

September 30, 2020

VIA ELECTRONIC MAIL

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

**RE: Docket 4915 - Fiscal Year 2020 Electric Infrastructure, Safety, and Reliability Plan
Reconciliation Filing
Compliance Filing**

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed is an electronic version of the Company's compliance filing in the above-referenced matter.² The Company has highlighted in yellow the changes to Attachment MAL-1 and Attachments ASC-1, ASC-2, and ASC-4 in accordance with the Public Utilities Commission's decision at their Open Meeting on September 29, 2020 in the above-referenced docket.³

Thank you for your attention to this filing. If you have any questions, please contact me at 401-784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

cc: Docket 4915 Service List
Leo Wold, Esq.

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

² Per practice during the COVID-19 emergency period, the Company is providing a PDF version of this filing. The Company will provide the Commission Clerk with a hard copy and, if needed, additional hard copies of this transmittal at a later date.

³ The Company has applied the \$1.6 million reduction in capital investment to the revenue requirement, which is shown on page 11 of Attachment MAL-1, Line 2.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

Joanne M. Scanlon

September 30, 2020
Date

Docket No. 4915 - National Grid's Electric ISR Plan FY 2020
Docket No. 4857 - Performance Incentives Pursuant to R.I.G.L. §39-1 27.7.1(e)(3)

Service List as of 8/15/2019

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The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2020 Annual Revenue Requirement Summary

Line No.		Approved Fiscal Year 2020 (a)	Actual Fiscal Year 2020 (b)	Variance Fiscal Year 2020 (c) = (b)-(a)
Operation and Maintenance (O&M) Expenses:				
1	Current Year Vegetation Management (VM)	\$10,400,000	\$10,516,698	\$116,698
2	Current Year Inspection & Maintenance (I&M)	\$771,000	\$774,784	\$3,784
3	Current Year Other Programs	\$336,000	\$224,808	(\$111,192)
4	Total O&M Expense Component of Revenue Requirement	\$11,507,000	\$11,516,290	\$9,290
Capital Investment:				
5	Actual 2020 Revenue Requirement on FY 2018 Incremental Capital included in ISR Rate Base	\$2,114,916	\$2,113,264	(\$1,653)
6	Actual 2020 Revenue Requirement on FY 2019 Incremental Capital included in ISR Rate Base	\$552,992	\$4,442,683	\$3,889,691
7	Actual 2020 Revenue Requirement on FY 2020 Incremental Capital included in ISR Rate Base	\$2,197,258	\$2,529,472	\$332,214
8	Subtotal	\$4,865,166	\$9,085,419	\$4,220,253
9	FY 2020 Property Tax Recovery Adjustment	\$1,195,591	\$1,284,021	\$88,430
10	True-Up for FY 2019 (Income Tax)		\$352,656	\$352,656
11	Total Capital Investment Component of Revenue Requirement	\$6,060,757	\$10,722,096	\$4,661,339
12	Total Fiscal Year Revenue Requirement	\$17,567,757	\$22,238,386	\$4,670,629
13	Total Fiscal Year Revenue Requirement as filed August 3, 2020		22,371,835	
14	Compliance Filing Adjustment		(\$133,449)	

Column/Line Notes:

Col (a)	Docket No. 4915, FY 2020 Electric ISR Plan, Revised Section 5: Attachment 1S, Page 1 of 19, Column (c)
Col (b)	
1	Vegetation Management, Section IV of Att. PCE-1, Table 10
2	Other Operations and Maintenance, Section V of Att. PCE-1, Table 11
3	Other Operations and Maintenance, Section V of Att. PCE-1, Table 11
4	Sum of Lines 1 through 3
5	Page 3 of 23, Line 34 column (c)
6	Page 6 of 23, Line 36, Column (b)
7	Page 11 of 23, Line 35, Column (a)
8	Sum of Lines 5 through 7
9	Page 21 of 23, Line 44, Column (g) × 1,000
10	Page 2 of 23, Line 17 column (e)
11	Sum of Lines 8 through 10
12	Line 4 + Line 11
13	Docket No. 4915, FY 2020 Electric ISR Plan Reconciliation, Section 5: Attachment MAL-1, Page 1 of 23, L12, Col (b)
14	Line 12 Col (b) - Line 13 Col (b)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Annual Revenue Requirement Summary

Line No.		As Reconciled	Fiscal Year 2019 Tax Update			True-Up (e) = (d) - (a)
		Fiscal Year 2019 (a)	Apr-Aug Actuals (b)	Sep-Mar Actuals (c)	Subtotal Actuals (d) = (b) + (c)	
<u>Operation and Maintenance (O&M) Expenses:</u>						
1	Current Year Vegetation Management (VM)	\$9,738,760	\$4,057,817	\$5,680,943	\$9,738,760	\$0
2	Current Year Inspection & Maintenance (I&M)	\$603,064	\$251,277	\$351,787	\$603,064	\$0
3	Current Year Other Programs	\$126,700	\$52,792	\$73,908	\$126,700	\$0
4	Electric Contact Voltage expenses included in RIPUC Docket No. 4323	(\$68,229)	(\$68,229)		(\$68,229)	\$0
5	Total O&M Expense Component of Revenue Requirement	\$10,400,295	\$4,293,657	\$6,106,639	\$10,400,295	\$0
<u>Capital Investment:</u>						
6	FY 2019 Revenue Requirement on FY 2012 Actual Incremental Capital Investment	\$97,255	\$97,255		\$97,255	\$0
7	FY 2019 Revenue Requirement on FY 2013 Actual Incremental Capital Investment	(\$393,472)	(\$393,472)		(\$393,472)	\$0
8	FY 2019 Revenue Requirement on FY 2014 Actual Incremental Capital Investment	\$271,208	\$271,208		\$271,208	\$0
9	FY 2019 Revenue Requirement on FY 2015 Actual Capital Investment	\$1,404,557	\$1,404,557		\$1,404,557	\$0
10	FY 2019 Revenue Requirement on FY 2016 Actual Capital Investment	\$1,395,551	\$1,395,551		\$1,395,551	\$0
11	FY 2019 Revenue Requirement on FY 2017 Actual Capital Investment	\$1,356,179	\$1,356,179		\$1,356,179	\$0
12	FY 2019 Revenue Requirement on FY 2018 Actual Capital Investment	\$3,774,644	\$2,494,752	\$1,279,892	\$3,774,644	\$0
13	FY 2019 Revenue Requirement on FY 2019 Actual Capital Investment	\$3,117,935	\$1,916,002	\$1,554,589	\$3,470,591	\$352,656
14	Subtotal	\$11,023,858	\$8,542,033	\$2,834,481	\$11,376,514	\$352,656
15	FY 2019 Property Tax Recovery Adjustment	\$1,535,387	\$799,626	\$735,761	\$1,535,387	\$0
16	Total Capital Investment Component of Revenue Requirement	\$12,559,245	\$9,341,659	\$3,570,242	\$12,911,901	\$352,656
17	Total Fiscal Year Revenue Requirement	\$22,959,540	\$13,635,315	\$9,676,881	\$23,312,196	\$352,656

Column Notes:

- (a) As approved per RIPUC Docket No. 4783 Reconciliation Filing, Attachment MAL-1, P 1, Column (e)
- (b) Attachment MAL-2, Page 1 of 35, Column (b)

Line Notes:

- Line 1~4 As actual per RIPUC Docket No. 4783 Reconciliation Filing, Attachment MAL-1, P 1, Column (c)
- 5 Sum of Lines 1 through 4
- 12(c) Page 3 of 23, Line 35 Column (b)
- 13(c) Page 6 of 23, Line 36 Column (a)
- 14 Sum of Lines 6 through 13
- 15(c) Page 21 of 23, Line 44, Column (c) × 1,000
- 16 Sum of Lines 14 through 15
- 17 Line 5 + Line 16

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2020 Revenue Requirement on FY 2018 Actual Incremental Capital Investment

Line No.		Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2020 (c)
	Capital Investment Allowance			
1	Non-Discretionary Capital	\$3,178,398		
2	Discretionary Capital			
	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending			
3	Total Allowed Capital Included in Rate Base	\$17,816,654	\$0	\$0
	Page 15 of 23, Line 4(a)			
4	Depreciable Net Capital Included in Rate Base			
5	Total Allowed Capital Included in Rate Base in Current Year	\$17,816,654	\$0	\$0
6	Retirements	(\$5,245,072)	\$0	\$0
	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$23,061,726	\$23,061,726	\$23,061,726
7	Net Depreciable Capital Included in Rate Base			
	Change in Net Capital Included in Rate Base			
	Capital Included in Rate Base	\$17,816,654	\$0	\$0
8	Depreciation Expense	\$0	\$0	\$0
9	Incremental Capital Amount	\$17,816,654	\$17,816,654	\$17,816,654
10	Cost of Removal	\$1,719,991	\$0	\$0
	Page 15 of 23, Line 7, Col (a)			
11	Total Net Plant in Service	\$19,536,645	\$19,536,645	\$19,536,645
	Year 1 = Line 9 + Line 10; then = Prior Year			
	Deferred Tax Calculation:			
12	Composite Book Depreciation Rate	3.40%	3.26%	3.16%
13	Vintage Year Tax Depreciation:			
14	2018 Spend	\$13,898,861	\$571,028	\$528,156
15	Cumulative Tax Depreciation	\$13,898,861	\$14,469,889	\$14,998,045
	Year 1 = Page 4 of 23, Line 23; then = Page 4 of 23, Column (d)			
	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14			
16	Book Depreciation	\$392,049	\$751,812	\$728,751
17	Cumulative Book Depreciation	\$392,049	\$1,143,862	\$1,872,612
	Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16			
18	Cumulative Book / Tax Timer	\$13,506,812	\$13,326,028	\$13,125,433
19	Effective Tax Rate	21.00%	21.00%	21.00%
20	Deferred Tax Reserve	\$2,836,430	\$2,798,466	\$2,756,341
21	Less: FY 2018 Federal NOL	(\$2,998,499)	(\$2,998,499)	(\$2,998,499)
	Year 1 = Page 15 of 23, Line 15, Col (a); then = Prior Year Line 21			
22	Excess Deferred Tax	\$1,424,969	\$1,424,969	\$1,424,969
23	Net Deferred Tax Reserve before Proration Adjustment	\$1,262,901	\$1,224,936	\$1,182,811
	Year 1 = (Line 18 * 31.55% blended FY18 tax rate) - Line 20; then = Year 1 Sum of Lines 20 through 22			
	Rate Base Calculation:			
24	Cumulative Incremental Capital Included in Rate Base	\$19,536,645	\$19,536,645	\$19,536,645
25	Accumulated Depreciation	(\$392,049)	(\$1,143,862)	(\$1,872,612)
26	Deferred Tax Reserve	(\$1,262,901)	(\$1,224,936)	(\$1,182,811)
27	Year End Rate Base before Deferred Tax Proration	\$17,881,695	\$17,167,848	\$16,481,222
	Sum of Lines 24 through 26			
	Revenue Requirement Calculation:			
28	Average Rate Base before Deferred Tax Proration Adjustment	\$17,524,772	\$16,824,535	\$16,824,535
29	Proration Adjustment	\$0	\$0	(\$1,774)
30	Average ISR Rate Base after Deferred Tax Proration	\$17,524,772	\$16,822,761	\$16,822,761
31	Pre-Tax ROR	8.23%	8.23%	8.23%
32	Return and Taxes	\$1,442,289	\$1,384,513	\$1,384,513
33	Book Depreciation	\$751,812	\$728,751	\$728,751
34	Annual Revenue Requirement	N/A	\$2,194,101	\$2,113,264
	Line 32 + Line 33			
35	Revenue Requirement for 7 months (Sep 1, 2018 - Mar 31, 2019)		\$1,279,892	
	Line 34 * 7 ÷ 12			
	1/ 3.4% Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018			
	3.16% Composite Book Depreciation Rate for ISR plant, approved per RIPUC Docket No. 4770, effective on Sep 1, 2018, per Page 12 of 18			
	FY 19 Composite Book Depreciation Rate = 3.4% x 5/12 + 3.16% x 7/12			
	2/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017			

The Narragansett Electric Company
d/b/a National Grid

FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY 2018 Incremental Capital Investments

Line No.		Fiscal Year 2018 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	\$17,816,654				
2	Capital Repairs Deduction Rate	1/ 9.00%				
3	Capital Repairs Deduction	\$1,603,499				
	<u>Bonus Depreciation</u>					
4	Plant Additions	\$17,816,654				
5	Less Capital Repairs Deduction	(\$1,603,499)				
6	Plant Additions Net of Capital Repairs Deduction	\$16,213,155				
7	Percent of Plant Eligible for Bonus Depreciation	100.00%				
8	Plant Eligible for Bonus Depreciation	\$16,213,155				
9	Bonus depreciation 100% category	2/ 16.38%				
10	Bonus depreciation 50% category	2/ 17.14%				
11	Bonus depreciation 40% category	2/ 17.69%				
12	Bonus depreciation 0% category	2/ 0.00%				
13	Total Bonus Depreciation Rate	51.21%				
14	Bonus Depreciation	\$8,303,081				
	<u>Remaining Tax Depreciation</u>					
15	Plant Additions	\$17,816,654				
16	Less Capital Repairs Deduction	\$1,603,499				
17	Less Bonus Depreciation	\$8,303,081				
18	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	\$7,910,074				
19	20 YR MACRS Tax Depreciation Rates	3.750%				
20	Remaining Tax Depreciation	\$296,628				
21	FY18 Loss incurred due to retirements	\$1,975,662				
22	Cost of Removal	\$1,719,991				
23	Total Tax Depreciation and Repairs Deduction	\$13,898,861				

MACRS		20 Year MACRS Depreciation			
RS	basis:	Line 18	(c)	(d)	(e)
Fiscal Year		Annual	MACRS	Annual	Cumulative
2018		3.750%	\$296,628	\$296,628	\$13,898,861
2019		7.219%	\$571,028	\$867,656	\$14,469,889
2020		6.677%	\$528,156	\$1,395,812	\$14,998,045
2021		6.177%	\$488,605	\$1,884,417	\$15,486,650
2022		5.713%	\$451,903	\$2,336,320	\$15,938,553
2023		5.285%	\$418,047	\$2,754,367	\$16,356,600
2024		4.888%	\$386,644	\$3,141,011	\$16,743,245
2025		4.522%	\$357,694	\$3,498,705	\$17,100,938
2026		4.462%	\$352,948	\$3,851,653	\$17,453,886
2027		4.461%	\$352,868	\$4,204,521	\$17,806,754
2028		4.462%	\$352,948	\$4,557,469	\$18,159,702
2029		4.461%	\$352,868	\$4,910,337	\$18,512,570
2030		4.462%	\$352,948	\$5,263,285	\$18,865,518
2031		4.461%	\$352,868	\$5,616,153	\$19,218,386
2032		4.462%	\$352,948	\$5,969,101	\$19,571,334
2033		4.461%	\$352,868	\$6,321,969	\$19,924,202
2034		4.462%	\$352,948	\$6,674,917	\$20,277,149
2035		4.461%	\$352,868	\$7,027,785	\$20,630,018
2036		4.462%	\$352,948	\$7,380,733	\$20,982,965
2037		4.461%	\$352,868	\$7,733,601	\$21,335,834
2038		2.231%	\$176,474	\$7,910,074	\$21,512,308
		100.00%	\$7,910,074		

1/ Capital Repairs percentage is based on the actual results of the FY 2018 tax return.
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2018 tax return
3/ Actual Loss for FY2018

**The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Incremental Capital Investment**

Line			(a)
<u>No.</u>	Deferred Tax Subject to Proration		<u>FY20</u>
1	Book Depreciation	Docket No. 4915, R. S. 5, Att. 1S, P 4 of 19, Col (a)	\$729,805
2	Bonus Depreciation		\$0
3	Remaining MACRS Tax Depreciation	Docket No. 4915, R. S. 5, Att. 1S, P 4 of 19, Col (a)	(\$528,156)
4	FY18 tax (gain)/loss on retirements		<u>\$0</u>
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$201,649
6	Effective Tax Rate		<u>21.00%</u>
7	Deferred Tax Reserve	Line 5 * Line 6	<u>\$42,346</u>
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction		
9	Cost of Removal		
10	Book/Tax Depreciation Timing Difference at 3/31/2017		
11	Cumulative Book / Tax Timer		
12	Effective Tax Rate		
13	Deferred Tax Reserve		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$42,346
15	Net Operating Loss		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$42,346
	Allocation of FY 2018 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration		
18	Cumulative Book/Tax Timer Not Subject to Proration		
19	Total Cumulative Book/Tax Timer		
20	Total FY 2018 Federal NOL		
21	Allocated FY 2018 Federal NOL Not Subject to Proration		
22	Allocated FY 2018 Federal NOL Subject to Proration		
23	Effective Tax Rate		
24	Deferred Tax Benefit subject to proration		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$42,346
	Proration Calculation		
		(h)	(i)
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>
			(j)
			<u>FY20</u>
26	April	30	91.78%
27	May	31	83.29%
28	June	30	75.07%
29	July	31	66.58%
30	August	31	58.08%
31	September	30	49.86%
32	October	31	41.37%
33	November	30	33.15%
34	December	31	24.66%
35	January	31	16.16%
36	February	28	8.49%
37	March	31	0.00%
38	Total	<u>365</u>	<u>\$19,399</u>
39	Deferred Tax Without Proration	Line 25	\$42,346
40	Average Deferred Tax without Proration	Line 25 * 50%	\$21,173
41	Proration Adjustment	Line 38 - Line 40	(\$1,774)

Column Notes:

- (a) Docket no. 4915, Revised section 5, Att. 1S, Page 4 of 19, Col (a)
(i) Sum of remaining days in the year (Col (h)) ÷ 365

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2020 Revenue Requirement on FY 2019 Actual Incremental Capital Investment

Line No.			Fiscal Year 2019 (a)	Fiscal Year 2020 (b)
<u>Capital Investment Allowance</u>				
1	Non-Discretionary Capital		\$7,452,659	
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending			
			\$25,486,776	
3	Total Allowed Capital Included in Rate Base (non-intangible)	Page 15 of 23, Line 4(b)	\$32,939,435	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3, Column (a)	\$32,939,435	\$0
5	Retirements	Page 15 of 23, Line 10, Col (b)	(\$10,649,479)	\$0
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$43,588,914	\$43,588,914
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3, Column (a)	\$32,939,435	\$0
8	Depreciation Expense		\$0	\$0
9	Incremental Capital Amount	Year 1 (a) = Line 7 - Line 8; Then = Prior Year Line 9	\$32,939,435	\$32,939,435
10	Cost of Removal	Page 15 of 23, Line 7, Col (b)	\$101,073	
11	Total Net Plant in Service	Year 1 = Line 9 + Line 10, Then = Prior year	\$33,040,508	\$33,040,508
<u>Deferred Tax Calculation:</u>				
12	Composite Book Depreciation Rate	As approved per RIPUC Docket No. 4323 and Docket No. 4770 1/	3.26%	3.16%
13	Vintage Year Tax Depreciation:			
14	2019 Spend	Year 1 = Page 7 of 23, Line 22 Then = Page 7 of 23 Column (d)	\$9,919,837	\$1,842,847
15	Cumulative Tax Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	\$9,919,837	\$11,762,684
16	Book Depreciation	Year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12	\$710,499	\$1,377,410
17	Cumulative Book Depreciation	Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16	\$710,499	\$2,087,909
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$9,209,338	\$9,674,775
19	Effective Tax Rate		21.00%	21.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$1,933,961	\$2,031,703
21	Add: FY 2019 Federal NOL incremental utilization	Page 15 of 23, Line 15, Col (b)	\$991,622	\$991,622
22	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 20 through 21	\$2,925,583	\$3,023,325
<u>Rate Base Calculation:</u>				
23	Cumulative Incremental Capital Included in Rate Base	Line 11	\$33,040,508	\$33,040,508
24	Accumulated Depreciation	-Line 17	(\$710,499)	(\$2,087,909)
25	Deferred Tax Reserve	-Line 22	(\$2,925,583)	(\$3,023,325)
26	Year End Rate Base before Deferred Tax Proration	Sum of Lines 23 through 25	\$29,404,426	\$27,929,274
<u>Revenue Requirement Calculation:</u>				
27	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 26 ÷ 2; Then = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$14,702,213	\$28,666,850
28	Proration Adjustment	#REF!	\$0	\$2,587
29	Average ISR Rate Base after Deferred Tax Proration	Line 27 + Line 28	\$14,702,213	\$28,669,437
30	Pre-Tax ROR	Page 22 of 23, Line 36	8.23%	8.23%
31	Return and Taxes	Line 29 * Line 30	\$1,209,992	\$2,359,495
32	Book Depreciation	Line 16	\$710,499	\$1,377,410
33	Annual Revenue Requirement	Line 31 + Line 32	\$1,920,491	\$3,736,904
34	Revenue Requirement of Plant	Year 1 = Line 33*7/12, Then = Line 33	\$1,120,287	\$3,736,904
35	Revenue Requirement of Intangible	Page 9 of 23, Line 30, Column (c) - (l)	\$434,302	\$705,779
36	Revenue Requirement	Line 34 + Line 35	\$1,554,589	\$4,442,683

1/ 3.4%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
3.16%, Composite Book Depreciation Rate for ISR plant, approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.4% x 5 / 12 + 3.16% x 7 / 12

The Narragansett Electric Company
d/b/a National Grid

FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY 2019 Incremental Capital Investments

Line No.		Fiscal Year 2019 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	\$32,939,435	Page 6 of 23, Line 3			
2	Capital Repairs Deduction Rate	9.68%	1/			
3	Capital Repairs Deduction	\$3,188,562	Line 1 * Line 2			
	<u>Bonus Depreciation</u>					
4	Plant Additions	\$32,939,435	Line 1			
5	Plant Additions	\$0				
6	Less Capital Repairs Deduction	\$3,188,562	Line 3			
7	Plant Additions Net of Capital Repairs Deduction	\$29,750,873	Line 4 + Line 5 - Line 6			
8	Percent of Plant Eligible for Bonus Depreciation	100.00%	Per Tax Department			
9	Plant Eligible for Bonus Depreciation	\$29,750,873	Line 7 * Line 8			
10	Bonus Depreciation Rate	3.50%	1 * 11.65% * 30%			
11	Bonus Depreciation Rate	10.70%	1 * 26.75% * 40%			
12	Total Bonus Depreciation Rate	14.20%	Line 10 + Line 11			
13	Bonus Depreciation	\$4,223,136	Line 9 * Line 12			
	<u>Remaining Tax Depreciation</u>					
14	Plant Additions	\$32,939,435	Line 1			
15	Less Capital Repairs Deduction	\$3,188,562	Line 3			
16	Less Bonus Depreciation	\$4,223,136	Line 13			
	Remaining Plant Additions Subject to 20 YR MACRS Tax					
17	Depreciation	\$25,527,737	Line 14 - Line 15 - Line 16			
18	20 YR MACRS Tax Depreciation Rates	3.750%	Per IRS Publication 946			
19	Remaining Tax Depreciation	\$957,290	Line 17 * Line 18			
20	FY19 (Gain)/Loss incurred due to retirements	\$1,449,776	Per Tax Department			
21	Cost of Removal	\$101,073	Page 6 of 23, Line 10			
22	Total Tax Depreciation and Repairs Deduction	\$9,919,837	Sum of Lines 3, 13, 19, 20, and 21			

1/ Capital Repairs percentage is the actual result of FY 2019 tax return

2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY 2019 tax return

3/ Actual Loss for FY 2019

20 Year MACRS Depreciation		Annual		Cumulative	
MACRS	Line 17	(c)	(d)	(e)	(f)
\$			\$25,527,737		
Fiscal Year					
2019	3.750%		\$957,290		\$9,919,837
2020	7.219%		\$1,842,847		\$11,762,684
2021	6.677%		\$1,704,487		\$13,467,171
2022	6.177%		\$1,576,848		\$15,044,019
2023	5.713%		\$1,458,400		\$16,502,419
2024	5.285%		\$1,349,141		\$17,851,560
2025	4.888%		\$1,247,796		\$19,099,356
2026	4.522%		\$1,154,364		\$20,253,720
2027	4.462%		\$1,139,048		\$21,392,768
2028	4.461%		\$1,138,792		\$22,531,560
2029	4.462%		\$1,139,048		\$23,670,608
2030	4.461%		\$1,138,792		\$24,809,400
2031	4.462%		\$1,139,048		\$25,948,447
2032	4.461%		\$1,138,792		\$27,087,240
2033	4.462%		\$1,139,048		\$28,226,287
2034	4.461%		\$1,138,792		\$29,365,080
2035	4.462%		\$1,139,048		\$30,504,127
2036	4.461%		\$1,138,792		\$31,642,920
2037	4.462%		\$1,139,048		\$32,781,967
2038	4.461%		\$1,138,792		\$33,920,760
2039	2.231%		\$569,524		\$34,490,284
	100.00%		\$25,527,737		

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Incremental Capital Investment

Line No.	Deferred Tax Subject to Proration		(a) FY20
1	Book Depreciation	Docket No. 4915, R. S. 5, Att. 1S, P 7 of 19, Col (a)	\$243,233
2	Bonus Depreciation		\$0
3	Remaining MACRS Tax Depreciation	Docket No. 4915, R. S. 5, Att. 1S, P 7 of 19, Col (a)	(\$537,263)
4	FY 2019 tax (gain)/loss on retirements		\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$294,029)
6	Effective Tax Rate		21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$61,746)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction		
9	Cost of Removal		
10	Book/Tax Depreciation Timing Difference at 3/31/2018		
11	Cumulative Book / Tax Timer		
12	Effective Tax Rate		
13	Deferred Tax Reserve		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$61,746)
15	Net Operating Loss		\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$61,746)
Allocation of FY 2019 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration		
18	Cumulative Book/Tax Timer Not Subject to Proration		
19	Total Cumulative Book/Tax Timer		
20	Total FY 2019 Federal NOL		
21	Allocated FY 2019 Federal NOL Not Subject to Proration		
22	Allocated FY 2019 Federal NOL Subject to Proration		
23	Effective Tax Rate		
24	Deferred Tax Benefit subject to proration		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$61,746)
Proration Calculation			
		(h)	(i)
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>
			(j) FY20
26	April	30	91.80% (\$4,724)
27	May	31	83.33% (\$4,288)
28	June	30	75.14% (\$3,866)
29	July	31	66.67% (\$3,430)
30	August	31	58.20% (\$2,995)
31	September	30	50.00% (\$2,573)
32	October	31	41.53% (\$2,137)
33	November	30	33.33% (\$1,715)
34	December	31	24.86% (\$1,279)
35	January	31	16.39% (\$844)
36	February	29	8.47% (\$436)
37	March	31	0.00% \$0
38	Total	366	(\$28,286)
39	Deferred Tax Without Proration	Line 25	(\$61,746)
40	Average Deferred Tax without Proration	Line 39 * 50%	(\$30,873)
41	Proration Adjustment	Line 38 - Line 40	\$2,587

Column Notes:

- (a) Docket no. 4995, Revised section 5 Revised: Attachment 1R, Page 4 of 19, column (a)
- (i) Sum of remaining days in the year (Col (h)) ÷ 365
- (j) Current Year Line ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2020 Revenue Requirement on FY 2019 Intangible Investment

