

The Narragansett Electric Company
d/b/a National Grid

Distribution Adjustment Charge Filing

Testimony and Schedules of
Ryan M. Scheib, Michael J. Pini,
Jeffrey D. Oliveira, James H. Allen,
and Melissa A. Little

August 3, 2020

Submitted to:
Rhode Island Public Utilities Commission
RIPUC Docket No. 5040

Submitted by:

nationalgrid



August 3, 2020

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 5040 - 2020 Distribution Adjustment Charge (DAC)

Dear Ms. Massaro:

In accordance with the provisions of the Distribution Adjustment Clause of National Grid's¹ gas tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, enclosed please find 10 copies of National Grid's annual Distribution Adjustment Charge (DAC) filing. The DAC was established in Docket No. 3401 to provide for the recovery and reconciliation of the costs of identifiable special programs. Thus, the DAC is comprised of several factors relative to those specific programs.²

The 2020 DAC includes rate-specific Infrastructure, Safety, and Reliability (ISR) reconciliation factors based on the reconciliation of the fiscal year (FY) 2020 revenue requirement contained in National Grid's FY 2020 Gas ISR Plan Reconciliation filing submitted today under separate cover in Docket No. 4916, and revenue billed through the ISR Plan factors during the same period. Additionally, the proposed 2020 DAC includes a Revenue Decoupling Adjustment (RDA) factor to reconcile actual revenue-per-customer by rate class with the target revenue-per-customer as set forth in National Grid's annual Revenue Decoupling Mechanism filing that National Grid submitted on July 1, 2020, pursuant to the RDA factor approved by the Public Utilities Commission (PUC) in Docket No. 4206.

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

² The DAC includes a System Pressure factor; an Advanced Gas Technology factor; an Environmental Response Cost factor; a Pension Adjustment Factor; an Arrearage Management Adjustment Factor, a Service Quality Performance factor; a Revenue Decoupling Adjustment factor; rate-class specific Infrastructure, Safety, and Reliability factors; an Earnings Sharing Mechanism factor; a Low Income Discount Recovery Factor; two Reconciliation factors for last year's DAC factors; and a Storm Net Revenue Factor.

Luly E. Massaro, Commission Clerk
Docket 5040 – 2020 Distribution Adjustment Clause
August 3, 2020
Page 2 of 2

Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2121 or Jennifer Brooks Hutchinson at 401-784-7288.

Sincerely,



Raquel J. Webster



Jennifer Brooks Hutchinson

cc: Docket 5040 Service List
Leo Wold Esq.
John Bell, Division
Al Mancini, Division

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET NO. 5040
DISTRIBUTION ADJUSTMENT CHARGE FILING
WITNESS: RYAN M. SCHEIB & MICHAEL J. PINI
AUGUST 3, 2020**

JOINT PRE-FILED DIRECT TESTIMONY

OF

RYAN M. SCHEIB

AND

MICHAEL J. PINI

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1 **I. Introduction and Qualifications of Ryan M. Scheib**

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

3 A. My name is Ryan M. Scheib. My business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

5

6 **Q. What is your position at National Grid and responsibilities within that position?**

7 A. I am an Analyst in the New England Gas Pricing group employed by National Grid USA
8 Service Company, Inc (“Service Company”). In this position, I am responsible for
9 preparing and submitting various regulatory filings with the Rhode Island Public Utilities
10 Commission (“PUC”) on behalf of The Narragansett Electric Company d/b/a National
11 Grid (the “Company” or “National Grid”).

12

13 **Q. Please provide your educational background.**

14 A. I received a Bachelor of Science in Finance from University of Delaware in 2016.

15

16 **Q. Please provide your professional background.**

17 A. In 2016, I joined National Grid as an Associate Analyst in the New England Gas Pricing
18 group. In 2018, I was promoted to Analyst.

19

1 **Q. Have you previously testified before the PUC?**

2 A. Yes. I have testified before the PUC regarding the Company's Distribution Adjustment
3 Charge filing in Docket No. 4955 and the Company's FY 2021 Gas Infrastructure,
4 Safety, and Reliability Plan filing in Docket No. 4996.

5

6 **II. Introduction and Qualifications of Michael J. Pini**

7 **Q. Please state your name and business address.**

8 A. My name is Michael J. Pini and my business address is 40 Sylvan Road, Waltham,
9 Massachusetts 02451.

10

11 **Q. What is your position at National Grid and responsibilities within that position?**

12 A. I am a Lead Program Manager in the New England Pricing department for the Service
13 Company. My responsibilities include the design, implementation, and administration of
14 rates and tariffs for the gas division of the Company and its Massachusetts affiliate,
15 Boston Gas Company, d/b/a National Grid.

16

17 **Q. Please provide your educational background.**

18 A. I earned a Bachelor of Science in Economics and Finance from Bentley University in
19 2010.

1 **Q. Please provide your professional background.**

2 A. In 2009, I joined National Grid USA as an intern in the Support Services function within
3 Gas Operations department. In 2010, I became an Associate Analyst in the Regulatory
4 Compliance department. In 2011, I joined the New England Electric Pricing group and
5 was promoted to Analyst in 2012. In 2013, my responsibilities changed to supporting
6 Boston Gas Company and the former Colonial Gas Company and, in 2014, I was
7 promoted to Senior Analyst in the same capacity. In 2017, I was promoted to Lead
8 Program Manager, supporting the New England electric and gas operating companies.

9

10 **Q. Have you previously testified before the PUC?**

11 A. Yes. I have testified before the PUC in support of the Company's FY 2020
12 Infrastructure, Safety and Reliability Plan filing in Docket No. 4916, its Excess
13 Accumulated Deferred Income Tax True-Up filing in Docket No. 4770, and the
14 Company's 2019 Gas Cost Recovery filing in Docket No. 4963. Additionally, I have
15 testified before the Massachusetts Department of Public Utilities on several occasions in
16 support of the Gas System Enhancement Plans for Boston Gas Company and the former
17 Colonial Gas Company.

18

1 **III. Purpose of Testimony**

2 **Q. What is the purpose of your joint testimony?**

3 A. The purpose of our testimony is to describe the reconciliation of the various components
4 of the Distribution Adjustment Clause (“DAC”) and to propose new factors to become
5 effective November 1, 2020. This filing is submitted pursuant to the Company’s
6 currently effective tariff, R.I.P.U.C. NG-GAS No. 101, at Section 3, Schedule A
7 (“DAC Provision”).
8

9 **Q. Are you sponsoring any schedules with your testimony?**

10 A. Yes. We are sponsoring the following schedules with our testimony:

- 11 • Schedule RMS/MJP-1 Summary of DAC Factors
- 12 • Schedule RMS/MJP-2 System Pressure Factor
- 13 • Schedule RMS/MJP-3 Advanced Gas Technology Factor
- 14 • Schedule RMS/MJP-4 Environmental Response Cost Factor
- 15 • Schedule RMS/MJP-5 Pensions and Postretirement Benefits Other than
16 Pension Adjustment Factor
- 17 • Schedule RMS/MJP-6 Arrearage Management Adjustment Factor
- 18 • Schedule RMS/MJP-7 Revenue Decoupling Adjustment Factor
- 19 • Schedule RMS/MJP-8 Infrastructure, Safety, and Reliability Reconciliation
20 Factors
- 21 • Schedule RMS/MJP-9 Service Quality Performance Factor
- 22 • Schedule RMS/MJP-10 Reconciliation Factors

- 1 • Schedule RMS/MJP-11 Reconciliations for FY 20
- 2 • Schedule RMS/MJP-12 Earnings Sharing Mechanism Factor
- 3 • Schedule RMS/MJP-13 Low Income Discount Recovery Factor
- 4 • Schedule RMS/MJP-14 Storm Net Revenue Factor

5

6 **IV. DAC Summary**

7 **Q. Please provide an overview of the DAC and its components.**

8 A. The DAC was established in Docket No. 3401 to provide for the recovery and
9 reconciliation of the costs of special programs. As described in the Company’s DAC
10 Provision, the DAC includes the following components: an annual System Pressure
11 factor; an Advanced Gas Technology (“AGT”) factor; an Environmental Response Cost
12 factor; a Pension Adjustment Factor; an Arrearage Management Adjustment Factor; a
13 Service Quality Performance factor; a Revenue Decoupling Adjustment (“RDA”) factor;
14 rate class specific Infrastructure, Safety, and Reliability (“ISR”) factors; an Earnings
15 Sharing Mechanism factor; a Low Income Discount Recovery Factor; two Reconciliation
16 factors for last year’s DAC factors, and a Storm Net Revenue factor.

17

18 **Q. What is the Company proposing for its DAC factors?**

19 A. As in prior years, the proposed DAC factors are not final at the time of the initial filing
20 because certain underlying data for the development of all of the component factors is not

1 yet available. Based upon the data that is available, the preliminary rates (including ISR
2 rates that became effective on April 1, 2020) are shown in Schedule RMS/MJP-1.

3 As discussed later in our testimony, the Company will supplement this filing with
4 updated information in a supplemental DAC filing on or around September 1, 2020. The
5 supplemental DAC filing will incorporate all proposed DAC factors and include a bill
6 impact analysis to reflect the final proposed DAC factors. Consistent with the
7 Company's DAC Provision, the proposed DAC factors will become effective with
8 consumption beginning November 1, 2020.

9
10 **V. DAC Component Details**

11 **1. System Pressure**

12 **Q. What is the System Pressure component of the DAC?**

13 A. Maintaining proper operating pressure of the Company's distribution system requires the
14 occasional use of various Company facilities. Historically, the Company relied on the
15 use of its liquefied natural gas ("LNG") facilities to maintain system pressure. Pursuant
16 to Docket No. 4846, the Company will determine on an annual basis whether any LNG-
17 related costs should be recovered through the System Pressure factor.

18

1 **Q. Has the Company made any changes to the costs that will be reallocated and**
2 **recovered through the System Pressure factor?**

3 A. The Company has discussed some changes to the System Pressure factor with the Rhode
4 Island Division of Public Utilities and Carriers and will provide more detail in its
5 Supplemental DAC filing.

6
7 **Q. Will the Company provide a System Pressure factor in this filing?**

8 A. No. The Company will file its System Pressure cost and proposed factor as part of its
9 September 1 Supplemental DAC filing concurrent with the Company's Gas Cost
10 Recovery ("GCR") filing when hourly peaking asset costs are known. Therefore,
11 Schedule RMS/MJP-2 in this filing is a placeholder for the System Pressure factor to be
12 proposed on September 1.

13

14 **2. AGT Program**

15 **Q. What is the AGT Program?**

16 A. The AGT Program was established in Docket No. 2025 to promote the development of
17 energy-efficient natural gas technologies that increase utilization of natural gas during
18 periods of low demand. Increased off-peak usage reduces the unit cost of the gas
19 delivery system for all customers by generating distribution revenue to support fixed
20 costs associated with resources needed during peak periods. The AGT Program provides
21 rebates for technologies such as combined heat and power ("CHP") systems, natural gas-

1 powered fleet vehicles, chilling systems, electrical generators, process heating, desiccant
2 dehumidifiers, and residential high efficiency space heating equipment.

3
4 **Q. Please provide an update with respect to the AGT Program’s rebate activity over**
5 **the past year.**

6 A. The Company has not paid any additional rebates to customers in Fiscal Year (“FY”)
7 2020 (the year ending March 2020).

8
9 **Q. What level of funds is available for new AGT Program projects in 2020-21?**

10 A. As shown on Schedule RMS/MJP-3, Page 2, at the end of March 2020, the AGT Program
11 had a balance of \$713,040. In addition, consistent with the DAC Settlement in Docket
12 No. 4339, the balance does not include interest earned of \$21,498 calculated for the 12-
13 month period April 2019 through March 2020 because interest on the balance is credited
14 to customers through the DAC’s reconciliation factor. See Schedule RMS/MJP-3, Page
15 2, for the calculation of interest and Schedule RMS/MJP-10, Page 1, Line (16), for the
16 crediting of this amount to customers.

17
18 **Q. What is the Company proposing for recovery for the AGT Program this year?**

19 A. For 2020-21, the Company is not proposing additional funding through the DAC and is
20 therefore not proposing an AGT factor in the DAC, as shown on Schedule RMS/MJP-3,
21 Page 1.

1 **3. Environmental Response Costs**

2 **Q. What is the purpose of the Environmental Response Cost factor?**

3 A. The Environmental Response Cost factor is designed to provide the Company with
4 recovery of its reasonable and prudently incurred costs for evaluation, remediation, and
5 clean-up of sites associated with the Company’s ownership and/or operation of
6 manufactured gas plants (“MGP”), manufactured gas storage facilities, and MGP-related
7 off-site waste disposal locations. In addition, the Environmental Response Costs factor
8 includes recovery of environmental costs for removing and replacing mercury regulators
9 and addressing meter disposal issues, among other work.

10
11 **Q. Please describe the proposed Environmental Response Costs factor.**

12 A. Consistent with the Company’s DAC Provision at Item 3.4, the Environmental Response
13 Costs factor reflects recovery of the 10-year amortization of annual environmental
14 response costs in excess of the annual amount recovered in base distribution rates. As
15 shown on Schedule RMS/MJP-4, Page 1, the proposed Environmental Response Costs
16 factor reflects annual amortization of \$2,271,315 for the period April 2020 through
17 March 2021 that would be recovered over the 12 months beginning November 2020. A
18 yearly breakdown of this amortization is provided on Pages 2 and 3 of Schedule
19 RMS/MJP-4. Environmental project-specific expenses for the 12 months ending
20 March 31, 2020 are provided on Page 4 of Schedule RMS/MJP-4. In-depth descriptions
21 of the environmental projects and FY 2020 activities are included in the annual

1 Environmental Report filed with the PUC on July 24, 2020. The Company currently
2 recovers \$1,310,000 annually for environmental costs in base distribution rates. Netting
3 the annual base rate allowance of \$1,310,000 against the amortization expenses of
4 \$2,271,315 results in environmental costs of \$961,315 to be recovered from customers
5 over the period November 2020 through October 2021 through the DAC. This amount is
6 divided by forecasted throughput of 39,648,231 dekatherms for the 12-month period and
7 divided by 10 to derive a factor of \$0.0024 per therm.

8
9 **4. Pension and PBOP Costs**

10 **Q. What do the Pension and Postretirement Benefits Other than Pensions (“PBOP”)**
11 **reconciliation entail?**

12 A. In accordance with the Company’s DAC Provision at Item 3.5, the Pension Adjustment
13 Factor is designed to recover from or credit to customers the prior year’s reconciliation
14 balance that results from the comparison of the Company’s actual Pension and PBOP
15 expenses to the Company’s Pension and PBOP allowances included in base distribution
16 rates, plus carrying charges. The adjustment factor is based on this difference.

17
18 **Q. Is the Company providing Pension and PBOP costs in this filing?**

19 A. Yes. The schedules that present the reconciliation of the Company’s actual Pension and
20 PBOP expenses and the base rate allowances for the 12-month period ending March 31,
21 2020 are included in the direct pre-filed testimony and schedules of Company witnesses

1 Jeffrey D. Oliveira and James H. Allen included in this filing. Mr. Oliveira and Mr.
2 Allen support the derivation of such amounts. Based on the amounts determined by Mr.
3 Oliveira and Mr. Allen, the Pension Adjustment Factor is a surcharge of \$0.0022 per
4 therm and is calculated by dividing the net under-recovery of actual Pension and PBOP
5 expenses by the forecasted throughput of 39,648,231 dekatherms for the 12 months
6 beginning November 1, 2020. This result is then divided by 10 to derive a per-therm
7 factor, as shown on Schedule RMS/MJP-5, Page 1.

8
9 **5. Arrearage Management Program Costs**

10 **Q. What is the purpose of the Arrearage Management Adjustment Factor (“AMAF”)?**

11 A. The proposed AMAF is designed to recover the forgiven arrears associated with the
12 Arrearage Management Program (“AMP”) participants who have not satisfied the
13 conditions of R.I. Gen. Laws § 39-2-1(d)(2) in the calendar year. The AMAF also
14 recovers arrears for customers who have successfully satisfied the conditions of R.I. Gen.
15 Laws § 39-2-1(d)(2), which is subject to the bad debt test prescribed in the AMP
16 Provision in the Company’s tariff, R.I.P.U.C. NG-GAS No. 101, Section 7, Schedule C,
17 Sheets 6-11 (the “AMP Provision”).

18

1 **Q. Please describe the Company’s calculation of the amount of recoverable arrearage**
2 **forgiveness.**

3 A. Pursuant to Section XII of the AMP Provision, at the end of each calendar year ending
4 December 31, the Company is required to perform the calculation of the amount of
5 arrearage forgiveness eligible for recovery for that year. The arrearage amounts eligible
6 for recovery consists of the following two components: (1) amounts forgiven for AMP
7 participants who did not successfully complete the AMP; and (2) amounts forgiven for
8 AMP participants who successfully completed the AMP, which is subject to a bad debt
9 test (discussed in more detail later in our testimony).

10

11 **Q. Has the Company prepared such a calculation for calendar year 2019?**

12 A. Yes, the calendar year (“CY”) 2019 calculation of recoverable arrearage forgiveness is
13 presented in Schedule RMS/MJP-6.

14

15 **Q. What does the Company mean when it refers to a customer who has not successfully**
16 **completed the AMP, or an “unsuccessful participant”?**

17 A. The AMP Provision sets forth several reasons why an AMP participant may be deemed
18 unsuccessful, such as:

19 a. An AMP participant who misses more than two payments of the 12-month
20 payment plan.

1 b. An AMP participant who does not pay the entire amount due under the 12-month
2 payment by the conclusion of the 12 months.

3 c. An AMP participant who opts out of the payment plan prior to its conclusion.

4 d. An AMP participant who moves out of the Company's service territory prior to
5 the conclusion of the payment plan.

6
7 **Q. What is the ratemaking treatment for amounts forgiven for unsuccessful AMP**
8 **participants?**

9 A. Section XI (Cost Recovery), subsection i., of the AMP Provision provides as follows: "If
10 a customer does not satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), the amount
11 of arrearage forgiven by the Company to that point shall remain forgiven and be written
12 off by the Company. However, the amount of arrearage forgiven by the Company is
13 recoverable in full."

14
15 **Q. How much arrearage did the Company forgive for unsuccessful AMP participants**
16 **in CY 2019?**

17 A. As shown on Schedule RMS/MJP-6, Page 2, Lines (11) and (12), the Company forgave a
18 total of \$382,691 in arrearages during CY 2019 for unsuccessful participants. Of that
19 amount, \$331,198 was due to participants who defaulted from the AMP, and an
20 additional \$51,494 was due to customers who voluntarily opted out of the AMP prior to
21 successful completion.

1 **Q. What constitutes a successful participant under the AMP?**

2 A. A successful AMP participant is a participating customer who pays the full balance of his
3 or her payment plan within the 12-month period, or whose payment plan has been
4 extended beyond the initial 12-month period.

5

6 **Q. What is the ratemaking treatment for amounts of arrearage forgiven for successful
7 AMP participants?**

8 A. Section XI (Cost Recovery), subsection ii., of the AMP Provision currently provides as
9 follows: “If a customer does satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), all
10 arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year,
11 the Company will perform a test to determine if the amount of bad debt for the year
12 exceeds the adjusted allowable bad debt from the Company’s most recent general rate
13 case. This adjusted allowable bad debt will be calculated using the distribution
14 uncollectible amount determined in the last general rate case, updated for the current
15 calendar year GCR, DAC, and energy efficiency-related bad debt. Should the actual
16 amount of bad debt incurred by the Company for the year exceed this adjusted allowable
17 bad debt amount, the Company will be entitled to recover, in the following year, all
18 amounts of arrearage forgiven under R.I. Gen. Laws § 39-2-1(d)(2)(xiv) in the prior year
19 in excess of the allowable bad debt. If, however, the amount of the arrearage forgiven
20 under § 39-2-1(d)(2)(xiv) in excess of the adjusted allowable bad debt for a given year is
21 not significant enough to calculate an annual reconciling factor for that year, the

1 Company may reflect such amount in its next Revenue Decoupling Mechanism
2 reconciliation filing.”

3

4 **Q. How much arrearage was forgiven in CY 2019 for successful AMP participants?**

5 A. Schedule RMS/MJP-6 at Page 2, Line (9) shows that a total of \$217,744 of arrears was
6 forgiven for successful participants in CY 2019.

7

8 **Q. How much of the arrearage forgiven for successful AMP participants is for
9 allowable recovery after performing the bad debt test?**

10 A. Schedule RMS/MJP-6 at Page 2, Line (8) demonstrates that the Company experienced
11 \$954,095 more bad debt in CY 2019 than the adjusted allowable bad debt of \$7,457,214¹
12 shown on Line (6). Therefore, all of the arrears forgiven for successful participants is
13 recoverable.

14

15 **Q. How was the CY 2019 AMAF calculated?**

16 A. As demonstrated in Schedule RMS/MJP-6 at Page 1, the Company divided the total
17 amount of recoverable arrearage forgiveness for CY 2019 of \$600,436 by the forecasted
18 dekatherms for November 2020 through October 2021, and then divided that total by 10,
19 resulting in the proposed AMAF of \$0.0015 per therm.

¹ The Company determined that the CY 2018 Net Write-offs provided in Docket No. 4955 were incorrect and should have been \$7,350,264 and not \$4,984,020. However, this revision would not change the amount of CY 18 Recoverable Arrearage Forgiveness Amount included in the DAC effective November 1, 2019.

1 **6. Service Quality Plan**

2 **Q. Please provide a brief description of the relationship between the Service Quality**
3 **Plan and the DAC.**

4 A. Pursuant to the Company’s Service Quality Plan, Docket No. 3476, the Company reports
5 the results of the service quality metrics on a quarterly basis and credits any resulting
6 penalty to customers through the DAC. The Company’s FY 2020 second quarter report
7 filed on March 11, 2020² indicates that the Company incurred penalties of \$75,000 for its
8 performance for Meter Testing during calendar year 2019,³ and \$92,383 for its second
9 quarter performance for Leak-Call Responsiveness-During Normal Business Hours, for a
10 total Service Quality Penalty amount of \$167,383. Therefore, the Company has proposed
11 a Service Quality Performance credit factor of \$0.0004 per therm to be credited to
12 customers effective November 1, 2020 as seen in Schedule RMS/MJP-9.

13
14 **Q. Has the Company incurred any other Service Quality Penalties in FY 2020?**

15 A. Yes. The Company’s FY 2020 second quarter report filed on March 11, 2020 indicates
16 the Company incurred a penalty for its performance for Leak-Call Responsiveness-After
17 Business Hours during FY 2020. However, on July 17, 2020, the Company filed with the
18 PUC a request for relief from its first quarter penalty due to issues related to the Gas
19 Business Enablement rollout. The Company also requested partial relief from its second

² The fiscal year for the Gas Service Quality Plan in Docket No. 3476 runs from July 1 through June 30.

³ The fiscal year 2020 second quarter report also serves as the calendar year annual report for the Meter Testing metric.

1 quarter penalty as a result of an exogenous and/or force majeure event in Docket No.
2 3476. At the time of this initial DAC filing, the PUC has not ruled on the Company's
3 request for relief from these penalties. Therefore, the Company has not included these
4 penalties in its calculation of the proposed Service Quality Performance factor. The
5 Company plans to update the Service Quality Performance factor in the supplemental
6 DAC filing the Company will file with the PUC on or around September 1, 2020 should
7 the PUC rule on the Company's request before September 1.

