2021 Capital Investment | | | $115,672 | $219,096 |
| 12 | Estimated Revenue Requirement on Fiscal Year Ending March 31, 2022 Capital Investment | | | | $0 |
| 13 | **Total IS Gas Capital Investment Component of Revenue Requirement** | Sum of Lines 10 through 12 | **$0** | **$115,672** | **$219,096** |
| 14 | **Total IS Electric Revenue Requirement** | Line 1 + Line 8 | **$1,114,327** | **$1,665,764** | **$3,520,506** |
| 15 | **Total IS Gas Revenue Requirement** | Line 2 + Line 13 | **$605,579** | **$639,810** | **$715,549** |
| 16 | **Total IS Electric & Gas Revenue Requirement** | Line 14 + Line 15 | **$1,719,906** | **$2,305,574** | **$4,236,054** |

**THE NARRAGANSETT ELECTRIC COMPANY**
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**Appendix 10.5 - AMI Shared**
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**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Electric AMI Investments | | $1,475,598 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Line 1 | $1,475,598 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $1,475,598 | $0 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $1,475,598 | $1,475,598 | $1,475,598 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $1,475,598 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | **$1,475,598** | **$1,475,598** | **$1,475,598** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 6 of 31, Line 21 | $374,895 | $82,556 | $76,357 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $374,895 | $457,451 | $533,808 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $46,112 | $92,225 | $92,225 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $46,112 | $138,337 | $230,562 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $46,112 | $138,337 | $230,562 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $328,783 | $319,114 | $303,246 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $115,074 | $111,690 | $106,136 |
| 19 | Less: FY 2020 Federal NOL | | $0 | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 11 of 31, Line 40; Col (b) = , Line 40; Col (c) = Page 13 of 31, Line 40 | ($62,476) | $1,837 | $3,015 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $52,598 | $113,527 | $109,151 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $1,475,598 | $1,475,598 | $1,475,598 |
| 23 | Accumulated Depreciation | - Line 15 | ($46,112) | ($138,337) | ($230,562) |
| 24 | Deferred Tax Reserve | - Line 21 | ($52,598) | ($113,527) | ($109,151) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $1,376,888 | $1,223,733 | $1,135,884 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 38 ÷ 2; Column (b) = (Prior Year Line 38 + Current Year Line 38) ÷ 2 | $688,444 | $1,300,310 | $1,179,809 |
| 27 | Pre-Tax ROR | 1/ | 10.20% | 10.20% | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $70,221 | $132,632 | $120,340 |
| 29 | Book Depreciation | Line 13 | $46,112 | $92,225 | $92,225 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $46,865 | $46,865 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$116,334** | **$271,721** | **$259,430** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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**

####

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 5 of 31, Line 2 | $1,475,598 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $1,475,598 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,475,598 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,475,598 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 1 * 25% * 00% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $332,010 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $1,475,598 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $332,010 | | |
| 16 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $1,143,588 | $1,143,588 | $1,143,588 |
| 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 | $42,885 | $82,556 | $76,357 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 5 of 31, Line 7 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $374,895 | $82,556 | $76,357 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.5 - AMI Shared**
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**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | AMI Electric Investments | | $36,920,075 | |
| 2 | Total Estimated Capital Investment | Line 1 | $36,920,075 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $36,920,075 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $36,920,075 | $36,920,075 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | $36,920,075 | $0 |
| 7 | Cost of Removal | | $286,011 | $0 |
| 8 | **Total Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | $37,206,086 | $36,920,075 |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2021 Spend | Page 8 of 31, Line 21 | $1,670,514 | $2,665,260 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $1,670,514 | $4,335,774 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $1,153,752 | $2,307,505 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $1,153,752 | $3,461,257 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $1,153,752 | $3,461,257 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | $516,762 | $874,517 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $180,867 | $306,081 |
| 19 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = , Line 40; Col (b) = Page 13 of 31, Line 40 | ($43,848) | ($67,982) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $137,019 | $238,099 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $37,206,086 | $37,206,086 |
| 23 | Accumulated Depreciation | - Line 15 | ($1,153,752) | ($3,461,257) |
| 24 | Deferred Tax Reserve | - Line 21 | ($137,019) | ($238,099) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $35,915,315 | $33,506,730 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | $17,957,657 | $34,711,022 |
| 27 | Pre-Tax ROR | 1/ | 10.20% | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $1,831,681 | $3,540,524 |
| 29 | Book Depreciation | Line 13 | $1,153,752 | $2,307,505 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $1,181,665 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$2,985,433** | **$7,029,694** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 7 of 31, Line 2 | $36,920,075 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $36,920,075 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $36,920,075 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $36,920,075 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $36,920,075 | |
| 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 | $36,920,075 | $36,920,075 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% | 7.219% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $1,384,503 | $2,665,260 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 7 of 31, Line 7 | $286,011 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $1,670,514 | $2,665,260 |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | AMI Electric Investments | | $65,938,185 |
| 2 | Total Estimated Capital Investment | Line 1 | $65,938,185 |
| | Depreciable Net Capital Included in Rate Base | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $65,938,185 |
| 4 | Retirements | Line 4 * 0% | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5 | $65,938,185 |
| | Change in Net Capital Included in Rate Base | | |
| 6 | Capital Included in Rate Base | Line 2 | $65,938,185 |
| 7 | Cost of Removal | | $590,067 |
| 8 | **Total Plant in Service Including Cost of Removal** | **Line 6 + Line 7** | $66,528,252 |
| | Tax Depreciation | | |
| 9 | Vintage Year Tax Depreciation: | | |
| 10 | FY 2022 Spend | Page 10 of 31, Line 21 | $3,062,749 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $3,062,749 |
| | Book Depreciation | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | $2,060,568 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $2,060,568 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $2,060,568 |
| | Deferred Tax Calculation: | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $1,002,181 |
| 17 | Effective Tax Rate | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $350,763 |
| 19 | Less: FY 2022 Federal NOL | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 13 of 31, Line 40 | ($78,311) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $272,452 |
| | Rate Base Calculation: | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $66,528,252 |
| 23 | Accumulated Depreciation | - Line 15 | ($2,060,568) |
| 24 | Deferred Tax Reserve | - Line 21 | ($272,452) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $64,195,231 |
| | Revenue Requirement Calculation: | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | $32,097,616 |
| 27 | Pre-Tax ROR | | 1/ 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $3,273,957 |
| 29 | Book Depreciation | Line 13 | $2,060,568 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$5,334,525** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**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**
**AMI - Electric**

| Line No. | | | Fiscal Year March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 9 of 31, Line 2 | $65,938,185 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | | | |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $65,938,185 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $65,938,185 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $65,938,185 |
| 9 | Bonus Depreciation Rate (April 2021- December 2021) | 0.00% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0.00% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | | | |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $65,938,185 |
| 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 | $65,938,185 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $2,472,682 |
| | | | |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 9 of 31, Line 7 | $590,067 |
| | | | |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $3,062,749 |

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

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 5 of 31, Line 13 | $46,112 | $46,112 |
| 2 | Bonus Depreciation | Page 6 of 31, Line 12 | ($332,010) | ($332,010) |
| 3 | Remaining MACRS Tax Depreciation | Page 6 of 31, Line 18 | ($42,885) | ($42,885) |
| 4 | FY20 tax (gain)/loss on retirements | Page 6 of 31, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($328,783) | ($328,783) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($115,074) | ($115,074) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 6 of 31, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 6 of 31, Line 20 | $0 | $0 |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2020 | Tax Department | $0 | $0 |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 |
| 12 | Effective Tax Rate | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($115,074) | ($115,074) |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($115,074) | ($115,074) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($328,783) | ($328,783) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($328,783) | ($328,783) |
| 20 | Total FY 2020 Federal NOL | | $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 | | 35.00% | 35.00% |
| 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 | ($115,074) | ($115,074) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($8,801) | ($8,801) |
| 27 | May 2019 | 31 | 83.29% | ($7,987) | ($7,987) |
| 28 | June 2019 | 30 | 75.07% | ($7,199) | ($7,199) |
| 29 | July 2019 | 31 | 66.58% | ($6,384) | ($6,384) |
| 30 | August 2019 | 31 | 58.08% | ($5,570) | ($5,570) |
| 31 | September 2019 | 30 | 49.86% | ($4,782) | ($4,782) |
| 32 | October 2019 | 31 | 41.37% | ($3,967) | ($3,967) |
| 33 | November 2019 | 30 | 33.15% | ($3,179) | ($3,179) |
| 34 | December 2019 | 31 | 24.66% | ($2,365) | ($2,365) |
| 35 | January 2020 | 31 | 16.16% | ($1,550) | ($1,550) |
| 36 | February 2020 | 28 | 8.49% | ($814) | ($814) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($52,598) | ($52,598) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($115,074) | ($115,074) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $62,476 | $62,476 |

**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**
**AMI - Electric**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 7 of 31, Line 13; Col (c) = Page 5 of 31, Line 13 | $1,245,977 | $1,153,752 | $92,225 |
| 2 | Bonus Depreciation | Page 8 of 31, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 8 of 31, Line 18; Col (c) = Page 6 of 31, Line 18 | ($1,467,059) | ($1,384,503) | ($82,556) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 8 of 31, Line 19; Col (c) = Page 6 of 31, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($221,082) | ($230,751) | $9,669 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($77,379) | ($80,763) | $3,384 |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 8 of 31, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 8 of 31, Line 20 | ($286,011) | ($286,011) | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2021 | Tax Department | $0 | $0 | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | ($286,011) | ($286,011) | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | ($100,104) | ($100,104) | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($177,482) | ($180,867) | $3,384 |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($177,482) | ($180,867) | $3,384 |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($230,751) | ($230,751) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | ($286,011) | ($286,011) | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($516,762) | ($516,762) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($77,379) | ($80,763) | $3,384 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($5,918) | ($6,177) | $259 |
| 27 | May 2020 | 31 | 83.29% | ($5,371) | ($5,605) | $235 |
| 28 | June 2020 | 30 | 75.07% | ($4,841) | ($5,052) | $212 |
| 29 | July 2020 | 31 | 66.58% | ($4,293) | ($4,481) | $188 |
| 30 | August 2020 | 31 | 58.08% | ($3,745) | ($3,909) | $164 |
| 31 | September 2020 | 30 | 49.86% | ($3,215) | ($3,356) | $141 |
| 32 | October 2020 | 31 | 41.37% | ($2,668) | ($2,784) | $117 |
| 33 | November 2020 | 30 | 33.15% | ($2,138) | ($2,231) | $93 |
| 34 | December 2020 | 31 | 24.66% | ($1,590) | ($1,660) | $70 |
| 35 | January 2021 | 31 | 16.16% | ($1,042) | ($1,088) | $46 |
| 36 | February 2021 | 28 | 8.49% | ($548) | ($572) | $24 |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($35,368) | ($36,915) | $1,547 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($77,379) | ($80,763) | $3,384 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $42,011 | $43,848 | ($1,837) |

**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 10.5 - AMI Shared**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Electric Proration**
**AMI - Electric**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 9 of 31, Line 13; Col (c) = Page 7 of 31, Line 13; Col (d) = Page 5 of 31, Line 13 | $4,460,298 | $2,060,568 | $2,307,505 | $92,225 |
| 2 | Bonus Depreciation | Page 10 of 31, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 10 of 31, Line 18; Col (c) = Page 8 of 31, Line 18; Col (d) = Page 6 of 31, Line 18 | ($5,214,299) | ($2,472,682) | ($2,665,260) | ($76,357) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 10 of 31, Line 19; Col (c) = Page 8 of 31, Line 19; Col (d) = Page 6 of 31, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($754,001) | ($412,114) | ($357,755) | $15,868 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($263,900) | ($144,240) | ($125,214) | $5,554 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 10 of 31, Line 19 | $0 | $0 | | |
| 9 | Cost of Removal | Page 10 of 31, Line 20 | ($590,067) | ($590,067) | | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2022 | Tax Department | $0 | $0 | | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | ($590,067) | ($590,067) | | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | ($206,524) | ($206,524) | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($470,424) | ($350,763) | ($125,214) | $5,554 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($470,424) | ($350,763) | ($125,214) | $5,554 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($412,114) | ($412,114) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | ($590,067) | ($590,067) | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($1,002,181) | ($1,002,181) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($263,900) | ($144,240) | ($125,214) | $5,554 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($20,184) | ($11,032) | ($9,577) | $425 |
| 27 | May 2021 | 31 | 83.29% | ($18,316) | ($10,011) | ($8,691) | $385 |
| 28 | June 2021 | 30 | 75.07% | ($16,509) | ($9,023) | ($7,833) | $347 |
| 29 | July 2021 | 31 | 66.58% | ($14,641) | ($8,002) | ($6,947) | $308 |
| 30 | August 2021 | 31 | 58.08% | ($12,773) | ($6,981) | ($6,061) | $269 |
| 31 | September 2021 | 30 | 49.86% | ($10,966) | ($5,994) | ($5,203) | $231 |
| 32 | October 2021 | 31 | 41.37% | ($9,098) | ($4,973) | ($4,317) | $191 |
| 33 | November 2021 | 30 | 33.15% | ($7,290) | ($3,985) | ($3,459) | $153 |
| 34 | December 2021 | 31 | 24.66% | ($5,423) | ($2,964) | ($2,573) | $114 |
| 35 | January 2022 | 31 | 16.16% | ($3,555) | ($1,943) | ($1,687) | $75 |
| 36 | February 2022 | 28 | 8.49% | ($1,868) | ($1,021) | ($886) | $39 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($120,623) | ($65,929) | ($57,233) | $2,538 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($263,900) | ($144,240) | ($125,214) | $5,554 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $143,277 | $78,311 | $67,982 | ($3,015) |

**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)**
**Revenue Requirement on Estimated Gas Capital Investment 12 months ending March 31, 2020**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | AMI Gas Investments | | $570,001 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $570,001 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $570,001 | $0 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $570,001 | $570,001 | $570,001 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $570,001 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | **$570,001** | **$570,001** | **$570,001** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 6 of 31, Line 21 | $144,816 | $31,890 | $29,496 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $144,816 | $176,706 | $206,202 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 6.25% | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $17,813 | $35,625 | $35,625 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $17,813 | $53,438 | $89,063 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $17,813 | $53,438 | $89,063 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $127,003 | $123,268 | $117,139 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $44,451 | $43,144 | $40,999 |
| 19 | Less: FY 2020 Federal NOL | | $0 | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 20 of 31, Line 40; Col (b) = , Line 40; Col (c) = Page 22 of 31, Line 40 | ($24,134) | $710 | $1,165 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $20,318 | $43,854 | $42,163 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $570,001 | $570,001 | $570,001 |
| 23 | Accumulated Depreciation | - Line 15 | ($17,813) | ($53,438) | ($89,063) |
| 24 | Deferred Tax Reserve | - Line 21 | ($20,318) | ($43,854) | ($42,163) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $531,870 | $472,709 | $438,775 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 | $265,935 | $502,290 | $455,742 |
| 27 | Pre-Tax ROR | 1/ | 10.44% | 10.44% | 10.44% |
| 28 | Return and Taxes | Line 26 * Line 27 | $27,764 | $52,439 | $47,579 |
| 29 | Book Depreciation | Line 13 | $17,813 | $35,625 | $35,625 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $18,103 | $18,103 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$45,576** | **$106,167** | **$101,308** |

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

| | Ratio | Rate | Rate | Taxes | Return |
|---|---|---|---|---|---|
| Long Term Debt | 48.47% | 5.18% | 2.51% | | 2.51% |
| 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% | 2.77% | 7.92% |
| | 100.00% | | 7.67% | 2.77% | 10.44% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Gas Capital Investments**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 14 of 31, Line 2 | $570,001 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $570,001 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $570,001 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $570,001 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 0% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $128,250 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $570,001 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $128,250 | | |
| 16 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $441,751 | $441,751 | $441,751 |
| 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 | $16,566 | $31,890 | $29,496 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 14 of 31, Line 7 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $144,816 | $31,890 | $29,496 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.5 - AMI Shared**
**Page 16 of 31**

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Gas Capital Investment 12 months ending March 31, 2021**
**AMI - Gas**

| Line No. | | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | AMI Gas Investments | | | $1,229,097 | |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | | $1,229,097 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | | $1,229,097 | $0 |
| 4 | Retirements | Line 4 * 0% | | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | | $1,229,097 | $1,229,097 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | | $1,229,097 | $0 |
| 7 | Cost of Removal | | | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | | **$1,229,097** | **$1,229,097** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2021 Spend | Page 8 of 31, Line 21 | | $46,091 | $88,729 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | | $46,091 | $134,820 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | | 6.25% | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | | $38,409 | $76,819 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | | $38,409 | $115,228 |
| 15 | Total Cumulative Book Depreciation | Line 14 | | $38,409 | $115,228 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | | $7,682 | $19,592 |
| 17 | Effective Tax Rate | | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | | $2,689 | $6,857 |
| 19 | Less: FY 2021 Federal NOL | | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = , Line 40; Col (b) = Page 22 of 31, Line 40 | | ($1,460) | ($2,263) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | | $1,229 | $4,594 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | | $1,229,097 | $1,229,097 |
| 23 | Accumulated Depreciation | - Line 15 | | ($38,409) | ($115,228) |
| 24 | Deferred Tax Reserve | - Line 21 | | ($1,229) | ($4,594) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | | $1,189,459 | $1,109,275 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 | | $594,729 | $1,149,367 |
| 27 | Pre-Tax ROR | | 1/ | 10.44% | 10.44% |
| 28 | Return and Taxes | Line 26 * Line 27 | | $62,090 | $119,994 |
| 29 | Book Depreciation | Line 13 | | $38,409 | $76,819 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | | $0 | $39,036 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | | **$100,499** | **$235,849** |

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

| | Ratio | Rate | Rate | Taxes | Return |
|---|---|---|---|---|---|
| Long Term Debt | 48.47% | 5.18% | 2.51% | | 2.51% |
| 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% | 2.77% | 7.92% |
| | 100.00% | | 7.67% | 2.77% | 10.44% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Gas Capital Investments**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 16 of 31, Line 2 | $1,229,097 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $1,229,097 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,229,097 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,229,097 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $1,229,097 | |
| 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 | $1,229,097 | $1,229,097 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% | 7.219% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $46,091 | $88,729 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 16 of 31, Line 7 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $46,091 | $88,729 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Gas Capital Investment 12 months ending March 31, 2022**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | AMI Gas Investments | | $286,541 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $286,541 |
| | Depreciable Net Capital Included in Rate Base | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $286,541 |
| 4 | Retirements | Line 4 * 0% | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5 | $286,541 |
| | Change in Net Capital Included in Rate Base | | |
| 6 | Capital Included in Rate Base | Line 2 | $286,541 |
| 7 | Cost of Removal | | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $286,541 |
| | Tax Depreciation | | |
| 9 | Vintage Year Tax Depreciation: | | |
| 10 | FY 2022 Spend | Page 10 of 31, Line 21 | $10,745 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $10,745 |
| | Book Depreciation | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 6.25% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | $8,954 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $8,954 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $8,954 |
| | Deferred Tax Calculation: | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $1,791 |
| 17 | Effective Tax Rate | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $627 |
| 19 | Less: FY 2022 Federal NOL | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 22 of 31, Line 40 | ($340) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $286 |
| | Rate Base Calculation: | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $286,541 |
| 23 | Accumulated Depreciation | - Line 15 | ($8,954) |
| 24 | Deferred Tax Reserve | - Line 21 | ($286) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $277,301 |
| | Revenue Requirement Calculation: | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2 | $138,650 |
| 27 | Pre-Tax ROR | 1/ | 10.44% |
| 28 | Return and Taxes | Line 26 * Line 27 | $14,475 |
| 29 | Book Depreciation | Line 13 | $8,954 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 31 | **Annual Revenue Requirement** | **Line 28 through Line 30** | **$23,430** |

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

| | Ratio | Rate | Rate | Taxes | Return |
|---|---|---|---|---|---|
| Long Term Debt | 48.47% | 5.18% | 2.51% | | 2.51% |
| 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% | 2.77% | 7.92% |
| | 100.00% | | 7.67% | 2.77% | 10.44% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Gas Capital Investments**
**AMI - Gas**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 18 of 31, Line 2 | $286,541 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | | | |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $286,541 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $286,541 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $286,541 |
| 9 | Bonus Depreciation Rate (April 2021- December 2021) | 0% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | | | |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $286,541 |
| 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 | $286,541 |
| 17 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 3.750% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $10,745 |
| | | | |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 18 of 31, Line 7 | $0 |
| | | | |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $10,745 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Gas Proration**
**AMI - Gas**

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 14 of 31, Line 13 | $17,813 | $17,813 |
| 2 | Bonus Depreciation | Page 15 of 31, Line 12 | ($128,250) | ($128,250) |
| 3 | Remaining MACRS Tax Depreciation | Page 15 of 31, Line 18 | ($16,566) | ($16,566) |
| 4 | FY20 tax (gain)/loss on retirements | Page 15 of 31, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($127,003) | ($127,003) |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($44,451) | ($44,451) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 15 of 31, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 15 of 31, 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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($44,451) | ($44,451) |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($44,451) | ($44,451) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($127,003) | ($127,003) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($127,003) | ($127,003) |
| 20 | Total FY 2020 Federal NOL | | $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 | | 35.00% | 35.00% |
| 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 | ($44,451) | ($44,451) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($3,400) | ($3,400) |
| 27 | May 2019 | 31 | 83.29% | ($3,085) | ($3,085) |
| 28 | June 2019 | 30 | 75.07% | ($2,781) | ($2,781) |
| 29 | July 2019 | 31 | 66.58% | ($2,466) | ($2,466) |
| 30 | August 2019 | 31 | 58.08% | ($2,152) | ($2,152) |
| 31 | September 2019 | 30 | 49.86% | ($1,847) | ($1,847) |
| 32 | October 2019 | 31 | 41.37% | ($1,532) | ($1,532) |
| 33 | November 2019 | 30 | 33.15% | ($1,228) | ($1,228) |
| 34 | December 2019 | 31 | 24.66% | ($913) | ($913) |
| 35 | January 2020 | 31 | 16.16% | ($599) | ($599) |
| 36 | February 2020 | 28 | 8.49% | ($315) | ($315) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($20,318) | ($20,318) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($44,451) | ($44,451) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $24,134 | $24,134 |

**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**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Gas Proration**
**AMI - Gas**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 16 of 31, Line 13; Col (c) = Page 14 of 31, Line 13 | $74,034 | $38,409 | $35,625 |
| 2 | Bonus Depreciation | Page 17 of 31, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 17 of 31, Line 18; Col (c) = Page 15 of 31, Line 18 | ($77,981) | ($46,091) | ($31,890) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 17 of 31, Line 19; Col (c) = Page 15 of 31, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($3,947) | ($7,682) | $3,735 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($1,381) | ($2,689) | $1,307 |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 17 of 31, Line 3 | $0 | $0 | $0 |
| 9 | Cost of Removal | Page 17 of 31, 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 | | 35.00% | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($1,381) | ($2,689) | $1,307 |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($1,381) | ($2,689) | $1,307 |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($7,682) | ($7,682) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($7,682) | ($7,682) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($1,381) | ($2,689) | $1,307 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($106) | ($206) | $100 |
| 27 | May 2020 | 31 | 83.29% | ($96) | ($187) | $91 |
| 28 | June 2020 | 30 | 75.07% | ($86) | ($168) | $82 |
| 29 | July 2020 | 31 | 66.58% | ($77) | ($149) | $73 |
| 30 | August 2020 | 31 | 58.08% | ($67) | ($130) | $63 |
| 31 | September 2020 | 30 | 49.86% | ($57) | ($112) | $54 |
| 32 | October 2020 | 31 | 41.37% | ($48) | ($93) | $45 |
| 33 | November 2020 | 30 | 33.15% | ($38) | ($74) | $36 |
| 34 | December 2020 | 31 | 24.66% | ($28) | ($55) | $27 |
| 35 | January 2021 | 31 | 16.16% | ($19) | ($36) | $18 |
| 36 | February 2021 | 28 | 8.49% | ($10) | ($19) | $9 |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($631) | ($1,229) | $598 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($1,381) | ($2,689) | $1,307 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $750 | $1,460 | ($710) |

**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**
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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Gas Proration**
**AMI - Gas**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 18 of 31, Line 13; Col (c) = Page 16 of 31, Line 13; Col (d) = Page 14 of 31, Line 13 | $121,398 | $8,954 | $76,819 | $35,625 |
| 2 | Bonus Depreciation | Page 19 of 31, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 19 of 31, Line 18; Col (c) = Page 17 of 31, Line 18; Col (d) = Page 15 of 31, Line 18 | ($128,970) | ($10,745) | ($88,729) | ($29,496) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 19 of 31, Line 19; Col (c) = Page 17 of 31, Line 19; Col (d) = Page 15 of 31, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($7,572) | ($1,791) | ($11,910) | $6,129 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($2,650) | ($627) | ($4,169) | $2,145 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 19 of 31, Line 3 | $0 | $0 | $0 | $0 |
| 9 | Cost of Removal | Page 19 of 31, Line 20 | $0 | $0 | $0 | $0 |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2022 | | $0 | $0 | $0 | $0 |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | $0 | $0 |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($2,650) | ($627) | ($4,169) | $2,145 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($2,650) | ($627) | ($4,169) | $2,145 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($1,791) | ($1,791) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($1,791) | ($1,791) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($2,650) | ($627) | ($4,169) | $2,145 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($203) | ($48) | ($319) | $164 |
| 27 | May 2021 | 31 | 83.29% | ($184) | ($43) | ($289) | $149 |
| 28 | June 2021 | 30 | 75.07% | ($166) | ($39) | ($261) | $134 |
| 29 | July 2021 | 31 | 66.58% | ($147) | ($35) | ($231) | $119 |
| 30 | August 2021 | 31 | 58.08% | ($128) | ($30) | ($202) | $104 |
| 31 | September 2021 | 30 | 49.86% | ($110) | ($26) | ($173) | $89 |
| 32 | October 2021 | 31 | 41.37% | ($91) | ($22) | ($144) | $74 |
| 33 | November 2021 | 30 | 33.15% | ($73) | ($17) | ($115) | $59 |
| 34 | December 2021 | 31 | 24.66% | ($54) | ($13) | ($86) | $44 |
| 35 | January 2022 | 31 | 16.16% | ($36) | ($8) | ($56) | $29 |
| 36 | February 2022 | 28 | 8.49% | ($19) | ($4) | ($30) | $15 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($1,211) | ($286) | ($1,905) | $981 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($2,650) | ($627) | ($4,169) | $2,145 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $1,439 | $340 | $2,263 | ($1,165) |

**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)**
**Revenue Requirement on Estimated IS Capital Investment 12 months ending March 31, 2020**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | AMI IS Investments | | $0 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $0 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 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 4 - Line 5; Column (b) = Prior Year Line 6 | $0 | $0 | $0 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $0 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $0 | $0 | $0 |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | FY 2020 Spend | Page 6 of 31, Line 21 | $0 | $0 | $0 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $0 | $0 | $0 |
| | Book Depreciation | | | | |
| 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) = Line 1 * Line 12 | $0 | $0 | $0 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $0 | $0 | $0 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $0 | $0 | $0 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $0 | $0 | $0 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 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 29 of 31, Line 40; Col (b) = , Line 40; Col (c) = Page 31 of 31, Line 40 | $0 | $0 | $0 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $0 | $0 | $0 |
| | Rate Base Calculation: | | | | |
| 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 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 | $0 | $0 | $0 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 10.29% | 10.29% | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $0 | $0 | $0 |
| 29 | Book Depreciation | Line 13 | $0 | $0 | $0 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$0** | **$0** | **$0** |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 23 of 31, Line 2 | $0 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 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% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 0% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 | | |
| | Remaining Tax Depreciation | | | | |
| 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 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $0 | $0 | $0 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.33% | 44.45% | 14.81% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $0 | $0 | $0 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | $0 | $0 |
| 20 | Cost of Removal | Page 23 of 31, Line 7 | $0 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, 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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | AMI IS Investments | | $2,806,703 | |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $2,806,703 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $2,806,703 | $0 |
| 4 | Retirements | Line 4 * 0% | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $2,806,703 | $2,806,703 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | $2,806,703 | $0 |
| 7 | Cost of Removal | | $0 | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $2,806,703 | $2,806,703 |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | FY 2021 Spend | Page 8 of 31, Line 21 | $935,474 | $1,247,579 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $935,474 | $2,183,053 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 14.29% | 14.29% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $200,479 | $400,958 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $200,479 | $601,436 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $200,479 | $601,436 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 14 | $734,995 | $1,581,617 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $257,248 | $553,566 |
| 19 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = , Line 40; Col (b) = Page 31 of 31, Line 40 | ($139,666) | ($160,877) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $117,582 | $392,688 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $2,806,703 | $2,806,703 |
| 23 | Accumulated Depreciation | - Line 15 | ($200,479) | ($601,436) |
| 24 | Deferred Tax Reserve | - Line 21 | ($117,582) | ($392,688) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $2,488,642 | $1,812,578 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 | $1,244,321 | $2,150,610 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 10.29% | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $128,041 | $221,298 |
| 29 | Book Depreciation | Line 13 | $200,479 | $400,958 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$328,519** | **$622,255** |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 25 of 31, Line 2 | $2,806,703 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $2,806,703 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $2,806,703 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $2,806,703 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $2,806,703 | |
| 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 | $2,806,703 | $2,806,703 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.33% | 44.45% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $935,474 | $1,247,579 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 25 of 31, Line 7 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $935,474 | $1,247,579 |

**THE NARRAGANSETT ELECTRIC COMPANY**
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**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | AMI IS Investments | | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $0 |
| | Depreciable Net Capital Included in Rate Base | | |
| 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 4 - Line 5; Column (b) = Prior Year Line 6 | $0 |
| | Change in Net Capital Included in Rate Base | | |
| 6 | Capital Included in Rate Base | Line 2 | $0 |
| 7 | Cost of Removal | | $0 |
| 8 | **Total Net Plant in Service** | **Line 6 + Line 7** | $0 |
| | Tax Depreciation | | |
| 9 | Vintage Year Tax Depreciation: | | |
| 10 | FY 2022 Spend | Page 10 of 31, Line 21 | $0 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $0 |
| | Book Depreciation | | |
| 12 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 14.29% |
| 13 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | $0 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $0 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $0 |
| | Deferred Tax Calculation: | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $0 |
| 17 | Effective Tax Rate | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $0 |
| 19 | Less: FY 2022 Federal NOL | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 31 of 31, Line 40 | $0 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $0 |
| | Rate Base Calculation: | | |
| 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 |
| | Revenue Requirement Calculation: | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2 | $0 |
| 27 | Pre-Tax ROR | Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6 | 10.29% |
| 28 | Return and Taxes | Line 26 * Line 27 | $0 |
| 29 | Book Depreciation | Line 13 | $0 |
| 30 | **Annual Revenue Requirement** | **Line 28 + Line 29** | **$0** |

**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**
**AMI - IS**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 27 of 31, Line 2 | $0 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | | | |
| | Bonus Depreciation | | |
| 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 2021- December 2021) | 0.00% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0.00% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | | | |
| | Remaining Tax Depreciation | | |
| 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 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $0 |
| 17 | 3 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 33.33% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $0 |
| | | | |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 27 of 31, Line 7 | $0 |
| | | | |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $0 |

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

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 23 of 31, Line 13 | $0 | $0 |
| 2 | Bonus Depreciation | Page 24 of 31, Line 12 | $0 | $0 |
| 3 | Remaining MACRS Tax Depreciation | Page 24 of 31, Line 18 | $0 | $0 |
| 4 | FY20 tax (gain)/loss on retirements | Page 24 of 31, Line 19 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | $0 | $0 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | $0 | $0 |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 24 of 31, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 24 of 31, 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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | $0 | $0 |
| 15 | Net Operating Loss | | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | $0 | $0 |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | $0 | $0 |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | $0 | $0 |
| 20 | Total FY 2020 Federal NOL | | $0 | $0 |
| 21 | Allocated FY 2020 Federal NOL Not Subject to Proration | (Line 18 / Line 19 ) * Line 20 | $0 | 0.00 |
| 22 | Allocated FY 2020 Federal NOL Subject to Proration | (Line 17 / Line 19 ) * Line 20 | $0 | $0 |
| 23 | Effective Tax Rate | Tax Department | 35.00% | 35.00% |
| 24 | Deferred Tax Benefit subject to proration | Line 22 * Line 23 | $0 | $0 |
| 25 | Net Deferred Tax Reserve subject to proration | Line 7 + Line 24 | $0 | $0 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | $0 | $0 |
| 27 | May 2019 | 31 | 83.29% | $0 | $0 |
| 28 | June 2019 | 30 | 75.07% | $0 | $0 |
| 29 | July 2019 | 31 | 66.58% | $0 | $0 |
| 30 | August 2019 | 31 | 58.08% | $0 | $0 |
| 31 | September 2019 | 30 | 49.86% | $0 | $0 |
| 32 | October 2019 | 31 | 41.37% | $0 | $0 |
| 33 | November 2019 | 30 | 33.15% | $0 | $0 |
| 34 | December 2019 | 31 | 24.66% | $0 | $0 |
| 35 | January 2020 | 31 | 16.16% | $0 | $0 |
| 36 | February 2020 | 28 | 8.49% | $0 | $0 |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | $0 | $0 |
| 39 | Deferred Tax Without Proration | Line 25 | | $0 | $0 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $0 | $0 |

**Column Notes:**

(j) Sum of remaining days in the year (Col (i)) ÷ 365

(l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2021 Net Deferred Tax Reserve IS Proration**
**AMI - IS**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 25 of 31, Line 13; Col (c) = Page 23 of 31, Line 13 | $200,479 | $200,479 | $0 |
| 2 | Bonus Depreciation | Page 26 of 31, Line 12 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 26 of 31, Line 18; Col (c) = Page 24 of 31, Line 18 | ($935,474) | ($935,474) | $0 |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) = Page 26 of 31, Line 19; Col (c) = Page 24 of 31, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($734,995) | ($734,995) | $0 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($257,248) | ($257,248) | $0 |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 26 of 31, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 26 of 31, 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 | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($257,248) | ($257,248) | $0 |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($257,248) | ($257,248) | $0 |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($734,995) | ($734,995) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($734,995) | ($734,995) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($257,248) | ($257,248) | $0 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($19,675) | ($19,675) | $0 |
| 27 | May 2020 | 31 | 83.29% | ($17,855) | ($17,855) | $0 |
| 28 | June 2020 | 30 | 75.07% | ($16,093) | ($16,093) | $0 |
| 29 | July 2020 | 31 | 66.58% | ($14,272) | ($14,272) | $0 |
| 30 | August 2020 | 31 | 58.08% | ($12,451) | ($12,451) | $0 |
| 31 | September 2020 | 30 | 49.86% | ($10,689) | ($10,689) | $0 |
| 32 | October 2020 | 31 | 41.37% | ($8,869) | ($8,869) | $0 |
| 33 | November 2020 | 30 | 33.15% | ($7,107) | ($7,107) | $0 |
| 34 | December 2020 | 31 | 24.66% | ($5,286) | ($5,286) | $0 |
| 35 | January 2021 | 31 | 16.16% | ($3,465) | ($3,465) | $0 |
| 36 | February 2021 | 28 | 8.49% | ($1,821) | ($1,821) | $0 |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($117,582) | ($117,582) | $0 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($257,248) | ($257,248) | $0 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $139,666 | $139,666 | $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)

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**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve IS Proration**
**AMI - IS**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 27 of 31, Line 13; Col (c) = Page 25 of 31, Line 13; Col (d) = Page 23 of 31, Line 13 | $400,958 | $0 | $400,958 | $0 |
| 2 | Bonus Depreciation | Page 28 of 31, Line 12 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) = Page 28 of 31, Line 18; Col (c) = Page 26 of 31, Line 18; Col (d) = Page 24 of 31, Line 18 | ($1,247,579) | $0 | ($1,247,579) | $0 |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) = Page 28 of 31, Line 19; Col (c) = Page 26 of 31, Line 19; Col (d) = Page 24 of 31, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines No. through 3 | ($846,621) | $0 | ($846,621) | $0 |
| 6 | Effective Tax Rate | Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($296,318) | $0 | ($296,318) | $0 |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 28 of 31, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 26 of 31, 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 | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($296,318) | $0 | ($296,318) | $0 |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($296,318) | $0 | ($296,318) | $0 |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | $0 | $0 | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | $0 | $0 | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($296,318) | $0 | ($296,318) | $0 |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($22,664) | $0 | ($22,664) | $0 |
| 27 | May 2021 | 31 | 83.29% | ($20,566) | $0 | ($20,566) | $0 |
| 28 | June 2021 | 30 | 75.07% | ($18,537) | $0 | ($18,537) | $0 |
| 29 | July 2021 | 31 | 66.58% | ($16,440) | $0 | ($16,440) | $0 |
| 30 | August 2021 | 31 | 58.08% | ($14,342) | $0 | ($14,342) | $0 |
| 31 | September 2021 | 30 | 49.86% | ($12,313) | $0 | ($12,313) | $0 |
| 32 | October 2021 | 31 | 41.37% | ($10,216) | $0 | ($10,216) | $0 |
| 33 | November 2021 | 30 | 33.15% | ($8,186) | $0 | ($8,186) | $0 |
| 34 | December 2021 | 31 | 24.66% | ($6,089) | $0 | ($6,089) | $0 |
| 35 | January 2022 | 31 | 16.16% | ($3,991) | $0 | ($3,991) | $0 |
| 36 | February 2022 | 28 | 8.49% | ($2,097) | $0 | ($2,097) | $0 |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($135,440) | $0 | ($135,440) | $0 |
| 39 | Deferred Tax Without Proration | Line 25 | | ($296,318) | $0 | ($296,318) | $0 |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $160,877 | $0 | $160,877 | $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**
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**Appendix 10.6 - Electric Transportation**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Electric Transportation Initiative**
**Annual Revenue Requirement Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | PMO Labor and Other O&M | | $192,563 | $228,382 | $318,270 |
| 2 | EVSE Rebate Cost for Make-Ready Sites | | $72,500 | $181,250 | $471,250 |
| 3 | Station O&M for Utility-Operated Sites | | $10,780 | $37,730 | $107,800 |
| 4 | Charging Demonstration Marketing | | $113,000 | $93,000 | $111,000 |
| 5 | Education and Outreach | | $113,970 | $164,959 | $220,468 |
| 6 | Total O&M costs | Sum of Lines 1 through 5 | $502,813 | $705,321 | $1,228,788 |
| 7 | Other O&M Expenses and Program Administration Costs: | | | | |
| 8 | Program Administration Costs - NG Heavy Duty Fleet Lease and O&M | | $64,000 | $128,000 | $192,000 |
| 9 | Program Administration Costs - Off-Peak Rebate | | $178,745 | $244,420 | $332,567 |
| 10 | Program Administration Costs - Commercial Rate Discount | | $103,622 | $170,650 | $264,488 |
| 11 | Program Administration Costs - Evaluation | | $30,000 | $30,000 | $30,000 |
| 12 | Total Other O&M Expenses and Program Administration Costs | Sum of Lines 8 through 11 | $376,367 | $573,070 | $819,055 |
| 13 | **Total O&M Costs, Other O&M Costs and Program Administration Costs** | Line 6 + Line 12 | **$879,180** | **$1,278,391** | **$2,047,843** |
| 14 | Participation Payment Offset | | ($40,000) | ($100,000) | ($260,000) |
| 15 | **Total Net O&M Expense Component of Revenue Requirement** | Line 13 + Line 14 | **$839,180** | **$1,178,391** | **$1,787,843** |
| 16 | Capital Investment: | | | | |
| 17 | Estimated Revenue Requirement on Rate Year Capital investment | | $86,946 | $202,473 | $186,930 |
| 18 | Estimated Revenue Requirement on Data Year 1 Capital investment | | | $133,698 | $313,704 |
| 19 | Estimated Revenue Requirement on Data Year 2 Capital investment | | | | $321,391 |
| 20 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 17 through 19 | **$86,946** | **$336,172** | **$822,025** |
| 21 | **Total Revenue Requirement** | Line 15 + Line 20 | **$926,126** | **$1,514,562** | **$2,609,868** |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2020**
**Electric Transportation Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | EDC Costs (Make-Ready & Utility-Operated) | | $147,899 | $0 | $0 |
| 2 | Premise Work Costs (Make-Ready & Utility-Operated) | | $352,617 | $0 | $0 |
| 3 | EVSE Costs (Utility-Operated Charging Program Sites, and Company Fleet EVSE) | | $322,633 | $0 | $0 |
| 4 | Total Capitalized Labor & Tool Costs | | $365,321 | $0 | $0 |
| 5 | Total Estimated Capital Investment | Sum of Lines 1 through 4 | $1,188,470 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 6 | Total Allowed Capital Included in Rate Base in Current Year | Line 5 | $1,188,470 | $0 | $0 |
| 7 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 8 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 6 - Line 7; Column (b) = Prior Year Line 6 | $1,188,470 | $1,188,470 | $1,188,470 |
| | Change in Net Capital Included in Rate Base | | | | |
| 9 | Capital Included in Rate Base | Line 5 | $1,188,470 | $0 | $0 |
| 10 | Cost of Removal | | $0 | $0 | $0 |
| 11 | **Total Net Plant in Service Including Cost of Removal** | **Line 8 + Line 10** | **$1,188,470** | **$1,188,470** | **$1,188,470** |
| | Tax Depreciation | | | | |
| 12 | Vintage Year Tax Depreciation: | | | | |
| 13 | 2020 Spend | Page 3 of 10, Line 21 | $451,619 | $294,741 | $176,844 |
| 14 | Cumulative Tax Depreciation | Previous Year Line 14 + Current Year Line 13 | $451,619 | $746,360 | $923,204 |
| | Book Depreciation | | | | |
| 15 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.50% | 2.50% | 2.50% |
| 16 | Book Depreciation | Column (a) = Line 1 * Line 15 * 50% ; Column (b) = Line 1 * Line 15 | $1,849 | $3,697 | $3,697 |
| 17 | Cumulative Book Depreciation | Previous Year Line 17 + Current Year Line 16 | $1,849 | $5,546 | $9,244 |
| 18 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 5.00% | 5.00% | 5.00% |
| 19 | Book Depreciation | Column (a) = Line 2 * Line 18 * 50% ; Column (b) = Line 2 * Line 18 | $8,815 | $17,631 | $17,631 |
| 20 | Cumulative Book Depreciation | Previous Year Line 20 + Current Year Line 19 | $8,815 | $26,446 | $44,077 |
| 21 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 10.00% | 10.00% | 10.00% |
| 22 | Book Depreciation | Column (a) = Line 3 * Line 21 * 50% ; Column (b) = Line 3 * Line 21 | $16,132 | $32,263 | $32,263 |
| 23 | Cumulative Book Depreciation | Previous Year Line 23 + Current Year Line 22 | $16,132 | $48,395 | $80,658 |
| 24 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.50% | 2.50% | 2.50% |
| 25 | Book Depreciation | Column (a) = Line 4 * Line 24 * 50% ; Column (b) = Line 4 * Line 24 | $4,567 | $9,133 | $9,133 |
| 26 | Cumulative Book Depreciation | Previous Year Line 26 + Current Year Line 25 | $4,567 | $13,700 | $22,833 |
| 27 | Total Cumulative Book Depreciation | Line 17 + Line 20 + Line 23 + Line 26 | $31,362 | $94,087 | $156,812 |
| | Deferred Tax Calculation: | | | | |
| 28 | Cumulative Book / Tax Timer | Line 14 - Line 27 | $420,257 | $652,273 | $766,392 |
| 29 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 30 | Deferred Tax Reserve | Line 28 * Line 29 | $147,090 | $228,296 | $268,237 |
| 31 | Less: FY 2020 Federal NOL | | $0 | $0 | $0 |
| 32 | Less: Proration Adjustment | Col (a) = Page 8 of 10, Line 40; Col (b) = , Line 40; Col (c) = , Line 40 | ($79,858) | ($44,088) | ($21,685) |
| 33 | Net Deferred Tax Reserve | Sum of Lines 30 through 32 | $67,231 | $184,207 | $246,552 |
| | Rate Base Calculation: | | | | |
| 34 | Cumulative Incremental Capital Included in Rate Base | Line 11 | $1,188,470 | $1,188,470 | $1,188,470 |
| 35 | Accumulated Depreciation | - Line 27 | ($31,362) | ($94,087) | ($156,812) |
| 36 | Deferred Tax Reserve | - Line 33 | ($67,231) | ($184,207) | ($246,552) |
| 37 | Year End Rate Base | Sum of Lines 34 through 36 | $1,089,877 | $910,176 | $785,107 |
| | Revenue Requirement Calculation: | | | | |
| 38 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b & c) = (Prior Year Line 26 + Current Year Line 26) ÷ 2 | $544,938 | $1,000,026 | $847,641 |
| 39 | Pre-Tax ROR | 1/ | 10.20% | 10.20% | 10.20% |
| 40 | Return and Taxes | Line 38 * Line 39 | $55,584 | $102,003 | $86,459 |
| 41 | Book Depreciation | Line 16 + Line 19 + Line 22 + Line 25 | $31,362 | $62,725 | $62,725 |
| 42 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $37,746 | $37,746 |
| 43 | **Annual Revenue Requirement** | **Line 40 through Line 42** | **$86,946** | **$202,473** | **$186,930** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Capital Investments**
**Electric Transportation Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 2 of 10, Line 5 | $1,188,470 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $1,188,470 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,188,470 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,188,470 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 1 * 25% * 00% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $267,406 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $1,188,470 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $267,406 | | |
| 16 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $921,064 | $921,064 | $921,064 |
| 17 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% | 32.00% | 19.20% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $184,213 | $294,741 | $176,844 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | | | |
| 20 | Cost of Removal | Page 2 of 10, Line 10 | $0 | | |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $451,619 | $294,741 | $176,844 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.6 - Electric Transportation**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2021**
**Electric Transportation Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | EDC Costs (Make-Ready & Utility-Operated) | | $369,748 | |
| 2 | Premise Work Costs (Make-Ready & Utility-Operated) | | $881,543 | |
| 3 | EVSE Costs (Utility-Operated Only) | | $306,583 | |
| 4 | Total Capitalized Labor & Tool Costs | | $270,627 | |
| 5 | Total Estimated Capital Investment | Line 1 + Line 4 | $1,828,501 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 6 | Total Allowed Capital Included in Rate Base in Current Year | Line 5 | $1,828,501 | $0 |
| 7 | Retirements | Line 4 * 0% | $0 | $0 |
| 8 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $1,828,501 | $1,828,501 |
| | Change in Net Capital Included in Rate Base | | | |
| 9 | Capital Included in Rate Base | Line 5 | $1,828,501 | $0 |
| 10 | Cost of Removal | Section 2, Page 27 of 27, Chart 11 | $0 | $0 |
| 11 | **Total Net Plant in Service Including Cost of Removal** | **Line 8 + Line 10** | **$1,828,501** | **$1,828,501** |
| | Tax Depreciation | | | |
| 12 | Vintage Year Tax Depreciation: | | | |
| 13 | 2021 Spend | Page 5 of 10, Line 21 | $365,700 | $585,120 |
| 14 | Cumulative Tax Depreciation | Previous Year Line 14 + Current Year Line 13 | $365,700 | $950,820 |
| | Book Depreciation | | | |
| 15 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.50% | 2.50% |
| 16 | Book Depreciation | Column (a) = Line 1 * Line 15 * 50% ; Column (b) = Line 1 * Line 15 | $4,622 | $9,244 |
| 17 | Cumulative Book Depreciation | Previous Year Line 17 + Current Year Line 16 | $4,622 | $13,866 |
| 18 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 5.00% | 5.00% |
| 19 | Book Depreciation | Column (a) = Line 2 * Line 18 * 50% ; Column (b) = Line 2 * Line 18 | $22,039 | $44,077 |
| 20 | Cumulative Book Depreciation | Previous Year Line 20 + Current Year Line 19 | $22,039 | $66,116 |
| 21 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 10.00% | 10.00% |
| 22 | Book Depreciation | Column (a) = Line 3 * Line 21 * 50% ; Column (b) = Line 3 * Line 21 | $15,329 | $30,658 |
| 23 | Cumulative Book Depreciation | Previous Year Line 23 + Current Year Line 22 | $15,329 | $45,987 |
| 24 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 2.50% | 2.50% |
| 25 | Book Depreciation | Column (a) = Line 4 * Line 26 * 50% ; Column (b) = Line 4 * Line 26 | $3,383 | $6,766 |
| 26 | Cumulative Book Depreciation | Previous Year Line 26 + Current Year Line 25 | $3,383 | $10,149 |
| 27 | Total Cumulative Book Depreciation | Line 17 + Line 20 + Line 23 + Line 26 | $45,372 | $136,117 |
| | Deferred Tax Calculation: | | | |
| 28 | Cumulative Book / Tax Timer | Line 14 - Line 17 | $320,328 | $814,703 |
| 29 | Effective Tax Rate | | 35.00% | 35.00% |
| 30 | Deferred Tax Reserve | Line 28 * Line 29 | $112,115 | $285,146 |
| 31 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 32 | Less: Proration Adjustment | Col (a) = Page 8 of 10, Line 40; Col (b) = Page 9 of 10, Line 40 | ($60,870) | ($93,943) |
| 33 | Net Deferred Tax Reserve | Sum of Lines 30 through 32 | $51,245 | $191,203 |
| | Rate Base Calculation: | | | |
| 34 | Cumulative Incremental Capital Included in Rate Base | Line 11 | $1,828,501 | $ 1,828,501 |
| 35 | Accumulated Depreciation | - Line 27 | ($45,372) | ($136,117) |
| 36 | Deferred Tax Reserve | - Line 33 | ($51,245) | ($191,203) |
| 37 | Year End Rate Base | Sum of Lines 34 through 36 | $1,731,883 | $1,501,180 |
| | Revenue Requirement Calculation: | | | |
| 38 | Average Rate Base | Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2 | $865,941.71 | $1,616,532 |
| 39 | Pre-Tax ROR | 1/ | 10.20% | 10.20% |
| 40 | Return and Taxes | Line 38 * Line 39 | $88,326 | $164,886 |
| 41 | Book Depreciation | Line 16 + Line 19 + Line 22 + Line 25 | $45,372 | $90,745 |
| 42 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $58,073 |
| 43 | **Annual Revenue Requirement** | **Line 38 through Line 42** | **$133,698** | **$313,704** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.6 - Electric Transportation**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Capital Investments**
**Electric Transportation Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 4 of 10, Line 5 | $1,828,501 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $1,828,501 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,828,501 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,828,501 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $1,828,501 | |
| 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 | $1,828,501 | $1,828,501 |
| 17 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.000% | 32.000% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $365,700 | $585,120 |
| 19 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 20 | Cost of Removal | Page 4 of 10, Line 10 | $0 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $365,700 | $585,120 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.6 - Electric Transportation**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2022**
**Electric Transportation Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | EDC Costs (Make-Ready & Utility-Operated) | | $961,344 |
| 2 | Premise Work Costs (Make-Ready & Utility-Operated) | | $2,292,011 |
| 3 | EVSE Costs (Utility-Operated Only) | | $797,116 |
| 4 | Total Capitalized Labor & Tool Costs | | $276,040 |
| 5 | Total Estimated Capital Investment | Line 1 + Line 4 | $4,326,511 |
| | Depreciable Net Capital Included in Rate Base | | |
| 6 | Total Allowed Capital Included in Rate Base in Current Year | Line 5 | $4,326,511 |
| 7 | Retirements | Line 4 * 0% | $0 |
| 8 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6 | $4,326,511 |
| | Change in Net Capital Included in Rate Base | | |
| 9 | Capital Included in Rate Base | Line 5 | $4,326,511 |
| 10 | Cost of Removal | Section 2, Page 27 of 27, Chart 11 | $0 |
| 11 | **Total Net Plant in Service Including Cost of Removal** | **Line 8 + Line 10** | **$4,326,511** |
| | Tax Depreciation | | |
| 12 | Vintage Year Tax Depreciation: | | |
| 13 | 2022 Spend | Page 7 of 10, Line 21 | $865,302 |
| 14 | Cumulative Tax Depreciation | Previous Year Line 14 + Current Year Line 13 | $865,302 |
| | Book Depreciation | | |
| 15 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 2.50% |
| 16 | Book Depreciation | Column (a) = Line 1* Line 15 * 50% | $12,017 |
| 17 | Cumulative Book Depreciation | Previous Year Line 17 + Current Year Line 16 | $12,017 |
| 18 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 5.00% |
| 19 | Book Depreciation | Column (a) = Line 2 * Line 18 * 50% | $57,300 |
| 20 | Cumulative Book Depreciation | Previous Year Line 20 + Current Year Line 19 | $57,300 |
| 21 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 10.00% |
| 22 | Book Depreciation | Column (a) = Line 3 * Line 21 * 50% | $39,856 |
| 23 | Cumulative Book Depreciation | Previous Year Line 23 + Current Year Line 22 | $39,856 |
| 24 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 2.50% |
| 25 | Book Depreciation | Column (a) = Line 4 * Line 24 * 50% | $3,451 |
| 26 | Cumulative Book Depreciation | Previous Year Line 26 + Current Year Line 25 | $3,451 |
| 27 | Total Cumulative Book Depreciation | Line 17 + Line 20 + Line 23 + Line 26 | $112,623 |
| | Deferred Tax Calculation: | | |
| 28 | Cumulative Book / Tax Timer | Line 14 - Line 27 | $752,679 |
| 29 | Effective Tax Rate | | 35.00% |
| 30 | Deferred Tax Reserve | Line 28 * Line 29 | $263,438 |
| 31 | Less: FY 2022 Federal NOL | | - |
| 32 | Less: Proration Adjustment | Col (a) = Page 8 of 10, Line 40; Col = Page 9 of 10, Line 40 | ($143,026) |
| 33 | Net Deferred Tax Reserve | Sum of Lines 30 through 32 | $120,411 |
| | Rate Base Calculation: | | |
| 34 | Cumulative Incremental Capital Included in Rate Base | Line 11 | $4,326,511 |
| 35 | Accumulated Depreciation | - Line 27 | ($112,623) |
| 36 | Deferred Tax Reserve | - Line 33 | ($120,411) |
| 37 | Year End Rate Base | Sum of Lines 34 through 36 | $4,093,476 |
| | Revenue Requirement Calculation: | | |
| 38 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2 | $2,046,738.16 |
| 39 | Pre-Tax ROR | | 1/ 10.20% |
| 40 | Return and Taxes | Line 38 * Line 39 | $208,767 |
| 41 | Book Depreciation | Line 16 + Line 19 + Line 22 + Line 25 | $112,623 |
| 42 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 43 | **Annual Revenue Requirement** | **Line 40 through Line 42** | **$321,391** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Capital Investments**
**Electric Transportation Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 6 of 10, Line 5 | $4,326,511 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | Bonus Depreciation | | |
| 4 | Plant Additions | Line 1 | $4,326,511 |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $4,326,511 |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $4,326,511 |
| 9 | Bonus Depreciation Rate (April 2021- December 2021) | 0.00% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0.00% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | Remaining Tax Depreciation | | |
| 13 | Plant Additions | Line 1 | $4,326,511 |
| 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 | $4,326,511 |
| 17 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.000% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $865,302 |
| 19 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 20 | Cost of Removal | Page 6 of 10, Line 10 | $0 |
| 21 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 12, 18, 19, and 20 | $865,302 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
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**Appendix 10.6 - Electric Transportation**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Proration**
**Electric Transportation Initiative**