Line No.	Reference	Item 1 (a)	Item 2 (b)	FY19 Total (c) = (a) + (b)	Item 1 (d)	Item 2 (e)	FY 20 Total (f) = (d) + (e)
1	Capital Investment						
2	Start of Rev. Req. Period	09/01/18	09/01/18	09/01/18	04/01/19	04/01/19	04/01/19
3	End of Rev. Req. Period	03/31/19	03/31/19	03/31/19	03/31/20	03/31/20	03/31/20
4	Investment Name	Volt-Var Optimization for Lincoln Ope. Center	Volt-Var Optimization IS		Volt-Var Optimization for Lincoln Ope. Center	Volt-Var Optimization IS	
5	Work Order	90000194754	90000194755		90000194754	90000194755	
6	Total Spend	\$2,140,000	\$1,320,626	\$3,460,626	\$2,140,000	\$1,320,626	\$3,460,626
7	In Service Date	06/19/18	07/11/18		06/19/18	07/11/18	
8	Book Amortization Period	84	84		84	84	
9	Beginning Book Balance	\$2,089,048	\$1,289,183	\$3,378,230	\$1,910,714	\$1,179,131	\$3,089,845
10	Ending Book Balance	\$1,910,714	\$1,179,131	\$3,089,845	\$1,605,000	\$990,470	\$2,595,470
11	Average Book Balance	\$1,999,881	\$1,234,157	\$3,234,038	\$1,757,857	\$1,084,800	\$2,842,657
12	Deferred Tax Calculation:						
13	Tax Amortization Period	36	36		36	36	
14	Tax Expensing	\$0	\$0	\$0	\$0	\$0	\$0
15	Tax Bonus Rate	0%	0%	\$0	0%	0%	\$0
16	Bonus Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
17	Beginning Acc. Tax Balance	\$713,262	\$440,165	\$1,153,427	\$713,262	\$440,165	\$1,153,427
18	Ending Acc. Tax Balance	\$713,262	\$440,165	\$1,153,427	\$1,664,492	\$1,027,183	\$2,691,675
19	Average Acc. Tax Balance	\$713,262	\$440,165	\$1,153,427	\$1,188,877	\$733,674	\$1,922,551
20	Beginning Acc. Dep. Balance	\$50,952	\$31,443	\$82,396	\$229,286	\$141,496	\$370,781
21	Ending Acc. Dep. Balance	\$229,286	\$141,496	\$370,781	\$535,000	\$330,157	\$865,157
22	Average Acc. Dep. Balance	\$140,119	\$86,470	\$226,589	\$382,143	\$235,826	\$617,969
23	Average Book / Tax Timer	\$573,143	\$353,695	\$926,838	\$806,734	\$497,848	\$1,304,582
24	Effective Tax Rate	21%	21%		21%	21%	
25	Deferred Tax Reserve	\$120,360	\$74,276	\$194,636	\$169,414	\$104,548	\$273,962
26	Rate Base Calculation:						
27	Average Book Balance	\$1,999,881	\$1,234,157	\$3,234,038	\$1,757,857	\$1,084,800	\$2,842,657
28	Deferred Tax Reserve	\$120,360	\$74,276	\$194,636	\$169,414	\$104,548	\$273,962
29	Average Rate Base	\$1,879,521	\$1,159,881	\$3,039,402	\$1,588,443	\$980,252	\$2,568,695
30	Revenue Requirement Calculation:						
31	Pre-Tax ROR	4.80%	4.80%	\$145,917	8.23%	8.23%	\$211,404
32	Return and Taxes	\$90,233	\$55,684	\$288,386	\$305,714	\$188,661	\$494,375
33	Book Depreciation	\$178,333	\$110,052	\$434,302	\$436,443	\$269,336	\$705,779
34	Annual Revenue Requirement	\$268,566	\$165,736	\$434,302	\$436,443	\$269,336	\$705,779

Line 1 = Page 22 of 23, Line 28, column (e) × 7 ÷ 12

Then = Page 22 of 23, Line 28(e)

Line 26 × Line 27

Line 9 - Line 8

Line 28 + Line 29

**The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
MACRS Tables For Information Systems**

Line No.	Annual Rate			Monthly Cumulative Rate				
	Year			Year	Period	Cumulative Rate		
1	Yr 1	33.33%	33.33%	1	1	33.33%	2.78%	Yr 1 - Monthly rate
2	Yr 2	44.45%	77.78%	1	2	33.33%		
3	Yr 3	14.81%	92.59%	1	3	33.33%		
4	Net Salvage Value	7.41%	100.00%	1	4	33.33%		
11				1	11	33.33%		
12				1	12	33.33%		
13				2	13	77.78%	3.70%	Yr 2 - Monthly rate
25				3	25	92.59%	1.23%	Yr 3 - Monthly rate
36				3	36	92.59%	0.62%	Yr 3 - Monthly rate
48				4	48	100.00%		
60				5	60	100.00%		
72				6	72	100.00%		
84				7	84	100.00%		
96				8	96	100.00%		
108				9	108	100.00%		
120				10	120	100.00%		
132				11	132	100.00%		
144				12	144	100.00%		
156				13	156	100.00%		
168				14	168	100.00%		
180				15	180	100.00%		
192				16	192	100.00%		
204				17	204	100.00%		
216				18	216	100.00%		
228				19	228	100.00%		
240				20	240	100.00%		
252				21	252	100.00%		
264				22	264	100.00%		
276				23	276	100.00%		
288				24	288	100.00%		
300				25	300	100.00%		

The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2020 Revenue Requirement on FY 2020 Actual Incremental Capital Investment

Line No.			Fiscal Year 2020 (a)
<u>Capital Investment Allowance</u>			
1	Non-Discretionary Capital	Page 23 of 23, Line 1	\$34,127,476
2	Less: Transformer & Related Equipment Disallowance	Attachment PCE-1, Table 5	(\$1,641,674)
3	Adjusted Non-Discretionary Capital	Line 1+Line 2	\$32,485,802
<u>Discretionary Capital</u>			
4	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	Page 23 of 23, Line 13	\$39,597,335
5	Total Allowed Capital Included in Rate Base	Line 3+Line 4	\$72,083,137
<u>Depreciable Net Capital Included in Rate Base</u>			
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$72,083,137
7	Retirements	Page 15 of 23, Line 10, Col (c)	\$4,015,632
8	Net Depreciable Capital Included in Rate Base	Year 1 = Line 6 - Line 7; Then = Prior Year Line 8	\$68,067,505
<u>Change in Net Capital Included in Rate Base</u>			
9	Capital Included in Rate Base	Line 5	\$72,083,137
10	Depreciation Expense	Page 19 of 23, Line 41, Col (d) $\times 7 \div 12$	\$29,112,370
11	Incremental Capital Amount	Year 1 = Line 9 - Line 10; then = Prior Year Line 11	\$42,970,767
12	Cost of Removal	Page 15 of 23, Line 7, Col (c)	\$10,949,557
13	Total Net Plant in Service	Year 1 = Line 11 + Line 12, Then = Prior year	\$53,920,323
<u>Deferred Tax Calculation:</u>			
14	Composite Book Depreciation Rate	Page 17 of 23, Line 3, Col (e)	1/ 3.16%
15	Vintage Year Tax Depreciation:		
16	2020 Spend	Year 1 = Page 12 of 23, Line 22	\$35,024,809
17	Cumulative Tax Depreciation	Prior Year Line 15 + Current Year Line 14	\$35,024,809
18	Book Depreciation	Year 1 = Line 6 * Line 12 * 50% ; Then = Line 6 * Line 12	\$1,075,467
19	Cumulative Book Depreciation	Year 1 = Line 16; Then = Prior Year Line 17 + Current Year Line 16	\$1,075,467
20	Cumulative Book / Tax Timer	Line 17 - Line 19	\$33,949,342
21	Effective Tax Rate		21.00%
22	Deferred Tax Reserve	Line 20 * Line 21	\$7,129,362
23	Add: FY 2020 Federal NOL Utilization	Page 15 of 23, Line 15, Col (c)	(\$1,462,980)
24	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 22 through 23	\$5,666,381
<u>Rate Base Calculation:</u>			
25	Cumulative Incremental Capital Included in Rate Base	Line 13	\$53,920,323
26	Accumulated Depreciation	-Line 19	(\$1,075,467)
27	Deferred Tax Reserve	-Line 24	(\$5,666,381)
28	Year End Rate Base before Deferred Tax Proration	Sum of Lines 25 through 27	\$47,178,475
<u>Revenue Requirement Calculation:</u>			
29	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 28 * Page 14 of 23, Line 16, Col(e);	\$17,636,223
30	Proration Adjustment	Page 13 of 23, Line 41, Column (j)	\$30,912
31	Average ISR Rate Base after Deferred Tax Proration	Line 30 + Line 31	\$17,667,135
32	Pre-Tax ROR	Page 22 of 23, Line 36	8.23%
33	Return and Taxes	Line 31 * Line 32	\$1,454,005
34	Book Depreciation	Line 18	\$1,075,467
35	Annual Revenue Requirement	Line 33 + Line 34	\$2,529,472

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 17 of 23, Line 3, Col (e))

The Narragansett Electric Company
d/b/a National Grid

Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2020 Incremental Capital Investments

Line No.		Fiscal Year 2020 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	\$72,083,137				
2	Capital Repairs Deduction Rate	1/ 24.67%				
3	Capital Repairs Deduction	\$17,782,910			\$51,954,457	
	<u>Bonus Depreciation</u>				Annual	Cumulative
4	Plant Additions	\$72,083,137	Line 1	3.750%	\$1,948,292	\$35,024,809
5	Plant Additions	\$0	Line 3	7.219%	\$3,750,592	\$38,775,401
6	Less Capital Repairs Deduction	\$17,782,910	Line 3	6.677%	\$3,468,999	\$42,244,400
7	Plant Additions Net of Capital Repairs Deduction	\$54,300,227	Line 4 + Line 5 - Line 6	6.177%	\$3,209,227	\$45,453,627
8	Percent of Plant Eligible for Bonus Depreciation	100.00%	Per Tax Department	5.713%	\$2,968,158	\$48,421,785
9	Plant Eligible for Bonus Depreciation	\$54,300,227	Line 7 * Line 8	5.285%	\$2,745,793	\$51,167,578
10	Bonus Depreciation Rate (Estimated)	4.32%	1 * 14.40% * 30%	4.888%	\$2,539,534	\$53,707,112
11	Bonus Depreciation Rate	0.00%		4.522%	\$2,349,381	\$56,056,492
12	Total Bonus Depreciation Rate	4.32%	Line 10 + Line 11	4.462%	\$2,318,208	\$58,374,700
13	Bonus Depreciation	\$2,345,770	Line 9 * Line 12	4.461%	\$2,317,688	\$60,692,388
	<u>Remaining Tax Depreciation</u>					
14	Plant Additions	\$72,083,137	Line 1	4.462%	\$2,317,688	\$63,010,596
15	Less Capital Repairs Deduction	\$17,782,910	Line 3	4.462%	\$2,318,208	\$65,328,285
16	Less Bonus Depreciation	\$2,345,770	Line 13	4.461%	\$2,317,688	\$67,646,493
	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	\$51,954,457	Line 14 - Line 15 - Line 16	4.461%	\$2,317,688	\$74,600,077
18	20 YR MACRS Tax Depreciation Rates	3.750%	Per IRS Publication 946	4.462%	\$2,318,208	\$76,918,285
19	Remaining Tax Depreciation	\$1,948,292	Line 17 * Line 18	4.461%	\$2,317,688	\$79,235,973
20	FY20 Loss incurred due to retirements	\$1,998,280	Per Tax Department	4.462%	\$2,318,208	\$81,554,181
21	Cost of Removal	\$10,949,557	Page 11 of 23, Line 10	4.461%	\$2,317,688	\$83,871,869
22	Total Tax Depreciation and Repairs Deduction	\$35,024,809	Sum of Lines 3, 13, 19, 20, and 21	2.231%	\$1,159,104	\$85,030,973

1/ Per Tax Department
2/ Per Tax Department
3/ Per Tax Department

The Narragansett Electric Company
d/b/a National Grid

FY 2020 Electric ISR Revenue Requirement Reconciliation
ISR Additions April 2019 through March 2020

Line No.	Month No.	Month	FY 2020 Plant Additions (a)	In Rates (b)	Not In Rates (c) = (a) - (b)	Weight for Days (d)	Weighted Average (e) = (d) * (c)	Weight for Not in Rates (f) = (c) / Total(c)
1								
2	1	Apr-19	8,605,643	6,236,917	2,368,727	0.958	2,270,030	3.29%
3	2	May-19	8,605,643	6,236,917	2,368,727	0.875	2,072,636	3.29%
4	3	Jun-19	8,605,643	6,236,917	2,368,727	0.792	1,875,242	3.29%
5	4	Jul-19	8,605,643	6,236,917	2,368,727	0.708	1,677,848	3.29%
6	5	Aug-19	8,605,643	6,236,917	2,368,727	0.625	1,480,454	3.29%
7	6	Sep-19	8,605,643	-	8,605,643	0.542	4,661,390	11.94%
8	7	Oct-19	8,605,643	-	8,605,643	0.458	3,944,253	11.94%
9	8	Nov-19	8,605,643	-	8,605,643	0.375	3,227,116	11.94%
10	9	Dec-19	8,605,643	-	8,605,643	0.292	2,509,979	11.94%
11	10	Jan-20	8,605,643	-	8,605,643	0.208	1,792,842	11.94%
12	11	Feb-20	8,605,643	-	8,605,643	0.125	1,075,705	11.94%
13	12	Mar-20	8,605,643	-	8,605,643	0.042	358,568	11.94%
14		Total	\$103,267,720	\$31,184,583	\$72,083,137		\$26,946,065	100.00%
15		Total September 2019 through March 2020			\$ 60,239,503			
16		FY2020 Weighted Average Incremental Rate Base Percentage						37.38%

Column (a)=Page 15 of 23, Line 1(c)

Column(b)=Page 15 of 23, Line 2(c)

Line 15 = sum of Line 7(c) through Line 13(c)

Line 16 = Line 14(f)/Line 14(c)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2018 - 2020 Incremental Capital Investment Summary

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	
Capital Investment					
1	ISR - Eligible Capital Investment	Col (a) = FY 2018 ISR Docket No.4682, Att MAL-1 P2, L3; Col (b)=FY 2019 ISR Docket No.4783, Att PCE-1 P3, Table 1; Col (c)= Page 23, Line 14, Col (a)	\$92,659,654	\$111,243,061	\$103,267,720
2	Intangible Assest included in Total Allowed Discretionary Capital	Col (a) =0; Col (b) = FY 2019 ISR Docket No. 4783, Att. MAL-1,Page 30 of 38, Line13; Col (c) = Actual per Operation	\$0	\$3,460,626	\$0
3	ISR - Eligible Capital Additions included in Rate Base per RIPUC Docket No. 4770	Docket No. 4770, S. C. Att. 2, Sch 11-ELEC, P5, L1, Col (a) = Col(a)+Col(b); Col(b)=Col(c)+Col(d); Col(c)=Col(e), Col(d)=Col(j)+Col(k)	\$74,843,000	\$74,843,000	\$31,184,583
4	Incremental ISR Capital Investment (non-intangible)	Line 1 - Line 2 - Line 3	\$17,816,654	\$32,939,435	\$72,083,137
Cost of Removal					
5	ISR - Eligible Cost of Removal	Col (a) =FY 2018 ISR Docket No. 4682; Col (b) = FY 2019 ISR Docket No. 4783, Att PCE-1 P3, Table 2, Col (c) = Section 1 of Att. PCE-1, Table 3	\$9,979,698	\$7,949,082	\$14,387,482
6	ISR - Eligible Cost of Removal in Rate Base per RIPUC Docket No. 4770	Schedule 6-ELEC, Docket No. 4770: Col(a)=Docket No. 4682, FY2018 ISR Elec Rec, [P2]L10×3÷12, [P1]L26+L45×7÷12; Col(b)=[P1]L45×5÷12+[P2]L18×7÷12; Col (c) = [P2]L18×5÷12+L39×7÷12	\$8,259,707	\$7,848,009	\$3,437,925
7	Incremental Cost of Removal	Line 5 - Line 6	\$1,719,991	\$101,073	\$10,949,557
Retirements					
8	ISR - Eligible Retirements/Actual	Col (a) =FY 2018 ISR Docket No. 4682; Col (b) = FY 2019 ISR Docket No. 4783, Att PCE-1 P3, Table 2, Col (c) =Per Company's Book	\$15,206,748	\$12,015,754	\$13,944,441
9	ISR - Eligible Retirements in Rate Base per RIPUC Docket No. 4770	Schedule 6-ELEC, Docket No. 4770: Col(a)=Docket No. 4682, FY2018 ISR Elec Rec, [P2]L5×3÷12+[P1]L25+L27+L46×7÷12; Col(b)=[P1]L46×5÷12+[P2]L19×7÷12; Col (c)=[P2]L19×5÷12+L40×7÷12	\$20,451,820	\$22,665,233	\$9,928,809
10	Incremental Retirements	Line 8 - Line 9	(\$5,245,072)	(\$10,649,479)	\$4,015,632
Net NOL Position					
11	ISR - (NOL)/Utilization	Col (a) =FY 2018 ISR Docket No. 4682; Col (b) = FY 2021 ISR Plan Docket No. 4995, Col (c) =Per Tax Departmen	(\$4,571,409)	\$1,506,783	\$0
12	less: (NOL)/Utilization recovered in transmission rates	Quarterly average transmission plant allocator per Integrated Facilities Agreement (IFA) * Line 11	(\$1,572,911)	\$515,161	\$0
13	Distribution-related (NOL)/Utilization	Maximum of (Line 11 - Line 12) or -Page 16 of 23, Line 9	(\$2,998,499)	\$991,622	\$0
14	(NOL)/Utilization in Rate Base per RIPUC Docket No. 4770	Docket No. 4770, S. C. Att. 2, Sch 11-ELEC, P. 12: Col (c) = L39×7÷12	\$0	\$0	\$1,462,980
15	Incremental (NOL)/Utilization	Line 13 - Line 14	(\$2,998,499)	\$991,622	(\$1,462,980)

The Narragansett Electric Company
d/b/a National Grid

FY 2020 Electric ISR Revenue Requirement Reconciliation
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Test Year	July 2016		Jul & Aug	12 Mths	Aug 31	12 Mths
		-June 2017		2017	2018	2019	2020
1	Total Base Rate Plant DIT Provision	\$18,265,666		\$2,580,654	\$5,847,765	\$4,355,117	\$707,056
2	Excess DIT Amortization					(\$3,074,665)	(\$3,074,665)
3	Total Base Rate Plant DIT Provision		FY 2019	FY 2018	FY 2018	FY 2019	FY 2020
4	Incremental FY 18		\$4,223,434	\$4,261,399	\$10,558,267	\$3,183,499	(\$847,583.55)
5	Incremental FY 19		\$0	\$0	\$4,261,399	(\$37,965)	(\$42,125)
6	Incremental FY 20		\$2,128,597			\$2,128,597	\$177,068
7	TOTAL Plant DIT Provision		\$6,352,031	\$13,616,336	\$14,819,666	\$5,274,131	\$6,416,721
8	Distribution-related NOL				\$2,998,499	(\$991,622)	\$0
9	Lesser of Distribution-related NOL or DIT Provision				\$2,998,499	(\$991,622)	\$0

Line Notes:

- 1(b) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 2 of 23, Line 29, Col (e) - (a)
- 1(d) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 11 of 20, Line 3
- 1(e) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 11 of 20, Line 7
- 1(f) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 11 of 20, Line 50
- 2 RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Sch. 11-ELEC, P.11 of 20, L. 51; P. 12 of 20, L. 42 & 52
- 3 Col(e) = Line 1(b)÷12×3+ Line1(d) + Line1(e)÷12×7; Col (f) = (Line1(e) + Line2(e))÷12×5 + (Line1(f) + Line2(f))÷12×7; Col (g) = (Line1(f) + Line2(f))÷12×5 + (Line1(g) + Line2(g))÷12×7
- 4(a)-(c) Cumulative DIT per vintage year ISR revenue requirement calculations (P.3, L.20(a)+L.22(a); P.3, L.20(b)+L.22(b); P.3, L.20(c)+L.22(c))
- 5(a)-(c) Cumulative DIT per vintage year ISR revenue requirement calculations (P.6, L.20(b)+ P.9, L.23(c); P.6, L.20(c)+ P.9, L.23(f))
- 6(a)-(c) Cumulative DIT per vintage year ISR revenue requirement calculations (P.11, L.20(a))
- 4(d) -6(g) Year over year change in cumulative DIT shown in Cols (a) through (c)
- 7 Sum of Lines 3 through 6
- 8 Page 15 of 23, Line 13
- 9 Lesser of Line 7 or Line 8

THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID RIPUC Docket Nos. 4770/4780 Compliance Attachment : Schedule 6-ELEC Page 3 of 5				
The Narragansett Electric Company d/b/a National Grid Depreciation Expense - Electric For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019				
		Adjusted Plant Balance (a)	Approved Rate (b)	Test Year Depreciation (c) = (a) x (b)
Intangible Plant				
1	303.00			
2				
3				
4				
5				
6				
7	330.00			
8	331.00			
9	332.00			
10				
11				
12				
13				
14				
15				
16				
17	360			
18	362			
19	365			
20	367.1			
21	360.00			
22	360.10			
23	361.00			
24	362.00			
25	362.10			
26	362.55			
27	364.00			
28	365.00			
29	366.10			
30	366.20			
31	367.10			
32	368.10			
33	368.20			
34	368.30			
35	369.10			
36	369.20			
37	369.21			
38	370.10			
39	370.20			
40	370.30			
41	370.35			
42	371.00			
43	373.10			
44	373.20			
45	374.00			
46				
47				
48				
49				
50				
51	389.00			
52	390.00			
53	391.00			
54	391.00			
55	393.00			
56	394.00			
57	395.00			
58	395.00			
59	397.00			
60	397.10			
61	397.50			
62	398.00			
63	399.00			
64	399.10			
65				
66				
67				
68				

The Narragansett Electric Company
d/b/a National Grid
ISR Depreciation Rate per RIPUC Docket No. 4770

	Adjusted Plant Balance (d)	Average Rate (e)=(f)/(g)	Approved Depreciation (f)
1			
2			
3			
4			
5			
6			

Line Notes:
1 Docket No. 4770, Schedule 6-ELEC: [P3 and P4] on left Line 47
2 Docket No. 4770, Schedule 6-ELEC: [P3 and P4] on Left Lines 59 through 61
3 Line 1+Line 2
5 Docket No. 4770, Schedule 6-ELEC: [P3 and P4] on Left Lines 59 through 61
6 Line 3+Line 6

Column Notes:
(a) - (c) - Per Docket 4770/4780 Compliance Attachment 2, Schedule 6 ELEC, Pages 3 & 4

THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID RIPUC Docket Nos. 4770/4780 Compliance Attachment 2 Schedule 6-ELEC Page 1 of 5				The Narragansett Electric Company d/b/a National Grid ISR Depreciation Expense in Base Rates less non-ISR eligible plant ISR Eligible Amount	
The Narragansett Electric Company d/b/a National Grid Depreciation Expense - Electric For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019					
Line No.	Description	Reference (a)	Amount (b)	(c)	(d)
1	Total Company Rate Year Distribution Depreciation Expense	Sum of Page 2, Line 16 and Line 17	\$50,128,332		
2	Test Year Depreciation Expense	Per Company Books	\$69,031,187		
3	Less : Test Year IFA related Depreciation Expense	Page 4, Line 30, Column (c)	(\$19,814,202)		
4	Less: ARO and other adjustments	Page 4, Line 30, Column (b) + Column (d)	(\$55,610)		
5	Adjusted Total Company Test Year Distribution Depreciation Expense	Sum of Line 2 through Line 4	\$49,161,375		
6	Depreciation Expense Adjustment	Line 1 - Line 5	\$966,957		
7					
8					
9	Test Year Depreciation Expense 12 Months Ended 06/30/17:		Per Book Amount		
10	Total Distribution Utility Plant 06/30/17	Page 4, Line 28, Column (e)	\$2,141,474,644	(\$39,763,450)	\$2,101,711,193
11	Less Non Depreciable Plant	Page 4, Line 26, Column (e)	(\$627,567,742)		(\$627,567,742)
12	Depreciable Utility Plant 6/30/17	Line 10 + Line 11	\$1,513,906,902	(\$39,763,450)	\$1,474,143,451
13					
14	Plus: Added Plant 2 Mos Ended 08/31/17	Schedule 11-ELEC, Page 6, Line 7	\$12,473,833	\$0	\$12,473,833
15	Less: Streetlights retired in the 2 Mos Ended 08/31/17	Per Company Books	(\$1,057,011)	\$0	(\$1,057,011)
16	Less: Retired Plant 2 Months Ended 08/31/17	1/ Line 14 x Retirement Rate	(\$3,699,739)	\$0	(\$3,699,739)
17	Depreciable Utility Plant 08/31/17	Line 12 + Line 14 + Line 16	\$1,521,623,985	(\$39,763,450)	\$1,481,860,535
18					
19	Average Depreciable Plant from 06/30/17 to 08/31/17	(Line 12 + Line 17)/2	\$1,517,765,443		\$1,478,001,993
20					
21	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.40%		3.40%
22					
23	Book Depreciation Reserve 06/30/17	Page 5, Line 69, Column (e)	\$652,405,159		
24	Plus: Book Depreciation Expense excluding Streetlight Retirement	1/6 of (Line 19 excl. Line 15 x Line 21)	\$8,603,666		\$8,381,334
25	Less: Streetlights retired in the 2 Mos Ended 08/31/17 and Dep. for 2 Mos	1/12 of (Line 15 x SL Dep Rate)	(\$1,307)		(\$1,307)
26	Less: Net Cost of Removal/(Salvage)	2/ Line 14 x Cost of Removal Rate	(\$1,281,063)		
27	Less: Retired Plant	Line 16	(\$3,699,739)		
28	Book Depreciation Reserve 08/31/17	Sum of Line 23 through Line 27	\$656,026,715		
29					
30	Depreciation Expense 12 Months Ended 08/31/18				
31	Total Utility Plant 08/31/17	Line 10 + Line 14 + Line 15 + Line 16	\$2,149,191,727	(\$39,763,450)	\$2,109,428,277
32	Less Non Depreciable Plant	Line 11	(\$627,567,742)	\$0	(\$627,567,742)
33	Depreciable Utility Plant 08/31/17	Line 31 + Line 32	\$1,521,623,985	(\$39,763,450)	\$1,481,860,535
34					
35	Plus: Plant Added in 12 Months Ended 08/31/18	Schedule 11-ELEC, Page 6, Line 14	\$74,843,000	\$0	\$74,843,000
36	Less: Plant Retired in 12 Months Ended 08/31/18	1/ Line 35 x Retirement rate	(\$22,198,434)	\$0	(\$22,198,434)
37	Depreciable Utility Plant 08/31/18	Sum of Line 33 through Line 36	\$1,574,268,551	(\$39,763,450)	\$1,534,505,101
38					
39	Average Depreciable Plant for 12 Months Ended 08/31/18	(Line 33 + Line 37)/2	\$1,547,946,268	(\$39,763,450)	\$1,508,182,818
40					
41	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.40%		3.40%
42					
43	Book Depreciation Reserve 08/31/17	Line 28	\$656,026,715		
44	Plus: Book Depreciation 08/31/18	Line 39 x Line 41	\$52,630,173		\$51,278,216
45	Less: Net Cost of Removal/(Salvage)	2/ Line 35 x Cost of Removal Rate	(\$7,686,376)		
46	Less: Retired Plant	Line 36	(\$22,198,434)		
47	Book Depreciation Reserve 08/31/18	Sum of Line 43 through Line 46	\$678,772,079		
1/	3 year average retirement over plant addition in service FY 15 ~ FY17		29.66%		
2/	3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		10.27%		

Compliance Attachment 2
Schedule 6-ELEC
Page 2 of 5

The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Electric

For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019

The Narragansett Electric Company
d/b/a National Grid
ISR Depreciation Expense in Base Rates
(Continued)