8
9 **7. Revenue Decoupling Adjustment**

10 **Q. What is the RDA component of the DAC?**

11 A. Pursuant to its DAC Provision, the Company operates under a Revenue Decoupling
12 Mechanism ("RDM"). The RDM provides for an annual reconciliation of actual base
13 revenue-per-customer by rate class against a benchmark revenue-per-customer. The
14 Company filed the FY 2020 RDM reconciliation with the PUC on July 1, 2020. As
15 shown on Schedule RMS/MJP-7, Page 1, the RDA identifies an under-recovery of
16 \$2,009,962 and a surcharge RDA factor of \$0.0069 per therm, calculated by dividing the
17 under-recovery by the throughput associated with the Residential and Small and Medium
18 Commercial and Industrial ("C&I") rate classes of 28,848,000 dekatherms and then
19 dividing the result by 10.

20

1 **8. Earnings Sharing Mechanism**

2 **Q. Is the Company reflecting an amount in the proposed DAC factors associated with**
3 **the Earnings Sharing Mechanism?**

4 A. Yes, the Company is proposing an ESM credit factor of \$0.0011 per therm, as shown in
5 Schedule RMS/MJP-12. As described in direct pre-filed testimony and schedules of
6 Company witness Melissa A. Little’s testimony, the Company’s Revised Gas Earnings
7 Report for the 12 months ending December 31, 2019, which the Company is submitting
8 with this filing, reflects a return on equity below the earnings sharing threshold.
9 However, the Company is also filing a Revised Earnings Sharing Report for the 12
10 months ending December 31, 2018, which replaces the earnings sharing calculation
11 originally submitted to the PUC in Docket No. 4955, which reflects a return on equity
12 above the earnings sharing threshold of \$357,976, plus the application of a tax true-up of
13 \$103,355, for a total of \$461,331 to be credited back to customers.

14
15 **9. ISR Plan Reconciliation**

16 **Q. What is the ISR Plan reconciliation?**

17 A. The reconciliation associated with the ISR Plan factors is designed to reconcile the actual
18 FY 2020 revenue requirement on actual cumulative capital investment and actual
19 operation and maintenance (O&M) expense covered by the ISR Plan with the revenue
20 billed through the ISR Plan factors. The Company submitted its FY 2020 ISR Plan
21 reconciliation filing for the Company’s gas business in Docket No. 4916 on August 3,

1 2020. In that filing, Company witness Melissa A. Little presented the actual FY 2020
2 revenue requirement on actual cumulative capital investment. In addition, the ISR Plan
3 reconciliation includes a final balance of the recovery of FY 2019 reconciliation balance
4 to capture any over- or under-billing of that amount.

5
6 **Q. How is the ISR Plan reconciliation reflected in this filing?**

7 A. The ISR Plan reconciliation set forth in Schedule RMS/MJP-8 results in a net over-
8 recovery of \$6,953. To derive the ISR reconciliation factor per rate class, the Company
9 allocated the FY 2020 revenue requirement on actual cumulative capital investment and
10 O&M to rate classes based on the rate base allocation from the Company's 2017 rate
11 case. This was then compared to billed revenue from the billing of the ISR Plan factors
12 by rate class to arrive at the over- or under-recovery of ISR Plan capital investment and
13 O&M expense by rate class in accordance with the Company's DAC Provision. The
14 Company then netted this amount against the balance at October 31, 2020 of the
15 reconciliation balance currently being recovered from customers through the ISR
16 reconciliation factors. The Company then divided the net amount for each rate class by
17 the forecasted throughput for each rate class. Schedule RMS/MJP-8 shows the ISR
18 reconciliation factors per rate class.

19

1 **10. Low Income Discount Recovery Factor**

2 **Q. Is the Company reflecting an amount in the proposed DAC factors associated with**
3 **the Low Income Discount Recovery Factor?**

4 A. No. To estimate the 25% total bill discounts eligible to low income customers, the
5 Company multiplies forecasted volumes for low income customers by base distribution
6 rates, DAC factors, and GCR factors proposed to be in effect. However, the annual GCR
7 factors will not be proposed until September 1, 2020 for effect on November 1, 2020.
8 Therefore, the Low Income Discount Recovery Factor will be calculated and proposed in
9 the supplemental DAC filing to be submitted on or around September 1, 2020. Schedule
10 RMS/MJP-13 in this filing is a placeholder for the Low Income Discount Recovery
11 Factor calculation, if applicable, on or around September 1.

12
13 **11. Storm Net Revenue Credit**

14 **Q. What is the purpose of the Storm Net Revenue Factor?**

15 A. The Storm Net Revenue Factor is designed to credit back to customers the value of
16 services performed by the Company's employees in other jurisdictions, including those
17 outside of National Grid USA operating companies' service territories, in accordance
18 with the provisions of Compliance Attachment 23 of the Amended Settlement Agreement
19 in Docket No. 4770.

20

1 **Q. Please describe the Company’s calculation of the Storm Fund Net Revenue amount**
2 **on Schedule RMS/MJP-14, Line (3).**

3 A. Pursuant to the Amended Settlement Agreement (“ASA”), Storm Net Revenue is defined
4 as the proceeds received or cost reductions achieved for base labor and non-incremental
5 labor overhead costs on all labor (i.e., not just base labor) charged for storm restoration
6 services provided to other utilities, whether affiliated or non-affiliated, less an amount
7 equal to 55.18 percent, which is the labor capitalization rate set in the Company’s general
8 rate case. In accordance with the ASA, the Company will credit customers 75 percent of
9 the Storm Net Revenue received by the Company.

10

11 **Q. Does the Company have any adjustments to the prior year credit?**

12 A. Yes. Last year was the first time the Company included a Storm Net Revenue Factor in
13 its DAC filing. That filing reflected mutual aid events covering the period February 2017
14 to March 2019. In that filing, the Company based the Storm Net Revenue Factor on total
15 labor overheads received, including a small amount of labor overheads. Specifically, this
16 included amounts received for payroll taxes and the 401K match were an incremental
17 cost to the Company and, therefore, should not have been credited to customers. As a
18 result, the Company is correcting the Storm Net Revenue Factor for the February 2017 to
19 March 2019 storm events that were included in last year’s factor to exclude these
20 amounts when calculating the amount subject to Storm Net Revenue. In addition, the
21 Company is including an additional event associated with the mutual aid assistance it

1 provided to Columbia Gas Company of Massachusetts during the Merrimack Valley gas
2 explosion incident. Although this was not the typical type of mutual aid that the
3 Company normally provides because it was not a storm-related event, the Company
4 believes that mutual aid services of this nature are consistent with the spirit of the
5 Company's settlement in Docket No. 4686. Therefore, the Company is including 75
6 percent of the non-incremental labor and non-incremental labor overheads that it received
7 for the mutual aid services provided in connection with the Merrimack Valley incident.
8 The correct amount of Storm Net Revenue the Company received for performing services
9 in other jurisdictions for February 2017 to March 2019 mutual aid events, considering
10 these adjustments, should have been \$611,480, not \$754,809, which is a reduction of
11 \$143,329.

12
13 **Q. Please describe the Company's calculation of the Storm Net Revenue amount on**
14 **Schedule RMS/MJP-14, Line (3).**

15 A. As seen on Line (1) in Schedule RMS/MJP-14, the Net Revenue the Company received
16 for performing storm response services in other jurisdictions is \$17,735 (\$161,062 for the
17 period of February 2017 through April 2020, less the downward adjustment of \$143,329
18 for the period ending March 2019) of which 75%, or \$13,302, is proposed to be credited
19 to customers. Since this amount is too small to derive a factor, the Company will include
20 the credit amount in next year's DAC filing to be included with any additional Storm Net
21 Revenue that the Company may realize during the upcoming year.

1 **VI. DAC Reconciliation**

2 **Q. What is the reconciliation component of the DAC?**

3 A. The reconciliation component of the DAC allows for the reconciliation of the actual
4 amounts approved to be reflected in the DAC factors from the prior year and revenue
5 billed through the DAC, along with a true-up for those items requiring a forecast of their
6 balances at October 31 in order to calculate the DAC factors for November 1. In this
7 filing, the individual items that are being reconciled fall into one of the following three
8 general groupings, which are rate class specific: (1) those associated with the
9 reconciliation of factors that are related to all rate classes; (2) those associated with the
10 reconciliation of factors that are specific to the Residential and Small and Medium C&I
11 rate classes; and (3) those associated with the reconciliation of factors related solely to
12 the Large and Extra Large rate classes.

13

14 A summary of the various items being reconciled is shown on Schedule RMS/MJP-10,
15 Page 1, Sections 1, 2, and 3.

16

17 **Q. What reconciliation components are applicable to all rate classes?**

18 A. The items applicable to all rate classes include those that are being reconciled on the
19 basis of the gas year, from November 2019 through October 2020. They include the
20 following components: (1) System Pressure reconciliation, (2) AGT reconciliation, (3)
21 Environmental Response Cost reconciliation, (4) Arrearage Management Program

1 reconciliation, (5) Pension reconciliation, (6) PBOP reconciliation, (7) Low Income
2 Discount Recovery reconciliation, (8) Service Quality Penalty reconciliation, (9) Tax
3 Credit reconciliation, (10) Storm Net Revenue reconciliation, (11) Low Income
4 Assistance Program Base Rate Fund reconciliation, and (12) prior reconciliation factors.
5 Each component reconciles the amounts approved for recovery or refund and actual
6 revenue billed through June 2020 and forecasted revenue through October 2020.⁴ In
7 addition, a true-up amount representing the difference between the forecasted balance and
8 the actual balance as of October 31, 2019 is reflected in the Reconciliation factor, as well
9 as the interest on the AGT fund balance and revenue credit as described earlier in this
10 testimony.

11
12 The Company derives the Reconciliation factor applicable to all rate classes by adding up
13 the 12-month balance ending October 2020 of these components, which represents a net
14 amount to be credited to customers of \$356,768, plus the net 2019 true up surcharge of
15 \$358,829, and the AGT interest credit of \$21,498, for a total credit of \$19,438 to
16 customers, an amount too small to derive a factor. A summary of the various items being
17 reconciled that are applicable to all rate classes is shown on Schedule RMS/MJP-10, Page
18 1, Section 1, while the details are set forth on Pages 2, 3, and 8. The Reconciliation
19 factor applicable to all rate classes will be added to the factor applicable to the Large and

⁴ Factors reconciled based on the gas year can also include the Earnings Sharing Mechanism factor and Service Quality factor, when applicable.

1 Extra-Large rate class customers' reconciliation to derive at two distinct Reconciliation
2 factors among the two groups of customers.

3
4 **Q. What is the reconciliation component applicable only to the Residential and Small
5 and Medium C&I rate classes?**

6 A. The reconciliation of the RDA balance through the RDA factors that are only applicable
7 to Residential and Small and Medium C&I customers results in a separate Reconciliation
8 factor for this group of customers. This factor was derived by taking the RDM
9 reconciliation ending balance as of October 31, 2020, which represents an over-recovery
10 of the amount to be refunded through the RDA factor, and RDA reconciliation factor of
11 \$964,029, as shown on Schedule RMS/MJP-10, Page 1, Line (23), and dividing that total
12 by the forecasted throughput of 28,848,000 dekatherms for the Residential and Small and
13 Medium C&I rate classes. This factor is then divided by 10 to derive a per-therm credit.
14 The summary of this derivation is shown on Schedule RMS/MJP-10, Page 1, Section 2.

15
16 **Q. What reconciliation components are applicable to the Large and Extra-Large Rate
17 classes?**

18 A. The Large and Extra-Large Reconciliation factor includes the following components: (1)
19 the prior reconciliation factor applicable to the Large and Extra-Large rate classes; and
20 (2) the reconciliation of the base rate allowances for the AGT Program, Environmental
21 Response Costs, and low income programs for the April 2019 through March 2020

1 period, which are subject to reconciliation in the DAC. For Residential and Small and
2 Medium C&I customers, the reconciliation of these base rate allowances to billed
3 revenue is completed as part of the RDM reconciliation, where actual revenue is
4 reconciled to targets that include these base rate allowances. Therefore, the recoveries
5 for the base rate components for these DAC components must be separately reconciled
6 only for the Large and Extra-Large rate classes, which are excluded from the Company's
7 RDM.

8
9 The base rate reconciliation factors for these programs are calculated by dividing the total
10 annual base rate allowances approved by the PUC for each program by the total annual
11 forecasted firm throughput from the Company's 2017 rate case for the months April
12 through March. The Company then multiplies the base rate reconciliation factors by the
13 forecasted throughput for Large and Extra-Large rate classes from the Company's
14 respective rate cases, to obtain the forecasted monthly revenues. The forecasted monthly
15 revenues are then compared to the actual revenues to derive the annual over- or under-
16 recoveries for the 12 months ending March 31, 2020 for each component.

17
18 The ending balances of the base rate allowances at the end of March 2020 is a surcharge
19 balance of \$24,253. The balance of the Reconciliation factor associated with the previous
20 reconciliation for these rate classes is an over-recovery of \$284,051 resulting in a net
21 amount due to Large and Extra-Large customers of \$259,798. The credit amount due

1 back to Large and Extra-Large customers is then divided by the forecasted throughput of
2 10,800,231 dekatherms associated with the Large and Extra Large customers, and again
3 divided by 10, to derive a credit factor of \$0.0024 per therm. Finally, this credit factor
4 was added to the Reconciliation factor applicable to all rate classes, as described earlier
5 in our testimony, to derive a net credit Reconciliation factor applicable to the Large and
6 Extra Large rate classes of \$0.0024 per therm for the 12-month period beginning
7 November 1, 2020. A summary of these items is shown in Schedule RMS/MJP-10, Page
8 1, Section 3, while the details are set forth on Schedule RMS/MJP-10, Page 3, Line (42)
9 and Page 5.

10
11 The Company will be updating the ending balances with one additional month of actual
12 revenue for each of these reconciliation items in its supplemental DAC filing to be
13 submitted on or around September 1.

14
15 **Q. Did the Company provide DAC reconciliations over the historical fiscal year as it**
16 **did last year?**

17 A. Yes. In Schedule RMS/MJP-11, the Non-Base Rate components, the RDM, and the ISR
18 Plan reconciliations are provided for the fiscal year ending March 31, 2020. Although
19 such rates are not designed over the period of the fiscal year, Schedule RMS/MJP-11 is
20 provided for informational purposes.

21

1 **Q. What is the basis of the forecast utilized in the preliminary DAC?**

2 A. The preliminary DAC factors are based on the current projected throughput of
3 39,648,231 dekatherms for the period November 1, 2020 to October 31, 2021. This
4 forecast will also be used in the Company's GCR filing to be submitted on or around
5 September 1 and will be supported in that filing.

6

7 **VII. Bill Impacts**

8 **Q. Is the Company providing bill impacts in this filing?**

9 A. No, the Company is not presenting bill impacts at this time. Since the Low Income
10 Discount Recovery Factor and System Pressure factor are not reflected in this filing, a
11 bill impact analysis at this time would provide limited information regarding the overall
12 impact of the change in the DAC factors. The Company will submit bill impacts for the
13 cumulative impact of all of its proposed DAC factors with the supplemental DAC filing
14 the Company will submit on or before September 1, 2020.

15

16 **Q. Does this conclude your testimony?**

17 A. Yes.

Schedules of Ryan M. Scheib and Michael J. Pini

Schedule RMS/MJP-1	Summary of DAC Factors
Schedule RMS/MJP-2	System Pressure Factor
Schedule RMS/MJP-3	Advanced Gas Technology Program Factor
Schedule RMS/MJP-4	Environmental Response Cost Factor
Schedule RMS/MJP-5	Pensions and Postretirement Benefits Other than Pensions Factor
Schedule RMS/MJP-6	Arrearage Management Adjustment Factor
Schedule RMS/MJP-7	Revenue Decoupling Adjustment Factor
Schedule RMS/MJP-8	ISR Reconciliation Factors
Schedule RMS/MJP-9	Service Quality Factor
Schedule RMS/MJP-10	Reconciliation Factors
Schedule RMS/MJP-11	Reconciliations for FY 20
Schedule RMS/MJP-12	Earnings Sharing Mechanism Factor
Schedule RMS/MJP-13	Low Income Discount Recovery Factor
Schedule RMS/MJP-14	Storm Net Revenue Factor

**Schedule RMS/MJP-1
Summary of DAC Factors**

**National Grid - RI Gas
Summary of DAC Factors
Effective November 1, 2020**

Section 1: DAC factor (not including annual ISR component) November 1, 2020 - October 31, 2021

Description	Reference	Amount	Factor		
			Residential/ Small/ Medium C&I	Large/ X-Large	Residential Low Income
			(a)	(b)	(c)
(1) System Pressure (SP)	RMS/MJP-2	\$0	\$0.0000	\$0.0000	\$0.0000
(2) Advanced Gas Technology Program (AGT)	RMS/MJP-3	\$0	\$0.0000	\$0.0000	\$0.0000
(3) Environmental Response Cost Factor (ERCF)	RMS/MJP-4	\$961,315	\$0.0024	\$0.0024	\$0.0024
(4) Pension Adjustment Factor (PAF)	RMS/MJP-5	\$924,808	\$0.0022	\$0.0022	\$0.0022
(5) Arrearage Management Adjustment Factor (AMAF)	RMS/MJP-6	\$600,436	\$0.0015	\$0.0015	\$0.0015
(6) Service Quality Factor (SQP)	RMS/MJP-9	(\$167,383)	(\$0.0004)	(\$0.0004)	(\$0.0004)
(7) Reconciliation Factor (R)	RMS/MJP-10	(\$279,236)	\$0.0000	(\$0.0024)	\$0.0000
(8) Earnings Sharing Mechanism (ESM)	RMS/MJP-12	(\$461,331)	(\$0.0011)	(\$0.0011)	(\$0.0011)
(9) Low Income Discount Recovery Factor (LIDRF)	RMS/MJP-13	n/a	n/a	n/a	n/a
(10) Storm Net Revenue Factor	RMS/MJP-14	(\$13,302)	\$0.0000	\$0.0000	\$0.0000
(11) Subtotal	Sum [(1):(10)]	\$1,565,307	\$0.0046	\$0.0022	\$0.0046
(12) Uncollectible Percentage	Dkt 4770	1.91%	1.91%	1.91%	1.91%
(13) DAC factors grossed up for uncollectible	(11) ÷ [(1)-(12)]	\$1,595,786	\$0.0046	\$0.0022	\$0.0046
(14) Revenue Decoupling Adjustment (RDA)	RMS/MJP-7	\$2,009,962	\$0.0069	\$0.0000	\$0.0069
(15) Revenue Decoupling Adjustment Reconciliation	RMS/MJP-10	(\$964,029)	(\$0.0033)	\$0.0000	(\$0.0033)
(16) DAC factor	(13)+(14)+(15)	\$2,641,719	\$0.0082	\$0.0022	\$0.0082

Section 2: DAC factors including annual ISR component

	ISR Reconciliation w/o uncollectible (therms) (a)	Uncollectible Percentage (b)	ISR Reconciliation* (therms) (c) = (a) x [1+(b)]	Base DAC Component* (therms) (d)	DAC Component Subtotal Rates* (therms) (e) = (c) + (d)	ISR Component (therms)* (f)	November 1, 2020 DAC Rates* (therms) (g)
(17) Res-NH	\$0.0008	1.91%	\$0.0008	\$0.0082	\$0.0090	\$0.1663	\$0.1753
(18) Res-NH-LI	\$0.0008	1.91%	\$0.0008	\$0.0082	\$0.0090	\$0.1663	\$0.1753
(19) Res-H	\$0.0006	1.91%	\$0.0006	\$0.0082	\$0.0088	\$0.0742	\$0.0830
(20) Res-H-LI	\$0.0006	1.91%	\$0.0006	\$0.0082	\$0.0088	\$0.0742	\$0.0830
(21) Small	\$0.0016	1.91%	\$0.0016	\$0.0082	\$0.0098	\$0.0718	\$0.0816
(22) Medium	(\$0.0002)	1.91%	(\$0.0002)	\$0.0082	\$0.0080	\$0.0460	\$0.0540
(23) Large LL	(\$0.0015)	1.91%	(\$0.0015)	\$0.0022	\$0.0007	\$0.0440	\$0.0447
(24) Large HL	(\$0.0045)	1.91%	(\$0.0046)	\$0.0022	(\$0.0024)	\$0.0333	\$0.0309
(25) XL-LL	(\$0.0006)	1.91%	(\$0.0006)	\$0.0022	\$0.0016	\$0.0160	\$0.0176
(26) XL-HL	(\$0.0011)	1.91%	(\$0.0011)	\$0.0022	\$0.0011	\$0.0149	\$0.0160

*Factors Include Uncollectible Allowance

- (a) RMS/MJP-8
- (b) Per Docket 4770
- (d) Section 1, Line (16)
- (f) FY21 ISR component per Docket 4996, Revised Section 4, Attachment 1R, Page 1

Schedule RMS/MJP-2
System Pressure Factor

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Schedule RMS/MJP-3
Advanced Gas Technology Program Factor

**National Grid - RI Gas
AGT Factor
Effective November 1, 2020**

(1)	AGT collected through DAC	\$0
(2)	Firm Throughput	39,648,231 dths
(3)	AGT Factor per dekatherm	\$0.0000 per dth
(4)	AGT Factor per therm	\$0.0000 per therm

- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

National Grid - RI Gas
AGT Account Balance and Interest Calculation

	Apr-19 30	May-19 31	Jun-19 30	Jul-19 31	Aug-19 31	Sep-19 30	Oct-19 31	Nov-19 30	Dec-19 31	Jan-20 31	Feb-20 28	Mar-20 31	Total (m)
(1) Beginning Balance	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040
(2) Rebate Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(3) Other Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Sub-total Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Forecasted Throughput from Docket 4323 (dth)	0	0	0	0	0	0	0	0	0	0	0	0	0
L/XL Classes	0	0	0	0	0	0	0	0	0	0	0	0	0
Res H, NH, Small & Medium C&I Classes	0	0	0	0	0	0	0	0	0	0	0	0	0
(6) Base Rates Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
L/XL Classes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Res H, NH, Small & Medium C&I Classes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(9) Sub-total Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(10) AGT Balance Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) AGT Balance Reconciliation													
(12) Ending Balance	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040
Interest Calculation													
(13) Month's Average Balance	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040
(14) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	2.75%	1.78%
(15) Calculated Interest (not applied to balance)	\$2,051	\$2,120	\$2,051	\$2,120	\$1,968	\$1,846	\$1,817	\$1,612	\$1,665	\$1,665	\$1,504	\$1,079	\$21,498

(1) Column (a) Ending Balance per Docket 4955, RMS/AEL-3, Page 2 of 2
(4) Line (2) + Line (3)
(5) Rate year forecast as presented in Docket 4770
(7) Large and Extra Large C&I throughput from Line (5) x \$0.0000 (AGT base rate). Actual revenue for these rate classes are reconciled through the Reconciliation Factor for Large and Extra Large C&I.
(8) Res H, NH, Small & Medium throughput from Line (5) x \$0.0000 (AGT base rate). Actual revenue for these rate classes are reconciled through the Revenue Decoupling Mechanism (RDM).
(9) Line (7) + Line (8)
(12) Lines (1) - (4) + (9) + (10)
(13) Lines [(1)+(12)] ÷ 2
(14) Per RIPUC NG-Gas No. 101, Section 3, Schedule A
(15) Column (m), total interest refunded to customers at RMS-10S, Page 1, line 12 per Docket 4339 Settlement of Issues