| Line No. | | | (a)=Sum of (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| 1 | Book Depreciation | Page 2 of 10, Line 16 + Line 19 + Line 22 + Line 25 | $31,362 | $31,362 |
| 2 | Bonus Depreciation | Page 3 of 10, Line 12 | ($267,406) | ($267,406) |
| 3 | Remaining MACRS Tax Depreciation | Page 3 of 10, Line 18 | ($184,213) | ($184,213) |
| 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 | ($420,257) | ($420,257) |
| 6 | Effective Tax Rate | | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($147,090) | ($147,090) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 3 of 10, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 3 of 10, Line 20 | $0 | $0 |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2020 | | $0 | $0 |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 |
| 12 | Effective Tax Rate | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($147,090) | ($147,090) |
| 15 | Net Operating Loss | Page 2 of 10, Line 31 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($147,090) | ($147,090) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($420,257) | ($420,257) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($420,257) | ($420,257) |
| 20 | Total FY 2020 Federal NOL | (Page 2 of 10, Line 31) / 35% | $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 | | 35.00% | 35.00% |
| 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 | ($147,090) | ($147,090) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($11,250) | ($11,250) |
| 27 | May 2019 | 31 | 83.29% | ($10,209) | ($10,209) |
| 28 | June 2019 | 30 | 75.07% | ($9,202) | ($9,202) |
| 29 | July 2019 | 31 | 66.58% | ($8,160) | ($8,160) |
| 30 | August 2019 | 31 | 58.08% | ($7,119) | ($7,119) |
| 31 | September 2019 | 30 | 49.86% | ($6,112) | ($6,112) |
| 32 | October 2019 | 31 | 41.37% | ($5,071) | ($5,071) |
| 33 | November 2019 | 30 | 33.15% | ($4,063) | ($4,063) |
| 34 | December 2019 | 31 | 24.66% | ($3,022) | ($3,022) |
| 35 | January 2020 | 31 | 16.16% | ($1,981) | ($1,981) |
| 36 | February 2020 | 28 | 8.49% | ($1,041) | ($1,041) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($67,231) | ($67,231) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($147,090) | ($147,090) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $79,858 | $79,858 |

**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 10.6 - Electric Transportation**
**Page 9 of 10**

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Proration**
**Electric Transportation Initiative**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Page 4 of 10, Line 16 + Line 18 + Line 22 + Line 25 | $108,097 | $45,372 | $62,725 |
| 2 | Bonus Depreciation | Page 5 of 10, Line 12 | $0 | $0 | $0 |
| 3 | Remaining MACRS Tax Depreciation | Page 4 of 10, Line 18 | ($660,441) | ($365,700) | ($294,741) |
| 4 | FY21 tax (gain)/loss on retirements | Page 5 of 10, Line 19 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($552,344) | ($320,328) | ($232,016) |
| 6 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($193,320) | ($112,115) | ($81,206) |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 5 of 10, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 5 of 10, Line 20 | $0 | $0 | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2021 | | $0 | $0 | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($193,320) | ($112,115) | ($81,206) |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($193,320) | ($112,115) | ($81,206) |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($320,328) | ($320,328) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($320,328) | ($320,328) | |
| 20 | Total FY 2021 Federal NOL | | $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 | | 35.00% | 35.00% | |
| 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 | ($193,320) | ($112,115) | ($81,206) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($14,786) | ($8,575) | ($6,211) |
| 27 | May 2020 | 31 | 83.29% | ($13,418) | ($7,781) | ($5,636) |
| 28 | June 2020 | 30 | 75.07% | ($12,094) | ($7,014) | ($5,080) |
| 29 | July 2020 | 31 | 66.58% | ($10,725) | ($6,220) | ($4,505) |
| 30 | August 2020 | 31 | 58.08% | ($9,357) | ($5,427) | ($3,931) |
| 31 | September 2020 | 30 | 49.86% | ($8,033) | ($4,659) | ($3,374) |
| 32 | October 2020 | 31 | 41.37% | ($6,665) | ($3,865) | ($2,800) |
| 33 | November 2020 | 30 | 33.15% | ($5,341) | ($3,097) | ($2,243) |
| 34 | December 2020 | 31 | 24.66% | ($3,972) | ($2,304) | ($1,669) |
| 35 | January 2021 | 31 | 16.16% | ($2,604) | ($1,510) | ($1,094) |
| 36 | February 2021 | 28 | 8.49% | ($1,368) | ($794) | ($575) |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($88,362) | ($51,245) | ($37,117) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($193,320) | ($112,115) | ($81,206) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $104,958 | $60,870 | $44,088 |

**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 Proration**
**Electric Transportation Initiative**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Page 6 of 10, Line 16 + Line 19 + Line 22 + Line 25 | $266,093 | $112,623 | $90,745 | $62,725 |
| 2 | Bonus Depreciation | Page 7 of 10, Line 12 | $0 | $0 | $0 | $0 |
| 3 | Remaining MACRS Tax Depreciation | Page 7 of 10, Line 18 | ($1,627,266) | ($865,302) | ($585,120) | ($176,844) |
| 4 | FY22 tax (gain)/loss on retirements | Page 7 of 10, Line 19 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($1,361,173) | ($752,679) | ($494,375) | ($114,119) |
| 6 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($476,411) | ($263,438) | ($173,031) | ($39,942) |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 7 of 10, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 7 of 10, Line 20 | $0 | $0 | | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2022 | | $0 | $0 | | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($476,411) | ($263,438) | ($173,031) | ($39,942) |
| 15 | Net Operating Loss | | $0 | - | | |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($476,411) | ($263,438) | ($173,031) | ($39,942) |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($752,679) | ($752,679) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($752,679) | ($752,679) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | | 35.00% | 35.00% | | |
| 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 | ($476,411) | ($263,438) | ($173,031) | ($39,942) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($36,438) | ($20,149) | ($13,234) | ($3,055) |
| 27 | May 2021 | 31 | 83.29% | ($33,066) | ($18,284) | ($12,009) | ($2,772) |
| 28 | June 2021 | 30 | 75.07% | ($29,803) | ($16,480) | ($10,824) | ($2,499) |
| 29 | July 2021 | 31 | 66.58% | ($26,431) | ($14,615) | ($9,600) | ($2,216) |
| 30 | August 2021 | 31 | 58.08% | ($23,059) | ($12,751) | ($8,375) | ($1,933) |
| 31 | September 2021 | 30 | 49.86% | ($19,796) | ($10,946) | ($7,190) | ($1,660) |
| 32 | October 2021 | 31 | 41.37% | ($16,424) | ($9,082) | ($5,965) | ($1,377) |
| 33 | November 2021 | 30 | 33.15% | ($13,161) | ($7,278) | ($4,780) | ($1,103) |
| 34 | December 2021 | 31 | 24.66% | ($9,789) | ($5,413) | ($3,555) | ($821) |
| 35 | January 2022 | 31 | 16.16% | ($6,417) | ($3,549) | ($2,331) | ($538) |
| 36 | February 2022 | 28 | 8.49% | ($3,372) | ($1,865) | ($1,225) | ($283) |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($217,757) | ($120,411) | ($79,089) | ($18,256) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($476,411) | ($263,438) | ($173,031) | ($39,942) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $258,654 | $143,026 | $93,943 | $21,685 |

**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 10.7 - Electric Heat**
**Page 1 of 1**

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Electric Heat Initiative**
**Annual Revenue Requirement Summary**

| Line No. | | | Fiscal Year 2020 (a) | Fiscal Year 2021 (b) | Fiscal Year 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | Incentives - Systems & Community Programs | | $241,953 | $265,053 | $313,506 |
| 2 | Program Admin Costs | | $44,640 | $44,640 | $44,640 |
| 3 | Program Admin, Marketing & Consulting - Community Programs | | $35,500 | $35,500 | $35,500 |
| 4 | Program Admin, Marketing & Consulting - Oil Dealer Training & Support | | $61,000 | $61,000 | $61,000 |
| 5 | Total O&M costs | Sum of Lines 1 through 4 | $383,093 | $406,193 | $454,646 |
| 6 | **Total Revenue Requirement** | | **$383,093** | **$406,193** | **$454,646** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.8 - Energy Storage**
**Page 1 of 10**

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Energy Storage Iniative**
**Annual Revenue Requirement Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | Operation & Maintenance Expense | | $0 | $11,500 | $28,750 |
| 2 | Lease Charge | | $5,000 | $12,500 | $12,500 |
| 3 | **Total O&M costs** | Sum of Lines 1 through 2 | **$5,000** | **$24,000** | **$41,250** |
| 4 | Less Research & Development Tax Incentive applicable to O&M costs | 14% of Line 1 | $0 | ($1,610) | ($4,025) |
| 5 | **Total O&M Costs Net of R&D Tax Incentives** | Line 3 + Line 4 | **$5,000** | **$22,390** | **$37,225** |
| | Capital Investment: | | | | |
| 6 | Estimated Revenue Requirement on Rate Year Capital investment | | $114,178 | $138,988 | $128,540 |
| 7 | Estimated Revenue Requirement on Data Year 1 Capital investment | | | $119,734 | $271,726 |
| 8 | Estimated Revenue Requirement on Data Year 2 Capital investment | | | | $0 |
| 9 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 6 through 8 | **$114,178** | **$258,722** | **$400,266** |
| 10 | **Total Revenue Requirement** | Line 5 + Line 9 | **$119,178** | **$281,112** | **$437,491** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.8 - Energy Storage**
**Page 2 of 10**

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2020**
**Energy Storage**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Energy Storage | | $894,375 | $0 | $0 |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $894,375 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $894,375 | $0 | $0 |
| 4 | Retirements | Line 3 * 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 | $894,375 | $894,375 | $894,375 |
| | Change in Net Capital Included in Rate Base | | | | |
| 6 | Capital Included in Rate Base | Line 2 | $894,375 | $0 | $0 |
| 7 | Cost of Removal | | $0 | $0 | $0 |
| 8 | **Total Net Plant in Service Including Cost of Removal** | **Line 5 + Line 7** | **$894,375** | **$894,375** | **$894,375** |
| | Tax Depreciation | | | | |
| 9 | Vintage Year Tax Depreciation: | | | | |
| 10 | 2020 Spend | Page 3 of 10, Line 21 | $339,862 | $221,805 | $133,083 |
| 11 | Cumulative Tax Depreciation | Previous Year Line 11 + Current Year Line 10 | $339,862 | $561,667 | $694,750 |
| | Book Depreciation | | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 8.33% | 8.33% | 8.33% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b and c) = Line 1 * Line 12 | $74,531 | $37,266 | $37,266 |
| 14 | Cumulative Book Depreciation | Previous Year Line 14 + Current Year Line 13 | $74,531 | $111,797 | $149,063 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $74,531 | $111,797 | $149,063 |
| | Deferred Tax Calculation: | | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $265,331 | $449,870 | $545,688 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $92,866 | $157,455 | $190,991 |
| 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 | ($50,419) | ($35,067) | ($18,207) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $42,447 | $122,388 | $172,783 |
| | Rate Base Calculation: | | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $894,375 | $894,375 | $894,375 |
| 23 | Accumulated Depreciation | - Line 15 | ($74,531) | ($111,797) | ($149,063) |
| 24 | Deferred Tax Reserve | - Line 21 | ($42,447) | ($122,388) | ($172,783) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $777,397 | $660,190 | $572,529 |
| | Revenue Requirement Calculation: | | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2; Column (b & c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 | $388,698.44 | $718,794 | $616,360 |
| 27 | Pre-Tax ROR | 1/ | 10.20% | 10.20% | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $39,647 | $73,317 | $62,869 |
| 29 | Book Depreciation | Line 13 | $74,531 | $37,266 | $37,266 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $28,405 | $28,405 |
| 31 | **Annual Revenue Requirement** | **Line 28 + Line 29 + Line 30** | **$114,178** | **$138,988** | **$128,540** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Capital Investments**
**Energy Storage**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 2 of 10, Line 2 | $894,375 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Bonus Depreciation | | | | |
| 4 | Plant Additions | Line 1 | $894,375 | | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $894,375 | | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $894,375 | | |
| 9 | Bonus Depreciation Rate (April 2019- December 2019) | 1 * 75% * 30% | 22.50% | | |
| 10 | Bonus Depreciation Rate (January 2020 - Mar 2020) | 1 * 25% * 0% | 0.00% | | |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 22.50% | | |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $201,234 | | |
| | Remaining Tax Depreciation | | | | |
| 13 | Plant Additions | Line 1 | $894,375 | | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 15 | Less Bonus Depreciation | Line 12 | $201,234 | | |
| 16 | Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $693,141 | $693,141 | $693,141 |
| 17 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% | 32.00% | 19.20% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $138,628 | $221,805 | $133,083 |
| 19 | FY20 Loss incurred due to retirements | Per Tax Department | $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 | $339,862 | $221,805 | $133,083 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.8 - Energy Storage**
**Page 4 of 10**

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2021**
**Energy Storage**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | Energy Storage | | $1,341,563 | |
| 2 | Total Estimated Capital Investment | Sum of Line 1 | $1,341,563 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $1,341,563 | $0 |
| 4 | Retirements | Line 3 * 0% | $0 | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 3 - Line 4; Column (b) = Prior Year Line 5 | $1,341,563 | $1,341,563 |
| | Change in Net Capital Included in Rate Base | | | |
| 6 | Capital Included in Rate Base | Line 2 | $1,341,563 | $0 |
| 7 | Cost of Removal | | $0 | $0 |
| 8 | **Total Net Plant in Service Including Cost of Removal** | **Line 5 + Line 7** | **$1,341,563** | **$1,341,563** |
| | Tax Depreciation | | | |
| 9 | Vintage Year Tax Depreciation: | | | |
| 10 | 2021 Spend | Page 5 of 10, Line 21 | $268,313 | $429,300 |
| 11 | Cumulative Tax Depreciation | Prior Year Line 11 + Current Year Line 10 | $268,313 | $697,613 |
| | Book Depreciation | | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 8.33% | 8.33% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% ; Column (b) = Line 1 * Line 12 | $55,898 | $111,797 |
| 14 | Cumulative Book Depreciation | Prior Year Line 14 + Current Year Line 13 | $55,898 | $167,695 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $55,898 | $167,695 |
| | Deferred Tax Calculation: | | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $212,415 | $529,918 |
| 17 | Effective Tax Rate | | 35.00% | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $74,345 | $185,471 |
| 19 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 9 of 10, Line 39; Col (b) = Page 10 of 10, Line 40 | ($40,364) | ($60,333) |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $33,981 | $125,138 |
| | Rate Base Calculation: | | | |
| 22 | Cumulative Incremental Capital Included in Rate Base | Line 8 | $1,341,563 | $1,341,563 |
| 23 | Accumulated Depreciation | - Line 15 | ($55,898) | ($167,695) |
| 24 | Deferred Tax Reserve | - Line 21 | ($33,981) | ($125,138) |
| 25 | Year End Rate Base | Sum of Lines 22 through 24 | $1,251,683 | $1,048,729 |
| | Revenue Requirement Calculation: | | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2 | $625,841.53 | $1,150,206 |
| 27 | Pre-Tax ROR | | 1/ 10.20% | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $63,836 | $117,321 |
| 29 | Book Depreciation | Line 13 | $55,898 | $111,797 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $42,608 |
| 31 | **Annual Revenue Requirement** | **Line 28 + Line 29 + Line 30** | **$119,734** | **$271,726** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.8 - Energy Storage**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Capital Investments**
**Energy Storage**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 4 of 10, Line 2 | $1,341,563 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Bonus Depreciation | | | |
| 4 | Plant Additions | Line 1 | $1,341,563 | |
| 5 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 6 | Plant Additions Net of Capital Repairs Deduction | Line 4 - Line 5 | $1,341,563 | |
| 7 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 8 | Plant Eligible for Bonus Depreciation | Line 6 * Line 7 | $1,341,563 | |
| 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 | |
| | Remaining Tax Depreciation | | | |
| 13 | Plant Additions | Line 1 | $1,341,563 | |
| 14 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 15 | Less Bonus Depreciation | Line 12 | $0 | |
| 16 | Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $1,341,563 | $1,341,563 |
| 17 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% | 32.00% |
| 18 | Remaining Tax Depreciation | Line 16 * Line 17 | $268,313 | $429,300 |
| 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, and 20 | $268,313 | $429,300 |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2022**
**Energy Storage**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | Energy Storage | | $0 |
| 2 | Total Estimated Capital Investment | Sum Line 1 | $0 |
| | Depreciable Net Capital Included in Rate Base | | |
| 3 | Total Allowed Capital Included in Rate Base in Current Year | Line 2 | $0 |
| 4 | Retirements | Line 3* 0% | $0 |
| 5 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 3 - Line 4 | $0 |
| | Change in Net Capital Included in Rate Base | | |
| 6 | Capital Included in Rate Base | Line 2 | $0 |
| 7 | Cost of Removal | | $0 |
| 8 | **Total Net Plant in Service Including Cost of Removal** | **Line 5 + Line 7** | **$0** |
| | Tax Depreciation | | |
| 9 | Vintage Year Tax Depreciation: | | |
| 10 | 2022 Spend | Page 7 of 10, Line 21 | $0 |
| 11 | Cumulative Tax Depreciation | Current Year Line 10 | $0 |
| | Book Depreciation | | |
| 12 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 8.33% |
| 13 | Book Depreciation | Column (a) = Line 1 * Line 12 * 50% | $0 |
| 14 | Cumulative Book Depreciation | Current Year Line 13 | $0 |
| 15 | Total Cumulative Book Depreciation | Line 14 | $0 |
| | Deferred Tax Calculation: | | |
| 16 | Cumulative Book / Tax Timer | Line 11 - Line 15 | $0 |
| 17 | Effective Tax Rate | | 35.00% |
| 18 | Deferred Tax Reserve | Line 16 * Line 17 | $0 |
| 19 | Less: FY 2022 Federal NOL | | $0 |
| 20 | Less: Proration Adjustment | Col (a) = Page 10 of 10, Line 40 | $0 |
| 21 | Net Deferred Tax Reserve | Sum of Lines 18 through 20 | $0 |
| | Rate Base Calculation: | | |
| 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 |
| | Revenue Requirement Calculation: | | |
| 26 | Average Rate Base | Column (a) = Current Year Line 25 ÷ 2 | $0 |
| 27 | Pre-Tax ROR | 1/ | 10.20% |
| 28 | Return and Taxes | Line 26 * Line 27 | $0 |
| 29 | Book Depreciation | Line 13 | $0 |
| 30 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 32 | **Annual Revenue Requirement** | **Line 28 + Line 29 + Line 30** | **$0** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Capital Investments**
**Energy Storage**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 6 of 10, Line 2 | $0 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | | | |
| | Bonus Depreciation | | |
| 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 2021- December 2021) | 0% | 0.00% |
| 10 | Bonus Depreciation Rate (January 2022 - Mar 2022) | 0% | 0.00% |
| 11 | Total Bonus Depreciation Rate | Line 9 + Line 10 | 0.00% |
| 12 | Bonus Depreciation | Line 8 * Line 11 | $0 |
| | | | |
| | Remaining Tax Depreciation | | |
| 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 5 YR MACRS Tax Depreciation | Line 13 - Line 14 - Line 15 | $0 |
| 17 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% |
| 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, and 20 | $0 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
**RIPUC Docket No. 4770**
**Appendix 10.8 - Energy Storage**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Proration**
**Energy Storage**

| Line No. | | | (a)= column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 2 of 10, Line 13 | $74,531 | $74,531 |
| 2 | Bonus Depreciation | Page 3 of 10, Line 12 | ($201,234) | ($201,234) |
| 3 | Remaining MACRS Tax Depreciation | Page 3 of 10, Line 18 | ($138,628) | ($138,628) |
| 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 | ($265,331) | ($265,331) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($92,866) | ($92,866) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 3 of 10, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 3 of 10, Line 20 | $0 | $0 |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2020 | | $0 | $0 |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 |
| 12 | Effective Tax Rate | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($92,866) | ($92,866) |
| 15 | Net Operating Loss | Page 2 of 10, Line 19 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($92,866) | ($92,866) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($265,331) | ($265,331) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($265,331) | ($265,331) |
| 20 | Total FY 2020 Federal NOL | Line 15 * 35% | $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 | 35.00% | 35.00% |
| 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 | ($92,866) | ($92,866) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($7,103) | ($7,103) |
| 27 | May 2019 | 31 | 83.29% | ($6,445) | ($6,445) |
| 28 | June 2019 | 30 | 75.07% | ($5,809) | ($5,809) |
| 29 | July 2019 | 31 | 66.58% | ($5,152) | ($5,152) |
| 30 | August 2019 | 31 | 58.08% | ($4,495) | ($4,495) |
| 31 | September 2019 | 30 | 49.86% | ($3,859) | ($3,859) |
| 32 | October 2019 | 31 | 41.37% | ($3,202) | ($3,202) |
| 33 | November 2019 | 30 | 33.15% | ($2,565) | ($2,565) |
| 34 | December 2019 | 31 | 24.66% | ($1,908) | ($1,908) |
| 35 | January 2020 | 31 | 16.16% | ($1,251) | ($1,251) |
| 36 | February 2020 | 28 | 8.49% | ($657) | ($657) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($42,447) | ($42,447) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($92,866) | ($92,866) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $50,419 | $50,419 |

**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 Proration**
**Energy Storage**

| Line No. | | | (a)= Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 4 of 10, Line 13 ;Col (c) = Page 2 of 10, Line 13 | $93,164 | $55,898 | $37,266 |
| 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 | ($490,118) | ($268,313) | ($221,805) |
| 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 | ($396,954) | ($212,415) | ($184,539) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($138,934) | ($74,345) | ($64,589) |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 5 of 10, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 5 of 10, Line 20 | $0 | $0 | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2021 | | $0 | $0 | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($138,934) | ($74,345) | ($64,589) |
| 15 | Net Operating Loss | | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($138,934) | ($74,345) | ($64,589) |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($212,415) | ($212,415) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($212,415) | ($212,415) | |
| 20 | Total FY 2021 Federal NOL | | $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 | 35.00% | 35.00% | |
| 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 | ($138,934) | ($74,345) | ($64,589) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($10,626) | ($5,686) | ($4,940) |
| 27 | May 2020 | 31 | 83.29% | ($9,643) | ($5,160) | ($4,483) |
| 28 | June 2020 | 30 | 75.07% | ($8,691) | ($4,651) | ($4,040) |
| 29 | July 2020 | 31 | 66.58% | ($7,708) | ($4,125) | ($3,583) |
| 30 | August 2020 | 31 | 58.08% | ($6,725) | ($3,598) | ($3,126) |
| 31 | September 2020 | 30 | 49.86% | ($5,773) | ($3,089) | ($2,684) |
| 32 | October 2020 | 31 | 41.37% | ($4,790) | ($2,563) | ($2,227) |
| 33 | November 2020 | 30 | 33.15% | ($3,838) | ($2,054) | ($1,784) |
| 34 | December 2020 | 31 | 24.66% | ($2,855) | ($1,528) | ($1,327) |
| 35 | January 2021 | 31 | 16.16% | ($1,871) | ($1,001) | ($870) |
| 36 | February 2021 | 28 | 8.49% | ($983) | ($526) | ($457) |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($63,504) | ($33,981) | ($29,522) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($138,934) | ($74,345) | ($64,589) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $75,430 | $40,364 | $35,067 |

**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**
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**Appendix 10.8 - Energy Storage**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Electric Proration**
**Energy Storage**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 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 | $149,063 | $0 | $111,797 | $37,266 |
| 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 (c) = Page 3 of 10, Line 18 | ($562,383) | $0 | ($429,300) | ($133,083) |
| 4 | FY22 tax (gain)/loss on retirements | Page 7 of 10, Line 19 | $0 | $0 | | |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($413,320) | $0 | ($317,503) | ($95,817) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($144,662) | $0 | ($111,126) | ($33,536) |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 5 of 10, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 5 of 10, Line 20 | $0 | $0 | | |
| 10 | Book/Tax Depreciation Timing Difference at 3/31/2022 | | $0 | $0 | | |
| 11 | Cumulative Book / Tax Timer | Line 8 + Line 9 + Line 10 | $0 | $0 | | |
| 12 | Effective Tax Rate | | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($144,662) | $0 | ($111,126) | ($33,536) |
| 15 | Net Operating Loss | | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($144,662) | $0 | ($111,126) | ($33,536) |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | $0 | $0 | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | $0 | $0 | | |
| 20 | Total FY 2022 Federal NOL | | $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 | 35.00% | 35.00% | | |
| 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 | ($144,662) | $0 | ($111,126) | ($33,536) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($11,064) | $0 | ($8,499) | ($2,565) |
| 27 | May 2021 | 31 | 83.29% | ($10,040) | $0 | ($7,713) | ($2,328) |
| 28 | June 2021 | 30 | 75.07% | ($9,050) | $0 | ($6,952) | ($2,098) |
| 29 | July 2021 | 31 | 66.58% | ($8,026) | $0 | ($6,165) | ($1,861) |
| 30 | August 2021 | 31 | 58.08% | ($7,002) | $0 | ($5,379) | ($1,623) |
| 31 | September 2021 | 30 | 49.86% | ($6,011) | $0 | ($4,618) | ($1,394) |
| 32 | October 2021 | 31 | 41.37% | ($4,987) | $0 | ($3,831) | ($1,156) |
| 33 | November 2021 | 30 | 33.15% | ($3,996) | $0 | ($3,070) | ($926) |
| 34 | December 2021 | 31 | 24.66% | ($2,973) | $0 | ($2,283) | ($689) |
| 35 | January 2022 | 31 | 16.16% | ($1,949) | $0 | ($1,497) | ($452) |
| 36 | February 2022 | 28 | 8.49% | ($1,024) | $0 | ($787) | ($237) |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($66,122) | $0 | ($50,793) | ($15,329) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($144,662) | $0 | ($111,126) | ($33,536) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $78,540 | $0 | $60,333 | $18,207 |

**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)**
**Solar Initiative**
**Annual Revenue Requirement Summary**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | SOLAR INFRASTRUCTURE PROGRAM | | | | |
| | Operation and Maintenance (O&M) Expenses: | | | | |
| 1 | Operation & Maintenance Expense | | $0 | $15,125 | $39,375 |
| 2 | Lease Charge | | $8,750 | $23,750 | $68,750 |
| 3 | **Total O&M costs** | Sum of Lines 1 through 2 | **$8,750** | **$38,875** | **$108,125** |
| 4 | Less Research & Development Tax Incentive applicable to O&M costs | 14% of Line 1 | $0 | ($2,118) | ($5,513) |
| 5 | **Total O&M Costs Net of R&D Tax Incentives** | Line 3 + Line 4 | **$8,750** | **$36,758** | **$102,613** |
| | Capital Investment: | | | | |
| 6 | Estimated Revenue Requirement on Rate Year Capital investment | | $75,468 | $204,826 | $189,596 |
| 7 | Estimated Revenue Requirement on Data Year 1 Capital investment | | | $147,066 | $399,384 |
| 8 | Estimated Revenue Requirement on Data Year 2 Capital investment | | | | $311,028 |
| 9 | **Total Capital Investment Component of Revenue Requirement** | Sum of Lines 6 through 8 | **$75,468** | **$351,893** | **$900,007** |
| 10 | **Total Revenue Requirement** | Line 5 + Line 9 | **$84,218** | **$388,650** | **$1,002,620** |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
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**Appendix 10.9 - Solar**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2020**
**Solar Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Estimated Capital Investment | | | | |
| 1 | Solar Panels | | $1,070,000 | $0 | $0 |
| 2 | Inverters | | $267,500 | $0 | $0 |
| 3 | Total Estimated Capital Investment | Line 1 + Line 2 | $1,337,500 | $0 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | | |
| 4 | Total Allowed Capital Included in Rate Base in Current Year | Line 3 | $1,337,500 | $0 | $0 |
| 5 | Retirements | Line 4 * 0% | $0 | $0 | $0 |
| 6 | Net Depreciable Capital Included in Rate Base | Column (a) = Line 4 - Line 5; Column (b and c) = Prior Year Line 5 | $1,337,500 | $1,337,500 | $1,337,500 |
| | Change in Net Capital Included in Rate Base | | | | |
| 7 | Capital Included in Rate Base | Line 4 | $1,337,500 | $0 | $0 |
| 8 | Cost of Removal | | $0 | $0 | $0 |
| 9 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | **$1,337,500** | **$1,337,500** | **$1,337,500** |
| | Tax Depreciation | | | | |
| 10 | Vintage Year Tax Depreciation: | | | | |
| 11 | 2020 Spend | Page 3 of 10, Line 30 | $432,013 | $281,945 | $169,167 |
| 12 | Cumulative Tax Depreciation | Previous Year Line 12 + Current Year Line 11 | $432,013 | $713,958 | $883,125 |
| | Investment Tax Credit | | | | |
| 13 | Unamortized Investment Tax Credit | Page 3 of 10, Line 8 | $401,250 | $401,250 | $401,250 |
| | Book Depreciation | | | | |
| 14 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 4.00% | 4.00% | 4.00% |
| 15 | Book Depreciation | Column (a) = Line 1 * Line 13 * 50% ; Column (b) = Line 1 * Line 13 | $21,400 | $42,800 | $42,800 |
| 16 | Cumulative Book Depreciation | Previous Year Line 16 + Current Year Line 15 | $21,400 | $64,200 | $107,000 |
| 17 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 8.33% | 8.33% | 8.33% |
| 18 | Book Depreciation | Column (a) = Line 2 * Line 24 * 50% ; Column (b) = Line 2 * Line 24 | $11,146 | $22,292 | $22,292 |
| 19 | Cumulative Book Depreciation | Previous Year Line 19 + Current Year Line 18 | $11,146 | $33,438 | $55,729 |
| 20 | Total Cumulative Book Depreciation | Line 19 + Line 16 | $32,546 | $97,638 | $162,729 |
| | Deferred Tax Calculation: | | | | |
| 21 | Cumulative Book / Tax Timer | Line 12 - Line 20 | $399,467 | $616,321 | $720,396 |
| 22 | Effective Tax Rate | | 35.00% | 35.00% | 35.00% |
| 23 | Deferred Tax Reserve | Line 21 * Line 22 | $139,814 | $215,712 | $252,139 |
| 24 | Less: FY 2020 Federal NOL | | $0 | $0 | $0 |
| 25 | 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 | ($75,908) | ($41,207) | ($19,777) |
| 26 | Net Deferred Tax Reserve | Sum of Lines 23 through 25 | $63,906 | $174,505 | $232,362 |
| | Rate Base Calculation: | | | | |
| 27 | Cumulative Incremental Capital Included in Rate Base | Line 9 | $1,337,500 | $1,337,500 | $1,337,500 |
| 28 | Accumulated Depreciation | - Line 20 | ($32,546) | ($97,638) | ($162,729) |
| 29 | Deferred Tax Reserve | - Line 26 | ($63,906) | ($174,505) | ($232,362) |
| 30 | Year End Rate Base | Sum of Lines 27 through 29 | $1,241,049 | $1,065,357 | $942,409 |
| | Revenue Requirement Calculation: | | | | |
| 31 | Average Rate Base | Column (a) = Current Year Line 27 ÷ 2; Column (b & c) = (Prior Year Line 27 + Current Year Line 27) ÷ 2 | $620,524 | $1,153,203 | $1,003,883 |
| 32 | Pre-Tax ROR | 1/ | 10.20% | 10.20% | 10.20% |
| 33 | Return and Taxes | Line 31 * Line 32 | $63,293 | $117,627 | $102,396 |
| 34 | Book Depreciation | Line 15 | $32,546 | $65,092 | $65,092 |
| 35 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b & c) Line 8 * 3.176% | $0 | $42,479 | $42,479 |
| 36 | Investment Tax Credit | Line 13 / 25 Years / (1 - 35%) | ($24,692) | ($24,692) | ($24,692) |
| 37 | Tax Effect on ITC Flowthrough Items | Line 9 * 15% * 35% / (1-35%) * Line 14 | 4,321 | 4,321 | 4,321 |
| 38 | **Annual Revenue Requirement** | **Sum of Lines 33 through 37** | **$75,468** | **$204,826** | **$189,596** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
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**Appendix 10.9 - Solar**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2020 Capital Investments**
**Solar Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2020 (a) | Fiscal Year Ending March 31, 2021 (b) | Fiscal Year Ending March 31, 2022 (c) |
|---|---|---|---|---|---|
| | Capital Repairs Deduction | | | | |
| 1 | Plant Additions | Page 2 of 10, Line 3 | $1,337,500 | | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | | |
| | Investment Tax Credit | | | | |
| 4 | Plant Additions | Line 1 | $1,337,500 | | |
| 5 | Investment Tax Credit Rate | Per Tax Department | 30.00% | | |
| 6 | Investment Tax Credit | Line 4 * Line 5 | $401,250 | | |
| 7 | ITC Amortization | Per Tax Department | $0 | | |
| 8 | Unamortized ITC | Line 6 - Line 7 | $401,250 | $401,250 | $401,250 |
| | Bonus Depreciation | | | | |
| 9 | Plant Additions | Line 1 | $1,337,500 | | |
| 10 | Reduction of 50% of ITC Credit | Per Tax Department | 85.00% | | |
| 11 | Plant Additions eligible for Bonus Depreciation | Line 9 * Line 10 | $1,136,875 | | |
| 12 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 13 | Plant Additions Net of Capital Repairs Deduction | Line 9 - Line 12 | $1,136,875 | | |
| 14 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | | |
| 15 | Plant Eligible for Bonus Depreciation | Line 13 * Line 14 | $1,136,875 | | |
| 16 | Bonus Depreciation Rate (April 2019 - December 2019) | 1 * 75% * 30% | 22.50% | | |
| 17 | Bonus Depreciation Rate (January 2020 - March 2020) | 1 * 25% * 0% | 0.00% | | |
| 18 | Total Bonus Depreciation Rate | Line 16 + Line 17 | 22.50% | | |
| 19 | Bonus Depreciation | Line 15 * Line 18 | $255,797 | | |
| | Remaining Tax Depreciation | | | | |
| 20 | Plant Additions | Line 1 | $1,337,500 | | |
| 21 | Reduction of 50% of ITC Credit | Per Tax Department | 85.00% | | |
| 22 | Plant Additions eligible for Bonus Depreciation | Line 20 * Line 21 | $1,136,875 | | |
| 23 | Less Capital Repairs Deduction | Line 3 | $0 | | |
| 24 | Less Bonus Depreciation | Line 19 | $255,797 | | |
| 25 | Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation | Line 20 - Line 23 - Line 24 | $881,078 | $881,078 | $881,078 |
| 26 | 5 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% | 32.00% | 19.20% |
| 27 | Remaining Tax Depreciation | Line 25 * Line 26 | $176,216 | $281,945 | $169,167 |
| 28 | FY20 Loss incurred due to retirements | Per Tax Department | $0 | | |
| 29 | Cost of Removal | Page 2 of 10, Line 8 | $0 | | |
| 30 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 19, 27, and 29 | $432,013 | $281,945 | $169,167 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2021**
**Solar Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Estimated Capital Investment | | | |
| 1 | Solar Panels | | $2,040,000 | |
| 2 | Inverters | | $510,000 | |
| 3 | Total Estimated Capital Investment | Line 1 + Line 2 | $2,550,000 | $0 |
| | Depreciable Net Capital Included in Rate Base | | | |
| 4 | Total Allowed Capital Included in Rate Base in Current Year | Line 3 | $2,550,000 | $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 5 | $2,550,000 | $2,550,000 |
| | Change in Net Capital Included in Rate Base | | | |
| 7 | Capital Included in Rate Base | Line 4 | $2,550,000 | $0 |
| 8 | Cost of Removal | | $0 | $0 |
| 9 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | **$2,550,000** | **$2,550,000** |
| | Tax Depreciation | | | |
| 10 | Vintage Year Tax Depreciation: | | | |
| 11 | 2021 Spend | Page 5 of 10, Line 30 | $433,500 | $693,600 |
| 12 | Cumulative Tax Depreciation | Previous Year Line 12 + Current Year Line 11 | $433,500 | $1,127,100 |
| | Investment Tax Credit | | | |
| 13 | Unamortized Investment Tax Credit | Page 5 of 10, Line 8 | $765,000 | $765,000 |
| | Book Depreciation | | | |
| 14 | Composite Book Depreciation Rate | As filed per R.I.P.U.C. Docket No. 4770 | 4.00% | 4.00% |
| 15 | Book Depreciation | Column (a) = Line 1 * Line 13 * 50% ; Column (b) = Line 1 * Line 13 | $40,800 | $81,600 |
| 16 | Cumulative Book Depreciation | Previous Year Line 16 + Current Year Line 15 | $40,800 | $122,400 |
| 17 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 8.33% | 8.33% |
| 18 | Book Depreciation | Column (a) = Line 2 * Line 18 * 50% ; Column (b) = Line 2 * Line 18 | $21,250 | $42,500 |
| 19 | Cumulative Book Depreciation | Previous Year Line 19 + Current Year Line 18 | $21,250 | $63,750 |
| 20 | Total Cumulative Book Depreciation | Line 16 | $62,050 | $186,150 |
| | Deferred Tax Calculation: | | | |
| 21 | Cumulative Book / Tax Timer | Line 12 - Line 20 | $371,450 | $940,950 |
| 22 | Effective Tax Rate | | 35.00% | 35.00% |
| 23 | Deferred Tax Reserve | Line 21 * Line 22 | $130,008 | $329,333 |
| 24 | Less: FY 2021 Federal NOL | | $0 | $0 |
| 25 | Less: Proration Adjustment | Col (a) = Page 9 of 10, Line 40; Col (b) = Page 10 of 10, Line 40 | ($70,584) | ($108,218) |
| 26 | Net Deferred Tax Reserve | Sum of Lines 23 through 25 | $59,424 | $221,114 |
| | Rate Base Calculation: | | | |
| 27 | Cumulative Incremental Capital Included in Rate Base | Line 9 | $2,550,000 | $2,550,000 |
| 28 | Accumulated Depreciation | - Line 20 | ($62,050) | ($186,150) |
| 29 | Deferred Tax Reserve | - Line 26 | ($59,424) | ($221,114) |
| 30 | Year End Rate Base | Sum of Lines 27 through 29 | $2,428,526 | $2,142,736 |
| | Revenue Requirement Calculation: | | | |
| 31 | Average Rate Base | Column (a) = Current Year Line 26 ÷ 2; Column (b) = (Prior Year Line 26 + Current Year Line 26) ÷ 2 | $1,214,263 | $2,285,631 |
| 32 | Pre-Tax ROR | 1/ | 10.20% | 10.20% |
| 33 | Return and Taxes | Line 31 * Line 32 | $123,855 | $233,134 |
| 34 | Book Depreciation | Line 15 | $62,050 | $124,100 |
| 35 | Property Taxes | Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176% | $0 | $80,988 |
| 36 | Investment Tax Credit | Line 13 / 25 Years / (1 - 35%) | ($47,077) | ($47,077) |
| 37 | Tax Effect on ITC Flowthrough Items | Line 9 * 15% * 35% / (1-35%) * Line 14 | $8,238 | $8,238 |
| 38 | **Annual Revenue Requirement** | **Sum of Lines 33 through 37** | **$147,066** | **$399,384** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2021 Capital Investments**
**Solar Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2021 (a) | Fiscal Year Ending March 31, 2022 (b) |
|---|---|---|---|---|
| | Capital Repairs Deduction | | | |
| 1 | Plant Additions | Page 4 of 10, Line 3 | $2,550,000 | |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% | |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 | |
| | Investment Tax Credit | | | |
| 4 | Plant Additions | Line 1 | $2,550,000 | |
| 5 | Investment Tax Credit Rate | Per Tax Department | 30.00% | |
| 6 | Investment Tax Credit | Line 4 * Line 5 | $765,000 | |
| 7 | ITC Amortization | Per Tax Department | $0 | |
| 8 | Unamortized ITC | Line 6 - Line 7 | $765,000 | $765,000 |
| | Bonus Depreciation | | | |
| 9 | Plant Additions | Line 1 | $2,550,000 | |
| 10 | Reduction of 50% of ITC Credit | Per Tax Department | 85.00% | |
| 11 | Plant Additions eligible for Bonus Depreciation | Line 9 * Line 10 | $2,167,500 | |
| 12 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 13 | Plant Additions Net of Capital Repairs Deduction | Line 9 - Line 12 | $2,167,500 | |
| 14 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% | |
| 15 | Plant Eligible for Bonus Depreciation | Line 13 * Line 14 | $2,167,500 | |
| 16 | Bonus Depreciation Rate (April 2020 - December 2020) | 0% | 0.00% | |
| 17 | Bonus Depreciation Rate (January 2021 - March 2021) | 0% | 0.00% | |
| 18 | Total Bonus Depreciation Rate | Line 16 + Line 17 | 0.00% | |
| 19 | Bonus Depreciation | Line 15 * Line 18 | $0 | |
| | Remaining Tax Depreciation | | | |
| 20 | Plant Additions | Line 1 | $2,550,000 | |
| 21 | Reduction of 50% of ITC Credit | Per Tax Department | 85.00% | |
| 22 | Plant Additions eligible for Bonus Depreciation | Line 20 * Line 21 | $2,167,500 | |
| 23 | Less Capital Repairs Deduction | Line 3 | $0 | |
| 24 | Less Bonus Depreciation | Line 19 | $0 | |
| 25 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 20 - Line 23 - Line 24 | $2,167,500 | $2,167,500 |
| 26 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% | 32.00% |
| 27 | Remaining Tax Depreciation | Line 25 * Line 26 | $433,500 | $693,600 |
| 28 | FY21 Loss incurred due to retirements | Per Tax Department | $0 | $0 |
| 29 | Cost of Removal | Page 4 of 10, Line 8 | $0 | $0 |
| 30 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 19, 27, and 29 | $433,500 | $693,600 |