Line No.	Description	Reference	Amount	less non-ISR eligible plant (c)	ISR Eligible Amount (d)
		(a)	(b)	(c)	(d)
1	Rate Year Depreciation Expense 12 Months Ended 08/31/19:				
2	Total Utility Plant 08/31/18	Page 1, Line 31 + Line 35 + Line 36	\$2,201,836,293	(\$39,763,450)	\$2,162,072,843
3	Less Non-Depreciable Plant	Page 1, Line 11	(\$627,567,742)	\$0	(\$627,567,742)
4	Depreciable Utility Plant 08/31/18	Line 2 + Line 3	\$1,574,268,551	(\$39,763,450)	\$1,534,505,101
5					
6	Plus: Added Plant 12 Months Ended 08/31/19	Schedule 11-ELEC, Page 6, Line 38	\$77,541,000	(\$2,698,000)	\$74,843,000
7	Less: Depreciable Retired Plant	1/ Line 6 x Retirement rate	(\$22,998,661)	\$800,227	(\$22,198,434)
8					
9	Depreciable Utility Plant 08/31/19	Sum of Line 4 through Line 7	\$1,628,810,891	(\$41,661,224)	\$1,587,149,667
10					
11	Average Depreciable Plant for Rate Year Ended 08/31/19	(Line 4 + Line 9)/2	\$1,601,539,721	(\$40,712,337)	\$1,560,827,384
12					
13	Proposed Composite Rate %	Page 4, Line 18, Columnn (f)	3.15%		3.16%
14					
15	Book Depreciation Reserve 08/31/18	Page 1, Line 47	\$678,772,079		
16	Plus: Book Depreciation Expense	Line 11 x Line 13	\$50,375,341		\$49,322,145
17	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-ELECTRIC, Part VI, Page 6	(\$247,009)		(\$247,009)
18	Less: Net Cost of Removal/(Salvage)	2/ Line 6 x Cost of Removal Rate	(\$7,963,461)		
19	Less: Retired Plant	Line 7	(\$22,998,661)		
20	Book Depreciation Reserve 08/31/19	Sum of Line 15 through Line 19	\$697,938,290		\$49,075,136
21					
22	Rate Year Depreciation Expense 12 Months Ended 08/31/20:				
23	Total Utility Plant 08/31/19	Line 2 + Line 6 + Line 7	\$2,256,378,633	(\$41,661,224)	\$2,214,717,409
24	Less Non-Depreciable Plant	Page 1, Line 11	(\$627,567,742)	\$0	(\$627,567,742)
25	Depreciable Utility Plant 08/31/19	Line 23 + Line 24	\$1,628,810,891	(\$41,661,224)	\$1,587,149,667
26					
27	Plus: Added Plant 12 Months Ended 08/31/20	Schedule 11-ELEC, Page 5, Line 15(i)	\$2,000,000	(\$2,000,000)	\$0
28	Less: Depreciable Retired Plant	1/ Line 27 x Retirement rate	(\$593,200)	\$593,200	\$0
29					
30	Depreciable Utility Plant 08/31/20	Sum of Line 25 through Line 28	\$1,630,217,691	(\$43,068,024)	\$1,587,149,667
31					
32	Average Depreciable Plant for Rate Year Ended 08/31/20	(Line 25 + Line 30)/2	\$1,629,514,291	(\$42,364,624)	\$1,587,149,667
33					
34	Proposed Composite Rate %	Page 4, Line 18, Column (f)	3.15%		3.16%
35					
36	Book Depreciation Reserve 08/31/20	Line 20	\$697,938,290		
37	Plus: Book Depreciation Expense	Line 32 x Line 34	\$51,255,262		\$50,153,929
38	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-ELECTRIC, Part VI, Page 6	(\$247,009)		(\$247,009)
39	Less: Net Cost of Removal/(Salvage)	2/ Line 27 x Cost of Removal Rate	(\$205,400)		
40	Less: Retired Plant	Line 28	(\$593,200)		
41	Book Depreciation Reserve 08/31/20	Sum of Line 36 through Line 40	\$748,147,943	7 mos FY20 \$ 436,419,633	12 mos \$49,906,920
42					
43	Rate Year Depreciation Expense 12 Months Ended 08/31/21:				
44	Total Utility Plant 08/31/20	Line 23 + Line 27 + Line 28	\$2,257,785,433	(\$43,068,024)	\$2,214,717,409
45	Less Non-Depreciable Plant	Page 1, Line 11	(\$627,567,742)	\$0	(\$627,567,742)
46	Depreciable Utility Plant 08/31/20	Line 44 + Line 45	\$1,630,217,691	(\$43,068,024)	\$1,587,149,667
47					
48	Plus: Added Plant 12 Months Ended 08/31/21	Schedule 11-ELEC, Page 5, Line 15(l)	\$2,000,000	(\$2,000,000)	\$0
49	Less: Depreciable Retired Plant	1/ Line 48 x Retirement rate	(\$593,200)	\$593,200	\$0
50					
51	Depreciable Utility Plant 08/31/21	Sum of Line 46 through Line 49	\$1,631,624,491	(\$44,474,824)	\$1,587,149,667
52					
53	Average Depreciable Plant for Rate Year Ended 08/31/21	(Line 46 + Line 51)/2	\$1,630,921,091	(\$43,771,424)	\$1,587,149,667
54					
55	Proposed Composite Rate %	Page 4, Line 18, Columnn (f)	3.15%		3.16%
56					
57	Book Depreciation Reserve 08/31/20	Line 41	\$748,147,943		
58	Plus: Book Depreciation Expense	Line 53 x Line 55	\$51,299,512		\$50,153,929
59	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-ELECTRIC, Part VI, Page 6	(\$247,009)		(\$247,009)
60	Less: Net Cost of Removal/(Salvage)	2/ Line 48 x Cost of Removal Rate	(\$205,400)		
61	Less: Retired Plant	Line 49	(\$593,200)		
62	Book Depreciation Reserve 08/31/21	Sum of Line 57 through Line 61	\$798,401,846		\$49,906,920
1/	3 year average retirement over plant addition in service FY 15 ~ FY17		29.66%		Retirements
2/	3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		10.27%		COR

The Narragansett Electric Company
d/b/a National Grid
FY 2020 ISR Property Tax Recovery Adjustment
(000s)

Line	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	<u>End of FY 2018</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk Depr (L)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY 2019</u>
1	Plant In Service	\$1,595,499	\$111,243	\$3,137	\$114,380	(\$12,016)		\$1,697,863
2	Accumulated Depr	\$672,116			\$52,896	(\$12,016)	(\$7,949)	\$705,047
3	Net Plant	\$923,383						\$992,816
4	Property Tax Expense	\$30,354						\$32,077
5	Effective Prop tax Rate	3.29%						3.23%
	Effective tax Rate Calculation							
	<u>End of FY 2019</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk Depr (L)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY 2020</u>
6	Plant In Service	\$1,697,863	\$103,268	\$4,244	\$107,511	(\$14,649)		\$1,790,725
7	Accumulated Depr	\$705,047			\$54,318	(\$14,649)	(\$14,387)	\$730,328
8	Net Plant	\$992,816						\$1,060,397
9	Property Tax Expense	\$32,077						\$32,568
10	Effective Prop tax Rate	3.23%						3.07%
	Property Tax Recovery Calculation							
	<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u>	
	<u>Cumulative Incom. ISR Prop. Tax for FY2018</u>				<u>Cumulative Incom. ISR Prop. Tax for FY2019</u>	<u>1st 5 months</u>		
11	Incremental ISR Additions	\$92,660				\$111,243		
12	Book Depreciation: base allowance on ISR eligible plant	(\$43,032)				(\$43,032)		
13	Book Depreciation: current year ISR additions	(\$1,317)				(\$1,628)		
14	COR	\$9,980				\$7,949		
15	Net Plant Additions	\$58,291				\$74,532		
16	RY Effective Tax Rate	3.98%				3.98%		
17	ISR Year Effective Tax Rate	3.29%			3.23%			
18	RY Effective Tax Rate	3.98%			3.98%			
19	RY Effective Tax Rate 5 mos for FY 2019				5 month			
20	RY Net Plant times 5 mo rate	\$746,900	(\$5,191)		\$746,900	(\$2,338)		
21	FY 2014 Net Adds times ISR Year Effective Tax rate	\$1,566	\$51		\$1,232	\$17		
22	FY 2015 Net Adds times ISR Year Effective Tax rate	\$34,308	\$1,128		\$32,324	\$435		
23	FY 2016 Net Adds times ISR Year Effective Tax rate	\$33,535	\$1,102		\$32,090	\$432		
24	FY 2017 Net Adds times ISR Year Effective Tax rate	\$38,200	\$1,256		\$37,040	\$499		
25	FY 2018 Net Adds times ISR Year Effective Tax rate	\$58,291	\$1,916		\$55,850	\$752		
26	FY 2019 Net Adds times ISR Year Effective Tax rate				\$74,532	\$1,003		
27	Total ISR Property Tax Recovery		\$263			\$800		

The Narragansett Electric Company
d/b/a National Grid
FY 2020 ISR Property Tax Recovery Adjustment (continued)
(000s)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Cumulative Increm. ISR Prop. Tax for FY2019 7 months				Cumulative Increm. ISR Prop. Tax for FY2020		
28	Incremental ISR Additions	\$36,400				\$72,083	
29	Book Depreciation: base allowance on ISR eligible plant	\$0				\$0	
30	Book Depreciation: current year ISR additions	(\$999)				(\$1,075)	
31	COR	\$101				\$10,950	
32	Net Plant Additions	\$35,502				\$81,957	
33	RY Effective Tax Rate	3.28%				3.38%	
34	ISR Property Tax Recovery on non-ISR	1.91%					
35	ISR Year Effective Tax Rate	3.23%			3.07%		
36	RY Effective Tax Rate	3.28%			3.38%		
37	RY Effective Tax Rate 7 mos for FY 2019	-0.05%	7 mos				
38	RY Net Plant times rate Difference	-0.03%					
39	Non-ISR plant times rate difference	\$930,873	(\$279)		\$902,404		(2,816)
40	FY 2018 Net Incremental times rate difference	\$18,393	\$346		(\$2,269)		7
41	FY 2019 Net Incremental times rate difference	\$35,502	\$669		\$17,664		543
42	FY 2020 Net Incremental times rate difference				\$33,630		1,033
43	FY 2021 Net Adds times rate difference				\$81,957		2,517
44	Total ISR Property Tax Recovery		\$736				\$1,284

Line Notes

1(a) - 5(h)	Per Docket No. 4783, FY2019 Rec, Part 2 -Attachment MAL-2, Page 13, Line 1(a)-Line 5(h)	31(f)	Page 11 of 23, Line 12(a) ÷ 1000
6(a) - 10(a)	1(a) - 5(h)	32(f)	Sum of Lines 28(f) through 31(f)
6(b)	Page 15 of 23, Line 1, Column (c)/1000	33(f)	Docket No. 4770, R. Rebuttal Att. 1, Sch 7-ELEC, P.2, L.3 (c) / [Sch 6-E, P2, (L9 - L20) × 5/12 + (L.30-L41) × 7/12]
6(c)	Per Company's Book	35(e)	=10(h)
6(d)	Line 6(b) + Line 6(c)	36(e)	=33(f)
6(f), 7(f)	Per Company's Book	36(f)	35(e) - 36(e)
6(h)	Sum of L6 C(a), L6 C(d), L6 C(f)		
7(e)	[Docket 4770, C. Att. 2, Sch 6-ELEC, P2: L. (16(b)+ L17(b)) × 5/12 + L. (37(b) + 38(b)) × 7/12] + ((Page 3 of 23, L. 6(a) + Page 6 of 23, L. 6(a) × 0.0316) ÷ Page 9 of 23, L. 29(f))/1000 + Page 11 of 23, L. 8(a) × 0.0316 × 0.5/1000	37(f)	=36(f)
7(g)	Page 15 of 23, Line 8, Column (c)/1000	38(e)	=38(a) × 5-12 + Docket 4770, C. Att. 2, (Sch 6-E, P2, L30 - L41) × 7-12/1000
7(h)	Sum of L7 C(a), L7 C(e), L7 C(f), L7 C(g)	39(e)	Docket No. 4770, R. Rebuttal Att. 1, Sch 11-ELEC, P.5, L. 8(e) + L. 8(g)
8(h)	6(h)-7(h)	39(g)	39(e) × 37(f)
9(h)	Per Company's Book	39(e)	=40(a)-Page 3 of 23, Line 16(c)
10(h)	Line 9(h) ÷ 8(h)	40(g)	40(e) × 37(f)
11(a) - 27(g)	Docket No. 4783, FY19 Rec, Part 2 -Attachment MAL-2, Page 12, Line 6(a)-Line 30(g)	41(g)	41(a)- (Page 6 of 23, Line 16(b) + Page 9 of 23, Line 29(f))/1000
28(a) - 44(c)	Docket No. 4783, FY19 Rec, Part 2 -Attachment MAL-2, Page 12, Line 31(a)-Line 50(c)	41(g)	41(e) × 37(f)
28(f)	Page 11 of 23, Line 6(a) ÷ 1000	42(g)	=32(f)
29(f)	FY20 depreciation is reflected in the NBY at 38(e)	42(g)	42(e) × 37(f)
30(f)	- Page 11 of 23, Line 18(a) = 1000	44(g)	Sum of Lines 38(g) through 43(g)

The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Weighted Average Cost of Capital

Line
No.

	(a)	(b)	(c)	(d)	(e)
Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 35% income tax rate effective April 1, 2013					
	Ratio	Rate	Weighted Rate	Taxes	Return
3 Long Term Debt	49.95%	4.96%	2.48%		2.48%
4 Short Term Debt	0.76%	0.79%	0.01%		0.01%
5 Preferred Stock	0.15%	4.50%	0.01%		0.01%
6 Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
7	<u>100.00%</u>		<u>7.17%</u>	<u>2.51%</u>	<u>9.68%</u>

8
9 (d) - Column (c) x 35% divided by (1 - 35%)
10

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 21% income tax rate effective January 1, 2018					
	Ratio	Rate	Weighted Rate	Taxes	Return
13 Long Term Debt	49.95%	4.96%	2.48%		2.48%
14 Short Term Debt	0.76%	0.79%	0.01%		0.01%
15 Preferred Stock	0.15%	4.50%	0.01%		0.01%
16 Common Equity	49.14%	9.50%	4.67%	1.24%	5.91%
17	<u>100.00%</u>		<u>7.17%</u>	<u>1.24%</u>	<u>8.41%</u>

18
19 (d) - Column (c) x 21% divided by (1 - 21%)
20
21

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4770 effective September 1, 2018					
	Ratio	Rate	Weighted Rate	Taxes	Return
24 Long Term Debt	48.35%	4.62%	2.23%		2.23%
25 Short Term Debt	0.60%	1.76%	0.01%		0.01%
26 Preferred Stock	0.10%	4.50%	0.00%		0.00%
27 Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
28	<u>100.00%</u>		<u>6.97%</u>	<u>1.26%</u>	<u>8.23%</u>

29
30 (d) - Column (c) x 21% divided by (1 - 21%)
31

32	FY18 Blended Rate	Line 7(e) x 75% + Line 17(e) x 25%			9.36%
34	FY19 Blended Rate	Line 17 x 5 ÷ 12 + Line 28 x 7 ÷ 12			8.31%
36	FY20 and after Rate	Line 28(e)			8.23%

**The Narragansett Electric Company
d/b/a National Grid
FY 2020 Incremental Capital Investment**

Line No.			<u>Fiscal Year 2020</u>	<u>In Base Rates Included In Docket No. 4770</u>	<u>Amount to be Included in FY 2020 ISR</u>
			(a)	(b)	(c) = (a) - (b)
	<u>Non Discretionary Capital</u>				
1	FY 2020 Non-Discretionary Capital Additions	Column (a): Att. PCE-1, Section I, Table 2; Column (b): Docket No. 4770, Schedule 11-ELEC, Page 5, Line 5, Col (c) + Col (d)	\$47,765,393	\$13,637,917	\$34,127,476
1a	Less: Transformer & Related Equipment Disallowance	Attachment PCE-1, Table 5	(\$1,641,674)		(\$1,641,674)
1b	Adjusted Non Discretionary Capital	Line 1 + Line 1a	\$46,123,719	\$13,637,917	\$32,485,802
	<u>Discretionary Capital</u>				
2	Cumulative FY 2019 Discretionary Capital ADDITIONS	Docket No. 4783 -ISR Plan Reconciliation	\$333,735,665		
3	FY 2020 Discretionary Capital ADDITIONS	Column (a): Att. PCE-1, Section I, Table 2	\$57,144,002		
4	Cumulative Actual Discretionary Capital Addition:	Line 2 + Line 3	\$390,879,667		
5	Cumulative FY 2019 Discretionary Capital SPENDING	Docket No. 4783 -ISR Plan Reconciliation	\$381,654,545		
6	FY 2020 Discretionary Capital SPENDING	Column (a): Att. PCE-1, Section II, Table 4	\$57,980,314		
7	Cumulative Actual Discretionary Capital Spending	Line 5 + Line 6	\$439,634,859		
8	Cumulative FY 2019 Approved Discretionary Capital SPENDING	Docket No. 4783 -ISR Plan Reconciliation	\$364,211,536		
9	FY 2020 Approved Discretionary Capital SPENDING	Column (a): Att. PCE-1, Section II, Table 4	\$61,270,000		
10	Cumulative Actual Approved Discretionary Capital Spending	Line 8 + Line 9	\$425,481,536		
11	Cumulative Allowed Discretionary Capital Included in Rate Base	Lesser of Line 4, Line 7, or Line 10	\$390,879,667		
12	Prior Year Cumulative Allowed Discretionary Capital Included in Rate Base	Docket No. 4783 -ISR Plan Reconciliation	\$333,735,665		
13	Total Allowed Discretionary Capital Included in Rate Base Current Year	Line 11 - Line 12	\$57,144,002	\$17,546,667	\$39,597,335
14	Total Allowed Capital Included in Rate Base Current Year	Line 1b + Line 13	\$103,267,720	\$31,184,583	\$72,083,137

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Revenue Requirement Summary for the 5-month period April 1, 2018 through August 31, 2018

Line No.		As Reconciled Apr~Aug FY 2019 (a)	FY 2019 - Tax Update Apr~Aug FY 2019 (b)	Variance (e) = (c) + (d)
<u>Operation and Maintenance (O&M) Expenses:</u>				
1	Current Year Vegetation Management (VM)	\$4,057,817	\$4,057,817	\$0
2	Current Year Inspection & Maintenance (I&M)	\$251,277	\$251,277	\$0
3	Current Year Other Programs	\$52,792	\$52,792	\$0
4	Electric Contact Voltage expenses included in RIPUC Docket No. 4323	(\$68,229)	(\$68,229)	\$0
5	Total O&M Expense Component of Revenue Requirement	\$4,293,657	\$4,293,657	\$0
<u>Capital Investment:</u>				
6	FY 2019 Revenue Requirement on FY 2012 Actual Incremental Capital Investment	\$97,255	\$97,255	\$0
7	FY 2019 Revenue Requirement on FY 2013 Actual Incremental Capital Investment	(\$393,472)	(\$393,472)	\$0
8	FY 2019 Revenue Requirement on FY 2014 Actual Incremental Capital Investment	\$271,208	\$271,208	\$0
9	FY 2019 Revenue Requirement on FY 2015 Actual Capital Investment	\$1,404,557	\$1,404,557	\$0
10	FY 2019 Revenue Requirement on FY 2016 Actual Capital Investment	\$1,395,551	\$1,395,551	\$0
11	FY 2019 Revenue Requirement on FY 2017 Actual Capital Investment	\$1,356,179	\$1,356,179	\$0
12	FY 2019 Revenue Requirement on FY 2018 Actual Capital Investment	\$2,494,752	\$2,494,752	\$0
13	FY 2019 Revenue Requirement on FY 2019 Actual Capital Investment	\$1,757,124	\$1,916,002	\$158,878
14	Subtotal	\$8,383,155	\$8,542,033	\$158,878
15	FY 2019 Property Tax Recovery Adjustment	\$799,626	\$799,626	\$0
16	Total Capital Investment Component of Revenue Requirement	\$9,182,781	\$9,341,659	\$158,878
17	Total Fiscal Year Revenue Requirement	\$13,476,437	\$13,635,315	\$158,878

Column Notes:

(a) As approved per RIPUC Docket No. 4783 Reconciliation Filing, Attachment MAL-1, P 1, Column (c)

Line Notes:

1(b)~4(b) As actual per RIPUC Docket No. 4783 Reconciliation Filing, Attachment MAL-1, P 1, Column (c)
5 Sum of Lines 1 through 4
6(b) Page 25 of 35, Line 32(h)×5÷12
7(b) Page 22 of 35, Line 37(g)×5÷12
8(b) Page 19 of 35, Line 35(f)×5÷12
9(b) Page 16 of 35, Line 37(e)×5÷12
10(b) Page 13 of 35, Line 37(d)×5÷12
11(b) Page 10 of 35, Line 34(c)×5÷12
12(b) Page 7 of 35, Line 34(b)×5÷12
13(b) Page 2 of 35, Line 37(a)
14 Sum of Lines 6 through 13
15(b) Page 31 of 35, Line 74(k) × 1,000
16 Sum of Lines 14 through 15
17 Line 5 + Line 16

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2019 Actual Incremental Capital Investment

Line No.			Fiscal Year 2019 (a)
<u>Capital Investment Allowance</u>			
1	Non-Discretionary Capital	Attachment PCE-1, Page 3, Table 1	\$40,183,659
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	Page 29 of 35, Line 14	\$67,598,776
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$107,782,435
<u>Depreciable Net Capital Included in Rate Base</u>			
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$107,782,435
5	Retirements		1/ \$12,015,754
6	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5 ; Column (b) = Prior Year Line 6	\$95,766,681
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	Line 3	\$107,782,435
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	\$43,031,774
9	Incremental Capital Amount	Column (a)= Line 7 - Line 8	\$64,750,661
10	Cost of Removal	Attachment PCE-1, Page 4, Table 2	\$7,949,082
11	Total Net Plant in Service	Line 9 + Line 10	\$72,699,743
<u>Deferred Tax Calculation:</u>			
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%
13	Vintage Year Tax Depreciation:		
14	2019 Spend	Page 3 of 35, Line 23	\$36,783,359
15	Cumulative Tax Depreciation	Prior Year Line 15 + Current Year Line 14	\$36,783,359
16	Book Depreciation	Column (a) = Line 6 * Line 12 * 50% ; Column (b) = Line 6 * Line 12	\$1,628,034
17	Cumulative Book Depreciation	Prior Year Line 17 + Current Year Line 16	\$1,628,034
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$35,155,325
19	Effective Tax Rate		2/ 21.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$7,382,618
21	Add: FY 2019 Federal NOL incremental utilization	Page 33 of 35, Line 12(p)	\$991,622
22	Excess Deferred Tax		\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 20 through 22	\$8,374,240
<u>Rate Base Calculation:</u>			
24	Cumulative Incremental Capital Included in Rate Base	Line 11	\$72,699,743
25	Accumulated Depreciation	-Line 17	(\$1,628,034)
26	Deferred Tax Reserve	-Line 23	(\$8,374,240)
27	Year End Rate Base	Sum of Lines 24 through 26	\$62,697,469
<u>Revenue Requirement Calculation:</u>			
28	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 28 ÷ 2; Column (b) = (Prior Year Line 28 + Current Year Line 28) ÷ 2	\$31,348,735
29	Proration Adjustment	Page 4 of 35, Line 41, Column (j)	\$42,768
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$31,391,502
31	Pre-Tax ROR	Page 35 of 35, Line 48, column (e)	8.41%
32	Return and Taxes	Line 30 * Line 31	\$2,640,025
33	Book Depreciation	Line 16	\$1,628,034
34	Annual Revenue Requirement	Line 32 + Line 33	\$4,268,059
35	Revenue Requirement of Plant for 5 months (April 1, 2018 - August 31, 2018)	Line 34 x 5/12	\$1,778,358
36	Revenue Requirement of Intangible for 5 months (April 1, 2018 - August 31, 2018)	Page 5 of 35, Line 30, Column (c)	\$137,645
37	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)	Line 35 + Line 36	\$1,916,002

1/ Based on actual retirements of capital investment

2/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

FY 2020 Electric ISR Revenue Requirement Reconciliation

Calculation of Tax Depreciation and Repairs Deduction on FY2019 Incremental Capital Investments

Line No.		Fiscal Year 2019 (a)	(b)	(c)	(d)	(e)
1	Capital Repairs Deduction					
2	Plant Additions	\$107,782,435				
3	Capital Repairs Deduction Rate	9.68%				
	Capital Repairs Deduction	\$10,433,421				
			Line 18		\$83,530,321	
4	Bonus Depreciation					
5	Plant Additions	\$107,782,435	2019	3.750%	\$3,132,387	\$36,783,359
6	Plant Additions	\$0	2020	7.219%	\$6,030,054	\$42,813,413
7	Less Capital Repairs Deduction	\$10,433,421	2021	6.677%	\$5,577,320	\$48,390,732
8	Plant Additions Net of Capital Repairs Deduction	\$97,349,014	2022	6.177%	\$5,159,668	\$53,550,400
9	Percent of Plant Eligible for Bonus Depreciation	100.00%	2023	5.713%	\$4,772,087	\$58,322,487
10	Plant Eligible for Bonus Depreciation	\$97,349,014	2024	5.285%	\$4,414,577	\$62,737,065
11	Bonus Depreciation Rate (April 2018 - December 2018)	3.50%	2025	4.888%	\$4,082,962	\$66,820,027
12	Bonus Depreciation Rate (January 2019 - March 2019)	10.70%	2026	4.522%	\$3,777,241	\$70,597,268
13	Total Bonus Depreciation Rate	14.20%	2027	4.462%	\$3,727,123	\$74,324,391
	Bonus Depreciation	\$13,818,693	2028	4.461%	\$3,726,288	\$78,050,678
			2029	4.462%	\$3,727,123	\$81,777,801
14	Remaining Tax Depreciation		2030	4.461%	\$3,726,288	\$85,504,089
15	Plant Additions	\$107,782,435	2031	4.462%	\$3,727,123	\$89,231,212
16	Plant Additions	\$0	2032	4.461%	\$3,726,288	\$92,957,499
17	Less Capital Repairs Deduction	\$10,433,421	2033	4.462%	\$3,727,123	\$96,684,622
18	Less Bonus Depreciation	\$13,818,693	2034	4.461%	\$3,726,288	\$100,410,910
19	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	\$83,530,321	2035	4.462%	\$3,727,123	\$104,138,033
20	20 YR MACRS Tax Depreciation Rates	3.750%	2036	4.461%	\$3,726,288	\$107,864,321
	Remaining Tax Depreciation	\$3,132,387	2037	4.462%	\$3,727,123	\$111,591,443
21	FY19 Loss incurred due to retirements	\$1,449,776	2038	4.461%	\$3,726,288	\$115,317,731
22	Cost of Removal	\$7,949,082	2039	2.231%	\$1,863,561	\$117,181,293
23	Total Tax Depreciation and Repairs Deduction	\$36,783,359		100%	\$83,530,321	