**Schedule RMS/MJP-4
Environmental Response Cost Factor**

**National Grid - RI Gas
Environmental Response Cost (ERC) Factor
Effective November 1, 2020**

<u>Description</u>	<u>Reference</u>	<u>Amount</u>
(1) Amortization of Pre-FY2011 expenses	Page 3, Col K, Ln (2)	\$0
(2) Amortization of FY2011 expenses - year 9 of 10	Page 3, Col K, Ln (4)	\$452,292
(3) Amortization of FY2012 expenses - year 8 of 10	Page 3, Col K, Ln (6)	\$558,394
(4) Amortization of FY2013 expenses - year 7 of 10	Page 3, Col K, Ln (8)	\$136,852
(5) Amortization of FY2014 expenses - year 6 of 10	Page 3, Col K, Ln (10)	\$300,824
(6) Amortization of FY2015 expenses - year 5 of 10	Page 3, Col K, Ln (12)	\$112,908
(7) Amortization of FY2016 expenses - year 4 of 10	Page 3, Col K, Ln (14)	\$111,792
(8) Amortization of FY2017 expenses - year 3 of 10	Page 3, Col K, Ln (16)	\$303,756
(9) Amortization of FY2018 expenses - year 2 of 10	Page 3, Col K, Ln (18)	\$114,380
(10) Amortization of FY2019 expenses - year 1 of 10	Page 3, Col K, Ln (20)	\$95,024
(11) Amortization of FY2020 expenses - year 1 of 10	Page 3, Col K, Ln (22)	<u>\$85,093</u>
(12)	Subtotal	\$2,271,315
(13) Base Rate Environmental Cost Allowance		\$1,310,000
(14) Cost in excess of Allowance		\$961,315
(15) Firm Throughput		39,648,231 dths
(16) Environmental Response Cost Factor per dekatherm		\$0.0240 per dth
(17) Environmental Response Cost Factor per therm		\$0.0024 per therm
(12) Sum of Lines (1) to (11)		
(13) Docket 4770		
(14) Line (12) - Line (13)		
(15) Company Forecast		
(16) Line (14) ÷ Line (15)		
(17) Line (16) ÷ 10, truncated to 4 decimal places		

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

	FY2011 (a)	FY2012 (b)	FY2013 (c)	FY2014 (d)	FY2015 (e)	FY2016 (f)	FY2017 (g)	FY2018 (h)	FY2019 (i)	FY2020 (j)
<u>ENVIRONMENTAL AMORTIZATION</u>										
(1) FY 2002-FY 2010 NET ERC Costs Net of Insurance	\$8,847,318									
(2) Amortization Period (years)	10									
(3) FY 2011 NET ERC Costs Net of Insurance	\$4,522,947									
(4) Amortization Period (years)	10									
(5) FY 2012 NET ERC Costs Net of Insurance	\$5,583,936									
(6) Amortization Period (years)	10									
(7) FY 2013 NET ERC Costs Net of Insurance	\$1,368,521									
(8) Amortization Period (years)	10									
(9) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237									
(10) Amortization Period (years)	10									
(11) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080									
(12) Amortization Period (years)	10									
(13) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923									
(14) Amortization Period (years)	10									
(15) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565									
(16) Amortization Period (years)	10									
(17) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802									
(18) Amortization Period (years)	10									
(19) FY 2019 NET ERC Costs Net of Insurance	\$950,236									
(20) Amortization Period (years)	10									
(21) FY 2020 NET ERC Costs Net of Insurance	\$850,927									
(22) Amortization Period (years)	10									
(23) Amortization Expense sub-total	\$884,732	\$1,337,029	\$644,393	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606	\$2,395,051
(24) <u>ENVIRONMENTAL REMEDIATION COSTS</u>										
(25) Beginning Balance	\$8,847,318	\$13,370,265	\$18,954,201	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565
(26) Environmental Expenditures, net of Insurance	\$4,522,947	\$5,583,936	\$1,368,521	\$3,008,237	\$1,129,080	\$1,117,923	\$3,037,565	\$1,143,802	\$950,236	\$850,927
(27) Ending Balance	\$13,370,265	\$18,954,201	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565	\$31,560,492
(28) <u>ACCUMULATED ENVIRONMENTAL REMEDIATION</u>										
(29) Beginning Balance	\$5,618,256	\$6,502,988	\$7,840,018	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742
(30) Amortization Expense (1)	\$884,732	\$1,337,029	\$644,393	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606	\$2,395,051
(31) Ending Balance	\$6,502,988	\$7,840,018	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742	\$22,394,793
(32) <u>NET ENVIRONMENTAL REMEDIATION COSTS</u>	\$6,867,276	\$11,114,183	\$11,838,310	\$13,464,032	\$12,862,480	\$12,150,531	\$13,290,034	\$12,156,193	\$10,709,823	\$9,165,699

(1) Amortization Expense is shown on a June 30 basis

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

	FY2021 (k)	FY2022 (l)	FY2023 (m)	FY2024 (n)	FY2025 (o)	FY2026 (p)	FY2027 (q)	FY2028 (r)	FY2029 (s)	FY2030 (t)
<u>ENVIRONMENTAL AMORTIZATION</u>										
(1) FY 2002-FY 2010 NET ERC Costs Net of Insurance	\$8,847,318									
(2) Amortization Period (years)	10	\$0								
(3) FY 2011 NET ERC Costs Net of Insurance	\$4,522,947	\$0								
(4) Amortization Period (years)	10									
(5) FY 2012 NET ERC Costs Net of Insurance	\$5,583,936	\$558,390	\$0							
(6) Amortization Period (years)	10									
(7) FY 2013 NET ERC Costs Net of Insurance	\$1,368,521	\$136,852	\$136,853	\$0						
(8) Amortization Period (years)	10									
(9) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237	\$300,824	\$300,824	\$300,821	\$0					
(10) Amortization Period (years)	10									
(11) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080	\$112,908	\$112,908	\$112,908	\$112,908	\$0				
(12) Amortization Period (years)	10									
(13) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923	\$111,792	\$111,792	\$111,792	\$111,792	\$111,795	\$0			
(14) Amortization Period (years)	10									
(15) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,761	\$0		
(16) Amortization Period (years)	10									
(17) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,382	\$0	
(18) Amortization Period (years)	10									
(19) FY 2019 NET ERC Costs Net of Insurance	\$950,236	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,020	\$0
(20) Amortization Period (years)	10									
(21) FY 2020 NET ERC Costs Net of Insurance	\$850,927	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,090
(22) Amortization Period (years)	10									
(23) Amortization Expense sub-total	\$2,271,315	\$1,819,019	\$1,260,630	\$1,123,774	\$822,953	\$710,048	\$598,258	\$294,499	\$180,113	\$85,090
(24) <u>ENVIRONMENTAL REMEDIATION COSTS</u>										
(25) Beginning Balance	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492
(26) Environmental Expenditures, net of Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Ending Balance	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492	\$31,560,492
(28) <u>ACCUMULATED ENVIRONMENTAL REMEDIATION</u>										
(29) Beginning Balance	\$22,394,793	\$24,666,108	\$26,485,127	\$27,745,757	\$28,869,531	\$29,692,484	\$30,402,532	\$31,000,790	\$31,295,289	\$31,475,402
(30) Amortization Expense (1)	\$2,271,315	\$1,819,019	\$1,260,630	\$1,123,774	\$822,953	\$710,048	\$598,258	\$294,499	\$180,113	\$85,090
(31) Ending Balance	\$24,666,108	\$26,485,127	\$27,745,757	\$28,869,531	\$29,692,484	\$30,402,532	\$31,000,790	\$31,295,289	\$31,475,402	\$31,560,492
(32) <u>NET ENVIRONMENTAL REMEDIATION COSTS</u>										
	\$6,894,384	\$5,075,365	\$3,814,735	\$2,690,961	\$1,868,008	\$1,157,960	\$559,702	\$265,203	\$85,090	\$0

(1) Amortization Expense is shown on a June 30 basis

**National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC FY 2020 Detail**

	Total Costs at <u>3/31/2019</u>	<u>FY 2020 Costs</u>	Total Costs at <u>3/31/2020</u>
	(a)	(b)	(c) = (a) + (b)
<u>Environmental Expenses</u>			
(1) 907 & 908 Allens Avenue	\$23,236,393	\$72,983	\$23,309,376
(2) 307 PCB Reg Pipe Abandon.	\$2,334,140	\$376,853	\$2,710,993
(3) 379 Petroleum Site	\$8,279,580	\$68,407	\$8,347,988
(4) 700 18 & 21 Holders COR	\$2,776,743	\$0	\$2,776,743
(5) 161 Canal Street, Westerly	\$29,133	\$0	\$29,133
(6) 178 Site Inv Connell Hwy Newp	\$44,092	\$0	\$44,092
(7) 144 Westerly Soil Investigation	\$82,184	\$0	\$82,184
(8) 171 Contaminated Regulators	\$3,111,494	\$52,844	\$3,164,338
(9) 781 Mendon Road	\$121,355	\$0	\$121,355
(10) 782 Tidewater	\$1,891,723	\$156,070	\$2,047,793
(11) 783 Hamlet	\$203,818	\$9,698	\$213,516
(12) -- Thames & Wellington	\$6,242,608	\$44,421	\$6,287,029
(13) -- Misc MGP (NEG)	\$513,476	\$60,579	\$574,055
(14) -- Insurance Recovery	\$1,370,812	\$1,402	\$1,372,214
(15) -- East Providence (First Ave) Holder	\$372,959	\$6,468	\$379,427
(16) -- 560 Thames Street Newp	<u>\$164,201</u>	<u>\$1,202</u>	<u>\$165,403</u>
(17) Sub-Total	\$50,774,713	\$850,927	\$51,625,640
(18) Insurance Recovery/Settlement			
(19) 910 Environmental Insurance Recovery Settlement		\$0	
(20) Net FY 2018 Environmental Response Costs		<u><u>\$850,927</u></u>	

(1)-(16) Col (a): Docket 4955, RMS/AEL-4, Page 4, Col (c)

(1)-(16) Col (b): Annual Environmental Report for Gas Service, Period of April 1, 2019 - March 31, 2020

(20) Line (17), Col (b) + Line (19)

**Schedule RMS/MJP-5
Pensions and Postretirement Benefits Other than Pensions Factor**

**National Grid - RI Gas
Pension Adjustment Factors
Effective November 1, 2020**

<u>Pension Factor</u>		
(1)	Pension Reconciliation	\$35,485
(2)	Carrying Charges	<u>\$0</u>
(3)	Total Pension Cost	\$35,485
(4)	Firm Throughput	39,648,231 dths
(5)	Pension Factor per dth	\$0.0000 per dth
(6)	Pension Factor per therm	\$0.0000 per therm
<u>PBOP Factor</u>		
(7)	PBOP Reconciliation	\$889,323
(8)	Carrying Charges	<u>\$0</u>
(9)	Total PBOP Cost	\$889,323
(10)	Firm Throughput	39,648,231 dths
(11)	PBOP Factor per dth	\$0.0220 per dth
(12)	PBOP Factor per therm	\$0.0022 per therm
<u>Pension & PBOP Factor Combined</u>		
(13)	Pension & PBOP Factor per dth	\$0.0220 per dth
(14)	Pension & PBOP Factor per therm	\$0.0022 per therm

- (1) JDO/JHA-1, Page 1, Col (a), Line (10)
- (2) JDO/JHA-1, Page 1, Line (11)
- (3) Line (1) + Line (2)
- (4) Company Forecast
- (5) Line (3) ÷ Line (4)
- (6) Line (5) ÷ 10, truncated to 4 decimal places
- (7) JDO/JHA-1, Page 1, Col (b), Line (10)
- (8) Included in Line (2)
- (9) Line (7) + Line (8)
- (10) Company Forecast
- (11) Line (9) ÷ Line (10)
- (12) Line (11) ÷ 10, truncated to 4 decimal places
- (13) Line (5) + Line (11)
- (14) Line (6) + Line (12)

**Schedule RMS/MJP-6
Arrearage Management Adjustment Factor**

**National Grid - RI Gas
Arrearage Management Adjustment Factor Calculation**

(1) Total Recoverable Arrearage Forgiveness Amount	\$600,436
(2) Firm Throughput	39,648,231 dths
(3) Arrearage Management Adjustment Factor per dekatherm	\$0.0151 per dth
(4) Arrearage Management Adjustment Factor per therm	\$0.0015 per therm

- (1) Page 2, Line (13)
- (2) Company forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

National Grid - RI Gas
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2019

Uncollectible Recovery from:

(1) Rate Year Base Distribution Rates (Docket 4770, Rate Year 1 - 8 Months)	\$2,333,191
(2) Rate Year Base Distribution Rates (Docket 4770, Rate Year 2 - 4 Months)	\$1,202,823
(3) Calendar Year Commodity Rates	\$3,558,683
(4) Calendar Year DAC	(\$93,317)
(5) Calendar Year Energy Efficiency (EE)	<u>\$455,833</u>
(6) Total Allowable Bad Debt	\$7,457,214
(7) Total Actual Net Charge Offs	<u>\$8,411,309</u>
(8) Actual Above / (Below) Allowable Bad Debt	\$954,095
(9) Amount of AMP Successful Participants Arrearage Foregiveness	<u>\$217,744</u>
(10) Recoverable Arrearage Foregiveness Due to AMP Successful Participants	\$217,744
(11) Recoverable Arrearage Foregiveness Due to AMP Unsuccessful Participants (Cancelled)	\$51,494
(12) Recoverable Arrearage Foregiveness Due to AMP Unsuccessful Participants (Default)	<u>\$331,198</u>
(13) Total Recoverable Arrearage Foregiveness Amount	\$600,436

- (1) RIPUC Docket No. 4770, March 1, 2019 Excess Deferred Income Tax True-Up Filing, Supplemental Compliance Attachment 2, Schedule 3, Page 4, Line (11), Column (c) of $\$3,499,787 \div 12 \times 8$
- (2) RIPUC Docket No. 4770, March 1, 2019 Excess Deferred Income Tax True-Up Filing, Supplemental Compliance Attachment 2, Schedule 3, Page 4, Line (11), Column (e) of $\$3,608,469 \div 12 \times 8$
- (3) Page 3, Section 1, Line (3)
- (4) Page 3, Section 2, Line (3)
- (5) Page 3, Section 3, Line (3)
- (6) Sum of Lines (1) to (5)
- (7) Page 4, Column (d), Line (1)
- (8) Line (7) - Line (6)
- (9) Page 5, Line (6)
- (10) If Line (8) > 0 then Min of Line (8) or Line (9), Else 0
- (11) Page 5, Line (4)
- (12) Page 5, Line (2)
- (13) Sum of Lines (10) to (12)

**National Grid - RI Gas
Calculation of Recoverable Arrearage Foregone Amount
Calendar Year 2019**

Section 1: Gas Cost Recovery

Jan - Dec
(a)

(1) Gas Cost Recovery Billings	\$186,318,498
(2) Uncollectible Percentage	1.91%
(3) Commodity Rate Allowable Bad Debt	\$3,558,683

- (1) Per Company Revenue Reports for calendar year 2019
- (2) Uncollectible percentage approved in RIPUC Docket 4770
- (3) Line (1) x Line (2)

Section 2: Distribution Adjustment Clause

(1) Distribution Adjustment Clause Billings	(\$4,885,717)
(2) Uncollectible Percentage	1.91%
(3) DAC Rate Allowable Bad Debt	(\$93,317)

- (1) Per Company Revenue Reports for calendar year 2019
- (2) Uncollectible percentage approved in RIPUC Docket 4770
- (3) Line (1) x Line (2)

Section 3: Energy Efficiency

(1) Energy Efficiency Billings	\$23,865,619
(2) Uncollectible Percentage	1.91%
(3) Energy Efficiency Allowable Bad Debt	\$455,833

- (1) Per Company Revenue Reports for calendar year 2019
- (2) Uncollectible percentage approved in RIPUC Docket 4770
- (3) Line (1) x Line (2)

National Grid - RI Gas
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2019 Net Charge - Offs

	Beginning Balance <u>FERC 144</u> (a)	Adjustments to Reserve <u>FERC 904</u> (b)	Ending Balance <u>FERC 144</u> (c)	Net <u>Charge Offs</u> (d)
(1)	\$12,044,010	\$8,817,225	\$12,449,926	\$8,411,309

- (a) Per Company's Financial Statements
- (b) Per Company's Financial Statements
- (c) Per Company's Financial Statements
- (d) Column (a) + Column (b) - Column (c)

National Grid - RI Gas
Calculation of Recoverable Arrearage Foregiveness Amount
Arrearage Forgiveness Amounts

	<u>Unsuccessful Accounts (Default)</u>	
(1)	Number of accounts not successful as of 12/31/2019	1,197
(2)	Amount forgiven prior to defaulting	\$331,198
	<u>Unsuccessful Accounts (Cancelled)</u>	
(3)	Number of accounts not successful as of 12/31/2019	198
(4)	Amount forgiven prior to defaulting	\$51,494
	<u>Successful Accounts</u>	
(5)	Number of accounts successfully completing the first year of the program	341
(6)	Amount forgiven during 2019	\$217,744
	<u>Enrolled Accounts</u>	
(7)	Number of accounts enrolled as of 12/31/2019	1,005
(8)	Amount forgiven during 2019	\$465,916
	<u>Total Enrolled Accounts</u>	
(9)	Number of accounts enrolled as of 12/31/2019	2,741
(10)	Amount forgiven during 2019	\$1,066,352
(1)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2019	
(2)	Per Company Records	
(3)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2019	
(4)	Per Company Records	
(5)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2019	
(6)	Per Company Records	
(7)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2019	
(8)	Per Company Records	
(9)	Sum of Lines (1), (3), (5), and (7)	
(10)	Sum of Lines (2), (4), (6), and (8)	

Schedule RMS/MJP-7
Revenue Decoupling Adjustment Factor

**The Narragansett Electric Company
Annual Gas RDM Reconciliation Balance
Under (Over) Recovery of Target Revenue**

(1)	Residential Non-Heat (incl Low Income)	(\$89,275)
(2)	Residential Heat (incl Low Income)	\$3,088,003
(3)	Small C&I	\$514,083
(4)	Medium C&I	(\$809,310)
(5)	FY 2020 Net Under Recovery of Target Revenue	<u>\$2,703,501</u>
(6)	FY 2019 RDM True-Up	<u>(\$693,539)</u>
(7)	Net Under Recovery of Target Revenue	\$2,009,962
(8)	Firm Therm Throughput Forecast for RDM Rate Classes (Nov 2020-Oct 2021)	28,848,000 dths
(9)	Proposed RDA Factor per dth	\$0.0697 per dth
(10)	Proposed RDA Factor per therm	\$0.0069 per therm

- (1) Schedule RMS/MJP-2, Page 1, Column (l), Line (40)
- (2) Schedule RMS/MJP-2, Page 2, Column (l), Line (80)
- (3) Schedule RMS/MJP-2, Page 3, Column (l), Line (94)
- (4) Schedule RMS/MJP-2, Page 3, Column (l), Line (108)
- (5) Sum [Lines (1):(4)]
- (6) Schedule RMS/MJP-6, Page 1, Line (7)
- (7) Sum [Lines (5):(6)]



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July 1, 2020

VIA FIRST CLASS MAIL & ELECTRONIC MAIL

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

**RE: National Grid's Gas Revenue Decoupling Mechanism Reconciliation Filing
For April 1, 2019 to March 31, 2020
Docket No. _____**

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed please find the Company's annual Revenue Decoupling Mechanism (RDM) reconciliation filing for the period April 1, 2019 to March 31, 2020. National Grid submits this filing pursuant to the provisions of the Distribution Adjustment Clause of National Grid's gas tariff, RIPUC NG-Gas No. 101, at Section 3, Schedule A, which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment (RDA) factor to be included in National Grid's annual Distribution Adjustment Charge (DAC) filing.

This filing consists of the joint pre-filed direct testimony and schedules of Ryan M. Scheib, and Michael J. Pini and the pre-filed direct testimony and schedule of Melissa A. Little. In their joint testimony, Mr. Scheib and Mr. Pini provide an overview of National Grid's RDM reconciliation and describe the actual RDM results for the period April 1, 2019 to March 31, 2020. Ms. Little's testimony presents the Company's proposed revenue requirements for the Rate Years ending August 31, 2019, August 31, 2020 and August 31, 2021 on actual cumulative growth capital invested during the period from the end of the test year in the 2017 Rate Case (July 1, 2017) through the end of the first Rate Year (August 31, 2019) pursuant to the Amended

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

Robinson+Cole

Luly E. Massaro, Commission Clerk
July 1, 2020
Page 2 of 2

Settlement Agreement in the 2017 Rate Case. She also describes how the Rate Years revenue requirements on actual growth capital investment was allocated among customer classes and factored into the target revenue-per-customer included in the Company's RDM reconciliation. Schedule MAL-1 to Ms. Little's testimony shows the calculation of this revenue requirement.

As a result of National Grid's RDM reconciliation, National Grid under-recovered revenue of \$2,009,962 under its RDM during the period April 1, 2019 to March 31, 2020. National Grid is not presenting a proposed RDA factor at this time because the RDA factor is just one of several factors included in the DAC. Rather, National Grid will submit the RDA factor in its August 1, 2020 annual DAC filing.

Thank you for your attention to this matter. If you have any questions, please contact me at 401-709-3337.

Sincerely,



Leticia C. Pimentel

Enclosures

cc: Leo Wold, Esq.
John Bell, Division

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020**

JOINT PRE-FILED DIRECT TESTIMONY

OF

RYAN M. SCHEIB

AND

MICHAEL J. PINI

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020**

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020
PAGE 1 OF 15

1 **I. Introduction and Qualifications of Ryan M. Scheib**

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

3 A. My name is Ryan M. Scheib. My business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

5

6 **Q. What is your position at National Grid USA and responsibilities within that**
7 **position?**

8 A. I am an Analyst in the New England Gas Pricing group of the Strategy and Regulation
9 department of National Grid USA Service Company, Inc. (Service Company). In this
10 position, I am responsible for preparing and submitting various regulatory filings with the
11 Rhode Island Public Utilities Commission (PUC) on behalf of The Narragansett Electric
12 Company d/b/a National Grid (the Company).

13

14 **Q. Please provide your educational background.**

15 A. I received a Bachelor of Science in Finance from University of Delaware in 2016.

16

17 **Q. Please provide your professional background.**

18 A. In 2016, I joined National Grid as an Associate Analyst in the New England Gas Pricing
19 group. In 2018, I was promoted to Analyst supporting the Company.

20

21 **Q. Have you previously testified before the PUC?**

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020
PAGE 2 OF 15

1 A. Yes. I have testified before the PUC in the Company's Distribution Adjustment Charge
2 filing in October 2019 in Docket No. 4955, and in the Company's Gas FY 2021
3 Infrastructure, Safety, and Reliability Plan filing in February 2020 in Docket No. 4996.

4
5 **II. Introduction and Qualifications of Michael J. Pini**

6 **Q. Please state your name and business address.**

7 A. My name is Michael J. Pini. My business address is 40 Sylvan Road, Waltham,
8 Massachusetts 02451.

9
10 **Q. What is your position at National Grid USA and responsibilities within that**
11 **position?**

12 A. I am a Lead Program Manager in the New England Pricing group of the Strategy and
13 Regulation department of the Service Company. My primary responsibilities include the
14 design, implementation, and administration of rates and tariffs for the gas division of the
15 Company and its Massachusetts affiliate, Boston Gas Company, d/b/a National Grid.