**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Revenue Requirement on Estimated Capital Investment 12 months ending March 31, 2022**
**Solar Initiative**

| Line No. | | | Data Year 2 March 31, 2022 (a) |
|---|---|---|---|
| | Estimated Capital Investment | | |
| 1 | Solar Panels | | $4,140,000 |
| 2 | Inverters | | $1,035,000 |
| 3 | Total Estimated Capital Investment | Line 1 + Line 2 | $5,175,000 |
| | Depreciable Net Capital Included in Rate Base | | |
| 4 | Total Allowed Capital Included in Rate Base in Current Year | Line 3 | $5,175,000 |
| 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 5 | $5,175,000 |
| | Change in Net Capital Included in Rate Base | | |
| 7 | Capital Included in Rate Base | Line 4 | $5,175,000 |
| 8 | Cost of Removal | | $0 |
| 9 | **Total Net Plant in Service Including Cost of Removal** | **Line 6 + Line 8** | $5,175,000 |
| | Tax Depreciation | | |
| 10 | Vintage Year Tax Depreciation: | | |
| 11 | 2022 Spend | Page 5 of 10, Line 30 | $900,450 |
| 12 | Cumulative Tax Depreciation | Previous Year Line 12 + Current Year Line 11 | $900,450 |
| | Investment Tax Credit | | |
| 13 | Unamortized Investment Tax Credit | Page 5 of 10, Line 8 | $1,345,500 |
| | Book Depreciation | | |
| 14 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 4.00% |
| 15 | Book Depreciation | Column (a) = Line 1* Line 12 * 50% | $82,800 |
| 16 | Cumulative Book Depreciation | Previous Year Line 16 + Current Year Line 15 | $82,800 |
| 17 | Composite Book Depreciation Rate | As approved per R.I.P.U.C. Docket No. 4770 | 8.33% |
| 18 | Book Depreciation | Column (a) = Line 2 * Line 12 * 50% | $43,125 |
| 19 | Cumulative Book Depreciation | Previous Year Line 19 + Current Year Line 18 | $43,125 |
| 20 | Total Cumulative Book Depreciation | Line 16 | $125,925 |
| | Deferred Tax Calculation: | | |
| 21 | Cumulative Book / Tax Timer | Line 12 - Line 20 | $774,525 |
| 22 | Effective Tax Rate | | 35.00% |
| 23 | Deferred Tax Reserve | Line 21 * Line 22 | $271,084 |
| 24 | Less: FY 2022 Federal NOL | | $0 |
| 25 | Less: Proration Adjustment | Col (a) = Page 10 of 10, Line 40 | ($147,177) |
| 26 | Net Deferred Tax Reserve | Sum of Lines 23 through 25 | $123,906 |
| | Rate Base Calculation: | | |
| 27 | Cumulative Incremental Capital Included in Rate Base | Line 9 | $5,175,000 |
| 28 | Accumulated Depreciation | - Line 20 | ($125,925) |
| 29 | Deferred Tax Reserve | - Line 26 | ($123,906) |
| 30 | Year End Rate Base | Sum of Lines 27 through 29 | $4,925,169 |
| | Revenue Requirement Calculation: | | |
| 31 | Average Rate Base | Column (a) = Current Year Line 26 ÷ 2 | $2,462,584 |
| 32 | Pre-Tax ROR | | 1/ 10.20% |
| 33 | Return and Taxes | Line 31 * Line 32 | $251,184 |
| 34 | Book Depreciation | Line 15 | $125,925 |
| 35 | Property Taxes | Tax Rate 3.176% MAL-7 | $0 |
| 36 | Investment Tax Credit | Line 13 / 25 Years / (1 - 35%) | ($82,800) |
| 37 | Tax Effect on ITC Flowthrough Items | Line 9 * 15% * 35% / (1-35%) * Line 14 | $16,719 |
| 38 | **Annual Revenue Requirement** | **Sum of Lines 33 through 37** | **$311,028** |

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% | 2.77% | 7.92% |
| | 100.00% | | 7.43% | 2.77% | 10.20% |

**THE NARRAGANSETT ELECTRIC COMPANY**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Tax Depreciation and Repairs Deduction on Fiscal Year 2022 Capital Investments**
**Solar Initiative**

| Line No. | | | Fiscal Year Ending March 31, 2022 (a) |
|---|---|---|---|
| | Capital Repairs Deduction | | |
| 1 | Plant Additions | Page 6 of 10, Line 3 | $5,175,000 |
| 2 | Capital Repairs Deduction Rate | Per Tax Department | 0.00% |
| 3 | Capital Repairs Deduction | Line 1 * Line 2 | $0 |
| | Investment Tax Credit | | |
| 4 | Plant Additions | Line 1 | $5,175,000 |
| 5 | Investment Tax Credit Rate | Per Tax Department | 26.00% |
| 6 | Investment Tax Credit | Line 4 * Line 5 | $1,345,500 |
| 7 | ITC Amortization | Per Tax Department | $0 |
| 8 | Unamortized ITC | Line 6 - Line 7 | $1,345,500 |
| | Bonus Depreciation | | |
| 9 | Plant Additions | Line 1 | $5,175,000 |
| 10 | Reduction of 50% of ITC Credit | Per Tax Department | 87.00% |
| 11 | Plant Additions eligible for Bonus Depreciation | Line 9 * Line 10 | $4,502,250 |
| 12 | Less Capital Repairs Deduction | Line 3 | $0 |
| 13 | Plant Additions Net of Capital Repairs Deduction | Line 9 - Line 12 | $4,502,250 |
| 14 | Percent of Plant Eligible for Bonus Depreciation | Per Tax Department | 100.00% |
| 15 | Plant Eligible for Bonus Depreciation | Line 13 * Line 14 | $4,502,250 |
| 16 | Bonus Depreciation Rate (April 2021 - December 2021) | 0% | 0.00% |
| 17 | Bonus Depreciation Rate (January 2022 - March 2022) | 0% | 0.00% |
| 18 | Total Bonus Depreciation Rate | Line 16 + Line 17 | 0.00% |
| 19 | Bonus Depreciation | Line 15 * Line 18 | $0 |
| | Remaining Tax Depreciation | | |
| 20 | Plant Additions | Line 1 | $5,175,000 |
| 21 | Reduction of 50% of ITC Credit | Per Tax Department | 87.00% |
| 22 | Plant Additions eligible for Bonus Depreciation | Line 20 * Line 21 | $4,502,250 |
| 23 | Less Capital Repairs Deduction | Line 3 | $0 |
| 24 | Less Bonus Depreciation | Line 19 | $0 |
| 25 | Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation | Line 20 - Line 23 - Line 24 | $4,502,250 |
| 26 | 20 YR MACRS Tax Depreciation Rates | Per IRS Publication 946 | 20.00% |
| 27 | Remaining Tax Depreciation | Line 25 * Line 26 | $900,450 |
| 28 | FY22 Loss incurred due to retirements | Per Tax Department | $0 |
| 29 | Cost of Removal | Page 6 of 10, Line 8 | $0 |
| 30 | Total Tax Depreciation and Repairs Deduction | Sum of Lines 3, 19, 27, and 29 | $900,450 |

**THE NARRAGANSETT ELECTRIC COMPANY**
**d/b/a NATIONAL GRID**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2020 Net Deferred Tax Reserve Proration**
**Solar Initiative**

| Line No. | | | (a)= Column (b) Total | (b) Vintage Year March 31, 2020 |
|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | |
| 1 | Book Depreciation | Page 2 of 10, Line 15 + Line 18 | $32,546 | $32,546 |
| 2 | Bonus Depreciation | Page 3 of 10, Line 19 | ($255,797) | ($255,797) |
| 3 | Remaining MACRS Tax Depreciation | Page 3 of 10, Line 27 | ($176,216) | ($176,216) |
| 4 | FY20 tax (gain)/loss on retirements | Page 3 of 10, Line 28 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($399,467) | ($399,467) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($139,814) | ($139,814) |
| | **Deferred Tax Not Subject to Proration** | | | |
| 8 | Capital Repairs Deduction | Page 3 of 10, Line 3 | $0 | $0 |
| 9 | Cost of Removal | Page 3 of 10, Line 29 | $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 | | 35.00% | 35.00% |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($139,814) | ($139,814) |
| 15 | Net Operating Loss | Page 2 of 10, Line 24 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($139,814) | ($139,814) |
| | **Allocation of FY 2020 Estimated Federal NOL** | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($399,467) | ($399,467) |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($399,467) | ($399,467) |
| 20 | Total FY 2020 Federal NOL | Page 2 of 10, Line 24 / 35% | $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 | 35.00% | 35.00% |
| 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 | ($139,814) | ($139,814) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) | (l) |
|---|---|---|---|---|---|
| | **Proration Calculation** | | | | |
| 26 | April 2019 | 30 | 91.78% | ($10,693) | ($10,693) |
| 27 | May 2019 | 31 | 83.29% | ($9,704) | ($9,704) |
| 28 | June 2019 | 30 | 75.07% | ($8,746) | ($8,746) |
| 29 | July 2019 | 31 | 66.58% | ($7,757) | ($7,757) |
| 30 | August 2019 | 31 | 58.08% | ($6,767) | ($6,767) |
| 31 | September 2019 | 30 | 49.86% | ($5,810) | ($5,810) |
| 32 | October 2019 | 31 | 41.37% | ($4,820) | ($4,820) |
| 33 | November 2019 | 30 | 33.15% | ($3,862) | ($3,862) |
| 34 | December 2019 | 31 | 24.66% | ($2,873) | ($2,873) |
| 35 | January 2020 | 31 | 16.16% | ($1,883) | ($1,883) |
| 36 | February 2020 | 28 | 8.49% | ($990) | ($990) |
| 37 | March 2020 | 31 | 0.00% | $0 | $0 |
| 38 | Total | 365 | | ($63,906) | ($63,906) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($139,814) | ($139,814) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $75,908 | $75,908 |

**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 10.9 - Solar**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2021 Net Deferred Tax Reserve Proration**
**Solar Initiative**

| Line No. | | | (a)=Sum of (b) through (c) Total | (b) Vintage Year March 31, 2021 | (c) Vintage Year March 31, 2020 |
|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | |
| 1 | Book Depreciation | Col (b) = Page 4 of 10, Line 15 + Line 18 ;Col (c) = Page 2 of 10, Line 15 + Line 18 | $127,142 | $62,050 | $65,092 |
| 2 | Bonus Depreciation | Page 5 of 10, Line 19 | $0 | $0 | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) Page 5 of 10, Line 27; Col (c) , Line 27 | ($715,445) | ($433,500) | ($281,945) |
| 4 | FY21 tax (gain)/loss on retirements | Col (b) Page 5 of 10, Line 28; Col (c) , Line 28 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($588,303) | ($371,450) | ($216,853) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($205,906) | ($130,008) | ($75,899) |
| | **Deferred Tax Not Subject to Proration** | | | | |
| 8 | Capital Repairs Deduction | Page 5 of 10, Line 3 | $0 | $0 | |
| 9 | Cost of Removal | Page 5 of 10, Line 29 | $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 | | 35.00% | 35.00% | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($205,906) | ($130,008) | ($75,899) |
| 15 | Net Operating Loss | Page 4 of 10, Line 24 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($205,906) | ($130,008) | ($75,899) |
| | **Allocation of FY 2021 Estimated Federal NOL** | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($371,450) | ($371,450) | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($371,450) | ($371,450) | |
| 20 | Total FY 2021 Federal NOL | | $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 | 35.00% | 35.00% | |
| 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 | ($205,906) | ($130,008) | ($75,899) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (m) | (l) | (m) |
|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | |
| 26 | April 2020 | 30 | 91.78% | ($15,749) | ($9,943) | ($5,805) |
| 27 | May 2020 | 31 | 83.29% | ($14,291) | ($9,023) | ($5,268) |
| 28 | June 2020 | 30 | 75.07% | ($12,881) | ($8,133) | ($4,748) |
| 29 | July 2020 | 31 | 66.58% | ($11,424) | ($7,213) | ($4,211) |
| 30 | August 2020 | 31 | 58.08% | ($9,966) | ($6,293) | ($3,674) |
| 31 | September 2020 | 30 | 49.86% | ($8,556) | ($5,402) | ($3,154) |
| 32 | October 2020 | 31 | 41.37% | ($7,099) | ($4,482) | ($2,617) |
| 33 | November 2020 | 30 | 33.15% | ($5,688) | ($3,592) | ($2,097) |
| 34 | December 2020 | 31 | 24.66% | ($4,231) | ($2,671) | ($1,560) |
| 35 | January 2021 | 31 | 16.16% | ($2,774) | ($1,751) | ($1,022) |
| 36 | February 2021 | 28 | 8.49% | ($1,457) | ($920) | ($537) |
| 37 | March 2021 | 31 | 0.00% | $0 | $0 | $0 |
| 38 | Total | 365 | | ($94,115) | ($59,424) | ($34,692) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($205,906) | ($130,008) | ($75,899) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $111,791 | $70,584 | $41,207 |

**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**
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**Appendix 10.9 - Solar**
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**The Narragansett Electric Company**
**d/b/a National Grid**
**Power Sector Transformation (PST)**
**Calculation of Fiscal Year 2022 Net Deferred Tax Reserve Proration**
**Solar Initiative**

| Line No. | | | (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 |
|---|---|---|---|---|---|---|
| | **Deferred Tax Subject to Proration** | | | | | |
| 1 | Book Depreciation | Col (b) = Page 6 of 10, Line 15 + Line 18; Col (c) = Page 4 of 10, Line 15 + Line 18; Col (d) = Page 2 of 10, Line 15 + Line 18 | $315,117 | $125,925 | $124,100 | $65,092 |
| 2 | Bonus Depreciation | Page 7 of 10, Line 19 | $0 | $0 | | |
| 3 | Remaining MACRS Tax Depreciation | Col (b) Page 7 of 10, Line 27; Col (d) Page 5 of 10, Line 27; Col (d) Page 3 of 10, Line 27 | ($1,763,217) | ($900,450) | ($693,600) | ($169,167) |
| 4 | FY22 tax (gain)/loss on retirements | Col (b) Page 7 of 10, Line 28; Col (c) Page 5 of 10, Line 28; Col (d) Page 3 of 10, Line 28 | $0 | $0 | $0 | $0 |
| 5 | Cumulative Book / Tax Timer | Sum of Lines 1 through 4 | ($1,448,100) | ($774,525) | ($569,500) | ($104,075) |
| 6 | Effective Tax Rate | Per Tax Department | 35.00% | 35.00% | 35.00% | 35.00% |
| 7 | Deferred Tax Reserve | Line 5 * Line 6 | ($506,835) | ($271,084) | ($199,325) | ($36,426) |
| | **Deferred Tax Not Subject to Proration** | | | | | |
| 8 | Capital Repairs Deduction | Page 7 of 10, Line 3 | $0 | $0 | | |
| 9 | Cost of Removal | Page 7 of 10, Line 29 | $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 | Per Tax Department | 35.00% | 35.00% | | |
| 13 | Deferred Tax Reserve | Line 11 * Line 12 | $0 | $0 | | |
| 14 | Total Deferred Tax Reserve | Line 7 + Line 13 | ($506,835) | ($271,084) | ($199,325) | ($36,426) |
| 15 | Net Operating Loss | , Line 24 | $0 | $0 | $0 | $0 |
| 16 | Net Deferred Tax Reserve | Line 14 + Line 15 | ($506,835) | ($271,084) | ($199,325) | ($36,426) |
| | **Allocation of FY 2022 Estimated Federal NOL** | | | | | |
| 17 | Cumulative Book/Tax Timer Subject to Proration | Col (b) = Line 5 | ($774,525) | ($774,525) | | |
| 18 | Cumulative Book/Tax Timer Not Subject to Proration | Line 11 | $0 | $0 | | |
| 19 | Total Cumulative Book/Tax Timer | Line 17 + Line 18 | ($774,525) | ($774,525) | | |
| 20 | Total FY 2022 Federal NOL | | $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 | 35.00% | 35.00% | | |
| 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 | ($506,835) | ($271,084) | ($199,325) | ($36,426) |

| | | (i) Number of Days in Month | (j) Proration Percentage | (k)= Sum of (l) through (n) | (l) | (m) | (n) |
|---|---|---|---|---|---|---|---|
| | **Proration Calculation** | | | | | | |
| 26 | April 2021 | 30 | 91.78% | ($38,765) | ($20,734) | ($15,245) | ($2,786) |
| 27 | May 2021 | 31 | 83.29% | ($35,178) | ($18,815) | ($13,834) | ($2,528) |
| 28 | June 2021 | 30 | 75.07% | ($31,706) | ($16,958) | ($12,469) | ($2,279) |
| 29 | July 2021 | 31 | 66.58% | ($28,119) | ($15,040) | ($11,058) | ($2,021) |
| 30 | August 2021 | 31 | 58.08% | ($24,532) | ($13,121) | ($9,648) | ($1,763) |
| 31 | September 2021 | 30 | 49.86% | ($21,060) | ($11,264) | ($8,282) | ($1,514) |
| 32 | October 2021 | 31 | 41.37% | ($17,473) | ($9,346) | ($6,872) | ($1,256) |
| 33 | November 2021 | 30 | 33.15% | ($14,002) | ($7,489) | ($5,506) | ($1,006) |
| 34 | December 2021 | 31 | 24.66% | ($10,414) | ($5,570) | ($4,096) | ($748) |
| 35 | January 2022 | 31 | 16.16% | ($6,827) | ($3,652) | ($2,685) | ($491) |
| 36 | February 2022 | 28 | 8.49% | ($3,587) | ($1,919) | ($1,411) | ($258) |
| 37 | March 2022 | 31 | 0.00% | $0 | $0 | $0 | $0 |
| 38 | Total | 365 | | ($231,663) | ($123,906) | ($91,107) | ($16,650) |
| 39 | Deferred Tax Without Proration | Line 25 | | ($506,835) | ($271,084) | ($199,325) | ($36,426) |
| 40 | Proration Adjustment | Line 38 - Line 39 | | $275,172 | $147,177 | $108,218 | $19,777 |

**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)

R.I.P.U.C. No. 2205
Sheet 1

# THE NARRAGANSETT ELECTRIC COMPANY
# POWER SECTOR TRANSFORMATION PROVISION

The prices for Retail Delivery Service contained in each of the Company's rate class tariffs are subject to adjustment to reflect Power Sector Transformation ("PST") Factors, designed to recover the Company's costs incurred as a result of the operation of this PST Provision.

## 1.0 GENERAL

### 1.1 Purpose

The PST Provision provides for the recovery by the Company of forecasted and actual capital investment and operations and maintenance ("O&M") expense, subject to full reconciliation, as defined herein, for the following PST Initiatives:

(1) PST Expansion of Grid Modernization;

(2) Electric Transportation Initiative;

(3) Electric Heat Initiative;

(4) Energy Storage System Program;

(5) Solar Demonstration Program; and

(6) Income Eligible Customer Rewards Program.

The PST Provision also provides the Company an opportunity to earn performance incentives associated with the PST Initiatives and to recover earned performance incentives through the PST Factors.

### 1.2 Applicability

The PST Provision provides for the recovery of incremental costs associated with the Company's PST Plan approved by the Commission. To be eligible for recovery, PST Plan costs must: (1) be pre-authorized by the Commission; (2) include only costs of investing in PST Initiatives; (3) be incremental to those costs that the Company currently recovers through any other rate, charge, or factor; and (4) be prudently incurred.

The Company's rates for Retail Delivery Service are subject to adjustment to reflect the operation of this PST Provision. The PST Factors, as defined herein, shall be applied to all retail delivery service bills as determined in accordance with the provisions of Section 4.0 and Section 5.0 below. The PST Factors shall be adjusted annually, subject to the Commission's review and approval.

THE NARRAGANSETT ELECTRIC COMPANY
POWER SECTOR TRANSFORMATION PROVISION

## 2.0. ANNUAL PST PLAN

By January 1 of each year, the Company shall submit to the Commission for review and approval its proposed PST Plan for the upcoming PST Plan Year. The PST Plan shall consist of Forecasted Capital Investment, Forecasted O&M Expense, and, if mutually agreed upon by the Division and the Company, any other capital or O&M expense relating to PST Initiatives, accompanied by the revenue requirement determined by the costs presented in the PST Plan.

Subject to Commission approval, the first PST Plan Year shall be the period ending March 31, 2019. The Company shall not implement PST Factors effective April 1, 2018, unless otherwise approved by the Commission. The Company shall include the Annual Revenue Requirement, or portion thereof, on Actual CapEx and Actual O&M Expense for the first PST Plan Year in its annual PST Reconciliation Filing by August 1 following the completion of the first PST Plan Year, and shall recover the Annual Revenue Requirement, or portion thereof, as approved by the Commission, through PST Reconciliation Factors effective the following October 1.

## 3.0. ANNUAL REPORT ON PST PLAN ACTIVITIES

By August 1 of each year as part of the annual PST Reconciliation Filing, the Company shall include a report on the prior PST Plan Year's PST activities. In implementing its PST Plan, the circumstances encountered during the preceding PST Plan Year may require reasonable deviations from the original PST Plan for the PST Plan Year approved by the Commission. In such cases, for each PST Initiative, the Company shall include in the report an explanation of (1) Actual Capital Investment in excess of Forecasted Capital Investment by ten (10) percent, and (2) Actual O&M Expense in excess of Forecasted O&M Expense by ten (10) percent. For cost recovery purposes, the Company has the burden to show that any such deviations were due to circumstances out of its reasonable control or, if within its control, were reasonable and prudent.

## 4.0 DEFINITIONS

"Accumulated Deferred Income Taxes" shall mean the net reduction in Federal income taxes associated with the use of accelerated depreciation allowed for income tax purposes.

"Accumulated Reserve for Depreciation" shall mean the cumulative net credit balance arising from the provision for Depreciation Expense.

"Actual CapEx" shall mean all capital investment associated with each PST Initiative listed in Section 1.1, plus cost of removal, for a PST Plan Year, and not included in the Company's Infrastructure, Safety, and Reliability ("ISR") Plan.

# THE NARRAGANSETT ELECTRIC COMPANY
# POWER SECTOR TRANSFORMATION PROVISION

"Actual O&M Expense" shall mean the O&M expense recorded by the Company for a given PST Plan Year associated with its PST Initiatives, not otherwise recovered through any other rates, charges, or factors.

"Annual Revenue Requirement" shall mean the return and taxes on year-end Rate Base, at a rate equal to the pre-tax weighted average cost of capital as approved by the Commission in the most recent general rate case, plus the annual depreciation expense on Cumulative CapEx as defined below, plus the annual municipal property taxes on Cumulative CapEx. For the purpose of calculating the PST Reconciliation Factors, the Company will use the sum of Actual CapEx for all PST Plan Years through the prior PST Plan Year in place of Cumulative CapEx.

"Cumulative CapEx" shall mean the cumulative Actual CapEx for years prior to the PST Plan Year plus Forecasted CapEx for the PST Plan Year.

"Depreciation Expense" shall mean the return of the Company's in-service PST investment in Rate Base at established depreciation rates as approved by the Commission.

"Forecasted CapEx" shall mean the estimated capital investment and cost of removal anticipated to be recorded as plant in service by the Company for a given PST Plan Year associated with distribution system infrastructure consistent with its capital forecast, and not included in the Company's ISR Plan.

"Forecasted kWh" shall mean the forecasted amount of electricity, as measured in kilowatt-hours ("kWh"), to be delivered to the Company's retail delivery service customers for the period during which the per-kWh PST Factors and per-kWh PST Reconciliation Factors will be in effect.

"Forecasted Number of Bills" shall mean the forecasted number of bills to be issued to the Company's retail delivery service customers for the period during which the per-bill PST Factors and per-bill PST Reconciliation Factors will be in effect. Where applicable, the Company shall use estimated number of street lighting fixtures for the street lighting rate classes in lieu of forecasted number of bills.

"Forecasted O&M Expense" shall mean the estimated incremental O&M expense for a given PST Plan Year associated with its PST Initiatives, and not otherwise recovered through any the Company's other rates, charges, or factors.

"O&M" shall mean operation and maintenance expenses recorded in FERC accounts 580 through 598 and administrative and general expenses recorded in FERC accounts 920 through 935, pursuant to FERC's Code of Federal Regulations. O&M shall also mean the amortization of capital investment in system development and/or enhancements recorded on the general ledger of an affiliate of the Company and charged to the Company by the affiliate, with the Company recording the charge as an expense.

"PST Factors" shall mean the sum of the per-kWh and per-bill factors, as applicable, for each rate class designed to recover the total of the Annual Revenue Requirement on Cumulative CapEx and the

THE NARRAGANSETT ELECTRIC COMPANY
POWER SECTOR TRANSFORMATION PROVISION

Forecasted O&M Expense for each PST Initiative, based on Forecasted kWh and Forecasted Number of Bills, as applicable, for a PST Plan Year. PST Factors shall consist of the following factors, as defined below: GMEFs, ETFs, EHFs, ESSFs, SPFs, RAFs, and PIFs.

"PST Plan Year" shall mean the year beginning April 1 of the current year and running through March 31 of the subsequent year during which the proposed PST Factors will be in effect.

"PST Reconciliation Factors" shall mean the sum of the per-kWh and per-bill factors, as applicable, designed to recover or credit the over or under billing of the total of the Annual Revenue Requirement on the sum of Actual CapEx for all PST Plan Years through the prior PST Plan Year and Actual O&M Expense for each PST Initiative, based on Forecasted kWh or Forecasted Number of Bills, as applicable, for the recovery/refund period beginning October 1. PST Reconciliation Factors shall consist of the following factors, as defined below: GMERFs, ETRFs, EHRFs, ESSRFs, SPRFs, RARFs, and PIRFs.

"Rate Base" shall mean the investment value upon which the Company is permitted to earn its authorized rate of return and shall include Cumulative CapEx, Accumulated Reserve for Depreciation, and Accumulated Deferred Income Taxes for the purpose of calculating the Annual Revenue Requirement included in the determination of the PST Factors. For the purpose of calculating the PST Reconciliation Factors, the Company will use the sum of Actual CapEx for all PST Plan Years through the prior PST Plan Year in place of Cumulative CapEx.

## 5.0 PST RECOVERY

The Company shall recover the PST capital investment, including associated cost of removal, and O&M expense pursuant to this PST Provision and subject to the review and approval of the Commission, only for PST Initiatives the Company is authorized to undertake by the Commission. Capital investment, including associated cost of removal, recovered through this PST Provision shall be excluded from recovery through the Company's ISR Plan. The Company shall be allowed to recover the revenue requirement on Cumulative CapEx and O&M Expense incurred through the date upon which new base distribution rates begin recovering the revenue requirement of PST capital investment and ongoing O&M expense. All amounts earned and incurred by the Company prior to the date on which new base distribution rates, which include ongoing recovery of PST costs, take effect and as approved by the Commission for recovery, shall be recovered through this PST Provision.

The factors for each PTS Initiative, as defined below, shall recover the total of the Annual Revenue Requirement on Cumulative CapEx, included Forecasted CapEx, and Forecasted O&M Expense, as approved by the Commission in the Company's annual PST Plan Filings. The factors shall be effective during the PST Plan Year, coincident with the PST Plan upon which they are calculated. The Company shall calculate separate revenue requirements to which it will add the estimate of O&M expense for each PST Initiative and shall calculated separate factors for each PST Initiative. For billing purposes, the Company shall aggregate the factors for all PST Initiatives into the PST Factors.

THE NARRAGANSETT ELECTRIC COMPANY
POWER SECTOR TRANSFORMATION PROVISION

PST capital investment and O&M expense recovery for each PST Initiative shall include separate annual reconciliations of each PST Initiative's Annual Revenue Requirement on the sum of Actual CapEx for all PTS Plan Years plus Actual O&M Expense to actual billed revenue generated from the PST Initiative's factors for the applicable PTS Plan Year. The reconciliation of the recovery shall accrue interest monthly at the same rate as that paid on customer deposits. The recovery or credit of the reconciliation amounts, including interest, shall be reflected in the PST Reconciliation Factors. The Company shall submit a filing by August 1 of each year ("Reconciliation Filing"), in which the Company shall propose the PTS Reconciliation Factors to become effective for the 12 months beginning October 1. The amounts approved for recovery or refund through the PTS Reconciliation Factors shall be subject to reconciliation with amounts billed through the PTS Reconciliation Factors, and shall accrue interest monthly at the same rate as that paid on customer deposits, and any difference, including interest, reflected in future PTS Reconciliation Factors. For billing purposes, the Company shall calculate reconciliation factors for each PST Initiative, and aggregate the reconciliation factors for all PST Initiatives into the PST Reconciliation Factors.

## 6.0 PST EXPANSION OF GRID MODERNIZATION

The PST Grid Modernization Expansion ("GME") activities consist of the following functionalities to be deployed over a period of five years commencing with the Commission's approval of the Company's PST Program:

(1) System Data Portal: Distributed Energy Resources Provider Data and Information, a Grid Data Portal, Locational Value Analysis capability, and Hosting Capacity;
(2) Advanced Metering Functionality ("AMF"): a Customer Portal, Customer Choice Decision Support Analytics capability, Customer Energy Information and Analytics capability, Smart Meters, and Advanced Meters;
(3) Feeder Monitoring Sensors: Sensing and Measurement Technology;
(4) Control Center Enhancements: Distribution Management System ("DMS"), Geographic Information System ("GIS"), Network Model, and the Supervisory Control and Data Acquisition ("SCADA") system;
(5) Operational Data Management;
(6) Telecommunications: Operational Communications; and
(7) Cybersecurity.

The GME Factors ("GMEFs") are designed to recover the Company's investment in and ongoing O&M expense incurred as a result of the Company deploying its GME activities as approved by the Commission.

GME capital costs shall consist of the Company's capitalized cost, plus cost of removal and municipal property taxes, of all assets and systems deployed pursuant to a plan approved by the Commission and recorded as plant in-service. The Company shall calculate two Annual Revenue Requirements: a Customer-Related Annual Revenue Requirement based on Customer-Related

# THE NARRAGANSETT ELECTRIC COMPANY
# POWER SECTOR TRANSFORMATION PROVISION

Cumulative CapEx and a Distribution/Shared Annual Revenue Requirement based on Distribution/Shared Cumulative CapEx.

GME capital costs shall be categorized as Customer-Related and Distribution/Shared. Customer-Related capital costs shall be the capitalized costs of assets and systems placed into service as approved by the Commission associated with AMF as part of the GME within a PST Plan. Distribution/Shared capital costs shall be all other GME capital costs associated within a PST Plan as approved by the Commission that is not specifically categorized as Customer-Related.

O&M expense shall consist of the Company's incremental O&M expense incurred by the Company as a result of deploying its GME pursuant to a PST Plan approved by the Commission and not recovered through any of the Company's other rates or charges. O&M expense shall be categorized as Customer-Related O&M expense and Distribution/Shared O&M expense. Customer-Related O&M expense shall be the incremental O&M expense approved by the Commission associated with AMF as part of the GME within a PST Plan. Distribution/Shared O&M expense shall be all other GME O&M expense within a PST Plan as approved by the Commission that is not specifically categorized as Customer-Related.

The Company shall allocate the Customer-Related Annual Revenue Requirement for the purpose of calculating rate-class specific per-bill charges applicable to all Retail Delivery Service customers except those receive service on the Company's streetlighting rate classes to the extent streetlighting customers are receiving unmetered service. The Company shall allocate the Customer-Related Annual Revenue Requirement to each rate class based on the Meter/Billing Allocator below, which represents the percentage of meter-related rate base and customer billing expense allocated to each rate class as determined from the Company's most recent general rate case as follows:

| | |
|---|---|
| Rate A-16/A-60 | 60.41% |
| Rate C-06 | 27.29% |
| Rate G-02 | 9.46% |
| Rate G-32/X-01 | 2.84% |

The Company shall allocate the Customer-Related Forecasted O&M Expense for the purpose of calculating rate-class specific per-bill charges applicable to all Retail Delivery Service customers except those receive service on the Company's streetlighting rate classes to the extent streetlighting customers are receiving unmetered service. The Company shall allocate the Customer-Related Forecasted O&M Expense to each rate class based on the Meter/Customer Expense Allocator below, which represents the percentage of meter-related and customer service O&M expense allocated to each rate class as determined from the Company's most recent general rate case as follows:

| | |
|---|---|
| Rate A-16/A-60 | 73.38% |
| Rate C-06 | 19.24% |
| Rate G-02 | 5.78% |

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| | |
|---|---|
| Rate G-32/X-01 | 1.60% |

The Company shall combine the per-bill Customer-Related GMEFs calculated above for billing purposes.

The Company shall allocate the Distribution/Shared Annual Revenue Requirement for the purpose of calculating rate-class specific per-kWh rates applicable to all Retail Delivery Service customers. The Company shall allocate the Distribution/Shared Annual Revenue Requirement to each rate class based on the Rate Base Allocator below, which represents the percentage of total rate base allocated to each rate class as determined from the Company's most recent general rate case as follows:

| | |
|---|---|
| Rate A-16/A-60 | 53.37% |
| Rate C-06 | 10.27% |
| Rate G-02 | 16.03% |
| Rate G-32 | 17.17% |
| Rate X-01 | 0.03% |
| Streetlighting | 1.13% |

The Company shall allocate the Distribution/Shared Forecasted O&M Expense for purposes of calculating rate-class specific per-kWh rates applicable to all Retail Delivery Service customers. The Company shall allocate the Distribution/Shared Forecasted O&M Expense to each rate class based on the Distribution Revenue Allocator below, which represents the percentage of final revenue requirement allocated to each rate class as determined in the Company's most recent general rate case as follows:

| | |
|---|---|
| Rate A-16/A-60 | 56.33% |
| Rate C-06 | 10.81% |
| Rate G-02 | 14.87% |
| Rate G-32 | 15.11% |
| Rate X-01 | 0.22% |
| Streetlighting | 2.66% |

The Company shall combine the per-kWh Distribution/Shared GMEFs calculated above for billing purposes.

In the Reconciliation Filing, the Company shall reconcile the Annual Revenue Requirement on actual Cumulative CapEx through the prior PST Plan Year and Actual O&M Expense incurred during the prior PST Plan Year to the actual amount of revenue billed to customers through the GMEFs. The Company shall prepare separate reconciliations for each of the four categories of recovery identified above. The excess or deficiency, including interest at the interest rate paid on customer deposits, shall be allocated to the Company's rate classes based upon the applicable allocators stated above, and shall be the basis for the GME Reconciliation Factors ("GMERFs"), calculated consistent with the calculation of the GMEFs described above.

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## 7.0 ELECTRIC TRANSPORTATION INITIATIVE

The Electric Transportation Factor ("ETF") is designed to recover the Company's investment in and incremental O&M expense, pursuant to the Company's Electric Transportation Initiative ("ETI"), as approved by the Commission, consisting of the following:

(1) Charging Station Demonstration Program: (a) ownership and O&M expense of Electric Vehicle Supply Equipment ("EVSE") constructed, owned, and operated by the Company; (b) the capital costs of typical distribution infrastructure required to provide service to EVSEs, including for customer-operated EVSE and Company-operated EVSE; (c) the capital costs of electrical equipment on the customer's property required to install EVSE, with the equipment constructed, owned, and operated by the Company; (d) rebates paid to customers who purchase eligible EVSEs; (e) the capital cost and O&M expense of developing and/or enhancing systems to bill the charging rates for Company-owned and operated EVSEs;
(2) Off-Peak Charging Rebate Pilot: (a) rebates paid to eligible Electric Vehicle ("EV") drivers for charging their EV's during defined off-peak hours; (b) the cost of monitoring devices or other technology for the collection of EV data; (c) the cost of developing and/or enhancing systems or otherwise administering the pilot; and (d) the cost of other incentives for EV drivers exhibiting desired EV behavior;
(3) Discount Pilot for Direct Current Fast Charging ("DCFC") Accounts: the bill discount provided on electric bills for eligible customers installing DCFC stations, the cost of billing system modifications, marketing, and other administrative costs to provide the discount;
(4) Company Fleet Expansion: the cost of incremental heavy-duty electrified trucks used by the Company in its daily activities;
(5) Transportation Education and Outreach ("E&O"): the cost of E&O activities; and
(6) Evaluation: the cost of evaluating the above programs and pilots.

ETI capital costs shall consist of the Company's capitalized cost, plus municipal property taxes, on ESVE, distribution system infrastructure, and electrical equipment installed on participating customers' property, along with any capitalized enhancements to the Company's CSS or other systems, and recorded as plant in-service on the Company's general ledger.

ETI O&M expense shall represent incremental O&M expense that is not recorded as a capital investment of the Company, less Site Host Participation Payments from customers having a Company-owned ESVE at their service location, consisting of:

(1) O&M expense incurred to operate and maintain Company-owned EVSEs;
(2) any enhancements to the Company's CSS or other systems not eligible to be capitalized;
(3) rebates paid to eligible customers for their installation of Level 2 EVSEs;
(4) rebates, incentives, and monitoring equipment provided through the Off-Peak Charging Rebate Pilot;

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(5) bill discounts provided to eligible customers through the Discount Pilot for DCFC Accounts;
(6) incremental lease or vehicle modification costs of heavy-duty electrified trucks and ongoing O&M expense through the Company Fleet Expansion;
(7) E&O, marketing, and evaluation costs; and
(8) program management and administration.

The Company shall recover the Annual Revenue Requirement on Cumulative CapEx plus Forecasted O&M Expense through the ETF. The ETF shall be a uniform per-kWh rate applicable to all Retail Delivery Service customers based on kWh deliveries.

In the Reconciliation Filing, the Company shall reconcile the Annual Revenue Requirement on actual Cumulative CapEx through the prior PST Plan Year and Actual O&M Expense incurred during the prior PST Plan Year to the actual amount of revenue billed to customers through the ETF and actual Site Host Participation Payments received during the prior PST Plan Year. The excess or deficiency, including interest at the interest rate paid on customer deposits, shall be the basis for the ET Reconciliation Factor ("ETRF"). The Company shall calculate the ETRF based on Forecasted kWh for the period October 1 through the following September 30.

## 8.0 ELECTRIC HEAT INITIATIVE

The Electric Heat Factor ("EHF") is designed to recover the Company's investment in ground heat exchangers constructed, owned, and operated by the Company, any ongoing O&M expense on such ground heat exchangers, plus expenses associated with the other elements under the Company's EH Initiative as identified below.

EH capital costs shall consist of the Company's capitalized cost, plus municipal property taxes, on Company-installed ground heat exchangers through the GSHP Program of the EH Initiative and recorded as plant in-service.

EH O&M expense shall represent incremental O&M expenses of:

(1) GSHP Program costs consisting of program administration, consultant costs for system design, project management, ongoing O&M, and evaluation costs;
(2) Equipment Incentives Program costs consisting of equipment incentives paid to eligible customers, outreach and marketing cost, and program administration costs;
(3) Community-Based Outreach costs consisting of program administration, consultant costs for program design and evaluation, and marketing costs ; and
(4) Oil/Propane Dealer Training Program costs consisting of incremental costs to develop and market the program, including consultant costs for developing the training program and delivering the training, and program administration costs.

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The Company shall recover the Annual Revenue Requirement on Cumulative CapEx plus Forecasted O&M Expense through the EHF. The EHF shall be a uniform per-kWh rate applicable to all Retail Delivery Service customers based on kWh deliveries.

In the Reconciliation Filing, the Company shall reconcile the Annual Revenue Requirement on actual Cumulative CapEx through the prior PST Plan Year and Actual O&M Expense incurred during the prior PST Plan Year to the actual amount of revenue billed to customers through the EHF. The excess or deficiency, including interest at the interest rate paid on customer deposits, shall be the basis for the EH Reconciliation Factor ("EHRF"). The Company shall calculate the EHRF based on Forecasted kWh for the period October 1 through the following September 30.

## 9.0 ENERGY STORAGE SYSTEM PROGRAM

The Energy Storage System Factor ("ESSF") is designed to recover the Company's investment in and ongoing O&M expense of ESS constructed, owned, and operated by the Company under the Company's ESS Program.

ESS capital costs shall consist of the Company's capitalized cost of construction plus municipal property taxes on the ESS recorded as plant in-service.

ESS O&M expense shall represent incremental O&M expenses, net of any research and development tax incentives claimed by the Company, of:

(1) annual ESS O&M to operate and maintain ESS equipment;
(2) ESS site maintenance;
(3) project management of maintenance;
(4) oversight, reporting and analysis;
(5) property rental or lease payments; and
(6) any other incremental O&M costs associated with the upkeep of the ESS sites.

Oversight and reporting costs shall consist of the oversight of annual ESS maintenance, reporting to state and local agencies of ESS performance, and research and testing costs at the ESS sites.

The Company shall recover the Annual Revenue Requirement on Cumulative CapEx plus Forecasted O&M Expense through the ESSF. The ESSF shall be a uniform per-kWh rate applicable to all Retail Delivery Service customers based on kWh deliveries.

In the Reconciliation Filing, the Company shall reconcile the Annual Revenue Requirement on actual Cumulative CapEx through the prior PST Plan Year plus Actual O&M Expense incurred during the prior PST Plan Year to the actual amount of revenue billed to customers through the ESSF. The excess or deficiency, including interest at the interest rate paid on customer deposits, shall be the basis for the ESS

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Reconciliation Factor ("ESSRF"). The Company shall calculate the ESSRF based on Forecasted kWh for the period October 1 through the following September 30.

## 10.0 SOLAR DEMONSTRATION PROGRAM

The Solar Program Factor ("SPF") is designed to recover the Company's investment in and ongoing O&M expense of up to 3.75 mega-watts of solar generating facilities constructed, owned, and operated by the Company under the Company's Solar Demonstration Program.

Solar generating facility capital costs shall consist of the Company's capitalized cost of construction plus municipal property taxes on the solar generating facilities recorded as plant in-service.