1/ Capital Repairs percentage is the actual result of FY 2019 tax return

2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY 2019 tax return

3/ Actual Loss for FY 2019

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Capital Investment

Line No.	Deferred Tax Subject to Proration	RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L	(a) FY 19
1	Book Depreciation	1, C (b)	\$1,017,686
2	Bonus Depreciation	2, C (b)	\$0
3	Remaining MACRS Tax Depreciation	3, C (b)	(\$2,269,538)
4	FY18 tax (gain)/loss on retirements	4, C (b)	(\$3,492,895)
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$4,744,747)
6	Effective Tax Rate		21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$996,397)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	8, C (b)	(\$24,816,000)
9	Cost of Removal	9, C (b)	(\$11,834,000)
10	Book/Tax Depreciation Timing Difference at Mar 31		\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$36,650,000)
12	Effective Tax Rate		21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	(\$7,696,500)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$8,692,897)
15	Net Operating Loss	15, C (b)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$8,692,897)
Allocation of FY 2018 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$4,744,747)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$36,650,000)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$41,394,747)
20	Total FY 2019 Federal NOL	20, C (b)	\$0
21	Allocated FY 2019 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2019 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0
23	Effective Tax Rate		21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$996,397)
Proration Calculation			
		(h) <u>Number of Days in Month</u>	(i) <u>Proration Percentage</u>
26	43191	30	91.78% (\$76,208)
27	43221	31	83.29% (\$69,156)
28	43252	30	75.07% (\$62,332)
29	43282	31	66.58% (\$55,280)
30	43313	31	58.08% (\$48,227)
31	43344	30	49.86% (\$41,403)
32	43374	31	41.37% (\$34,351)
33	43405	30	33.15% (\$27,526)
34	43435	31	24.66% (\$20,474)
35	43466	31	16.16% (\$13,422)
36	43497	28	8.49% (\$7,052)
37	43525	31	0.00% \$0
38	Total	365	(\$455,431)
39	Deferred Tax Without Proration	Line 25	(\$996,397)
40	Average Deferred Tax without Proration	Line 25 * 50%	(\$498,198)
41	Proration Adjustment	Line 38 - Line 40	\$42,768

Column Notes:

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

**The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2019 Intangible Investment**

Line No.	Reference	Item 1 (a)	Item 2 (b)	Total (c) = (a) + (b)
Capital Investment				
1	Start of Rev. Req. Period	Beginning of FY19	04/01/18	04/01/18
2	End of Rev. Req. Period	End of FY19	08/31/18	08/31/18
Volt-Var Optimization for Lincoln Ope. Center				
3	Investment Name	Per Company's Book	90000194754	90000194755
4	Work Order	Per Company's Book	90000194754	90000194755
5	Total Spend		\$2,140,000	\$1,320,626
6	In ServiceDate	Per Company's Book	06/19/18	07/11/18
7	Book AmortizationPeriod	Per Company's Book	84	84
8	04/01/2018 Book Balance	Line 5 ÷ Line 7 × month to 04/01/2018	\$0	\$0
9	08/31/2018 Book Balance	Line 5 ÷ Line 7 × month to 08/31/2018	\$2,089,048	\$1,289,183
10	Average Book Balance	(Line 8 + Line 9) ÷ 2	\$1,044,524	\$644,591
Deferred Tax Calculation:				
11	Tax Amortization Period	Page 6 of 35	36	36
12	Tax Expensing	Per Tax Department	\$0	\$0
13	Tax Bonus Rate	Per Tax Department	0%	0%
14	Bonus Depreciation	Year 1 = (L. 5 - L. 12) × L. 13, after = 0 (L. 5 - L. 12 - L. 14Y1 × 0; Y2 × 33.33%; Y3 × 72.78%; Y4 × 92.59%; Y5 × 100%)	\$0	\$0
15	04/01/2018 Acc. Tax Balance		\$0	\$0
16	08/31/2018 Acc. Tax Balance	Y3 × 92.59%; Y4 × 100%	\$713,262	\$440,165
17	Average Acc. Tax Balance	(Line 15 + Line 16) ÷ 2	\$356,631	\$220,082
18	04/01/2018 Acc. Dep. Balance	Line 5 - Line 8	\$0	\$0
19	08/31/2018 Acc. Dep. Balance	Line 5 - Line 9	\$50,952	\$31,443
20	Average Acc. Dep. Balance	(Line 18 + Line 19) ÷ 2	\$25,476	\$15,722
21	Average Book / Tax Timer	Line 17 - Line 20	\$331,155	\$204,361
22	Effective Tax Rate		21%	21%
23	Deferred Tax Reserve	Line 21 × Line 22	\$69,543	\$42,916
Rate Base Calculation:				
24	Average Book Balance	Line 10	\$1,044,524	\$644,591
25	Deferred Tax Reserve	Line 23	\$69,543	\$42,916
26	Average Rate Base	Line 24 - Line 25	\$974,981	\$601,676
Revenue Requirement Calculation:				
27	Pre-Tax ROR	Page 35 of 35, Line 48, column (e) × 5 ÷ 12	3.50%	3.50%
28	Return and Taxes	Line 26 × Line 27	\$34,165	\$21,084
29	Book Depreciation	Line 9 - Line 8	\$50,952	\$31,443
30	Annual Revenue Requirement	Line 28 + Line 29	\$85,117	\$52,527

**The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
MACRS Tables For Information Systems**

Line	Annual Rate		Monthly Cumulative Rate				
<u>No.</u>	<u>Year</u>		<u>Year</u>	<u>Period</u>	<u>Rate</u>		
1	Yr 1	33.33%	33.33%	1	1	33.33%	2.78% Yr 1 - Monthly rate
2	Yr 2	44.45%	77.78%	1	2	33.33%	
3	Yr 3	14.81%	92.59%	1	3	33.33%	
4	Net Salvage Value	7.41%	100.00%	1	4	33.33%	
11				1	11	33.33%	
12				1	12	33.33%	
13				2	13	77.78%	3.70% Yr 2 - Monthly rate
25				3	25	92.59%	1.23% Yr 3 - Monthly rate
36				3	36	92.59%	0.62% Yr 3 - Monthly rate
48				4	48	100.00%	
60				5	60	100.00%	
72				6	72	100.00%	
84				7	84	100.00%	
96				8	96	100.00%	
108				9	108	100.00%	
120				10	120	100.00%	
132				11	132	100.00%	
144				12	144	100.00%	
156				13	156	100.00%	
168				14	168	100.00%	
180				15	180	100.00%	
192				16	192	100.00%	
204				17	204	100.00%	
216				18	216	100.00%	
228				19	228	100.00%	
240				20	240	100.00%	
252				21	252	100.00%	
264				22	264	100.00%	
276				23	276	100.00%	
288				24	288	100.00%	
300				25	300	100.00%	

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2018 Actual Incremental Capital Investment

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	
<u>Capital Investment Allowance</u>				
1	Non-Discretionary Capital	Per RIPUC Docket No. 4682	\$35,909,398	\$0
2	Discretionary Capital			
	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	Per RIPUC Docket No. 4682	\$56,750,256	\$0
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$92,659,654	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$92,659,654	\$0
5	Retirements		\$15,206,748	\$0
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$77,452,906	\$77,452,906
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3	\$92,659,654	\$0
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	\$43,031,774	\$0
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; then = Prior Year Line 9	\$49,627,880	\$49,627,880
10	Cost of Removal	Per RIPUC Docket No. 4682	\$9,979,698	\$9,979,698
11	Total Net Plant in Service	Line 9 + Line 10	\$59,607,578	\$59,607,578
<u>Deferred Tax Calculation:</u>				
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%	3.40%
13	Vintage Year Tax Depreciation:			
14	2018 Spend	Year 1 = Page 8 of 35, Line 23; then = Page 8 of 35, Column (d), Line 5	\$65,019,515	\$2,969,765
15	Cumulative Tax Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	\$65,019,515	\$67,989,280
16	Book Depreciation	Year 1 = Line 6 * Line 12 * 50% ; then = Line 6 * Line 12	\$1,316,699	\$2,633,399
17	Cumulative Book Depreciation	Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16	\$1,316,699	\$3,950,098
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$63,702,816	\$64,039,182
19	Effective Tax Rate		21.00%	21.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$13,377,591	\$13,448,228
21	Less: FY 2018 Federal NOL	Page 33 of 35, Line 12(o)	(\$2,998,499)	(\$2,998,499)
22	Excess Deferred Tax	Page 34 of 35, Line 7(f)	\$6,688,796	\$6,688,796
23	Net Deferred Tax Reserve	Sum of Lines 20 through 22	\$17,067,888	\$17,138,525
<u>Rate Base Calculation:</u>				
24	Cumulative Incremental Capital Included in Rate Base	Line 11	\$59,607,578	\$59,607,578
25	Accumulated Depreciation	-Line 17	(\$1,316,699)	(\$3,950,098)
26	Deferred Tax Reserve	-Line 23	(\$17,067,888)	(\$17,138,525)
27	Year End Rate Base	Sum of Lines 24 through 26	\$41,222,990	\$38,518,955
<u>Revenue Requirement Calculation:</u>				
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then Average of (Prior + Current Year Line 27) (a) = Page 9 of 35, Line 41, Column (j); (b) = Page 9 of 35, Line 41, Column (k)	\$20,611,495.17	\$39,870,972
29	Proration Adjustment		\$433,768	\$10,186
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$21,045,263	\$39,881,158
31	Pre-Tax ROR	(a) = Page 35 of 35, Line 52; (b) = Page 35 of 35, Line 48	9.36%	8.41%
32	Return and Taxes	Line 28 * Line 31	\$1,969,837	\$3,354,005
33	Book Depreciation	Line 16	\$1,316,699	\$2,633,399
34	Annual Revenue Requirement revised	Line 32 + Line 33	\$3,286,536	\$5,987,404
35	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)	Line 34 x 5/12		\$2,494,752

1/ Actual Retirements

2/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Capital Investment

Line No.			(a) FY 18	(b) FY 19	
Deferred Tax Subject to Proration					
1	Book Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L1, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L1, C(c)	\$992,555	\$1,985,110	
2	Bonus Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L2, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L2, C(c)	(\$26,966,349)	\$0	
3	Remaining MACRS Tax Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L3, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L3, C(c)	(\$1,139,188)	(\$3,115,135)	
4	FY18 tax (gain)/loss on retirements	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L4, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L4, C(c)	(\$1,760,937)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$28,873,919)	(\$1,130,025)	
6	Effective Tax Rate		35.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$10,105,872)	(\$237,305)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L8, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L8, C(c)	(\$17,498,293)		
9	Cost of Removal	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L9, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L9, C(c)	(\$9,646,000)		
10	Book/Tax Depreciation Timing Difference at 3/31/2017		\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$27,144,293)		
12	Effective Tax Rate		35.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	(\$9,500,503)		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$19,606,374)	(\$237,305)	
15	Net Operating Loss	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L15, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L15, C(c)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$19,606,374)	(\$237,305)	
Allocation of FY 2018 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$28,873,919)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$27,144,293)		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$56,018,212)		
20	Total FY 2018 Federal NOL	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L20, C (b); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L20, C(c)	\$0		
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0		
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0		
23	Effective Tax Rate		35.00%		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$10,105,872)	(\$237,305)	
Proration Calculation					
		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k)
26	April 2017/2018	30	91.78%	(\$772,938)	(\$18,150)
27	May 2017/2018	31	83.29%	(\$701,412)	(\$16,470)
28	June 2017/2018	30	75.07%	(\$632,194)	(\$14,845)
29	July 2017/2018	31	66.58%	(\$560,668)	(\$13,166)
30	August 2017/2018	31	58.08%	(\$489,143)	(\$11,486)
31	September 2017/2018	30	49.86%	(\$419,924)	(\$9,861)
32	October 2017/2018	31	41.37%	(\$348,399)	(\$8,181)
33	November 2017/2018	30	33.15%	(\$279,180)	(\$6,556)
34	December 2017/2018	31	24.66%	(\$207,655)	(\$4,876)
35	January 2018/2019	31	16.16%	(\$136,129)	(\$3,197)
36	February 2018/2019	28	8.49%	(\$71,526)	(\$1,680)
37	March 2018/2019	31	0.00%	\$0	\$0
38	Total	365		(\$4,619,168)	(\$108,467)
39	Deferred Tax Without Proration	Line 25	(\$10,105,872)	(\$237,305)	
40	Average Deferred Tax without Proration	Line 25 * 50%	(\$5,052,936)	(\$118,653)	
41	Proration Adjustment	Line 38 - Line 40	\$433,768	\$10,186	

Column Notes:

- (i) Sum of remaining days in the year (Col (h)) ÷ 365
(j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2017 Actual Incremental Capital Investment

Line No.			Fiscal Year 2017 (a)	Fiscal Year 2018 (b)	Fiscal Year 2019 (c)
Capital Additions Allowance					
<i>Non-Discretionary Capital</i>					
1	Non-Discretionary Additions	Per RIPUC Docket No. 4592	\$28,593,675	\$0	\$0
<i>Discretionary Capital</i>					
2	Lesser of Actual Cumulative Discretionary Capital Additions or Spending, or Approved Spending	Per RIPUC Docket No. 4592	\$46,895,663	\$0	\$0
3	Total Allowed Capital Included in Rate Base	Line 1 + Line 2	\$75,489,338	\$0	\$0
Depreciable Net Capital Included in Rate Base					
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$75,489,338	\$0	\$0
5	Retirements		\$22,244,993	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4- Line 5; Then = Prior year Line 6	\$53,244,345	\$53,244,345	\$53,244,345
Change in Net Capital Included in Rate Base					
7	Capital Included in Rate Base	Line 3	\$75,489,338	\$0	\$0
8	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding	\$43,031,774	\$0	\$0
9	Incremental Depreciable Amount	Year 1 = Line 7- Line 8; Then = Prior year Line 9	\$32,457,564	\$32,457,564	\$32,457,564
10	Total Cost of Removal	Per RIPUC Docket No. 4592	\$7,806,949	\$7,806,949	\$7,806,949
11	Total Net Plant in Service	Line 9 + Line 10	\$40,264,513	\$40,264,513	\$40,264,513
Deferred Tax Calculation:					
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%	3.40%	3.40%
13	Vintage Year Tax Depreciation:				
14	2017 Spend	1 = Page 11 of 35, Line 21; then = Page 11 of 35, Column (d), L	\$56,129,313	\$2,186,135	\$2,022,001
15	Cumulative Tax Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year	\$56,129,313	\$58,315,448	\$60,337,449
16	Book Depreciation	Year 1 = Line 6 * Line 12 * 50%; then = Line 6 * Line 12	\$905,154	\$1,810,308	\$1,810,308
17	Cumulative Book Depreciation	Year 1 = Line 16; then = Prior Year Line 17 + Current Year	\$905,154	\$2,715,462	\$4,525,770
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$55,224,159	\$55,599,986	\$55,811,679
19	Effective Tax Rate		35.00%	21.00%	21.000%
20	Deferred Tax Reserve	Line 18 * Line 19	\$19,328,456	\$11,675,997	\$11,720,453
21	Less: FY 2017 Federal NOL	Page 33 of 35, Line 12(n)	\$0	\$0	\$0
22	Excess Deferred Tax	Page 34 of 35, Line 6(f)	\$0	\$7,770,844	\$7,770,844
23	Net Deferred Tax Reserve	Sum of Lines 20 through 22	\$19,328,456	\$19,446,841	\$19,491,297
Rate Base Calculation:					
24	Cumulative Incremental Capital Included in Rate Base	Line 11	\$40,264,513	\$40,264,513	\$40,264,513
25	Accumulated Depreciation	-Line 17	(\$905,154)	(\$2,715,462)	(\$4,525,770)
26	Deferred Tax Reserve	-Line 23	(\$19,328,456)	(\$19,446,841)	(\$19,491,297)
27	Year End Rate Base	Sum of Lines 24 through 26	\$20,030,904	\$18,102,210	\$16,247,447
Revenue Requirement Calculation:					
28	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 28 ÷ 2; Column (b) = (Prior Year Line 28 + Current Year Line 28) ÷ 2	\$10,015,452	\$19,066,557	\$17,174,829
29	Proration Adjustment	(a) = N/A (b) = Page 12 of 35, Line 41, Column (k); (c) = Page 12 of 35, Line 41, Column (k)		\$1,332	\$1,418
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$10,015,452	\$19,067,889	\$17,176,246
31	Pre-Tax ROR	Page 35 of 35, Line 52, Line (e)	9.68%	9.36%	8.41%
32	Return and Taxes	Line 28 * Line 31	\$969,496	\$1,784,754	\$1,444,522
33	Book Depreciation	Line 16	\$905,154	\$1,810,308	\$1,810,308
34	Annual Revenue Requirement	Line 32 + Line 33	\$1,874,650	\$3,595,062	\$3,254,830
35	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)	Line 34 x 5/12			\$1,356,179

Line Notes:

- 1/ Actual Retirement
2/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY2017 Incremental Capital Investments

Line No.		Fiscal Year		(b)	(c)	(d)	(e)
		2017	(a)				
Capital Repairs Deduction							
1	Plant Additions		\$75,489,338				
2	Capital Repairs Deduction Rate	1/	20.50%				
3	Capital Repairs Deduction		\$15,475,314		\$30,283,076		
Bonus Depreciation							
4	Plant Additions		\$75,489,338				
5	Less Capital Repairs Deduction		(\$15,475,314)				
6	Plant Additions Net of Capital Repairs Deduction		\$60,014,024				
7	Percent of Plant Eligible for Bonus Depreciation	2/	99.08%				
8	Plant Eligible for Bonus Depreciation		\$59,461,895				
9	Bonus Depreciation Rate (April 2016 - December 2016)		37.50%				
10	Bonus Depreciation Rate (January 2017 - March 2017)		12.50%				
11	Total Bonus Depreciation Rate		50.00%				
12	Bonus Depreciation		\$29,730,948				
Remaining Tax Depreciation							
13	Plant Additions		\$75,489,338				
14	Less Capital Repairs Deductions		(\$15,475,314)				
15	Less Bonus Depreciation		(\$29,730,948)				
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation		\$30,283,076				
17	20 YR MACRS Tax Depreciation Rates		3.750%				
18	Remaining Tax Depreciation		\$1,135,615				
19	FY17 Loss incurred due to retirements	3/	\$1,980,487				
20	Cost of Removal		\$7,806,949				
21	Total Tax Depreciation and Repairs Deduction		\$56,129,313				

20 Year MACRS Depreciation		(b)	(c)	(d)	(e)
MACRS basis:	Line 16				
Fiscal Year					
2017	3.750%	\$1,135,615		\$56,129,313	
2018	7.219%	\$2,186,135		\$58,315,448	
2019	6.677%	\$2,022,001		\$60,337,449	
2020	6.177%	\$1,870,586		\$62,208,035	
2021	5.713%	\$1,730,072		\$63,938,107	
2022	5.285%	\$1,600,461		\$65,538,568	
2023	4.888%	\$1,480,237		\$67,018,804	
2024	4.522%	\$1,369,401		\$68,388,205	
2025	4.462%	\$1,351,231		\$69,739,436	
2026	4.461%	\$1,350,928		\$71,090,364	
2027	4.462%	\$1,351,231		\$72,441,595	
2028	4.461%	\$1,350,928		\$73,792,523	
2029	4.462%	\$1,351,231		\$75,143,754	
2030	4.461%	\$1,350,928		\$76,494,682	
2031	4.462%	\$1,351,231		\$77,845,912	
2032	4.461%	\$1,350,928		\$79,196,840	
2033	4.462%	\$1,351,231		\$80,548,071	
2034	4.461%	\$1,350,928		\$81,898,999	
2035	4.462%	\$1,351,231		\$83,250,230	
2036	4.461%	\$1,350,928		\$84,601,158	
2037	2.231%	\$675,615		\$85,276,774	
	100.000%	\$30,283,076			

1/ Capital Repairs percentage is based on the actual results of the FY 2017 tax return.
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2017 tax return
3/ Actual Loss for FY17

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2017 Capital Investment

Line No.		(a) FY 18	(b) FY 19
Deferred Tax Subject to Proration			
1	Book Depreciation	\$2,122,861	\$1,810,308
2	Bonus Depreciation	\$0	\$0
3	Remaining MACRS Tax Depreciation	(\$2,211,545)	(\$1,967,605)
4	FY18 tax (gain)/loss on retirements	\$0	\$0
5	Cumulative Book / Tax Timer	(\$88,684)	(\$157,297)
6	Effective Tax Rate	35.00%	21.00%
7	Deferred Tax Reserve	(\$31,039)	(\$33,032)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction		
9	Cost of Removal		
10	Book/Tax Depreciation Timing Difference at 3/31/2017		
11	Cumulative Book / Tax Timer		
12	Effective Tax Rate		
13	Deferred Tax Reserve		
14	Total Deferred Tax Reserve	(\$31,039)	(\$33,032)
15	Net Operating Loss		
16	Net Deferred Tax Reserve	(\$31,039)	(\$33,032)
Allocation of FY 2018 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration		
18	Cumulative Book/Tax Timer Not Subject to Proration		
19	Total Cumulative Book/Tax Timer		
20	Total FY 2018 Federal NOL		
21	Allocated FY 2018 Federal NOL Not Subject to Proration		
22	Allocated FY 2018 Federal NOL Subject to Proration		
23	Effective Tax Rate		
24	Deferred Tax Benefit subject to proration		
25	Net Deferred Tax Reserve subject to proration	(\$31,039)	(\$33,032)
Proration Calculation			
		(h) Number of Days in Month	(i) Proration Percentage
26	April 2017/2018	30	91.78%
27	May 2017/2018	31	83.29%
28	June 2017/2018	30	75.07%
29	July 2017/2018	31	66.58%
30	August 2017/2018	31	58.08%
31	September 2017/2018	30	49.86%
32	October 2017/2018	31	41.37%
33	November 2017/2018	30	33.15%
34	December 2017/2018	31	24.66%
35	January 2018/2019	31	16.16%
36	February 2018/2019	28	8.49%
37	March 2018/2019	31	0.00%
38	Total	365	
			(j) (\$14,187)
			(k) (\$15,098)
39	Deferred Tax Without Proration	Line 25	(\$31,039)
40	Average Deferred Tax without Proration	Line 25 * 50%	(\$15,520)
41	Proration Adjustment	Line 38 - Line 40	\$1,332

Column Notes:
(i) Sum of remaining days in the year (Col (h)) ÷ 365
(j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2016 Actual Incremental Capital Investment

Line No.			Fiscal Year 2016 (a)	Fiscal Year 2017 (b)	Fiscal Year 2018 (c)	Fiscal Year 2019 (d)
Capital Investment Allowance						
1	Non-Discretionary Capital	Per RIPUC Docket No. 4539	\$35,964,438	\$0	\$0	\$0
2	Work Order Write Off Adjustment	Per Company's books	\$672,272	\$0	\$0	\$0
Discretionary Capital						
3	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	Per RIPUC Docket No. 4539	\$35,488,464	\$0	\$0	\$0
4	Work Order Write Off Adjustment	Per Company's books	(\$121,728)	\$0	\$0	\$0
5	Total Allowed Capital Included in Rate Base	Line 1 + Line 2 + Line 3 + Line 4	\$72,003,445	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base						
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$72,003,445	\$0	\$0	\$0
7	Retirements		\$28,489,814	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Year 1 = Line 6 - Line 7; then = Prior Year Line 8	\$43,513,631	\$43,513,631	\$43,513,631	\$43,513,631
Change in Net Capital Included in Rate Base						
9	Capital Included in Rate Base	Line 5	\$72,003,445	\$0	\$0	\$0
10	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	\$43,031,774	\$0	\$0	\$0
11	Incremental Capital Amount	Year 1 = Line 9 - Line 10; then = Prior Year Line 11	\$28,971,671	\$28,971,671	\$28,971,671	\$28,971,671
12	Cost of Removal	Per RIPUC Docket No. 4539	\$8,192,983	\$8,192,983	\$8,192,983	\$8,192,983
13	Work Order Write Off Adjustment	Per Company's books	(\$19,884)	(\$19,884)	(\$19,884)	(\$19,884)
14	Total Net Plant in Service	Line 11 + Line 12 + Line 13	\$37,144,770	\$37,144,770	\$37,144,770	\$37,144,770
Deferred Tax Calculation:						
15	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%	3.40%	3.40%	3.40%
16	Vintage Year Tax Depreciation:					
17	2016 Spend	Year 1 = Page 14 of 35, Line 21; then = Page 14 of 35, Column (d), Line 5	\$60,569,127	\$1,868,699	\$1,728,398	\$1,598,969
18	Cumulative Tax Depreciation	Year 1 = Line 17; then = Prior Year Line 18 + Current Year Line 17	\$60,569,127	\$62,437,826	\$64,166,224	\$65,765,193
19	Book Depreciation	Year 1 = Line 8 * Line 15 * 50%; then = Line 8 * Line 15	\$739,732	\$1,479,463	\$1,479,463	\$1,479,463
20	Cumulative Book Depreciation	Year 1 = Line 19; then = Prior Year Line 20 + Current Year Line 19	\$739,732	\$2,219,195	\$3,698,659	\$5,178,122
21	Cumulative Book / Tax Timer	Line 18 - Line 20	\$59,829,395	\$60,218,631	\$60,467,565	\$60,587,071
22	Effective Tax Rate		35.00%	35.00%	21.00%	21.00%
23	Deferred Tax Reserve	Line 21 * Line 22	\$20,940,288	\$21,076,521	\$12,698,189	\$12,723,285
24	Less: FY 2016 Federal NOL	Page 33 of 35, Line 12(m)	(\$10,693,796)	(\$10,693,796)	(\$10,693,796)	(\$10,693,796)
25	Excess Deferred Tax	Page 34 of 35, Line 5(f)	\$0	\$0	\$8,456,746	\$8,456,746
26	Net Deferred Tax Reserve	Sum of Lines 23 through 25	\$10,246,492	\$10,382,725	\$10,461,139	\$10,486,235
Rate Base Calculation:						
27	Cumulative Incremental Capital Included in Rate Base	Line 14	\$37,144,770	\$37,144,770	\$37,144,770	\$37,144,770
28	Accumulated Depreciation	-Line 20	(\$739,732)	(\$2,219,195)	(\$3,698,659)	(\$5,178,122)
29	Deferred Tax Reserve	-Line 26	(\$10,246,492)	(\$10,382,725)	(\$10,461,139)	(\$10,486,235)
30	Year End Rate Base	Sum of Lines 27 through 29	\$26,158,546	\$24,542,850	\$22,984,972	\$21,480,413
Revenue Requirement Calculation:						
31	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 30 ÷ 2; then Average of (Prior + Current Year Line 30)	\$13,079,273	\$25,350,698	\$23,763,911	\$22,232,692
32	Proration Adjustment	(a), (b) = N/A, (c) = Page 15 of 35, Line 41, Column (j); (d) = Page 15 of 35, Line 41, Column (k)			\$5,968	\$1,077
33	Average ISR Rate Base after Deferred Tax Proration	Line 31 + Line 32	\$13,079,273	\$25,350,698	\$23,769,879	\$22,233,770
34	Pre-Tax ROR	Page 35 of 35, Line 52, Line (e)	9.68%	9.68%	9.36%	8.41%
35	Return and Taxes	Line 31 * Line 34	\$1,266,074	\$2,453,948	\$2,224,861	\$1,869,860
36	Book Depreciation	Line 19	\$739,732	\$1,479,463	\$1,479,463	\$1,479,463
37	Annual Revenue Requirement	Line 35 + Line 36	\$2,005,805	\$3,933,411	\$3,704,324	\$3,349,323
38	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)	Line 37 x 5/12				\$1,395,551

1/ Actual Retirements

2/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY2016 Incremental Capital Investments