16
17 **Q. Please provide your educational background.**

18 A. I earned a Bachelor of Science in Economics and Finance from Bentley University in
19 2010.

20
21 **Q. Please provide your professional background.**

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020
PAGE 3 OF 15**

1 A. In 2009, I joined National Grid USA as an intern in the Support Services function within
2 Gas Operations department. In 2010, I became an Associate Analyst in the Regulatory
3 Compliance department. In 2011, I joined the New England Electric Pricing group and
4 was promoted to Analyst in 2012. In 2013, my responsibilities changed to supporting
5 Boston Gas and Colonial Gas and, in 2014, I was promoted to Senior Analyst in the same
6 capacity. In 2017, I was promoted to Lead Program Manager, supporting the New
7 England electric and gas operating companies.

8
9 **Q. Have you previously testified before the PUC?**

10 A. Yes. I have testified before the PUC in support of the Company's FY 2020
11 Infrastructure, Safety and Reliability Plan filing in Docket No. 4916, its Excess
12 Accumulated Deferred Income Tax True-Up filing in Docket No. 4770, and the
13 Company's 2019 Gas Cost Recovery filing in Docket No. 4963. Additionally, I have
14 testified before the Massachusetts Department of Public Utilities (DPU) on several
15 occasions in support of the Gas System Enhancement Plan for Boston Gas and Colonial
16 Gas.

17

18 **III. Purpose of Testimony**

19 **Q. What is the purpose of your joint testimony?**

20 A. The purpose of our testimony is to present the Company's March 31, 2020 Revenue
21 Decoupling Mechanism (RDM) reconciliation balance, which will be used to compute

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020
PAGE 4 OF 15**

1 the proposed Revenue Decoupling Adjustment (RDA) factor to be incorporated in the
2 Company's upcoming August 1, 2020 annual Distribution Adjustment Charge (DAC)
3 filing. Specifically, we provide an overview of the Company's gas RDM reconciliation
4 and explain the RDM results for the reconciliation period April 1, 2019 through March
5 31, 2020.

6
7 Pursuant to the terms of the Amended Settlement Agreement in the Company's last
8 general rate case in Docket No. 4770,¹ the Company is required to true-up the revenue
9 requirement associated with forecasted growth-related capital investment as well as the
10 number of customers during Rate Year 1 of the Multi-Year Rate Plan (MRP) and reflect
11 the impact of both in its benchmark RDM values and RDM results beginning with Rate
12 Year 1 of the MRP as provided for in the Amended Settlement Agreement, which began
13 September 1, 2018. This filing also presents the calculation of the revenue requirement
14 impact for each Rate Year of actual growth-related capital investment in Rate Year 1,
15 which is contained in the accompanying testimony and schedules of Company witness
16 Melissa A. Little.

17
18 This filing is submitted pursuant to the Company's Distribution Adjustment Clause
19 provision contained in its tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A,
20 Sheet 7, subpart 3.7 (Revenue Decoupling Adjustment Factor).

¹ Amended Settlement Agreement, Article II, Section C.22.c.

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020
PAGE 5 OF 15

1

2 **Q. Are you sponsoring any schedules with your testimony?**

3 A. Yes, we are sponsoring the following schedules that accompany our testimony:

4	Schedule RMS/MJP-1	Annual Gas RDM Reconciliation Balance
5	Schedule RMS/MJP-2	Monthly RDM Reconciliation by Rate Class for the
6		Period April 1, 2019 through March 31, 2020
7	Schedule RMS/MJP-3	Actual vs. Normal Billing Heating Degree Day
8		Comparison for April 2019 through March 2020
9	Schedule RMS/MJP-4	Target Revenue-Per-Customer by Rate Class for
10		Rate Year 1, 2 and 3
11	Schedule RMS/MJP-5	Calculation of the Credit to Customers Associated
12		with the Excess Accumulated Deferred Income Tax
13		(ADIT) True-up
14	Schedule RMS/MJP-6	Calculation of the Updated Fiscal Year 2019 RDM

15

16 **IV. RDM Reconciliation**

17 **Q. Please provide an overview of the Company's RDM reconciliation.**

18 A. In Docket No. 4206, the PUC approved a Revenue-Per-Customer RDM that provides for
19 an annual reconciliation, by rate class, between a target level of base distribution revenue
20 and actual base distribution revenue billed during the reconciliation period. The
21 reconciliation is driven by the comparison of the Actual Revenue-Per-Customer during
22 the reconciliation period and the Target Revenue-Per-Customer. The reconciliation is
23 performed on a monthly basis and covers the Company's fiscal year (the period April 1
24 through March 31 of the following year) for all Residential and Small and Medium

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
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GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB and MICHAEL J. PINI
JULY 1, 2020
PAGE 6 OF 15

1 Commercial and Industrial (C&I) firm rate classes. Under the RDM, customers subject
2 to the RDM are credited any net over-recovery of target revenue and are surcharged for
3 any net under-recovery of target revenue through the RDA factor, which is one of several
4 components of the DAC, effective November 1 each year.

5

6 **Q. What are the Target Revenue-Per-Customer and the Actual Revenue-Per-**
7 **Customer?**

8 A. The Target Revenue-Per-Customer is the Revenue-Per-Customer the Company is
9 allowed to earn for each customer in each rate class included in the RDM. The Actual
10 Revenue-Per-Customer is the actual average Revenue-Per-Customer associated with the
11 customers in each rate class included in the RDM based upon the base distribution
12 revenue billed by the Company divided by the actual number of customers billed.

13

14 **Q. What is the result of the RDM reconciliation presented in this filing?**

15 A. The RDM reconciliation results in a net under-recovery balance of approximately \$2.0
16 million for the period April 2019 through March 2020, as shown in Schedule RMS/MJP-
17 1.

18

19 **Q. How did the Company determine the RDM reconciliation balance at the end of**
20 **March 2020?**

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1 A. On a monthly basis and for each rate class, the Company calculated the difference
2 between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the
3 Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company
4 has over-recovered its RDM target revenue and must credit customers the excess amount.
5 If the Actual Revenue-Per-Customer is less than the Target Revenue-Per-Customer, the
6 Company has under-recovered its RDM target revenue and must surcharge customers the
7 deficiency. Each month's difference between the Actual and Target Revenue-Per-
8 Customers is multiplied by the number of customers billed in the respective month to
9 derive the amount of revenue the Company has either over-recovered or under-recovered
10 for the month. For each month, the monthly revenue over-recovered or under-recovered
11 accumulates and the balance accrues interest, which is also reflected in the final monthly
12 balance.² The Company presents this annual reconciliation in Schedule RMS/MJP-2.

13
14 **Q. Has the Target Revenue-Per-Customer changed from last year's filing?**

15 A. Yes. The Company has updated both the rate class revenue requirement for Rate Years
16 1, 2, and 3 and the number of customers to be actual number of customers billed in Rate
17 Year 1 in order to calculate the Target Revenue-Per-Customer for Rate Years 1, 2, and 3
18 as stipulated in the Amended Settlement Agreement in Docket No. 4770 (Article II,
19 Section C.22.c).

² Interest on the average monthly balance is calculated at the same interest rate used to calculate interest on the Company's other DAC balances, which is the Bank of America Prime Rate less 200 basis points.

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Q. How did the Company determine the Target Revenue-Per-Customer for Rate Years 1, 2, and 3?

A. Pursuant to Article II. Section C.22.c. of the Amended Settlement Agreement, the Company revised its Revenue-Per-Customers targets for Rate Years 1, 2, and 3 by adjusting for the difference between the revenue requirement on Rate Year 1’s forecasted and actual growth-related capital investment and actual number of customers for the period September 1, 2018 through August 31, 2019. As seen on Schedule MAL-1, Page 1, the total RDM class revenue requirements for Rate Years 1, 2, and 3 established in the Company’s Second Compliance Filing in Docket No. 4770 have been adjusted to reflect the difference between the forecasted and actual gas growth capital investment in Rate Year 1. The Company then allocated the adjusted RDM rate class revenue requirements to each of the months in Rate Years 1, 2, and 3 based on the monthly Rate Year revenues also established in the Company’s Second Compliance Filing in Docket 4770, as seen on Schedule RMS/MJP-4, Pages 2-4. Finally, the Company calculated the revised Target Revenue-Per-Customer for each month of Rate Years 1, 2, and 3 by dividing the revised revenue requirement for the RDM rate classes by the actual number of customers for the period September 2018 through August 2019, which is presented on Schedule RMS/MJP-4, Page 1.

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1 **Q. In addition to updating the Target Revenue-Per-Customer for Rate Years 1, 2, and**
2 **3, has the Company made any other adjustments to the FY 2020 RDM**
3 **reconciliation?**

4 A. Yes. The Company is including (1) an adjustment to its actual FY 2020 revenue for the
5 months of April through August to reflect the revenue which would have been billed to
6 customers had the base distribution rates for Rate Year 1 included in the Company's May
7 30, 2019 Second Compliance Filing in Docket No. 4770 been implemented and (2) a
8 credit adjustment associated with its FY 2019 RDM reconciliation discussed below.

9
10 **Q. Please explain the revenue adjustment to the FY 2020 RDM reconciliation as a**
11 **result of the PUC's approval of the Company's May 30, 2019 Second Compliance**
12 **Filing in Docket No. 4770?**

13 A. As explained in the Company's 2019 RDM Filing filed on June 28, 2019 in Docket No.
14 4955, the PUC approved the updated base distribution rates for Rate Years 2 and 3 the
15 Company proposed in its May 30, 2019 Second Compliance Filing in Docket No. 4770.
16 Since this filing was approved during Rate Year 1, the Company did not change its Rate
17 Year 1 base distribution rates billed to its customers. Instead, the Company agreed to
18 flow back the reduction in the Rate Year 1 revenue requirement by crediting customers
19 through the DAC.² However, as part of the May 30, 2019 Second Compliance Filing, the

² The reduction of the Rate Year 1 revenue requirement was credited to customers as part of the Tax Credit Factor in the Company's 2019 DAC Filing in Docket No. 4955.

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1 Company did reduce the Target Revenue-Per-Customer for the RDM rate classes to
2 reflect the reduction in the revenue requirement for all three Rate Years.

3
4 The Company credited the difference in base distribution rates for the period September
5 1, 2018 through August 30, 2019 through its DAC. The Company did not utilize the
6 RDM to pass back this reduction to customers because the RDM excludes the Large and
7 Extra-Large C&I rate classes. Since the Company credited this reduction through its
8 DAC, it needed to make a corresponding adjustment to the actual revenue reflected in its
9 RDM reconciliation to avoid crediting this difference to its customers twice (once in the
10 DAC and again in the RDM for RDM rate classes). As a result, the Company reduced
11 the actual billed revenue in the FY 2020 RDM reconciliation for the period April 2019
12 through August 2019 to reflect the revenue it would have billed customers had the Rate
13 Year 1 base distribution rates been reduced.³ This revenue adjustment is the same as the
14 revenue adjustment included in the FY 2019 RDM reconciliation for the months of
15 September 2018 through March 2019.

16

17 **Q. Please explain how the Company calculated the reduction to revenue for the**
18 **Residential and C&I rate classifications.**

³ The illustrative Rate Year 1 base distribution rates are included in the Second Compliance Filing, Revised Supplemental Compliance Attachment 16, Page 11.

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1 A. The Company calculated the reduction by multiplying the actual volumes used by the
2 various rate classes for the period of April 2019 through August 2019 by the difference
3 between the approved distribution rates and the illustrative rates for Rate Year 1 as shown
4 in the Company's Second Compliance Filing in Docket No. 4770, Attachment 16, Page
5 11. The calculation by month and rate class is provided in Schedule RMS/MJP-5.

6
7 **Q. Why is the Company including an adjustment in its FY 2020 RDM associated with**
8 **its FY 2019 RDM reconciliation filed in Docket 4955?**

9 A. The period covered by the true-up to the revenue requirement on growth-related capital
10 investment and number of customers for Rate Year 1 (September 2018 through August
11 2019) and the period covered by the FY 2019 RDM reconciliation (April 2018 through
12 March 2019) overlap. Since the Company is revising monthly Target Revenue-Per-
13 Customer values for Rate Year 1, it is appropriate to revise the FY 2019 RDM
14 reconciliation to reflect this change. The revised FY 2019 RDM reconciliation is
15 presented in Schedule RMS/MJP-6. The Company has recalculated the RDM
16 reconciliation balance for FY 2019 by applying the revised Target Revenue-Per-
17 Customer values for the months of September 2018 through March 2019 of Rate Year 1
18 as calculated on Schedule RMS/MJP-4, Page 1.

19
20 **Q. Please explain the calculation of the adjustment to the FY 2019 RDM reconciliation**
21 **balance.**

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1 A. As seen on Schedule RMS/MJP-6, Pages 2-4, the Company recalculated the monthly
2 RDM reconciliation balances for FY 2019. The recalculated FY 2019 RDM
3 reconciliation balance is summarized on Page 1 on Schedule RMS/MJP-6 and results in a
4 net over-recovery balance of \$10,965,021 for the period April 2018 through March 2019
5 as shown on Schedule RMS/MJP-6, Page 1, Line (5). The revised net over-recovery
6 balance for FY 2019 is compared to the net over-recovery balance of \$10,271,482 filed in
7 Docket No. 4955, resulting in a credit to customers of \$693,539 as shown on Schedule
8 RMS/MJP-6, Page 1, Line (7). The FY 2019 RDM credit adjustment is included on Line
9 (6) on Schedule RMS/MJP-1 to be applied to the net under-recovery reconciliation
10 balance for FY 2020.

11
12 **Q. Please explain why the net over-recovery of the FY 2019 Reconciliation balance has**
13 **increased by \$693,539 despite the Company experiencing an increase in revenue**
14 **requirement associated with growth-related capital investment shown in Schedule**
15 **MAL-1.**

16 A. The revised Target Revenue-Per-Customer values presented in Schedule RMS/MJP-4
17 reflect updates to both the revenue requirement associated with actual growth-related
18 capital investment as well as the actual number of customers in Rate Year 1. The higher-
19 than-forecasted revenue requirement associated with growth-related capital investment
20 would cause an increase in the Target Revenue-Per-Customer. However, there were
21 more customers during Rate Year 1 than what had been forecasted, resulting in lower

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1 Target Revenue-Per-Customer values. In fact, the increase in the number of customers
2 the Target Revenue-Per-Customer calculation was of a greater impact than the increase in
3 the revenue requirement associated with the growth-related capital investment, resulting
4 in a net decrease in the Target Revenue-Per-Customer values for RDM rate classes
5 except the Small C&I rate class. This decrease in the Target Revenue-Per-Customer
6 values resulted an increase in the net over-recovery in the FY 2019 RDM reconciliation
7 balance.

8
9 **Q. Does the Company anticipate updating the Target Revenue-Per-Customer based on**
10 **actual growth capital investment in Rate Years 2 and 3 in future filings?**

11 A. No. The adjusted Target Revenue-Per-Customer for Rate Years 1, 2, and 3 calculated in
12 Schedule RMS/MJP-4 will be used in the calculation of RDM adjustments until new base
13 distribution rates are established for gas service.

14
15 **V. Results of the RDM Reconciliation**

16 **Q. What are the results of the RDM reconciliation for the year ending March 31, 2020?**

17 A. For the reconciliation period April 2019 through March 2020, the Company has
18 calculated a net under-recovery of target revenue of approximately \$2.0 million as
19 summarized in Schedule RMS/MJP-1. This under-recovery will be recovered from
20 customers through the RDA factor, which the Company would propose to go into effect
21 November 1, 2020 when it submits its DAC filing.

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2 **Q. What are the drivers for the net under-recovery?**

3 A. As shown in Schedule RMS/MJP-1, the Company's net under-recovery of \$2.0 million
4 was driven by a \$3.0 million combined under-recovery for the Residential RDM groups,
5 a \$0.3 million combined over-recovery for the Small and Medium C&I RDM groups, and
6 a \$0.7 million increase in the net over-recovery resulting from the revised FY 2019 RDM
7 reconciliation calculated in Schedule RMS/MJP-6. The total under-recovery for the
8 RDM rate classes was driven by a decrease in actual revenue due to warmer than normal
9 weather.⁴ Schedule RMS/MJP-3 shows the billing heating degree day comparison for
10 this reconciliation period.

11

12 **VI. Bill Impacts**

13 **Q. Did the Company include bill impacts resulting from the RDM reconciliation in this**
14 **filing?**

15 A. No, the Company is not presenting bill impact information at this time. Because the
16 RDA factor will be proposed in the DAC filing along with several other factors, the bill
17 impact of an RDA factor on a stand-alone basis provides limited information as to the
18 cumulative impact of the change in the overall DAC. Rather, the Company will submit
19 bill impacts for the cumulative impact of all of its proposed DAC factors, including the
20 RDA factor, with its August 1, 2020 DAC filing.

⁴ Overall, FY 2020 weather was approximately 6 percent warmer than normal and 10 percent warmer than FY 2019.

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1

2 **Q. Does this conclude your testimony?**

3 **A. Yes.**

**The Narragansett Electric Company
Annual Gas RDM Reconciliation Balance
Under (Over) Recovery of Target Revenue**

(1)	Residential Non-Heat (incl Low Income)	(\$89,275)
(2)	Residential Heat (incl Low Income)	\$3,088,003
(3)	Small C&I	\$514,083
(4)	Medium C&I	(\$809,310)
(5)	FY 2020 Net Under Recovery of Target Revenue	\$2,703,501
(6)	FY 2019 RDM True-Up	(\$693,539)
(7)	Net Under Recovery of Target Revenue	\$2,009,962

- (1) Schedule RMS/MJP-2, Page 1, Column (1), Line (40)
- (2) Schedule RMS/MJP-2, Page 2, Column (1), Line (80)
- (3) Schedule RMS/MJP-2, Page 3, Column (1), Line (94)
- (4) Schedule RMS/MJP-2, Page 3, Column (1), Line (108)
- (5) Sum [Lines (1):(4)]
- (6) Schedule RMS/MJP-6, Page 1, Line (7)
- (7) Sum [Lines (5):(6)]

RDM Reconciliation by Rate Class by Month
Promoted

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Non-Heat												
(1) Benchmark Revenue Per Customer (RPC)	\$27.19	\$22.28	\$19.28	\$18.26	\$18.39	\$18.36	\$19.14	\$21.34	\$25.37	\$28.24	\$27.56	\$33.05
(2) Beginning Balance Under/(Over) Recovery	\$0	\$30,432	\$16,798	(\$21,778)	(\$42,487)	(\$51,836)	(\$59,459)	(\$75,114)	(\$82,806)	(\$97,090)	(\$160,154)	(\$153,096)
(3) Actual Number of Customers	17,791	17,686	17,007	17,007	16,487	16,493	16,510	16,597	16,650	16,649	16,621	16,580
(4) Actual Base Revenue	\$453,773	\$408,073	\$379,031	\$331,343	\$312,568	\$310,403	\$331,485	\$361,693	\$436,485	\$532,933	\$450,675	\$450,335
(5) Revenue Adjustment	(\$424)	(\$325)	(\$247)	(\$181)	(\$153)	(\$83)	\$0	\$0	\$0	\$0	\$0	\$0
(6) Adjusted Base Revenue	\$453,349	\$407,748	\$378,784	\$331,162	\$312,415	\$310,320	\$331,485	\$361,693	\$436,485	\$532,933	\$450,675	\$450,335
(7) Actual Base Revenue Per Customer	\$25.48	\$23.05	\$21.47	\$19.47	\$18.95	\$18.82	\$20.08	\$21.79	\$26.22	\$32.01	\$27.11	\$27.16
(8) RPC Variance (Benchmark- Actual)	\$1.71	(\$0.77)	(\$2.19)	(\$1.21)	(\$0.56)	(\$0.45)	(\$0.94)	(\$0.45)	(\$0.85)	(\$3.77)	\$0.45	\$5.89
(9) Monthly Under/(Over) Recovery of RPC	\$30,388	(\$13,704)	(\$38,569)	(\$20,614)	(\$9,219)	(\$7,479)	(\$15,484)	(\$7,513)	(\$14,074)	(\$62,765)	\$7,400	\$97,634
(10) Preliminary Ending Balance	\$30,388	\$16,728	(\$21,771)	(\$42,392)	(\$51,706)	(\$59,315)	(\$74,943)	(\$82,628)	(\$96,880)	(\$159,855)	(\$152,755)	(\$55,461)
(11) Average Balance	\$15,194	\$23,580	(\$2,487)	(\$32,085)	(\$47,097)	(\$55,576)	(\$67,201)	(\$78,871)	(\$89,843)	(\$128,473)	(\$156,455)	(\$104,278)
(12) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(13) Interest Applied	\$44	\$70	(\$7)	(\$95)	(\$130)	(\$144)	(\$171)	(\$178)	(\$210)	(\$299)	(\$341)	(\$157)
(14) Ending Balance Under/(Over) Recovery	\$30,432	\$16,798	(\$21,778)	(\$42,487)	(\$51,836)	(\$59,459)	(\$75,114)	(\$82,806)	(\$97,090)	(\$160,154)	(\$153,096)	(\$55,619)
Residential Non-Heat Low Income												
(15) Benchmark Revenue Per Customer (RPC)	\$27.19	\$22.28	\$19.28	\$18.26	\$18.39	\$18.36	\$19.14	\$21.34	\$25.37	\$28.24	\$27.56	\$33.05
(16) Beginning Balance Under/(Over) Recovery	\$0	(\$3,414)	(\$6,374)	(\$9,185)	(\$11,156)	(\$11,762)	(\$12,555)	(\$13,569)	(\$15,969)	(\$20,617)	(\$27,068)	(\$31,891)
(17) Actual Number of Customers	495	532	552	525	476	483	503	502	507	515	542	570
(18) Actual Base Revenue	\$16,889	\$14,813	\$13,442	\$11,535	\$9,333	\$9,634	\$10,608	\$13,080	\$17,467	\$20,939	\$19,696	\$20,554
(19) Revenue Adjustment	(\$20)	(\$15)	(\$11)	(\$7)	(\$5)	(\$3)	\$0	\$0	\$0	\$0	\$0	\$0
(20) Adjusted Base Revenue	\$16,869	\$14,798	\$13,431	\$11,528	\$9,328	\$9,631	\$10,608	\$13,080	\$17,467	\$20,939	\$19,696	\$20,554
(21) Actual Base Revenue Per Customer	\$34.08	\$27.82	\$24.33	\$21.96	\$19.60	\$19.94	\$21.09	\$26.05	\$34.45	\$40.66	\$36.34	\$36.06
(22) RPC Variance (Benchmark- Actual)	(\$6.89)	(\$5.54)	(\$5.05)	(\$3.70)	(\$1.21)	(\$1.58)	(\$1.95)	(\$4.71)	(\$9.08)	(\$12.42)	(\$8.78)	(\$3.01)
(23) Monthly Under/(Over) Recovery of RPC	(\$3,410)	(\$2,945)	(\$2,789)	(\$1,941)	(\$574)	(\$762)	(\$981)	(\$2,367)	(\$4,605)	(\$6,396)	(\$4,759)	(\$1,716)
(24) Preliminary Ending Balance	(\$3,410)	(\$6,359)	(\$9,162)	(\$11,126)	(\$11,730)	(\$12,524)	(\$13,536)	(\$15,936)	(\$20,574)	(\$27,012)	(\$33,606)	(\$33,606)
(25) Average Balance	(\$1,705)	(\$4,887)	(\$7,768)	(\$10,155)	(\$11,443)	(\$12,143)	(\$13,046)	(\$14,753)	(\$18,272)	(\$23,815)	(\$29,447)	(\$32,749)
(26) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(27) Interest Applied	(\$5)	(\$15)	(\$22)	(\$30)	(\$32)	(\$31)	(\$33)	(\$33)	(\$43)	(\$55)	(\$64)	(\$49)
(28) Ending Balance Under/(Over) Recovery	(\$3,414)	(\$6,374)	(\$9,185)	(\$11,156)	(\$11,762)	(\$12,555)	(\$13,569)	(\$15,969)	(\$20,617)	(\$27,068)	(\$31,891)	(\$33,656)
Residential Non-Heat (incl Low Income)												
(29) Benchmark Revenue Per Customer (RPC)	\$27.19	\$22.28	\$19.28	\$18.26	\$18.39	\$18.36	\$19.14	\$21.34	\$25.37	\$28.24	\$27.56	\$33.05
(30) Beginning Balance Under/(Over) Recovery	\$0	\$27,017	\$10,424	(\$30,963)	(\$53,643)	(\$63,598)	(\$72,015)	(\$88,683)	(\$98,775)	(\$117,707)	(\$187,222)	(\$184,986)
(31) Actual Number of Customers	18,286	18,218	18,198	17,532	16,963	16,976	17,013	17,099	17,157	17,164	17,163	17,150
(32) Adjusted Base Revenue	\$470,218	\$422,546	\$392,215	\$342,689	\$321,742	\$319,951	\$342,093	\$374,773	\$453,952	\$553,872	\$470,371	\$470,889
(33) Actual Base Revenue Per Customer	\$25.71	\$23.19	\$21.55	\$19.55	\$18.97	\$18.85	\$20.11	\$21.92	\$26.46	\$32.27	\$27.41	\$27.46
(34) RPC Variance (Benchmark- Actual)	\$1.48	(\$0.91)	(\$2.27)	(\$1.29)	(\$0.58)	(\$0.49)	(\$0.97)	(\$0.58)	(\$1.09)	(\$4.03)	\$0.15	\$5.59
(35) Monthly Under/(Over) Recovery of RPC	\$26,979	(\$16,649)	(\$41,357)	(\$22,555)	(\$9,793)	(\$8,241)	(\$16,464)	(\$9,880)	(\$18,679)	(\$69,161)	\$2,641	\$95,919
(36) Preliminary Ending Balance	\$26,979	\$10,368	(\$30,933)	(\$53,518)	(\$63,436)	(\$71,839)	(\$88,479)	(\$98,564)	(\$117,454)	(\$186,868)	(\$184,581)	(\$89,068)
(37) Average Balance	\$13,489	\$18,693	(\$10,255)	(\$42,240)	(\$58,540)	(\$67,719)	(\$80,247)	(\$93,624)	(\$108,115)	(\$152,287)	(\$185,902)	(\$137,027)
(38) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(39) Interest Applied	\$39	\$56	(\$29)	(\$126)	(\$162)	(\$175)	(\$204)	(\$212)	(\$253)	(\$355)	(\$405)	(\$207)
(40) Ending Balance Under/(Over) Recovery	\$27,017	\$10,424	(\$30,963)	(\$53,643)	(\$63,598)	(\$72,015)	(\$88,683)	(\$98,775)	(\$117,707)	(\$187,222)	(\$184,986)	(\$89,275)
(1) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (4)												
(2) Col (f)-(i): RMS/MJP-4, Pg. 1, Line (20)												
(3) Company's billing system												
(4) Company's billing system												
(5) RMS/MJP-5, Line (41)												
(6) Line (4) + Line (5)												
(7) Line (6) + Line (3)												
(8) Line (1) - Line (7)												
(9) Line (3) x Line (8)												
(10) Line (2) + Line (9)												
(11) Line (2) + Line (10) + 2												
(12) Line (11) x Line (12) + 365 x # days												
(13) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (4)												
(14) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (13)												
(15) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (20)												
(16) Line (28)												
(17) Company's billing system												
(18) Company's billing system												
(19) RMS/MJP-5, Line (42)												
(20) Line (18) + Line (19)												
(21) Line (20) + Line (17)												
(22) Line (15) - Line (21)												
(23) Line (17) x Line (22)												
(24) Line (16) + Line (23)												
(25) Line (16) + Line (24) + 2												
(26) Line (25) x Line (26) + 365 x # days												
(27) Line (29) - Line (33)												
(28) Line (24) + Line (27)												
(29) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (4)												
(30) Col (f)-(i): RMS/MJP-4, Pg. 1, Line (20)												
(31) Line (3) + Line (17)												
(32) Line (6) + Line (20)												
(33) Line (32) + Line (31)												
(34) Line (29) - Line (33)												
(35) Line (31) * Line (34)												
(36) Line (30) + Line (35)												
(37) Line (30) + Line (36) + 2												
(38) Line (37) x Line (38) + 365 x # days												