Solar generating facility O&M expense shall represent incremental O&M expenses, net of any research and development tax incentives claimed by the Company, of:

(1) annual solar generating facilities' O&M;
(2) the solar generating facilities' site maintenance;
(3) project management of maintenance;
(4) oversight, reporting and analysis;
(5) property rental or least payments; and
(6) any other incremental O&M costs associated with the upkeep of the solar generating facility sites.

Oversight and reporting costs consists of the oversight of annual solar generating facility maintenance, reporting of solar generating facility performance, and research and testing costs at the solar generating facility sites.

The Company shall recover the Annual Revenue Requirement on Cumulative CapEx and Forecasted O&M Expense through the SPF. The SPF shall be a uniform per-kWh rate applicable to all Retail Delivery Service customers based on kWh deliveries.

In the Reconciliation Filing, the Company shall reconcile the Annual Revenue Requirement on actual Cumulative CapEx through the prior PST Plan Year and Actual O&M Expense incurred during the prior PST Plan Year to:

(1) the actual amount of revenue billed to customers through the SPF; and
(2) the market value of RECs used to comply with the Renewable Energy Standard established in R.I.G.L. Section 39-26-1.

The excess or deficiency, including interest at the interest rate paid on customer deposits, shall be the basis for the Solar Program Reconciliation Factor ("SPRF"). The Company shall calculate the SPRF based on Forecasted kWh for the period October 1 through the following September 30.

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## 11.0 INCOME ELIGIBLE CUSTOMER REWARDS PROGRAM

The Rewards Account Factor ("RAF") is designed to recover the Company's investment in and ongoing O&M expense of its Income Eligible Customer Rewards ("IECR") Program.

IECR capital costs shall consist of the Company's capitalized cost of assets and systems recorded as plant in-service and approved by the Commission associated with enhancements to the Company's CSS.

IECR O&M expense shall represent incremental O&M expenses of:

(1) program development, training, marketing, and administration;
(2) any enhancements to the Company's CSS or other systems not eligible to be capitalized;
(3) technology development for administration of IECR accounts, bill design and presentation, and system interfaces; and
(4) IECR account funding.

The Company shall recover the Annual Revenue Requirement on Cumulative CapEx plus Forecasted O&M Expense through the RAF. The RAF shall be a uniform per-kWh rate applicable to all Retail Delivery Service customers based on kWh deliveries.

In the Reconciliation Filing, the Company shall reconcile the Annual Revenue Requirement on actual Cumulative CapEx through the prior PST Plan Year and Actual O&M Expense incurred during the prior PST Plan Year to the actual amount of revenue billed to customers through the RAF. The excess or deficiency, including interest at the interest rate paid on customer deposits, shall be the basis for the Rewards Account Reconciliation Factor ("RARF"). The Company shall calculate the RARF based on Forecasted kWh for the period October 1 through the following September 30.

## 12.0 PERFORMANCE INCENTIVES

The Performance Incentive Factor ("PIF") shall recover the performance incentives earned by the Company as a result of the Company achieving specific performance metrics pertaining to the efficient delivery of the Company's capital program ("Capital Efficiency") and the achievement of objectives in the system efficiency, distributed energy resources, and network support services. Except otherwise noted in Appendix A, the Company shall measure actual performance against the performance metrics identified below during the calendar years shown.

### 12.1 Value of Performance Incentives

The performance incentives defined below and detailed in Appendix A shall allow the Company to earn incentives based on actual performance. With the exception of one performance metric, Complex

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Capital Projects Capital Cost Efficiency, actual performance measured against each the performance metrics will result in a basis point value earned by the Company. The Company shall aggregate the basis point values for all applicable performance metrics to determine the total basis point value earned by the Company for performance in the prior calendar year. The Company shall convert the total basis point value to a dollar value of performance incentives allowed for recovery through the PIF by multiplying the total basis point value by the equity portion of distribution rate base as determined at the end of each calendar year as part of the Company's annual earnings report filed with the PUC by May 1 annually.

The Company shall not earn a performance incentive for actual performance which falls below the minimum performance level identified for each performance metric. The Company shall use linear interpolation to calculate the basis point value of any performance incentive earned that falls between the target level and minimum value, and target value and maximum value.

The Company shall measure performance against the Complex Capital Projects Capital Cost Efficiency performance metric consistent with the annual ISR Plan period of April 1 through March 31 of the following year. Actual performance against this performance metric will result in a dollar value of performance incentive earned during the applicable PST Plan Year. The Company shall add the performance incentive earned through the Complex Capital Projects Capital Cost Efficiency performance metric to the total performance incentives determined above for all other performance metrics, and recover, on an annual basis, the total performance incentives through the PIF.

### 12.2 Capital Efficiency Incentives

Capital Efficiency Incentives shall include the opportunity for the Company to earn performance incentives when:

(1) Complex Capital Projects Capital Cost Efficiency: the actual cost of certain projects proposed in the Company's ISR Plan is less than the estimated cost of those projects as identified in the Company's documents which are developed to authorize the projects to proceed to construction ("First Full Sanction"), measured during a PST Year; and

(2) Construction Cost per Mile: a metric to be developed that is intended to represent the cost of overhead distribution line construction as proposed in the Company's ISR Plan, converted to a composite per-mile construction cost measured against an applicable benchmark..

Appendix A to this PST Provision provides the metrics and the incentive value associated with a range of outcomes.

### 12.3 System Efficiency Incentives

System Efficiency Incentives shall include the opportunity for the Company to earn performance incentives, based on actual performance during a calendar year, in the areas of:

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(1) Peak Demand Reduction: (a) measured reductions in the sum of the Company's monthly peak demand included in the transmission bills from New England Power Company ("NEP") to the Company over a calendar year, measured on a weather-normalized basis and normalized for new load added during the same calendar year; and (b) measured reductions in the Company's annual peak demand for a calendar year as included in NEP's transmission bills to the Company, measured on a weather-normalized basis and normalized for new load added during the same calendar year; and

(2) Off-Peak Charging Rebate Pilot Participation: measured against the assumed participation rates represented in the targeted participation level deriving the pilot's budget of 500.

Appendix A to this PST Provision provides the metrics and the incentive value associated with a range of outcomes. The incentives associated with performance between minimum and target levels or maximum and target levels will be determined linearly.

**12.4 Distributed Energy Resources Incentives**

Distributed Energy Resources Incentives shall include the opportunity for the Company to earn performance incentives, based on actual performance during a calendar year, in the areas of:

(1) Distributed Generation ("DG") – Friendly Substations: the number of substations that have ground fault detection (3V0) installed and that are capable of readily installing DG where significant amounts of DG have been proposed;

(2) Demand Response – Residential Participation: measured by the number of residential customers participating in the Company's Connected Solutions program;

(3) Demand Response – C&I Participation: measured by the contracted MWs in the Company's C&I demand response programs;

(4) Electric Heat Program: measured reductions in carbon in short tons per year;

(5) Electric Vehicles: EV ownership, measured by EVs registered after commencement of program, in excess of projections based on Annual Energy Outlook 2017 forecast EV sales growth for New England;

(6) Behind the Meter Storage: measured by the annual MW growth in energy storage installed at customer locations behind a meter used to register electric load; and

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(7) Company-Owned Storage: measured by the installed MW of Company-owned in energy storage, inclusive of the ESS Program above, used to support peak load reduction and verified using interval metering.

Appendix A to this PST Provision provides the metrics and the incentive value associated with a range of outcomes. The incentives associated with performance between minimum and target levels or maximum and target levels will be determined linearly.

**12.5 Network Support Services Incentives**

Network Support Services Incentives shall include the opportunity for the Company to earn performance incentives, based on actual performance during a calendar year, in the areas of:

a. AMF Customer Engagement and Deployment: measured based on achievement of stated milestones with documentation evidencing achievement provided by the Company;

b. Volt/Var Optimization ("VVO") Pilot Delivery: (a) timely delivery measured by date project is in service; and (b) delivery of expected results of VVO deployment measured by a 1 percent reduction in energy consumption and peak demand from that expected from primary VVO optimization that would not include AMF technology of 3 percent;

c. Interconnection Support – Time to ISA: the actual average time to provide executable Interconnection Service Agreements, measured from the date on which the Company receives the interconnection application to the date the ISAs are provided to customers for execution, during a calendar year, against total time allowed in the required time frames identified in the Company's Standards for Interconnecting Distributed Generation tariff, stated as a percentage;

d. Interconnection Support – Average Days to System Modification: the actual average time to complete system modifications, measured from the date ISAs are executed to the date on which system modifications are completed, during a calendar year, against total time allowed in the required time frames identified in the Company's Standards for Interconnecting Distributed Generation tariff, stated as a percentage; and

e. Interconnection Support – Estimate versus Actual Costs: the difference, measured as a percentage, between the sum of the costs estimated by the Company for interconnecting DG, during a calendar year, and the sum of the actual costs paid by those customers for the interconnection of DG where interconnection was completed in the same calendar year.

Appendix A to this PST Provision provides the metrics and the incentive value associated with a range of outcomes. The incentives associated with performance between minimum and target levels or maximum and target levels will be determined linearly.

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## 13.0. ADJUSTMENTS TO RATES

Modifications to the factors contained in this PST Provision shall be in accordance with a notice filed with the Commission setting forth the amount(s) of the revised factor(s) and the amount(s) of the increase(s) or decrease(s). The notice shall further specify the effective date of such charges.

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## I. Capital Efficiency Incentives

a. Complex Capital Project Capital Cost Efficiency

For a Complex Capital Project that is reported as closed in an annual ISR Plan Reconciling Filing, due to the Commission no later than August 1 following the completion of the prior year's ISR Plan on March 31, and has been recorded as plant in-service, if actual total capital costs are less than the first full sanctioned capital costs, the incentive shall be 50 percent of the difference.

b. Construction Cost per Mile

To be developed.

## II. System Efficiency Incentives

a. Monthly Peak Demand Reduction

| Sum of Monthly Peak Demand Reduction Targets (MWs) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 28 | 23 | 26 | 1.00 |
| Target | 36 | 34 | 36 | 1.75 |
| Maximum | 47 | 44 | 46 | 2.25 |

b. Annual Peak Demand Reduction

| Annual Peak Demand Reduction Targets (MWs) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 22 | 18 | 19 | 6.00 |
| Target | 29 | 26 | 26 | 12.00 |
| Maximum | 38 | 31 | 31 | 18.00 |

c. Off-Peak Charging Rebate Pilot Participation

| Off-Peak Charging Rebate Pilot Participation (No. of Participants) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 80 | 188 | 400 | 2.00 |
| Target | 100 | 250 | 500 | 2.50 |

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| | | | | |
|---|---|---|---|---|
| Maximum | 120 | 300 | 600 | 3.00 |

**III. Distributed Energy Resources Incentives**

a. Distributed Generation ("DG") – Friendly Substations

| DG-Friendly Substation Transformer Target (Cumulative Transformers with 3VO Installations) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 1 | 2 | 3 | 1.00 |
| Target | 3 | 6 | 12 | 6.00 |
| Maximum | 5 | 10 | 15 | 10.00 |

b. Demand Response – Residential Participation

| Demand Response – Residential Participation in Connected Solutions (No. of Participants) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | Targets to be developed in 2019 Energy Efficiency Program Plan | | | 1.00 |
| Target | | | | 3.00 |
| Maximum | | | | 5.00 |

c. Demand Response – C&I Participation

| Demand Response – C&I Participation in Demand Response Programs (No. of Participants) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | Targets to be developed in 2019 Energy Efficiency Program Plan | | | 1.00 |
| Target | | | | 3.00 |
| Maximum | | | | 5.00 |

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d. Electric Heat Program

| Carbon Reduction from Electric Heat Initiative (Short Tons/Year) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 119 | 178 | 156 | 0.00 |
| Target | 149 | 223 | 195 | 1.00 |
| Maximum | 179 | 268 | 234 | 2.00 |

e. Electric Vehicles

| Incremental EVs In Excess of Expected Growth Based on Forecast | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 130 | 176 | 239 | 1.00 |
| Target | 259 | 352 | 477 | 2.00 |
| Maximum | 519 | 703 | 954 | 3.50 |

f. Behind the Meter Storage

| Behind the Meter Storage Targets (in MWs) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 1 | 1 | 1 | 0.33 |
| Target | 3 | 3 | 3 | 1.00 |
| Maximum | 6 | 6 | 6 | 2.00 |

g. Company-Owned Storage

| Company-Owned Storage Targets (in MWs) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 1 | 1 | 1 | 0.33 |
| Target | 3 | 3 | 3 | 1.00 |
| Maximum | 6 | 6 | 6 | 2.00 |

**IV. Network Support Services Incentives**

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## APPENDIX A

a. AMF Customer Engagement and Deployment

| AMF Customer Engagement and Deployment | | |
|---|---|---|
| CY End | Milestone | Basis Points |
| 2019 | Deliver customer engagement plan | 2.00 |
| 2020 | Conduct and report on customer awareness survey | 1.00 |
| 2020 | Commence mass scale meter deployment | 1.00 |
| 2021 | Achieve 30% deployment and customer portal access | 2.00 |
| | | |

b. VVO Pilot Delivery

| VVO Pilot Delivery | | |
|---|---|---|
| CY End | Milestone | Basis Points |
| 2019 | Project in service | 2.00 |
| 2020 | Achievement of enhanced VVO/CVR impacts 1 percent reduction in energy consumption and peak demand from that expected from primary VVO optimization | 2.00 |
| 2021 | Achievement of enhanced VVO/CVR impacts 1 percent reduction in energy consumption and peak demand from that expected from primary VVO optimization | 2.00 |

c. Interconnection Support – Time to ISA

| Interconnection Support – Time to ISA Targets (% Actual Average Business Days Below Tariff Business Day Requirement) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 5% | 5% | 5% | 2.00 |
| Target | 10% | 10% | 10% | 4.00 |
| Maximum | 15% | 15% | 15% | 6.00 |

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d. Interconnection Support – Average Days to System Modification

| Interconnection Support – Time to System Modifications (% Actual Average Business Days Below Tariff Business Day Requirement) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 5% | 5% | 5% | 2.00 |
| Target | 10% | 10% | 10% | 4.00 |
| Maximum | 15% | 15% | 15% | 6.00 |

e. Interconnection Support – Estimate versus Actual Costs

| Interconnection Support – Estimated versus Actual Costs (% Annual Actual Costs Below Associated Estimated Costs) | | | | |
|---|---|---|---|---|
| | CY 2019 | CY 2020 | CY 2021 | Basis Points |
| Minimum | 10% | 10% | 10% | 0.00 |
| Target | 6% | 6% | 6% | 4.00 |
| Maximum | 4% | 4% | 4% | 6.00 |

## 3.10 Power Sector Transformation Plan

**3.10.1** Power Sector Transformation Plan Filing:

By January 1 of each year, the Company shall submit to the PUC for review and approval its proposed Power Sector Transformation ("PST") Plan for the upcoming PST Plan Year. The PST Plan shall consist of Forecasted Capital Investment, Forecasted O&M Expense, and, if mutually agreed upon by the Division and the Company, any other capital or O&M expense relating to PST Initiatives, accompanied by the revenue requirement determined by the costs presented in the PST Plan.

Subject to PUC approval, the first PST Plan Year shall be the period ending March 31, 2019. The Company shall not implement PST Factors effective April 1, 2018, unless otherwise approved by the Commission. The Company shall include the Annual Revenue Requirement, or portion thereof, on Actual CapEx and Actual O&M Expense for the first PST Plan Year in its annual PST Reconciliation Filing by August 1 following the completion of the first PST Plan Year, and shall recover the Annual Revenue Requirement, or portion thereof, as approved by the Commission, through PST Reconciliation Factors effective the following October 1.

**3.10.2** Power Sector Transformation Factors:

The PST Factor shall recover the forecasted and actual capital investment and operations and maintenance ("O&M") expense, subject to full reconciliation, as defined herein, for the following components of PST Initiatives contained in the Company's PST Plan:

(1) Advanced Metering Functionality ("AMF");

(2) Company Fleet Expansion as part of the Electric Transportation Initiative; and

(3) Income Eligible Customer Rewards Program.

Effective April 1 of each year, the Company shall recover through a change in Distribution Adjustment Charge rates the PST capital investment, including associated cost of removal, and O&M expense pursuant to this PST Provision and subject to the review and approval of the PUC, only for PST Initiatives the Company is authorized to undertake by the PUC and benefit the Company's customers. Capital investment, including associated cost of removal, recovered through this PST Provision shall be excluded from recovery through the Company's ISR Plan. The Company shall be allowed to recover the revenue requirement on Cumulative CapEx and O&M Expense incurred through the date upon which new base distribution rates begin recovering the revenue requirement of PST capital investment and ongoing O&M expense. All amounts earned and incurred by the Company prior to the date on which new base distribution rates, which include ongoing recovery of PST costs, take effect and as approved by the PUC for recovery, shall be recovered through this PST Provision.

The factors for each PTS Initiative, as defined below, shall recover the total of the Annual Revenue Requirement on Cumulative CapEx, included Forecasted CapEx, and Forecasted O&M Expense, as approved by the PUC in the Company's annual PST Plan Filings. The factors shall be effective during the PST Plan Year, coincident with the PST Plan upon which they are calculated. The Company shall calculate separate revenue requirements to which it will add the estimate of O&M expense for each PST Initiative and shall calculated separate factors for each PST Initiative.

The Company shall allocate the AMF Annual Revenue Requirement to each customer class based on the Meter/Billing Allocator below, which represents the percentage of meter-related rate base and customer billing expense allocated to each customer class as determined from the Company's most recent general rate case as follows:

| | |
|---|---|
| Residential Heating/Non-Heating | xx.xx% |
| Small C&I | xx.xx% |
| Medium C&I | x.xx% |
| Large/Extra-Large C&I | x.xx% |

The Company shall allocate the AMF Forecasted O&M Expense to each customer class based on the Meter/Customer Expense Allocator below, which represents the percentage of meter-related and customer service O&M expense allocated to each customer class as determined from the Company's most recent general rate case as follows:

| | |
|---|---|
| Residential Heating/Non-Heating | xx.xx% |
| Small C&I | xx.xx% |
| Medium C&I | x.xx% |
| Large/Extra-Large C&I | x.xx% |

**3.10.3** Annual Report on PST Plan Activities:

By August 1 of each year as part of the annual PST Reconciliation Filing, the Company shall include a report on the prior PST Plan Year's PST activities. In implementing its PST Plan, the circumstances encountered during the preceding PST Plan Year may require reasonable deviations from the original PST Plan for the PST Plan Year approved by the PUC. In such cases, for each PST Initiative, the Company shall include in the report an explanation of (1) Actual Capital Investment in excess of Forecasted Capital Investment by ten (10) percent, and (2) Actual O&M Expense in excess of Forecasted O&M Expense by ten (10) percent. For cost recovery purposes, the Company has the burden to show that any such deviations were due to circumstances out of its reasonable control or, if within its control, were reasonable and prudent.

**3.10.4** PST Reconciliation Factors:

PST capital investment and O&M expense recovery for each PST Initiative shall include separate annual reconciliations of each PST Initiative's Annual Revenue Requirement on the sum of Actual CapEx for all PTS Plan Years plus Actual O&M Expense to actual billed revenue generated from the PST Initiative's factors for the applicable PTS Plan Year. The reconciliation of the recovery shall accrue interest monthly at the Bank of America Prime minus 200 basis points. The recovery or credit of the reconciliation amounts, including interest, shall be reflected in the PST Reconciliation Factors.

The Company shall submit a filing by August 1 of each year ("Reconciliation Filing"), in which the Company shall present the Annual Revenue Requirement on Actual CapEx plus Actual O&M Expense.

As part of its annual DAC filing, the Company shall submit by August 1 proposed PTS Reconciliation Factors to become effective for the 12 months beginning November 1. The amounts approved for recovery or refund through the PTS Reconciliation Factors shall be subject to reconciliation with amounts billed through the PTS Reconciliation Factors, and shall accrue interest monthly at the Bank of America Prime minus 200 basis points, and any difference, including interest, reflected in future PTS Reconciliation Factors.

**3.10.5** PST Factor Definitions:

"Accumulated Deferred Income Taxes" shall mean the net reduction in Federal income taxes associated with the use of accelerated depreciation allowed for income tax purposes.

"Accumulated Reserve for Depreciation" shall mean the cumulative net credit balance arising from the provision for Depreciation Expense.

"Actual CapEx" shall mean all capital investment associated with each PST Initiative listed in Section 3.10.2, plus cost of removal, for a PST Plan Year, and not included in the Company's Infrastructure, Safety, and Reliability ("ISR") Plan.

"Actual O&M Expense" shall mean the O&M expense recorded by the Company for a given PST Plan Year associated with its PST Initiatives, not otherwise recovered through any other rates, charges, or factors.

"Annual Revenue Requirement" shall mean the return and taxes on year-end Rate Base, at a rate equal to the pre-tax weighted average cost of capital as approved by the Commission in the most recent general rate case, plus the annual depreciation expense on Cumulative CapEx as defined below, plus the annual municipal property taxes on Cumulative CapEx. For the purpose of calculating the PST Reconciliation Factors, the Company will use the sum of Actual CapEx for all PST Plan Years through the prior PST Plan Year in place of Cumulative CapEx.

"Cumulative CapEx" shall mean the cumulative Actual CapEx for years prior to the PST Plan Year plus Forecasted CapEx for the PST Plan Year.

"Depreciation Expense" shall mean the return of the Company's in-service PST investment in Rate Base at established depreciation rates as approved by the Commission.

"Forecasted CapEx" shall mean the estimated capital investment and cost of removal anticipated to be recorded as plant in service by the Company for a given PST Plan Year associated with distribution system infrastructure consistent with its capital forecast, and not included in the Company's ISR Plan.

"Forecasted Number of Bills" shall mean the forecasted number of bills to be issued to the Company's firm customers for the period during which the per-bill PST Factors and per-bill PST Reconciliation Factors will be in effect.

"Forecasted O&M Expense" shall mean the estimated incremental O&M expense for a given PST Plan Year associated with its PST Initiatives, and not otherwise recovered through any the Company's other rates, charges, or factors.

"Forecasted Therms" shall mean the forecasted amount of gas, as measured in therms, to be delivered to the Company's firm customers for the period during which the per-therm PST Factors and per-therm PST Reconciliation Factors will be in effect.

"O&M" shall mean operation and maintenance expenses recorded in FERC accounts 871 through 894, customer accounts expense and customer service and informational expenses recorded in FERC accounts 901 through 910, sales expense recorded in FERC accounts 911 through 916, and administrative and general expenses recorded in FERC accounts 920 through 935, pursuant to FERC's Code of Federal Regulations. O&M shall also mean the amortization of capital investment in system development and/or enhancements recorded on the general ledger of an affiliate of the Company and charged to the Company by the affiliate, with the Company recording the charge as an expense.

"PST Factors" shall mean the sum of the per-therm and per-bill factors, as applicable, for each rate class designed to recover the total of the Annual Revenue Requirement on Cumulative CapEx and the Forecasted O&M Expense for each PST Initiative, based on Forecasted Therms and Forecasted Number of Bills, as applicable, for a PST Plan Year. PST Factors shall consist of the following factors, as defined below: AMFFs, ETFs, and RAFs.

"PST Plan Year" shall mean the year beginning April 1 of the current year and running through March 31 of the subsequent year during which the proposed PST Factors will be in effect.

"PST Reconciliation Factors" shall mean the sum of the per-therm and per-bill factors, as applicable, designed to recover or credit the over or under billing of the total of the Annual Revenue Requirement on the sum of Actual CapEx for all PST Plan Years through the prior PST Plan Year and Actual O&M Expense for each PST Initiative, based on Forecasted Therms or Forecasted Number of Bills, as applicable, for the recovery/refund period beginning October 1. PST Reconciliation Factors shall consist of the following factors, as defined below: AMFRFs, ETRFs, and RARFs.

"Rate Base" shall mean the investment value upon which the Company is permitted to earn its authorized rate of return and shall include Cumulative CapEx, Accumulated Reserve for Depreciation, and Accumulated Deferred Income Taxes for the purpose of calculating the Annual Revenue Requirement included in the determination of the PST Factors. For the purpose of calculating the PST Reconciliation Factors, the Company will use the sum of Actual CapEx for all PST Plan Years through the prior PST Plan Year in place of Cumulative CapEx.

**3.10.6** AMF Recovery:

The AMF component of PST consists of the deployed over a period of five years commencing with the PUC's approval of the Company's PST Plan which includes: a Customer Portal, Customer Choice Decision Support Analytics capability, Customer Energy Information and Analytics capability, and Advanced Meters; Telecommunications; and Cybersecurity.

The AMF Factors ("AMFFs") are designed to recover the Company's investment in and ongoing O&M expense incurred as a result of the Company deploying AMF as approved by the PUC.

AMF capital costs shall consist of the Company's capitalized cost, plus cost of removal and municipal property taxes, of all assets and systems deployed as part of AMF pursuant to a plan approved by the PUC and recorded as plant in-service.

AMF O&M expense shall consist of the Company's incremental O&M expense incurred by the Company as a result of deploying AMF pursuant to a PST Plan approved by the PUC and not recovered through any of the Company's other rates or charges.

The Company shall combine the customer class Annual Revenue Requirement and Forecasted O&M Expense and calculate per-bill AMFFs based upon the Forecasted Number of Bills for the PST Plan Year. The Company shall reconcile the recovery of Annual Revenue Requirement on Actual CapEx and Actual O&M Expense to billed revenue from the AMFFs and allocate the over or under-recovery balance by the Meter/Billing Allocator for the purpose of calculating AMF Reconciliation Factors.

**3.10.7** Company Fleet Expansion:

The Electric Transportation Factor ("ETF") is designed to recover the incremental O&M expense, as approved by the PUC, associated with the cost of incremental heavy-duty electrified trucks used by the Company in providing gas service to its customers.

ETI O&M expense shall represent incremental lease or vehicle modification costs of heavy-duty electrified trucks and ongoing O&M expense through the Company Fleet Expansion for trucks used by the Company in providing gas service to its customers.

The Company shall recover the Forecasted O&M Expense through the ETF. The ETF shall be a uniform per-therm rate applicable to all firm customers based on volumes delivered.

**3.10.8** Income Eligible Customer Rewards Program:

The Rewards Account Factor ("RAF") is designed to recover the Company's investment in and ongoing O&M expense of its Income Eligible Customer Rewards ("IECR") Program.

IECR capital costs shall consist of the Company's capitalized cost of assets and systems recorded as plant in-service and approved by the Commission associated with enhancements to the Company's billing system, CSS.

IECR O&M expense shall represent incremental O&M expenses of:

(1) program development, training, marketing, and administration;
(2) any enhancements to the Company's CSS or other systems not eligible to be capitalized;
(3) technology development for administration of IECR accounts, bill design and presentation, and system interfaces; and
(4) IECR account funding.

The Company shall recover the Annual Revenue Requirement on Cumulative CapEx plus Forecasted O&M Expense through the RAF. The RAF shall be a uniform per-therm rate applicable to all firm customers based on volumes delivered.

**3.10.9** Performance Incentives:

The Performance Incentive Factor ("PIF") shall recover the performance incentives earned by the Company as a result of the Company achieving specific performance metrics pertaining to the achievement of objectives in the deployment of AMF. The Company shall measure actual performance against the performance metric identified below during the calendar years shown.

The Company shall convert the basis point value earned to a dollar value of performance incentive allowed for recovery through the PIF by multiplying the basis point value by the equity portion of distribution rate base as determined at the end of each calendar year as part of the Company's annual earnings report filed with the PUC by May 1 annually.

The Company shall not earn a performance incentive for actual performance which falls below the minimum performance level identified. The Company shall use linear interpolation to calculate the basis point value of performance incentive earned that falls between the target level and minimum value, and target value and maximum value.

Performance Metric:

AMF Customer Engagement and Deployment: measured based on achievement of stated milestones with documentation evidencing achievement provided by the Company;

AMF Customer Engagement and Deployment

| AMF Customer Engagement and Deployment | | |
|---|---|---|
| CY End | Milestone | Basis Points |
| 2019 | Deliver customer engagement plan | 2.00 |
| 2020 | Conduct and report on customer awareness survey | 1.00 |
| 2020 | Commence mass scale meter deployment | 1.00 |
| 2021 | Achieve 30% deployment and customer portal access | 2.00 |
| | | |

Workpaper 3.1,

Modern Grid Costs

Rhode Island Only Deployment Scenario

# WORKPAPER 3.1 – MODERN GRID COSTS FOR RHODE ISLAND ONLY DEPLOYMENT SCENARIO

While National Grid's affiliates in both Massachusetts and New York have proposed similar grid modernization projects, these plans have not yet been approved by the applicable regulatory agencies. Therefore the Company is presenting two scenarios of deployment: a Rhode Island only deployment scenario presented in Workpaper 3.1 and a multi-jurisdiction deployment scenario presented in Workpaper 3.2. It should be noted that the Company is presenting only the multi-jurisdiction deployment scenario for the DSCADA and ADMS project.[1]

## 1. SYSTEM DATA PORTAL

**System Data Portal Cash Flow**

| Description | | | | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|---|---|
| Data Portal - Labor | | | | | | | | |
| Capital | | | | $ - | $ - | $ - | $ - | $ - |
| Expense | | | | $ 69,000 | $ 690,000 | $ 690,000 | $ 690,000 | $ - |
| Data Portal - Website Setup & Hosting | | | | | | | | |
| Capital | | | | $ - | $ - | $ - | $ - | $ - |
| Expense | | | | $ 10,000 | $ 10,000 | $ 10,000 | $ 10,000 | $ - |

## 2. FEEDER MONITORING SENSORS

**Feeder Monitoring Sensors Cash Flow**

| Description | | | | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|---|---|
| Rhode Island Deployment | | | | 0% | 20% | 20% | 20% | 20% |
| Circuits | | | | 0 | 26 | 26 | 26 | 26 |
| Sensors | Unit Cost | Count | Total Cost | | | | | |
| Feeder Monitor / Sensors (Installed Cost) | $ 16,700 | 133 | $ 2,221,100 | $ - | $ 434,200 | $ 434,200 | $ 434,200 | $ 434,200 |
| Communications Equipment | $ 800 | 133 | $ 106,400 | $ - | $ 20,800 | $ 20,800 | $ 20,800 | $ 20,800 |
| Capex - Total | $ 17,500 | | $ 2,327,500 | $ - | $ 455,000 | $ 455,000 | $ 455,000 | $ 455,000 |
| Opex | | | | $ - | $ - | $ 5,000 | $ 10,000 | |

## 3. CONTROL CENTER ENHANCEMENTS

### 3.1 DSCADA AND ADMS

See Workpaper 3.2 – Modern Grid Costs for Multi-Jurisdiction Deployment Scenario.

[1] *The Company operates a common distribution control center for its Rhode Island and Massachusetts operations, so a coordinated deployment with Massachusetts is the only feasible and cost effective deployment option.*

## 3.2 REMOTE TERMINAL UNIT (RTU) SEPARATION

**RTU Separation Cash Flow**

| Description | | | | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|---|---|
| Rhode Island Deployment | | | | 0% | 33% | 56% | 11% | 0% |
| RTU Separation | Unit Cost | Count | Total Cost | | | | | |
| New RTU | $ 374,000 | 3 | $ 1,122,000 | $ - | $ 373,626 | $ 623,832 | $ 124,542 | $ - |
| RTU Reconfiguration | $ 10,000 | 59 | $ 590,000 | $ - | $ 196,470 | $ 328,040 | $ 65,490 | $ - |
| Capex - Total | | | $ 1,712,000 | $ - | $ 570,096 | $ 951,872 | $ 190,032 | $ - |
| Opex | | | | $ - | $ 60,000 | $ 60,000 | $ 60,000 | $ - |

## 3.3 GIS DATA ENHANCEMENT (IS)

**GIS Data Enchancement Cash Flow ($M)**

| | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 512.01 | Cost of Internal Resources | Opex | Labor | $ 2.44 | $ - | $ - | $ - | $ - |
| 512.02 | Cost of Project Management | Opex | Labor | $ 0.61 | $ - | $ - | $ - | $ - |
| | **Total** | | | **$ 3.05** | **$ -** | **$ -** | **$ -** | **$ -** |

**GIS Data Enchancement Calculations**

| | | Description / Calculation | Type | Category | Value ($M) | |
|---|---|---|---|---|---|---|
| | | Number of Internal Resources | | | | 11 |
| | x | Months in a year | | | | 12 |
| | x | Working Days per month | | | | 21 |
| | x | Working Hours per day | | | | 8 |
| | x | FTE Internal Hourly IS Rate | | | $ | 100.00 |
| | x | Implementation Duration | | | | 1.0 |
| **512.01** | = | **Cost of Internal Resources** | **Labor** | **Opex** | **$** | **2.22** |
| | | Cost of Internal Resources | | | $ | 2.22 |
| | x | Project Management Percentage | | | | 25% |
| **512.02** | = | **Cost of Project Management** | **Labor** | **Opex** | **$** | **0.55** |

## 3.4 GIS DATA ENHANCEMENT (NON-IS)

**GIS Data Enhancment (Non-IS) Cash Flow ($M)**

| Description | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|
| Rhode Island Deployment | 0% | 0% | 33% | 33% | 33% |
| Capex - Total | $ - | $ - | $ - | $ - | $ - |
| Opex | $ - | $ - | $ 1.03 | $ 1.03 | $ 1.03 |

**GIS Data Enhancement (Non-IS) Calculations**

| Project Element | Description | RI Estimate |
|---|---|---|
| DG | This effort will focus on the DG data model and functionality in GIS to ensure that the system will be capable of supplying the information required by DSIP investments. Beyond the system review and development, full population of DG locations and attributes will be completed. | $32,778 |
| General Data Collection | This effort is focused on improving data quality of existing data through leveraging issues found during model builds, operating knowledge and known areas of concern. The intent of this effort is to eliminate errors related to network topology, attribute level inconsistencies and to apply additional system validations to drive improved data quality moving forward. | $1,060,102 |
| New Attributes | Will be made available and where it will be stored will be developed and migration or creation of this data will be completed. Additionally, validations and cross system keys will be established to drive quality and synchronization. | $454,365 |
| Networks | To address known needs related to modelling downtown GIS networks this effort would focus on creating an underground focused data model, population of available data (including potential field checks) and integration of inspections with GIS for enhancing data quality moving forward. | $845,169 |
| Secondary | GIS currently does not fully model secondary systems. This effort would be a multi-year effort to fully populate the system. Additional considerations will be updating connect model export techniques to get the data to downstream systems, including ADMS. | $481,865 |
| Substation Modelling | Substation assets are kept in the Cascade system but only peripherally modelled in GIS. This effort would interface these systems – creating a GIS substation data model that incorporates network connectivity considerations between Transmission and Distribution to provide data that will be used to inform ADMS and load flow planning models | $93,737 |
| Connected Model Export | This effort will seek to replace or enhance current capabilities utilized to export information from GIS to downstream systems including CYME, OMS and ADMS. The current process is highly customized but very use specific and does not meet emerging and future needs. | $114,751 |
| **Opex - Total** | | **$3,082,767** |

# 4. OPERATIONAL DATA MANAGEMENT

## 4.1 ENTERPRISE SERVICE BUS (ESB)

**ESB Cash Flow ($M)**

| # | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 514.01 | CAPEX Distribution ESB DB & RAC Software | Capex | NonLabor | $ - | $ 1.55 | $ - | $ - | $ - |
| 514.02 | RTB Distribution ESB DB & RAC Software | RTB | NonLabor | $ - | $ - | $ 0.08 | $ 0.08 | $ - |
| 514.03 | Refresh Distribution ESB DB & RAC Software | Capex | NonLabor | $ - | $ - | $ - | $ - | $ - |
| 514.04 | CAPEX Distribution ESB MiddleWare | Capex | NonLabor | $ - | $ - | $ 3.48 | $ - | $ - |
| 514.05 | RTB Distribution ESB MiddleWare | RTB | NonLabor | $ - | $ - | $ - | $ 0.18 | $ - |
| 514.06 | Refresh Distribution ESB MiddleWare | Capex | NonLabor | $ - | $ - | $ - | $ - | $ - |
| 514.07 | CAPEX Distribution ESB SW/MW Installation | Capex | Labor | $ - | $ 1.71 | $ 1.71 | $ - | $ - |
| 514.08 | OPEX Distribution ESB SW/MW Installation | Opex | Labor | $ - | $ 0.28 | $ 0.28 | $ - | $ - |
| 514.09 | RTB Distribution ESB SW/MW Support | RTB | Labor | $ - | $ - | $ 0.30 | $ 0.60 | $ - |
| 514.10 | Refresh Distribution ESB SW/MW | Capex | Labor | $ - | $ - | $ - | $ - | $ - |
| 514.11 | RTB Cloud & Managed Services | RTB | NonLabor | $ - | $ 0.16 | $ 0.16 | $ 0.16 | $ - |
| 514.12 | CAPEX Comprehensive Integration Services | Capex | Labor | $ - | $ 2.24 | $ 3.73 | $ 1.49 | $ - |
| 514.13 | OPEX Comprehensive Integration Services | Opex | Labor | $ - | $ 0.36 | $ 0.60 | $ 0.24 | $ - |
| 514.14 | RTB Comprehensive Integration Services | RTB | Labor | $ - | $ - | $ 0.53 | $ 0.79 | $ - |
| | **Total** | | | **$ -** | **$ 6.30** | **$ 10.87** | **$ 3.54** | **$ -** |

## ESB Calculations

| | | Description/Calculation | Category | Type | Value ($M) | |
|---|---|---|---|---|---|---|
| | | DB & RAC Total License Cost before May'17 | | | $ | 1,191,754 |
| 514.01 | = | **CAPEX Distribution ESB DB & RAC Software** | **Capex** | **NonLabor** | **$** | **1.19** |
| | | DB & RAC Annual S&M | | | $ | 79,054 |
| 514.02 | = | **RTB Distribution ESB DB & RAC Software** | **RTB** | **NonLabor** | **$** | **0.08** |
| | | DB & RAC Total License Cost before May'17 | | | $ | 1,191,754 |
| | x | ESB refresh cost reduction | | | | 50% |
| 514.03 | = | **Refresh Distribution ESB DB & RAC Software** | **Capex** | **NonLabor** | **$** | **0.60** |
| | | MW Total License Cost before Nov'17 | | | $ | 2,674,031 |
| 514.04 | = | **CAPEX Distribution ESB MiddleWare** | **Capex** | **NonLabor** | **$** | **2.67** |
| | | MW Annual S&M | | | $ | 177,378 |
| 514.05 | = | **RTB Distribution ESB MiddleWare** | **RTB** | **NonLabor** | **$** | **0.18** |
| | | MW Total License Cost before Nov'17 | | | $ | 2,674,031 |
| | x | ESB refresh cost reduction | | | | 50% |
| 514.06 | = | **Refresh Distribution ESB MiddleWare** | **Capex** | **NonLabor** | **$** | **1.34** |
| | | Total Labor CAPEX Cost Estimate | | | $ | 2,856,000 |
| 514.07 | = | **CAPEX Distribution ESB SW/MW Installation** | **Capex** | **Labor** | **$** | **2.86** |
| | | Total Labor OPEX Cost Estimate | | | $ | 504,000 |
| 514.08 | = | **OPEX Distribution ESB SW/MW Installation** | **Opex** | **Labor** | **$** | **0.50** |
| | | RTB Labor Costs | | | $ | 600,000 |
| 514.09 | = | **RTB Distribution ESB SW/MW Support** | **RTB** | **Labor** | **$** | **0.60** |
| | | CAPEX Distribution ESB SW/MW Installation | | | $ | 2.86 |
| | + | OPEX Distribution ESB SW/MW Installation | | | $ | 0.50 |
| | x | ESB refresh cost reduction | | | | 50% |
| 514.10 | = | **Refresh Distribution ESB SW/MW** | **Capex** | **Labor** | **$** | **1.68** |
| | | Monthly Cloud Costs w/Managed Service included | | | $ | 13,486 |
| | x | Months in a year | | | | 12 |
| 514.11 | = | **RTB Cloud & Managed Services** | **RTB** | **NonLabor** | **$** | **0.16** |

## ESB Calculations

| | | Description/Calculation | Category | Type | Value ($M) | |
|---|---|---|---|---|---|---|
| | | Total Hours for Large Integrations | | | | **11520** |
| | + | | | | | |
| | | Total Hours for Medium Integrations | | | | **18640** |
| | + | | | | | |
| | | Total Hours for Small Integrations | | | | **32880** |
| | = | **Total Hours for ALL Integrations** | | | | **63040** |
| | | Total External Costs | | | **$** | **6.05** |
| | + | | | | | |
| | | Total Internal Costs | | | **$** | **1.26** |
| | = | **Total ESB Costs** | | | **$** | **7.31** |
| | | Total ESB Costs | | | **$** | **7.31** |
| | x | CAPEX Allocations | | | | 85% |
| **514.12** | = | **CAPEX Comprehensive Integration Services** | **Capex** | **Labor** | **$** | **6.22** |
| | | Total ESB Costs | | | **$** | **7.31** |
| | x | OPEX Allocations | | | | **15%** |
| **514.13** | = | **OPEX Comprehensive Integration Services** | **Opex** | **Labor** | **$** | **1.10** |
| | | Total ESB Costs | | | **$** | **7.31** |
| | x | System Maintenance Costs % | | | | 10% |
| | = | Total YOY System Maintenance Cost | | | **$** | **0.73** |
| | + | Platform Support from ESB/CIM | | | **$** | **0.22** |
| **514.14** | = | **RTB Comprehensive Integration Services** | **RTB** | **Labor** | **$** | **0.95** |

## 4.2 DATA MANAGEMENT AND ANALYTICS

## Data Lake Cloud Hosting Cash Flow ($M)

| # | Description | Category | Type | Yr -1 FY19 | Yr -2 FY20 | Yr -3 FY21 | Yr -4 FY22 | Yr -5 FY23 |
|---|---|---|---|---|---|---|---|---|
| 517.01 | CAPEX Development Data Lake | Opex | NonLabor | $ - | $ 0.02 | $ 0.02 | $ 0.02 | $ 0.02 |
| 517.02 | CAPEX QA Data Lake | Opex | NonLabor | $ - | $ 0.04 | $ 0.04 | $ 0.04 | $ 0.04 |
| 517.03 | CAPEX Production Data Lake | Opex | NonLabor | $ - | $ 0.14 | $ 0.33 | $ 0.51 | $ 0.60 |
| 517.04 | CAPEX Dashboard Environment | Opex | NonLabor | $ - | $ 0.32 | $ 0.32 | $ 0.32 | $ 0.32 |
| 517.05 | RTB Platform Maintenance & Support | RTB | Labor | $ - | $ - | $ 0.50 | $ 0.75 | $ 0.75 |
| 517.06 | CAPEX Platform Setup | Capex | Labor | $ - | $ 1.39 | $ - | $ - | $ - |
| 517.07 | OPEX Platform Design | Opex | Labor | $ - | $ 0.32 | $ - | $ - | $ - |
| | **Total** | | | **$ -** | **$ 2.24** | **$ 1.21** | **$ 1.64** | **$ 1.73** |

**Data Lake Cloud Hosting Calculations**

| | | Description/Calculation | Type | Category | Value ($M) |
|---|---|---|---|---|---|
| | | Development Data Nodes | | | $ 29,940 |
| | + | Development Master Nodes | | | $ 18,626 |
| | + | Development Edge Nodes | | | $ 10,241 |
| **517.01** | = | **CAPEX Development Data Lake** | **NonLabor** | **Opex** | **$ 0.02** |
| | | QA Data Nodes | | | $ 72,046 |
| | + | QA Master Nodes | | | $ 29,526 |
| | + | QA Edge Nodes | | | $ 18,626 |
| **517.02** | = | **CAPEX QA Data Lake** | **NonLabor** | **Opex** | **$ 0.04** |
| | | Production Data Nodes | | | $ 882,196 |
| | + | Production Master Nodes | | | $ 32,196 |
| | + | Production Edge Nodes | | | $ 19,979 |
| | x | Number of Production DR Envts. | | | 2 |
| | + | Production Archival Storage | | | 16,080 |
| **517.03** | = | **CAPEX Production Data Lake** | **NonLabor** | **Opex** | **$ 0.63** |
| | | Number of Production DR Envts. | | | 2 |
| | x | Production Dashboard Environment | | | $ 81,584 |
| | + | Development Dashboard Environment | | | $ 63,092 |
| | + | QA Dashboard Environment | | | $ 63,092 |
| **517.04** | = | **CAPEX Dashboard Environment** | **NonLabor** | **Opex** | **$ 0.29** |
| | | Platform Maintenance & Support | | | $ 750,000 |
| **517.05** | = | **RTB Platform Maintenance & Support** | **Labor** | **RTB** | **$ 0.75** |
| | | Platform Build | | | $ 1,210,000 |
| | x | Capex Platform Support | | | 80% |
| | x | Travel | | | 20% |
| **517.06** | = | **CAPEX Platform Setup** | **Labor** | **Capex** | **$ 1.16** |
| | | Platform Build | | | $ 1,210,000 |
| | x | Opex Platform Support | | | 20% |
| | x | Travel | | | 20% |
| **517.07** | = | **OPEX Platform Design** | **Labor** | **Opex** | **$ 0.29** |

## PI Historian Cash Flow ($M)

| # | Description | Category | Type | Yr - 1 FY19 | Yr - 2 FY20 | Yr - 3 FY21 | Yr - 4 FY22 | Yr - 5 FY23 |
|---|---|---|---|---|---|---|---|---|
| 515.02 | OPEX PI Historian EA License | Opex | NonLabor | $ - | $ - | $ 2.00 | $ 2.00 | $ - |
| 515.04 | CAPEX Server Costing | Capex | NonLabor | $ - | $ 0.08 | $ - | $ - | $ - |
| 515.05 | CAPEX Hardware Installation Cost | Capex | NonLabor | $ - | $ 0.05 | $ - | $ - | $ - |
| 515.06 | RTB Hardware Support Cost | RTB | Labor | $ - | $ 0.03 | $ 0.03 | $ 0.03 | $ 0.03 |
| 515.07 | RTB Backup Storage Cost - PI Servers | RTB | NonLabor | $ - | $ 0.02 | $ 0.02 | $ 0.02 | $ 0.02 |
| 515.08 | CAPEX Application Installation Cost | Capex | Labor | $ - | $ 0.32 | $ - | $ - | $ - |
| 515.09 | RTB Application Maintenance & Support | RTB | Labor | $ - | $ - | $ - | $ - | $ - |
| | **Total** | | | **$ -** | **$ 0.50** | **$ 2.05** | **$ 2.05** | **$ 0.05** |