Line No.		Fiscal Year 2016 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	\$72,003,445				
2	Capital Repairs Deduction Rate	29.67%				
3	Capital Repairs Deduction	\$21,361,075			\$25,885,847	
	<u>Bonus Depreciation</u>					
4	Plant Additions	\$72,003,445			\$970,719	\$60,569,127
5	Less Capital Repairs Deduction	(\$21,361,075)			\$1,868,699	\$62,437,826
6	Plant Additions Net of Capital Repairs Deduction	\$50,642,370			\$1,728,398	\$64,166,224
7	Percent of Plant Eligible for Bonus Depreciation	97.77%			6.177%	\$65,765,193
8	Plant Eligible for Bonus Depreciation	\$49,513,045			\$1,478,858	\$67,244,051
9	Bonus Depreciation Rate (April 2015 - December 2015)	37.50%			\$1,368,067	\$68,612,118
10	Bonus Depreciation Rate (January 2016 - March 2016)	12.50%			\$1,265,300	\$69,877,419
11	Total Bonus Depreciation Rate	50.00%			\$1,170,558	\$71,047,977
12	Bonus Depreciation	\$24,756,523			\$1,155,026	\$72,203,003
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	\$72,003,445			\$1,154,768	\$73,357,771
14	Less Capital Repairs Deduction	(\$21,361,075)			\$1,155,026	\$74,512,797
15	Less Bonus Depreciation	(\$24,756,523)			\$1,154,768	\$75,667,565
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	\$25,885,847			\$1,155,026	\$76,822,591
17	20 YR MACRS Tax Depreciation Rates	3.750%			\$1,154,768	\$77,977,359
18	Remaining Tax Depreciation	\$970,719			\$1,154,768	\$79,132,386
19	FY16 Loss incurred due to retirements	\$5,307,711			\$1,155,026	\$80,287,153
20	Cost of Removal	\$8,173,099			\$1,154,768	\$82,596,947
21	Total Tax Depreciation and Repairs Deduction	\$60,569,127			\$1,155,026	\$83,751,974
					\$1,154,768	\$84,906,741
					\$577,513	\$85,484,255
				100.000%	\$25,885,847	

1/ Capital Repairs percentage is based on the actual results of the FY 2016 tax return.
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2016 tax return
3/ Actual Loss for FY 2016

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2016 Capital Investment

Line No.	Deferred Tax Subject to Proration		(a) FY 18	(b) FY 19
1	Book Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L1, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L1, C(e)	\$1,479,463	\$1,479,463
2	Bonus Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L2, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L2, C(e)	\$0	\$0
3	Remaining MACRS Tax Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L3, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L3, C(e)	(\$1,876,746)	(\$1,598,969)
4	FY18 tax (gain)/loss on retirements	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L4, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L4, C(e)	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$397,283)	(\$119,506)
6	Effective Tax Rate		35.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$139,049)	(\$25,096)
Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L8, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L8, C(e)		
9	Cost of Removal	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L9, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L9, C(e)		
10	Book/Tax Depreciation Timing Difference at 3/31/2017			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10		
12	Effective Tax Rate			
13	Deferred Tax Reserve	Line 11 * Line 12		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$139,049)	(\$25,096)
15	Net Operating Loss	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L15, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L15, C(e)		
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$139,049)	(\$25,096)
Allocation of FY 2018 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18		
20	Total FY 2018 Federal NOL	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L20, C (d); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26a of 29, L20, C(e)		
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20		
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20		
23	Effective Tax Rate			
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$139,049)	(\$25,096)
Proration Calculation				
		(h) Number of Days in Month	(i) Proration Percentage	(j) (k)
26	April 2017/2018	30	91.78%	(\$10,635) (\$1,919)
27	May 2017/2018	31	83.29%	(\$9,651) (\$1,742)
28	June 2017/2018	30	75.07%	(\$8,698) (\$1,570)
29	July 2017/2018	31	66.58%	(\$7,714) (\$1,392)
30	August 2017/2018	31	58.08%	(\$6,730) (\$1,215)
31	September 2017/2018	30	49.86%	(\$5,778) (\$1,043)
32	October 2017/2018	31	41.37%	(\$4,794) (\$865)
33	November 2017/2018	30	33.15%	(\$3,841) (\$693)
34	December 2017/2018	31	24.66%	(\$2,857) (\$516)
35	January 2018/2019	31	16.16%	(\$1,873) (\$338)
36	February 2018/2019	28	8.49%	(\$984) (\$178)
37	March 2018/2019	31	0.00%	\$0 \$0
38	Total	365		(\$63,556) (\$11,471)
39	Deferred Tax Without Proration	Line 25	(\$139,049)	(\$25,096)
40	Average Deferred Tax without Proration	Line 25 * 50%	(\$69,524)	(\$12,548)
41	Proration Adjustment	Line 38 - Line 40	\$5,968	\$1,077

Column Notes:

- (i) Sum of remaining days in the year (Col (h)) ÷ 365
- j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4915
FY 2020 Electric Infrastructure, Safety,
and Reliability Plan Reconciliation Filing
Attachment MAL-2 Compliance
Page 16 of 35

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2015 Actual Incremental Capital Investment

Line No.		Fiscal Year 2015 (a)	Fiscal Year 2016 (b)	Fiscal Year 2017 (c)	Fiscal Year 2018 (d)	Fiscal Year 2019 (e)
Capital Investment Allowance						
1	Non-Discretionary Capital					
2	Work Order Write Off Adjustment	Per RIPUC Docket No. 4473 Per Company's books	\$22,246,664 (\$268,138)	\$0	\$0	\$0
Discretionary Capital						
3	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending					
4	Work Order Write Off Adjustment	Per RIPUC Docket No. 4473 Per Company's books	\$54,410,377 (\$48,499)	\$0	\$0	\$0
5	Total Allowed Capital Included in Rate Base	Line 1 + Line 2 + Line 3 + Line 4	\$76,340,403	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base						
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$76,340,403	\$0	\$0	\$0
7	Retirements		\$15,666,095	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Year 1 = Line 6 - Line 7; then = Prior Year Line 8	\$60,674,308	\$60,674,308	\$60,674,308	\$60,674,308
Change in Net Capital Included in Rate Base						
9	Capital Included in Rate Base	Line 5	\$76,340,403	\$0	\$0	\$0
10	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	\$43,031,774	\$0	\$0	\$0
11	Incremental Capital Amount	Year 1 = Line 9 - Line 10; then = Prior Year Line 11	\$33,308,629	\$33,308,629	\$33,308,629	\$33,308,629
12	Cost of Removal	Docket No. 4473 FY15 Reconciliation, Att. JHP-1, Page 4, Table 2	\$6,988,398	\$6,988,398	\$6,988,398	\$6,988,398
13	Work Order Write Off Adjustment	Per Company's books	\$22,398.01	\$22,398	\$22,398	\$22,398
14	Total Net Plant in Service	Line 11 + Line 12 + Line 13	\$40,319,425	\$40,319,425	\$40,319,425	\$40,319,425
Deferred Tax Calculation:						
15	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%	3.40%	3.40%	3.40%
16	Vintage Year Tax Depreciation:					
17	2015 Spend	Year 1 = Page 17 of 35, Line 22; then = Page 17 of 35, Column (d), Line 5	\$71,871,022	\$2,120,892	\$1,961,656	\$1,814,760
18	Cumulative Tax Depreciation	Year 1 = Line 17; then = Prior Year Line 18 + Current Year Line 17	\$71,871,022	\$73,991,914	\$75,953,570	\$77,768,330
19	Book Depreciation	Year 1 = Line 8 * Line 15 * 50%; then = Line 8 * Line 15	\$1,031,463	\$2,062,926	\$2,062,926	\$2,062,926
20	Cumulative Book Depreciation	Year 1 = Line 19; then = Prior Year Line 20 + Current Year Line 19	\$1,031,463	\$3,094,390	\$5,157,316	\$7,220,243
21	Cumulative Book / Tax Timer	Line 18 - Line 20	\$70,839,559	\$70,897,524	\$70,796,254	\$70,548,087
22	Effective Tax Rate		35.00%	35.00%	35.00%	21.00%
23	Deferred Tax Reserve	Line 21 * Line 22	\$24,793,846	\$24,814,134	\$24,778,689	\$14,815,098
24	Less: FY 2015 Federal NOL	Page 33 of 35, Line 12(l)	(\$8,148,936)	(\$8,148,936)	(\$8,148,936)	(\$8,148,936)
25	Excess Deferred Tax	C (a) through (c) = n/a; Column (d) = Page 34 of 35, Line 4(f)	\$0	\$0	\$0	\$9,885,418
26	Net Deferred Tax Reserve	Sum of Lines 23 through 25	\$16,644,909	\$16,665,197	\$16,629,752	\$16,551,580
Rate Base Calculation:						
27	Cumulative Incremental Capital Included in Rate Base	Line 14	\$40,319,425	\$40,319,425	\$40,319,425	\$40,319,425
28	Accumulated Depreciation	- Line 20	(\$1,031,463)	(\$3,094,390)	(\$5,157,316)	(\$7,220,243)
29	Deferred Tax Reserve	- Line 26	(\$16,644,909)	(\$16,665,197)	(\$16,629,752)	(\$16,551,580)
30	Year End Rate Base	Sum of Lines 27 through 29	\$22,643,053	\$20,559,839	\$18,532,357	\$16,547,603
Revenue Requirement Calculation:						
31	Average Rate Base before Deferred Tax Proration Adjustmen	Year 1 = Current Year Line 30 ÷ 2; then Average of (Prior + Current Year Line 30)	\$11,321,526.47	\$21,601,446	\$19,546,098	\$17,539,980
32	Proration Adjustment	(a) - (c) = N/A, (d) = Page 18 of 35, Line 41, Column (j); (e) = Page 18 of 35, Line 41, Column (k)				(\$3,728)
33	Average ISR Rate Base after Deferred Tax Proration	Line 31 + Line 32	\$11,321,526	\$21,601,446	\$19,546,098	\$15,553,045
34	Pre-Tax ROR	Column (a) through (c) = Page 35 of 35, Line 38; Column (d) = Page 35 of 35, Line 52; Column (e)	9.68%	9.68%	9.68%	9.36%
35	Return and Taxes	Line 31 * Line 34	\$1,095,924	\$2,091,020	\$1,892,062	\$1,641,393
36	Book Depreciation	Line 19	\$1,031,463	\$2,062,926	\$2,062,926	\$2,062,926
37	Annual Revenue Requirement	Line 35 + Line 36	\$2,127,387	\$4,153,946	\$3,954,989	\$3,704,320
38	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)	Line 37 x 5/12				\$1,404,557

1/ Actual Retirements

2/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY2015 Incremental Capital Investments

Line No.		Fiscal Year 2015 (a)	(b)	(c)	(d)	(e)
1	Capital Repairs Deduction					
2	Plant Additions	\$76,340,403				
3	Capital Repairs Deduction Rate	1/ 23.10%				
3	Capital Repairs Deduction	\$17,634,633			\$29,379,302	
4	Bonus Depreciation					
5	Plant Additions	\$76,340,403	Line 1	3.750%	\$1,101,724	\$71,871,022
6	Less Capital Repairs Deduction	(\$17,634,633)	- Line 3	7.219%	\$2,120,892	\$73,991,914
7	Plant Additions Net of Capital Repairs Deduction	\$58,705,770	Line 4 + Line 5	6.677%	\$1,961,656	\$75,953,570
8	Percent of Plant Eligible for Bonus Depreciation	99.91%	Per Tax Department	6.177%	\$1,814,760	\$77,768,329
9	Plant Eligible for Bonus Depreciation	\$58,652,935	Line 6 * Line 7	5.713%	\$1,678,440	\$79,446,769
10	Bonus Depreciation Rate (April 2014 - December 2014)	37.50%	1 * 75% * 50%	5.285%	\$1,552,696	\$80,999,465
11	Bonus Depreciation Rate (January 2015 - March 2015)	12.50%	1 * 25% * 50%	4.888%	\$1,436,060	\$82,435,525
12	Total Bonus Depreciation Rate	50.00%	Line 9 + Line 10	4.522%	\$1,328,532	\$83,764,057
13	Remaining Tax Depreciation	\$29,326,468	Line 8 * Line 11	4.462%	\$1,310,904	\$85,074,962
14	Plant Additions	\$76,340,403	Line 1	4.461%	\$1,310,611	\$86,385,573
15	Less Capital Repairs Deduction	(\$17,634,633)	- Line 3	4.462%	\$1,310,904	\$87,696,477
16	Less Bonus Depreciation	(\$29,326,468)	- Line 12	4.462%	\$1,310,611	\$89,007,088
17	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	\$29,379,302	Sum of Line 13 through Line 15	4.462%	\$1,310,904	\$92,939,507
18	20 YR MACRS Tax Depreciation Rates	3.750%	Per IRS Publication 946	4.461%	\$1,310,611	\$94,250,118
19	Remaining Tax Depreciation	\$1,101,724	Line 16 * Line 17	4.462%	\$1,310,904	\$95,561,022
20	481(a) adjustment for partial retirements	\$14,395,754	Per Tax Department	4.461%	\$1,310,611	\$96,871,633
21	FY15 Loss incurred due to retirements	\$2,401,647	Per Tax Department	4.462%	\$1,310,904	\$98,182,538
22	Cost of Removal	\$7,010,796	Page 16 of 35, Line 12 + Line 13	4.461%	\$1,310,611	\$99,493,148
22	Total Tax Depreciation and Repairs Deduction	\$71,871,022	Sum of Lines 3, 12, 18, 19, 20, and 21	2.231%	\$655,452	\$100,148,600
				100.000%	\$29,379,302	

1/ Capital Repairs percentage is based on the actual results of the FY 2015 tax return.

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2015 Capital Investment

Line No.			(a) FY 18	(b) FY 19
	Deferred Tax Subject to Proration			
1	Book Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L1, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L1, C(f)	\$2,062,926	\$2,062,926
2	Bonus Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L2, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L2, C(f)	\$0	\$0
3	Remaining MACRS Tax Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L3, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L3, C(f)	(\$1,814,760)	(\$1,678,440)
4	FY18 tax (gain)/loss on retirements	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L4, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L4, C(f)	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$248,166	\$384,486
6	Effective Tax Rate		35.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	\$86,858	\$80,742
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L8, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L8, C(f)		
9	Cost of Removal	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L9, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L9, C(f)		
10	Book/Tax Depreciation Timing Difference at 3/31/2017			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10		
12	Effective Tax Rate			
13	Deferred Tax Reserve	Line 11 * Line 12		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$86,858	\$80,742
15	Net Operating Loss	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L15, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L15, C(f)		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$86,858	\$80,742
	Allocation of FY 2018 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18		
20	Total FY 2018 Federal NOL	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L20, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L20, C(f)		
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20		
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20		
23	Effective Tax Rate			
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$86,858	\$80,742
	Proration Calculation			
		(h) Number of Days in Month	(i) Proration Percentage	(j) (k)
26	April 2017/2018	30	91.78%	\$6,643
27	May 2017/2018	31	83.29%	\$6,029
28	June 2017/2018	30	75.07%	\$5,434
29	July 2017/2018	31	66.58%	\$4,819
30	August 2017/2018	31	58.08%	\$4,204
31	September 2017/2018	30	49.86%	\$3,609
32	October 2017/2018	31	41.37%	\$2,994
33	November 2017/2018	30	33.15%	\$2,400
34	December 2017/2018	31	24.66%	\$1,785
35	January 2018/2019	31	16.16%	\$1,170
36	February 2018/2019	28	8.49%	\$615
37	March 2018/2019	31	0.00%	\$0
38	Total	365		\$39,701
39	Deferred Tax Without Proration	Line 25	\$86,858	\$80,742
40	Average Deferred Tax without Proration	Line 25 * 50%	\$43,429	\$40,371
41	Proration Adjustment	Line 38 - Line 40	(\$3,728)	(\$3,466)

Column Notes:
(i) Sum of remaining days in the year (Col (h)) ÷ 365
j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2014 Actual Incremental Capital Investment

Line No.			Fiscal Year 2014 (a)	Fiscal Year 2015 (b)	Fiscal Year 2016 (c)	Fiscal Year 2017 (d)	Fiscal Year 2018 (e)	Fiscal Year 2019 (f)
Capital Investment Allowance								
1	Non-Discretionary Capital	Per RIPUC Docket No. 4382	\$6,923,860	\$0	\$0	\$0	\$0	\$0
2	Work Order Write Off Adjustment	Per Company's books	(\$472,942)					
Discretionary Capital								
3	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	Per RIPUC Docket No. 4382	\$6,400,406	\$0	\$0	\$0	\$0	\$0
4	Work Order Write Off Adjustment	Per Company's books	(\$8,965)					
5	Total Allowed Capital Included in Rate Base	Sum of Line 1 through Line 4	\$12,842,359	\$0	\$0	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base								
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$12,842,359	\$0	\$0	\$0	\$0	\$0
7	Retirements	Page 28 of 35, Line 9(c)	1/ (\$4,165,367)	\$0	\$0	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Year 1 = Line 7 - Line 8; then = Prior Year Line 9	\$17,007,726	17,007,726	17,007,726	17,007,726	17,007,726	17,007,726
Change in Net Capital Included in Rate Base								
9	Capital Included in Rate Base	Line 5	\$12,842,359	\$0	\$0	\$0	\$0	\$0
10	Depreciation Expense	Per Settlement Agreement Docket No. 4323, excluding General Plant	2/ \$7,173,397	\$0	\$0	\$0	\$0	\$0
11	Incremental Capital Amount	Year 1 = Line 9 - Line 10; then = Prior Year Line 11	\$5,668,962	\$5,668,962	\$5,668,962	\$5,668,962	\$5,668,962	\$5,668,962
12	Total Cost of Removal	Page 28 of 35, Line 6(c)	(\$887,841)	(\$887,841)	(\$887,841)	(\$887,841)	(\$887,841)	(\$887,841)
13	Work Order Write Off Adjustment	Page 28 of 35, Line 6(c)	(\$37,062)	(\$37,062)	(\$37,062)	(\$37,062)	(\$37,062)	(\$37,062)
14	Total Net Plant in Service	Line 11 + Line 12 + Line 13	\$4,744,059	\$4,744,059	\$4,744,059	\$4,744,059	\$4,744,059	\$4,744,059
Deferred Tax Calculation:								
15	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4323	3.40%	3.40%	3.40%	3.40%	3.40%	3.40%
16	Vintage Year Tax Depreciation:							
17	2014 Spend	Year 1 = Page 20 of 35, Line 20; then = Page 20 of 35, Column (d), Line 5	\$7,826,326	\$306,845	\$283,808	\$262,555	\$242,832	\$224,640
18	Cumulative Tax Depreciation	Year 1 = Line 17; then = Prior Year Line 18 + Current Year Line 17	\$7,826,326	\$8,133,171	\$8,416,979	\$8,679,534	\$8,922,366	\$9,147,006
19	Book Depreciation	Year 1 = Line 8 * Line 15 * 50%; then = Line 8 * Line 15	\$289,131	\$578,263	\$578,263	\$578,263	\$578,263	\$578,263
20	Cumulative Book Depreciation	Year 1 = Line 19; then = Prior Year Line 20 + Current Year Line 19	\$289,131	\$867,394	\$1,445,657	\$2,023,919	\$2,602,182	\$3,180,445
21	Cumulative Book / Tax Timer	Line 18 - Line 20	\$7,537,194	\$7,265,777	\$6,971,322	\$6,655,614	\$6,320,184	\$5,966,562
22	Effective Tax Rate		35.00%	35.00%	35.00%	35.00%	21.00%	21.00%
23	Deferred Tax Reserve	Line 21 * Line 22	\$2,638,018	\$2,543,022	\$2,439,963	\$2,329,465	\$1,327,239	\$1,252,978
24	Less: FY 2014 Federal NOL	Page 33 of 35, Line 12(k)	(\$1,200,808)	(\$1,200,808)	(\$1,200,808)	(\$1,200,808)	(\$1,200,808)	(\$1,200,808)
25	Excess Deferred Tax	Page 34 of 35, Line 3(f)	\$0	\$0	\$0	\$0	\$896,566	\$896,566
26	Net Deferred Tax Reserve	Sum of Lines 23 through 25	\$1,437,210	\$1,342,214	\$1,239,155	\$1,128,657	\$1,022,996	\$948,736
Rate Base Calculation:								
27	Cumulative Incremental Capital Included in Rate Base	Line 14	\$4,744,059	\$4,744,059	\$4,744,059	\$4,744,059	\$4,744,059	\$4,744,059
28	Accumulated Depreciation	-Line 20	(\$289,131)	(\$867,394)	(\$1,445,657)	(\$2,023,919)	(\$2,602,182)	(\$3,180,445)
29	Deferred Tax Reserve	-Line 26	(\$1,437,210)	(\$1,342,214)	(\$1,239,155)	(\$1,128,657)	(\$1,022,996)	(\$948,736)
30	Year End Rate Base	Sum of Lines 27 through 29	\$3,017,717	\$2,534,451	\$2,059,247	\$1,591,482	\$1,118,880	\$614,878
Revenue Requirement Calculation:								
31	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = note 4/ * Current Year Line 30; then = Average of (Prior + Current Year Line 30)	4/ \$670,654	\$2,776,084	\$2,296,849	\$1,825,365	\$1,355,181	\$866,879
32	Proration Adjustment	(a) - (d) = N/A, (e) = Page 21 of 35, Line 41, Column (j), (f) = Page 21 of 35, Line 41, Column (k)					(\$5,039)	(\$3,187)
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$670,654	\$2,776,084	\$2,296,849	\$1,825,365	\$1,350,142	\$863,692
32	Pre-Tax ROR	Column (a) through (d) = Page 35 of 35, Line 38; Column (e) = Page 35 of 35, Line 52; Column (f) Page 35 of 35 Line 48, Column (e)	9.68%	9.68%	9.68%	9.68%	9.36%	8.41%
33	Return and Taxes	Line 31 * Line 32	\$64,919	\$268,725	\$222,335	\$176,695	\$126,373	\$72,636
34	Book Depreciation	Line 19	\$289,131	\$578,263	\$578,263	\$578,263	\$578,263	\$578,263
35	Annual Revenue Requirement	Line 33 + Line 34	\$354,051	\$846,988	\$800,598	\$754,958	\$704,636	\$650,899
36	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)	Line 35 x 5/12						\$271,208

Line notes

- 1/ Actual Retirements
- 2/ Depreciation Expense has been prorated for 2 months (February - March 2014)
- 3/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017
- 4/ 23.23% per RIPUC Docket No. 4382 (FY 2014 Elec ISR reconciliation), Attachment WRR-1-Revised, Page 12.

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY2014 Incremental Capital Investments

Line No.		Fiscal Year 2014 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	\$12,842,359				
2	Capital Repairs Deduction Rate	1/ 34.46%				
3	Capital Repairs Deduction	\$4,425,477			\$4,250,525	
	<u>Bonus Depreciation</u>					
4	Plant Additions	\$12,842,359				
5	Less Capital Repairs Deduction	(\$4,425,477)				
6	Plant Additions Net of Capital Repairs Deduction	\$8,416,882				
7	Percent of Plant Eligible for Bonus Depreciation	99.00%				
8	Plant Eligible for Bonus Depreciation	\$8,332,713				
9	Bonus Depreciation Rate (April 2013 - December 2013)	37.50%				
10	Bonus Depreciation Rate (January 2014 - March 2014)	12.50%				
11	Total Bonus Depreciation Rate	50.00%				
12	Bonus Depreciation	\$4,166,357				
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	\$12,842,359				
14	Less Capital Repairs Deduction	(\$4,425,477)				
15	Less Bonus Depreciation	(\$4,166,357)				
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	\$4,250,525				
17	20 YR MACRS Tax Depreciation Rates	3.750%				
18	Remaining Tax Depreciation	\$159,395				
19	Cost of Removal					
20	Total Tax Depreciation and Repairs Deduction	(\$924,903)				
		\$7,826,326				

20 Year MACRS Depreciation		(b)	(c)	(d)	(e)
MACRS basis:	Fiscal Year	Line 16			
	2014		3.750%	\$159,395	\$7,826,326
	2015		7.219%	\$306,845	\$8,133,171
	2016		6.677%	\$283,808	\$8,416,979
	2017		6.177%	\$262,555	\$8,679,534
	2018		5.713%	\$242,832	\$8,922,366
	2019		5.285%	\$224,640	\$9,147,006
	2020		4.888%	\$207,766	\$9,354,772
	2021		4.522%	\$192,209	\$9,546,981
	2022		4.462%	\$189,658	\$9,736,639
	2023		4.461%	\$189,616	\$9,926,255
	2024		4.462%	\$189,658	\$10,115,913
	2025		4.461%	\$189,616	\$10,305,529
	2026		4.462%	\$189,658	\$10,495,188
	2027		4.461%	\$189,616	\$10,684,804
	2028		4.462%	\$189,658	\$10,874,462
	2029		4.461%	\$189,616	\$11,064,078
	2030		4.462%	\$189,658	\$11,253,737
	2031		4.461%	\$189,616	\$11,443,352
	2032		4.462%	\$189,658	\$11,633,011
	2033		4.461%	\$189,616	\$11,822,627
	2034		2.231%	\$94,829	\$11,917,456
			100.000%	\$4,250,525	

1/ Capital Repairs percentage is based on the FY 2014 tax return.