RDM Reconciliation by Rate Class by Month
Prorated

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	31	30	31	31	29	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(k)	(l)
Residential Heating											
(41) Benchmark Revenue Per Customer (RPC)	\$65.24	\$39.04	\$27.71	\$23.73	\$22.83	\$23.46	\$45.50	\$72.71	\$96.46	\$104.30	\$92.55
(42) Beginning Balance Under/(Over) Recovery	\$0	\$147,175	(\$975,972)	(\$1,324,753)	(\$1,063,913)	(\$1,083,063)	(\$1,069,524)	(\$784,544)	(\$2,326,239)	(\$3,633,695)	\$326,209
(43) Actual Number of Customers	208,614	207,409	206,501	206,465	206,932	207,003	211,627	212,665	213,072	210,496	210,852
(44) Actual Base Revenue	\$13,476,490	\$9,223,493	\$6,068,876	\$4,635,029	\$4,779,422	\$4,779,422	\$9,341,927	\$17,000,938	\$21,853,448	\$18,199,830	\$16,936,928
(45) Revenue Adjustment	(\$13,477)	(\$2,366)	(\$1,257)	(\$751)	(\$710)	(\$391)	\$0	\$0	\$0	\$0	\$0
(46) Adjusted Base Revenue	\$13,463,013	\$9,220,727	\$6,067,619	\$4,635,029	\$4,779,031	\$4,779,031	\$9,341,927	\$17,000,938	\$21,853,448	\$18,199,830	\$16,936,928
(47) Actual Base Revenue Per Customer	\$64.54	\$44.45	\$29.38	\$22.45	\$22.91	\$23.09	\$44.14	\$79.94	\$102.56	\$85.65	\$80.33
(48) RPC Variance (Benchmark- Actual)	\$0.70	(\$5.41)	(\$1.67)	\$1.28	(\$0.08)	\$0.37	\$1.36	(\$7.23)	(\$6.10)	\$18.65	\$12.22
(49) Monthly Under/(Over) Recovery of RPC	\$146,964	(\$974,742)	(\$3,425,477)	\$2,643,386	(\$16,191)	\$76,245	\$287,102	(\$1,538,066)	(\$1,300,523)	\$3,963,503	\$2,577,424
(50) Preliminary Ending Balance	\$146,964	(\$974,742)	(\$3,425,477)	(\$1,060,368)	(\$1,080,104)	(\$1,066,907)	(\$782,451)	(\$2,322,610)	(\$3,626,762)	\$329,809	\$2,903,634
(51) Average Balance	\$73,482	(\$413,784)	(\$1,148,711)	(\$1,192,561)	(\$1,072,008)	(\$1,044,941)	(\$926,002)	(\$1,553,577)	(\$2,976,500)	(\$1,651,943)	\$1,614,921
(52) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	2.75%	2.75%	2.75%	2.75%	1.78%
(53) Interest Applied	\$211	(\$1,230)	(\$3,305)	(\$3,545)	(\$2,959)	(\$2,705)	(\$2,093)	(\$3,629)	(\$6,933)	(\$3,600)	\$2,438
(54) Ending Balance Under/(Over) Recovery	\$147,175	(\$975,972)	(\$1,324,753)	(\$1,063,913)	(\$1,083,063)	(\$1,009,524)	(\$784,544)	(\$2,326,239)	(\$3,633,695)	\$326,209	\$2,906,071
Residential Heating - Low Income											
(55) Benchmark Revenue Per Customer (RPC)	\$65.24	\$39.04	\$27.71	\$23.73	\$22.83	\$23.46	\$45.50	\$72.71	\$96.46	\$104.30	\$92.55
(56) Beginning Balance Under/(Over) Recovery	\$0	\$15,783	(\$97,337)	(\$143,417)	(\$131,711)	(\$153,412)	(\$201,365)	(\$202,695)	(\$395,543)	(\$489,670)	(\$80,635)
(57) Actual Number of Customers	20,051	20,581	21,114	21,342	21,285	21,063	17,916	17,500	17,330	18,106	19,716
(58) Actual Base Revenue	\$1,293,660	\$916,714	\$630,936	\$494,414	\$507,325	\$507,705	\$816,051	\$1,464,576	\$1,764,749	\$1,478,800	\$1,562,226
(59) Revenue Adjustment	(\$1,293)	(\$233)	(\$132)	(\$83)	(\$80)	(\$44)	\$0	\$0	\$0	\$0	\$0
(60) Adjusted Base Revenue	\$1,292,367	\$916,481	\$630,804	\$494,331	\$507,245	\$507,661	\$816,051	\$1,464,576	\$1,764,749	\$1,478,800	\$1,562,226
(61) Actual Base Revenue Per Customer	\$64.45	\$44.53	\$29.88	\$23.16	\$23.83	\$24.10	\$45.55	\$83.69	\$101.83	\$81.67	\$79.24
(62) RPC Variance (Benchmark- Actual)	\$0.79	(\$5.49)	(\$2.17)	\$0.57	(\$1.00)	(\$0.65)	(\$0.05)	(\$10.98)	(\$5.37)	\$22.63	\$13.31
(63) Monthly Under/(Over) Recovery of RPC	\$15,760	(\$112,999)	(\$45,735)	\$12,114	(\$21,308)	(\$13,627)	(\$873)	(\$192,151)	(\$93,097)	\$409,656	\$262,490
(64) Preliminary Ending Balance	\$15,760	(\$97,216)	(\$143,072)	(\$131,303)	(\$153,019)	(\$167,039)	(\$200,896)	(\$394,846)	(\$488,640)	(\$80,014)	\$181,855
(65) Average Balance	\$7,880	(\$40,716)	(\$120,204)	(\$137,360)	(\$142,365)	(\$160,226)	(\$201,802)	(\$298,770)	(\$442,092)	(\$284,842)	\$50,610
(66) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	2.75%	2.75%	2.75%	2.75%	1.78%
(67) Interest Applied	\$23	(\$121)	(\$346)	(\$408)	(\$393)	(\$415)	(\$456)	(\$698)	(\$1,030)	(\$621)	\$76
(68) Ending Balance Under/(Over) Recovery	\$15,783	(\$97,337)	(\$143,417)	(\$131,711)	(\$153,412)	(\$167,454)	(\$201,365)	(\$395,543)	(\$489,670)	(\$80,635)	\$181,932
Residential Heat (incl Low Income)											
(69) Benchmark Revenue Per Customer (RPC)	\$65.24	\$39.04	\$27.71	\$23.73	\$22.83	\$23.46	\$45.50	\$72.71	\$96.46	\$104.30	\$92.55
(70) Beginning Balance Under/(Over) Recovery	\$0	\$162,958	(\$1,073,309)	(\$1,468,171)	(\$1,195,624)	(\$1,236,475)	(\$1,176,977)	(\$987,239)	(\$2,721,782)	(\$4,123,364)	\$245,575
(71) Actual Number of Customers	228,665	228,030	227,615	227,807	228,217	228,066	229,543	230,165	230,402	230,602	230,568
(72) Adjusted Base Revenue	\$14,755,380	\$10,137,208	\$6,698,423	\$5,129,360	\$5,247,694	\$5,286,692	\$10,157,978	\$18,465,514	\$23,618,197	\$19,678,629	\$18,499,154
(73) Actual Base Revenue Per Customer	\$64.53	\$44.46	\$29.43	\$22.52	\$22.99	\$23.18	\$44.25	\$80.23	\$102.51	\$85.34	\$80.23
(74) RPC Variance (Benchmark- Actual)	\$0.71	(\$5.42)	(\$1.72)	\$1.21	(\$0.16)	\$0.27	(\$0.40)	(\$7.52)	(\$6.05)	\$18.96	\$12.32
(75) Monthly Under/(Over) Recovery of RPC	\$162,724	(\$1,234,916)	(\$391,211)	\$276,500	(\$37,499)	\$62,618	\$286,228	(\$1,730,217)	(\$1,393,620)	\$4,373,159	\$2,839,915
(76) Preliminary Ending Balance	\$162,724	(\$1,071,958)	(\$1,464,521)	(\$1,191,671)	(\$1,233,123)	(\$1,173,857)	(\$984,690)	(\$2,717,456)	(\$4,115,402)	\$249,795	\$3,085,489
(77) Average Balance	\$81,362	(\$454,500)	(\$1,268,915)	(\$1,329,921)	(\$1,214,374)	(\$1,205,166)	(\$1,127,804)	(\$1,852,347)	(\$3,418,592)	(\$1,936,785)	\$1,665,532
(78) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	2.75%	2.75%	2.75%	2.75%	1.78%
(79) Interest Applied	\$234	(\$1,351)	(\$3,650)	(\$3,953)	(\$3,352)	(\$3,120)	(\$2,549)	(\$4,326)	(\$7,963)	(\$4,220)	\$2,514
(80) Ending Balance Under/(Over) Recovery	\$162,958	(\$1,073,309)	(\$1,468,171)	(\$1,195,624)	(\$1,236,475)	(\$1,176,977)	(\$987,239)	(\$2,721,782)	(\$4,123,364)	\$245,575	\$3,088,003
(41) Col (a)-(c): RMS/MJP-4, Pg. 1, Line (8)				(56) Line (68)					(72) Line (46) + Line (60)		
(42) Col (f)-(g): RMS/MJP-4, Pg. 1, Line (24)				(57) Company's billing system					(73) Line (72) + Line (71)		
(43) Line (54)				(58) Company's billing system					(74) Line (69) - Line (73)		
(44) Company's billing system				(59) RMS/MJP-5, Line (44), Col (f) Prorated					(75) Line (74) x Line (71)		
(45) Company's billing system				(60) Line (58) + Line (59)					(76) Line (70) + Line (75)		
(46) Line (44) + Line (45)				(61) Line (60) + Line (61)					(77) [Line (70) x Line (78)] ÷ 365 x # days		
(47) Line (46) ÷ Line (43)				(62) Line (55) - Line (61)					(78) [Line (77) x Line (78)] ÷ 365 x # days		
				(63) Line (57) x Line (62)					(80) Line (76) + Line (79)		

RDM Reconciliation by Rate Class by Month

	Prorated											
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Small C&I												
(81) Benchmark Revenue Per Customer (RPC)	\$96.66	\$54.57	\$44.09	\$36.71	\$35.79	\$36.89	\$40.83	\$61.30	\$109.25	\$141.91	\$147.82	\$136.26
(82) Beginning Balance Under/(Over) Recovery	\$0	\$139,109	\$11,344	\$64,033	\$108,151	\$110,078	\$145,753	\$172,372	\$33,340	(\$96,972)	(\$211,530)	\$45,181
(83) Actual Number of Customers	19,108	19,002	18,893	18,905	18,877	18,905	18,986	19,218	19,272	19,308	19,317	19,265
(84) Actual Base Revenue	\$1,709,623	\$1,165,798	\$780,840	\$646,364	\$674,255	\$662,194	\$748,984	\$1,317,328	\$2,235,704	\$2,854,197	\$2,598,547	\$2,156,569
(85) Revenue Adjustment	(\$1,553)	(\$871)	(\$428)	(\$262)	(\$273)	(\$137)	\$0	\$0	\$0	\$0	\$0	\$0
(86) Adjusted Base Revenue	\$1,708,070	\$1,164,927	\$780,412	\$646,102	\$673,982	\$662,057	\$748,984	\$1,317,328	\$2,235,704	\$2,854,197	\$2,598,547	\$2,156,569
(87) Actual Base Revenue Per Customer	\$89.39	\$61.31	\$41.31	\$34.38	\$35.70	\$35.02	\$39.45	\$68.55	\$116.01	\$147.82	\$134.52	\$111.94
(88) RPC Variance (Benchmark- Actual)	\$7.27	(\$6.74)	\$2.78	\$2.33	\$0.09	\$1.87	\$1.38	(\$7.25)	(\$6.76)	(\$5.91)	\$13.30	\$24.32
(89) Monthly Under/(Over) Recovery of RPC	\$138,909	(\$127,988)	\$52,580	\$43,863	\$1,626	\$35,344	\$26,215	(\$139,264)	(\$130,238)	(\$114,199)	\$256,892	\$468,480
(90) Preliminary Ending Balance	\$138,909	\$11,121	\$63,924	\$107,895	\$109,777	\$145,422	\$171,967	\$33,108	(\$96,898)	(\$211,171)	\$45,362	\$513,661
(91) Average Balance	\$69,455	\$75,115	\$37,634	\$85,964	\$108,964	\$127,750	\$158,860	\$102,740	(\$31,779)	(\$154,072)	(\$83,084)	\$279,421
(92) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(93) Interest Applied	\$200	\$223	\$108	\$256	\$301	\$331	\$405	\$232	(\$74)	(\$359)	(\$181)	\$422
(94) Ending Balance Under/(Over) Recovery	\$139,109	\$11,344	\$64,033	\$108,151	\$110,078	\$145,753	\$172,372	\$33,340	(\$96,972)	(\$211,530)	\$45,181	\$514,083
Medium C&I												
(95) Benchmark Revenue Per Customer (RPC)	\$453.87	\$355.19	\$281.62	\$287.94	\$291.79	\$288.31	\$314.14	\$373.92	\$511.75	\$611.05	\$591.06	\$575.55
(96) Beginning Balance Under/(Over) Recovery	\$0	(\$198,685)	(\$347,262)	(\$476,921)	(\$304,671)	(\$200,193)	(\$153,449)	(\$88,875)	(\$185,016)	(\$546,719)	(\$861,671)	(\$891,741)
(97) Actual Number of Customers	5,277	5,265	5,262	5,260	5,182	5,157	5,168	5,186	5,197	5,201	5,203	5,189
(98) Revenue Adjustment	(\$2,605)	(\$1,620)	(\$975)	(\$621)	\$1,407,527	\$1,439,994	\$1,558,593	\$2,034,981	\$3,020,414	\$3,491,385	\$3,103,447	\$2,902,815
(99) Adjusted Base Revenue	\$2,593,471	\$2,017,842	\$1,610,360	\$1,341,155	\$1,406,882	\$1,439,624	\$1,558,593	\$2,034,981	\$3,020,414	\$3,491,385	\$3,103,447	\$2,902,815
(100) Actual Base Revenue Per Customer	\$491.47	\$383.26	\$306.04	\$254.97	\$271.49	\$279.16	\$301.59	\$392.40	\$581.18	\$671.29	\$596.47	\$559.42
(101) RPC Variance (Benchmark- Actual)	(\$37.60)	(\$147,767)	(\$128,476)	(\$173,410)	\$105,174	\$47,201	\$12.55	(\$18.48)	(\$69.43)	(\$60.24)	(\$5.41)	\$16.13
(102) Monthly Under/(Over) Recovery of RPC	(\$198,399)	(\$147,767)	(\$128,476)	(\$173,410)	\$105,174	\$47,201	\$64,883	(\$95,832)	(\$360,850)	(\$313,314)	(\$28,162)	\$83,714
(103) Preliminary Ending Balance	(\$198,399)	(\$346,452)	(\$475,738)	(\$303,511)	(\$199,497)	(\$152,992)	(\$88,566)	(\$184,707)	(\$545,865)	(\$860,033)	(\$889,833)	(\$808,028)
(104) Average Balance	(\$99,200)	(\$272,568)	(\$341,500)	(\$390,216)	(\$252,084)	(\$176,592)	(\$121,008)	(\$136,791)	(\$365,440)	(\$703,376)	(\$875,752)	(\$849,884)
(105) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(106) Interest Applied	(\$285)	(\$810)	(\$1,184)	(\$1,160)	(\$696)	(\$457)	(\$308)	(\$309)	(\$854)	(\$1,638)	(\$1,908)	(\$1,283)
(107) Ending Balance Under/(Over) Recovery	(\$198,685)	(\$347,262)	(\$476,921)	(\$304,671)	(\$200,193)	(\$153,449)	(\$88,875)	(\$185,016)	(\$546,719)	(\$861,671)	(\$891,741)	(\$809,310)
(81) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (12)												
Col (f)-(i): RMS/MJP-4, Pg. 1, Line (28)												
(82) Line (94)												
(83) Company's billing system												
(84) Company's billing system												
(85) RMS/MJP-5, Line (45); Col (f) Prorated												
(86) Line (84) + Line (85)												
(87) Line (86) + Line (83)												
(88) Line (81) - Line (87)												
(89) Line (83) x Line (88)												
(90) Line (82) + Line (89)												
(91) [Line (82) + Line (90)] + 2												
(92) [Line (91) x Line (92)] + 365 x # days												
(93) [Line (91) x Line (92)] + 365 x # days												
(94) Line (90) + Line (93)												
(95) Col (a)-(e): RMS/MJP-4, Pg. 1, Line (16)												
Col (f)-(i): RMS/MJP-4, Pg. 1, Line (32)												
(96) Line (108)												
(97) Company's billing system												
(98) Company's billing system												
(99) RMS/MJP-5, Line (46); Col (f) Prorated												
(100) Line (98) + Line (99)												
(101) Line (100) + Line (97)												
(102) Line (95) - Line (101)												
(103) Line (97) x Line (102)												
(104) Line (96) + Line (103)												
(105) [Line (96) + Line (104)] + 2												
(106) [Line (105) x Line (106)] + 365 x # days												
(107) [Line (104) + Line (107)]												

Actual vs. Normal Billing Degree Day Comparison for April 2019 - March 2020

<u>Month/Year</u>		<u>Actual Billing Degree Days</u>	<u>Normal Billing Degree Days</u>
		(a)	(b)
(1)	Apr-19	630	646
(2)	May-19	352	345
(3)	Jun-19	122	110
(4)	Jul-19	7	12
(5)	Aug-19	0	1
(6)	Sep-19	18	22
(7)	Oct-19	141	153
(8)	Nov-19	455	422
(9)	Dec-19	861	766
(10)	Jan-20	926	1,033
(11)	Feb-20	857	1,028
(12)	Mar-20	748	907
(13)	Total	5,117	5,446
(14)	Degree Day Difference		329
(15)	Degree Day Difference (%)		-6.0%

Source: Normal Heating Degree Day Report

- (13) Sum [Lines (1):(12)]
- (14) Abs [Column (b), Line (13) - Column (a), Line (13)]
- (15) [Column (a), Line (13) ÷ Column (b), Line (13)] - 1