## PI Historian Calculations

| | | Description/Calculation | Type | Category | Value ($M) | |
|---|---|---|---|---|---|---|
| | | PI EA License Cost Opex | | | $ | 2,000,000 |
| 515.02 | = | **OPEX PI Historian EA License** | **NonLabor** | **Opex** | **$** | **2.00** |
| | | Total Number of Servers | | | | 8 |
| | x | Hardware Cost per Server | | | $ | 10,000 |
| 515.04 | = | **CAPEX Server Costing** | **NonLabor** | **Capex** | **$** | **0.08** |
| | | Installation Cost per Server (CSC) | | | $ | 6,364 |
| | x | Total Number of Servers | | | | 8 |
| 515.05 | = | **CAPEX Hardware Installation Cost** | **NonLabor** | **Capex** | **$** | **0.05** |
| | | Annual Server Support Cost (CSC Gold Support) | | | $ | 3,673 |
| | x | Total Number of Servers | | | | 8 |
| 515.06 | = | **RTB Hardware Support Cost** | **Labor** | **RTB** | **$** | **0.03** |
| | | Cost per GB | | | | 0 |
| | x | Number of Storage Backups (CSC) | | | | 2 |
| | x | PI Storage (GBs) | | | $ | 3,000 |
| | x | Months in a year | | | | 12 |
| | x | Servers that require storage backup (PI) | | | | 2 |
| 515.07 | = | **RTB Backup Storage Cost - PI Servers** | **NonLabor** | **RTB** | **$** | **0.02** |
| | | Development Hours | | | | 2665 |
| | x | FTE Internal Hourly IS Rate | | | $ | 100 |
| | | **Total Development Hours** | | | **$** | **0.27** |
| | + | Travel | | | | 20% |
| 515.08 | = | **CAPEX Application Installation Cost** | **Labor** | **Capex** | **$** | **0.32** |
| | | PI Historian (Maintenance & Support) FTE | | | | 1 |
| | x | Months in a year | | | | 12 |
| | x | Working Days per Month | | | | 21 |
| | x | Working Hours per Day | | | | 8 |
| | x | FTE Internal Hourly IS Rate | | | $ | 100 |
| 515.09 | = | **RTB Application Maintenance & Support** | **Labor** | **RTB** | **$** | **0.20** |

**Information Management Cloud Analytics Cash Flow ($M)**

| | | | | Yr 1 | Yr 2 | Yr 3 | Yr 4 | Yr 5 |
|---|---|---|---|---|---|---|---|---|
| # | Description | Category | Type | FY 19 | FY 20 | FY 21 | FY 22 | FY 23 |
| 516.01 | Utility Data Model License | Capex | NonLabor | $ - | $ - | $ - | $ - | $ 0.48 |
| 516.02 | Utility Data Model License Support | Opex | NonLabor | $ - | $ - | $ - | $ - | $ - |
| 516.03 | Information Management License | Capex | NonLabor | $ - | $ 0.43 | $ - | $ - | $ - |
| 516.04 | Information Management License Support | Opex | NonLabor | $ - | $ - | $ 0.07 | $ 0.07 | $ 0.07 |
| 516.05 | Data Governance License | Capex | NonLabor | $ - | $ 0.10 | $ - | $ - | $ - |
| 516.06 | Data Governance License Support | Opex | NonLabor | $ - | $ 0.08 | $ 0.08 | $ 0.08 | $ 0.08 |
| 516.07 | Data Quality Development | Capex | Labor | $ - | $ 0.49 | $ 1.21 | $ 0.73 | $ - |
| 516.08 | Data Ingestion Development | Capex | Labor | $ - | $ 1.28 | $ 3.21 | $ 1.92 | $ - |
| 516.09 | Dashboard Development | Capex | Labor | $ - | $ 0.11 | $ 0.28 | $ 0.17 | $ - |
| 516.1 | CAPEX Platform Design & Development | Capex | Labor | $ - | $ 0.23 | $ 0.58 | $ 0.35 | $ - |
| 516.11 | Platform Support & Maintenance | RTB | Labor | $ - | $ - | $ 1.18 | $ 1.42 | $ 1.78 |
| 516.12 | CAPEX Visualization License Cost | Capex | NonLabor | $ - | $ 1.90 | $ - | $ - | $ - |
| 516.13 | Opex Visualization License Cost | Opex | NonLabor | $ - | $ 0.02 | $ - | $ - | $ - |
| 516.14 | CAPEX IS Visualization License Cost | Capex | NonLabor | $ - | $ 0.18 | $ 0.15 | $ 0.15 | $ 0.15 |
| 516.15 | Opex IS Visualization License Cost | Opex | NonLabor | $ - | $ - | $ 0.01 | $ 0.01 | $ 0.01 |
| | **Total** | | | **$ -** | **$ 4.84** | **$ 6.77** | **$ 4.90** | **$ 2.57** |

**Information Management Cloud Analytics Calculations**

| | | Description/Calculation | Category | Type | Value |
|---|---|---|---|---|---|
| | | Utility Data Model License | | | $ 366,746.48 |
| 516.01 | = | **Utility Data Model License** | **Capex** | **NonLabor** | **$ 0.37** |
| | | Utility Data Model License Support | | | $ 73,349.30 |
| 516.02 | = | **Utility Data Model License Support** | **Opex** | **NonLabor** | **$ 0.07** |
| | | Information Management License | | | $ 331,457.37 |
| 516.03 | = | **Information Management License** | **Capex** | **NonLabor** | **$ 0.33** |
| | | Information Management License Support | | | $ 66,291.47 |
| 516.04 | = | **Information Management License Support** | **Opex** | **NonLabor** | **$ 0.07** |
| | | Data Governance License | | | $ 77,142.00 |
| 516.05 | = | **Data Governance License** | **Capex** | **NonLabor** | **$ 0.08** |
| | | Data Governance License Support | | | $ 77,142.00 |
| 516.06 | = | **Data Governance License Support** | **Opex** | **NonLabor** | **$ 0.08** |
| | | Data Quality Dev Hours | | | 16857 |
| | x | FTE External (subcontractor; non-specialist) Hourly IS Rate | | | $ 100 |
| | x | Travel | | | 20% |
| 516.07 | = | **Data Quality Development** | **Capex** | **Labor** | **$ 2.02** |
| | | ETL Dev Hours | | | 44547 |
| | x | FTE External (subcontractor; non-specialist) Hourly IS Rate | | | $ 100 |
| | x | Travel | | | 20% |
| 516.08 | = | **Data Ingestion Development** | **Capex** | **Labor** | **$ 5.35** |
| | | Dashboard Dev Hours | | | 3851 |
| | x | FTE External (subcontractor; non-specialist) Hourly IS Rate | | | $ 100 |
| | x | Travel | | | 20% |
| 516.09 | = | **Dashboard Development** | **Capex** | **Labor** | **$ 0.46** |
| | | Platform Development Effort | | | $ 1,198,000 |
| | x | Capex Allocation | | | 80% |
| 516.10 | = | **CAPEX Platform Design & Development** | **Capex** | **Labor** | **$ 0.96** |

**Information Management Cloud Analytics Calculations**

| | | Description/Calculation | Category | Type | Value | |
|---|---|---|---|---|---|---|
| | | Platform Development Effort | | | $ | 1,198,000 |
| | x | Opex Allocation | | | | 20% |
| **516.16** | = | **OPEX Platform Design & Development** | **Opex** | **Labor** | **$** | **0.24** |
| | | Platform Support & Maintenance | | | $ | 1,782,000 |
| **516.11** | = | **Platform Support & Maintenance** | **RTB** | **Labor** | **$** | **1.78** |
| | | Visualization License - Business | | | $ | 7,934,000 |
| | | NY Cost Factor | | | | 18% |
| **516.12** | = | **CAPEX Visualization License Cost** | **Capex** | **NonLabor** | **$** | **1.46** |
| | | Visualization License Maintenance - Business | | | $ | 115,000 |
| | | NY Cost Factor | | | | 18% |
| **516.13** | = | **Opex Visualization License Cost** | **Opex** | **NonLabor** | **$** | **0.02** |
| | | Tableau Desktop License | | | $ | 1,999 |
| | + | Tableau Server License | | | $ | 1,000 |
| | + | Alteryx Designer License | | | $ | 5,195 |
| | x | Number of Licenses | | | | 10 |
| | + | | | | | |
| | | Alteryx Server License | | | $ | 58,500 |
| | x | Number of Alteryx Servers | | | | 1 |
| **516.14** | = | **CAPEX IS Visualization License Cost** | **Capex** | **NonLabor** | **$** | **0.14** |
| | | Tableau Desktop License | | | $ | 1,999 |
| | + | Tableau Server License | | | $ | 1,000 |
| | x | Number of Licenses | | | | 10 |
| | x | Tableau Server Maintenace Cost | | | | 25% |
| **516.15** | = | **Opex IS Visualization License Cost** | **Opex** | **NonLabor** | **$** | **0.01** |

# 5. TELECOMMUNICATIONS

## Telecom Non-Inflated Cash Flow ($M)

| # | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 513.08 | CAPEX Corporate Backbone Expansion | Capex | NonLabor | $ - | $ 0.06 | $ 0.03 | $ 0.03 | $ - |
| 513.09 | RTB Corpate Backbone Expansion | RTB | NonLabor | $ - | $ - | $ 0.18 | $ 0.27 | $ 0.36 |
| 513.10 | CAPEX IT/OT Backbone Expansion | Capex | NonLabor | $ - | $ 0.15 | $ 0.07 | $ 0.07 | $ - |
| 513.11 | RTB IT/OT Backbone Expansion | RTB | NonLabor | $ - | $ - | $ 1.62 | $ 2.43 | $ 3.24 |
| 513.12 | CAPEX IT/OT Mesh Network Backhaul | Capex | NonLabor | $ - | $ 0.10 | $ 0.05 | $ 0.05 | $ - |
| 513.13 | RTB IT/OT Mesh Network Backhaul | RTB | NonLabor | $ - | $ - | $ 0.15 | $ 0.23 | $ 0.30 |
| | **Total** | | | **$ -** | **$ 0.30** | **$ 2.10** | **$ 3.08** | **$ 3.90** |

## Telecom Calculations

| | | Description/Calculation | Category | Type | Value ($M) | |
|---|---|---|---|---|---|---|
| | | SCI Implementation Cost | | | $ | 60,000 |
| | + | | | | | |
| | | Data Center Bandwidth Increase Cost | | | $ | 16,500 |
| | x | Number of circuits | | | | 2 |
| 513.08 | = | **CAPEX Corporate Backbone Expansion** | **Capex** | **NonLabor** | **$** | **0.09** |
| | | Monthly SCI Service Cost | | | $ | 4,000 |
| | x | | 0 | | | 0 |
| | + | | | | | |
| | | Monthly Data Center Bandwidth Increase | | | $ | 15,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of circuits | | | | 2 |
| 513.09 | = | **RTB Corpate Backbone Expansion** | **RTB** | **NonLabor** | **$** | **0.36** |
| | | POPs Bandwidth Implementation cost | | | $ | 30,000 |
| | x | Number of Locations (POPs) | | | | 6 |
| | + | | | | | |
| | | CSC Data Center Bandwidth cost | | | $ | 22,500 |
| | x | Number of connections | | | | 2 |
| 513.10 | = | **CAPEX IT/OT Backbone Expansion** | **Capex** | **NonLabor** | **$** | **0.23** |
| | | Monthly cost of POP bandwidth | | | $ | 35,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of Locations (POPs) | | | | 6 |
| | + | | | | | |
| | | Monthly cost of CSC bandwidth | | | $ | 30,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of connections | | | | 2 |
| 513.11 | = | **RTB IT/OT Backbone Expansion** | **RTB** | **NonLabor** | **$** | **3.24** |
| | | Wireless gateway planning and configuration | | | $ | 50,000 |
| | + | | | | | |
| | | Stand up of wireless gateway | | | $ | 75,000 |
| | x | Number of gateways | | | | 1 |
| | + | | | | | |
| | | Set up of CSC bandwidth and VRFs | | | $ | 25,000 |
| | x | Number of data center links | | | | 1 |
| 513.12 | = | **CAPEX IT/OT Mesh Network Backhaul** | **Capex** | **NonLabor** | **$** | **0.15** |
| | | Monthly cost of wireless gateway | | | $ | 20,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of gateways | | | | 1 |
| | + | | | | | |
| | | Monthly cost of CSC data center link increase | | | $ | 5,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of data center links | | | | 1 |
| 513.13 | = | **RTB IT/OT Mesh Network Backhaul** | **RTB** | **NonLabor** | **$** | **0.30** |

# 6. CYBERSECURITY

| F_SECURITY OPERATIONS CENTER SE | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600F | CAPEX | $0 | $1,277 | $588 | $388 | $0 |
| 601F | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602F | RTB | $0 | $89 | $89 | $89 | $89 |
| 603F | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $624 |
| 604F | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $7 | $7 |
| TOTAL | | $0 | $1,793 | $873 | $614 | $719 |

| G_HOST & ENDPOINT SECURITY SERV | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600G | CAPEX | $0 | $523 | $250 | $170 | $0 |
| 601G | OPEX | $0 | $441 | $210 | $130 | $0 |
| 602G | RTB | $0 | $83 | $83 | $83 | $83 |
| 603G | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $483 |
| 604G | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,047 | $543 | $383 | $566 |

| H_SECURITY POLICY MANAGEMENT SE | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600H | CAPEX | $0 | $523 | $250 | $170 | $0 |
| 601H | OPEX | $0 | $441 | $210 | $130 | $0 |
| 602H | RTB | $0 | $83 | $83 | $83 | $83 |
| 603H | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $483 |
| 604H | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,047 | $543 | $383 | $566 |

| I_CRYPTOGRAPHY SERVICES | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600I | CAPEX | $0 | $510 | $235 | $155 | $0 |
| 601I | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602I | RTB | $0 | $162 | $119 | $83 | $83 |
| 603I | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $503 |
| 604I | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $26 | $153 |
| TOTAL | | $0 | $1,099 | $551 | $394 | $740 |

| J_CHANGE & CONFIGURATION MANAGE | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600J | CAPEX | $0 | $257 | $118 | $78 | $0 |
| 601J | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602J | RTB | $0 | $83 | $83 | $83 | $83 |
| 603J | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $454 |
| 604J | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $767 | $398 | $291 | $537 |

| K_SECURITY AWARENESS & TRAINING | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600K | CAPEX | $0 | $0 | $0 | $0 | $0 |
| 601K | OPEX | $0 | $449 | $152 | $152 | $0 |
| 602K | RTB | $0 | $177 | $177 | $177 | $177 |
| 603K | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| 604K | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $626 | $329 | $329 | $177 |

| L_APPLICATION SECURITY SERVICES | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600L | CAPEX | $0 | $969 | $446 | $295 | $0 |
| 601L | OPEX | $0 | $633 | $91 | $29 | $0 |
| 602L | RTB | $0 | $83 | $83 | $83 | $83 |
| 603L | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $1,063 |
| 604L | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,686 | $620 | $407 | $1,146 |

| M_THIRD PARTY ASSURANCE MANAGEM | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600M | CAPEX | $0 | $0 | $0 | $0 | $0 |
| 601M | OPEX | $0 | $753 | $0 | $565 | $0 |
| 602M | RTB | $0 | $83 | $83 | $83 | $83 |
| 603M | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| 604M | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $836 | $83 | $648 | $83 |

| N_REMOTE ACCESS SERVICES | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600N | CAPEX | $0 | $720 | $668 | $411 | $0 |
| 601N | OPEX | $0 | $295 | $458 | $0 | $0 |
| 602N | RTB | $0 | $83 | $83 | $83 | $83 |
| 603N | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $2,057 |
| 604N | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,097 | $1,210 | $494 | $2,140 |

| O_PRIVACY SERVICES | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600O | CAPEX | $0 | $0 | $0 | $0 | $0 |
| 601O | OPEX | $0 | $565 | $188 | $0 | $0 |
| 602O | RTB | $0 | $83 | $83 | $83 | $83 |
| 603O | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| 604O | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $648 | $271 | $83 | $83 |

Workpaper 3.2 - Modern Grid Costs for Multi-Jurisdiction Deployment Scenario

## WORKPAPER 3.2 – MODERN GRID COSTS FOR MULTI-JURISDICTION DEPLOYMENT SCENARIO

While National Grid's affiliates in both Massachusetts and New York have proposed similar grid modernization projects, these plans have not yet been approved by the applicable regulatory agencies. Therefore the Company is presenting two scenarios of deployment: a Rhode Island only deployment scenario presented in Workpaper 3.1 and a multi-jurisdiction deployment scenario presented in Workpaper 3.2. As can be seen in Table 1.1, many of the proposed Grid Modernization projects support multiple operating companies and significant cost synergies can be realized if these investments are coordinated across the operating companies.

### Table 1.1: Grid Modernization Multi-Jurisdiction Deployment Cost Allocations

| Grid Modernization Project | RI-Only Scenario | Multi-Jursidiction Scenario | National Grid Customers Impacted | | | RI Allocation |
|---|---|---|---|---|---|---|
| | | | New York | Massachusetts | Rhode Island | |
| System Data Portal* | x | | | | 512,318 | 100% |
| Feeder Monitoring Sensors* | x | | | | 512,318 | 100% |
| Control Center Enhancements* | | | | | | |
| DSCADA & ADMS | | x | | 1,372,573 | 512,318 | 27% |
| RTU Separation | x | | | | 512,318 | 100% |
| GIS Data Enhancement (IS) | x | x | 1,718,053 | 1,372,573 | 512,318 | 14% |
| GIS Data Enhancement (BR) | x | | | | 512,318 | 100% |
| Operational Data Management | | | | | | |
| Enterprise Service Bus | x | x | 2,357,546 | | 790,721 | 25% |
| Data Lake | x | x | 2,357,546 | | 790,721 | 25% |
| PI Historian | x | x | 2,357,546 | | 790,721 | 25% |
| Advanced Analytics | x | x | 2,357,546 | | 790,721 | 25% |
| Telecommunications | x | x | 2,357,546 | | 790,721 | 25% |
| Cybersecurity | x | x | 2,357,546 | | 790,721 | 25% |
| *Impacts electric customers only | | | | | | |

Total multi-jurisdiction project cost calculations are presented below. The Rhode Island portion of these costs can be obtained by multiplying these total multi-jurisdiction costs by the relevant Rhode Island Allocation factor presented in Table 1.1 above.

### 1. SYSTEM DATA PORTAL

No cost synergies can be realized for this project, so multi-jurisdiction deployment is not proposed. See Workpaper 3.1 – Modern Grid Costs for Rhode Island Only Deployment Scenario for project cost details.

## 2. FEEDER MONITORING SENSORS

No cost synergies can be realized for this project, so multi-jurisdiction deployment is not proposed. See Workpaper 3.1 – Modern Grid Costs for Rhode Island Only Deployment Scenario for project cost details.

## 3. CONTROL CENTER ENHANCEMENTS

### 3.1 DSCADA AND ADMS

**DSCADA and ADMS Cash Flow ($M)**

| # | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 509.01 | Total Cost of IS Resources | Labor | Capex | $ - | $ 4.14 | $ 6.89 | $ 2.76 | $ - |
| 509.02 | Total Cost of Business Resources | Labor | Capex | $ - | $ 1.77 | $ 2.95 | $ 1.18 | $ - |
| 509.03 | Data Readiness | Labor | Capex | $ - | $ 0.09 | $ 0.15 | $ 0.06 | $ - |
| 509.04 | Change Management Cost | Labor | Capex | $ - | $ - | $ 0.10 | $ 0.15 | $ - |
| 509.05 | Training Resources | Labor | Opex | $ - | $ - | $ 0.33 | $ 0.49 | $ - |
| 509.06 | Requirements Development (IS) | Labor | Opex | $ 0.32 | $ - | $ - | $ - | $ - |
| 509.07 | Vendor Implementation Services | Labor | Capex | $ - | $ 1.44 | $ 1.08 | $ 1.08 | $ - |
| 509.08 | Vendor Costs: Hardware and Software | NonLabor | Capex | $ - | $ 1.79 | $ 1.34 | $ 1.34 | $ - |
| 509.12 | Requirements Development (Business) | Labor | Opex | $ 1.28 | $ - | $ - | $ - | $ - |
| | **Total** | | | **$ 1.60** | **$ 9.23** | **$ 12.85** | **$ 7.06** | **$ -** |

**DSCADA and ADMS Calculations**

| | Description / Calculation | Type | Category | Value |
|---|---|---|---|---|
| | Number of Internal IS Resources | | | 4 |
| | x FTE Internal Hourly IS Rate | | | $ 100 |
| | x Months in a year | | | 12 |
| | x Working Days per month | | | 21 |
| | x Working Hours per day | | | 8 |
| | x Implementation Duration | | | 3 |
| | = Cost of IS Internal Resources | | | **$ 2.42** |
| | Number of External IS Resources | | | 5 |
| | x FTE External Daily IS Rate | | | $ 250 |
| | Months in a year | | | 12 |
| | Working Days per month | | | 21 |
| | x Working Hours per day | | | 8 |
| | x Implementation Duration | | | 3 |
| | = Cost of IS External Resources | | | **$ 7.56** |
| | Cost of IS External Resources | | | $ 7.56 |
| | x Travel | | | 20% |
| | = Travel Costs for IS External Resources | | | $ 1.51 |
| | Cost of IS Internal Resources | | | $ 2.42 |
| | + Travel Costs for IS External Resources | | | $ 1.51 |
| | + Cost of IS External Resources | | | $ 7.56 |
| **509.01** | = **Total Cost of IS Resources** | **Labor** | **Capex** | **$ 11.49** |
| | Number of Internal Business Resources | | | 5 |
| | x Months in a year | | | 12 |
| | x Working Days per month | | | 21 |
| | x Working Hours per day | | | 8 |
| | x FTE Internal Hourly IS Rate | | | 100 |
| | x Implementation Duration | | | 3 |
| | = Cost of Internal Business Resources | | | **$ 3.02** |
| | Number of External Business Resources | | | 1 |
| | x FTE External Daily IS Rate | | | $ 250 |
| | x Months in a year | | | 12 |
| | x Working Days per month | | | 21 |
| | x Working Hours per day | | | 8 |
| | x Implementation Duration | | | 3 |
| | = Cost of Business SI Resources | | | **$ 1.51** |
| | Cost of Business SI Resources | | | $ 1.51 |
| | x Travel | | | 20% |
| | = Travel Costs for External Business Resources | | | **$ 0.30** |
| | Cost of Internal Business Resources | | | $ 3.02 |
| | + Cost of Business SI Resources | | | $ 1.51 |
| | + Travel Costs for External Business Resources | | | $ 0.30 |
| | + Travel for Internal Business Resources | | | $ 0.08 |
| **509.02** | = **Total Cost of Business Resources** | **Labor** | **Capex** | **$ 4.92** |

**DSCADA and ADMS Calculations**

| | | Description / Calculation | Type | Category | | Value (Total in $M) |
|---|---|---|---|---|---|---|
| | | Number of Field Devices | | | | 1248 |
| | x | Data Readiness effort per Device | | | | 2.0 |
| | x | Average Loaded Internal Hourly Rate | | | $ | 100 |
| **509.03** | = | **Data Readiness** | **Labor** | **Capex** | **$** | **0.25** |
| | | Change Management Cost | | | | 208,000.00 |
| **509.04** | = | **Change Management Cost** | **Labor** | **Capex** | **$** | **0.21** |
| | | Training | | | $ | 749,000.00 |
| **509.05** | = | **Training Resources** | **Labor** | **Opex** | **$** | **0.75** |
| | | IS Resources Allocation | | | | 20% |
| | | Requirements Development | | | $ | 1,450,000.00 |
| **509.06** | = | **Requirements Development (IS)** | **Labor** | **Opex** | **$** | **0.29** |
| | | Vendor Implementation Services | | | $ | 3,000,000.00 |
| **509.07** | = | **Vendor Implementation Services** | **Labor** | **Capex** | **$** | **3.00** |
| | | Hardware Costs | | | $ | 3,120,000.00 |
| | = | **Technology: Hardware** | | | **$** | **3.12** |
| | + | 12-month Warranty license fees | | | $ | 0.32 |
| **509.08** | = | **Vendor Costs: Hardware and Software** | **NonLabor** | **Capex** | **$** | **3.44** |
| | | Business Resources Allocation | | | | 80% |
| | | Requirements Development | | | $ | 1,450,000.00 |
| **509.12** | = | **Requirements Development (Business)** | **Labor** | **Opex** | **$** | **1.16** |

## 3.2 REMOTE TERMINAL UNIT (RTU) SEPARATION

No cost synergies can be realized for this project, so multi-jurisdiction deployment is not proposed. See Workpaper 3.1 – Modern Grid Costs for Rhode Island Only Deployment Scenario for project cost details.

## 3.3 GIS DATA ENHANCEMENT (IS)

**GIS Data Enchancement Cash Flow ($M)**

| | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 512.01 | Cost of Internal Resources | Opex | Labor | $ 2.44 | $ - | $ - | $ - | $ - |
| 512.02 | Cost of Project Management | Opex | Labor | $ 0.61 | $ - | $ - | $ - | $ - |
| | **Total** | | | **$ 3.05** | **$ -** | **$ -** | **$ -** | **$ -** |

**GIS Data Enchancement Calculations**

| | | Description / Calculation | Type | Category | Value ($M) | |
|---|---|---|---|---|---|---|
| | | Number of Internal Resources | | | | 11 |
| | x | Months in a year | | | | 12 |
| | x | Working Days per month | | | | 21 |
| | x | Working Hours per day | | | | 8 |
| | x | FTE Internal Hourly IS Rate | | | $ | 100.00 |
| | x | Implementation Duration | | | | 1.0 |
| **512.01** | = | **Cost of Internal Resources** | **Labor** | **Opex** | **$** | **2.22** |
| | | Cost of Internal Resources | | | $ | 2.22 |
| | x | Project Management Percentage | | | | 25% |
| **512.02** | = | **Cost of Project Management** | **Labor** | **Opex** | **$** | **0.55** |

## 3.4 GIS DATA ENHANCEMENT (NON-IS)

No cost synergies can be realized for this project, so multi-jurisdiction deployment is not proposed. See Workpaper 3.1 – Modern Grid Costs for Rhode Island Only Deployment Scenario for project cost details.

# 4. OPERATIONAL DATA MANAGEMENT

## 4.1 ENTERPRISE SERVICE BUS (ESB)

**ESB Cash Flow ($M)**

| # | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 514.01 | CAPEX Distribution ESB DB & RAC Softw | Capex | NonLabor | $ - | $ 4.26 | $ - | $ - | $ - |
| 514.02 | RTB Distribution ESB DB & RAC Software | RTB | NonLabor | $ - | $ - | $ 0.31 | $ 0.31 | $ - |
| 514.03 | Refresh Distribution ESB DB & RAC Softv | Capex | NonLabor | $ - | $ - | $ - | $ - | $ - |
| 514.04 | CAPEX Distribution ESB MiddleWare | Capex | NonLabor | $ - | $ - | $ 9.56 | $ - | $ - |
| 514.05 | RTB Distribution ESB MiddleWare | RTB | NonLabor | $ - | $ - | $ - | $ 0.71 | $ - |
| 514.06 | Refresh Distribution ESB MiddleWare | Capex | NonLabor | $ - | $ - | $ - | $ - | $ - |
| 514.07 | CAPEX Distribution ESB SW/MW Installa | Capex | Labor | $ - | $ 1.71 | $ 1.71 | $ - | $ - |
| 514.08 | OPEX Distribution ESB SW/MW Installati | Opex | Labor | $ - | $ 0.28 | $ 0.28 | $ - | $ - |
| 514.09 | RTB Distribution ESB SW/MW Support | RTB | Labor | $ - | $ - | $ 0.30 | $ 0.60 | $ - |
| 514.10 | Refresh Distribution ESB SW/MW | Capex | Labor | $ - | $ - | $ - | $ - | $ - |
| 514.11 | RTB Cloud & Managed Services | RTB | NonLabor | $ - | $ 0.45 | $ 0.45 | $ 0.45 | $ - |
| 514.12 | CAPEX Comprehensive Integration Servi | Capex | Labor | $ - | $ 2.24 | $ 3.73 | $ 1.49 | $ - |
| 514.13 | OPEX Comprehensive Integration Servic | Opex | Labor | $ - | $ 0.36 | $ 0.60 | $ 0.24 | $ - |
| 514.14 | RTB Comprehensive Integration Service | RTB | Labor | $ - | $ - | $ 0.53 | $ 0.79 | $ - |
| | **Total** | | | **$ -** | **$ 9.30** | **$ 17.48** | **$ 4.59** | **$ -** |

## ESB Calculations

| | | Description/Calculation | Category | Type | | Value ($M) |
|---|---|---|---|---|---|---|
| | | DB & RAC Total License Cost before May'17 | | | $ | 3,278,674 |
| 514.01 | = | **CAPEX Distribution ESB DB & RAC Software** | **Capex** | **NonLabor** | **$** | **3.28** |
| | | DB & RAC Annual S&M | | | $ | 314,753 |
| 514.02 | = | **RTB Distribution ESB DB & RAC Software** | **RTB** | **NonLabor** | **$** | **0.31** |
| | | DB & RAC Total License Cost before May'17 | | | $ | 3,278,674 |
| | x | ESB refresh cost reduction | | | | 50% |
| 514.03 | = | **Refresh Distribution ESB DB & RAC Software** | **Capex** | **NonLabor** | **$** | **1.64** |
| | | MW Total License Cost before Nov'17 | | | $ | 7,356,614 |
| 514.04 | = | **CAPEX Distribution ESB MiddleWare** | **Capex** | **NonLabor** | **$** | **7.36** |
| | | MW Annual S&M | | | $ | 706,235 |
| 514.05 | = | **RTB Distribution ESB MiddleWare** | **RTB** | **NonLabor** | **$** | **0.71** |
| | | MW Total License Cost before Nov'17 | | | $ | 7,356,614 |
| | x | ESB refresh cost reduction | | | | 50% |
| 514.06 | = | **Refresh Distribution ESB MiddleWare** | **Capex** | **NonLabor** | **$** | **3.68** |
| | | Total Labor CAPEX Cost Estimate | | | $ | 2,856,000 |
| 514.07 | = | **CAPEX Distribution ESB SW/MW Installation** | **Capex** | **Labor** | **$** | **2.86** |
| | | Total Labor OPEX Cost Estimate | | | $ | 504,000 |
| 514.08 | = | **OPEX Distribution ESB SW/MW Installation** | **Opex** | **Labor** | **$** | **0.50** |
| | | RTB Labor Costs | | | $ | 600,000 |
| 514.09 | = | **RTB Distribution ESB SW/MW Support** | **RTB** | **Labor** | **$** | **0.60** |
| | | CAPEX Distribution ESB SW/MW Installation | | | $ | 2.86 |
| | + | OPEX Distribution ESB SW/MW Installation | | | $ | 0.50 |
| | x | ESB refresh cost reduction | | | | 50% |
| 514.10 | = | **Refresh Distribution ESB SW/MW** | **Capex** | **Labor** | **$** | **1.68** |
| | | Monthly Cloud Costs w/Managed Service included | | | $ | 37,103 |
| | x | Months in a year | | | | 12 |
| 514.11 | = | **RTB Cloud & Managed Services** | **RTB** | **NonLabor** | **$** | **0.45** |

## ESB Calculations

| | | Description/Calculation | Category | Type | Value ($M) | |
|---|---|---|---|---|---|---|
| | | Total Hours for Large Integrations | | | | **11520** |
| | + | | | | | |
| | | Total Hours for Medium Integrations | | | | **18640** |
| | + | | | | | |
| | | Total Hours for Small Integrations | | | | **32880** |
| | = | **Total Hours for ALL Integrations** | | | | **63040** |
| | | Total External Costs | | | **$** | **6.05** |
| | + | | | | | |
| | | Total Internal Costs | | | **$** | **1.26** |
| | = | **Total ESB Costs** | | | **$** | **7.31** |
| | | Total ESB Costs | | | **$** | **7.31** |
| | x | CAPEX Allocations | | | | 85% |
| **514.12** | = | **CAPEX Comprehensive Integration Services** | **Capex** | **Labor** | **$** | **6.22** |
| | | Total ESB Costs | | | **$** | **7.31** |
| | x | OPEX Allocations | | | | **15%** |
| **514.13** | = | **OPEX Comprehensive Integration Services** | **Opex** | **Labor** | **$** | **1.10** |
| | | Total ESB Costs | | | **$** | **7.31** |
| | x | System Maintenance Costs % | | | | 10% |
| | = | Total YOY System Maintenance Cost | | | **$** | **0.73** |
| | + | Platform Support from ESB/CIM | | | **$** | **0.22** |
| **514.14** | = | **RTB Comprehensive Integration Services** | **RTB** | **Labor** | **$** | **0.95** |

## 4.2 DATA MANAGEMENT AND ANALYTICS

**Cloud Hosting Cash Flow ($M)**

| # | Description | Category | Type | Yr -1 FY19 | Yr -2 FY20 | Yr -3 FY21 | Yr -4 FY22 | Yr -5 FY23 |
|---|---|---|---|---|---|---|---|---|
| 517.01 | CAPEX Development Data Lake | Opex | NonLabor | $ - | $ 0.09 | $ 0.09 | $ 0.09 | $ 0.09 |
| 517.02 | CAPEX QA Data Lake | Opex | NonLabor | $ - | $ 0.18 | $ 0.18 | $ 0.18 | $ 0.18 |
| 517.03 | CAPEX Production Data Lake | Opex | NonLabor | $ - | $ 0.55 | $ 1.30 | $ 2.02 | $ 2.38 |
| 517.04 | CAPEX Dashboard Environment | Opex | NonLabor | $ - | $ 0.32 | $ 0.32 | $ 0.32 | $ 0.32 |
| 517.05 | RTB Platform Maintenance & Support | RTB | Labor | $ - | $ - | $ 0.50 | $ 0.75 | $ 0.75 |
| 517.06 | CAPEX Platform Setup | Capex | Labor | $ - | $ 1.39 | $ - | $ - | $ - |
| 517.07 | OPEX Platform Design | Opex | Labor | $ - | $ 0.32 | $ - | $ - | $ - |
| | **Total** | | | **$ -** | **$ 2.85** | **$ 2.39** | **$ 3.35** | **$ 3.71** |

**Data Lake Cloud Hosting Calculations**

| | | Description/Calculation | Type | Category | Value ($M) |
|---|---|---|---|---|---|
| | | Development Data Nodes | | | $ 29,940 |
| | + | Development Master Nodes | | | $ 18,626 |
| | + | Development Edge Nodes | | | $ 10,241 |
| **517.01** | = | **CAPEX Development Data Lake** | **NonLabor** | **Opex** | **$ 0.08** |
| | | QA Data Nodes | | | $ 72,046 |
| | + | QA Master Nodes | | | $ 29,526 |
| | + | QA Edge Nodes | | | $ 18,626 |
| **517.02** | = | **CAPEX QA Data Lake** | **NonLabor** | **Opex** | **$ 0.16** |
| | | Production Data Nodes | | | $ 882,196 |
| | + | Production Master Nodes | | | $ 32,196 |
| | + | Production Edge Nodes | | | $ 19,979 |
| | x | Number of Production DR Envts. | | | 2 |
| | + | Production Archival Storage | | | 16,080 |
| **517.03** | = | **CAPEX Production Data Lake** | **NonLabor** | **Opex** | **$ 2.52** |
| | | Number of Production DR Envts. | | | 2 |
| | x | Production Dashboard Environment | | | $ 81,584 |
| | + | Development Dashboard Environment | | | $ 63,092 |
| | + | QA Dashboard Environment | | | $ 63,092 |
| **517.04** | = | **CAPEX Dashboard Environment** | **NonLabor** | **Opex** | **$ 0.29** |
| | | Platform Maintenance & Support | | | $ 750,000 |
| **517.05** | = | **RTB Platform Maintenance & Support** | **Labor** | **RTB** | **$ 0.75** |
| | | Platform Build | | | $ 1,210,000 |
| | x | Capex Platform Support | | | 80% |
| | x | Travel | | | 20% |
| **517.06** | = | **CAPEX Platform Setup** | **Labor** | **Capex** | **$ 1.16** |
| | | Platform Build | | | $ 1,210,000 |
| | x | Opex Platform Support | | | 20% |
| | x | Travel | | | 20% |
| **517.07** | = | **OPEX Platform Design** | **Labor** | **Opex** | **$ 0.29** |

**PI Historian Cash Flow ($M)**

| # | Description | Category | Type | Yr - 1 FY19 | Yr - 2 FY20 | Yr - 3 FY21 | Yr - 4 FY22 | Yr - 5 FY23 |
|---|---|---|---|---|---|---|---|---|
| 515.02 | OPEX PI Historian EA License | Opex | NonLabor | $ - | $ - | $ 2.00 | $ 2.00 | $ - |
| 515.04 | CAPEX Server Costing | Capex | NonLabor | $ - | $ 0.08 | $ - | $ - | $ - |
| 515.05 | CAPEX Hardware Installation Cost | Capex | NonLabor | $ - | $ 0.05 | $ - | $ - | $ - |
| 515.06 | RTB Hardware Support Cost | RTB | Labor | $ - | $ 0.03 | $ 0.03 | $ 0.03 | $ 0.03 |
| 515.07 | RTB Backup Storage Cost - PI Servers | RTB | NonLabor | $ - | $ 0.02 | $ 0.02 | $ 0.02 | $ 0.02 |
| 515.08 | CAPEX Application Installation Cost | Capex | Labor | $ - | $ 0.32 | $ - | $ - | $ - |
| 515.09 | RTB Application Maintenance & Support | RTB | Labor | $ - | $ - | $ - | $ - | $ - |
| | **Total** | | | **$ -** | **$ 0.50** | **$ 2.05** | **$ 2.05** | **$ 0.05** |

## PI Historian Calculations

| | | Description/Calculation | Type | Category | Value ($M) | |
|---|---|---|---|---|---|---|
| | | PI EA License Cost Opex | | | $ | 2,000,000 |
| 515.02 | = | **OPEX PI Historian EA License** | **NonLabor** | **Opex** | **$** | **2.00** |
| | | Total Number of Servers | | | | 8 |
| | x | Hardware Cost per Server | | | $ | 10,000 |
| 515.04 | = | **CAPEX Server Costing** | **NonLabor** | **Capex** | **$** | **0.08** |
| | | Installation Cost per Server (CSC) | | | $ | 6,364 |
| | x | Total Number of Servers | | | | 8 |
| 515.05 | = | **CAPEX Hardware Installation Cost** | **NonLabor** | **Capex** | **$** | **0.05** |
| | | Annual Server Support Cost (CSC Gold Support) | | | $ | 3,673 |
| | x | Total Number of Servers | | | | 8 |
| 515.06 | = | **RTB Hardware Support Cost** | **Labor** | **RTB** | **$** | **0.03** |
| | | Cost per GB | | | | 0 |
| | x | Number of Storage Backups (CSC) | | | | 2 |
| | x | PI Storage (GBs) | | | $ | 3,000 |
| | x | Months in a year | | | | 12 |
| | x | Servers that require storage backup (PI) | | | | 2 |
| 515.07 | = | **RTB Backup Storage Cost - PI Servers** | **NonLabor** | **RTB** | **$** | **0.02** |
| | | Development Hours | | | | 2665 |
| | x | FTE Internal Hourly IS Rate | | | $ | 100 |
| | | **Total Development Hours** | | | **$** | **0.27** |
| | + | Travel | | | | 20% |
| 515.08 | = | **CAPEX Application Installation Cost** | **Labor** | **Capex** | **$** | **0.32** |
| | | PI Historian (Maintenance & Support) FTE | | | | 1 |
| | x | Months in a year | | | | 12 |
| | x | Working Days per Month | | | | 21 |
| | x | Working Hours per Day | | | | 8 |
| | x | FTE Internal Hourly IS Rate | | | $ | 100 |
| 515.09 | = | **RTB Application Maintenance & Support** | **Labor** | **RTB** | **$** | **0.20** |

**Information Management Cloud Analytics Cash Flow ($M)**

| # | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 516.01 | Utility Data Model License | Capex | NonLabor | $ - | $ - | $ - | $ - | $ 1.90 |
| 516.02 | Utility Data Model License Support | Opex | NonLabor | $ - | $ - | $ - | $ - | $ - |
| 516.03 | Information Management License | Capex | NonLabor | $ - | $ 1.72 | $ - | $ - | $ - |
| 516.04 | Information Management License Support | Opex | NonLabor | $ - | $ - | $ 0.29 | $ 0.29 | $ 0.29 |
| 516.05 | Data Governance License | Capex | NonLabor | $ - | $ 0.40 | $ - | $ - | $ - |
| 516.06 | Data Governance License Support | Opex | NonLabor | $ - | $ 0.34 | $ 0.34 | $ 0.34 | $ 0.34 |
| 516.07 | Data Quality Development | Capex | Labor | $ - | $ 0.49 | $ 1.21 | $ 0.73 | $ - |
| 516.08 | Data Ingestion Development | Capex | Labor | $ - | $ 1.28 | $ 3.21 | $ 1.92 | $ - |
| 516.09 | Dashboard Development | Capex | Labor | $ - | $ 0.11 | $ 0.28 | $ 0.17 | $ - |
| 516.1 | CAPEX Platform Design & Development | Capex | Labor | $ - | $ 0.23 | $ 0.58 | $ 0.35 | $ - |
| 516.11 | Platform Support & Maintenance | RTB | Labor | $ - | $ - | $ 1.18 | $ 1.42 | $ 1.78 |
| 516.12 | CAPEX Visualization License Cost | Capex | NonLabor | $ - | $ 7.58 | $ - | $ - | $ - |
| 516.13 | Opex Visualization License Cost | Opex | NonLabor | $ - | $ 0.09 | $ - | $ - | $ - |
| 516.14 | CAPEX IS Visualization License Cost | Capex | NonLabor | $ - | $ 0.73 | $ 0.58 | $ 0.58 | $ 0.58 |
| 516.15 | Opex IS Visualization License Cost | Opex | NonLabor | $ - | $ - | $ 0.03 | $ 0.03 | $ 0.03 |
| | **Total** | | | **$ -** | **$ 12.96** | **$ 7.70** | **$ 5.83** | **$ 4.92** |

**Information Management Cloud Analytics Calculations**

| | | Description/Calculation | Category | Type | Value ($M) |
|---|---|---|---|---|---|
| | | Utility Data Model License | | | $ 1,460,206.48 |
| 516.01 | = | **Utility Data Model License** | **Capex** | **NonLabor** | **$ 1.46** |
| | | Utility Data Model License Support | | | $ 292,041.30 |
| 516.02 | = | **Utility Data Model License Support** | **Opex** | **NonLabor** | **$ 0.29** |
| | | Information Management License | | | $ 1,319,702.37 |
| 516.03 | = | **Information Management License** | **Capex** | **NonLabor** | **$ 1.32** |
| | | Information Management License Support | | | $ 263,940.47 |
| 516.04 | = | **Information Management License Support** | **Opex** | **NonLabor** | **$ 0.26** |
| | | Data Governance License | | | $ 307,142.00 |
| 516.05 | = | **Data Governance License** | **Capex** | **NonLabor** | **$ 0.31** |
| | | Data Governance License Support | | | $ 307,142.00 |
| 516.06 | = | **Data Governance License Support** | **Opex** | **NonLabor** | **$ 0.31** |
| | | Data Quality Dev Hours | | | 16857 |
| | x | FTE External (subcontractor; non-specialist) Hourly IS Rate | | | $ 100 |
| | x | Travel | | | 20% |
| 516.07 | = | **Data Quality Development** | **Capex** | **Labor** | **$ 2.02** |
| | | ETL Dev Hours | | | 44547 |
| | x | FTE External (subcontractor; non-specialist) Hourly IS Rate | | | $ 100 |
| | x | Travel | | | 20% |
| 516.08 | = | **Data Ingestion Development** | **Capex** | **Labor** | **$ 5.35** |
| | | Dashboard Dev Hours | | | 3851 |
| | x | FTE External (subcontractor; non-specialist) Hourly IS Rate | | | $ 100 |
| | x | Travel | | | 20% |
| 516.09 | = | **Dashboard Development** | **Capex** | **Labor** | **$ 0.46** |
| | | Platform Development Effort | | | $ 1,198,000 |
| | x | Capex Allocation | | | 80% |
| 516.10 | = | **CAPEX Platform Design & Development** | **Capex** | **Labor** | **$ 0.96** |

**Information Management Cloud Analytics Calculations**

| | | Description/Calculation | Category | Type | Value ($M) | |
|---|---|---|---|---|---|---|
| | | Platform Development Effort | | | $ | 1,198,000 |
| | x | Opex Allocation | | | | 20% |
| **516.16** | = | **OPEX Platform Design & Development** | **Opex** | **Labor** | **$** | **0.24** |
| | | Platform Support & Maintenance | | | $ | 1,782,000 |
| **516.11** | = | **Platform Support & Maintenance** | **RTB** | **Labor** | **$** | **1.78** |
| | | Visualization License - Business | | | $ | 7,934,000 |
| | | NY Cost Factor | | | | 73% |
| **516.12** | = | **CAPEX Visualization License Cost** | **Capex** | **NonLabor** | **$** | **5.83** |
| | | Visualization License Maintenance - Business | | | $ | 115,000 |
| | | NY Cost Factor | | | | 73% |
| **516.13** | = | **Opex Visualization License Cost** | **Opex** | **NonLabor** | **$** | **0.08** |
| | | Tableau Desktop License | | | $ | 1,999 |
| | + | Tableau Server License | | | $ | 1,000 |
| | + | Alteryx Designer License | | | $ | 5,195 |
| | x | Number of Licenses | | | | 40 |
| | + | | | | | |
| | | Alteryx Server License | | | $ | 58,500 |
| | x | Number of Alteryx Servers | | | | 4 |
| **516.14** | = | **CAPEX IS Visualization License Cost** | **Capex** | **NonLabor** | **$** | **0.56** |
| | | Tableau Desktop License | | | $ | 1,999 |
| | + | Tableau Server License | | | $ | 1,000 |
| | x | Number of Licenses | | | | 40 |
| | x | Tableau Server Maintenace Cost | | | | 25% |
| **516.15** | = | **Opex IS Visualization License Cost** | **Opex** | **NonLabor** | **$** | **0.03** |