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2014 Incremental Capital Investment

Line No.	Deferred Tax Subject to Proration		(a)	(b)	
			FY 18	FY 19	
1	Book Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L1, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L1, C(g)	\$578,263	\$578,263	
2	Bonus Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L2, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L2, C(g)	\$0	\$0	
3	Remaining MACRS Tax Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L3, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L3, C(g)	(\$242,832)	(\$224,640)	
4	FY18 tax (gain)/loss on retirements	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L4, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L4, C(g)	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$335,430	\$353,622	
6	Effective Tax Rate		35.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$117,401	\$74,261	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L8, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L8, C(g)			
9	Cost of Removal	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L9, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L9, C(g)			
10	Book/Tax Depreciation Timing Difference at 3/31/2017				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10			
12	Effective Tax Rate				
13	Deferred Tax Reserve	Line 11 * Line 12			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$117,401	\$74,261	
15	Net Operating Loss	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L15, C (e); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L15, C(f)			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$117,401	\$74,261	
Allocation of FY 2018 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18			
20	Total FY 2018 Federal NOL	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L20, C (f); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L20, C(g)			
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20			
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20			
23	Effective Tax Rate				
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$117,401	\$74,261	
Proration Calculation					
		(h)	(i)	(j)	(k)
		Number of Days in Month	Proration Percentage		
26	April 2017/2018	30	91.78%	\$8,979	\$5,680
27	May 2017/2018	31	83.29%	\$8,148	\$5,154
28	June 2017/2018	30	75.07%	\$7,344	\$4,646
29	July 2017/2018	31	66.58%	\$6,513	\$4,120
30	August 2017/2018	31	58.08%	\$5,682	\$3,594
31	September 2017/2018	30	49.86%	\$4,878	\$3,086
32	October 2017/2018	31	41.37%	\$4,047	\$2,560
33	November 2017/2018	30	33.15%	\$3,243	\$2,051
34	December 2017/2018	31	24.66%	\$2,412	\$1,526
35	January 2018/2019	31	16.16%	\$1,581	\$1,000
36	February 2018/2019	28	8.49%	\$831	\$526
37	March 2018/2019	31	0.00%	\$0	\$0
38	Total	365		\$53,661	\$33,943
39	Deferred Tax Without Proration	Line 25		\$117,401	\$74,261
40	Average Deferred Tax without Proration	Line 25 * 50%		\$58,700	\$37,130
41	Proration Adjustment	Line 38 - Line 40		(\$5,039)	(\$3,187)

Column Notes:

- (i) Sum of remaining days in the year (Col (h)) ÷ 365
- (j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2013 Actual Incremental Capital Investment

Line No.		Fiscal Year 2013 (a)	Fiscal Year 2014 (b)	Fiscal Year 2015 (c)	Fiscal Year 2016 (d)	Fiscal Year 2017 (e)	Fiscal Year 2018 (f)	Fiscal Year 2019 (g)
1	Capital Additions Allowance							
2	None-Discretionary Capital							
3	Non-Discretionary Additions							
4	Work Order Write Off Adjustment							
5	Discretionary Capital							
6	Lesser of Actual Discretionary Capital Additions or Spending or Approved Spending							
7	Work Order Write Off Adjustment							
8	Total Allowed Capital Included in Rate Base in Current Year							
9	Depreciable Net Capital Included in Rate Base							
10	Total Allowed Capital Included in Rate Base in Current Year							
11	Retirements							
12	Net Depreciable Capital Included in Rate Base							
13	Change in Net Capital Included in Rate Base							
14	Capital Included in Rate Base							
15	Depreciation Expense							
16	Incremental Capital Amount							
17	Total Cost of Removal							
18	Work Order Write Off Adjustment							
19	Total Net Plant in Service							
20	Deferred Tax Calculation:							
21	Composite Book Depreciation Rate							
22	Tax Depreciation							
23	Cumulative Tax Depreciation							
24	Book Depreciation							
25	Cumulative Book Depreciation							
26	Cumulative Book / Tax Timer							
27	Effective Tax Rate							
28	Deferred Tax Reserve							
29	Less: FY 2013 Federal NOL							
30	Excess Deferred Tax							
31	Net Deferred Tax Reserve							
32	Rate-Base Calculation:							
33	Cumulative Incremental Capital Included in Rate Base							
34	Accumulated Depreciation							
35	Deferred Tax Reserve							
36	Year End Rate Base							
37	Revenue Requirement Calculation:							
38	Average Rate Base before Deferred Tax Promotion Adjustment							
39	Promotion Adjustment							
40	Average ISR Rate Base after Deferred Tax Promotion							
41	Pre-Tax ROR							
42	Return and Taxes							
43	Book Depreciation							
44	Property Taxes							
45	Annual Revenue Requirement							
46	Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)							
47	Line Notes							
48	1/ Actual Retirements							
49	2/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017							

Per RIPUC Docket No. 4307
Per Company's books

Per RIPUC Docket No. 4307
Per Company's books

Line 1 + Line 2 + Line 3 + Line 4

Line 5

Year 1 = Line 6 - Line 7; then = Prior Year Line 8

Line 5

Year 1 = Line 9 - Line 10; then = Prior Year Line 11

Page 28 of 35, Line 6(b)
Page 28 of 35, Line 6(b)

Line 11 + Line 12 + Line 13

Year 1: as approved per R.I.P.U.C. Docket No. 4065; then Docket No. 4323

Year 1 = Page 23 of 35, Line 20; then = Page 23 of 35, Column (d), Line 5
Year 1 = Line ; then = Prior Year Line 16 + Current Year Line

Year 1 = Line 8 * Line 15 * 50%; then = Line 8 * Line 15
Year 1 = Line 18; then = Prior Year Line 19 + Current Year Line 18

Line 17 - Line 19

Line 20 * Line 21

Page 33 of 35, Line 12(f)

Less: FY 2013 Federal NOL

Column (a) through (e) = n/a; Column (f) = Page, 34 of 35, Line 2(f)

Sum of Lines 22 through 24

Line 14
- Line 19
- Line 25

Sum of Lines 26 through 28

Year 1 = Current Year Line 28 + 2; then = Average of Prior and Current Year Line 28
(a) - (e) = N/A, (f) = Page 24 of 35, Line 41, Column (f); (g) = Page 24 of 35, Line 41, Column (k)

Line 30 + 31

Page 35 of 35, Line 29, Line 38, Line 52 Column (e)

Line 30 * Line 33

Line 18

Year 1 = \$0, then Prior Year (Line - Line 18) * Current Year Effective Property Tax rate

Sum of Lines 34 through 36

Line 37 x 5/12

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY2013 Incremental Capital Investments

	Fiscal Year		(b)	(c)	(d)	(e)
	2013					
	(a)					
1	Capital Repairs Deduction					
2	Plant Additions	(\$7,819,012)				
3	Capital Repairs Deduction Rate	12.59%				
3	Capital Repairs Deduction	1/ (\$984,414)			(\$3,417,299)	
4	Bonus Depreciation					
4	Plant Additions	Line 1				
5	Less Capital Repairs Deduction	Line 3				
6	Plant Additions Net of Capital Repairs Deduction	Line 4 + Line 5				
7	Percent of Plant Eligible for Bonus Depreciation	100.00%				
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7				
9	Bonus Depreciation Rate (April 2012 - December 2012)	1 * 75% * 50%				
10	Bonus Depreciation Rate (January 2013 - March 2013)	1 * 25% * 50%				
11	Total Bonus Depreciation Rate	12.50%				
12	Bonus Depreciation	50.00%				
		(\$3,417,299)				
13	Remaining Tax Depreciation					
13	Plant Additions	Line 1				
14	Less Capital Repairs Deduction	Line 3				
15	Less Bonus Depreciation	Line 12				
	Remaining Plant Additions Subject to 20 YR MACRS Tax	(\$7,819,012)				
16	Depreciation	\$984,414				
17	20 YR MACRS Tax Depreciation Rates	3.750%				
18	Remaining Tax Depreciation	1/ (\$128,149)				
19	Cost of Removal					
20	Total Tax Depreciation and Repairs Deduction	Page 22 of 35, Line 12 + Line 13				
		Sum of Lines 3, 12, 18, 19				
		(\$6,531,672)				
1/	Capital Repairs percentage is based on the FY 2013 tax return.					

20 Year MACRS Depreciation	
MACRS bas	Line 16
Fiscal Year	
2013	3.750%
2014	7.219%
2015	6.677%
2016	6.177%
2017	5.713%
2018	5.285%
2019	4.888%
2020	4.522%
2021	4.462%
2022	4.461%
2023	4.462%
2024	4.461%
2025	4.462%
2026	4.461%
2027	4.462%
2028	4.461%
2029	4.462%
2030	4.461%
2031	4.462%
2032	4.461%
2033	2.231%
	100.000%

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2013 Incremental Capital Investment

Line No.			(a) FY 18	(b) FY 19	
Deferred Tax Subject to Proration					
1	Book Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L1, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L1, C(h)	(\$464,370)	(\$464,370)	
2	Bonus Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L2, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L2, C(h)	\$0	\$0	
3	Remaining MACRS Tax Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L3, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L3, C(h)	\$180,604	\$167,038	
4	FY18 tax (gain)/loss on retirements	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L4, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L4, C(h)	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$283,766)	(\$297,333)	
6	Effective Tax Rate		35.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$99,318)	(\$62,440)	
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L8, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L8, C(h)			
9	Cost of Removal	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L9, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L9, C(h)			
10	Book/Tax Depreciation Timing Difference at 3/31/2017				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10			
12	Effective Tax Rate				
13	Deferred Tax Reserve	Line 11 * Line 12			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$99,318)	(\$62,440)	
15	Net Operating Loss	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L15, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L15, C(h)			
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$99,318)	(\$62,440)	
Allocation of FY 2018 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18			
20	Total FY 2018 Federal NOL	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L20, C (g); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L20, C(h)			
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20			
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20			
23	Effective Tax Rate				
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$99,318)	(\$62,440)	
Proration Calculation					
		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k)
26	April 2017/2018	30	91.78%	(\$7,596)	(\$4,776)
27	May 2017/2018	31	83.29%	(\$6,893)	(\$4,334)
28	June 2017/2018	30	75.07%	(\$6,213)	(\$3,906)
29	July 2017/2018	31	66.58%	(\$5,510)	(\$3,464)
30	August 2017/2018	31	58.08%	(\$4,807)	(\$3,022)
31	September 2017/2018	30	49.86%	(\$4,127)	(\$2,595)
32	October 2017/2018	31	41.37%	(\$3,424)	(\$2,153)
33	November 2017/2018	30	33.15%	(\$2,744)	(\$1,725)
34	December 2017/2018	31	24.66%	(\$2,041)	(\$1,283)
35	January 2018/2019	31	16.16%	(\$1,338)	(\$841)
36	February 2018/2019	28	8.49%	(\$703)	(\$442)
37	March 2018/2019	31	0.00%	\$0	\$0
38	Total	365		(\$45,396)	(\$28,540)
39	Deferred Tax Without Proration	Line 25	(\$99,318)	(\$62,440)	
40	Average Deferred Tax without Proration	Line 25 * 50%	(\$49,659)	(\$31,220)	
41	Proration Adjustment	Line 38 - Line 40	\$4,263	\$2,680	

Column Notes:

- (i) Sum of remaining days in the year (Col (h)) ÷ 365
(j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2019 Revenue Requirement on FY 2012 Actual Incremental Capital Investment

Line No.	Fiscal Year 2012 (a)	Fiscal Year 2013 (b)	Fiscal Year 2014 (c)	Fiscal Year 2015 (d)	Fiscal Year 2016 (e)	Fiscal Year 2017 (f)	Fiscal Year 2018 (g)	Fiscal Year 2019 (h)
1		\$0	\$0	\$0	\$0	\$0	\$0	\$0
2		\$4,163,942	\$0	\$0	\$0	\$0	\$0	\$0
3		\$144,256	\$0	\$0	\$0	\$0	\$0	\$0
4		\$144,256	\$0	\$0	\$0	\$0	\$0	\$0
5		\$19,938	\$0	\$0	\$0	\$0	\$0	\$0
6		\$124,318	\$124,318	\$124,318	\$124,318	\$124,318	\$124,318	\$124,318
7		\$144,256	\$144,256	\$144,256	\$144,256	\$144,256	\$144,256	\$144,256
8		(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)	(\$771,131)
9		(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)	(\$626,875)
10								
11								
12								
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31								
32								
33								

Capital Additions/Allowances
Non-Discretionary Capital
Discretionary Capital
Approved Spending
Total Allowed Capital Included in Rate Base
Depreciable Net Capital Included in Rate Base
Total Allowed Capital Included in Rate Base in Current Year
Retirements
Net Depreciable Capital Included in Rate Base
Change in Net Capital Included in Rate Base
Incremental Capital Amount
Cost of Removal
Total Net Plant in Service
Deferred Tax Calculation:
Composite Book Depreciation Rate
Tax Depreciation
Cumulative Tax Depreciation
Book Depreciation
Cumulative Book Depreciation
Cumulative Book / Tax Timer
Effective Tax Rate
Deferred Tax Reserve
Less: FY 2013 Federal NOL
Excess Deferred Tax
Net Deferred Tax Reserve
Rate Base Calculation:
Cumulative Incremental Capital Included in Rate Base
Accumulated Depreciation
Deferred Tax Reserve
Year End Rate Base
Revenue Requirement Calculation:
Average ISR Rate Base after Deferred Tax Promotion
Promotion Adjustment
Average ISR Rate Base after Deferred Tax Promotion
Pre-Tax ROR
Return and Taxes
Book Depreciation
Property Taxes
Annual Revenue Requirement
Revenue Requirement for 5 months (April 1, 2018 - August 31, 2018)
Line Notes
1/ Actual Retirements
2/ The federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Tax Depreciation and Repairs Deduction on FY2012 Incremental Capital Investments

Line No.		Fiscal Year 2012 (a)	(b)	(c)	(d)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	\$144,256			
2	Capital Repairs Deduction Rate	21.05%			
3	Capital Repairs Deduction	\$30,366		Line 16	\$29,184
	<u>Bonus Depreciation</u>				
4	Plant Additions	\$144,256			
5	Less Capital Repairs Deduction	(\$30,366)			
6	Plant Additions Net of Capital Repairs Deduction	\$113,890			
7	Percent of Plant Eligible for Bonus Depreciation	85.00%			
8	Plant Eligible for Bonus Depreciation	\$96,807			
9	Bonus Depreciation Rate (April 2011 - December 2011)	75.00%			
10	Bonus Depreciation Rate (January 2012 - March 2012)	12.50%			
11	Total Bonus Depreciation Rate	87.50%			
12	Bonus Depreciation	\$84,706			
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	\$144,256			
14	Less Capital Repairs Deduction	(\$30,366)			
15	Less Bonus Depreciation	(\$84,706)			
	Remaining Plant Additions Subject to 20 YR MACRS Tax				
16	Depreciation	\$29,184			
17	20 YR MACRS Tax Depreciation Rates	3.750%			
18	Remaining Tax Depreciation	\$1,094			
19	Cost of Removal	(\$771,131)			
20	Total Tax Depreciation and Repairs Deduction	(\$654,965)			
				100.000%	\$29,184

1/ Per Docket 4307 FY 2013 Electric ISR Reconciliation Filing at Attachment WRR-1, Page 8, Line 2
2/ Since not all property additions qualify for bonus depreciation and because a project must be started after the beginning of the

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Calculation of Net Deferred Tax Reserve Proration on FY 2012 Incremental Capital Investment

Line No.		(a) FY 18	(b) FY 19
Deferred Tax Subject to Proration			
1	Book Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L1, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L1, C(j)	(\$4,227) (\$4,227)
2	Bonus Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L2, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L2, C(j)	\$0 \$0
3	Remaining MACRS Tax Depreciation	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L3, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L3, C(j)	(\$1,427) (\$1,320)
4	FY18 tax (gain)/loss on retirements	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L4, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L4, C(j)	\$0 \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$5,653) (\$5,547)
6	Effective Tax Rate		35.00% 21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$1,979) (\$1,165)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L8, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L8, C(j)	
9	Cost of Removal	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L9, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L9, C(j)	
10	Book/Tax Depreciation Timing Difference at 3/31/2017		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	
12	Effective Tax Rate		
13	Deferred Tax Reserve	Line 11 * Line 12	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$1,979) (\$1,165)
15	Net Operating Loss	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L15, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L15, C(j)	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$1,979) (\$1,165)
Allocation of FY 2018 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	
20	Total FY 2018 Federal NOL	C (a) = RIPUC Docket No. 4682, Reconciliation Filing, Attachment MAL-1, P 24 of 26, L20, C (h); C (b) = RIPUC Docket No. 4783, Compliance Section 5, Attachment 1, P 26b of 29, L20, C(j)	
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	
23	Effective Tax Rate		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$1,979) (\$1,165)
Proration Calculation			
		(h) Number of Days in Month	(i) Proration Percentage
26	April 2017/2018	30	91.78%
27	May 2017/2018	31	83.29%
28	June 2017/2018	30	75.07%
29	July 2017/2018	31	66.58%
30	August 2017/2018	31	58.08%
31	September 2017/2018	30	49.86%
32	October 2017/2018	31	41.37%
33	November 2017/2018	30	33.15%
34	December 2017/2018	31	24.66%
35	January 2018/2019	31	16.16%
36	February 2018/2019	28	8.49%
37	March 2018/2019	31	0.00%
38	Total	365	
			(j) (k)
			(\$151) (\$89)
			(\$137) (\$81)
			(\$124) (\$73)
			(\$110) (\$65)
			(\$96) (\$56)
			(\$82) (\$48)
			(\$68) (\$40)
			(\$55) (\$32)
			(\$41) (\$24)
			(\$27) (\$16)
			(\$14) (\$8)
			\$0 \$0
			(\$904) (\$532)
39	Deferred Tax Without Proration	Line 25	(\$1,979) (\$1,165)
40	Average Deferred Tax without Proration	Line 25 * 50%	(\$989) (\$582)
41	Proration Adjustment	Line 38 - Line 40	\$85 \$50

Column Notes:
(i) Sum of remaining days in the year (Col (h)) ÷ 365
(j)&(k) Current Year Line 25 ÷ 12 * Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
FY 2012 - 2014 Incremental Capital Investment Summary

Line No.		Actual Fiscal Year 2012 (a)	Actual Fiscal Year 2013 (b)	Fiscal Year 2014 (c)
<u>Capital Investment</u>				
1	ISR - Eligible Capital Investment	\$48,946,456	\$44,331,141	\$56,129,551
1a	Work Order Write Off Adjustment	\$0	(\$784,153)	(\$481,907)
2	ISR - Eligible Capital Additions included in Rate Base per R.I.P.U.C. Docket No. 4323	\$48,802,200	\$51,366,341	\$42,805,284
3	Incremental ISR Capital Investment	\$144,256	(\$7,819,353)	\$12,842,360
<u>Cost of Removal</u>				
4	ISR - Eligible Cost of Removal	\$5,807,869	\$5,179,941	\$5,007,992
4a	Work Order Write Off Adjustment	\$0	(\$106,751)	(\$37,062)
5	ISR - Eligible Cost of Removal in Rate Base per R.I.P.U.C. Docket No. 4323	\$6,579,000	\$7,075,000	\$5,895,833
6	Incremental Cost of Removal	(\$771,131)	(\$2,001,810)	(\$924,903)
<u>Retirements</u>				
7	ISR - Eligible Retirements/Actual	\$7,740,446	\$14,255,714	\$3,299,874
8	ISR - Eligible Retirements/Estimated	\$7,720,508	\$8,416,779	\$7,465,242
9	Incremental Retirements	\$19,938	\$5,838,935	(\$4,165,367)

Col (a)=FY 2012 ISR Reconciliation Filing Docket No. 4218; Col (b) = FY 2013 ISR Reconciliation Filing Docket No. 4307; Col (c) = FY 2014 ISR Reconciliation Filing Docket No. 4382

Per Company's books

Schedule MDL-3-ELEC Page 53, Docket No. 4323: Col (a)= Line Note 1(a); Col (b)= Line Note 2(b); Col (c)= Line Note 3(e)

Line 1 + Line 1a - Line 2

Col (a)=FY 2012 ISR Reconciliation Filing Docket No. 4218; Col (b) = FY 2013 Reconciliation Filing Docket No. 4307; Col (c) = FY 2014 ISR Reconciliation Filing Docket No. 4382

Per Company's books

Workpaper MDL-19-ELEC Page 2, Docket No. 4323: Col (a)= Line Note 1(a); Col (b)= Line Note 2(b); Line Note 3(e)

Line 4 + Line 4a - Line 5

Col (a)= FY 2012 ISR Reconciliation Filing Docket No. 4218; Col (b) = FY 2013 ISR Reconciliation Filing Docket No. 4307; Col (c) = FY 2014 ISR Reconciliation Filing Docket No. 4382

Col (a)= FY 2012 ISR Proposal Filing Docket No. 4218; Col (b)= FY 2013 ISR Proposal Filing Docket No. 4307; Col (c) = Line 2 (c) * 17.44% Retirement rate per Docket 4323 (Workpaper MDL-19-ELEC Page 3)

Line 7 - Line 8

**The Narragansett Electric Company
d/b/a National Grid
FY 2019 Capital Investment**

Line No.	<u>Discretionary Capital</u>		<u>Actual FY 2019</u> (a)
1	Cumulative FY 2018 Discretionary Capital ADDITIONS	Docket No. 4682 FY18 Reconciliation, Attachment MAL-1, Page 17 of 26, Line 3	\$262,676,263
2	FY 2019 Discretionary Capital ADDITIONS	Attachment PCE-1, Page 3, Table 1	<u>\$71,059,402</u>
3	Cumulative Actual Discretionary Capital Additions	Line 1 + Line 2	\$333,735,665
4	Cumulative FY 2018 Discretionary Capital SPENDING	Docket No. 4682 FY18 Reconciliation, Attachment MAL-1, Page 17 of 26, Line 6	\$308,569,636
5	FY 2019 Discretionary Capital SPENDING	Attachment PCE-1, Page 5, Table 3	<u>\$73,084,909</u>
6	Cumulative Actual Discretionary Capital Spending	Line 4 + Line 5	\$381,654,545
7	Cumulative FY 2018 Approved Discretionary Capital SPENDING	Docket No. 4682 FY18 Reconciliation, Attachment MAL-1, Page 17 of 26, Line 9	\$294,123,536
8	FY 2019 Approved Discretionary Capital SPENDING	Attachment PCE-1, Page 5, Table 3	<u>\$70,088,000</u>
9	Cumulative Actual Approved Discretionary Capital Spending	Line 7 + Line 8	\$364,211,536
10	Cumulative Allowed Discretionary Capital Included in Rate Base	Lesser of Line 3, Line 6, or Line 9	\$333,735,665
11	Prior Year Cumulative Allowed Discretionary Capital Included in Rate Base	Docket No. 4682 FY18 Reconciliation, Attachment MAL-1, Page 17 of 26, Line 10	<u>\$262,676,263</u>
12	Total Allowed Discretionary Capital Included in Rate Base Current Year	Line 10 - Line 11	\$71,059,402
13	Intangible Asset included in Total Allowed Discretionary Capital	Page 5 of 35, Line 5, Column (c)	<u>\$3,460,626</u>
14	Total Allowed Discretionary Capital Included in non-Intangible Rate Base Current Year	Line 12 - Line 13	<u>\$67,598,776</u>

The Narragansett Electric Company
d/b/a National Grid
FY 2018 ISR Property Tax Recovery Adjustment
(000s)

Line	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	<u>RY End</u>	<u>ISR Additions</u>	<u>Non-ISR Add's</u>	<u>Total Add's</u>	<u>Bk. Dmpt.(L)</u>	<u>Retirements</u>	<u>COR</u>	<u>End of FY 2014</u>
1	Plant In Service	\$1,338,470	\$9,275	\$1,885	\$11,160	\$550	(\$828)	\$1,370,180
2	Accumulated D depr	\$611,570			\$7,498	\$550		\$618,789
3	Net Plant	\$746,900						\$751,391
4	Property Tax Expense	\$29,743						\$27,502
5	Effective Prop tax Rate	3.98%						3.66%
Effective tax Rate Calculation								
6	Plant In Service	\$1,370,180	\$76,340	\$33	\$76,374	(\$18,011)		\$1,428,543
7	Accumulated D depr	\$618,789			\$46,376	(\$18,011)	(\$6,988)	\$640,166
8	Net Plant	\$751,391						\$788,377
9	Property Tax Expense	\$27,502						\$32,549
10	Effective Prop tax Rate	3.66%						4.13%
Effective tax Rate Calculation								
11	Plant In Service	\$1,428,543	\$72,003	\$7,636	\$79,639	(\$29,506)		\$1,478,677
12	Accumulated D depr	\$640,166			\$48,221	(\$29,506)	(\$8,193)	\$650,689
13	Net Plant	\$788,377						\$827,988
14	Property Tax Expense	\$32,549						\$31,580
15	Effective Prop tax Rate	4.13%						3.81%
Property Tax Recovery Calculation								
<u>Cumulative Incom. ISR Prop. Tax for FY14</u>								
16	ISR Additions	\$9,275				\$76,340		72,003
17	Book Depreciation - base allowance on ISR eligible plant	(\$7,173)				(\$43,032)		(43,032)
18	Book Depreciation - current year ISR additions	(\$324)				(\$1,031)		(740)
19	COR	\$828				\$6,988		8,193
20	Net Plant Additions	\$2,605				\$39,266		36,425
21	RY Effective Tax Rate	3.98%				3.98%		3.98%
22	ISR Property Tax Recovery on FY 2014 vintage investment		\$104				\$102	89
23	ISR Property Tax Recovery on FY 2015 vintage investment						\$1,564	1,524
24	ISR Property Tax Recovery on FY 2016 vintage investment							1,451
<u>Cumulative Incom. ISR Prop. Tax for FY15</u>								
25	ISR Year Effective Tax Rate	3.66%				4.13%		3.81%
26	RY Effective Tax Rate	3.98%				3.98%		3.98%
27	RY Net Plant times 2 mo rate					0.15%		-0.17%
28	FY 2014 Net Additions ISR Year Effective Tax rate	\$746,900	(\$401)			\$746,900 * 0.15%	\$1,094	746,900 * -0.17%
29	FY 2015 Net Additions ISR Year Effective Tax rate	\$2,605	(\$8)			\$2,568 * 0.15%	\$4	2,234 * -0.17%
30	FY 2016 Net Additions ISR Year Effective Tax rate		(\$8)			\$39,266 * 0.15%	\$58	38,274 * -0.17%
31	Total Property Tax due to rate differential		(\$409)				\$1,155	36,425 * -0.17%
32	Total ISR Property Tax Recovery		(\$306)				\$2,821	(1,256)
33	As Approved in RIPUC Docket No. 4682		0				\$2,800	1,193
34	New Adjustment						231	546
35	As Approved in RIPUC Docket No. 4539						\$2,500	1,192
36	Work Order White Off Adjustment in 4786		(2)				(0)	2

The Narragansett Electric Company
d/b/a National Grid
FY 2018 ISR Property Tax Recovery Adjustment (continued)
(000s)

Property Tax Recovery Calculation
Cumulative Increm. ISR Prop. Tax for FY 2019
7 months

	(a)	(b)	(c)
77	ISR Additions	\$36,400	
78	Book Depreciation: base allowance on ISR eligible plant	\$0	
79	Book Depreciation: current year ISR additions	(\$999)	
80	COR	\$10	
81	Net Plant Additions	\$35,502	
82	RY Effective Tax Rate	3.28%	\$352
83	ISR Property Tax Recovery on FY 2018 Net Incremental	1.91%	\$679
84	ISR Property Tax Recovery on FY 2019 Net Incremental		
85	ISR Property Tax Recovery on FY 2020 Net Incremental		
86	ISR Property Tax Recovery on FY 2021 vintage investment		
87	ISR Year Effective Tax Rate	3.23%	
88	RY Effective Tax Rate	3.28%	
89	RY Effective Tax Rate 7 mos for FY 2019	-0.05%	
90	RY Net Plant times Rate Difference	* -0.03% 7 mos	(\$279)
91	FY 2018 Net Incremental times 7 mo rate difference	* -0.03%	(86)
92	FY 2019 Net Incremental times 7 mo rate difference	* -0.03%	(811)
93	FY 2020 Net Incremental times rate difference		
94	FY 2021 Net Adds times rate difference		
95	Total Property Tax due to rate differential		(\$295)
96	Total ISR Property Tax Recovery		\$736

Column Notes

(c) Lines 6, 11 and 37 revised based on PowerPlan report
(f) Lines 6, 7, 11, 12, 37, 38, 42 and 43 revised based on PowerPlan report
(a),(d),(e)&(h) Lines 6 through 15 and Lines 37 through 46, Recalculated based on the revised (c) and (f)

Line Notes

1(a) - 5(a) Per RY cost of service in Compliance filing Attachment 2 at Docket No. 4323
1(b) - 5(b) Per FY 2017 Electric ISR Compliance Filing per Docket 4592
6 - 15 Columns (b) and (g), as in FY 2018 Electric ISR Reconciliation Filing Docket 4682
16(a) - 32(k) Recalculated based on updated Column (c), (f), and (h)
33, 35& 36 As approved in FY 2018 ISR Reconciliation RIPUC Docket No. 4682
34 Line 32 - Line 33
37 - 46 Columns (b) and (g), as in FY 2018 Electric ISR Reconciliation Filing Docket 4682
47(a) Line 42(b)
47(b) Page 3 of 35, Line 1+Page 5 of 35, Line 5(c)
47(c) Per Company's books
47(d) Line 47(b) + Line 47(c)
47(f) Page 2 of 35, Line 5
47(h) Line 47(a) + Line 47(d) + Line 47(f)
48(a) Per Line 43(h)
48(e) (Docket 4323 RY depr allowance of \$44,986 + (L 11(d)+(f))<comp depr rate of 3.40% + (L 6(d)+(f))<comp depr rate of 3.40% + (L 11(d)+(f))<comp depr rate of 3.40% + (L 37(d)+(f))<comp depr rate of 3.40% + (L 42(d)+(f))<comp depr rate of 3.40% + (L 47(d)+(f))<comp depr rate of 3.40%>50%)-5-12+(Docket 4770 RY depr allowance of \$50,128 + Att. MAL-2, Page 2, Line 6<comp depr rate of 3.16% + Att. MAL-2, Page 4, Line 6<comp depr rate of 3.16% >50%)*7-12
48(f) 3.16% >50%)*7-12
48(g) 42(f)

Line Notes

62(k) Line 58(f) x Line 72(f)
63(k) Line 58(f) x Line 73(f)
63(l) Line 51(h)
64(f) Line 5(a)
64(g) Line 63(f) - Line 64(f)
65(f) Line 64(f) x 5 + 12
66(f) Line 3(a)
67(f) Line 67(e) - (Line 16(b)+Line 1(f))*3.40%
68(f) Line 68(e) - (Line 16(f)+Line 6(f))*3.40%
69(f) Line 69(e) - (Line 16(f)+Line 11(f))*3.40%
70(f) Line 70(e) - (Line 52(b)+Line 37(f))*3.40%
72(f) Line 70(e) - (Line 52(b)+Line 37(f))*3.40%
73(f) Line 56(f)
66(f) - 72(f) Line 65(f)
66(k) - 72(k) Lines 66 through 72, Col (i) x 65(f)
73(k) Sum of Lines 66(k) through 72(k)
74(k) Sum of Lines 58(k) through 63(k) + Line 73(k)
75 As in FY 2018 ISR Reconciliation Docket No. 4682
76 Line 74 - Line 75
77(a) - 96(e) Attachment MAL-2, Page 13 of 15, Line 31(a), ~ Line 50(e)

**The Narragansett Electric Company
d/b/a National Grid
FY 2020 Electric ISR Revenue Requirement Reconciliation
Excess Deferred Taxes**

Line No.	Vintage Year	Cumulative Book	Cumulative Book	Difference (c) = (b)-(a)	Pro-Rated Change as of 12/31/17 (d)= (c) * 75%	Cumulative Timing	Excess Deferred
		Tax Timing Difference at 3/31/17 (a)	Tax Timing Difference at 3/31/18 (b)			Difference through 12/31/17 (e) = (a) + (d)	Taxes at 12/31/17 (f) = (e) * 14%
1	2012	(\$622,650)	(\$616,996)	\$5,653	\$4,240	(\$618,410)	(\$86,577)
2	2013	(\$5,323,191)	(\$5,039,425)	\$283,766	\$212,824	(\$5,110,367)	(\$715,451)
3	2014	\$6,655,614	\$6,320,184	(\$335,430)	(\$251,573)	\$6,404,042	\$896,566
4	2015	\$70,796,254	\$70,548,087	(\$248,166)	(\$186,125)	\$70,610,129	\$9,885,418
5	2016	\$60,218,631	\$60,467,565	\$248,935	\$186,701	\$60,405,332	\$8,456,746
6	2017	\$55,224,159	\$55,599,986	\$375,827	\$281,870	\$55,506,029	\$7,770,844
7	2018	\$0	\$63,702,816	\$63,702,816	\$47,777,112	\$47,777,112	\$6,688,796

Line Notes

- 1(a) Page 16, Line 15(f)
- 1(b) Page 16, Line 15(h)
- 2(a) Page 14, Line 17(e)
- 2(b) Page 14, Line 17(g)
- 3(a) Page 12, Line 18(d)
- 3(b) Page 12, Line 18(f)
- 4(a) Page 10 Line 18(c)
- 4(b) Page 10, Line 18(e)
- 5(a) Page 8, Line 18(b)
- 5(b) Page 8, Line 18(d)
- 6(a) Page 6, Line 18(a)
- 6(b) Page 6, Line 18(b)
- 7(b) Page 4, Line 18(a)

The Narragansett Electric Company
d/b/a National Grid
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Weighted Average Cost of Capital

Line
No.