Gas Revenue Decoupling Targets¹ - Rate Year 1

	Sept-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Residential Non-Heat (incl Low-Income)													
(1) Number of Customers	18,202	18,263	18,319	18,364	18,358	18,349	18,334	18,286	18,218	18,198	17,532	16,963	
(2) Actual Revenue	\$326,201	\$340,794	\$378,806	\$447,828	\$496,190	\$484,285	\$576,402	\$497,202	\$405,833	\$350,920	\$320,092	\$311,968	\$4,936,520
(4) RPC	\$17.92	\$18.66	\$20.68	\$24.39	\$27.03	\$26.39	\$31.44	\$27.19	\$22.28	\$19.28	\$18.26	\$18.39	
Residential Heating (incl Low-Income)													
(5) Number of Customers	224,509	225,664	227,078	227,977	228,494	228,682	228,871	228,665	228,030	227,615	227,807	228,217	
(6) Actual Revenue	\$5,313,726	\$5,855,938	\$9,984,385	\$15,931,434	\$21,134,776	\$22,860,468	\$20,318,498	\$14,917,234	\$8,902,634	\$6,309,250	\$5,406,704	\$5,209,690	\$142,143,756
(8) RPC	\$23.67	\$25.95	\$43.97	\$69.88	\$92.50	\$99.97	\$88.78	\$65.24	\$39.04	\$27.71	\$23.73	\$22.83	
Small													
(9) Number of Customers	18,529	18,687	18,958	19,127	19,187	19,210	19,224	19,108	19,002	18,893	18,795	18,877	
(10) Actual Revenue	\$693,894	\$747,340	\$1,126,051	\$2,005,908	\$2,606,735	\$2,717,697	\$2,509,079	\$1,847,038	\$1,037,000	\$832,950	\$689,969	\$675,700	\$17,489,362
(11) RPC	\$37.45	\$39.99	\$59.40	\$104.87	\$135.86	\$141.47	\$130.52	\$96.66	\$54.57	\$44.09	\$36.71	\$35.79	
Medium C&I													
(13) Number of Customers	5,221	5,252	5,258	5,270	5,273	5,277	5,280	5,277	5,265	5,262	5,260	5,182	
(14) Actual Revenue	\$1,455,855	\$1,611,126	\$1,900,771	\$2,582,618	\$3,076,297	\$2,979,886	\$2,904,330	\$2,395,051	\$1,870,099	\$1,481,866	\$1,514,587	\$1,512,051	\$17,489,362
(15) RPC	\$278.85	\$306.76	\$361.50	\$490.06	\$583.41	\$564.69	\$550.06	\$453.87	\$355.19	\$281.62	\$287.94	\$291.79	

1 Actual revenue allocations from Schedule RMS/MJP-4 pg. 2.

Gas Revenue Decoupling Targets² - Rate Year 2

	Sept-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Residential Non-Heat (incl Low-Income)													
(17) Number of Customers	18,202	18,263	18,319	18,364	18,358	18,349	18,334	18,286	18,218	18,198	17,532	16,963	
(18) Actual Revenue	\$333,632	\$349,497	\$390,842	\$465,885	\$518,521	\$505,720	\$605,893	\$519,983	\$420,781	\$361,182	\$327,732	\$318,932	\$5,118,600
(20) RPC	\$18.33	\$19.14	\$21.34	\$25.37	\$28.24	\$27.56	\$33.05	\$28.44	\$23.10	\$19.85	\$18.69	\$18.80	
Residential Heating (incl Low-Income)													
(21) Number of Customers	224,509	225,664	227,078	227,977	228,494	228,682	228,871	228,665	228,030	227,615	227,807	228,217	
(22) Actual Revenue	\$5,424,075	\$5,992,543	\$10,331,923	\$16,576,631	\$22,040,024	\$23,851,427	\$21,181,338	\$15,508,970	\$9,184,092	\$6,463,856	\$5,518,940	\$5,312,767	\$147,386,585
(24) RPC	\$24.16	\$26.36	\$45.50	\$72.71	\$96.46	\$104.30	\$92.55	\$67.82	\$40.28	\$28.40	\$24.23	\$23.28	
Small													
(25) Number of Customers	18,529	18,687	18,958	19,127	19,187	19,210	19,224	19,108	19,002	18,893	18,795	18,877	
(26) Actual Revenue	\$706,568	\$763,033	\$1,162,217	\$2,089,678	\$2,722,853	\$2,839,578	\$2,619,485	\$1,921,498	\$1,067,607	\$852,619	\$702,074	\$687,234	\$18,134,443
(27) RPC	\$38.13	\$40.83	\$61.30	\$109.25	\$141.91	\$147.82	\$136.26	\$100.56	\$56.18	\$45.13	\$37.35	\$36.41	
Medium C&I													
(29) Number of Customers	5,221	5,252	5,258	5,270	5,273	5,277	5,280	5,277	5,265	5,262	5,260	5,182	
(30) Actual Revenue	\$1,484,822	\$1,649,842	\$1,966,077	\$2,696,904	\$3,222,064	\$3,119,032	\$3,038,922	\$2,494,704	\$1,935,323	\$1,520,695	\$1,545,504	\$1,543,246	\$26,217,134
(31) RPC	\$284.39	\$314.14	\$373.92	\$511.75	\$611.05	\$591.06	\$575.55	\$472.75	\$367.58	\$289.00	\$293.82	\$297.81	

2 Actual revenue allocations from Schedule RMS/MJP-4 pg. 3.

Gas Revenue Decoupling Targets³ - Rate Year 3

	Sept-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Residential Non-Heat (incl Low-Income)													
(33) Number of Customers	18,202	18,263	18,319	18,364	18,358	18,349	18,334	18,286	18,218	18,198	17,532	16,963	
(34) Actual Revenue	\$337,192	\$353,697	\$396,720	\$474,792	\$529,580	\$516,330	\$620,557	\$531,272	\$428,129	\$366,174	\$331,405	\$322,265	\$5,208,111
(36) RPC	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85	\$29.05	\$23.50	\$20.12	\$18.90	\$19.00	
Residential Heating (incl Low-Income)													
(37) Number of Customers	224,509	225,664	227,078	227,977	228,494	228,682	228,871	228,665	228,030	227,615	227,807	228,217	
(38) Actual Revenue	\$5,478,848	\$6,060,914	\$10,500,865	\$16,892,215	\$22,483,715	\$24,337,334	\$21,604,114	\$15,798,176	\$9,327,441	\$6,542,019	\$5,574,647	\$5,363,735	\$149,964,024
(40) RPC	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39	\$69.09	\$40.90	\$28.74	\$24.47	\$23.50	
Small													
(41) Number of Customers	18,529	18,687	18,958	19,127	19,187	19,210	19,224	19,108	19,002	18,893	18,795	18,877	
(42) Actual Revenue	\$712,467	\$770,442	\$1,179,865	\$2,131,114	\$2,780,449	\$2,900,050	\$2,674,221	\$1,958,269	\$1,082,447	\$862,001	\$707,685	\$692,561	\$18,451,570
(43) RPC	\$38.45	\$41.23	\$62.24	\$111.42	\$144.91	\$150.97	\$139.11	\$102.48	\$56.96	\$45.63	\$37.65	\$36.69	
Medium C&I													
(45) Number of Customers	5,221	5,252	5,258	5,270	5,273	5,277	5,280	5,277	5,265	5,262	5,260	5,182	
(46) Actual Revenue	\$1,498,552	\$1,668,447	\$1,998,082	\$2,753,482	\$3,294,391	\$3,188,043	\$3,105,657	\$2,543,927	\$1,967,311	\$1,539,456	\$1,560,187	\$1,558,074	\$26,675,610
(47) RPC	\$287.02	\$317.68	\$380.01	\$522.48	\$624.77	\$604.14	\$588.19	\$482.08	\$373.66	\$292.56	\$296.61	\$300.67	

3 Actual revenue allocations from Schedule RMS/MJP-4 pg. 4.

Section 1 - Base Revenue Requirement and Revenue Allocator - Rate Year 1

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Total Sept.18 - Aug.19 (m)	Docket No. 4770 ¹ Sept.18 - Aug.19 (n)
(1) Residential Non-Heat														
(2) Base Revenue	\$320,043	\$334,047	\$369,950	\$435,311	\$481,731	\$471,370	\$561,792	\$484,766	\$396,862	\$344,646	\$314,700	\$306,617	\$4,821,835	Line 58, Col (U)
(3) Allocator	7%	7%	8%	9%	10%	10%	12%	10%	8%	7%	7%	6%	100%	
(4) Low Income Residential Non-Heat														
(5) Base Revenue	\$4,547	\$5,064	\$6,985	\$10,305	\$12,008	\$10,523	\$11,763	\$9,980	\$6,967	\$4,541	\$3,811	\$3,810	\$90,304	Line 59, Col (U)
(6) Allocator	5%	6%	8%	11%	13%	12%	13%	11%	8%	5%	4%	4%	100%	
(7) Residential Non-Heat (incl Low-Income)														
(8) Base Revenue	\$324,590	\$339,111	\$376,935	\$445,616	\$493,739	\$481,893	\$573,555	\$494,746	\$403,829	\$349,187	\$318,511	\$310,427	\$4,912,139	Line 58 + Line 59
(9) Allocator	7%	7%	8%	9%	10%	10%	12%	10%	8%	7%	6%	6%	100%	
(10) Residential Heating														
(11) Base Revenue	\$4,885,051	\$5,395,182	\$9,209,724	\$14,686,466	\$19,546,912	\$21,191,397	\$18,822,255	\$13,824,092	\$8,258,478	\$5,847,013	\$5,000,179	\$4,816,824	\$131,483,573	Line 64, Col (U)
(12) Allocator	4%	4%	7%	11%	15%	16%	14%	11%	6%	4%	4%	4%	100%	
(13) Low Income Residential Heating														
(14) Base Revenue	\$426,271	\$458,107	\$770,144	\$1,237,760	\$1,578,302	\$1,658,729	\$1,487,051	\$1,086,393	\$640,128	\$458,383	\$404,079	\$390,509	\$10,595,856	Line 68, Col (U)
(15) Allocator	4%	4%	7%	12%	15%	16%	14%	10%	6%	4%	4%	4%	100%	
(16) Residential Heating (incl Low-Income)														
(17) Base Revenue	\$5,311,322	\$5,853,289	\$9,979,868	\$15,924,226	\$21,125,214	\$22,850,126	\$14,910,485	\$8,898,606	\$6,305,396	\$5,404,258	\$5,207,333	\$5,207,333	\$142,079,429	Line 64 + Line 68
(18) Allocator	4%	4%	7%	11%	15%	16%	14%	10%	6%	4%	4%	4%	100%	
(19) Small														
(20) Base Revenue	\$693,580	\$747,002	\$1,125,542	\$2,005,001	\$2,605,556	\$2,716,468	\$2,507,944	\$1,846,203	\$1,036,531	\$832,573	\$689,657	\$675,394	\$17,481,451	Line 72, Col (U)
(21) Allocator	4%	4%	6%	11%	15%	16%	14%	11%	6%	5%	4%	4%	100%	
(22) Medium C&I														
(23) Base Revenue	\$1,455,196	\$1,610,397	\$1,899,911	\$2,581,450	\$3,074,905	\$2,978,538	\$2,903,016	\$2,393,968	\$1,869,253	\$1,481,196	\$1,513,902	\$1,511,367	\$25,273,099	Line 77, Col (U)
(24) Allocator	6%	6%	8%	10%	12%	12%	11%	9%	7%	6%	6%	6%	100%	

Section 2 - Allocated Revised Revenue Requirement

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Total Sept.18 - Aug.19 (m)	Revised Revenue Requirement ² (n)
(25) Residential Non-Heat (incl Low-Income)														
(26) Actual Revenue Requirement	\$326,201	\$340,794	\$378,806	\$447,828	\$496,190	\$484,285	\$576,402	\$497,202	\$405,833	\$350,920	\$320,092	\$311,968	\$4,936,520	\$4,936,520
(27) Residential Heating (incl Low-Income)														
(28) Actual Revenue Requirement	\$5,313,726	\$5,855,938	\$9,984,385	\$15,931,434	\$21,134,776	\$22,860,468	\$20,318,498	\$14,917,234	\$8,902,634	\$6,308,250	\$5,406,704	\$5,209,690	\$142,143,736	\$142,143,736
(29) Small														
(30) Actual Revenue Requirement	\$693,894	\$747,340	\$1,126,051	\$2,005,908	\$2,606,735	\$2,717,697	\$2,509,079	\$1,847,038	\$1,037,000	\$832,950	\$689,969	\$675,700	\$17,489,362	\$17,489,362
(31) Medium C&I														
(32) Actual Revenue Requirement	\$1,455,855	\$1,611,126	\$1,900,771	\$2,582,618	\$3,076,297	\$2,979,886	\$2,904,330	\$2,395,051	\$1,870,099	\$1,481,866	\$1,514,587	\$1,512,051	\$25,284,536	\$25,284,536

1 Base revenue requirement from Docket 4770 ("2017 Rate Case").

2 Schedule MAL-1, Page 1, Column (d)

Section 1 - Base Revenue Requirement and Revenue Allocator - Rate Year 2

	Sept-19 (a)	Oct-19 (b)	Nov-19 (c)	Dec-19 (d)	Jan-20 (e)	Feb-20 (f)	Mar-20 (g)	Apr-20 (h)	May-20 (i)	Jun-20 (j)	Jul-20 (k)	Aug-20 (l)	Total Sept 19 - Aug 20 (m)	Docket No. 4770 ¹ Sept 19 - Aug 20 (n)
(1) Residential Non-Heat														
(2) Base Revenue	\$326,900	\$342,115	\$381,120	\$452,096	\$502,550	\$491,423	\$589,622	\$506,161	\$410,841	\$354,243	\$321,794	\$313,055	\$4,991,920	Line 58, Col (L)
(3) Allocator	7%	7%	8%	9%	10%	10%	12%	10%	8%	7%	6%	6%	100%	
(4) Low Income Residential Non-Heat														
(5) Base Revenue	\$4,668	\$5,220	\$7,304	\$10,907	\$12,764	\$11,169	\$12,523	\$10,605	\$7,337	\$4,705	\$3,911	\$3,904	\$95,017	Line 59, Col (U)
(6) Allocator	5%	5%	8%	11%	13%	12%	13%	11%	8%	5%	4%	4%	100%	
(7) Residential Non-Heat (incl Low-Income)														
(8) Base Revenue	\$331,568	\$347,335	\$388,424	\$463,003	\$515,314	\$502,592	\$602,145	\$516,766	\$418,178	\$358,948	\$325,705	\$316,959	\$5,086,937	Line 58 + Line 59
(9) Allocator	7%	7%	8%	9%	10%	10%	12%	10%	8%	7%	6%	6%	100%	
(10) Residential Heating														
(11) Base Revenue	\$4,979,172	\$5,513,336	\$9,517,170	\$15,259,972	\$20,356,084	\$22,079,649	\$19,594,425	\$14,352,519	\$8,507,895	\$5,982,986	\$5,096,708	\$4,905,185	\$136,145,101	Line 64, Col (U)
(12) Allocator	4%	4%	7%	11%	15%	16%	14%	11%	6%	4%	4%	4%	100%	
(13) Low Income Residential Heating														
(14) Base Revenue	\$434,922	\$468,180	\$795,740	\$1,286,155	\$1,643,382	\$1,727,887	\$1,547,935	\$1,127,911	\$659,296	\$468,975	\$412,076	\$397,805	\$10,970,264	Line 68, Col (U)
(15) Allocator	4%	4%	7%	12%	15%	16%	14%	10%	6%	4%	4%	4%	100%	
(16) Residential Heating (incl Low-Income)														
(17) Base Revenue	\$5,414,094	\$5,981,516	\$10,312,910	\$16,546,127	\$21,999,466	\$23,807,536	\$21,142,360	\$15,480,430	\$9,167,191	\$6,451,961	\$5,508,784	\$5,302,990	\$147,115,365	Line 64 + Line 68
(18) Allocator	4%	4%	7%	11%	15%	16%	14%	11%	6%	4%	4%	4%	100%	
(19) Small														
(20) Base Revenue	\$705,073	\$761,419	\$1,159,759	\$2,085,258	\$2,717,093	\$2,833,571	\$2,613,944	\$1,917,433	\$1,065,349	\$850,815	\$700,589	\$685,780	\$18,096,083	Line 72, Col (U)
(21) Allocator	4%	4%	6%	12%	15%	16%	14%	11%	6%	5%	4%	4%	100%	
(22) Medium C&I														
(23) Base Revenue	\$1,482,045	\$1,646,756	\$1,962,399	\$2,691,859	\$3,216,037	\$3,113,198	\$3,033,237	\$2,490,037	\$1,931,703	\$1,517,850	\$1,542,613	\$1,540,359	\$26,168,093	Line 77, Col (U)
(24) Allocator	6%	6%	7%	10%	12%	12%	12%	10%	7%	6%	6%	6%	100%	

Section 2 - Allocated Revised Revenue Requirement

	Sept-19 (a)	Oct-19 (b)	Nov-19 (c)	Dec-19 (d)	Jan-20 (e)	Feb-20 (f)	Mar-20 (g)	Apr-20 (h)	May-20 (i)	Jun-20 (j)	Jul-20 (k)	Aug-20 (l)	Total Sept 19 - Aug 20 (m)	Revised Revenue Requirement ² (n)
(25) Residential Non-Heat (incl Low-Income)														
(26) Actual Revenue Requirement	\$333,632	\$349,497	\$390,842	\$465,885	\$518,521	\$505,720	\$605,893	\$519,983	\$420,781	\$361,182	\$327,732	\$318,932	\$5,118,600	\$5,118,600
(27) Residential Heating (incl Low-Income)														
(28) Actual Revenue Requirement	\$5,424,075	\$5,992,543	\$10,331,923	\$16,576,631	\$22,040,024	\$23,851,427	\$21,181,338	\$15,508,970	\$9,184,092	\$6,463,856	\$5,518,940	\$5,312,767	\$147,386,585	\$147,386,585
(29) Small														
(30) Actual Revenue Requirement	\$706,568	\$763,033	\$1,162,217	\$2,089,678	\$2,722,853	\$2,839,578	\$2,619,485	\$1,921,498	\$1,067,607	\$852,619	\$702,074	\$687,234	\$18,134,443	\$18,134,443
(31) Medium C&I														
(32) Actual Revenue Requirement	\$1,484,822	\$1,649,842	\$1,966,077	\$2,696,904	\$3,222,064	\$3,119,032	\$3,038,922	\$2,494,704	\$1,935,323	\$1,520,695	\$1,545,504	\$1,543,246	\$26,217,134	\$26,217,134

1 Base revenue requirement from Docket 4770 ("2017 Rate Case").

2 Schedule MAL-1, Page 1, Column (d)

Section 1 - Base Revenue Requirement and Revenue Allocator - Rate Year 3

	Sep-20	Oct-20	Nov-20	Dec-20	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Total Sept-20 - Aug-21 (m)	Docket No. 4770 Sept-20 - Aug-21 (n)
(1) Residential Non-Heat														
(2) Base Revenue	\$330,410	\$346,245	\$386,838	\$460,688	\$513,207	\$501,687	\$603,868	\$517,113	\$417,997	\$359,155	\$325,426	\$316,351	\$5,078,985	Line 58, Col (U)
(3) Allocator													100%	
(4) Low Income Residential Non-Heat														
(5) Base Revenue	\$4,730	\$5,299	\$7,467	\$11,214	\$13,150	\$11,500	\$12,912	\$10,925	\$7,526	\$4,790	\$3,962	\$3,953	\$97,428	Line 59, Col (U)
(6) Allocator													100%	
(7) Residential Non-Heat (incl Low-Income)														
(8) Base Revenue	\$335,140	\$351,544	\$394,305	\$471,902	\$526,357	\$513,187	\$616,780	\$528,038	\$425,523	\$363,945	\$329,388	\$320,304	\$5,176,413	Line 58 + Line 59
(9) Allocator													100%	
(10) Residential Heating														
(11) Base Revenue	\$5,029,451	\$5,576,452	\$9,673,244	\$15,551,110	\$20,766,857	\$22,530,567	\$19,986,415	\$14,620,774	\$8,641,130	\$6,055,621	\$5,148,273	\$4,952,386	\$138,532,280	Line 64, Col (U)
(12) Allocator													100%	
(13) Low Income Residential Heating														
(14) Base Revenue	\$439,543	\$473,561	\$808,734	\$1,310,723	\$1,676,420	\$1,762,995	\$1,578,843	\$1,148,988	\$669,535	\$474,632	\$416,348	\$401,702	\$11,162,024	Line 68, Col (U)
(15) Allocator													100%	
(16) Residential Heating (incl Low-Income)														
(17) Base Revenue	\$5,468,994	\$6,050,013	\$10,481,978	\$16,861,833	\$22,443,277	\$24,293,562	\$21,565,258	\$15,769,762	\$9,310,665	\$6,530,253	\$5,564,621	\$5,354,088	\$149,694,304	Line 64 + Line 68
(18) Allocator													100%	
(19) Small														
(20) Base Revenue	\$711,007	\$768,863	\$1,177,447	\$2,126,747	\$2,774,752	\$2,894,108	\$2,668,741	\$1,954,256	\$1,080,229	\$860,235	\$706,235	\$691,142	\$18,413,762	Line 72, Col (U)
(21) Allocator													100%	
(22) Medium C&I														
(23) Base Revenue	\$1,495,801	\$1,665,384	\$1,994,414	\$2,748,428	\$3,288,344	\$3,182,191	\$3,099,956	\$2,539,257	\$1,963,700	\$1,536,630	\$1,557,323	\$1,555,214	\$26,626,642	Line 77, Col (U)
(24) Allocator													100%	

Section 2 - Allocated Revised Revenue Requirement

	Sep-20	Oct-20	Nov-20	Dec-20	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Total Sept-20 - Aug-21 (m)	Revised Revenue Requirement (n)
(25) Residential Non-Heat (incl Low-Income)														
(26) Actual Revenue Requirement	\$337,192	\$353,697	\$396,720	\$474,792	\$529,580	\$516,330	\$620,557	\$531,272	\$428,129	\$366,174	\$331,405	\$322,265	\$5,208,111	\$5,208,111
(27) Residential Heating (incl Low-Income)														
(28) Actual Revenue Requirement	\$5,478,848	\$6,060,914	\$10,500,865	\$16,892,215	\$22,483,715	\$24,337,334	\$21,604,114	\$15,798,176	\$9,327,441	\$6,542,019	\$5,574,647	\$5,363,735	\$149,964,024	\$149,964,024
(29) Small														
(30) Actual Revenue Requirement	\$712,467	\$770,442	\$1,179,865	\$2,131,114	\$2,780,449	\$2,900,050	\$2,674,221	\$1,958,269	\$1,082,447	\$862,001	\$707,685	\$692,561	\$18,451,570	\$18,451,570
(31) Medium C&I														
(32) Actual Revenue Requirement	\$1,498,552	\$1,668,447	\$1,998,082	\$2,753,482	\$3,294,391	\$3,188,043	\$3,105,657	\$2,543,927	\$1,967,311	\$1,539,456	\$1,560,187	\$1,558,074	\$26,675,610	\$26,675,610

1 Base revenue requirement from Docket 4770 ("2017 Rate Case").
2 Schedule MAL-1, Page 1, Column (d)

**Credit for Excess ADIT
September 2018 through August 2019**

	FY2019														Rate Year	
	Sep-18 (a)	Oct-18 (b)	Nov-18 (c)	Dec-18 (d)	Jan-19 (e)	Feb-19 (f)	Mar-19 (g)	Total (h)	Apr-19 (i)	May-19 (j)	Jun-19 (k)	Jul-19 (l)	Aug-19 (m)	Sep-19 (n)	Total (o)	
Volumes																
(1) Res Non Heat	75,404	179,973	286,235	442,082	519,619	561,271	489,780	2,554,364	385,867	295,377	224,991	164,456	139,217	75,548	3,839,820	
(2) Res Non Heat Low Income	1,907	4,966	9,140	16,046	20,127	23,418	25,595	101,199	18,581	14,072	9,760	6,805	4,686	2,693	157,796	
(3) Res Heat	1,294,631	4,965,243	14,008,633	25,254,462	30,777,056	33,531,245	29,735,848	139,567,118	19,253,009	11,831,452	6,286,845	3,753,583	3,552,240	1,953,483	186,197,730	
(4) Res Heat Low Income	182,359	488,358	1,224,245	2,246,796	2,598,836	2,955,618	2,742,145	12,438,357	1,846,955	1,164,816	658,780	412,621	398,393	221,878	17,141,800	
(5) Small C&I	188,779	497,717	1,659,560	3,468,983	4,301,009	5,030,796	4,369,163	19,516,007	2,589,123	1,452,409	712,823	436,061	454,177	228,146	25,388,746	
(6) Medium C&I	806,831	2,181,109	4,502,323	7,913,044	9,200,698	10,072,101	8,906,355	43,582,461	6,511,284	4,050,149	2,436,545	1,552,431	1,612,777	926,082	60,671,729	
(7) Large Low Load Factor C&I	(41,020)	825,431	2,496,767	4,385,986	4,829,581	5,631,299	4,436,680	22,564,724	3,343,446	1,485,450	651,674	(102,826)	405,805	214,338	28,562,612	
(8) Large High Load Factor C&I	382,155	902,729	1,161,982	1,427,166	1,512,124	1,747,148	1,450,075	8,583,379	1,268,402	1,000,436	874,618	847,749	829,110	442,613	13,846,307	
(9) XLarge Low Load Factor C&I	102,425	327,797	1,495,372	2,434,193	2,235,941	2,786,235	1,762,795	11,144,758	1,818,897	242,638	402,513	(168,321)	212,554	112,166	13,765,205	
(10) XLarge High Load Factor C&I	2,029,169	5,096,898	5,780,647	5,901,252	6,384,226	6,804,423	4,973,367	36,969,982	5,817,418	4,588,920	4,572,124	4,591,758	4,627,949	2,445,929	63,614,080	