## 5. TELECOMMUNICATIONS

**Telecom Non-Inflated Cash Flow ($M)**

| # | Description | Category | Type | Yr 1 FY 19 | Yr 2 FY 20 | Yr 3 FY 21 | Yr 4 FY 22 | Yr 5 FY 23 |
|---|---|---|---|---|---|---|---|---|
| 513.08 | CAPEX Corporate Backbone Expansion | Capex | NonLabor | $ - | $ 0.10 | $ 0.05 | $ 0.05 | $ - |
| 513.09 | RTB Corpate Backbone Expansion | RTB | NonLabor | $ - | $ - | $ 0.54 | $ 0.81 | $ 1.08 |
| 513.10 | CAPEX IT/OT Backbone Expansion | Capex | NonLabor | $ - | $ 0.15 | $ 0.07 | $ 0.07 | $ - |
| 513.11 | RTB IT/OT Backbone Expansion | RTB | NonLabor | $ - | $ - | $ 1.62 | $ 2.43 | $ 3.24 |
| 513.12 | CAPEX IT/OT Mesh Network Backhaul | Capex | NonLabor | $ - | $ 0.23 | $ 0.11 | $ 0.11 | $ - |
| 513.13 | RTB IT/OT Mesh Network Backhaul | RTB | NonLabor | $ - | $ - | $ 0.45 | $ 0.68 | $ 0.90 |
| | **Total** | | | **$ -** | **$ 0.48** | **$ 2.85** | **$ 4.15** | **$ 5.22** |

## Telecom Calculations

| | | Description/Calculation | Category | Type | Value ($M) | |
|---|---|---|---|---|---|---|
| | | SCI Implementation Cost | | | $ | 60,000 |
| | + | | | | | |
| | | Data Center Bandwidth Increase Cost | | | $ | 16,500 |
| | x | Number of circuits | | | | 6 |
| 513.08 | = | **CAPEX Corporate Backbone Expansion** | **Capex** | **NonLabor** | **$** | **0.16** |
| | | Monthly SCI Service Cost | | | $ | 4,000 |
| | x | | 0 | | | 0 |
| | + | | | | | |
| | | Monthly Data Center Bandwidth Increase | | | $ | 15,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of circuits | | | | 6 |
| 513.09 | = | **RTB Corpate Backbone Expansion** | **RTB** | **NonLabor** | **$** | **1.08** |
| | | POPs Bandwidth Implementation cost | | | $ | 30,000 |
| | x | Number of Locations (POPs) | | | | 6 |
| | + | | | | | |
| | | CSC Data Center Bandwidth cost | | | $ | 22,500 |
| | x | Number of connections | | | | 2 |
| 513.10 | = | **CAPEX IT/OT Backbone Expansion** | **Capex** | **NonLabor** | **$** | **0.23** |
| | | Monthly cost of POP bandwidth | | | $ | 35,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of Locations (POPs) | | | | 6 |
| | + | | | | | |
| | | Monthly cost of CSC bandwidth | | | $ | 30,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of connections | | | | 2 |
| 513.11 | = | **RTB IT/OT Backbone Expansion** | **RTB** | **NonLabor** | **$** | **3.24** |
| | | Wireless gateway planning and configuration | | | $ | 50,000 |
| | + | | | | | |
| | | Stand up of wireless gateway | | | $ | 75,000 |
| | x | Number of gateways | | | | 3 |
| | + | | | | | |
| | | Set up of CSC bandwidth and VRFs | | | $ | 25,000 |
| | x | Number of data center links | | | | 3 |
| 513.12 | = | **CAPEX IT/OT Mesh Network Backhaul** | **Capex** | **NonLabor** | **$** | **0.35** |
| | | Monthly cost of wireless gateway | | | $ | 20,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of gateways | | | | 3 |
| | + | | | | | |
| | | Monthly cost of CSC data center link increase | | | $ | 5,000 |
| | x | Months in a year | | | | 12 |
| | x | Number of data center links | | | | 3 |
| 513.13 | = | **RTB IT/OT Mesh Network Backhaul** | **RTB** | **NonLabor** | **$** | **0.90** |

## 6. CYBERSECURITY

| SUMMARY ALL COSTS, $1,000s | SPENDING TYPE | FY19 | FY20 | FY21 | FY22 | FY23 |
|---|---|---|---|---|---|---|
| 600 | CAPEX | $0 | $15,758 | $7,667 | $5,077 | $0 |
| 601 | OPEX | $0 | $6,647 | $2,768 | $1,914 | $0 |
| 602 | RTB | $0 | $2,993 | $2,163 | $1,882 | $3,909 |
| 603 | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $12,910 |
| 604 | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $33 | $1,728 |
| | GRAND TOTAL | $0 | $25,398 | $12,598 | $8,906 | $18,547 |

| B_NETWORK SECURITY SERVICES | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600B | CAPEX | $0 | $4,802 | $2,216 | $1,464 | $0 |
| 601B | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602B | RTB | $0 | $1,488 | $730 | $510 | $2,538 |
| 603B | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $1,603 |
| 604B | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $6,716 | $3,142 | $2,103 | $4,140 |

| C_DATA SECURITY SERVICES | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600C | CAPEX | $0 | $699 | $322 | $212 | $0 |
| 601C | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602C | RTB | $0 | $138 | $108 | $83 | $83 |
| 603C | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $747 |
| 604C | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,264 | $626 | $425 | $830 |

| D_IDENTITY AND ACCESS MANAGEMEN | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600D | CAPEX | $0 | $4,214 | $1,940 | $1,281 | $0 |
| 601D | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602D | RTB | $0 | $276 | $276 | $276 | $276 |
| 603D | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $3,004 |
| 604D | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $1,568 |
| TOTAL | | $0 | $4,917 | $2,412 | $1,687 | $4,848 |

| E_THREAT AND VULNERABILITY MANA | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600E | CAPEX | $0 | $1,074 | $494 | $326 | $0 |
| 601E | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602E | RTB | $0 | $83 | $83 | $83 | $83 |
| 603E | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $1,456 |
| 604E | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,583 | $774 | $539 | $1,538 |

| F_SECURITY OPERATIONS CENTER SE | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600F | CAPEX | $0 | $1,326 | $610 | $403 | $0 |
| 601F | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602F | RTB | $0 | $89 | $89 | $89 | $89 |
| 603F | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $656 |
| 604F | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $7 | $7 |
| TOTAL | | $0 | $1,842 | $896 | $628 | $752 |

| G_HOST & ENDPOINT SECURITY SERV | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600G | CAPEX | $0 | $572 | $298 | $219 | $0 |
| 601G | OPEX | $0 | $482 | $251 | $130 | $0 |
| 602G | RTB | $0 | $83 | $83 | $83 | $83 |
| 603G | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $531 |
| 604G | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,136 | $632 | $432 | $614 |

| H_SECURITY POLICY MANAGEMENT SE | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600H | CAPEX | $0 | $572 | $298 | $219 | $0 |
| 601H | OPEX | $0 | $482 | $251 | $130 | $0 |
| 602H | RTB | $0 | $83 | $83 | $83 | $83 |
| 603H | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $531 |
| 604H | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,136 | $632 | $432 | $614 |

| I_CRYPTOGRAPHY SERVICES | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600I | CAPEX | $0 | $510 | $235 | $155 | $0 |
| 601I | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602I | RTB | $0 | $162 | $119 | $83 | $83 |
| 603I | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $730 |
| 604I | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $26 | $153 |
| TOTAL | | $0 | $1,099 | $551 | $394 | $966 |

| J_CHANGE & CONFIGURATION MANAGE | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600J | CAPEX | $0 | $302 | $139 | $92 | $0 |
| 601J | OPEX | $0 | $427 | $197 | $130 | $0 |
| 602J | RTB | $0 | $83 | $83 | $83 | $83 |
| 603J | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $532 |
| 604J | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $811 | $418 | $304 | $615 |

| K_SECURITY AWARENESS & TRAINING | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600K | CAPEX | $0 | $0 | $0 | $0 | $0 |
| 601K | OPEX | $0 | $449 | $152 | $152 | $0 |
| 602K | RTB | $0 | $177 | $177 | $177 | $177 |
| 603K | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| 604K | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $626 | $329 | $329 | $177 |

| L_APPLICATION SECURITY SERVICES | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600L | CAPEX | $0 | $969 | $446 | $295 | $0 |
| 601L | OPEX | $0 | $633 | $91 | $29 | $0 |
| 602L | RTB | $0 | $83 | $83 | $83 | $83 |
| 603L | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $1,063 |
| 604L | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,686 | $620 | $407 | $1,146 |

| M_THIRD PARTY ASSURANCE MANAGEM | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600M | CAPEX | $0 | $0 | $0 | $0 | $0 |
| 601M | OPEX | $0 | $753 | $0 | $565 | $0 |
| 602M | RTB | $0 | $83 | $83 | $83 | $83 |
| 603M | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| 604M | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $836 | $83 | $648 | $83 |

| N_REMOTE ACCESS SERVICES | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600N | CAPEX | $0 | $720 | $668 | $411 | $0 |
| 601N | OPEX | $0 | $295 | $458 | $0 | $0 |
| 602N | RTB | $0 | $83 | $83 | $83 | $83 |
| 603N | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $2,057 |
| 604N | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $1,097 | $1,210 | $494 | $2,140 |

| O_PRIVACY SERVICES | SPENDING TYPE | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|---|---|---|---|---|---|
| 600O | CAPEX | $0 | $0 | $0 | $0 | $0 |
| 601O | OPEX | $0 | $565 | $188 | $0 | $0 |
| 602O | RTB | $0 | $83 | $83 | $83 | $83 |
| 603O | CAPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| 604O | OPEX - REMOVAL/REFRESH | $0 | $0 | $0 | $0 | $0 |
| TOTAL | | $0 | $648 | $271 | $83 | $83 |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **BENEFITS (COMBINED)** | | | | | | | | |
| 2 | Benefit from eliminated AMR meter readers | Opex | AMR Meter Reading | $13.51 | $ - | $ - | $ 0.46 | $ 30.98 |
| 3 | Benefit from eliminated AMR meter reader vehicle costs | Opex | AMR Meter Reading | $1.23 | $ - | $ - | $ 0.04 | $ 2.81 |
| 4 | CO2 benefit from eliminated AMR vehicle emissions | Emissions | AMR Meter Reading (CO2) | $0.02 | $ - | $ - | $ 0.00 | $ 0.04 |
| 5 | Benefit from reduction of meter investigations | Opex | Meter Investigation | $6.20 | $ - | $ - | $ 0.21 | $ 14.21 |
| 6 | Benefit from remote metering capabilities | Opex | Remote Connect and Disconnect | $26.90 | $ - | $ - | $ 0.92 | $ 61.66 |
| 9 | Benefit from improvement in bad debt write-offs | Opex | Reduction in Write-offs | $0.00 | $ - | $ - | $ - | $ 18.89 |
| 11 | Benefit from mitigation / reduction of damage claims | Opex | Reduction in Damage Claims | $2.61 | $ - | $ - | $ - | $ 6.13 |
| 13 | Benefit from reduction of AMR theft / undermetering | Opex | Reduction in Theft of Service | $0.00 | $ - | $ - | $ 1.22 | $ 80.02 |
| 14 | Benefit from VVO/AMF integration | Opex | Volt-VAR Optimization | $13.73 | $ - | $ - | $ - | $ 36.88 |
| 15 | CO2 benefit from VVO/AMF integration | Losses | Volt-VAR Optimization (CO2) | $5.46 | $ - | $ - | $ 0.14 | $ 12.48 |
| 16 | Benefit from Energy Insights/High usage alerts | Revenue | Energy Insights/High Usage Alerts | $22.02 | $ - | $ 0.55 | $ 1.80 | $ 48.88 |
| 17 | CO2 benefit from Energy Insights/High usage alerts | Losses | Energy Insights/High Usage Alerts (CO2) | $7.88 | $ - | $ 0.36 | $ 1.05 | $ 14.36 |
| 18 | CO2 benefit from reduction of meter investigations | Emissions | Meter Investigation (CO2) | $0.01 | $ - | $ - | $ 0.00 | $ 0.03 |
| 19 | CO2 benefit from remote metering capabilities | Emissions | Remote Connect and Disconnect (CO2) | $0.17 | $ - | $ - | $ 0.01 | $ 0.35 |
| 20 | Outage Management operational benefit | Opex | Storm OMS Benefit | $1.88 | $ - | $ - | $ - | $ 4.42 |
| 25 | Benefit from Electric Vehicle TVP | Opex | Electric Vehicle Pricing | $24.81 | $ - | $ - | $ - | $ 68.66 |
| 26 | Low-End Red. & Opt-In benefit from Critical Peak Pricing (CPP) peak shaving | Opex | Time Varying Pricing | $4.59 | $ - | $ - | $ - | $ 12.75 |
| 27 | Low-End Red. & Opt-In benefit from Avoided Energy due to Time-of-Use Program | Opex | Time Varying Pricing | $3.84 | $ - | $ - | $ - | $ 10.65 |
| 28 | Low-End Red. & Opt-In CO2 savings from Avoided Energy due to Time-of-Use Program | Emissions | Time Varying Pricing (CO2) | $2.86 | $ - | $ - | $ - | $ 7.59 |
| 30 | Benefit from Electromechanical meter Accuracy | Opex | Electromechanical Meter | $0.00 | $ - | $ 2.08 | $ 4.38 | $ 20.89 |
| 100 | Avoided Electric AMR Equipment Meter Replacement | Capex | Capital | $32.00 | $ 0.86 | $ 0.89 | $ 16.10 | $ 30.97 |
| 102 | Avoided AMF electric meter installation cost - Capex portion | Capex | Capital | $20.60 | $ 0.55 | $ 0.57 | $ 10.30 | $ 20.15 |
| 105 | Avoided AMF demonstration period cost | Opex | Operations & Maintenance | $1.07 | $ 1.16 | $ - | $ - | $ - |
| 123 | Avoided cost from call center and AMO, implementation | Opex | Operations & Maintenance | $2.44 | $ - | $ 1.08 | $ 1.87 | $ - |
| 124 | Avoided AMF Internal Project Management Leadership Staff - Capex portion | Capex | Capital | $0.72 | $ - | $ 0.42 | $ 0.44 | $ - |
| 126 | Avoided AMF electric meter installation cost - COR portion | COR | Capital | $0.64 | $ 0.02 | $ 0.02 | $ 0.32 | $ 0.62 |
| 128 | Avoided AMF External Project Management labor cost - Opex portion | Opex | Operations & Maintenance | $0.00 | $ - | $ - | $ - | $ - |
| 129 | Avoided AMF Internal Project Management Leadership Staff - Opex portion | Opex | Operations & Maintenance | $0.38 | $ 0.41 | $ - | $ - | $ - |
| 134 | Avoided AMF inventory equipment cost | Capex | Capital | $0.80 | $ 0.02 | $ 0.02 | $ 0.40 | $ 0.77 |
| 203 | Avoided CMS Deployment Center, Facility cost | Capex | Capital | $1.35 | $ - | $ 1.06 | $ 0.54 | $ - |
| 204 | Avoided CMS Back Office & Clerical cost | Capex | Capital | $1.86 | $ - | $ 1.46 | $ 0.75 | $ - |
| 205 | Avoided Service Representative Tools / Uniform cost | Capex | Capital | $0.19 | $ - | $ 0.16 | $ 0.06 | $ - |
| 206 | Avoided Installed meter Quality Assurance / Quality Check cost | Capex | Capital | $0.61 | $ - | $ 0.48 | $ 0.25 | $ - |
| 207 | Avoided CMS Deployment Coordination Labor cost | Capex | Capital | $0.82 | $ - | $ 0.64 | $ 0.33 | $ - |
| 208 | Avoided CMS Field Installer Initial Training | Capex | Capital | $0.78 | $ 0.43 | $ 0.44 | $ - | $ - |
| 209 | Avoided CMS Cellular Communication cost | Capex | Capital | $0.06 | $ - | $ 0.04 | $ 0.02 | $ - |
| 210 | Avoided Handheld Devices cost | Capex | Capital | $0.05 | $ - | $ 0.06 | $ - | $ - |
| 302 | Avoided MDS System Development Testing | Capex | Capital | $0.06 | $ 0.05 | $ 0.02 | $ - | $ - |
| 400 | Avoided Customer Engagement Plan Cost | Opex | Operations & Maintenance | $2.07 | $ 0.23 | $ 0.85 | $ 0.50 | $ 1.16 |
| 540 | Avoided FCS Costs | Opex | FCS Meter Reading | $0.28 | $ - | $ - | $ 0.01 | $ 0.66 |
| 541 | Avoided Interval Meter Reading Costs | Opex | Interval Meter Reading | $0.02 | $ - | $ 0.00 | $ 0.00 | $ 0.03 |
| | **Total Benefit** | | | **$ 204.52** | **$ 3.73** | **$ 11.18** | **$ 42.12** | **$ 507.02** |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **COSTS (COMBINED)** | | | | | | | | |
| 100 | AMF electric meter equipment cost | Capex | AMF Electric Meter Equipment and Installation | $50.50 | $ - | $ 20.03 | $ 41.21 | $ - |
| 102 | AMF electric meter installation cost - Capex portion | Capex | AMF Electric Meter Equipment and Installation | $23.35 | $ - | $ 9.25 | $ 19.08 | $ - |
| 104 | AMF failed meter equipment replacement cost | Capex | Equipment and Installation Refresh Cost | $0.89 | $ - | $ 0.03 | $ 0.09 | $ 1.86 |
| 105 | AMF demonstration period cost | Opex | AMF Electric Meter Equipment and Installation | $1.43 | $ 1.54 | $ - | $ - | $ - |
| 110 | AMF network engineering, design, contracting cost | Capex | Network Equipment and Installation | $0.10 | $ 0.10 | $ - | $ - | $ - |
| 111 | Network communications equipment cost, Electric Meters | Capex | Network Equipment and Installation | $1.29 | $ - | $ 0.51 | $ 1.05 | $ - |
| 112 | Network communications equipment cost, Gas Meters | Capex | Network Equipment and Installation | $0.18 | $ - | $ 0.07 | $ 0.15 | $ - |
| 113 | Network communications installation cost, Electric Meters | Capex | Network Equipment and Installation | $0.10 | $ - | $ 0.04 | $ 0.09 | $ - |
| 114 | Network communications installation cost, Gas Meters | Capex | Network Equipment and Installation | $0.01 | $ - | $ 0.01 | $ 0.01 | $ - |
| 115 | Network communications LTE backhaul cost, Electric Meters | Opex | Backhaul | $0.95 | $ - | $ 0.03 | $ 0.09 | $ 2.00 |
| 116 | Network communications LTE backhaul cost, Gas Meters | Opex | Backhaul | $0.11 | $ - | $ 0.00 | $ 0.00 | $ 0.25 |
| 117 | AMF meter cellular service cost, Electric Meters | Opex | Equipment and Installation Refresh Cost | $1.55 | $ - | $ 0.05 | $ 0.15 | $ 3.25 |
| 118 | Network communications equipment cost upgrade | Capex | Network Equipment and Installation | $1.14 | $ - | $ - | $ - | $ 2.35 |
| 119 | AMF communications failed equipment replacement cost | Capex | Equipment and Installation Refresh Cost | $0.19 | $ - | $ - | $ 0.01 | $ 0.42 |
| 120 | AMF communications equipment O&M cost (outside warranty) | Opex | Equipment and Installation Refresh Cost | $0.36 | $ - | $ - | $ - | $ 0.85 |
| 121 | AMF External Project Management labor cost - Capex portion | Capex | Project Management | $1.75 | $ - | $ 2.02 | $ - | $ - |
| 123 | Cost from call center and AMO, implementation | Opex | Project Management | $4.87 | $ - | $ 2.15 | $ 3.74 | $ - |
| 124 | AMF Internal Project Management Leadership Staff - Capex portion | Capex | Project Management | $0.72 | $ - | $ 0.42 | $ 0.44 | $ - |
| 125 | AMF Internal Project Management Business Support - Capex portion | Capex | Project Management | $2.42 | $ 1.28 | $ 1.42 | $ - | $ - |
| 126 | AMF electric meter installation cost - COR portion | COR | AMF Electric Meter Equipment and Installation | $0.72 | $ - | $ 0.29 | $ 0.59 | $ - |
| 128 | AMF External Project Management labor cost - Opex portion | Opex | Project Management | $1.83 | $ 1.97 | $ - | $ - | $ - |
| 129 | AMF Internal Project Management Leadership Staff - Opex portion | Opex | Project Management | $0.38 | $ 0.41 | $ - | $ - | $ - |
| 130 | AMF Internal Project Management Business Support- Opex portion | Opex | Project Management | $1.28 | $ 1.38 | $ - | $ - | $ - |
| 134 | AMF inventory equipment cost | Capex | AMF Inventory | $1.26 | $ - | $ 0.50 | $ 1.03 | $ - |
| 135 | Professional Services - Field Deployment Support Workstream cost | Capex | Communication Network Installation Management | $3.21 | $ - | $ 0.42 | $ 2.00 | $ 1.65 |
| 136 | Professional Services - Field Deployment Support Workstream Travel Expenses cost | Opex | Communication Network Installation Management | $0.48 | $ - | $ 0.06 | $ 0.30 | $ 0.25 |
| 201 | Back-Office Revenue Assurance Analyst cost | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 202 | Cost of theft investigations | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 203 | CMS Deployment Center, Facility cost | Capex | Support Infrastructure | $1.35 | $ - | $ 1.06 | $ 0.54 | $ - |
| 204 | CMS Back Office & Clerical cost | Capex | Support Infrastructure | $1.86 | $ - | $ 1.46 | $ 0.75 | $ - |
| 205 | Service Representative Tools / Uniform cost | Capex | Support Infrastructure | $0.19 | $ - | $ 0.16 | $ 0.06 | $ - |
| 206 | Installed meter Quality Assurance / Quality Check cost | Capex | Support Infrastructure | $0.61 | $ - | $ 0.48 | $ 0.25 | $ - |
| 207 | CMS Deployment Coordination Labor cost | Capex | Support Infrastructure | $0.82 | $ - | $ 0.64 | $ 0.33 | $ - |
| 208 | CMS Field Installer Initial Training | Capex | Support Infrastructure | $0.78 | $ 0.43 | $ 0.44 | $ - | $ - |
| 209 | CMS Cellular Communication cost | Capex | Support Infrastructure | $0.06 | $ - | $ 0.04 | $ 0.02 | $ - |
| 210 | Handheld Devices cost | Capex | Support Infrastructure | $0.05 | $ - | $ 0.06 | $ - | $ - |
| 300 | AMF Additional Meter Data Services labor cost | Opex | Ongoing Business Management | $4.18 | $ - | $ 0.34 | $ 0.70 | $ 7.84 |
| 301 | Billing System Development Testing | Opex | Ongoing Business Management | $2.09 | $ - | $ 0.17 | $ 0.35 | $ 3.92 |
| 302 | MDS System Development Testing | Capex | Support Infrastructure | $0.61 | $ 0.49 | $ 0.17 | $ - | $ - |
| 400 | Customer Engagement Plan Cost | Opex | Customer Engagement Cost | $8.30 | $ 0.93 | $ 3.39 | $ 2.00 | $ 4.62 |
| 501 | CSS Enhancements Capex Cost | Capex | Customer Service System | [redacted] | | | | |
| 502 | Professional Services - Head End/MDM Solution Program Management cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 503 | Energy Monitoring Portal Opex Cost | Opex | Customer Engagement Products and Services | | | | | |
| 504 | Green Button Connect Capex Cost | Capex | Customer Engagement Products and Services | | | | | |
| 513 | Telecom Capex cost | Capex | IS Infrastructure | | | | | |
| 514 | ESB Capex cost | Capex | IS Infrastructure | | | | | |
| 516 | Information Management Capex cost | Capex | IS Infrastructure | | | | | |
| 517 | Data Lake Capex cost | Capex | IS Infrastructure | | | | | |
| 518 | Professional Services - Head End/MDM Systems Implementation Workstream cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 519 | SaaS Setup Fees - One Time Setup (Version upgrade and scale-up existing system) cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **COSTS (COMBINED)** | | | | | | | | |
| 520 | SaaS Fees - Headend Software (OWOCCM, OWOC PM, IEE MDM, IoT FND, FDM) cost | Opex | AMF Head-end and Meter Data Management Systems* | [redacted] | | | | |
| 521 | Professional Services - System and Meter Firmware Upgrade cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 522 | Telecom Opex cost | Opex | IS Infrastructure | | | | | |
| 523 | Telecom RTB Cost | Opex | IS Infrastructure | | | | | |
| 524 | ESB Opex cost | Opex | IS Infrastructure | | | | | |
| 525 | ESB RTB Cost | Opex | IS Infrastructure | | | | | |
| 526 | Data Lake Opex cost | Opex | IS Infrastructure | | | | | |
| 527 | Professional Services - Head End/MDM Solution Program Management Travel Expenses ( | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 528 | Professional Services - Head End/MDM Systems Implementation Workstream Travel Expe | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 529 | Green Button Connect Opex Cost | Opex | Customer Engagement Products and Services | | | | | |
| 530 | Information Management Opex cost | Opex | IS Infrastructure | | | | | |
| 531 | Information Management RTB Cost | Opex | IS Infrastructure | | | | | |
| 532 | Energy Monitoring Portal RTB Cost | Opex | Customer Engagement Products and Services | | | | | |
| 533 | CSS Enhancements Opex Cost | Opex | Customer Service System | | | | | |
| 534 | CSS Enhancements RTB Cost | Opex | Customer Service System | | | | | |
| 535 | Green Button Connect RTB Cost | Opex | Customer Engagement Products and Services | | | | | |
| 536 | Data Lake RTB cost | Opex | IS Infrastructure | | | | | |
| 600 | Cyber Security Project Capex Initial | Capex | Cyber Security | $7.31 | $ 4.29 | $ 2.52 | $ 1.41 | $ - |
| 601 | Cyber Security Project Opex Initial | Opex | Cyber Security | $3.26 | $ 2.01 | $ 1.04 | $ 0.60 | $ - |
| 602 | Cyber Security Project RTB O&M | Opex | Cyber Security | $5.25 | $ 0.03 | $ 0.16 | $ 0.37 | $ 11.63 |
| 603 | Cyber Security Refresh / Removal Capital | Capex | Cyber Security | $7.91 | $ - | $ - | $ - | $ 18.94 |
| 604 | Cyber Security Capital Refresh / Removal Opex | Opex | Cyber Security | $3.94 | $ - | $ - | $ 0.00 | $ 8.85 |
| | **Total Cost** | | | **$ 259.75** | **$ 32.55** | **$ 62.32** | **$ 85.70** | **$ 246.74** |
| | | | 100-400's | | | | | |
| | | | Capex | **$ 93.43** | **$ 2.30** | **$ 39.23** | **$ 67.10** | **$ 6.28** |
| | | | Opex | **$ 27.81** | **$ 6.22** | **$ 6.20** | **$ 7.33** | **$ 22.97** |
| | | | Total | **$ 121.24** | **$ 8.53** | **$ 45.43** | **$ 74.44** | **$ 29.25** |
| | | | 500's | | | | | |
| | | | Capex | **$ 20.47** | **$ 10.58** | **$ 7.60** | **$ 1.17** | **$ 6.35** |
| | | | Opex | **$ 89.65** | **$ 7.12** | **$ 5.29** | **$ 7.12** | **$ 171.71** |
| | | | Total | **$ 110.12** | **$ 17.69** | **$ 12.89** | **$ 8.29** | **$ 178.07** |
| | | | 600's | | | | | |
| | | | Capex | **$ 15.22** | **$ 4.29** | **$ 2.52** | **$ 1.41** | **$ 18.94** |
| | | | Opex | **$ 12.45** | **$ 2.04** | **$ 1.20** | **$ 0.97** | **$ 20.49** |
| | | | Total | **$ 27.67** | **$ 6.33** | **$ 3.72** | **$ 2.39** | **$ 39.42** |
| | | | Total Capex | **$ 129.11** | **$ 17.17** | **$ 49.35** | **$ 69.68** | **$ 31.57** |
| | | | Total Open | **$ 129.91** | **$ 15.38** | **$ 12.68** | **$ 15.43** | **$ 215.17** |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **BENEFITS (Electric)** | | | | | | | | |
| 2 | Benefit from eliminated AMR meter readers | Opex | AMR Meter Reading | $13.51 | $ - | $ - | $ 0.46 | $ 30.98 |
| 3 | Benefit from eliminated AMR meter reader vehicle costs | Opex | AMR Meter Reading | $1.23 | $ - | $ - | $ 0.04 | $ 2.81 |
| 4 | CO2 benefit from eliminated AMR vehicle emissions | Emissions | AMR Meter Reading (CO2) | $0.02 | $ - | $ - | $ 0.00 | $ 0.04 |
| 5 | Benefit from reduction of meter investigations | Opex | Meter Investigation | $6.20 | $ - | $ - | $ 0.21 | $ 14.21 |
| 6 | Benefit from remote metering capabilities | Opex | Remote Connect and Disconnect | $26.90 | $ - | $ - | $ 0.92 | $ 61.66 |
| 9 | Benefit from improvement in bad debt write-offs | Opex | Reduction in Write-offs | $0.00 | $ - | $ - | $ - | $ 18.89 |
| 11 | Benefit from mitigation / reduction of damage claims | Opex | Reduction in Damage Claims | $2.61 | $ - | $ - | $ - | $ 6.13 |
| 13 | Benefit from reduction of AMR theft / undermetering | Opex | Reduction in Theft of Service | $0.00 | $ - | $ - | $ 1.22 | $ 80.02 |
| 14 | Benefit from VVO/AMF integration | Opex | Volt-VAR Optimization | $13.73 | $ - | $ - | $ - | $ 36.88 |
| 15 | CO2 benefit from VVO/AMF integration | Losses | Volt-VAR Optimization (CO2) | $5.46 | $ - | $ - | $ 0.14 | $ 12.48 |
| 16 | Benefit from Energy Insights/High usage alerts | Revenue | Energy Insights/High Usage Alerts | $17.78 | $ - | $ 0.40 | $ 1.34 | $ 40.40 |
| 17 | CO2 benefit from Energy Insights/High usage alerts | Losses | Energy Insights/High Usage Alerts (CO2) | $7.88 | $ - | $ 0.36 | $ 1.05 | $ 14.36 |
| 18 | CO2 benefit from reduction of meter investigations | Emissions | Meter Investigation (CO2) | $0.01 | $ - | $ - | $ 0.00 | $ 0.03 |
| 19 | CO2 benefit from remote metering capabilities | Emissions | Remote Connect and Disconnect (CO2) | $0.17 | $ - | $ - | $ 0.01 | $ 0.35 |
| 20 | Outage Management operational benefit | Opex | Storm OMS Benefit | $1.88 | $ - | $ - | $ - | $ 4.42 |
| 25 | Benefit from Electric Vehicle TVP | Opex | Electric Vehicle Pricing | $24.81 | $ - | $ - | $ - | $ 68.66 |
| 26 | Low-End Red. & Opt-In benefit from Critical Peak Pricing (CPP) peak shaving | Opex | Time Varying Pricing | $4.59 | $ - | $ - | $ - | $ 12.75 |
| 27 | Low-End Red. & Opt-In benefit from Avoided Energy due to Time-of-Use Program | Opex | Time Varying Pricing | $3.84 | $ - | $ - | $ - | $ 10.65 |
| 28 | Low-End Red. & Opt-In CO2 savings from Avoided Energy due to Time-of-Use Program | Emissions | Time Varying Pricing (CO2) | $2.86 | $ - | $ - | $ - | $ 7.59 |
| 30 | Benefit from Electromechanical meter Accuracy | Opex | Electromechanical Meter | $0.00 | $ - | $ 2.08 | $ 4.38 | $ 20.89 |
| 100 | Avoided Electric AMR Equipment Meter Replacement | Capex | Capital | $32.00 | $ 0.86 | $ 0.89 | $ 16.10 | $ 30.97 |
| 102 | Avoided AMF electric meter installation cost - Capex portion | Capex | Capital | $20.60 | $ 0.55 | $ 0.57 | $ 10.30 | $ 20.15 |
| 105 | Avoided AMF demonstration period cost | Opex | Operations & Maintenance | $1.07 | $ 1.16 | $ - | $ - | $ - |
| 123 | Avoided cost from call center and AMO, implementation | Opex | Operations & Maintenance | $2.44 | $ - | $ 1.08 | $ 1.87 | $ - |
| 124 | Avoided AMF Internal Project Management Leadership Staff - Capex portion | Capex | Capital | $0.47 | $ - | $ 0.27 | $ 0.28 | $ - |
| 126 | Avoided AMF electric meter installation cost - COR portion | COR | Capital | $0.64 | $ 0.02 | $ 0.02 | $ 0.32 | $ 0.62 |
| 128 | Avoided AMF External Project Management labor cost - Opex portion | Opex | Operations & Maintenance | $0.00 | $ - | $ - | $ - | $ - |
| 129 | Avoided AMF Internal Project Management Leadership Staff - Opex portion | Opex | Operations & Maintenance | $0.25 | $ 0.27 | $ - | $ - | $ - |
| 134 | Avoided AMF inventory equipment cost | Capex | Capital | $0.80 | $ 0.02 | $ 0.02 | $ 0.40 | $ 0.77 |
| 203 | Avoided CMS Deployment Center, Facility cost | Capex | Capital | $1.35 | $ - | $ 1.06 | $ 0.54 | $ - |
| 204 | Avoided CMS Back Office & Clerical cost | Capex | Capital | $1.86 | $ - | $ 1.46 | $ 0.75 | $ - |
| 205 | Avoided Service Representative Tools / Uniform cost | Capex | Capital | $0.19 | $ - | $ 0.16 | $ 0.06 | $ - |
| 206 | Avoided Installed meter Quality Assurance / Quality Check cost | Capex | Capital | $0.61 | $ - | $ 0.48 | $ 0.25 | $ - |
| 207 | Avoided CMS Deployment Coordination Labor cost | Capex | Capital | $0.82 | $ - | $ 0.64 | $ 0.33 | $ - |
| 208 | Avoided CMS Field Installer Initial Training | Capex | Capital | $0.78 | $ 0.43 | $ 0.44 | $ - | $ - |
| 209 | Avoided CMS Cellular Communication cost | Capex | Capital | $0.06 | $ - | $ 0.04 | $ 0.02 | $ - |
| 210 | Avoided Handheld Devices cost | Capex | Capital | $0.05 | $ - | $ 0.06 | $ - | $ - |
| 302 | Avoided MDS System Development Testing | Capex | Capital | $0.04 | $ 0.03 | $ 0.01 | $ - | $ - |
| 400 | Avoided Customer Engagement Plan Cost | Opex | Operations & Maintenance | $2.07 | $ 0.23 | $ 0.85 | $ 0.50 | $ 1.16 |
| 540 | Avoided FCS Costs | Opex | FCS Meter Reading | $0.28 | $ - | $ - | $ 0.01 | $ 0.66 |
| 541 | Avoided Interval Meter Reading Costs | Opex | Interval Meter Reading | $0.02 | $ - | $ 0.00 | $ 0.00 | $ 0.03 |
| | **Total Benefit** | | | **$199.87** | **$ 3.57** | **$ 10.87** | **$ 41.51** | **$ 498.54** |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **COSTS (Electric)** | | | | | | | | |
| 100 | AMF electric meter equipment cost | Capex | AMF Electric Meter Equipment and Installation | $50.50 | $ - | $ 20.03 | $ 41.21 | $ - |
| 102 | AMF electric meter installation cost - Capex portion | Capex | AMF Electric Meter Equipment and Installation | $23.35 | $ - | $ 9.25 | $ 19.08 | $ - |
| 104 | AMF failed meter equipment replacement cost | Capex | Equipment and Installation Refresh Cost | $0.89 | $ - | $ 0.03 | $ 0.09 | $ 1.86 |
| 105 | AMF demonstration period cost | Opex | AMF Electric Meter Equipment and Installation | $1.43 | $ 1.54 | $ - | $ - | $ - |
| 110 | AMF network engineering, design, contracting cost | Capex | Network Equipment and Installation | $0.06 | $ 0.07 | $ - | $ - | $ - |
| 111 | Network communications equipment cost, Electric Meters | Capex | Network Equipment and Installation | $1.29 | $ - | $ 0.51 | $ 1.05 | $ - |
| 112 | Network communications equipment cost, Gas Meters | Capex | Network Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 113 | Network communications installation cost, Electric Meters | Capex | Network Equipment and Installation | $0.10 | $ - | $ 0.04 | $ 0.09 | $ - |
| 114 | Network communications installation cost, Gas Meters | Capex | Network Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 115 | Network communications LTE backhaul cost, Electric Meters | Opex | Backhaul | $0.95 | $ - | $ 0.03 | $ 0.09 | $ 2.00 |
| 116 | Network communications LTE backhaul cost, Gas Meters | Opex | Backhaul | $0.00 | $ - | $ - | $ - | $ - |
| 117 | AMF meter cellular service cost, Electric Meters | Opex | Equipment and Installation Refresh Cost | $1.55 | $ - | $ 0.05 | $ 0.15 | $ 3.25 |
| 118 | Network communications equipment cost upgrade | Capex | Network Equipment and Installation | $1.00 | $ - | $ - | $ - | $ 2.06 |
| 119 | AMF communications failed equipment replacement cost | Capex | Equipment and Installation Refresh Cost | $0.16 | $ - | $ - | $ 0.01 | $ 0.37 |
| 120 | AMF communications equipment O&M cost (outside warranty) | Opex | Equipment and Installation Refresh Cost | $0.32 | $ - | $ - | $ - | $ 0.74 |
| 121 | AMF External Project Management labor cost - Capex portion | Capex | Project Management | $1.13 | $ - | $ 1.31 | $ - | $ - |
| 123 | Cost from call center and AMO, implementation | Opex | Project Management | $4.87 | $ - | $ 2.15 | $ 3.74 | $ - |
| 124 | AMF Internal Project Management Leadership Staff - Capex portion | Capex | Project Management | $0.47 | $ - | $ 0.27 | $ 0.28 | $ - |
| 125 | AMF Internal Project Management Business Support - Capex portion | Capex | Project Management | $1.57 | $ 0.83 | $ 0.92 | $ - | $ - |
| 126 | AMF electric meter installation cost - COR portion | COR | AMF Electric Meter Equipment and Installation | $0.72 | $ - | $ 0.29 | $ 0.59 | $ - |
| 128 | AMF External Project Management labor cost - Opex portion | Opex | Project Management | $1.18 | $ 1.27 | $ - | $ - | $ - |
| 129 | AMF Internal Project Management Leadership Staff - Opex portion | Opex | Project Management | $0.25 | $ 0.27 | $ - | $ - | $ - |
| 130 | AMF Internal Project Management Business Support- Opex portion | Opex | Project Management | $0.83 | $ 0.89 | $ - | $ - | $ - |
| 134 | AMF inventory equipment cost | Capex | AMF Inventory | $1.26 | $ - | $ 0.50 | $ 1.03 | $ - |
| 135 | Professional Services - Field Deployment Support Workstream cost | Capex | Communication Network Installation Management | $3.21 | $ - | $ 0.42 | $ 2.00 | $ 1.65 |
| 136 | Professional Services - Field Deployment Support Workstream Travel Expenses cost | Opex | Communication Network Installation Management | $0.48 | $ - | $ 0.06 | $ 0.30 | $ 0.25 |
| 201 | Back-Office Revenue Assurance Analyst cost | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 202 | Cost of theft investigations | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 203 | CMS Deployment Center, Facility cost | Capex | Support Infrastructure | $1.35 | $ - | $ 1.06 | $ 0.54 | $ - |
| 204 | CMS Back Office & Clerical cost | Capex | Support Infrastructure | $1.86 | $ - | $ 1.46 | $ 0.75 | $ - |
| 205 | Service Representative Tools / Uniform cost | Capex | Support Infrastructure | $0.19 | $ - | $ 0.16 | $ 0.06 | $ - |
| 206 | Installed meter Quality Assurance / Quality Check cost | Capex | Support Infrastructure | $0.61 | $ - | $ 0.48 | $ 0.25 | $ - |
| 207 | CMS Deployment Coordination Labor cost | Capex | Support Infrastructure | $0.82 | $ - | $ 0.64 | $ 0.33 | $ - |
| 208 | CMS Field Installer Initial Training | Capex | Support Infrastructure | $0.78 | $ 0.43 | $ 0.44 | $ - | $ - |
| 209 | CMS Cellular Communication cost | Capex | Support Infrastructure | $0.06 | $ - | $ 0.04 | $ 0.02 | $ - |
| 210 | Handheld Devices cost | Capex | Support Infrastructure | $0.05 | $ - | $ 0.06 | $ - | $ - |
| 300 | AMF Additional Meter Data Services labor cost | Opex | Ongoing Business Management | $2.71 | $ - | $ 0.22 | $ 0.45 | $ 5.08 |
| 301 | Billing System Development Testing | Opex | Ongoing Business Management | $2.09 | $ - | $ 0.17 | $ 0.35 | $ 3.92 |
| 302 | MDS System Development Testing | Capex | Support Infrastructure | $0.39 | $ 0.32 | $ 0.11 | $ - | $ - |
| 400 | Customer Engagement Plan Cost | Opex | Customer Engagement Cost | $8.30 | $ 0.93 | $ 3.39 | $ 2.00 | $ 4.62 |
| 501 | CSS Enhancements Capex Cost | Capex | Customer Service System | [redacted] | | | | |
| 502 | Professional Services - Head End/MDM Solution Program Management cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 503 | Energy Monitoring Portal Opex Cost | Opex | Customer Engagement Products and Services | | | | | |
| 504 | Green Button Connect Capex Cost | Capex | Customer Engagement Products and Services | | | | | |
| 513 | Telecom Capex cost | Capex | IS Infrastructure | | | | | |
| 514 | ESB Capex cost | Capex | IS Infrastructure | | | | | |
| 516 | Information Management Capex cost | Capex | IS Infrastructure | | | | | |
| 517 | Data Lake Capex cost | Capex | IS Infrastructure | | | | | |
| 518 | Professional Services - Head End/MDM Systems Implementation Workstream cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 519 | SaaS Setup Fees - One Time Setup (Version upgrade and scale-up existing system) cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 520 | SaaS Fees - Headend Software (OWOCCM, OWOC PM, IEE MDM, IoT FND, FDM) cost | Opex | AMF Head-end and Meter Data Management Systems* | [redacted] | | | | |
| **#** | **Description** | **Category** | **Group** | **NPV** | **FY 20** | **FY 21** | **FY 22** | **FY 23 - FY 39** |
| **COSTS (Electric)** | | | | | | | | |
| 521 | Professional Services - System and Meter Firmware Upgrade cost | Opex | AMF Head-end and Meter Data Management Systems* | [redacted] | | | | |
| 522 | Telecom Opex cost | Opex | IS Infrastructure | | | | | |
| 523 | Telecom RTB Cost | Opex | IS Infrastructure | | | | | |
| 524 | ESB Opex cost | Opex | IS Infrastructure | | | | | |
| 525 | ESB RTB Cost | Opex | IS Infrastructure | | | | | |
| 526 | Data Lake Opex cost | Opex | IS Infrastructure | | | | | |
| 527 | Professional Services - Head End/MDM Solution Program Management Travel Expenses ( | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 528 | Professional Services - Head End/MDM Systems Implementation Workstream Travel Expe | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 529 | Green Button Connect Opex Cost | Opex | Customer Engagement Products and Services | | | | | |
| 530 | Information Management Opex cost | Opex | IS Infrastructure | | | | | |
| 531 | Information Management RTB Cost | Opex | IS Infrastructure | | | | | |
| 532 | Energy Monitoring Portal RTB Cost | Opex | Customer Engagement Products and Services | | | | | |
| 533 | CSS Enhancements Opex Cost | Opex | Customer Service System | | | | | |
| 534 | CSS Enhancements RTB Cost | Opex | Customer Service System | | | | | |
| 535 | Green Button Connect RTB Cost | Opex | Customer Engagement Products and Services | | | | | |
| 536 | Data Lake RTB cost | Opex | IS Infrastructure | | | | | |
| 600 | Cyber Security Project Capex Initial | Capex | Cyber Security | $4.73 | $ 2.78 | $ 1.63 | $ 0.92 | $ - |
| 601 | Cyber Security Project Opex Initial | Opex | Cyber Security | $2.11 | $ 1.30 | $ 0.67 | $ 0.39 | $ - |
| 602 | Cyber Security Project RTB O&M | Opex | Cyber Security | $3.59 | $ - | $ 0.11 | $ 0.31 | $ 7.74 |
| 603 | Cyber Security Refresh / Removal Capital | Capex | Cyber Security | $5.13 | $ - | $ - | $ - | $ 12.27 |
| 604 | Cyber Security Capital Refresh / Removal Opex | Opex | Cyber Security | $2.55 | $ - | $ - | $ 0.00 | $ 5.74 |
| | **Total Cost** | | | **$ 210.02** | **$ 22.09** | **$ 55.11** | **$ 82.74** | **$ 170.67** |
| | | | 100-400's | | | | | |
| | | | Capex | **$ 91.10** | **$ 1.64** | **$ 37.73** | **$ 66.79** | **$ 5.94** |
| | | | Opex | **$ 24.96** | **$ 4.90** | **$ 6.08** | **$ 7.08** | **$ 19.85** |
| | | | Total | **$ 116.05** | **$ 6.54** | **$ 43.81** | **$ 73.87** | **$ 25.79** |
| | | | 500's | | | | | |
| | | | Capex | **$ 13.26** | **$ 6.85** | **$ 4.93** | **$ 0.76** | **$ 4.12** |
| | | | Opex | **$ 61.87** | **$ 4.61** | **$ 3.67** | **$ 5.90** | **$ 115.02** |
| | | | Total | **$ 75.13** | **$ 11.46** | **$ 8.60** | **$ 6.65** | **$ 119.14** |
| | | | 600's | | | | | |
| | | | Capex | **$ 9.86** | **$ 2.78** | **$ 1.63** | **$ 0.92** | **$ 12.27** |
| | | | Opex | **$ 8.26** | **$ 1.30** | **$ 0.79** | **$ 0.71** | **$ 13.47** |
| | | | Total | **$ 18.12** | **$ 4.08** | **$ 2.42** | **$ 1.62** | **$ 25.74** |
| | | | Total Capex | **$ 114.22** | **$ 11.27** | **$ 44.29** | **$ 68.46** | **$ 22.32** |
| | | | Total Open | **$ 95.09** | **$ 10.81** | **$ 10.54** | **$ 13.69** | **$ 148.34** |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **BENEFITS (GAS)** | | | | | | | | |
| 2 | Benefit from eliminated AMR meter readers | Opex | AMR Meter Reading | $0.00 | $ - | $ - | $ - | $ - |
| 3 | Benefit from eliminated AMR meter reader vehicle costs | Opex | AMR Meter Reading | $0.00 | $ - | $ - | $ - | $ - |
| 4 | CO2 benefit from eliminated AMR vehicle emissions | Emissions | AMR Meter Reading (CO2) | $0.00 | $ - | $ - | $ - | $ - |
| 5 | Benefit from reduction of meter investigations | Opex | Meter Investigation | $0.00 | $ - | $ - | $ - | $ - |
| 6 | Benefit from remote metering capabilities | Opex | Remote Connect and Disconnect | $0.00 | $ - | $ - | $ - | $ - |
| 9 | Benefit from improvement in bad debt write-offs | Opex | Reduction in Write-offs | $0.00 | $ - | $ - | $ - | $ - |
| 11 | Benefit from mitigation / reduction of damage claims | Opex | Reduction in Damage Claims | $0.00 | $ - | $ - | $ - | $ - |
| 13 | Benefit from reduction of AMR theft / undermetering | Opex | Reduction in Theft of Service | $0.00 | $ - | $ - | $ - | $ - |
| 14 | Benefit from VVO/AMF integration | Opex | Volt-VAR Optimization | $0.00 | $ - | $ - | $ - | $ - |
| 15 | CO2 benefit from VVO/AMF integration | Losses | Volt-VAR Optimization (CO2) | $0.00 | $ - | $ - | $ - | $ - |
| 16 | Benefit from Energy Insights/High usage alerts | Revenue | Energy Insights/High Usage Alerts | $4.24 | $ - | $ 0.15 | $ 0.46 | $ 8.48 |
| 17 | CO2 benefit from Energy Insights/High usage alerts | Losses | Energy Insights/High Usage Alerts (CO2) | $0.00 | $ - | $ - | $ - | $ - |
| 18 | CO2 benefit from reduction of meter investigations | Emissions | Meter Investigation (CO2) | $0.00 | $ - | $ - | $ - | $ - |
| 19 | CO2 benefit from remote metering capabilities | Emissions | Remote Connect and Disconnect (CO2) | $0.00 | $ - | $ - | $ - | $ - |
| 20 | Outage Management operational benefit | Opex | Storm OMS Benefit | $0.00 | $ - | $ - | $ - | $ - |
| 25 | Benefit from Electric Vehicle TVP | Opex | Electric Vehicle Pricing | $0.00 | $ - | $ - | $ - | $ - |
| 26 | Low-End Red. & Opt-In benefit from Critical Peak Pricing (CPP) peak shaving | Opex | Time Varying Pricing | $0.00 | $ - | $ - | $ - | $ - |
| 27 | Low-End Red. & Opt-In benefit from Avoided Energy due to Time-of-Use Program | Opex | Time Varying Pricing | $0.00 | $ - | $ - | $ - | $ - |
| 28 | Low-End Red. & Opt-In CO2 savings from Avoided Energy due to Time-of-Use Program | Emissions | Time Varying Pricing (CO2) | $0.00 | $ - | $ - | $ - | $ - |
| 30 | Benefit from Electromechanical meter Accuracy | Opex | Electromechanical Meter | $0.00 | $ - | $ - | $ - | $ - |
| 100 | Avoided Electric AMR Equipment Meter Replacement | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 102 | Avoided AMF electric meter installation cost - Capex portion | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 105 | Avoided AMF demonstration period cost | Opex | Operations & Maintenance | $0.00 | $ - | $ - | $ - | $ - |
| 123 | Avoided cost from call center and AMO, implementation | Opex | Operations & Maintenance | $0.00 | $ - | $ - | $ - | $ - |
| 124 | Avoided AMF Internal Project Management Leadership Staff - Capex portion | Capex | Capital | $0.25 | $ - | $ 0.15 | $ 0.15 | $ - |
| 126 | Avoided AMF electric meter installation cost - COR portion | COR | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 128 | Avoided AMF External Project Management labor cost - Opex portion | Opex | Operations & Maintenance | $0.00 | $ - | $ - | $ - | $ - |
| 129 | Avoided AMF Internal Project Management Leadership Staff - Opex portion | Opex | Operations & Maintenance | $0.13 | $ 0.15 | $ - | $ - | $ - |
| 134 | Avoided AMF inventory equipment cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 203 | Avoided CMS Deployment Center, Facility cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 204 | Avoided CMS Back Office & Clerical cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 205 | Avoided Service Representative Tools / Uniform cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 206 | Avoided Installed meter Quality Assurance / Quality Check cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 207 | Avoided CMS Deployment Coordination Labor cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 208 | Avoided CMS Field Installer Initial Training | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 209 | Avoided CMS Cellular Communication cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 210 | Avoided Handheld Devices cost | Capex | Capital | $0.00 | $ - | $ - | $ - | $ - |
| 302 | Avoided MDS System Development Testing | Capex | Capital | $0.02 | $ 0.02 | $ 0.01 | $ - | $ - |
| 400 | Avoided Customer Engagement Plan Cost | Opex | Operations & Maintenance | $0.00 | $ - | $ - | $ - | $ - |
| 540 | Avoided FCS Costs | Opex | FCS Meter Reading | $0.00 | $ - | $ - | $ - | $ - |
| 541 | Avoided Interval Meter Reading Costs | Opex | Interval Meter Reading | $0.00 | $ - | $ - | $ - | $ - |
| | **Total Benefit** | | | **$ 4.65** | **$ 0.16** | **$ 0.31** | **$ 0.61** | **$ 8.48** |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| **COSTS (GAS)** | | | | | | | | |
| 100 | AMF electric meter equipment cost | Capex | AMF Electric Meter Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 102 | AMF electric meter installation cost - Capex portion | Capex | AMF Electric Meter Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 104 | AMF failed meter equipment replacement cost | Capex | Equipment and Installation Refresh Cost | $0.00 | $ - | $ - | $ - | $ - |
| 105 | AMF demonstration period cost | Opex | AMF Electric Meter Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 110 | AMF network engineering, design, contracting cost | Capex | Network Equipment and Installation | $0.03 | $ 0.04 | $ - | $ - | $ - |
| 111 | Network communications equipment cost, Electric Meters | Capex | Network Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 112 | Network communications equipment cost, Gas Meters | Capex | Network Equipment and Installation | $0.18 | $ - | $ 0.07 | $ 0.15 | $ - |
| 113 | Network communications installation cost, Electric Meters | Capex | Network Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 114 | Network communications installation cost, Gas Meters | Capex | Network Equipment and Installation | $0.01 | $ - | $ 0.01 | $ 0.01 | $ - |
| 115 | Network communications LTE backhaul cost, Electric Meters | Opex | Backhaul | $0.00 | $ - | $ - | $ - | $ - |
| 116 | Network communications LTE backhaul cost, Gas Meters | Opex | Backhaul | $0.11 | $ - | $ 0.00 | $ 0.00 | $ 0.25 |
| 117 | AMF meter cellular service cost, Electric Meters | Opex | Equipment and Installation Refresh Cost | $0.00 | $ - | $ - | $ - | $ - |
| 118 | Network communications equipment cost upgrade | Capex | Network Equipment and Installation | $0.14 | $ - | $ - | $ - | $ 0.29 |
| 119 | AMF communications failed equipment replacement cost | Capex | Equipment and Installation Refresh Cost | $0.02 | $ - | $ - | $ 0.00 | $ 0.05 |
| 120 | AMF communications equipment O&M cost (outside warranty) | Opex | Equipment and Installation Refresh Cost | $0.05 | $ - | $ - | $ - | $ 0.11 |
| 121 | AMF External Project Management labor cost - Capex portion | Capex | Project Management | $0.62 | $ - | $ 0.71 | $ - | $ - |
| 123 | Cost from call center and AMO, implementation | Opex | Project Management | $0.00 | $ - | $ - | $ - | $ - |
| 124 | AMF Internal Project Management Leadership Staff - Capex portion | Capex | Project Management | $0.25 | $ - | $ 0.15 | $ 0.15 | $ - |
| 125 | AMF Internal Project Management Business Support - Capex portion | Capex | Project Management | $0.85 | $ 0.45 | $ 0.50 | $ - | $ - |
| 126 | AMF electric meter installation cost - COR portion | COR | AMF Electric Meter Equipment and Installation | $0.00 | $ - | $ - | $ - | $ - |
| 128 | AMF External Project Management labor cost - Opex portion | Opex | Project Management | $0.64 | $ 0.69 | $ - | $ - | $ - |
| 129 | AMF Internal Project Management Leadership Staff - Opex portion | Opex | Project Management | $0.13 | $ 0.15 | $ - | $ - | $ - |
| 130 | AMF Internal Project Management Business Support- Opex portion | Opex | Project Management | $0.45 | $ 0.49 | $ - | $ - | $ - |
| 134 | AMF inventory equipment cost | Capex | AMF Inventory | $0.00 | $ - | $ - | $ - | $ - |
| 135 | Professional Services - Field Deployment Support Workstream cost | Capex | Communication Network Installation Management | $0.00 | $ - | $ - | $ - | $ - |
| 136 | Professional Services - Field Deployment Support Workstream Travel Expenses cost | Opex | Communication Network Installation Management | $0.00 | $ - | $ - | $ - | $ - |
| 201 | Back-Office Revenue Assurance Analyst cost | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 202 | Cost of theft investigations | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 203 | CMS Deployment Center, Facility cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 204 | CMS Back Office & Clerical cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 205 | Service Representative Tools / Uniform cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 206 | Installed meter Quality Assurance / Quality Check cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 207 | CMS Deployment Coordination Labor cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 208 | CMS Field Installer Initial Training | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 209 | CMS Cellular Communication cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 210 | Handheld Devices cost | Capex | Support Infrastructure | $0.00 | $ - | $ - | $ - | $ - |
| 300 | AMF Additional Meter Data Services labor cost | Opex | Ongoing Business Management | $1.47 | $ - | $ 0.12 | $ 0.25 | $ 2.76 |
| 301 | Billing System Development Testing | Opex | Ongoing Business Management | $0.00 | $ - | $ - | $ - | $ - |
| 302 | MDS System Development Testing | Capex | Support Infrastructure | $0.21 | $ 0.17 | $ 0.06 | $ - | $ - |
| 400 | Customer Engagement Plan Cost | Opex | Customer Engagement Cost | $0.00 | $ - | $ - | $ - | $ - |
| 501 | CSS Enhancements Capex Cost | Capex | Customer Service System | [redacted] | | | | |
| 502 | Professional Services - Head End/MDM Solution Program Management cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 503 | Energy Monitoring Portal Opex Cost | Opex | Customer Engagement Products and Services | | | | | |
| 504 | Green Button Connect Capex Cost | Capex | Customer Engagement Products and Services | | | | | |
| 513 | Telecom Capex cost | Capex | IS Infrastructure | | | | | |
| 514 | ESB Capex cost | Capex | IS Infrastructure | | | | | |
| 516 | Information Management Capex cost | Capex | IS Infrastructure | | | | | |
| 517 | Data Lake Capex cost | Capex | IS Infrastructure | | | | | |
| 518 | Professional Services - Head End/MDM Systems Implementation Workstream cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 519 | SaaS Setup Fees - One Time Setup (Version upgrade and scale-up existing system) cost | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |

| # | Description | Category | Group | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|---|---|---|
| 520 | SaaS Fees - Headend Software (OWOCCM, OWOC PM, IEE MDM, IoT FND, FDM) cost | Opex | AMF Head-end and Meter Data Management Systems* | [redacted] | | | | |
| | **COSTS (GAS)** | | | | | | | |
| 521 | Professional Services - System and Meter Firmware Upgrade cost | Opex | AMF Head-end and Meter Data Management Systems* | [redacted] | | | | |
| 522 | Telecom Opex cost | Opex | IS Infrastructure | | | | | |
| 523 | Telecom RTB Cost | Opex | IS Infrastructure | | | | | |
| 524 | ESB Opex cost | Opex | IS Infrastructure | | | | | |
| 525 | ESB RTB Cost | Opex | IS Infrastructure | | | | | |
| 526 | Data Lake Opex cost | Opex | IS Infrastructure | | | | | |
| 527 | Professional Services - Head End/MDM Solution Program Management Travel Expenses ( | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 528 | Professional Services - Head End/MDM Systems Implementation Workstream Travel Expe | Opex | AMF Head-end and Meter Data Management Systems* | | | | | |
| 529 | Green Button Connect Opex Cost | Opex | Customer Engagement Products and Services | | | | | |
| 530 | Information Management Opex cost | Opex | IS Infrastructure | | | | | |
| 531 | Information Management RTB Cost | Opex | IS Infrastructure | | | | | |
| 532 | Energy Monitoring Portal RTB Cost | Opex | Customer Engagement Products and Services | | | | | |
| 533 | CSS Enhancements Opex Cost | Opex | Customer Service System | | | | | |
| 534 | CSS Enhancements RTB Cost | Opex | Customer Service System | | | | | |
| 535 | Green Button Connect RTB Cost | Opex | Customer Engagement Products and Services | | | | | |
| 536 | Data Lake RTB cost | Opex | IS Infrastructure | | | | | |
| 600 | Cyber Security Project Capex Initial | Capex | Cyber Security | $2.57 | $ 1.51 | $ 0.89 | $ 0.50 | $ - |
| 601 | Cyber Security Project Opex Initial | Opex | Cyber Security | $1.15 | $ 0.71 | $ 0.37 | $ 0.21 | $ - |
| 602 | Cyber Security Project RTB O&M | Opex | Cyber Security | $1.66 | $ 0.03 | $ 0.04 | $ 0.05 | $ 3.90 |
| 603 | Cyber Security Refresh / Removal Capital | Capex | Cyber Security | $2.79 | $ - | $ - | $ - | $ 6.67 |
| 604 | Cyber Security Capital Refresh / Removal Opex | Opex | Cyber Security | $1.39 | $ - | $ - | $ 0.00 | $ 3.12 |
| | **Total Cost** | | | **$49.73** | **$10.47** | **$7.21** | **$2.96** | **$76.08** |

| | NPV | FY 20 | FY 21 | FY 22 | FY 23 - FY 39 |
|---|---|---|---|---|---|
| 100-400's | | | | | |
| Capex | **$ 2.33** | **$ 0.66** | **$ 1.50** | **$ 0.32** | **$ 0.35** |
| Opex | **$ 2.85** | **$ 1.32** | **$ 0.12** | **$ 0.25** | **$ 3.12** |
| Total | **$ 5.19** | **$ 1.98** | **$ 1.62** | **$ 0.57** | **$ 3.47** |
| 500's | | | | | |
| Capex | **$ 7.21** | **$ 3.72** | **$ 2.68** | **$ 0.41** | **$ 2.24** |
| Opex | **$ 27.78** | **$ 2.51** | **$ 1.61** | **$ 1.22** | **$ 56.69** |
| Total | **$ 34.99** | **$ 6.23** | **$ 4.29** | **$ 1.63** | **$ 58.93** |
| 600's | | | | | |
| Capex | **$ 5.36** | **$ 1.51** | **$ 0.89** | **$ 0.50** | **$ 6.67** |
| Opex | **$ 4.19** | **$ 0.74** | **$ 0.41** | **$ 0.27** | **$ 7.01** |
| Total | **$ 9.55** | **$ 2.25** | **$ 1.30** | **$ 0.77** | **$ 13.68** |
| Total Capex | **$ 14.90** | **$ 5.89** | **$ 5.07** | **$ 1.23** | **$ 9.25** |
| Total Open | **$ 34.83** | **$ 4.57** | **$ 2.14** | **$ 1.74** | **$ 66.83** |

**Electric Transportation Initiative - Cost Summary**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 1 | **Total Costs by Program Type** | | | | | | | |
| 2 | | **Year 1** | | **Year 2** | | **Year 3** | | **3-Year Total** |
| 3 | Off-Peak Charging Rebate Pilot | $ | 178,745 | $ | 244,420 | $ | 332,567 | **$ 755,731** |
| 4 | Charging Station Demonstration Program | $ | 1,377,313 | $ | 2,368,863 | $ | 5,334,831 | **$ 9,081,008** |
| 5 | Discount Pilot for DC Fast Charging Accounts | $ | 103,622 | $ | 170,650 | $ | 264,488 | **$ 538,760** |
| 6 | Transportation Education and Outreach | $ | 113,970 | $ | 164,959 | $ | 220,468 | **$ 499,397** |
| 7 | Company Fleet Expansion | $ | 264,000 | $ | 128,000 | $ | 192,000 | **$ 584,000** |
| 8 | Initiative Evaluation | $ | 30,000 | $ | 30,000 | $ | 30,000 | **$ 90,000** |
| 9 | **Total** | **$** | **2,067,650** | **$** | **3,106,891** | **$** | **6,374,354** | **$ 11,548,895** |
| 10 | | | | | | | | |
| 11 | **Program Costs by Type of Expense** | | | | | | | |
| 12 | | **Year 1** | | **Year 2** | | **Year 3** | | **3-Year Total** |
| 13 | O&M Subtotal | $ | 879,179 | $ | 1,278,391 | $ | 2,047,843 | **$ 4,205,413** |
| 14 | Capital Subtotal | $ | 1,188,470 | $ | 1,828,501 | $ | 4,326,511 | **$ 7,343,482** |
| 15 | **Total** | **$** | **2,067,650** | **$** | **3,106,891** | **$** | **6,374,354** | **$ 11,548,895** |
| 16 | | | | | | | | |
| 17 | **Summary by Initiative** | | | | | | | |
| 18 | | **Year 1** | | **Year 2** | | **Year 3** | | **3-Year Total** |
| 19 | Off-Peak Charging Rebate Pilot | | | | | | | |
| 20 | Capital | | | | | | | |
| 21 | Expense | $ | 178,745 | $ | 244,420 | $ | 332,567 | **$ 755,731** |
| 22 | Charging Station Demonstration Program | | | | | | | |
| 23 | Capital | $ | 988,470 | $ | 1,828,501 | $ | 4,326,511 | **$ 7,143,482** |
| 24 | Expense | $ | 388,843 | $ | 540,362 | $ | 1,008,320 | **$ 1,937,525** |
| 25 | Discount Pilot for DC Fast Charging Accounts | | | | | | | |
| 26 | Capital | | | | | | | |
| 27 | Expense | $ | 103,622 | $ | 170,650 | $ | 264,488 | **$ 538,760** |
| 28 | Transportation Education and Outreach | | | | | | | |
| 29 | Capital | | | | | | | |
| 30 | Expense | $ | 113,970 | $ | 164,959 | $ | 220,468 | **$ 499,397** |
| 31 | Company Fleet Expansion | | | | | | | |
| 32 | Capital | $ | 200,000 | $ | - | $ | - | **$ 200,000** |
| 33 | Expense | $ | 64,000 | $ | 128,000 | $ | 192,000 | **$ 384,000** |
| 34 | Initiative Evaluation | | | | | | | |
| 35 | Expense | $ | 30,000 | $ | 30,000 | $ | 30,000 | **$ 90,000** |
| 36 | **Total** | **$** | **2,067,650** | **$** | **3,106,891** | **$** | **6,374,354** | **$ 11,548,895** |
| 37 | | | | | | | | |
| 38 | **Offsetting Participation Payment** | $ | (40,000) | $ | (100,000) | $ | (260,000) | **$ (400,000)** |

**Cost Estimates**
**Off-Peak Charging Rebate Pilot**

| | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|
| 1 | NG Program Manager FTE - Program Manager Labor | $ 96,245 | $ 98,170 | $ 50,067 | **$ 244,481** |
| 2 | Off-Peak Rebate Pilot - Data Acquisition Cost | $ 20,000 | $ 50,000 | $ 100,000 | **$ 170,000** |
| 3 | Off-Peak Rebate Pilot - Pilot Support | $ 40,000 | $ 40,000 | $ 40,000 | **$ 120,000** |
| 4 | Evaluation | | | $ 30,000 | **$ 30,000** |
| 5 | Program Marketing | $ 15,000 | $ 37,500 | $ 75,000 | **$ 127,500** |
| 6 | **Program Administration Cost** | **$ 171,245** | **$ 225,670** | **$ 295,067** | **$ 691,981** |
| 7 | | | | | |
| 8 | **Rebate Cost** | **$ 7,500** | **$ 18,750** | **$ 37,500** | **$ 63,750** |
| 9 | | | | | |
| 10 | **Total Expense Cost** | **$ 178,745** | **$ 244,420** | **$ 332,567** | **$ 755,731** |
| 11 | | | | | |
| 12 | FTE Calculation | | | | |
| 13 | FTE per year | 0.5 | 0.5 | 0.25 | |
| 14 | 2016 Labor Rate (Sr. Prog Mgr) | 107,100 | | | |
| 15 | Escalation Rate | 2% | | | |
| 16 | 2018 Labor Rate | 111,427 | | | |
| 17 | Labor Burden | 72.75% | | | |
| 18 | Fully Burdened Labor Rate | 192,490 | 196,340 | 200,266 | |
| 19 | | | | | |
| 20 | Off-Peak Rebate Pilot | | | | |
| 21 | Data Acquisition Cost | | | | |
| 22 | Cost per Participant per Year | $ 200 | $ 200 | $ 200 | |
| 23 | Participants per year | 100 | 250 | 500 | |
| 24 | Cost per Year | $ 20,000 | $ 50,000 | $ 100,000 | |
| 25 | | | | | |
| 26 | Marketing Cost per Participant | $ 150 | | | |
| 27 | | | | | |
| 28 | Rebate Cost | | | | |
| 29 | Cost per Participant per Year | $ 75 | | | |
| 30 | Cost per Year | $ 7,500 | $ 18,750 | $ 37,500 | |
| 31 | | | | | |
| 32 | Pilot Support | $ 120,000 | | | |
| 33 | Customer support, call center, surveys, data analysis, marketing | | | | |
| 34 | | | | | |
| 35 | Evaluation Cost | | | | |
| 36 | Off-Peak Pilot | 30,000 | | | |

**Cost Estimates**
**Charging Station Demonstration Program**
**Page 1**

**Program Inputs**

| **Targeted Charging Segments - Estimates** | Type | Sites | Ports per Site | Ports per Segment | % Make-Ready | Make-Ready Ports | % Utility-Operated | Utility-Operated Ports | Make-Ready EVSE Rebate Level |
|---|---|---|---|---|---|---|---|---|---|
| Workplaces | L2 | **20** | **10** | 200 | **50%** | 100 | **50%** | 100 | **50%** |
| Apartment buildings | L2 | **4** | **6** | 24 | **50%** | 12 | **50%** | 12 | **75%** |
| Disadvantaged community sites | L2 | **4** | **6** | 24 | **50%** | 12 | **50%** | 12 | **100%** |
| Public transit stations | L2 | **2** | **10** | 20 | **50%** | 10 | **50%** | 10 | **50%** |
| Public DCFC | DCFC | **4** | **5** | 20 | | | **100%** | 20 | |
| Government light-duty fleet | L2 | **3** | **8** | 24 | **100%** | 24 | | | **50%** |
| Corporate light-duty fleet | L2 | **3** | **8** | 24 | **100%** | 24 | | | **50%** |
| Public transit buses | Other | **2** | **5** | 10 | **100%** | 10 | | | **50%** |
| Rideshare company charging hub | DCFC | **1** | **5** | 5 | **100%** | 5 | | | **25%** |
| Other heavy-duty/DCFC (port, airport) | Other | **2** | **4** | 8 | **100%** | 8 | | | **50%** |
| Municipal school buses | Other | **3** | **1** | 3 | **100%** | 3 | | | **75%** |
| **Total** | | **48** | **68** | **362** | | **208** | | **154** | |

**Estimated EDC Equipment Cost per site**

| Distribution Design Cases | Underground Feed With New Transformer to Meter | Underground Feed with Existing Transformer | Overhead Drop With New Transformer to Meter | Overhead Secondary Drop to Meter |
|---|---|---|---|---|
| Direct Costs per site | $ 21,804 | $ 9,282 | $ 11,956 | $ 8,822 |
| Indirect Costs per site | $ 16,185 | $ 7,112 | $ 7,858 | $ 6,740 |
| Total Estimated EDC Equipment Cost per site | $ 37,989 | $ 16,394 | $ 19,814 | $ 15,562 |
| Estimated Proportion of Sites in Each Distribution Design Case | 15% | 75% | 5% | 5% |
| Weighted Average Cost, based on Estimated Proportion of Sites | $ 19,763 | | | |
| Contingency | 30% | | | |
| Escalation | 2% | | | |

| Average Estimated EDC Equipment Cost per Site, incl. Contingency | 2016 $ | 2017 $ | 2018 $ | 2019 $ | 2020 $ | 2018-2020 Avg |
|---|---|---|---|---|---|---|
| | $ 25,691 | $ 26,205 | $ 26,729 | $ 27,264 | $ 27,809 | **$ 27,268** |

**Estimated Premise Work Cost per site**

| | Estimate 1 | Estimate 2 | Estimate 3 | Average |
|---|---|---|---|---|
| Level 2 Sites | $ 32,150 | $ 49,138 | | $ 40,644 |
| DC Fast Charging Sites | $ 60,100 | $ 64,215 | $ 75,300 | $ 66,538 |
| Contingency | 30% | | | |
| Escalation | 2% | | | |

| Average Estimated Premise Work Cost, incl. Contingency | 2016 $ | 2017 $ | 2018 $ | 2019 $ | 2020 $ | 2018-2020 Avg |
|---|---|---|---|---|---|---|
| Level 2 Site | $ 52,837 | $ 53,894 | $ 54,972 | $ 56,071 | $ 57,193 | **$ 56,079** |
| DC Fast Charging Sites | $ 86,500 | $ 88,230 | $ 89,994 | $ 91,794 | $ 93,630 | **$ 91,806** |

**Estimated EVSE Cost per Port**

| | |
|---|---|
| Level 2 (based on 2-port, networked) | $ 2,875 |
| DCFC | $ 35,000 |
| Other Heavy Duty | $ 35,000 |

Assumes Buses/Other (e.g. Port) DCFC EVSE is equivalently priced to consumer vehicle DCFC

**Line Notes**
Lines 18-23= Internal Distribution Design Cost Estimates, 8-30-16
Line 19 = Direct Costs include Craft Labor, Materials, Engineering Costs, Contractors/Consultants, Project Management Cost, and Craft Supervision
Line 20 = Indirect Costs include Stores Handling, Labor Adders, Transportation, CAD, and AFUDC
Lines 33-34 = External estimates obtained by National Grid; costs include Plans
& Permits, Labor (electrician), Materials (panel, breakers, conduit, fittings,
Lines 44-46 = National Grid internal experience

**Charging Station Demonstration Program**
**Page 2**

**Direct Site Costs**

| **Make-Ready Option Cost Estimates** | Make-Ready Sites | Make-Ready Ports | Make-Ready EVSE Rebate Level | EDC Costs (New Service) | Premise Work Costs | EVSE Rebate Cost | Total per Segment | Cost per Port | Cost per Site |
|---|---|---|---|---|---|---|---|---|---|
| Workplaces | 10 | 100 | 50% | $ 272,675 | $ 560,786 | $ 143,750 | **$ 977,211** | $ 9,772 | $ 97,721 |
| Apartment buildings | 2 | 12 | 75% | $ 54,535 | $ 112,157 | $ 25,875 | **$ 192,567** | $ 16,047 | $ 96,284 |
| Disadvantaged community sites | 2 | 12 | 100% | $ 54,535 | $ 112,157 | $ 34,500 | **$ 201,192** | $ 16,766 | $ 100,596 |
| Public transit stations | 1 | 10 | 50% | $ 27,268 | $ 56,079 | $ 14,375 | **$ 97,721** | $ 9,772 | $ 97,721 |
| Public DCFC | | | | | | | | | |
| Government light-duty fleet | 3 | 24 | 50% | $ 81,803 | $ 168,236 | $ 34,500 | **$ 284,538** | $ 11,856 | $ 94,846 |
| Corporate light-duty fleet | 3 | 24 | 50% | $ 81,803 | $ 168,236 | $ 34,500 | **$ 284,538** | $ 11,856 | $ 94,846 |
| Public transit buses | 2 | 10 | 50% | $ 54,535 | $ 183,613 | $ 175,000 | **$ 413,148** | $ 41,315 | $ 206,574 |
| Rideshare company charging hub | 1 | 5 | 25% | $ 27,268 | $ 91,806 | $ 43,750 | **$ 162,824** | $ 32,565 | $ 162,824 |
| Other heavy-duty/DCFC (port, airport) | 2 | 8 | 50% | $ 54,535 | $ 183,613 | $ 140,000 | **$ 378,148** | $ 47,268 | $ 189,074 |
| Municipal school buses | 3 | 3 | 75% | $ 81,803 | $ 275,419 | $ 78,750 | **$ 435,972** | $ 145,324 | $ 145,324 |
| **Total** | | | | **$ 790,758** | **$ 1,912,101** | **$ 725,000** | **$ 3,427,859** | | |

| **Utility-Operated Option Cost Estimates** | Utility-Operated Sites | Utility-Operated Ports | Utility-Operated EVSE Costs | EDC Costs (New Service) | Premise Work Costs | EVSE Costs (Utility-Owned) | Total per Segment | Cost per Port | Cost per Site |
|---|---|---|---|---|---|---|---|---|---|
| Workplaces | 10 | 100 | 100% | $ 272,675 | $ 560,786 | $ 287,500 | **$ 1,120,961** | $ 11,210 | $ 112,096 |
| Apartment buildings | 2 | 12 | 100% | $ 54,535 | $ 112,157 | $ 34,500 | **$ 201,192** | $ 16,766 | $ 100,596 |
| Disadvantaged community sites | 2 | 12 | 100% | $ 54,535 | $ 112,157 | $ 34,500 | **$ 201,192** | $ 16,766 | $ 100,596 |
| Public transit stations | 1 | 10 | 100% | $ 27,268 | $ 56,079 | $ 28,750 | **$ 112,096** | $ 11,210 | $ 112,096 |
| Public DCFC | 4 | 20 | 100% | $ 109,070 | $ 367,225 | $ 700,000 | **$ 1,176,295** | $ 58,815 | $ 294,074 |
| **Total** | **19** | **154** | | **$ 518,083** | **$ 1,208,404** | **$ 1,085,250** | **$ 2,811,737** | | $ 147,986 |
| **Subtotal - Both Cases** | | | | **$ 1,308,841** | **$ 3,120,505** | **$ 1,810,250** | **$ 6,239,596** | | |
| % Sites Each Year | 10% | 25% | 65% | | | | | | |
| # Sites Each Year | **5** | **12** | **31** | | | | | | |

**Program Management Office (PMO) Cost Inputs**

| | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| Charging Demonstration Program Manager | 1 | 1 | 1 |
| Sr. Project Managers | 2 | 2 | 2 |
| Account Manager | 0.5 | 1 | 1 |
| Escalation | 2% | | |
| Program Manager Labor Rate - Fully Loaded | $ 247,568 | $ 252,519 | $ 257,570 |
| Sr. Project Manager Labor Rate - Fully Loaded | $ 188,716 | $ 192,490 | $ 196,340 |
| Account Manager Labor Rate - Fully Loaded | $ 197,878 | $ 201,836 | $ 205,872 |
| Charging Demonstration Program Manager | $ 247,568 | $ 252,519 | $ 257,570 |
| Sr. Project Managers | $ 377,432 | $ 384,981 | $ 392,680 |
| Total Labor | **$ 625,000** | **$ 637,500** | **$ 650,250** |
| Site Agreement Contracting Costs per site | $ 2,000 | | |
| Customer Site Cost Estimation per site | $ 2,500 | | |
| Project Management CRM Tool Modifications | $ 50,000 | | |
| Station Data Reporting Interface | $ 50,000 | | |

**Line Notes**

Lines 36-38: Based on 2016 Market Reference Points (MRPs) for required job types, escalated by one year 2% and with 72.75% labor burden applied for Service Co. employees
Line 44: Internal legal estimate for contract development and negotiation
Line 45: Based on experience with external estimation/design of prior Company sites
Line 46: Modifications to CRM system (e.g. Salesforce) for Charging Program project management and rebate processing
Line 47: Software development cost for reporting data from multiple station vendor APIs

**Charging Station Demonstration Program**

**Page 3**

**Summary of Charging Demonstration Program Capital Costs**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Capital Overhead Burden | | 13% | | | | | | |
| **Direct CapEx Cost (est.)** | | | Depreciable Life (est.) | | | | | |
| EDC Costs (Make-Ready & Utility-Operated) | $ | 1,478,991 | | 40 | | | | |
| Premise Work Costs (Make-Ready & Utility-Operated) | $ | 3,526,171 | | 20 | | | | |
| EVSE Costs (Utility-Operated Only) | $ | 1,226,333 | | 10 | | | | |
| Total | **$** | **6,231,494** | | | | | | |
| **Direct CapEx Costs per Year** | | 10% | | 25% | | 65% | | |
| EDC Costs (Make-Ready & Utility-Operated) | $ | 147,899 | $ | 369,748 | $ | 961,344 | | |
| Premise Work Costs (Make-Ready & Utility-Operated) | $ | 352,617 | $ | 881,543 | $ | 2,292,011 | | |
| EVSE Costs (Utility-Operated Only) | $ | 122,633 | $ | 306,583 | $ | 797,116 | | |
| Total | **$** | **623,149** | **$** | **1,557,873** | **$** | **4,050,471** | | |
| Capitalized PMO Labor | | | | | | | | |
| Program Manager - % Capitalized | | 50% | | 50% | | 50% | | |
| Sr. Project Manager - % Capitalized | | 75% | | 75% | | 75% | | |
| Program Manager - $ Capitalized | $ | 123,784 | $ | 126,260 | $ | 128,785 | | |
| Sr. Project Manager - $ Capitalized | $ | 141,537 | $ | 144,368 | $ | 147,255 | | |
| Capitalized Labor | **$** | **265,321** | **$** | **270,627** | **$** | **276,040** | | |
| Project Management / CRM Tool Modifications | $ | 50,000 | | | | | | |
| Data Analysis & Reporting Tools | $ | 50,000 | | | | | | |
| Total Project Management Costs | **$** | **365,321** | **$** | **270,627** | **$** | **276,040** | | |
| | **Year 1** | | **Year 2** | | **Year 3** | | **Years 1-3** | |
| Total Direct Capital Costs | $ | 623,149 | $ | 1,557,873 | $ | 4,050,471 | **$** | **6,231,494** |
| Total Capitalized Labor & Tool Costs | $ | 365,321 | $ | 270,627 | $ | 276,040 | **$** | **911,988** |
| **TOTAL CAPITAL COSTS** | **$** | **988,470** | **$** | **1,828,501** | **$** | **4,326,511** | **$** | **7,143,482** |

**Charging Station Demonstration Program**
**Page 4**

**Summary of Charging Demonstration Program O&M Costs**

| | | | | |
|---|---|---|---|---|
| **PMO Labor and Other O&M** | | | | |
| Program Manager - % Not Capitalized | | 50% | 50% | 50% |
| Sr. Project Manager - % Not Capitalized | | 25% | 25% | 25% |
| | | | | |
| Program Manager - O&M | $ | 123,784 | $ 126,260 | $ 128,785 |
| Sr. Project Manager - O&M | $ | 47,179 | $ 48,123 | $ 49,085 |
| Account Manager O&M Labor | $ | 98,939 | $ 201,836 | $ 205,872 |
| Total O&M Labor | **$** | **170,963** | **$ 174,382** | **$ 177,870** |
| | | | | |
| Site Agreement Contracting Costs | $ | 9,600 | $ 24,000 | $ 62,400 |
| Customer Site Cost Estimation | $ | 12,000 | $ 30,000 | $ 78,000 |
| **Total** | **$** | **21,600** | **$ 54,000** | **$ 140,400** |
| | | | | |
| **Total PMO Labor and Other O&M** | **$** | **192,563** | **$ 228,382** | **$ 318,270** |

| **EVSE Rebate Cost for Make-Ready Sites** | # of Make-Ready Ports | EVSE Rebate Cost |
|---|---|---|
| Workplaces | 100 | $ 143,750 |
| Apartment buildings | 12 | $ 25,875 |
| Disadvantaged community sites | 12 | $ 34,500 |
| Public transit stations | 10 | $ 14,375 |
| Public DCFC | 0 | $ - |
| Government light-duty fleet | 24 | $ 34,500 |
| Corporate light-duty fleet | 24 | $ 34,500 |
| Public transit buses | 10 | $ 175,000 |
| Rideshare company charging hub | 5 | $ 43,750 |
| Other heavy-duty/DCFC (port, airport) | 8 | $ 140,000 |
| Municipal school buses | 3 | $ 78,750 |
| Total | 208 | **$ 725,000** |

| Annualized Estimate of EVSE Rebate Cost | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| | 10% | 25% | 65% |
| | **$ 72,500** | **$ 181,250** | **$ 471,250** |

**Charging Station Demonstration Program**
**Page 5**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 1 | **Station O&M for Utility-Operated Sites** | | | | | | |
| 2 | Repairs and Maintenance per port | | $500 | | | | |
| 3 | Network Service Fees per port | | $200 | | | | |
| 4 | | | | | | | |
| 5 | | Year 1 | | Year 2 | Year 3 | | |
| 6 | Cumulative Ports In Operation Per Year | | 15 | 54 | 154 | | |
| 7 | Repairs and Maintenance per port | $ | 7,700 | $ 26,950 | $ 77,000 | | |
| 8 | Network Service Fees per port | $ | 3,080 | $ 10,780 | $ 30,800 | | |
| 9 | **Total O&M Costs** | **$** | **10,780** | **$ 37,730** | **$ 107,800** | | |
| 10 | | | | | | | |
| 11 | **Charging Demonstration Marketing** | | | | | | |
| 12 | Website | | $25,000 | $5,000 | $5,000 | $35,000 | Program Page |
| 13 | Social Media | | $18,000 | $18,000 | $36,000 | $72,000 | Linkedin |
| 14 | Digital | | $20,000 | $20,000 | $20,000 | $60,000 | Online Banners |
| 15 | Content Development | | $10,000 | $10,000 | $10,000 | $30,000 | Agency Contract |
| 16 | Internal Marketing Program Management | | $40,000 | $40,000 | $40,000 | $120,000 | Staff Time |
| 17 | **Charging Demonstration Marketing Total** | | $113,000 | $93,000 | $111,000 | **$317,000** | |
| 18 | | | | | | | |
| 19 | **O&M SUMMARY** | | | | | | |
| 20 | | Year 1 | | Year 2 | Year 3 | | |
| 21 | PMO Labor and Other O&M | $ | 192,563 | $ 228,382 | $ 318,270 | $ 739,215 | |
| 22 | EVSE Rebate Cost for Make-Ready Sites | $ | 72,500 | $ 181,250 | $ 471,250 | $ 725,000 | |
| 23 | Station O&M for Utility-Operated Sites | $ | 10,780 | $ 37,730 | $ 107,800 | $ 156,310 | |
| 24 | Charging Demonstration Marketing | | $113,000 | $93,000 | $111,000 | $ 317,000 | |
| 25 | **TOTAL O&M COSTS** | $ | 388,843 | $ 540,362 | $ 1,008,320 | $ 1,937,525 | |

**Charging Station Demonstration Program**
**Page 6**

**Participation Payment Estimate for Utility-Operated Sites**

For Utility-Operated Sites

| | 15% of Direct Costs (w/Capital Overhead) | Cost Equivalence Method | **Participation Payment** | # of Sites | Payment to be Collected |
|---|---|---|---|---|---|
| Workplaces | $ 19,000 | $ 17,875 | **$ 17,500** | 10 | $ 175,000 |
| Apartment buildings | $ 17,051 | $ 7,813 | **7,500** | 2 | $ 15,000 |
| Disadvantaged community sites | No participation payment | | | | |
| Public transit stations | $ 19,000 | $ 17,875 | **10,000** | 1 | $ 10,000 |
| Public DCFC | $ 49,846 | $ 73,500 | **50,000** | 4 | $ 200,000 |
| | | | | | **$ 400,000** |

| **Annualized Estimate of Participation Payment Revenue** | Year 1 | Year 2 | Year 3 |
|---|---|---|---|
| | **$ 40,000** | **$ 100,000** | **$ 260,000** |

**L2 Cost Equivalence Estimate**

| | |
|---|---|
| Annual Direct O&M per Port | $700 |
| Assumed Annual Indirect Overhead per Site | 720 |

| | # of Ports | EVSE Cost (After Rebate) | 5 Years of Direct O&M | Total |
|---|---|---|---|---|
| Workplaces | 10 | $ 14,375 | $3,500 | $ 17,875 |
| Apartment buildings | 6 | $ 4,313 | $3,500 | $ 7,813 |
| Public transit stations | 10 | $ 14,375 | $3,500 | $ 17,875 |
| Public DCFC | 5 | $ 70,000 | $3,500 | $ 73,500 |

**Cost Estimates**
**Discount Pilot for DC Fast Charging Accounts**

| | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|
| Implementation Cost | $ 50,000 | $ 50,000 | $ 50,000 | $ 150,000 |
| Program Administration Cost | **$ 50,000** | **$ 50,000** | **$ 50,000** | **$ 150,000** |
| | | | | |
| Potential Annual Value of Discount | $ 53,622 | $ 120,650 | $ 214,488 | $ 388,760 |
| Discount Cost | **$ 53,622** | **$ 120,650** | **$ 214,488** | **$ 388,760** |
| | | | | |
| Total O&M Cost | **$ 103,622** | **$ 170,650** | **$ 264,488** | **$ 538,760** |

Implementation cost estimate includes marketing, customer support, billing system modifications, metering, and data reporting

Potential Annual Value of Discount

| | |
|---|---|
| Monthly Value of Discount per KW | $4.97 |
| Annual Value of Discount per KW | $59.58 |

| | Stations | Billed KW per Station | KW for Group | Total Discount |
|---|---|---|---|---|
| Stations in Year 1 | 20 | 45 | 900 | $53,622 |
| Stations in Year 2 | 30 | 67.5 | 2025 | $120,650 |
| Stations in Year 3 | 40 | 90 | 3600 | $214,488 |

**Cost Estimates**
**Transportation Education and Outreach**

| | | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|---|
| Channel | | | | | | |
| | Direct Mailings | | | | | |
| | | Bill inserts/Opower reports/etc | $15,000 | $15,000 | $22,000 | $52,000 |
| | Existing Channels | | | | | |
| | | Ride-n-Drive Events | $10,000 | $40,000 | $40,000 | $90,000 |
| | Website | | | | | |
| | | EV Education & Awareness Page | $5,000 | $10,000 | $25,000 | $40,000 |
| | Social Media | | | | | |
| | | Facebook | $4,000 | $4,000 | $5,000 | $13,000 |
| | | Twitter | $1,500 | $1,500 | $3,000 | $6,000 |
| | | Instagram | $4,000 | $4,000 | $4,000 | $12,000 |
| | General Awareness Advertising | | | | | |
| | | Billboard or Radio | $10,000 | $20,000 | $45,000 | $75,000 |
| | Digital | | | | | |
| | | Online Banners and SEO/SEM | $5,000 | $10,000 | $15,000 | $30,000 |
| | Content Development | | | | | |
| | | Agency Contract | $10,000 | $10,000 | $10,000 | $30,000 |
| | Internal Marketing Program Management | | | | | |
| | | Staff Time | $49,470 | $50,459 | $51,468 | $151,397 |
| **TOTAL COSTS** | | | $113,970 | $164,959 | $220,468 | **$499,397** |

**Cost Estimates**
**Company Fleet Expansion**

| | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|
| 2 | Expense (Vehicle Lease and O&M) | $ 64,000 | $ 128,000 | $ 192,000 | $ 384,000 |
| 3 | Capital (EVSE) | $ 200,000 | | | $ 200,000 |
| 4 | | | | | |
| 5 | Cost Breakdown | | | | |
| 6 | | | | | |
| 7 | Incremental Vehicle Lease Cost per Vehi | 80000 | | | |
| 8 | Lease Term | 10 | | | |
| 9 | Annual Incremental Vehicle Lease Cost | $ 8,000 | | | |
| 10 | | | | | |
| 11 | Annual Support/Maintenance | $ 8,000 | | | |
| 13 | | | | | |
| 14 | Cumulative Vehicles | 4 | 8 | 12 | |
| 15 | Vehicle Cost | $ 32,000 | $ 64,000 | $ 96,000 | $ 192,000 |
| 16 | O&M Cost | $ 32,000 | $ 64,000 | $ 96,000 | $ 192,000 |
| 17 | Total Expense | $ 64,000 | $ 128,000 | $ 192,000 | $ 384,000 |
| 23 | | | | | |
| 24 | EVSE | | | | |
| 25 | Cost Per Port (L2) | $ 16,667 | | | |
| 26 | Ports | 12 | | | |
| 27 | EVSE cost | $ 200,000 | | | $ 200,000 |
| 28 | | | | | |
| 29 | Total Cost | $ 264,000 | $ 128,000 | $ 192,000 | $ 584,000 |
| 30 | | | | | |

**Line Notes**
Line 7-11: NG Fleet Department

**Cost Estimates**
**Initiative Evaluation**

| | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|
| Annual 3rd-party evaluation reports | $ 30,000 | $ 30,000 | $ 30,000 | $ 90,000 |