1 Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4065

	(a) Ratio	(b) Rate	(c) Weighted Rate	(d) Taxes	(e) Return
4 Long Term Debt	52.08%	5.30%	2.76%		2.76%
5 Short Term Debt	4.98%	1.60%	0.08%		0.08%
6 Preferred Stock	0.19%	4.50%	0.01%		0.01%
7 Common Equity	42.75%	9.80%	4.19%	2.26%	6.45%
	<u>100.00%</u>		<u>7.04%</u>	<u>2.26%</u>	<u>9.30%</u>

10 Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4065 (Settlement)

	Ratio	Rate	Weighted Rate	Taxes	Return
12 Long Term Debt	46.05%	5.30%	2.44%		2.44%
13 Short Term Debt	4.98%	1.60%	0.08%		0.08%
14 Preferred Stock	0.19%	4.50%	0.01%		0.01%
15 Common Equity	48.78%	9.80%	4.78%	2.57%	7.35%
	<u>100.00%</u>		<u>7.31%</u>	<u>2.57%</u>	<u>9.88%</u>

18 Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323

	Ratio	Rate	Weighted Rate	Taxes	Return
20 Long Term Debt	49.95%	4.96%	2.48%		2.48%
21 Short Term Debt	0.76%	0.79%	0.01%		0.01%
22 Preferred Stock	0.15%	4.50%	0.01%		0.01%
23 Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	<u>100.00%</u>		<u>7.17%</u>	<u>2.51%</u>	<u>9.68%</u>

**Tax-Effectuated
Weighted Cost**

**Blended Tax-Effectuated
Weighted Cost**

27 R.I.P.U.C. Docket No. 4065	9.88%	Apr 12 - Jan 13	8.23%
28 R.I.P.U.C. Docket No. 4323	9.68%	Feb 13 - Mar 13	1.61%
			<u>9.84%</u>

31 Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323 at 35% income tax rate

	(a) Ratio	(b) Rate	(c) Weighted Rate	(d) Taxes	(e) Return
34 Long Term Debt	49.95%	4.96%	2.48%		2.48%
35 Short Term Debt	0.76%	0.79%	0.01%		0.01%
36 Preferred Stock	0.15%	4.50%	0.01%		0.01%
37 Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	<u>100.00%</u>		<u>7.17%</u>	<u>2.51%</u>	<u>9.68%</u>

40 (d) - Column (c) x 35% divided by (1 - 35%)

42 Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323 at 21% income tax rate

	Ratio	Rate	Weighted Rate	Taxes	Return
44 Long Term Debt	49.95%	4.96%	2.48%		2.48%
45 Short Term Debt	0.76%	0.79%	0.01%		0.01%
46 Preferred Stock	0.15%	4.50%	0.01%		0.01%
47 Common Equity	49.14%	9.50%	4.67%	1.24%	5.91%
	<u>100.00%</u>		<u>7.17%</u>	<u>1.24%</u>	<u>8.41%</u>

50 (d) - Column (c) x 21% divided by (1 - 21%)

FY18 Blended Rate 9.36%
Line 17(e) x 75% + Line 27(e) x 25%

FY 2020 ISR Plan Annual Reconciliation Summary

	<u>CapEx</u>	<u>O&M</u>	<u>Total</u>
	(a)	(b)	(c)
(1) Actual Revenue Requirement	\$10,722,096	\$11,516,290	\$22,238,386
(2) Revenue Billed	\$5,936,480	\$11,289,205	\$17,225,685
(3) Total Over/(Under) Recovery	(\$4,785,616)	(\$227,085)	(\$5,012,701)

- (1) Column (a) per Attachment ASC-2 Compliance, Page 1, Line (1), Column (a)
Column (b) per Attachment ASC-3 Compliance, Page 1, Line (1)
Column (c) sum of columns (a) and (b)
- (2) Column (a) per Attachment ASC-2 Compliance, page 1, Line (5); Column (b) per Attachment ASC-3 Compliance, page 1, line (2)
- (3) Line (2) - Line (1)

Compliance CapEx Reconciling Factors
For Fiscal Year 2020 ISR Plan
For the Recovery (Refund) Period October 1, 2020 through September 30, 2021

	<u>Total</u> (a)	<u>Residential</u> <u>A-16 / A-60</u> (b)	<u>Small C&I</u> <u>C-06</u> (c)	<u>General C&I</u> <u>G-02</u> (d)	<u>200 kW</u> <u>Demand</u> <u>B-32 / G-32</u> (e)	<u>Lighting</u> <u>S-05/S-06</u> <u>S-10/S-14</u> (g)	<u>Propulsion</u> <u>X-01</u> (h)
(1) Actual FY2020 Capital Investment Revenue Requirement	\$10,722,096						
(2) Total Rate Base (\$000s)	\$729,512	\$404,995	\$75,009	\$117,155	\$123,849	\$8,296	\$208
(3) Rate Base as Percentage of Total	100.00%	55.52%	10.28%	16.06%	16.98%	1.14%	0.03%
(4) Allocated Actual FY2020 Capital Investment Revenue Requirement	\$10,722,096	\$5,952,466	\$1,102,454	\$1,721,901	\$1,820,287	\$121,932	\$3,057
(5) CapEx Revenue Billed	\$5,936,480	\$3,350,815	\$588,512	\$936,008	\$1,040,199	\$20,252	\$694
(6) Total Over (Under) Recovery for FY 2020	(\$4,785,616)	(\$2,601,651)	(\$513,942)	(\$785,893)	(\$780,088)	(\$101,680)	(\$2,363)
(7) Remaining Over (Under) For FY 2018	\$216,876	(\$13,176)	(\$19,380)	\$5,849	\$59,898	\$183,325	\$360
(8) Total Over (Under) Recovery	(\$4,568,740)	(\$2,614,827)	(\$533,322)	(\$780,044)	(\$720,190)	\$81,645	(\$2,003)
(9) Forecasted kWhs - October 1, 2020 through September 30, 2021	6,951,182,260	2,881,110,911	621,270,041	1,202,219,630	2,173,281,749	51,248,416	22,051,513
(10) Compliance Class-specific CapEx Reconciling Factor (Charge) per kWh		\$0.00090	\$0.00085	\$0.00064	\$0.00033	(\$0.00159)	\$0.00009

- (1) per Attachment MAL-1 Compliance, Page 1, Line (11), Column (b)
(2) RIPUC 4770/4780, Compliance Attachment 6, (Schedule 1A), page 1, Line 9
(3) Line (2) ÷ Line (2) Total Column
(4) Line (1) Total Column x Line (3)
(5) per page 2, Columns (c)
(6) Line (5) - Line (4)
(7) per page 3, Lines (6)
(8) Line (6) + Line (7)
(9) per Company forecasts
(10) -1 x [Line (8) ÷ Line (9)], truncated to 5 decimal places

Fiscal Year 2020 CapEx Reconciliation
For the Period April 1, 2019 through March 31, 2020
For the Recovery/Refund Period October 1, 2020 through September 30, 2021

CapEx Revenue By Rate Class:

Month	Residential A-16 / A-60			Small C&I C-06			General C&I G-02			Demand B-32 / G-32		
	Total Revenue (a)	CapEx Rec Factor Revenue (b)	Base Revenue (c)	Total Revenue (a)	CapEx Rec Factor Revenue (b)	Base Revenue (c)	Total Revenue (a)	CapEx Rec Factor Revenue (b)	Base Revenue (c)	Total Revenue (a)	CapEx Rec Factor Revenue (b)	Base Revenue (c)
(1) Apr-19	\$40,392	(\$45,693)	\$86,085	\$9,179	(\$11,434)	\$20,613	\$17,629	(\$11,438)	\$29,067	\$13,732	(\$24,155)	\$37,887
May-19	\$119,527	(\$110,656)	\$230,183	\$21,481	(\$26,104)	\$47,585	\$45,971	(\$28,649)	\$74,620	\$25,839	(\$51,504)	\$77,343
Jun-19	\$126,264	(\$113,872)	\$240,136	\$22,363	(\$27,494)	\$49,857	\$50,439	(\$28,780)	\$79,219	\$30,676	(\$53,263)	\$83,939
Jul-19	\$177,232	(\$159,915)	\$337,147	\$26,178	(\$30,455)	\$56,633	\$52,052	(\$33,375)	\$85,427	\$38,286	(\$61,532)	\$99,818
Aug-19	\$224,886	(\$203,199)	\$428,085	\$30,375	(\$35,392)	\$65,767	\$52,340	(\$38,324)	\$90,664	\$34,782	(\$66,948)	\$101,730
Sep-19	\$171,164	(\$154,359)	\$325,523	\$26,178	(\$30,922)	\$57,100	\$50,539	(\$33,380)	\$83,919	\$35,965	(\$59,464)	\$95,429
Oct-19	\$226,725	\$595	\$226,130	\$44,454	\$1,656	\$42,798	\$87,426	\$9,134	\$78,292	\$71,230	(\$8,013)	\$79,243
Nov-19	\$354,750	\$135,014	\$219,736	\$71,597	\$33,780	\$37,817	\$125,929	\$52,692	\$73,237	\$136,730	\$50,052	\$86,678
Dec-19	\$441,299	\$167,548	\$273,751	\$80,395	\$38,831	\$41,564	\$130,547	\$58,186	\$72,361	\$129,477	\$50,774	\$78,703
Jan-20	\$527,662	\$200,364	\$327,298	\$98,238	\$45,531	\$52,707	\$146,703	\$66,392	\$80,311	\$54,377	\$23,169	\$31,208
Feb-20	\$417,189	\$158,443	\$258,746	\$85,647	\$39,874	\$45,773	\$132,095	\$57,173	\$74,922	\$135,034	\$55,405	\$79,629
Mar-20	\$410,031	\$155,750	\$254,281	\$83,179	\$41,173	\$42,006	\$130,132	\$56,755	\$73,377	\$153,250	\$53,666	\$99,584
(2) Apr-20	\$231,676	\$87,962	\$143,714	\$49,021	\$20,729	\$28,292	\$69,740	\$29,148	\$40,592	\$118,093	\$29,085	\$89,008
Total	\$3,468,797	\$117,982	\$3,350,815	\$648,285	\$59,773	\$588,512	\$1,091,542	\$155,534	\$936,008	\$977,471	(\$62,728)	\$1,040,199

Month	Lighting S-05/S-06/S-10/S-14			Propulsion X-01		
	Total Revenue (a)	CapEx Rec Factor Revenue (b)	Base Revenue (c)	Total Revenue (a)	CapEx Rec Factor Revenue (b)	Base Revenue (c)
(1) Apr-19	(\$16,963)	(\$20,015)	\$3,052	(\$1,645)	(\$1,645)	\$0
May-19	(\$37,555)	(\$40,474)	\$2,919	(\$4,225)	(\$4,359)	\$134
Jun-19	(\$35,367)	(\$38,526)	\$3,159	(\$4,298)	(\$4,448)	\$150
Jul-19	(\$37,977)	(\$42,045)	\$4,068	(\$3,762)	(\$3,893)	\$131
Aug-19	(\$41,546)	(\$45,125)	\$3,579	(\$4,325)	(\$4,477)	\$152
Sep-19	(\$43,645)	(\$47,405)	\$3,760	(\$4,089)	(\$4,232)	\$143
Oct-19	\$23,370	(\$10,159)	\$33,529	(\$4,117)	(\$3,376)	(\$741)
Nov-19	(\$49,386)	(\$17,830)	(\$31,556)	(\$2,022)	(\$2,092)	\$70
Dec-19	(\$17,999)	(\$9,462)	(\$8,537)	(\$1,920)	(\$2,052)	\$132
Jan-20	(\$22,142)	(\$18,211)	(\$3,931)	(\$2,214)	(\$2,366)	\$152
Feb-20	(\$9,339)	(\$10,761)	\$1,422	(\$2,225)	(\$2,378)	\$153
Mar-20	(\$3,743)	(\$8,843)	\$5,100	(\$2,391)	(\$2,555)	\$164
(2) Apr-20	(\$5,097)	(\$8,785)	\$3,688	(\$785)	(\$839)	\$54
Total	(\$297,389)	(\$317,641)	\$20,252	(\$38,018)	(\$38,712)	\$694

- (1) Reflects revenue associated with consumption on and after April 1
- (2) Reflects revenue associated with consumption prior to April 1
- (a) from monthly revenue reports
- (b) per page 3 and page 4
- (c) Column (a) - Column (b)

Fiscal Year 2018 CapEx Reconciliation of Over Recovery
For the Period April 1, 2017 through March 31, 2018
For the Recovery Period October 1, 2018 through September 30, 2019

	Total	Residential A-16 / A-60		Small C&I C-06		General C&I G-02		200 kW Demand B-32 / G-32		
		(a)	(b)	(c)	(b)	(c)	(b)	(c)	(b)	(c)
(1)	Beginning Over(Under) Recovery	\$3,795,896		\$1,630,297		\$314,901		\$376,196		\$707,526
(2)	CapEx Reconciling Factors			(\$0.00055)		(\$0.00052)		(\$0.00029)		(\$0.00029)
(3)			<u>kWhs</u>	<u>CapEx Reconciling Factor Revenue</u>	<u>kWhs</u>	<u>CapEx Reconciling Factor Revenue</u>	<u>kWhs</u>	<u>CapEx Reconciling Factor Revenue</u>	<u>kWhs</u>	<u>CapEx Reconciling Factor Revenue</u>
	Oct-18	(\$72,250)		(\$52,095)		(\$10,570)		(\$12,814)		\$4,974
	Nov-18	(\$281,341)		(\$117,172)		(\$22,454)		(\$27,239)		(\$50,279)
	Dec-18	(\$306,774)		(\$135,939)		(\$25,544)		(\$29,403)		(\$57,296)
	Jan-19	(\$333,838)		(\$151,429)		(\$28,283)		(\$31,687)		(\$55,590)
	Feb-19	(\$284,024)		(\$142,605)		(\$27,954)		(\$29,285)		(\$50,786)
	Mar-19	(\$309,993)		(\$130,950)		(\$27,022)		(\$33,771)		(\$58,481)
	Apr-19	(\$274,536)	199,405,712	(\$109,673)	52,774,534	(\$27,443)	94,668,173	(\$27,454)	199,921,181	(\$57,977)
	May-19	(\$261,746)	201,191,847	(\$110,656)	50,200,370	(\$26,104)	98,788,856	(\$28,649)	177,599,245	(\$51,504)
	Jun-19	(\$266,383)	207,040,309	(\$113,872)	52,872,891	(\$27,494)	99,241,600	(\$28,780)	183,664,420	(\$53,263)
	Jul-19	(\$331,215)	290,754,342	(\$159,915)	58,567,053	(\$30,455)	115,086,239	(\$33,375)	212,179,387	(\$61,532)
	Aug-19	(\$393,465)	369,453,289	(\$203,199)	68,061,124	(\$35,392)	132,150,035	(\$38,324)	230,856,773	(\$66,948)
	Sep-19	(\$329,762)	280,652,420	(\$154,359)	59,464,622	(\$30,922)	115,103,835	(\$33,380)	205,047,805	(\$59,464)
(4)	Oct-19	(\$133,693)	112,015,799	(\$61,609)	28,161,951	(\$14,644)	55,815,000	(\$16,186)	101,661,900	(\$29,482)
(5)	Total	(\$3,579,020)		(\$1,643,473)		(\$334,281)		(\$370,347)		(\$647,628)
(6)	Ending Over(Under) Recovery	\$216,876		(\$13,176)		(\$19,380)		\$5,849		\$59,898

	Lighting S-05/S-06/S-10/S-14	Propulsion X-01	(1)	(2)	(3)	(4)	(5)	(6)
(1)	Beginning Over(Under) Recovery		\$717,341		\$49,635			
(2)	CapEx Reconciling Factors		(\$0.01550)		(\$0.00207)			
(3)		<u>kWhs</u>	<u>CapEx Reconciling Factor Revenue</u>	<u>kWhs</u>	<u>CapEx Reconciling Factor Revenue</u>			
	Oct-18	-	\$0		(\$1,745)			(a) sum of Column (b) from each rate
	Nov-18		(\$60,255)		(\$3,942)			(b) from Company revenue report
	Dec-18		(\$54,492)		(\$4,100)			(c) October 2018 through March 2019 per Company Revenue Reports, thereafter, Column (b) x CapEx Reconciling Factor
	Jan-19		(\$62,837)		(\$4,012)			
	Feb-19		(\$29,507)		(\$3,887)			
	Mar-19		(\$55,928)		(\$3,841)			
	Apr-19	3,099,428	(\$48,041)	1,907,341	(\$3,948)			
	May-19	2,611,252	(\$40,474)	2,105,713	(\$4,359)			
	Jun-19	2,485,539	(\$38,526)	2,148,851	(\$4,448)			
	Jul-19	2,712,580	(\$42,045)	1,880,909	(\$3,893)			
	Aug-19	2,911,276	(\$45,125)	2,162,654	(\$4,477)			
	Sep-19	3,058,398	(\$47,405)	2,044,647	(\$4,232)			
(4)	Oct-19	605,254	(\$9,381)	1,155,081	(\$2,391)			
(5)	Total		(\$534,016)		(\$49,275)			
(6)	Ending Over(Under) Recovery		\$183,325		\$360			

(1) per RIPUC. Docket No. 4682, Attachment ASC-2 Revised, page 1, line (8)
(2) per RIPUC. Docket No. 4682, Attachment ASC-2 Revised page 1, line (10)
(3) prorated for usage on and after October 1, 2018
(4) prorated for usage prior to October 1st, 2019
(5) sum of kWhs & revenue
(6) Line (1) + Line (5)

Fiscal Year 2019 CapEx Reconciliation of Under Recovery
For the Period April 1, 2018 through March 31, 2019
For the Recovery Period October 1, 2019 through September 30, 2020

	Total	Residential A-16 / A-60		Small C&I C-06		General C&I G-02		200 kW Demand B-32 / G-32		
		(a)	(b)	(c)	(b)	(c)	(b)	(c)	(b)	(c)
(1) Beginning Over(Under) Recovery	(\$3,609,453)									
(2) CapEx Reconciling Factors			\$0.00071		\$0.00074		\$0.00058		\$0.00027	
(3)			CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue
	Oct-19	\$123,530	87,611,246	\$62,204	22,026,389	\$16,300	43,654,750	\$25,320	79,513,121	\$21,469
	Nov-19	\$251,616	190,160,577	\$135,014	45,648,843	\$33,780	90,847,607	\$52,692	185,379,242	\$50,052
	Dec-19	\$303,825	235,983,264	\$167,548	52,473,683	\$38,831	100,320,108	\$58,186	188,052,049	\$50,774
	Jan-20	\$314,879	282,202,675	\$200,364	61,528,845	\$45,531	114,468,573	\$66,392	85,809,730	\$23,169
	Feb-20	\$297,756	223,159,014	\$158,443	53,883,902	\$39,874	98,574,412	\$57,173	205,205,156	\$55,405
	Mar-20	\$295,946	219,366,338	\$155,750	55,639,390	\$41,173	97,853,006	\$56,755	198,762,996	\$53,666
	Apr-20	\$282,455	222,465,066	\$157,950	50,299,441	\$37,222	90,241,978	\$52,340	193,429,114	\$52,226
	May-20	\$277,011	217,442,927	\$154,384	47,515,698	\$35,162	80,854,270	\$46,895	183,233,317	\$49,473
	Jun-20	\$288,723	226,821,420	\$161,043	48,577,343	\$35,947	87,178,918	\$50,564	184,419,383	\$49,793
	Jul-20	\$0	-	\$0	-	\$0	-	\$0	-	\$0
	Aug-20	\$0	-	\$0	-	\$0	-	\$0	-	\$0
	Sep-20	\$0	-	\$0	-	\$0	-	\$0	-	\$0
(4)										
(5) Total	\$2,435,741		\$1,352,700		\$323,820		\$466,317		\$406,027	
(6) Ending Over(Under) Recovery	(\$1,173,712)		(\$661,264)		(\$120,910)		(\$259,889)		(\$205,151)	

	Lighting S-05/S-06/S-10/S-14	Propulsion X-01	(1) per RIPUC. Docket No. 4783, Attachment REP-2 page 1, line (8)		(2) per RIPUC. Docket No. 4783, Attachment REP-2 page 1, line (10)	
			(b)	(c)	(b)	(c)
(1) Beginning Over(Under) Recovery			\$161,927		\$24,698	
(2) CapEx Reconciling Factors			(\$0.00295)		(\$0.00109)	
(3)	CapEx Reconciling kWhs Factor Revenue	CapEx Reconciling kWhs Factor Revenue				
	Oct-19	265,631	(\$778)	903,427	(\$985)	(a) sum of Column (b) from each rate
	Nov-19	6,085,178	(\$17,830)	1,919,069	(\$2,092)	(b) from Company revenue report
	Dec-19	3,229,324	(\$9,462)	1,882,372	(\$2,052)	(c) Column (b) x CapEx Reconciling Factor
	Jan-20	6,215,504	(\$18,211)	2,170,306	(\$2,366)	
	Feb-20	3,672,650	(\$10,761)	2,181,537	(\$2,378)	
	Mar-20	3,017,926	(\$8,843)	2,344,364	(\$2,555)	
	Apr-20	5,384,169	(\$15,776)	1,382,797	(\$1,507)	
	May-20	2,862,459	(\$8,387)	473,155	(\$516)	
	Jun-20	2,765,974	(\$8,104)	476,935	(\$520)	
	Jul-20	-	\$0	-	\$0	
	Aug-20	-	\$0	-	\$0	
	Sep-20	-	\$0	-	\$0	
(4)						
(5) Total			(\$98,152)		(\$14,971)	
(6) Ending Over(Under) Recovery			\$63,775		\$9,727	

Fiscal Year 2020 Operation & Maintenance Reconciliation and Proposed Factor
Reconciliation of O&M Revenue and Actual O&M Revenue Requirement
For Fiscal Year 2020 ISR Plan
For the Recovery (Refund) Period October 1, 2020 through September 30, 2021

(1)	Actual FY 2020 O&M Revenue Requirement	\$11,516,290
(2)	O&M Revenue Billed	<u>\$11,289,205</u>
(3)	Total Over (Under) Recovery for FY 2020	(\$227,085)
(4)	Remaining Over (Under) For FY 2018	<u>\$54,695</u>
(5)	Total Over (Under) Recovery	(\$172,390)
(6)	Forecasted kWhs - October 1, 2020 through September 30, 2021	<u>6,951,182,260</u>
(7)	Proposed O&M Reconciling Factor per kWh	\$0.00002

- (1) per Attachment MAL-1 Compliance, Page 1, Line (4), Column (e)
- (2) per Page 2
- (3) Line (2) - Line (1)
- (4) per page 3 Line (4)
- (5) Line (3) + Line (4)
- (6) per Company forecast
- (7) $[\text{Line (5)} \div \text{Line (6)}] \times -1$, truncated to 5 decimal places

Fiscal Year 2020 Operations & Maintenance Reconciliation
For the Period April 1, 2019 through March 31, 2020
For the Recovery/Refund Period October 1, 2020 through September 30, 2021

O&M Factor Revenue:

	<u>Month</u>	<u>O&M Revenue</u> (a)	<u>Prior Period Reconciliation Factor Revenue</u> (b)	<u>Base O&M Revenue</u> (c)
(1)	Apr-19	\$322,041	(\$7,706)	\$329,747
	May-19	\$812,285	(\$10,650)	\$822,935
	Jun-19	\$830,500	(\$10,949)	\$841,449
	Jul-19	\$1,064,707	(\$13,624)	\$1,078,331
	Aug-19	\$1,283,814	(\$16,112)	\$1,299,926
	Sep-19	\$1,042,538	(\$13,307)	\$1,055,845
	Oct-19	\$774,744	(\$24,701)	\$799,445
	Nov-19	\$782,431	(\$41,603)	\$824,034
	Dec-19	\$859,697	(\$46,555)	\$906,252
	Jan-20	\$957,198	(\$44,192)	\$1,001,390
	Feb-20	\$861,318	(\$46,934)	\$908,252
	Mar-20	\$841,906	(\$46,159)	\$888,065
(2)	Apr-20	<u>\$507,250</u>	<u>(\$26,284)</u>	<u>\$533,534</u>
	Total	\$10,940,429	(\$348,776)	\$11,289,205

- (1) Reflects kWhs consumed on and after April 1
- (2) Reflects kWhs consumed prior to April 1
- (a) from monthly revenue reports
- (b) per page 3 and page 4
- (c) Column (a) - Column (b)

Fiscal Year 2018 O&M Reconciliation of Over Recovery
For the Period April 1, 2017 through March 31, 2018
For the Recovery Period October 1, 2018 through September 30, 2019