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total
Current Approved Distribution Rates															
(11) Res Non Heat	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456
(12) Res Non Heat Low Income	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456	\$0.5456
(13) Res Heat	\$0.4960	\$0.4960	\$0.5534	\$0.5534	\$0.5534	\$0.5534	\$0.5534	\$0.5534	\$0.4960	\$0.4960	\$0.4960	\$0.4960	\$0.4960	\$0.4960	\$0.4960
(14) Res Heat Low Income	\$0.4960	\$0.4960	\$0.5534	\$0.5534	\$0.5534	\$0.5534	\$0.5534	\$0.5534	\$0.4960	\$0.4960	\$0.4960	\$0.4960	\$0.4960	\$0.4960	\$0.4960
(15) Small C&I	\$0.4284	\$0.4284	\$0.4852	\$0.4852	\$0.4852	\$0.4852	\$0.4852	\$0.4852	\$0.4284	\$0.4284	\$0.4284	\$0.4284	\$0.4284	\$0.4284	\$0.4284
(16) Medium C&I	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484	\$0.2484
(17) Large Low Load Factor C&I	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429	\$0.2429
(18) Large High Load Factor C&I	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$0.1617
(19) XLarge Low Load Factor C&I	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421	\$0.0421
(20) XLarge High Load Factor C&I	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369	\$0.0369

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total
Illustrative Rates from Excess ADIT True-Up Second Compliance Filing (Docket 4770)															
(21) Res Non Heat	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445
(22) Res Non Heat Low Income	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445	\$0.5445
(23) Res Heat	\$0.4958	\$0.4958	\$0.5527	\$0.5527	\$0.5527	\$0.5527	\$0.5527	\$0.5527	\$0.4958	\$0.4958	\$0.4958	\$0.4958	\$0.4958	\$0.4958	\$0.4958
(24) Res Heat Low Income	\$0.4958	\$0.4958	\$0.5527	\$0.5527	\$0.5527	\$0.5527	\$0.5527	\$0.5527	\$0.4958	\$0.4958	\$0.4958	\$0.4958	\$0.4958	\$0.4958	\$0.4958
(25) Small C&I	\$0.4278	\$0.4278	\$0.4846	\$0.4846	\$0.4846	\$0.4846	\$0.4846	\$0.4846	\$0.4278	\$0.4278	\$0.4278	\$0.4278	\$0.4278	\$0.4278	\$0.4278
(26) Medium C&I	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480	\$0.2480
(27) Large Low Load Factor C&I	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425	\$0.2425
(28) Large High Load Factor C&I	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614	\$0.1614
(29) XLarge Low Load Factor C&I	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420	\$0.0420
(30) XLarge High Load Factor C&I	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total
Reduction in Rates															
(31) Res Non Heat	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)
(32) Res Non Heat Low Income	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)	(\$0.0011)
(33) Res Heat	(\$0.0002)	(\$0.0002)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)
(34) Res Heat Low Income	(\$0.0002)	(\$0.0002)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0007)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)
(35) Small C&I	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)	(\$0.0006)
(36) Medium C&I	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)
(37) Large Low Load Factor C&I	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)	(\$0.0004)
(38) Large High Load Factor C&I	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)	(\$0.0003)
(39) XLarge Low Load Factor C&I	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)	(\$0.0001)
(40) XLarge High Load Factor C&I	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)	(\$0.0002)

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Total
Reduction in Distribution Revenues															
(41) Res Non Heat	(\$83)	(\$198)	(\$315)	(\$486)	(\$572)	(\$617)	(\$539)	(\$2,810)	(\$424)	(\$325)	(\$247)	(\$181)	(\$153)	(\$83)	(\$4,223)
(42) Res Non Heat Low Income	(\$2)	(\$5)	(\$10)	(\$18)	(\$22)	(\$26)	(\$28)	(\$111)	(\$20)	(\$15)	(\$11)	(\$7)	(\$5)	(\$3)	(\$172)
(43) Res Heat	(\$259)	(\$993)	(\$9,806)	(\$17,678)	(\$21,544)	(\$23,472)	(\$20,815)	(\$94,567)	(\$13,477)	(\$2,366)	(\$1,257)	(\$751)	(\$710)	(\$391)	(\$113,519)
(44) Res Heat Low Income	(\$36)	(\$98)	(\$857)	(\$1,573)	(\$1,819)	(\$2,069)	(\$1,920)	(\$8,372)	(\$1,293)	(\$233)	(\$132)	(\$83)	(\$80)	(\$44)	(\$10,237)
(45) Small C&I	(\$113)	(\$299)	(\$996)	(\$2,081)	(\$2,581)	(\$3,018)	(\$2,621)	(\$11,709)	(\$1,553)	(\$871)	(\$428)	(\$262)	(\$273)	(\$137)	(\$15,233)
(46) Medium C&I	(\$323)	(\$872)	(\$1,801)	(\$3,165)	(\$3,680)	(\$4,029)	(\$3,563)	(\$17,433)	(\$2,605)	(\$1,620)	(\$975)	(\$621)	(\$645)	(\$370)	(\$24,269)
(47) Large Low Load Factor C&I	\$16	(\$330)	(\$999)	(\$1,754)	(\$1,932)	(\$2,253)	(\$1,775)	(\$9,027)	(\$1,337)	(\$594)	(\$261)	\$41	(\$162)	(\$86)	(\$11,426)
(48) Large High Load Factor C&I	(\$115)	(\$271)	(\$349)	(\$428)	(\$454)	(\$524)	(\$435)	(\$2,576)	(\$381)	(\$300)	(\$262)	(\$254)	(\$249)	(\$133)	(\$4,155)
(49) XLarge Low Load Factor C&I	(\$10)	(\$33)	(\$150)	(\$243)	(\$224)	(\$279)	(\$176)	(\$1,115)	(\$182)	(\$24)	(\$40)	\$17	(\$21)	(\$11)	(\$1,376)
(50) XLarge High Load Factor C&I	(\$406)	(\$1,019)	(\$1,156)	(\$1,180)	(\$1,277)	(\$1,361)	(\$995)	(\$7,394)	(\$1,163)	(\$918)	(\$914)	(\$918)	(\$926)	(\$489)	(\$12,722)

(51) Sub-Total (RDM Only)	(\$816)	(\$2,465)	(\$13,785)	(\$25,001)	(\$30,218)	(\$33,231)	(\$29,486)	(\$135,002)	(\$19,372)	(\$5,430)	(\$3,050)	(\$1,905)	(\$1,866)	(\$1,028)	(\$167,653)
(52) Total (All Customers)	(\$1,331)	(\$4,118)	(\$16,439)	(\$28,606)	(\$34,105)	(\$37,648)	(\$32,867)	(\$155,114)	(\$22,435)	(\$7,266)	(\$4,527)	(\$3,019)	(\$3,224)	(\$1,747)	(\$197,332)

- | | | | |
|--------------------------------|---|----------------------------|--|
| (1)-(10), Col (a)-(g), (i)-(n) | Company billing system; Col (a) Prorated for only volume billed in Sept '18
Col (n) Prorated for Aug '19 volume billed in Sept '19 | (33) Line (23) - Line (13) | (43) Line (33) x Line (3), truncated to 4 decimal places |
| (1)-(10), Col (h) | Sum [Col (a)-(g)] | (34) Line (24) - Line (14) | (44) Line (34) x Line (4), truncated to 4 decimal places |
| (1)-(10), Col (o) | Sum [Col (h)-(n)] | (35) Line (25) - Line (15) | (45) Line (35) x Line (5), truncated to 4 decimal places |
| (11)-(20) | RIPUC NG-GAS No. 101 Section 4 & 5
Schedule A-F | (36) Line (26) - Line (16) | (46) Line (36) x Line (6), truncated to 4 decimal places |
| (21)-(20) | RIPUC Docket 4770, Second Compliance
Attachment 16, Page 11 filed May 31, 2019 | (37) Line (27) - Line (17) | (47) Line (37) x Line (7), truncated to 4 decimal places |
| | | | |

The Narragansett Electric Company
Revised Fiscal Year 2019 Gas RDM Reconciliation Balance incl. Capital Growth
Under (Over) Recovery of Target Revenue

(1)	Residential Non-Heat (incl Low Income)	(\$61,376)
(2)	Residential Heat (incl Low Income)	(\$9,059,401)
(3)	Small C&I	(\$736,845)
(4)	Medium C&I	(\$1,107,399)
(5)	Net Over Recovery of Target Revenue	<u>(\$10,965,021)</u>
(6)	Net Over Recovery of Target Recovery as filed in 2019 RDM Filing	(\$10,271,482)
(7)	FY2019 RDM True-Up Adjustment - Credit to Customers	(\$693,539)

- (1) Schedule RMS/MJP-6, Page 2, Column (l), Line (40)
- (2) Schedule RMS/MJP-6, Page 3, Column (l), Line (80)
- (3) Schedule RMS/MJP-6, Page 4, Column (l), Line (94)
- (4) Schedule RMS/MJP-6, Page 4, Column (l), Line (108)
- (5) Sum [Lines (1):(4)]
- (6) 2019 RDM Filing (Docket 4955, Schedule RMS/AEL-1, Page 1, Line (5))
- (7) Line (5) - Line (6)

RDM Reconciliation by Rate Class by Month
Prorated

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Non-Heat												
(1) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.30	\$18.66	\$20.68	\$24.39	\$27.03	\$26.39	\$31.44
(2) Beginning Balance Under/(Over) Recovery	\$0	\$39,222	\$52,455	\$103,079	\$131,002	\$170,850	\$175,384	\$162,716	\$124,310	\$124,310	\$23,079	(\$65,207)
(3) Actual Number of Customers	18,369	18,236	18,153	17,900	17,899	17,873	17,929	17,971	18,003	17,959	17,909	17,866
(4) Actual Base Revenue	\$422,200	\$387,254	\$315,951	\$319,466	\$293,964	\$322,975	\$347,887	\$410,744	\$484,993	\$542,261	\$561,465	\$528,021
(5) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$83)	(\$198)	(\$315)	(\$486)	(\$572)	(\$617)	(\$539)
(6) Adjusted Base Revenue	\$422,200	\$387,254	\$315,951	\$319,466	\$293,964	\$322,892	\$347,689	\$410,429	\$484,507	\$541,689	\$560,848	\$527,482
(7) Actual Base Revenue Per Customer	\$22.98	\$21.24	\$17.40	\$17.85	\$16.42	\$18.07	\$19.39	\$22.84	\$26.91	\$30.16	\$31.32	\$29.52
(8) RPC Variance (Benchmark- Actual)	\$2.13	\$0.72	\$2.78	\$1.54	\$2.20	\$0.23	(\$0.73)	(\$2.16)	(\$2.52)	(\$3.13)	(\$4.93)	\$1.92
(9) Monthly Under/(Over) Recovery of RPC	\$39,178	\$13,126	\$50,440	\$27,625	\$39,464	\$4,102	(\$13,134)	(\$38,789)	(\$45,414)	(\$56,258)	(\$88,230)	\$34,225
(10) Preliminary Ending Balance	\$39,178	\$52,348	\$102,896	\$130,704	\$170,466	\$174,952	\$162,250	\$123,927	\$78,896	\$85,151	(\$30,982)	(\$30,982)
(11) Average Balance	\$19,589	\$45,785	\$77,676	\$116,892	\$150,734	\$172,901	\$168,817	\$143,321	\$101,603	\$51,056	(\$21,036)	(\$48,095)
(12) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(13) Interest Applied	\$44	\$107	\$184	\$298	\$384	\$431	\$466	\$383	\$289	\$152	(\$56)	(\$145)
(14) Ending Balance Under/(Over) Recovery	\$39,222	\$52,455	\$103,079	\$131,002	\$170,850	\$175,384	\$162,716	\$124,310	\$79,185	\$23,079	(\$65,207)	(\$31,125)

Residential Non-Heat Low Income

(15) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.30	\$18.66	\$20.68	\$24.39	\$27.03	\$26.39	\$31.44
(16) Beginning Balance Under/(Over) Recovery	\$0	(\$1,620)	(\$3,089)	(\$2,677)	(\$3,198)	(\$2,922)	(\$2,977)	(\$4,096)	(\$6,669)	(\$11,546)	(\$17,353)	(\$24,479)
(17) Actual Number of Customers	276	328	339	309	323	329	334	348	361	399	440	468
(18) Actual Base Revenue	\$8,551	\$8,665	\$6,423	\$6,505	\$5,733	\$6,069	\$7,347	\$9,765	\$13,673	\$16,571	\$18,708	\$20,433
(19) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$2)	(\$5)	(\$10)	(\$18)	(\$22)	(\$26)	(\$28)
(20) Adjusted Base Revenue	\$8,551	\$8,665	\$6,423	\$6,505	\$5,733	\$6,067	\$7,342	\$9,755	\$13,655	\$16,549	\$18,682	\$20,405
(21) Actual Base Revenue Per Customer	\$30.98	\$26.42	\$18.95	\$21.05	\$17.75	\$18.44	\$21.98	\$28.03	\$37.83	\$41.48	\$42.46	\$43.60
(22) RPC Variance (Benchmark- Actual)	(\$5.86)	(\$4.46)	(\$1.24)	(\$1.66)	(\$0.88)	(\$0.14)	(\$3.32)	(\$7.35)	(\$13.44)	(\$14.45)	(\$16.07)	(\$12.16)
(23) Monthly Under/(Over) Recovery of RPC	(\$1,619)	(\$1,463)	\$419	(\$514)	\$284	(\$47)	(\$1,109)	(\$2,558)	(\$4,851)	(\$5,764)	(\$7,070)	(\$5,691)
(24) Preliminary Ending Balance	(\$1,619)	(\$3,084)	(\$2,670)	(\$3,191)	(\$2,915)	(\$2,970)	(\$4,086)	(\$6,655)	(\$11,520)	(\$17,310)	(\$24,423)	(\$30,170)
(25) Average Balance	(\$809)	(\$2,532)	(\$2,880)	(\$2,934)	(\$3,056)	(\$2,946)	(\$3,532)	(\$5,375)	(\$9,094)	(\$14,428)	(\$20,888)	(\$27,324)
(26) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(27) Interest Applied	(\$2)	(\$5)	(\$7)	(\$7)	(\$8)	(\$7)	(\$10)	(\$14)	(\$26)	(\$43)	(\$56)	(\$81)
(28) Ending Balance Under/(Over) Recovery	(\$1,620)	(\$3,089)	(\$2,677)	(\$3,198)	(\$2,922)	(\$2,977)	(\$4,096)	(\$6,669)	(\$11,546)	(\$17,353)	(\$24,479)	(\$30,251)

Residential Non-Heat (incl Low Income)

(29) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.30	\$18.66	\$20.68	\$24.39	\$27.03	\$26.39	\$31.44
(30) Beginning Balance Under/(Over) Recovery	\$0	\$37,602	\$49,366	\$100,402	\$127,803	\$167,928	\$172,406	\$158,619	\$117,641	\$67,639	\$5,726	(\$89,686)
(31) Actual Number of Customers	18,645	18,564	18,492	18,209	18,222	18,202	18,263	18,319	18,364	18,358	18,349	18,334
(32) Adjusted Base Revenue	\$430,751	\$395,919	\$322,374	\$325,972	\$299,697	\$328,959	\$355,031	\$420,184	\$498,162	\$558,239	\$579,530	\$547,887
(33) Actual Base Revenue Per Customer	\$23.10	\$21.33	\$17.43	\$17.90	\$16.45	\$18.07	\$19.44	\$22.94	\$27.13	\$30.41	\$31.58	\$29.88
(34) RPC Variance (Benchmark- Actual)	\$2.01	\$0.63	\$2.75	\$1.49	\$2.18	\$0.22	(\$0.78)	(\$2.26)	(\$2.74)	(\$3.38)	(\$5.19)	\$1.56
(35) Monthly Under/(Over) Recovery of RPC	\$37,559	\$11,663	\$50,859	\$27,111	\$39,748	\$4,055	(\$14,243)	(\$41,347)	(\$50,265)	(\$62,022)	(\$95,300)	\$28,534
(36) Preliminary Ending Balance	\$37,559	\$49,265	\$100,225	\$127,513	\$167,552	\$171,983	\$158,163	\$117,272	\$67,376	\$5,618	(\$89,574)	(\$61,152)
(37) Average Balance	\$18,780	\$43,433	\$74,796	\$113,958	\$147,678	\$169,955	\$165,285	\$137,946	\$92,509	\$36,628	(\$41,924)	(\$75,419)
(38) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(39) Interest Applied	\$42	\$101	\$177	\$290	\$376	\$424	\$456	\$368	\$263	\$109	(\$113)	(\$224)
(40) Ending Balance Under/(Over) Recovery	\$37,602	\$49,366	\$100,402	\$127,803	\$167,928	\$172,406	\$158,619	\$117,641	\$67,639	\$5,726	(\$89,686)	(\$61,376)

- (1) Col (0)-(1): RMS/MJP-4, Line (4)
- (2) Line (14)
- (3) Company's billing system
- (4) Company's billing system
- (5) RMS/MJP-5, Line (41)
- (6) Line (4) + Line (5)
- (7) Line (6) + Line (3)
- (8) Line (1) - Line (7)
- (9) Line (3) x Line (8)
- (10) Line (2) + Line (9)
- (11) [Line (2) + Line (10)] - 2
- (12) [Line (11) x Line (12)] - 365 x # days
- (13) RMS/MJP-5, Line (41)
- (14) Line (10) + Line (13)
- (15) Col (0)-(1): RMS/MJP-4, Line (4)
- (16) Line (28)
- (17) Company's billing system
- (18) Company's billing system
- (19) RMS/MJP-5, Line (42)
- (20) Line (18) + Line (19)
- (21) Line (20) + Line (17)
- (22) Line (15) - Line (21)
- (23) Line (17) x Line (22)
- (24) Line (16) + Line (23)
- (25) [Line (16) + Line (24)] ÷ 2
- (26) [Line (25) x Line (26)] - 365 x # days
- (27) Line (24) + Line (27)
- (28) Col (0)-(1): RMS/MJP-4, Line (4)
- (29) Line (40)
- (30) Line (3) + Line (17)
- (31) Line (6) + Line (20)
- (32) Line (32) + Line (31)
- (33) Line (29) - Line (33)
- (34) Line (31) x Line (34)
- (35) Line (30) + Line (35)
- (36) [Line (30) + Line (36)] - 2
- (37) [Line (37) x Line (38)] + 365 x # days
- (38) Line (36) + Line (39)
- (39) Line (37) + Line (39)