**Electric Heat Initiative - Cost Summary**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 1 | **Total Costs by Program Type** | | | | | | |
| 2 | | **Year 1** | **Year 2** | **Year 3** | **3-Year Total** | | |
| 3 | GSHP Program | $ - | $ 595,000 | $ - | **$** | **595,000** | |
| 4 | Equipment Incentives | $ 252,140 | $ 280,890 | $ 309,640 | **$** | **842,670** | |
| 5 | Community-Based Outreach | $ 95,500 | $ 95,500 | $ 95,500 | **$** | **286,500** | |
| 6 | Oil Dealer Training and Support | $ 61,000 | $ 61,000 | $ 61,000 | **$** | **183,000** | |
| 9 | **Total** | **$ 408,640** | **$ 1,032,390** | **$ 466,140** | **$** | **1,907,170** | |
| 10 | | | | | | | |
| 11 | **Program Costs by Type of Expense** | | | | | | |
| 12 | | **Year 1** | **Year 2** | **Year 3** | **3-Year Total** | | |
| 13 | O&M Subtotal | $ 408,640 | $ 532,390 | $ 466,140 | **$** | **1,407,170** | |
| 14 | Capital Subtotal | $ - | $ 500,000 | $ - | **$** | **500,000** | |
| 15 | **Total** | **$ 408,640** | **$ 1,032,390** | **$ 466,140** | **$** | **1,907,170** | |
| 16 | | | | | | | |
| 17 | **Summary by Initiative** | | | | | | |
| 18 | | **Year 1** | **Year 2** | **Year 3** | **3-Year Total** | | |
| 19 | GSHP Program | | | | | | |
| 20 | Capital | $ - | $ 500,000 | $ - | **$** | **500,000** | |
| 21 | Expense | $ - | $ 95,000 | $ - | **$** | **95,000** | |
| 22 | Equipment Incentives | | | | | | |
| 23 | Capital | $ - | $ - | $ - | **$** | - | |
| 24 | Expense | $ 252,140 | $ 280,890 | $ 309,640 | **$** | **842,670** | |
| 25 | Community-Based Outreach | | | | | | |
| 26 | Capital | $ - | $ - | $ - | | | |
| 27 | Expense | $ 95,500 | $ 95,500 | $ 95,500 | **$** | **286,500** | |
| 28 | Oil Dealer Training and Support | | | | | | |
| 29 | Capital | | | | | | |
| 30 | Expense | $ 61,000 | $ 61,000 | $ 61,000 | **$** | **183,000** | |
| 36 | **Total** | **$ 408,640** | **$ 1,032,390** | **$ 466,140** | **$** | **1,907,170** | |

**Cost Estimates**
**GSHP Program**

| | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|
| 1 | NG Program Manager FTE - Program Manager Labor | $ - | $ 27,115 | $ - | **$ 27,115** |
| 2 | GSHP System Design | $ - | $ 50,000 | $ - | **$ 50,000** |
| 6 | Program Marketing | $ - | $ 17,885 | $ - | **$ 17,885** |
| 7 | | $ - | $ 95,000 | $ - | **$ 95,000** |
| 8 | | | | | |
| 9 | FTE Calculation | | | | |
| 10 | FTE per year | 0 | 0.25 | 0 | |
| 11 | 2018 Labor Rate (Prog Mgr) | $ 95,000 | | | |
| 14 | Labor Burden | 14.17% | | | |
| 15 | Fully Burdened Labor Rate | $ 108,462 | $ 108,462 | $ 108,462 | |

**Cost Estimates**
**Equipment Incentives**

| | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|
| 1 | NG Program Manager FTE - EE Program Manager Labor | $ 27,115 | $ 27,115 | $ 27,115 | **$ 81,346** |
| 2 | Incentives | $ 207,500 | $ 236,250 | $ 265,000 | **$ 708,750** |
| 3 | Program Marketing | $ 17,525 | $ 17,525 | $ 17,525 | **$ 52,574** |
| 4 | | $ 252,140 | $ 280,890 | $ 309,640 | **$ 842,670** |
| 5 | | | | | |
| 6 | Incentives Calculation | | | | |
| 7 | Indicative ASHP rebate ($/ton) | $ 500 | $ 500 | $ 500 | |
| 8 | ASHP tonnage target | 400 | 450 | 500 | |
| 9 | ASHP subtotal | $ 200,000 | $ 225,000 | $ 250,000 | **$ 675,000** |
| 10 | | | | | |
| 11 | Indicative GSHP rebate ($/ton) | $ 750 | $ 750 | $ 750 | |
| 12 | GSHP tonnage target | 10 | 15 | 20 | |
| 13 | GSHP subtotal | $ 7,500 | $ 11,250 | $ 15,000 | **$ 33,750** |
| 14 | Total | **$ 207,500** | **$ 236,250** | **$ 265,000** | **$ 708,750** |
| 15 | | | | | |
| 16 | FTE Calculation | | | | |
| 17 | FTE per year | 0.25 | 0.25 | 0.25 | |
| 18 | 2018 Labor Rate (EE Prog Mgr) | $ 95,000 | | | |
| 19 | Labor Burden | 14.17% | | | |
| 20 | Fully Burdened Labor Rate | $ 108,462 | $ 108,462 | $ 108,462 | |

**Cost Estimates**
**Community-Based Outreach**

| | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|
| 1 | NG Program Manager FTE - EE Program Manager Labor | $ 27,115 | $ 27,115 | $ 27,115 | **$ 81,346** |
| 2 | Community Incentives | $ 60,000 | $ 60,000 | $ 60,000 | **$ 180,000** |
| 3 | Program Design Consulting | $ 8,385 | $ 8,385 | $ 8,385 | **$ 25,154** |
| 4 | | $ 95,500 | $ 95,500 | $ 95,500 | **$ 286,500** |
| 5 | | | | | |
| 6 | Incentives Calculation | | | | |
| 7 | Incentive budget per community | $ 20,000 | $ 20,000 | $ 20,000 | |
| 8 | Communities | 3 | 3 | 3 | |
| 9 | Total | $ 60,000 | $ 60,000 | $ 60,000 | **$ 180,000** |
| 10 | | | | | |
| 11 | FTE Calculation | | | | |
| 12 | FTE per year | 0.25 | 0.25 | 0.25 | |
| 13 | 2018 Labor Rate (EE Prog Mgr) | $ 95,000 | | | |
| 14 | Labor Burden | 14.17% | | | |
| 15 | Fully Burdened Labor Rate | $ 108,462 | $ 108,462 | $ 108,462 | |

**Cost Estimates**
**Oil Dealer Training and Support**

| | | Year 1 | Year 2 | Year 3 | Total |
|---|---|---|---|---|---|
| 1 | NG Program Manager FTE - EE Program Manager Labor | $ 27,115 | $ 27,115 | $ 27,115 | **$ 81,346** |
| 2 | Training Program Marketing | $ 8,885 | $ 8,885 | $ 8,885 | **$ 26,654** |
| 3 | Training Program Consultant | $ 25,000 | $ 25,000 | $ 25,000 | **$ 75,000** |
| 4 | | $ 61,000 | $ 61,000 | $ 61,000 | **$ 183,000** |
| 5 | | | | | |
| 6 | FTE Calculation | | | | |
| 7 | FTE per year | 0.25 | 0.25 | 0.25 | |
| 8 | 2018 Labor Rate (EE Prog Mgr) | $ 95,000 | | | |
| 9 | Labor Burden | 14.17% | | | |
| 10 | Fully Burdened Labor Rate | $ 108,462 | $ 108,462 | $ 108,462 | |

**Overall Storage CAPEX Cost Estimates**

| Site | Type | Size | units | Cost per unit $/W(h) From Exhibit spp2 | Capital in $M for Development | Estimated 3% Project Management Cost ($) | Estimated 1.25% Commissioning cost ($) | Estimated 15% National Grid Capital Overhead Allocations ($) | Total Ownership Cost ($) | Number of inverters | Number of modules (@ 300 watt) | Estimated Lease rate $k/MW for solar or $k/MWh for storage | Lease per year | CY 2016 Property Taxes |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Storage | 500 | kWh | $1,500 | $750,000 | $22,500 | $9,375 | $112,500 | $894,375 | 4 | N/A | 10 | $5,000 | |
| 2 | Storage | 750 | kWh | $1,500 | $1,125,000 | $33,750 | $14,063 | $168,750 | $1,341,563 | 4 | N/A | 10 | $7,500 | |
| | | | | | | 3.00% | 1.25% | 15% | | | | | | |
| | | | | | | | | Total | $2,235,938 | | | Total | $12,500 | |

# Estimated Mid-Point Summary of Costs

| | A | B-1 | B-2 | C-1 | C-2 | D | E | F | G | H-1 | H-2 | H-3 | I |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Size Range (kW) | Targeted Total Solar Installed per Range (kW) | Targeted Total System Enhancements (kW) | Mid-point Cost for Development of Solar ($/kW) | Mid-point Cost for Development of System Enhancements ($/kW) | Total Mid-point Subtotal Costs ($) for Development | Estimated 1.5% Project Management Cost ($) | Estimated 1.25% Commissioning cost ($) | Estimated 15% National Grid Capital Overhead Allocations ($) | Mid-point of Total Ownership Cost ($) *(Solar)* | Mid-point of Total Ownership Cost ($) *(System Enhancements)* | Total Mid-point Cost of Ownership ($) | Mid-point Total for ownership in ($/kW) |
| 9 | Energy Storage | - | 7,000 | - | $1,500 | $10,500,000 | $157,500 | $131,250 | $1,618,313 | - | $12,407,063 | - | $ 1,772 |

Line 9 Column A = Energy Storage
Line 9 Column C2 = Mid-point development cost for system enhancements
Line 9 Column D = Mid-point of development cost based on the targeted kW size. Column B multiplied by Column C
Line 9 Column E = Estimated Project Management fee incurred by the Company to provide oversight and guidance to developers on development issues; estimated at 1.5% of the development cost
Line 9 Column F = Estimated Commissioning fee incurred by the Company to ensure installed systems are installed and operating as desired; estimated at 1.25% of the development cost
Line 9 Column G = Estimated Company overhead allocations for blanket work order Capital Projects; estimated at 15% of the development cost
Line 9 Column H-2 = Sum of Column D through H (System Enhancement Costs)
Line 9 Column I = Column H divided by Column B
Line 9 represents a system enhancement for lithium-ion battery systems in the 1 MWh to 4 MWh range

**Overall Solar CAPEX Cost Estimates**

| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Site | Type | Size | units | Cost per unit $/W(h) From Exhibit spp2 | Capital in $M for Development | Estimated 3% Project Management Cost ($) | Estimated 1.25% Commissioning cost ($) | Estimated 15% National Grid Capital Overhead Allocations ($) | Total Ownership Cost ($) | Program Cost Used in BCA ($) | Number of inverters | Number of modules (@ 300 watt) | Estimated Lease rate $k/MW for solar or $k/MWh for storage | Lease per year | CY 2016 Property Taxes |
| 1 | Solar Canopy (parking lot) | 250 | kW | $4,450 | $1,112,500 | $33,375 | $13,906 | $166,875 | $1,326,656 | $1,337,500 | 5 | 833 | 35 | $8,750 | |
| 2 | Solar Canopy (parking lot) | 500 | kW | $4,263 | $2,131,500 | $63,945 | $26,644 | $319,725 | $2,541,814 | $2,550,000 | 10 | 1667 | 30 | $15,000 | |
| 3 | Solar | 1500 | kW | $2,893 | $4,339,500 | $130,185 | $54,244 | $650,925 | $5,174,854 | $5,175,000 | 10 | 1667 | 30 | $45,000 | |
| | | | | | | 3.00% | 1.25% | 15% | | | | | | | |
| | | | | | | | | Total | $9,043,324 | | | | Total | $68,750 | |

**Summary Of Estimated Annual Operation Costs**

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | Size Range (kW) | 60 to 200 | 201 to 500 | 501 to 1,000 | 1001 to 5,000 |
| 2 | Targeted Total Solar Installed per Range (kW) | 0 | 750 | 0 | 1,500 |
| 3 | Estimated Number of Systems | 0 | 2 | 0 | 1 |
| 4 | Annual system O&M | $ - | $ 14,250 | $ - | $ 24,000 |
| 5 | Site maintenance | $ - | $ 12,000 | $ - | $ 19,200 |
| 6 | N Grid oversight, reporting, and analysis | $ - | $ 9,375 | $ - | $ 18,750 |
| 7 | System Enhancement Maintenance[1] | $ - | $ 3,750 | $ - | $ - |
| 9 | Total year 1 O&M costs | $ - | $ 39,375 | $ - | $ 61,950 |

Line 1 = The size of systems in kilowatts (kW) installed in a range
Line 2 = Targeted kilowatts (kW) of direct current (DC) of the Photovoltaic systems in a range
Line 3 = Average number of systems installed in each range
Line 4 = Estimated cost of annual operation and maintenance is $19/kW (60-1000)kW & $16/kW (1000-5000)kW based on NREL (updated Feb 2016)
Line 5 = Cost of site maintenance, assumes $300 per month for systems in the range 60 to 200 kW,
$500 per month for systems between 200 and 500 kW, $800 per month for systems between 500 and 1,000 kW and $1600 per month for systems between 1001 and 5,000 kW
Line 6 = Estimated cost of National Grid to oversee annual operation, maintenance and monitoring of systems, reporting to state and local agencies ($12.5/kW)
Line 7 = System Enhancement Maintenance (Tracking, Canopy, etc.) (est. $5/kW)
Line 9 = sum of lines 4 through 8, equals cost per year
Column F = Total, sum of Columns B + C + D + E.

[1] Will only be applied to site with System Enhancements installed (ex. Tracking)

**Estimated Mid-Point Summary of Costs**

| | A | B-1 | B-2 | C-1 | C-2 | D | E | F | G | H-1 | H-2 | H-3 | I |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Size Range (kW) | Targeted Total Solar Installed per Range (kW) | Targeted Total System Enhancements (kW) | Mid-point Cost for Development of Solar ($/kW) | Mid-point Cost for Development of System Enhancements ($/kW) | Total Mid-point Subtotal Costs ($) for Development | Estimated 1.5% Project Management Cost ($) | Estimated 1.25% Commissioning cost ($) | Estimated 15% National Grid Capital Overhead Allocations ($) | Mid-point of Total Ownership Cost ($) *(Solar)* | Mid-point of Total Ownership Cost ($) *(System Enhancements)* | Total Mid-point Cost of Ownership ($) | Mid-point Total for ownership in ($/kW) |
| 1 | 60 to 200 | 1,000 | - | $3,476 | - | $3,476,000 | $52,140 | $43,450 | $535,739 | $4,107,329 | - | - | $ 4,107 |
| 2 | 200 to 500 | 2,000 | - | $3,113 | - | $6,226,000 | $93,390 | $77,825 | $959,582 | $7,356,797 | - | - | $ 3,678 |
| 3 | 500 to 1,000 | 5,000 | - | $2,926 | - | $14,630,000 | $219,450 | $182,875 | $2,254,849 | $17,287,174 | - | - | $ 3,457 |
| 4 | 1,000 to 5,000 | 6,000 | - | $2,893 | - | $17,358,000 | $260,370 | $216,975 | $2,675,302 | $20,510,647 | - | - | $ 3,418 |
| 5 | Canopy (Multi-level parking | - | 1,000 | - | $2,314 | $2,314,000 | $34,710 | $28,925 | $356,645 | - | $2,734,280 | - | $ 2,734 |
| 6 | Canopy (parking lot) | - | 2,000 | - | $1,337 | $2,674,000 | $40,110 | $33,425 | $412,130 | - | $3,159,665 | - | $ 1,580 |
| 7 | Tracking single axis | - | 3,000 | - | $330 | $990,000 | $14,850 | $12,375 | $152,584 | - | $1,169,809 | - | $ 390 |
| 8 | Tracking dual axis | - | 1,000 | - | $500 | $500,000 | $7,500 | $6,250 | $77,063 | - | $590,813 | - | $ 591 |

Line 1-4 Column A = Size of system in kilowatts (kW) dc installed within a kW range in pre-selected communities
Line 5-8 Column A = System Enhancements including: Canopy Solar and Tracking (to be installed with Solar)
Line 1-4 Column C1 = Mid-point development cost for PV systems installed within a kW range taken from public records of the Massachusetts DOER SREC program and the Companies experience in its Solar Phase I & Solar Phase II Programs
Line 5-8 Column C2 = Mid-point development cost for system enhancements (Lines 5-8) to PV systems installed within a kW range taken from public records of the Massachusetts DOER SREC program and NREL reports
Line 1-8 Column D = Mid-point of development cost based on the targeted kW size. Column B multiplied by Column C
Line 1-8 Column E = Estimated Project Management fee incurred by the Company to provide oversight and guidance to developers on development issues; estimated at 1.5% of the development cost
Line 1-8 Column F = Estimated Commissioning fee incurred by the Company to ensure installed systems are installed and operating as desired; estimated at 1.25% of the development cost
Line 1-8 Column G = Estimated Company overhead allocations for blanket work order Capital Projects; estimated at 15% of the development cost
Line 1-4 Column H-1 = Sum of Column D through H (Solar Cost)
Line 5-8 Column H-2 = Sum of Column D through H (System Enhancement Costs)
Line 1-8 Column I = Column H divided by Column B
Line 1-4 Column J = Estimated number of systems installed within a range; Column B divided by Average of Column A
Line 5 represents a system enhancement for solar canopies on top of multi-story parking garages in the 500 kW to 1000 kW range
Line 6 represents a system enhancement for solar canopies in surface-level parking lots in the 200 kW to 500 kW range
Line 7 represents a system enhancement for single-axis tracking systems in the 1,000 kW to 5,000 kW range
Line 8 represents a system enhancement for dual-axis tracking systems in the 200 kW to 500 kW range

**Summary of Forward Capacity Market and Monthly Transmission Peak Reduction Targets**

| Annual Peak Reduction Targets(MWs) and Basis Points | 2019 | 2020 | 2021 | Basis Points |
|---|---|---|---|---|
| Minimum | 22 | 18 | 19 | 6 |
| Target | 29 | 26 | 26 | 12 |
| Maximum | 38 | 31 | 31 | 18 |

| Annual Sum of Monthly Peak Reduction Targets(MWs) and Basis Points | 2019 | 2020 | 2021 | Basis Points |
|---|---|---|---|---|
| Minimum | 28 | 23 | 26 | 1 |
| Target | 36 | 34 | 36 | 1.75 |
| Maximum | 47 | 44 | 46 | 2.5 |

year mw_zone_50_pre mw_zone_50_post mw_ee mw_pv

## RHODE ISLAND SUMMER Independent 50/50 Peaks (MW) (before & after DERs)

| Calendar Year | SYSTEM PEAK (50/50) Reconstituted (before reductions) | SYSTEM PEAK (50/50) Final Forecast w/ EE Reduction only | SYSTEM PEAK (50/50) Final Forecast (after all reductions) | DER REDUCTIONS EE Reduction Forecast | DER REDUCTIONS PV Reduction Forecast | EE % of 'Reconstituted' Deliveries | PV % of 'Reconstituted' Deliveries | Annual EE impact | Annual Solar impact | Cumulative EE impact starting 2019 | PV impact starting 2019 | Post-2018 reconstituted |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2003 | 1,813 | 1,803 | **1,803** | 9 | 0 | 0.5% | 0.0% | | | | | |
| 2004 | 1,860 | 1,839 | **1,839** | 21 | 0 | 1.1% | 0.0% | 11.9 | 0 | | | |
| 2005 | 1,802 | 1,772 | **1,772** | 30 | 0 | 1.7% | 0.0% | 9 | 0 | | | |
| 2006 | 1,844 | 1,803 | **1,803** | 41 | 0 | 2.2% | 0.0% | 11 | 0 | | | |
| 2007 | 1,902 | 1,852 | **1,852** | 51 | 0 | 2.7% | 0.0% | 10 | 0 | | | |
| 2008 | 1,878 | 1,817 | **1,817** | 61 | 0 | 3.3% | 0.0% | 10 | 0 | | | |
| 2009 | 1,893 | 1,816 | **1,816** | 77 | 0 | 4.0% | 0.0% | 15 | 0 | | | |
| 2010 | 1,887 | 1,798 | **1,798** | 89 | 0 | 4.7% | 0.0% | 12 | 0 | | | |
| 2011 | 1,919 | 1,818 | **1,817** | 102 | 0 | 5.3% | 0.0% | 13 | 0.23016 | | | |
| 2012 | 1,944 | 1,823 | **1,822** | 121 | 0 | 6.2% | 0.0% | 19 | 0.18186 | | | |
| 2013 | 1,968 | 1,820 | **1,817** | 148 | 2 | 7.5% | 0.1% | 27 | 2.05758 | | | |
| 2014 | 2,001 | 1,814 | **1,811** | 187 | 4 | 9.3% | 0.2% | 39 | 1.17516 | | | |
| 2015 | 2,075 | 1,855 | **1,850** | 220 | 5 | 10.6% | 0.2% | 33 | 1.13274 | | | |
| 2016 | 2,036 | 1,785 | **1,778** | 250 | 7 | 12.3% | 0.4% | 31 | 2.61597 | | | |
| 2017 | 2,018 | 1,739 | **1,723** | 279 | 16 | 13.8% | 0.8% | 29 | 8.673 | | | |
| 2018 | 2,041 | 1,731 | **1,706** | 310 | 25 | 15.2% | 1.2% | 31 | 8.694 | | | |
| 2019 | 2,063 | 1,723 | **1,691** | 340 | 32 | 16.5% | 1.6% | 31 | 7.413 | 31 | 7 | 1,729 |
| 2020 | 2,087 | 1,718 | **1,679** | 369 | 39 | 17.7% | 1.9% | 29 | 6.678 | 60 | 14.091 | 1,753 |
| 2021 | 2,109 | 1,714 | **1,672** | 395 | 42 | 18.7% | 2.0% | 26 | 3.192 | 86 | 17.283 | 1,774 |
| 2022 | 2,131 | 1,712 | **1,668** | 419 | 44 | 19.7% | 2.1% | 24 | 2.373 | 110 | 19.656 | 1,797 |
| 2023 | 2,153 | 1,712 | **1,666** | 441 | 47 | 20.5% | 2.2% | 22 | | 132 | 21.966 | 1,819 |
| 2024 | 2,177 | 1,717 | **1,668** | 460 | 49 | 21.1% | 2.3% | | | | | |
| 2025 | 2,202 | 1,725 | **1,673** | 477 | 51 | 21.7% | 2.3% | | | | | |
| 2026 | 2,226 | 1,734 | **1,681** | 492 | 53 | 22.1% | 2.4% | | | | | |
| 2027 | 2,249 | 1,742 | **1,687** | 507 | 56 | 22.5% | 2.5% | | | | | |
| 2028 | 2,272 | 1,750 | **1,692** | 522 | 58 | 23.0% | 2.5% | | | | | |
| 2029 | 2,293 | 1,756 | **1,696** | 537 | 60 | 23.4% | 2.6% | | | | | |
| 2030 | 2,314 | 1,761 | **1,699** | 552 | 62 | 23.9% | 2.7% | | | | | |
| 2031 | 2,333 | 1,766 | **1,702** | 567 | 64 | 24.3% | 2.8% | | | | | |
| 2032 | 2,352 | 1,770 | **1,703** | 582 | 66 | 24.8% | 2.8% | | | | | |

| | | | |
|---|---|---|---|
| '07 to '17: 10-yea | 0.6% | -0.6% | **-0.7%** |
| '12 to '17: 5-year | 0.8% | -0.9% | **-1.1%** |
| '17 to '22: 5-year | 1.1% | -0.3% | **-0.7%** |
| '17 to '27: 10-yea | 1.1% | 0.0% | **-0.2%** |
| '17 to '32: 15-yea | 1.0% | 0.1% | **-0.1%** |

**Forward Capacity Market Peak Demand Reduction Targets**

| MINIMUM PEAK REDUCTION TARGETS | | | | | |
|---|---|---|---|---|---|
| Year | | 2019 | 2020 | 2021 | |
| Forecast Peak Load | (1) | 1691 | 1679 | 1672 | *Forecast peak load Rwith EE and PV impacts included* |
| Forecast Peak Load (reconstituted) | (2) | 1729 | 1753 | 1774 | *Forecast peak load reconstituted for EE and PV for rate years* |
| Minimum DER Impact | (3)=(4)+(5)+(6)+(7)+(8)+(9) | 43 | 82 | 117 | |
| Solar PV | (4) | 7 | 13 | 16 | |
| Energy Efficiency | (5) | 33 | 65 | 95 | |
| VVO | (6) | 2 | 3 | 5 | |
| Storage | (7) | 1 | 1 | 1 | |
| CHP | (8) | 0 | 0 | 0 | *CHP is assumed in EE targets* |
| Heat Electrification | (9) | 0 | 0 | 0 | |
| **Minimum Peak Load before Incremental effort** | (10)=(2)-(3) | 1686 | 1671 | 1657 | |
| Incremental effort | (11) | 2 | 5 | 10 | |
| **Implied Minimum Peak Load Target** | **(12)=(10)-(11)** | **1684** | **1666** | **1647** | |
| *Difference from original forecast* | *(13)=(1)-(12)* | 7 | 13 | 25 | |

| MIDPOINT PEAK REDUCTION TARGETS | | | | | |
|---|---|---|---|---|---|
| Year | | 2019 | 2020 | 2021 | |
| Forecast Peak Load | (1) | 1691 | 1679 | 1672 | *Forecast peak load Rwith EE and PV impacts included* |
| Forecast Peak Load (reconstituted) | (2) | 1729 | 1753 | 1774 | *Forecast peak load reconstituted for EE and PV for rate years* |
| Midpoint DER Impact | (3)=(4)+(5)+(6)+(7)+(8)+(9) | 46 | 91 | 133 | |
| Solar PV | (4) | 7 | 14 | 17 | |
| Energy Efficiency | (5) | 35 | 70 | 104 | |
| VVO | (6) | 3 | 5 | 8 | |
| Storage | (7) | 1 | 2 | 3 | |
| CHP | (8) | 0 | 0 | 0 | *CHP is assumed in EE targets* |
| Heat Electrification | (9) | 0 | 0 | 0 | |
| **Midpoint Peak Load before Incremental effort** | (10)=(2)-(3) | 1682 | 1661 | 1642 | |
| Incremental effort | (11) | 5 | 10 | 16 | |
| **Implied Midpoint Peak Load Target** | **(12)=(10)-(11)** | **1677** | **1651** | **1626** | |
| *Difference from original forecast* | *(13)=(1)-(12)* | 13 | 27 | 46 | |

| MAXIMUM PEAK REDUCTION TARGETS | | | | | |
|---|---|---|---|---|---|
| Year | (1) | 2019 | 2020 | 2021 | |
| Forecast Peak Load (reconstituted) | (2) | 1729 | 1753 | 1774 | *Forecast peak load Rwith EE and PV impacts included* |
| Maximum DER Impact | (3)=(4)+(5)+(6)+(7)+(8)+(9) | 50 | 101 | 147 | *Forecast peak load reconstituted for EE and PV for rate years* |
| Solar PV | (4) | 8 | 16 | 19 | |
| Energy Efficiecy | (5) | 37 | 75 | 113 | |
| VVO | (6) | 3 | 6 | 9 | |
| Storage | (7) | 2 | 4 | 6 | |
| CHP | (8) | 0 | 0 | 0 | *CHP is assumed in EE targets* |
| Heat Electrification | (9) | 0 | 0 | 0 | |
| **Maximum Peak Load before Incremental Effort** | (10)=(2)-(3) | 1678 | 1652 | 1627 | |
| Incremental effort | (11) | 10 | 15 | 21 | |
| **Implied Maximum Peak Load Target** | **(12)=(10)-(11)** | **1668** | **1637** | **1606** | |
| *Difference from original forecast* | *(13)=(1)-(12)* | 22 | 42 | 65 | |

| 2018 WN Peak Forecast (MW) |
|---|
| 1706 |

**Cumulative MW Reductions from 2018**

| | 2019 | 2020 | 20201 |
|---|---|---|---|
| Min | 22 | 40 | 59 |
| Mid | 29 | 55 | 80 |
| Max | 38 | 69 | 100 |

**Annual Peak MW Reductions from prior year (starting with 2018)**

| | 2019 | 2020 | 2021 |
|---|---|---|---|
| Min | 22 | 18 | 19 |
| Mid | 29 | 26 | 26 |
| Max | 38 | 31 | 31 |

**Percent Reduction from 2018**

| | 2019 | 2020 | 2021 |
|---|---|---|---|
| Min | 1.30% | 2.35% | 3.46% |
| Mid | 1.68% | 3.19% | 4.70% |
| Max | 2.20% | 4.04% | 5.86% |

**Incremental MW Reductions to Forecast**

| 2019 | 2020 | 2021 |
|---|---|---|
| 7 | 13 | 25 |
| 13 | 27 | 46 |
| 22 | 42 | 65 |

**Total Peak Impacts from DERs at Minimum, Target, and Maximum Levels**

| | NECO Weather Normalized Peak - Internal Forecast | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** | **2019** | **2020** | **2021** |
| Peak - Actual & Forecast | 1,822 | 1,807 | 1,811 | 1,850 | 1,778 | 1,723 | 1,706 | 1,691 | 1,679 | 1,672 |
| Peak Forecast for Rate Years - without EE & PV | | | | | | | | 1729 | 1753 | 1774 |

**Total Peak Impacts**

| **Peak Impacts (MW)** | **2019** | **2020** | **2021** | |
|---|---|---|---|---|
| Solar photovoltaics (PV) | 7 | 13 | 16 | |
| Energy Efficiency (EE) | 33 | 65 | 95 | |
| VVO | 2 | 3 | 5 | |
| Storage | 1 | 1 | 1 | |
| CHP | 0 | 0 | 0 | Included in EE |
| Heat | 0 | 0 | 0 | |
| **Minimum** | **43** | **82** | **117** | |

| **Peak Impacts (MW)** | **2019** | **2020** | **2021** | |
|---|---|---|---|---|
| Solar photovoltaics (PV) | 7 | 14 | 17 | |
| Energy Efficiency (EE) | 35 | 70 | 104 | |
| VVO | 3 | 5 | 8 | |
| Storage | 1 | 2 | 3 | |
| CHP | 0 | 0 | 0 | Included in EE |
| Heat | 0 | 0 | 0 | |
| **Target** | **46** | **91** | **133** | |

| **Peak Impacts (MW)** | **2019** | **2020** | **2021** | |
|---|---|---|---|---|
| Solar photovoltaics (PV) | 8 | 16 | 19 | |
| Energy Efficiency (EE) | 37 | 75 | 113 | |
| VVO | 3 | 6 | 9 | |
| Storage | 2 | 4 | 6 | |
| CHP | 0 | 0 | 0 | Included in EE |
| Heat | 0 | 0 | 0 | |
| **Maximum** | **50** | **101** | **147** | |

**Solar**

*Annual peak impact (MW)*

| Peak impact (MW) | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|
| Baseline | 9 | 9 | 7 | 7 | 3 |
| Min | | | 7 | 6 | 3 |
| Target | | | 7 | 7 | 3 |
| Max | | | 8 | 7 | 4 |

Assumes 90% of forecast solar available at min, 100% at target, 110% at max

*Total cumulative impact at thulative (2018=0)*

| Cumulative Solar (MW ) | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|
| Baseline | | | 7 | 14 | 17 |
| Min | | | 7 | 13 | 16 |
| Target | | | 7 | 14 | 17 |
| Max | | | 8 | 16 | 19 |

**Energy Efficiency**

*Peak Impact (MW) from annual incremental installations*

| Peak Impact (MW) | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|
| Baseline | 0 | 35.188 | 35 | 34 | 34 |
| Min | | | 32 | 31 | 31 |
| Target | | | 35 | 34 | 34 |
| Max | | | 39 | 38 | 38 |

2019 and 2020 baseline reflect values in 3 Year Plan. 2021 assumed same as 2020

Assumes 90% of planned EE achieved at min, 100% at target, 110% at max

**Peak Reduction**

*Total impact in MW at time o Cumulative (2018 =0)*

| Peak Impact (MW) | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|
| Baseline | | | 35 | 70 | 104 |
| Min | - | - | 33 | 65 | 95 |
| Target | - | - | 35 | 70 | 104 |
| Max | - | - | 37 | 75 | 113 |

Assumed % of annual installations that contribute to peak

0.50

**VVO**

*Total impact in MW at time of system peak*

| MW | 2017 | 2018 | 2019 | 2020 | 2021 | |
|---|---|---|---|---|---|---|
| Baseline | | | | | | |
| Min | | | 1.80 | 3.35 | 5.37 | 2% reduction |
| Target | | | 2.70 | 5.03 | 8.06 | 3% reduction |
| Max | | | 3.15 | 5.87 | 9.41 | 3.5% reduction |

Project information

| FY Installed | Benefits realized in FY | CAPEX VVO | OPEX VVO | COR VVO | # of substations | # of feeders | # of customers | MVA | GWhr | 2% MVA Reduction | 3% MVA reduction | 3.5% MVA Reduction | Cumulative MVA Impact (3%) | Cumulative MVA Impact (3.5%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| FY17 | FY18 | PILOT | | | 2 | 7 | | | | | | | | |
| FY18 | FY19 | $1,486,674 | $303,741 | $98,407 | 3 | 8 | 20,109 | 90.05 | 247.79 | 1.8 | 2.7 | 3.15 | 2.7 | 3.15 |
| FY19 | FY20 | $1,463,679 | $318,384 | $98,336 | 2 | 10 | 15,862 | 77.7 | 322.99 | 1.55 | 2.33 | 2.72 | 5.03 | 5.87 |
| FY20 | FY21 | $1,814,591 | $341,488 | $127,032 | 1 | 15 | 18,531 | 101.01 | 393.51 | 2.02 | 3.03 | 3.54 | 8.06 | 9.41 |
| FY21 | FY22 | $1,337,650 | $324,480 | $83,815 | 2 | 10 | 13,421 | 86.94 | 270.89 | 1.74 | 2.61 | 3.04 | 10.67 | 12.45 |
| FY22 | FY23 | $571,026 | $184,027 | $38,779 | 1 | 3 | 4,560 | 28.44 | 129.57 | 0.57 | 0.85 | 1 | 11.52 | 13.44 |

**Battery Storage**

*Total impact in MW at time of system peak from battery storage*

| Peak Impact (MW) | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|
| Baseline | | | | | |
| Min | 0 | 0 | 0.896739 | 0.896739 | 0.896739 |
| Target | 0 | 0 | 1 | 2 | 3 |
| Max | 0 | 0 | 2 | 4 | 6 |

Min targets align with expected storage project impacts
Target and max assume additional storage

**Electrification of Heat**

*Total impact in MW at time of system peak from Electric Heat Initiative*

| Peak Impact (MW) | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|
| **Baseline** | | | | | |
| **Min** | 0 | 0 | 0.044255 | 0.095624 | 0.153585 |
| **Target** | 0 | 0 | 0.044255 | 0.095624 | 0.153585 |
| **Max** | 0 | 0 | 0.044255 | 0.095624 | 0.153585 |

**ANNUALIZED CO2 Reductions**

| Program Design Element | Program Metrics | Target Levels | Targets (annual metric tons CO2) | | |
|---|---|---|---|---|---|
| | | | **2018** | **2019** | **2020** |
| 1. GSHP Program | Carbon reduction (metric tons CO2 avoided per year) | Min | 0 | 44 | 0 |
| | | **Mid** | **0** | **55** | **0** |
| | | Max | 0 | 66 | 0 |
| 2. Equipment Incentives | Carbon reduction (metric tons CO2 avoided per year) | Min | 119 | 134 | 156 |
| | | **Mid** | **149** | **168** | **195** |
| | | Max | 179 | 202 | 234 |

| Final Targets (combined metric tons CO2 avoided per yer) | | 2018 | 2019 | 2020 |
|---|---|---|---|---|
| | Min | 119 | 178 | 156 |
| | Mid | 149 | 223 | 195 |
| | Max | 179 | 268 | 234 |

GSHP: 55.23 tons avoided CO2 expected per year of the system
Equipment Incentives: 149, 168, and 195 incremental tons annually for years 1, 2, 3

**Assumptions**

**Carbon Emissions Factors - non-electric fuels**

| Fuel | Lbs / MMBTU | Short Ton / MMBTU | Metric Ton / MMBTU | Source |
|---|---|---|---|---|
| Natural Gas | 117 | 0.0585 | 0.05307037 | https://www.eia.gov/tools/faqs/faq.cfm?id=73&t=11 |
| Fuel Oil | 161.3 | 0.08065 | 0.073164536 | https://www.eia.gov/tools/faqs/faq.cfm?id=73&t=11 |
| Propane | 139 | 0.0695 | 0.063049414 | https://www.eia.gov/tools/faqs/faq.cfm?id=73&t=11 |

| | Metric tons CO2 | % reduction |
|---|---|---|
| Average annual emissions of an oil-heated home | ~8 | n/a |
| Average annual avoided CO2 from oil-to-ccASHP conversion | ~3 | 38% |
| Average annual avoided CO2 from oil-to-GSHP conversion | ~5 | 63% |

**Electric Vehicles Target Calculation**

Registered EVs in Company's RI Territory -- Summary of Polk Data

| Row Labels | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017 YTD** | **2018** | **2019** | **2020** | **2021** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BEV(PEV) | | | | 32 | 41 | 117 | 193 | 293 | | | | |
| HEV(PHEV) | | | | 178 | 182 | 413 | 538 | 733 | | | | |
| HV(NP_HEV) | | | | 8669 | 9070 | 10425 | 10985 | 11613 | | | | |
| Grand Total | | | | 8879 | 9293 | 10955 | 11716 | 12639 | | | | |
| | | | | | | | | | | | | |
| Cumulative EV Registrations with Projections Based on AEO 2017 EV Sales Growth for New England | | | | | | | | | *Forecast* | | | |
| BEV | | | | 32 | 41 | 117 | 193 | 293 | 463 | 706 | 1,049 | 1,537 |
| PHEV | | | | 178 | 182 | 413 | 538 | 733 | 1,041 | 1,448 | 1,983 | 2,688 |
| Total Ev | | | | 210 | 223 | 530 | 731 | 1026 | 1,505 | 2,153 | 3,032 | 4,225 |
| | | | | | | | | | | | | |
| Annual New BEV Registrations | | | | | 9 | 76 | 76 | 100 | | | | |
| Annual New PHEV Registrations | | | | | 4 | 231 | 125 | 195 | | | | |
| Annual New EV Registrations Total | | | | | 13 | 307 | 201 | 295 | *479* | *648* | *879* | *1,193* |

Annual New Registrations

| | Actual | | | | *Forecast (includes annualized YTD number for 2017)* | | |
|---|---|---|---|---|---|---|---|
| **BEVs - Incremental** | 2015 | 2016 | **2017** | **2018** | **2019** | **2020** | **2021** |
| Actuals and Forecast | 76 | 76 | 120 | 170 | 242 | 344 | 488 |

| | Actual | | | | *Forecast (includes annualized YTD number for 2017)* | | |
|---|---|---|---|---|---|---|---|
| **PHEVs - Incremental** | 2015 | 2016 | **2017** | **2018** | **2019** | **2020** | **2021** |
| Actuals and Forecast | 231 | 125 | 234 | 308 | 406 | 535 | 705 |

**Growth Assumptions Based on AEO 2017**
**(CAGR of EV Sales, New England, 2017-2021)**

| | |
|---|---|
| BEV | 0.419903316 |
| PHEV | 0.317319663 |
| Total | 0.367908713 |

New registrations target based adjustment of forecast (includes forecast)

| | **2019** | **2020** | **2021** | |
|---|---|---|---|---|
| Min | 778 | 1,055 | 1,432 | 120% of forecast prediction |
| Target | 908 | 1,230 | 1,670 | 140% of forecast prediction |
| Max | 1,167 | 1,582 | 2,148 | 180% of forecast prediction |

Incremental Annual New Registrations (above forecast)

| | **2019** | **2020** | **2021** | |
|---|---|---|---|---|
| Min | 130 | 176 | 239 | 120% of forecast prediction |
| Target | 259 | 352 | 477 | 140% of forecast prediction |
| Max | 519 | 703 | 954 | 180% of forecast prediction |

**Benefits and Savings Comparisons for PIMs**

| **Key Inputs and Assumptions** | **Source/Notes** | **Values** | |
|---|---|---|---|
| Discount Rate: | Company WACC | 0.075 | |
| Value of a Basis Point: | Revenue Requirements Calculations | | |
| RNS Transmission Rate | RNS rate 6/1/17-5/31 2018, assumed for 2019-2021 | 110.35 | kW-yr |
| | | 9.20 | kW-month |
| Avoided Unit Cost of Electric Capacity | AESC 2015 Update - Appendix B | Below | $/MW-yr |

| | 2019 | 2020 | 2021 |
|---|---|---|---|
| | $ 59,493 | $ 60,526 | $ 63,602 |

| **2018** | **2019** | **2020** | **2021** | **2022** | **2023** | **2024** | **2025** |
|---|---|---|---|---|---|---|---|
| $ - | $ - | $ - | $ - | $ 151,748 | $ 145,443 | $ 154,497 | $ 173,685 |

**FCM Savings and Value of Incentive Comparision**

FCM Peak Tarkets (MW reduced, year over year)

| Targets | 2019 | 2020 | 2021 | Basis Points |
|---|---|---|---|---|
| | 22 | 18 | 19 | 6 |
| | 29 | 26 | 26 | 12 |
| | 38 | 31 | 31 | 18 |

FCM Peak Targets expressed as MW reductions relative to Company forecast including EE and solar impacts
Note: these values were used for calculating FCM benefits

| Targets | 2019 | 2020 | 2021 |
|---|---|---|---|
| | 7 | 13 | 25 |
| | 13 | 27 | 46 |
| | 22 | 42 | 65 |

Annual Capacity Benefits

| | **2018** | **2019** | **2020** | **2021** | **2022** | **NPV** |
|---|---|---|---|---|---|---|
| Min | 0 | 0 | 0 | 0 | $ 3,724,200 | $ 2,594,124 |
| Target | 0 | 0 | 0 | 0 | $ 6,914,005 | $ 4,816,010 |
| Max | 0 | 0 | 0 | 0 | $ 9,908,105 | $ 6,901,576 |

Annual Value of Incentive at Target Levels

| | **2018** | **2019** | **2020** | **2021** | **2022** | **NPV** |
|---|---|---|---|---|---|---|
| Min | 0 | $ 356,961 | $ 363,159 | $ 381,613 | | $ 886,970 |
| Target | 0 | $ 713,921 | $ 726,317 | $ 763,227 | | $ 1,773,940 |
| Max | 0 | $ 1,070,882 | $ 1,089,476 | $ 1,144,840 | | $ 2,660,910 |

Present Value of 2021 Incentive

| **2018** | **2019** | **2020** | **2021** | **2022** | **NPV** |
|---|---|---|---|---|---|
| 0 | 0 | 0 | $ 381,613 | | $ 285,752 |
| 0 | 0 | 0 | $ 763,227 | | $ 571,505 |
| 0 | 0 | 0 | $ 1,144,840 | | $ 857,257 |

**Transmission Savings and Value of Incentive Comparision**

Monthly Peak Tarkets (Annual sum of MW reduced, year over year)

| 2019 | 2020 | 2021 | Basis Points |
|---|---|---|---|
| 28 | 23 | 26 | 1.00 |
| 36 | 34 | 36 | 1.75 |
| 47 | 44 | 46 | 2.50 |

Annual Value of Incremental Transmission Cost Savings

| | **2018** | **2019** | **2020** | **2021** | **2022** | **NPV** |
|---|---|---|---|---|---|---|
| Min | 0 | $ 254,076 | $ 214,880 | $ 243,504 | | $575,166 |
| Target | 0 | $ 328,329 | $ 308,927 | $ 329,679 | | $779,652 |
| Max | 0 | $ 431,216 | $ 403,864 | $ 425,667 | | $1,016,979 |

Annual Value of Incentive at Target Levels

| | **2018** | **2019** | **2020** | **2021** | **2022** | **NPV** |
|---|---|---|---|---|---|---|
| Min | 0 | $ 59,493 | $ 60,526 | $ 63,602 | | $ 147,828 |
| Target | 0 | $ 104,113 | $ 105,921 | $ 111,304 | | $ 258,700 |
| Max | 0 | $ 148,734 | $ 151,316 | $ 159,006 | | $ 369,571 |

**Electric Vehicles Program Net Benefits and Value of Incentive Comparision**

| | | |
|---|---|---|
| NPV of net benefts from EV conversion part of program, per BCA | $ | 1,414,836 |
| Max basis points of incentive | | 3.5 |

Net Present Value of Maximum Incentive

| | 2018 | 2019 | 2020 | 2021 | 2022 | NPV |
|---|---|---|---|---|---|---|
| Maximum | 0 | $ 208,227 | $ 211,842 | $ 222,608 | | $517,399.26 |

Electric Heat Initiative Program Net Benefits and Value of Incentive Comparison

| | | |
|---|---|---|
| NPV of program net benefits, per BCA | $ | 396,389 |
| Max basis points of incentive | | 2 |

Net Present Value of Maximum Incentive

| | 2018 | 2019 | 2020 | 2021 | 2022 | NPV |
|---|---|---|---|---|---|---|
| Maximum | 0 | $ 118,987 | $ 121,053 | $ 127,204 | | $295,657 |

| | NPV of Benefit in 2022 Due to 2019-2021 Targets | NPV of 2021 Value of Incentive | NPV of Value of Incentive (2019-2021) |
|---|---|---|---|
| Minimum | $ 2,594,124 | $ 285,752 | $ 886,970 |
| Target | $ 4,816,010 | $ 571,505 | $ 1,773,940 |
| Maximum | $ 6,901,576 | $ 857,257 | $ 2,660,910 |

| | NPV of Customer Savings (2019-2021) | NPV of Incentive (2019-2021) | Share of Savings to Customer |
|---|---|---|---|
| Minimum | $575,166 | $ 147,828 | 0.74 |
| Target | $779,652 | $ 258,700 | 0.67 |
| Maximum | $1,016,979 | $ 369,571 | 0.64 |

| | Program Net Benefits (NPV) | Incentive Value 2019-2021 (NPV) | Share of Quantified Net Benefits to Customer |
|---|---|---|---|
| Electric Vehicles | $1,414,836 | $517,399 | 0.63 |
| Electric Heat Initiative | $396,389 | $295,657 | 0.25 |

DON 1-2

Request:

Please explain what effect, if any, the instant filing proposals will have on distributed generation programs.

Response:

The Company's proposals in this filing will not impact existing distributed generation programs, such as the Renewable Energy Growth and net metering programs.

Prepared by or under the supervision of: Timothy Roughan

DON 1-3

Request:

Please explain what effect, if any, the instant filing proposals will have on Combined Heat and Power incentives.

Response:

The proposals in this filing will not have an effect on existing incentives for Combined Heat and Power, which are implemented through the Company's Energy Efficiency Program.

Prepared by or under the supervision of: Timothy Roughan