		<u>Total</u>			
(1)	Over (Under) Recovery	\$200,962			
(2)	O&M Reconciling Factor	(\$0.00002)			
		<u>Total kWhs</u>	<u>Total Revenue</u>		
		(a)	(b)		
	Oct-18	247,687,272	(\$4,954)		
	Nov-18	538,841,231	(\$10,777)		
	Dec-18	606,304,493	(\$12,126)		
	Jan-19	638,390,517	(\$12,768)		
	Feb-19	607,192,348	(\$12,144)		
	Mar-19	591,845,970	(\$11,837)		
	Apr-19	551,776,369	(\$11,036)		
	May-19	532,497,283	(\$10,650)		
	Jun-19	547,453,610	(\$10,949)		
	Jul-19	681,180,510	(\$13,624)		
	Aug-19	805,595,151	(\$16,112)		
	Sep-19	665,371,727	(\$13,307)		
	Oct-19	299,149,355	<u>(\$5,983)</u>		
(3)	Total	7,313,285,836	(\$146,267)		
(4)	Over (Under) Recovery		\$54,695		

(1) per RIPUC. Docket No. 4682, Attachment ASC-3 page 1, line (5)

(2) per RIPUC. Docket No. 4682, Attachment ASC-3 page 1, line (7)

(3) sum of kWhs & revenue

(4) Line (1) + Line (3)

(a) per Company Records

(b) Line (2) x Column (a)

Fiscal Year 2019 O&M Reconciliation of Over Recovery
For the Period April 1, 2018 through March 31, 2019
For the Recovery Period October 1, 2019 through September 30, 2020

		<u>Total</u>			
(1)	Over (Under) Recovery	\$626,839			
(2)	O&M Reconciling Factor	(\$0.00008)			
		<u>Total kWhs</u>	<u>Total Revenue</u>		
		(a)	(b)		
	Oct-19	233,974,563	(\$18,718)		
	Nov-19	520,040,516	(\$41,603)		
	Dec-19	581,940,800	(\$46,555)		
	Jan-20	552,395,633	(\$44,192)		
	Feb-20	586,676,671	(\$46,934)		
	Mar-20	576,984,020	(\$46,159)		
	Apr-20	563,202,565	(\$45,056)		
	May-20	532,381,826	(\$42,591)		
	Jun-20	550,239,973	(\$44,019)		
	Jul-20	-	\$0		
	Aug-20	-	\$0		
	Sep-20	-	\$0		
	Oct-20	-	<u>\$0</u>		
(3)	Total	4,697,836,567	(\$375,827)		
(4)	Over (Under) Recovery			\$251,012	

(1) per RIPUC. Docket No. 4783, Attachment REP-3 page 1, line (5)

(2) per RIPUC. Docket No. 4783, Attachment REP-3 page 1, line (7)

(3) sum of kWhs & revenue

(4) Line (1) + Line (3)

(a) per Company Records

(b) Line (2) x Column (a)

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

Monthly kWh (a)	Rates Effective July 1, 2020			Compliance Rates effective October 1, 2020			\$ Increase (Decrease)			Increase (Decrease) % of Total Bill			Percentage of Customers (r)	
	Delivery Services (b)	Supply Services (c)	GET (d)	Delivery Services (f)	Supply Services (g)	GET (h)	Delivery Services (j) = (f) - (b)	Supply Services (k) = (g) - (c)	GET (l) = (h) - (d)	Delivery Services (m) = (j) / (e)	Supply Services (o) = (g) / (e)	GET (p) = (l) / (e)		Total (q) = (m) / (e)
150	\$25.47	\$12.45	\$1.58	\$25.51	\$12.45	\$1.58	\$0.04	\$0.00	\$0.00	0.1%	0.0%	0.0%	0.1%	30.1%
300	\$42.23	\$24.90	\$2.80	\$42.32	\$24.90	\$2.80	\$0.09	\$0.00	\$0.00	0.1%	0.0%	0.0%	0.1%	12.9%
400	\$53.41	\$33.20	\$3.61	\$53.52	\$33.20	\$3.61	\$0.11	\$0.00	\$0.00	0.1%	0.0%	0.0%	0.1%	11.6%
500	\$64.59	\$41.50	\$4.42	\$64.73	\$41.50	\$4.42	\$0.14	\$0.00	\$0.01	0.1%	0.0%	0.0%	0.1%	9.6%
600	\$75.76	\$49.79	\$5.23	\$75.94	\$49.79	\$5.24	\$0.18	\$0.00	\$0.01	0.1%	0.0%	0.0%	0.1%	7.7%
700	\$86.94	\$58.09	\$6.04	\$87.14	\$58.09	\$6.05	\$0.20	\$0.00	\$0.01	0.1%	0.0%	0.0%	0.1%	19.0%
1,200	\$142.82	\$99.59	\$10.10	\$143.17	\$99.59	\$10.12	\$0.35	\$0.00	\$0.02	0.1%	0.0%	0.0%	0.1%	6.8%
2,000	\$232.24	\$165.98	\$16.59	\$232.82	\$165.98	\$16.62	\$0.58	\$0.00	\$0.03	0.1%	0.0%	0.0%	0.1%	2.3%

Rates Effective July 1, 2020 (s)

Compliance Rates effective October 1, 2020 (t)

Line Item on Bill

(1) Distribution Customer Charge	\$6.00	\$6.00												
(2) LIHEAP Enhancement Charge	\$0.80	\$0.80												
(3) Renewable Energy Growth Program Charge	\$1.90	\$1.90												
(4) Distribution Charge (per kWh)	\$0.04496	\$0.04496												
(5) Operating & Maintenance Expense Charge	\$0.00212	\$0.00212												
(6) Operating & Maintenance Expense Reconciliation Factor	(\$0.00008)	(\$0.00008)												
(7) CapEx Factor Charge	\$0.00396	\$0.00396												
(8) CapEx Reconciliation Factor	\$0.00071	\$0.00071												
(9) Revenue Decoupling Adjustment Factor	\$0.00118	\$0.00118												
(10) Pension Adjustment Factor	(\$0.00005)	(\$0.00005)												
(11) Storm Fund Replenishment Factor	\$0.00288	\$0.00288												
(12) Acreage Management Adjustment Factor	\$0.00015	\$0.00015												
(13) Performance Incentive Factor	\$0.00005	\$0.00005												
(14) Low Income Discount Recovery Factor	\$0.00176	\$0.00176												
(15) Long-term Contracting for Renewable Energy Charge	\$0.00931	\$0.00931												
(16) Net Metering Charge	\$0.00266	\$0.00266												
(17) Base Transmission Charge	\$0.03096	\$0.03096												
(18) Transmission Adjustment Factor	(\$0.00189)	(\$0.00189)												
(19) Transmission Uncollectible Factor	\$0.00038	\$0.00038												
(20) Base Transition Charge	(\$0.00074)	(\$0.00074)												
(21) Transition Adjustment	(\$0.00008)	(\$0.00008)												
(22) Energy Efficiency Program Charge	\$0.01353	\$0.01353												
(23) Standard Offer Service Base Charge	\$0.07497	\$0.07497												
(24) SOS Adjustment Factor	(\$0.00294)	(\$0.00294)												
(25) SOS Administrative Cost Adjustment Factor	\$0.00230	\$0.00230												
(26) Renewable Energy Standard Charge	\$0.00866	\$0.00866												

Line Item on Bill	Delivery Services (j) = (f) - (b)	Supply Services (k) = (g) - (c)	GET (l) = (h) - (d)	Delivery Services (m) = (j) / (e)	Supply Services (o) = (g) / (e)	GET (p) = (l) / (e)	Total (q) = (m) / (e)
(27) Customer Charge							\$6.00
(28) LIHEAP Enhancement Charge							\$0.80
(29) RE Growth Program							\$1.90
(30) Transmission Charge							\$0.02945
(31) Distribution Energy Charge							\$0.05764
(32) Transition Charge							(\$0.00082)
(33) Energy Efficiency Programs							\$0.01353
(34) Renewable Energy Distribution Charge							\$0.01197
(35) Supply Services Energy Charge							\$0.08299

Column (s): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (t): Line (6) per ASC-3 Compliance, Page 1 Line (5), Line (8) per ASC-2 Compliance, Page 1, Line (10); all other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020

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

Monthly kWh	Rates Effective July 1, 2020				Compliance Rates effective October 1, 2020				Rates Effective July 1, 2020				Compliance Rates effective October 1, 2020				Increase (Decrease) % of Total Bill				Percentage of Customers (v)
	Delivery Services (b)	Supply Services (c)	Low Income Discount (d) = [(b)+(c)] x .25	Total (e) = (b) + (c) + (d)	Delivery Services (h)	Supply Services (i)	Low Income Discount (j) = [(h)+(i)] x .25	Total (k) = (h) + (i) + (j)	Delivery Services (m) = [(b)+(d)] - (b)	Supply Services (n) = (i) - (c)	Low Income Discount (o) = (j) - (d)	Total (p) = (m) + (n) + (o)	Delivery Services (q) = (m) + (d)	Supply Services (r) = (n) - (c)	Low Income Discount (s) = (o) - (d)	Total (t) = (q) + (r) + (s)	Delivery Services (u) = (q) - (m)	Supply Services (v) = (r) - (n)	Low Income Discount (w) = (s) - (o)	Total (x) = (t) - (p)	
150	\$23.20	\$12.45	(\$8.91)	\$26.74	\$11.11	\$27.85	\$1.12	\$27.89	\$0.03	\$0.00	\$0.01	\$0.04	\$0.03	\$0.00	\$0.01	\$0.04	0.1%	0.0%	0.0%	0.1%	32.1%
300	\$39.70	\$24.90	(\$16.15)	\$48.45	\$2.02	\$50.47	\$2.02	\$50.54	\$0.07	\$0.00	\$0.00	\$0.07	\$0.07	\$0.00	\$0.00	\$0.07	0.1%	0.0%	0.0%	0.1%	15.4%
400	\$50.70	\$33.20	(\$20.98)	\$62.92	\$2.62	\$65.54	\$2.63	\$65.64	\$0.09	\$0.00	\$0.01	\$0.10	\$0.09	\$0.00	\$0.00	\$0.10	0.1%	0.0%	0.0%	0.2%	12.5%
500	\$61.71	\$41.50	(\$25.80)	\$77.41	\$3.23	\$80.74	\$3.23	\$80.74	\$0.10	\$0.00	\$0.00	\$0.10	\$0.10	\$0.00	\$0.00	\$0.10	0.1%	0.0%	0.0%	0.1%	9.6%
600	\$72.71	\$49.79	(\$30.63)	\$91.87	\$3.83	\$95.70	\$3.83	\$95.83	\$0.13	\$0.00	\$0.00	\$0.13	\$0.13	\$0.00	\$0.00	\$0.13	0.1%	0.0%	0.0%	0.1%	7.2%
700	\$83.71	\$58.09	(\$35.45)	\$106.35	\$4.43	\$110.78	\$4.44	\$110.94	\$0.15	\$0.00	\$0.01	\$0.16	\$0.15	\$0.00	\$0.01	\$0.16	0.1%	0.0%	0.0%	0.1%	5.2%
1,200	\$138.71	\$99.39	(\$59.58)	\$178.72	\$7.45	\$186.17	\$7.46	\$186.45	\$0.27	\$0.00	\$0.01	\$0.28	\$0.27	\$0.00	\$0.01	\$0.28	0.1%	0.0%	0.0%	0.2%	1.6%
2,000	\$226.72	\$165.98	(\$98.18)	\$294.52	\$12.27	\$306.79	\$12.29	\$307.25	\$0.44	\$0.00	\$0.02	\$0.46	\$0.44	\$0.00	\$0.02	\$0.46	0.1%	0.0%	0.0%	0.1%	1.6%

Rates Effective July 1, 2020

Line Item on Bill	(w)	(x)
(1) Distribution Customer Charge	\$4.00	\$4.00
(2) LIHEAP Enhancement Charge	\$0.80	\$0.80
(3) Renewable Energy Growth Program Charge	\$1.90	\$1.90
(4) Distribution Charge (per kWh)	\$0.04496	\$0.04496
(5) Operating & Maintenance Expense Reconciliation Factor	\$0.00212	\$0.00212
(6) CapEx Factor Charge	\$0.00396	\$0.00396
(7) CapEx Reconciliation Factor	\$0.00071	\$0.00071
(8) Revenue Decoupling Adjustment Factor	\$0.00118	\$0.00118
(9) Pension Adjustment Factor	\$0.00005	\$0.00005
(10) Storm Fund Replenishment Factor	\$0.00288	\$0.00288
(11) Acreage Management Adjustment Factor	\$0.00015	\$0.00015
(12) Performance Incentive Factor	\$0.00005	\$0.00005
(13) Low Income Discount Recovery Factor	\$0.00000	\$0.00000
(14) Long-term Contracting for Renewable Energy Charge	\$0.00931	\$0.00931
(15) Net Metering Charge	\$0.00266	\$0.00266
(16) Base Transmission Charge	\$0.03996	\$0.03996
(17) Transmission Adjustment Factor	(\$0.00189)	(\$0.00189)
(18) Transmission Uncollectible Factor	\$0.00038	\$0.00038
(19) Base Transition Charge	(\$0.0074)	(\$0.0074)
(20) Transition Adjustment	(\$0.0008)	(\$0.0008)
(21) Energy Efficiency Program Charge	\$0.01353	\$0.01353
(22) Standard Offer Service Base Charge	\$0.07497	\$0.07497
(23) S05 Adjustment Factor	(\$0.00294)	(\$0.00294)
(24) S05 Administrative Cost Adjustment Factor	\$0.00230	\$0.00230
(25) Renewable Energy Standard Charge	\$0.00866	\$0.00866

Rates Effective October 1, 2020

Line Item on Bill	(w)	(x)
(27) Customer Charge	\$4.00	\$4.00
(28) LIHEAP Enhancement Charge	\$0.80	\$0.80
(29) RE Growth Program	\$1.90	\$1.90
(30) Distribution Charge	\$0.02945	\$0.02945
(31) Distribution Energy Charge	\$0.05588	\$0.05588
(32) Transition Charge	(\$0.00082)	(\$0.00082)
(33) Energy Efficiency Programs	\$0.01353	\$0.01353
(34) Renewable Energy Distribution Charge	\$0.01197	\$0.01197
(35) Supply Services Energy Charge	\$0.08299	\$0.08299
(36) Discount percentage	25%	25%

Column (w): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2015 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2015 effective 7/1/2020
Column (x): Line (6) per ASC-3 Compliance, Page 1 Line (5), Line (8) per ASC-2 Compliance, Page 1, Line (10); all other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2015 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2015 effective 7/1/2020

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

Monthly kWh (a)	Rates Effective July 1, 2020			Compliance Rates effective October 1, 2020			\$ Increase (Decrease)			Increase (Decrease) % of Total Bill			Percentage of Customers (n)
	Delivery Services (b)	Supply Services (c)	Total (e)	Delivery Services (b)	Supply Services (c)	Total (e)	Delivery Services (f)	Supply Services (g)	Total (i)	Delivery Services (j)	Supply Services (k)	Total (m)	
250	\$40.64	\$19.41	\$62.55	\$40.69	\$19.41	\$62.50	\$0.05	\$0.00	\$0.05	0.1%	0.0%	0.1%	56.3%
500	\$67.53	\$38.82	\$110.78	\$67.64	\$38.82	\$110.90	\$0.11	\$0.00	\$0.12	0.1%	0.0%	0.1%	16.9%
1,000	\$121.31	\$77.64	\$207.24	\$121.52	\$77.64	\$207.46	\$0.21	\$0.00	\$0.22	0.1%	0.0%	0.1%	8.1%
1,500	\$175.09	\$116.46	\$303.70	\$175.41	\$116.46	\$304.03	\$0.32	\$0.00	\$0.33	0.1%	0.0%	0.1%	5.0%
2,000	\$228.87	\$155.28	\$400.16	\$229.29	\$155.28	\$400.59	\$0.42	\$0.00	\$0.43	0.1%	0.0%	0.1%	13.6%

Rates Effective July 1, 2020 Compliance Rates effective October 1, 2020

Line Item on Bill	July 1, 2020 (o)	October 1, 2020 (p)	Line Item on Bill	July 1, 2020 (q)	October 1, 2020 (r)
(1) Distribution Customer Charge	\$10.00	\$10.00	Customer Charge	\$10.00	\$10.00
(2) LIHEAP Enhancement Charge	\$0.80	\$0.80	LIHEAP Enhancement Charge	\$0.80	\$0.80
(3) Renewable Energy Growth Program Charge	\$2.95	\$2.95	RE Growth Program	\$2.95	\$2.95
(4) Distribution Charge (per kWh)	\$0.04400	\$0.04400		\$0.04400	\$0.04400
(5) Operating & Maintenance Expense Charge	\$0.00212	\$0.00212		\$0.00212	\$0.00212
(6) Operating & Maintenance Expense Reconciliation Factor	(\$0.00008)	(\$0.00008)		(\$0.00002)	(\$0.00002)
(7) CapEx Factor Charge	\$0.00339	\$0.00339		\$0.00339	\$0.00339
(8) CapEx Reconciliation Factor	\$0.00074	\$0.00074		\$0.00085	\$0.00085
(9) Revenue Decoupling Adjustment Factor	\$0.00118	\$0.00118	Distribution Energy Charge	\$0.00118	\$0.00118
(10) Pension Adjustment Factor	(\$0.00005)	(\$0.00005)		(\$0.00005)	(\$0.00005)
(11) Storm Fund Replenishment Factor	\$0.00288	\$0.00288		\$0.00288	\$0.00288
(12) Arrearage Management Adjustment Factor	\$0.00015	\$0.00015		\$0.00015	\$0.00015
(13) Performance Incentive Factor	\$0.00005	\$0.00005		\$0.00005	\$0.00005
(14) Low Income Discount Recovery Factor	\$0.00176	\$0.00176		\$0.00176	\$0.00176
(15) Long-term Contracting for Renewable Energy Charge	\$0.00931	\$0.00931	Renewable Energy Distribution Charge	\$0.00931	\$0.00931
(16) Net Metering Charge	\$0.00266	\$0.00266		\$0.00266	\$0.00266
(17) Base Transmission Charge	\$0.03110	\$0.03110		\$0.03110	\$0.03110
(18) Transmission Adjustment Factor	(\$0.00467)	(\$0.00467)	Transmission Charge	(\$0.00467)	(\$0.00467)
(19) Transmission Uncollectible Factor	\$0.00031	\$0.00031		\$0.00031	\$0.00031
(20) Base Transition Charge	(\$0.00074)	(\$0.00074)	Transition Charge	(\$0.00074)	(\$0.00074)
(21) Transition Adjustment	(\$0.00008)	(\$0.00008)	Energy Efficiency Programs	(\$0.00008)	(\$0.00008)
(22) Energy Efficiency Program Charge	\$0.01353	\$0.01353		\$0.01353	\$0.01353
(23) Standard Offer Service Base Charge	\$0.06580	\$0.06580		\$0.06580	\$0.06580
(24) SOS Adjustment Factor	\$0.00094	\$0.00094	Supply Services Energy Charge	\$0.00094	\$0.00094
(25) SOS Administrative Cost Adjustment Factor	\$0.00224	\$0.00224		\$0.00224	\$0.00224
(26) Renewable Energy Standard Charge	\$0.00866	\$0.00866		\$0.00866	\$0.00866

Line Item on Bill	July 1, 2020 (o)	October 1, 2020 (p)	Line Item on Bill	July 1, 2020 (q)	October 1, 2020 (r)
(27) Customer Charge	\$10.00	\$10.00		\$10.00	\$10.00
(28) LIHEAP Enhancement Charge	\$0.80	\$0.80		\$0.80	\$0.80
(29) RE Growth Program	\$2.95	\$2.95		\$2.95	\$2.95
(30) Transmission Charge	\$0.02674	\$0.02674		\$0.02674	\$0.02674
(31) Distribution Energy Charge	\$0.05614	\$0.05614		\$0.05635	\$0.05635
(32) Transition Charge	(\$0.00082)	(\$0.00082)		(\$0.00082)	(\$0.00082)
(33) Energy Efficiency Programs	\$0.01353	\$0.01353		\$0.01353	\$0.01353
(34) Renewable Energy Distribution Charge	\$0.01197	\$0.01197		\$0.01197	\$0.01197
(35) Supply Services Energy Charge	\$0.07764	\$0.07764		\$0.07764	\$0.07764

Column (o): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
 Column (p): Line (6) per ASC-3 Compliance, Page 1, Line (5); Line (8) per ASC-2 Compliance, Page 1, Line (10); all other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020

The Narragansett Electric Company
Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G&Z Rate Customers

Rates Effective July 1, 2020			Compliance Rates effective October 1, 2020			\$ Increase (Decrease)			Increase (Decrease) % of Total Bill				
kW	Monthly Power Hours Use kWh	Delivery Services (b)	Supply Services (c)	GET (d)	Total (e)	Delivery Services (f)	Supply Services (g)	GET (h)	Total (i)	Delivery Services (j)	Supply Services (k)	GET (l)	Total (m)
20	200	\$522.11	\$310.56	\$34.69	\$867.36	\$522.75	\$310.56	\$34.72	\$868.03	\$0.64	\$0.00	\$0.03	\$0.67
50	200	\$1,160.45	\$776.40	\$80.70	\$2,017.55	\$1,162.05	\$776.40	\$80.77	\$2,019.22	\$1.60	\$0.00	\$0.07	\$1.67
100	200	\$2,234.35	\$1,552.80	\$157.38	\$3,944.53	\$2,237.55	\$1,552.80	\$157.51	\$3,937.86	\$3.20	\$0.00	\$0.13	\$3.33
150	200	\$3,288.25	\$2,329.20	\$234.06	\$5,851.51	\$3,293.05	\$2,329.20	\$234.26	\$5,856.51	\$4.80	\$0.00	\$0.16	\$5.00
20	300	\$613.99	\$465.84	\$44.99	\$1,124.82	\$614.95	\$465.84	\$45.03	\$1,125.82	\$0.96	\$0.00	\$0.04	\$1.00
50	300	\$1,390.15	\$1,164.60	\$106.45	\$2,661.20	\$1,392.55	\$1,164.60	\$106.55	\$2,663.70	\$2.40	\$0.00	\$0.10	\$2.50
100	300	\$2,683.75	\$2,329.20	\$208.87	\$5,221.82	\$2,688.55	\$2,329.20	\$209.07	\$5,226.82	\$4.80	\$0.00	\$0.20	\$5.00
150	300	\$3,977.35	\$3,493.80	\$311.30	\$7,782.45	\$3,984.55	\$3,493.80	\$311.60	\$7,789.95	\$7.20	\$0.00	\$0.20	\$7.50
20	400	\$705.87	\$621.12	\$55.29	\$1,382.28	\$707.15	\$621.12	\$55.34	\$1,383.61	\$1.28	\$0.00	\$0.05	\$1.33
50	400	\$1,619.85	\$1,452.80	\$132.19	\$3,204.84	\$1,623.05	\$1,452.80	\$132.33	\$3,208.18	\$3.20	\$0.00	\$0.14	\$3.34
100	400	\$3,143.15	\$3,105.60	\$260.36	\$6,509.11	\$3,149.55	\$3,105.60	\$260.63	\$6,515.78	\$6.40	\$0.00	\$0.27	\$6.67
150	400	\$4,666.45	\$4,658.40	\$388.54	\$9,713.39	\$4,676.05	\$4,658.40	\$388.94	\$9,723.39	\$9.60	\$0.00	\$0.40	\$10.00
20	500	\$797.75	\$776.40	\$65.59	\$1,639.74	\$799.35	\$776.40	\$65.66	\$1,641.41	\$1.60	\$0.00	\$0.07	\$1.67
50	500	\$1,849.55	\$1,941.00	\$157.94	\$3,948.49	\$1,853.55	\$1,941.00	\$158.11	\$3,952.66	\$4.00	\$0.00	\$0.17	\$4.17
100	500	\$3,602.55	\$3,882.00	\$311.86	\$7,796.41	\$3,610.55	\$3,882.00	\$312.19	\$7,804.74	\$8.00	\$0.00	\$0.33	\$8.33
150	500	\$5,355.55	\$5,823.00	\$465.77	\$11,644.32	\$5,367.55	\$5,823.00	\$466.27	\$11,656.82	\$12.00	\$0.00	\$0.50	\$12.50
20	600	\$889.63	\$931.68	\$75.89	\$1,897.20	\$891.55	\$931.68	\$75.97	\$1,899.20	\$1.92	\$0.00	\$0.08	\$2.00
50	600	\$2,079.25	\$2,329.20	\$183.69	\$4,592.14	\$2,084.05	\$2,329.20	\$183.89	\$4,597.14	\$4.80	\$0.00	\$0.20	\$5.00
100	600	\$4,061.95	\$4,658.40	\$363.35	\$9,083.70	\$4,071.55	\$4,658.40	\$363.75	\$9,093.70	\$9.60	\$0.00	\$0.40	\$10.00
150	600	\$6,044.65	\$6,987.60	\$543.01	\$13,575.26	\$6,059.05	\$6,987.60	\$543.61	\$13,590.26	\$14.40	\$0.00	\$0.60	\$15.00

Rates Effective July 1, 2020			Compliance Rates effective October 1, 2020			Line Item on Bill		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
(1) Distribution Customer Charge	\$145.00			\$145.00			Customer Charge	
(2) LIHEAP Enhancement Charge	\$0.80			\$0.80			LIHEAP Enhancement Charge	
(3) Renewable Energy Growth Program Charge	\$279.95			\$279.95			RE Growth Program	
(4) Base Distribution Demand Charge (per kW > 10kW)	\$67.75			\$67.75			Distribution Demand Charge	
(5) CapEx Factor Demand Charge (per kW > 10kW)	\$0.97			\$0.97				
(6) Distribution Charge (per kWh)	\$0.00465			\$0.00465				
(7) Operating & Maintenance Expense Charge	\$0.00169			\$0.00169				
(8) Revenue & Maintenance Expense Reconciliation Factor	(\$0.00008)			(\$0.00008)				
(9) CapEx Recoupling Adjustment Factor	\$0.00058			\$0.00058				
(10) Revenue Decoupling Adjustment Factor	\$0.00118			\$0.00118			Distribution Energy Charge	
(11) Pension Adjustment Factor	(\$0.00005)			(\$0.00005)				
(12) Storm Fund Replenishment Factor	\$0.00288			\$0.00288				
(13) Average Management Adjustment Factor	\$0.00015			\$0.00015				
(14) Performance Incentive Factor	\$0.00005			\$0.00005				
(15) Low Income Discount Recovery Factor	\$0.00176			\$0.00176				
(16) Non-term Contracting for Renewable Energy Charge	\$0.00974			\$0.00974			Renewable Energy Distribution Charge	
(17) Non-term Contracting for Renewable Energy Charge	\$0.00264			\$0.00264			Transmission Demand Charge	
(18) Base Transmission Charge	\$4.37			\$4.37			Transmission Adjustment	
(19) Base Transmission Charge	\$0.01214			\$0.01214			Transmission Adjustment	
(20) Transmission Unrecoverable Factor	(\$0.00389)			(\$0.00389)			Transmission Charge	
(21) Transmission Unrecoverable Factor	\$0.00030			\$0.00030			Energy Efficiency Programs	
(22) Base Transition Charge	(\$0.00074)			(\$0.00074)			Supply Services Energy Charge	
(23) Transition Adjustment	(\$0.00008)			(\$0.00008)				
(24) Energy Efficiency Program Charge	\$0.01353			\$0.01353				
(25) Standard Offer Service Base Charge	\$0.06580			\$0.06580				
(26) SOG Adjustment Factor	\$0.00094			\$0.00094				
(27) SOG Administrative Cost Adjustment Factor	\$0.00224			\$0.00224				
(28) Renewable Energy Standard Charge	\$0.00866			\$0.00866				

Column (a) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (b) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (c) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (d) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (e) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (f) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (g) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (h) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020
Column (i) per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 7/1/2020, and Summary of Rates Standard Offer Service tariff, R.I.P.U.C. No. 2096, effective 7/1/2020