RDM Reconciliation by Rate Class by Month
Prorated

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sept-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Heating												
(41) Benchmark Revenue Per Customer (RPC)	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$21.92	\$25.95	\$43.97	\$69.88	\$92.50	\$99.97	\$88.78
(42) Beginning Balance Under/(Over) Recovery	\$0	(\$2,260,342)	(\$3,772,593)	(\$3,420,641)	(\$3,574,320)	(\$3,507,518)	(\$3,278,871)	(\$3,232,758)	(\$4,286,107)	(\$6,384,391)	(\$7,001,727)	(\$7,566,065)
(43) Actual Number of Customers	208,054	204,437	204,754	204,502	204,248	204,741	207,181	209,045	209,993	210,235	209,770	209,425
(44) Actual Base Revenue	\$13,271,080	\$8,557,565	\$4,623,754	\$4,561,618	\$4,085,635	\$4,251,777	\$5,322,253	\$10,244,834	\$16,775,130	\$20,065,751	\$21,538,987	\$19,390,370
(45) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$2,59)	(\$9,93)	(\$9,806)	(\$17,678)	(\$21,544)	(\$23,472)	(\$20,815)
(46) Adjusted Base Revenue	\$13,271,080	\$8,557,565	\$4,623,754	\$4,561,618	\$4,085,635	\$4,251,518	\$5,322,263	\$10,235,028	\$16,757,452	\$20,044,207	\$21,515,515	\$19,369,555
(47) Actual Base Revenue Per Customer	\$63.79	\$41.66	\$22.61	\$22.31	\$20.00	\$20.77	\$25.68	\$48.96	\$79.80	\$95.34	\$102.57	\$92.49
(48) RPC Variance (Benchmark- Actual)	(\$10.85)	(\$7.33)	\$1.76	(\$0.71)	\$0.37	\$1.16	\$0.27	(\$4.99)	(\$9.92)	(\$2.84)	(\$2.60)	(\$3.71)
(49) Monthly Under/(Over) Recovery of RPC	(\$2,257,790)	(\$1,505,214)	\$360,440	(\$144,779)	\$75,813	\$237,096	\$55,087	(\$1,043,319)	(\$2,083,141)	(\$597,469)	(\$544,808)	(\$776,804)
(50) Preliminary Ending Balance	(\$2,257,790)	(\$3,762,556)	(\$3,412,153)	(\$3,565,420)	(\$3,498,507)	(\$3,270,421)	(\$3,232,784)	(\$4,276,078)	(\$6,369,248)	(\$6,981,861)	(\$7,546,535)	(\$8,342,869)
(51) Average Balance	(\$1,128,895)	(\$3,012,949)	(\$3,592,373)	(\$3,493,031)	(\$3,536,414)	(\$3,388,969)	(\$3,251,327)	(\$3,754,418)	(\$5,327,677)	(\$6,683,126)	(\$7,274,131)	(\$7,954,467)
(52) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(53) Interest Applied	(\$2,552)	(\$7,037)	(\$8,489)	(\$8,900)	(\$9,011)	(\$8,449)	(\$8,975)	(\$10,029)	(\$15,144)	(\$19,866)	(\$19,531)	(\$23,645)
(54) Ending Balance Under/(Over) Recovery	(\$2,260,342)	(\$3,772,593)	(\$3,420,641)	(\$3,574,320)	(\$3,507,518)	(\$3,278,871)	(\$3,232,758)	(\$4,286,107)	(\$6,384,391)	(\$7,001,727)	(\$7,566,065)	(\$8,366,514)
Residential Heating - Low Income												
(55) Benchmark Revenue Per Customer (RPC)	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$21.92	\$25.95	\$43.97	\$69.88	\$92.50	\$99.97	\$88.78
(56) Beginning Balance Under/(Over) Recovery	\$0	(\$127,348)	(\$236,591)	(\$219,603)	(\$242,049)	(\$244,247)	(\$240,058)	(\$270,837)	(\$375,864)	(\$610,214)	(\$618,366)	(\$635,680)
(57) Actual Number of Customers	17,845	19,543	19,646	19,650	19,929	19,768	18,483	18,033	17,984	18,259	18,912	19,446
(58) Actual Base Revenue	\$1,071,825	\$779,701	\$461,350	\$446,260	\$407,622	\$428,589	\$509,709	\$897,075	\$1,491,245	\$1,697,106	\$1,908,334	\$1,783,571
(59) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$36)	(\$98)	(\$857)	(\$1,573)	(\$1,819)	(\$2,069)	(\$1,920)
(60) Adjusted Base Revenue	\$1,071,825	\$779,701	\$461,350	\$446,260	\$407,622	\$428,589	\$509,709	\$897,075	\$1,489,672	\$1,695,287	\$1,906,265	\$1,781,651
(61) Actual Base Revenue Per Customer	\$60.06	\$39.90	\$23.48	\$22.71	\$20.45	\$21.68	\$27.58	\$49.75	\$82.83	\$92.85	\$100.80	\$91.62
(62) RPC Variance (Benchmark- Actual)	(\$7.13)	(\$5.57)	\$0.89	(\$1.11)	(\$0.08)	\$0.24	(\$1.63)	(\$5.78)	(\$12.95)	(\$0.83)	(\$2.84)	(\$2.84)
(63) Monthly Under/(Over) Recovery of RPC	(\$127,205)	(\$108,819)	\$17,527	(\$21,859)	(\$1,579)	\$4,792	(\$30,076)	(\$104,164)	(\$232,950)	(\$6,329)	(\$15,632)	(\$55,235)
(64) Preliminary Ending Balance	(\$127,205)	(\$236,167)	(\$219,064)	(\$241,462)	(\$243,628)	(\$239,455)	(\$270,133)	(\$375,001)	(\$608,814)	(\$616,543)	(\$633,998)	(\$690,915)
(65) Average Balance	(\$63,602)	(\$181,756)	(\$227,828)	(\$230,532)	(\$241,851)	(\$255,095)	(\$322,919)	(\$492,339)	(\$613,378)	(\$616,339)	(\$626,182)	(\$663,297)
(66) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(67) Interest Applied	(\$144)	(\$425)	(\$538)	(\$587)	(\$619)	(\$603)	(\$704)	(\$863)	(\$1,399)	(\$1,823)	(\$1,681)	(\$1,972)
(68) Ending Balance Under/(Over) Recovery	(\$127,348)	(\$236,591)	(\$219,603)	(\$242,049)	(\$244,247)	(\$240,058)	(\$270,837)	(\$375,864)	(\$610,214)	(\$618,366)	(\$635,680)	(\$663,887)
Residential Heat (incl Low Income)												
(69) Benchmark Revenue Per Customer (RPC)	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$21.92	\$25.95	\$43.97	\$69.88	\$92.50	\$99.97	\$88.78
(70) Beginning Balance Under/(Over) Recovery	\$0	(\$2,387,690)	(\$4,009,184)	(\$3,816,369)	(\$3,751,764)	(\$3,751,764)	(\$3,518,928)	(\$3,503,596)	(\$4,661,970)	(\$6,994,605)	(\$7,620,093)	(\$8,201,745)
(71) Actual Number of Customers	225,899	224,980	224,123	224,152	224,177	224,509	225,664	227,078	227,977	228,494	228,682	228,871
(72) Adjusted Base Revenue	\$14,342,905	\$9,337,266	\$5,085,104	\$5,007,878	\$4,493,258	\$4,680,108	\$5,830,970	\$11,132,103	\$18,247,124	\$21,739,493	\$23,421,779	\$21,151,206
(73) Actual Base Revenue Per Customer	\$63.49	\$41.50	\$22.69	\$22.34	\$20.04	\$20.85	\$25.84	\$49.02	\$80.04	\$95.14	\$102.42	\$92.42
(74) RPC Variance (Benchmark- Actual)	(\$10.56)	(\$7.17)	\$1.69	(\$0.74)	\$0.33	\$1.08	\$0.11	(\$10.16)	(\$2.45)	(\$2.64)	(\$2.45)	(\$3.64)
(75) Monthly Under/(Over) Recovery of RPC	(\$2,384,995)	(\$1,614,033)	\$377,967	(\$166,638)	\$74,234	\$241,888	\$25,011	(\$1,147,483)	(\$2,316,092)	(\$603,798)	(\$560,440)	(\$832,039)
(76) Preliminary Ending Balance	(\$2,384,995)	(\$4,001,723)	(\$3,631,217)	(\$3,806,882)	(\$3,742,135)	(\$3,493,917)	(\$3,461,079)	(\$4,651,079)	(\$6,978,062)	(\$7,598,404)	(\$8,180,533)	(\$9,033,784)
(77) Average Balance	(\$1,192,497)	(\$3,194,706)	(\$3,820,200)	(\$3,723,563)	(\$3,779,252)	(\$3,630,820)	(\$3,506,422)	(\$4,077,337)	(\$5,820,016)	(\$7,296,504)	(\$7,900,313)	(\$8,617,764)
(78) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(79) Interest Applied	(\$2,695)	(\$7,462)	(\$9,027)	(\$9,487)	(\$9,629)	(\$9,052)	(\$9,679)	(\$10,892)	(\$16,543)	(\$21,690)	(\$21,212)	(\$25,617)
(80) Ending Balance Under/(Over) Recovery	(\$2,387,690)	(\$4,009,184)	(\$3,816,369)	(\$3,751,764)	(\$3,751,764)	(\$3,518,928)	(\$3,503,596)	(\$4,661,970)	(\$6,994,605)	(\$7,620,093)	(\$8,201,745)	(\$9,059,401)
(41) Col (f)-(l): RMS/MJP-4, Line (8)												
(42) Line (54)												
(43) Company's billing system												
(44) Company's billing system												
(45) RMS/MJP-5, Line (43); Col (f) Prorated												
(46) Line (44) + Line (45)												
(47) Line (46) + Line (43)												
(48) Line (41) - Line (47)												
(49) Line (43) x Line (48)												
(50) Line (42) + Line (49)												
(51) [Line (42) + Line (50)] + 365 x # days												
(52) [Line (51) x Line (52)] + 365 x # days												
(53) [Line (51) x Line (52)] + 365 x # days												
(54) Line (50) + Line (53)												
(55) Col (f)-(l): RMS/MJP-4, Line (8)												
(56) Line (68)												
(57) Company's billing system												
(58) Company's billing system												
(59) RMS/MJP-5, Line (44); Col (f) Prorated												
(60) Line (58) + Line (59)												
(61) Line (60) + Line (57)												
(62) Line (55) - Line (61)												
(63) Line (57) x Line (62)												
(64) Line (56) + Line (63)												
(65) [Line (56) + Line (64)] + 2												
(66) [Line (65) x Line (66)] + 365 x # days												
(67) [Line (65) x Line (66)] + 365 x # days												
(68) Line (64) + Line (67)												
(69) Col (f)-(l): RMS/MJP-4, Line (8)												
(70) [Line (70) + Line (76)] + 2												
(71) [Line (70) + Line (76)] + 2												
(72) [Line (77) x Line (78)] + 365 x # days												
(73) [Line (77) x Line (78)] + 365 x # days												
(74) Line (76) + Line (79)												
(75) Line (74) x Line (71)												
(76) Line (70) + Line (75)												
(77) [Line (70) + Line (76)] + 2												
(78) [Line (77) x Line (78)] + 365 x # days												
(79) Line (76) + Line (79)												

RDM Reconciliation by Rate Class by Month

	Prorated											
	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	
	30	31	30	31	31	31	30	31	31	28	31	(l)
	(a)	(b)	(c)	(d)	(e)	(f)	(h)	(i)	(j)	(k)	(l)	
Small C&I												
(81) Benchmark Revenue Per Customer (RPC)	\$77.93	\$50.14	\$33.47	\$31.72	\$29.56	\$33.27	\$39.99	\$104.87	\$135.86	\$141.47	\$130.52	
(82) Beginning Balance Under/(Over) Recovery	\$0	(\$218,890)	(\$359,583)	(\$289,584)	(\$292,721)	(\$285,803)	(\$254,717)	(\$289,522)	(\$423,042)	(\$437,430)	(\$646,217)	
(83) Actual Number of Customers	19,202	18,985	18,840	18,744	18,529	18,958	19,127	19,127	19,187	19,210	19,224	
(84) Actual Base Revenue	\$1,715,116	\$1,091,985	\$559,886	\$597,049	\$541,540	\$584,750	\$679,792	\$2,140,438	\$2,622,438	\$2,927,991	\$2,600,312	
(85) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$113)	(\$299)	(\$2,081)	(\$2,581)	(\$3,018)	(\$2,621)	
(86) Adjusted Base Revenue	\$1,715,116	\$1,091,985	\$559,886	\$597,049	\$541,540	\$584,637	\$679,493	\$2,138,357	\$2,619,857	\$2,924,973	\$2,597,691	
(87) Actual Base Revenue Per Customer	\$89.32	\$57.52	\$29.72	\$31.85	\$29.14	\$31.55	\$36.36	\$111.80	\$136.54	\$152.26	\$135.13	
(88) RPC Variance (Benchmark- Actual)	(\$11.39)	(\$7.38)	\$3.76	(\$0.13)	\$0.41	\$1.71	\$3.63	(\$6.93)	(\$0.68)	(\$10.79)	(\$4.61)	
(89) Monthly Under/(Over) Recovery of RPC	(\$218,643)	(\$140,018)	\$70,764	(\$2,396)	\$7,654	\$31,760	\$67,800	(\$13,360)	(\$13,111)	(\$207,334)	(\$88,575)	
(90) Preliminary Ending Balance	(\$218,643)	(\$358,908)	(\$288,818)	(\$291,980)	(\$254,044)	(\$285,067)	(\$288,886)	(\$422,031)	(\$436,153)	(\$644,764)	(\$734,792)	
(91) Average Balance	(\$109,321)	(\$288,899)	(\$324,200)	(\$290,782)	(\$288,894)	(\$269,923)	(\$238,206)	(\$355,776)	(\$429,598)	(\$541,097)	(\$690,505)	
(92) BK America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.35%	3.50%	3.50%	3.50%	
(93) Interest Applied	(\$247)	(\$675)	(\$766)	(\$741)	(\$736)	(\$673)	(\$610)	(\$1,011)	(\$1,277)	(\$1,453)	(\$2,053)	
(94) Ending Balance Under/(Over) Recovery	(\$218,890)	(\$359,583)	(\$289,584)	(\$292,721)	(\$285,803)	(\$254,717)	(\$187,526)	(\$423,042)	(\$437,430)	(\$646,217)	(\$736,845)	
Medium C&I												
(95) Benchmark Revenue Per Customer (RPC)	\$390.91	\$306.74	\$258.99	\$228.10	\$215.25	\$245.14	\$306.76	\$490.06	\$583.41	\$564.69	\$550.06	
(96) Beginning Balance Under/(Over) Recovery	\$0	(\$127,621)	(\$113,602)	\$133,937	\$208,819	\$295,658	\$394,958	\$336,284	(\$43,614)	(\$261,190)	(\$797,508)	
(97) Actual Number of Customers	5,144	5,141	5,127	5,122	5,200	5,221	5,252	5,270	5,273	5,277	5,280	
(98) Actual Base Revenue	\$2,138,317	\$1,562,631	\$1,080,311	\$1,093,900	\$1,033,128	\$1,181,783	\$1,461,804	\$2,966,095	\$3,297,124	\$3,518,797	\$3,214,944	
(99) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$323)	(\$872)	(\$3,165)	(\$3,680)	(\$4,029)	(\$3,563)	
(100) Adjusted Base Revenue	\$2,138,317	\$1,562,631	\$1,080,311	\$1,093,900	\$1,033,128	\$1,181,460	\$1,460,932	\$2,962,930	\$3,293,444	\$3,514,768	\$3,211,381	
(101) Actual Base Revenue Per Customer	\$415.69	\$303.95	\$210.71	\$213.57	\$198.68	\$226.29	\$278.17	\$562.23	\$624.59	\$666.05	\$608.22	
(102) RPC Variance (Benchmark- Actual)	(\$24.78)	\$2.78	\$48.28	\$14.53	\$16.58	\$18.85	\$28.59	(\$72.17)	(\$41.18)	(\$101.36)	(\$58.16)	
(103) Monthly Under/(Over) Recovery of RPC	(\$127,477)	\$14,301	\$247,515	\$74,446	\$86,197	\$98,440	\$150,172	(\$380,314)	(\$217,123)	(\$534,899)	(\$307,064)	
(104) Preliminary Ending Balance	(\$127,477)	(\$113,321)	\$133,913	\$208,383	\$295,016	\$394,098	\$545,129	(\$44,030)	(\$260,737)	(\$796,089)	(\$1,104,572)	
(105) Average Balance	(\$63,739)	(\$120,471)	\$10,156	\$171,160	\$251,918	\$344,878	\$470,044	\$146,127	(\$152,176)	(\$528,639)	(\$951,040)	
(106) BK America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.35%	3.50%	3.50%	3.50%	
(107) Interest Applied	(\$144)	(\$281)	\$24	\$436	\$642	\$860	\$1,297	\$415	(\$452)	(\$1,419)	(\$2,827)	
(108) Ending Balance Under/(Over) Recovery	(\$127,621)	(\$113,602)	\$133,937	\$208,819	\$295,658	\$394,958	\$546,427	(\$43,614)	(\$261,190)	(\$797,508)	(\$1,107,399)	
(81) Col (f)-(l), RMS/MJP-4, Line (12)												
(82) Line (94)												
(83) Company's billing system												
(84) Company's billing system												
(85) RMS/MJP-5, Line (45); Col (f) Prorated												
(86) Line (84) + Line (85)												
(87) Line (86) + Line (83)												
(88) Line (81) - Line (87)												
(89) Line (83) x Line (88)												
(90) Line (82) + Line (89)												
(91) [Line (82) + Line (90)] + 2												
(92) [Line (91) x Line (92)] + 365 x # days												
(93) [Line (91) x Line (92)] + 365 x # days												
(94) Line (90) + Line (93)												
(95) Col (f)-(l), RMS/MJP-4, Line (16)												
(96) Line (108)												
(97) Company's billing system												
(98) Company's billing system												
(99) RMS/MJP-5, Line (46); Col (f) I												
(100) Line (98) + Line (99)												
(101) Line (100) + Line (97)												
(102) Line (95) - Line (101)												
(103) Line (97) x Line (102)												
(104) Line (96) + Line (103)												
(105) [Line (96) + Line (104)] + 2												
(106) [Line (105) x Line (106)] + 365 x # days												
(107) Line (104) + Line (107)												

**Schedule RMS/MJP-8
ISR Reconciliation Factors**

National Grid - RI Gas
FY 20 ISR Reconciliation Factors
Effective November 1, 2020

(1)	Revenue Requirement (a)	Rate Class (b)	Rate Base Allocator % (c)	Allocation to Rate Class (d)	Actual Revenue (e)	Under/(Over) Recovery (f)	ISR Recon. Under/(Over) Recovery (g)	Total Under/(Over) Recovery by Rate Class (h)	Forecasted Throughput (dth) (i)	ISR Recon (dth) (i)	ISR Recon (therm) (k)
(2)	\$5,502,510										
(3)		Res-NH	2.55%	\$140,314	\$161,666	(\$21,352)	\$23,973	\$2,621	327,328	\$0.0080	\$0.0008
(4)		Res-H	64.04%	\$3,523,808	\$3,626,113	(\$102,306)	\$240,760	\$138,454	19,842,428	\$0.0069	\$0.0006
(5)		Small	8.04%	\$442,402	\$452,719	(\$10,318)	\$51,717	\$41,399	2,570,841	\$0.0161	\$0.0016
(6)		Medium	12.23%	\$672,957	\$702,785	(\$29,828)	\$12,746	(\$17,082)	6,107,404	(\$0.0027)	(\$0.0002)
(7)		Large LL	5.57%	\$306,490	\$375,167	(\$68,677)	\$23,526	(\$45,151)	2,884,361	(\$0.0156)	(\$0.0015)
(8)		Large HL	2.25%	\$123,806	\$171,246	(\$47,439)	(\$7,127)	(\$54,566)	1,193,189	(\$0.0457)	(\$0.0045)
(9)		XL-LL	0.97%	\$53,374	\$72,929	(\$19,554)	\$11,439	(\$8,115)	1,318,881	(\$0.0061)	(\$0.0006)
(10)		XL-HL	4.35%	\$239,359	\$299,383	(\$60,024)	(\$4,490)	(\$64,513)	5,403,799	(\$0.0119)	(\$0.0011)
(11)		Total	100.00%	\$5,502,510	\$5,862,008	(\$359,497)	\$352,544	(\$6,953)	39,648,231		

(a) Docket 4916, FY 20 ISR Cumulative Revenue Requirement filed August 2020.

(c) Docket 4770, 2017 Rate Case, Compliance Attachment 14, Schedule 2, Page 1 & 2, Line 15 (Rate Class divided by Total Company)

(d) Col (a), Line (2) x Col (c), Lines (3) through (10) respectively

(e) Page 2, Col (m), Lines (36) through (43)

(f) Column (d) - Column (e)

(g) RMS/MJP-10 - Pages 6-7 Column (l) Lines (25), (33), (41), (49), (57), (65), (73), (81)

(h) Column (f) + Column (g)

(i) Per Company Forecast

(j) Column (h) ÷ Column (i)

(k) Column (j) ÷ 10

National Grid - RI Gas
FY 2020 Gas ISR

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Prorated	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	(n)
(1)	Res-NH	\$0,1578	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010	\$0,5010
(2)	Res-H	\$0,0658	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090	\$0,2090
(3)	Small	\$0,0649	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060	\$0,2060
(4)	Medium	\$0,0428	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360	\$0,1360
(5)	Large LL	\$0,0410	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300	\$0,1300
(6)	Large HL	\$0,0394	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250	\$0,1250
(7)	XI-LL	\$0,0161	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510	\$0,0510
(8)	XI-HL	\$0,0139	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440	\$0,0440
(9)	RI Firm Throughput (dth)												
(9)	Res-NH	40,445	30,945	23,475	17,126	14,390	14,763	16,529	38,387	50,349	40,120	39,666	349,709
(10)	Res-H	2,109,996	1,299,627	694,563	416,620	395,063	410,446	556,332	2,665,432	3,479,544	2,865,695	2,638,016	18,805,870
(11)	Small	258,912	145,241	71,282	43,606	45,418	57,700	143,702	792,629	459,091	421,778	326,172	2,365,869
(12)	Medium	651,128	405,015	243,655	155,243	159,451	176,639	405,663	792,629	943,423	823,210	738,174	5,698,696
(13)	Large LL	334,345	148,545	65,167	(10,283)	38,352	42,193	211,968	439,777	525,649	433,858	388,121	2,679,179
(14)	Large HL	126,840	100,044	87,462	84,775	87,355	75,245	99,903	138,826	167,674	144,024	131,166	1,330,586
(15)	XI-LL	181,890	24,264	40,251	(16,832)	16,722	20,966	116,661	220,037	216,237	185,873	164,601	1,198,482
(16)	XI-HL	581,742	458,892	457,212	459,176	456,520	441,762	549,013	581,573	657,368	588,482	506,695	5,619,257
(17)	Total	4,285,298	2,612,572	1,683,067	1,149,432	1,213,272	1,453,360	2,824,963	5,226,581	6,499,333	5,503,040	4,932,610	38,627,647
(18)	ISR Revenue												
(18)	Res-NH	\$6,383	\$15,503	\$11,761	\$8,580	\$7,210	\$7,396	\$8,281	\$19,232	\$25,225	\$20,100	\$19,873	\$161,324
(19)	Res-H	\$138,912	\$271,622	\$145,164	\$87,074	\$82,568	\$85,783	\$116,273	\$266,378	\$357,075	\$298,930	\$251,345	\$3,628,349
(20)	Small	\$16,801	\$29,920	\$14,684	\$8,983	\$9,356	\$11,886	\$29,603	\$72,084	\$94,573	\$86,886	\$67,191	\$450,834
(21)	Medium	\$27,894	\$55,082	\$33,137	\$21,113	\$21,685	\$24,023	\$27,807	\$107,798	\$128,305	\$111,957	\$100,392	\$714,363
(22)	Large LL	\$13,691	\$19,311	\$8,472	\$5,337	\$4,986	\$5,793	\$27,556	\$71,771	\$86,334	\$76,402	\$60,456	\$318,520
(23)	Large HL	\$4,994	\$12,505	\$10,933	\$10,597	\$10,919	\$9,406	\$10,909	\$17,353	\$20,959	\$18,003	\$16,396	\$155,463
(24)	XI-LL	\$2,922	\$1,237	\$2,053	(\$858)	\$853	\$1,069	\$1,418	\$11,222	\$11,028	\$9,480	\$8,395	\$54,768
(25)	XI-HL	\$8,063	\$20,191	\$20,117	\$20,204	\$20,087	\$20,276	\$19,438	\$24,157	\$22,589	\$22,893	\$22,295	\$255,234
(26)	Total	\$219,660	\$425,372	\$246,320	\$154,355	\$157,664	\$162,306	\$433,082	\$867,524	\$1,104,573	\$927,650	\$836,341	\$5,738,855
(27)	Billing Adjustment												
(27)	Res-NH	\$775	(\$232)	(\$54)	(\$82)	\$6	(\$8)	\$2	(\$40)	(\$3)	(\$7)	(\$6)	\$34
(28)	Res-H	\$2,057	(\$4,765)	\$449	\$128	\$16	(\$38)	(\$794)	(\$126)	\$195	\$298	\$71	(\$2,236)
(29)	Small	\$246	(\$288)	\$192	\$3	\$1,381	(\$15)	\$3	(\$62)	\$18	\$476	(\$54)	\$1,886
(30)	Medium	(\$3,668)	(\$13,111)	\$195	\$105	\$104	\$243	\$2,787	\$568	\$1,025	\$611	(\$2,798)	(\$11,578)
(31)	Large LL	(\$4,033)	\$56,268	\$4,971	\$4,552	(\$374)	\$135	(\$2,482)	\$4,154	(\$463)	(\$393)	(\$600)	\$56,647
(32)	Large HL	(\$1,854)	\$15,089	\$137	\$21	\$0	(\$4)	(\$92)	\$2,714	(\$8)	\$7	(\$15)	\$15,783
(33)	XI-LL	(\$2,792)	\$18,058	(\$219)	(\$105)	\$7	(\$1)	(\$3)	(\$15)	\$540	(\$491)	(\$65)	\$18,160
(34)	XI-HL	(\$7,335)	\$38,755	(\$51)	(\$20)	(\$68)	(\$56)	(\$280)	\$14,252	(\$1,047)	\$242	(\$191)	\$44,149
(35)	Total	(\$16,606)	\$109,773	\$746	\$4,601	\$1,073	(\$299)	\$2,074	(\$2,480)	\$335	\$744	(\$3,659)	\$123,153
(36)	ISR Actual Revenue												
(36)	Res-NH	\$7,158	\$15,272	\$11,707	\$8,498	\$7,216	\$7,388	\$8,284	\$19,741	\$25,222	\$20,093	\$19,867	\$161,666
(37)	Res-H	\$140,968	\$266,857	\$145,613	\$87,201	\$82,585	\$85,745	\$115,479	\$266,253	\$357,270	\$299,228	\$251,417	\$3,626,113
(38)	Small	\$17,046	\$29,631	\$14,877	\$8,986	\$10,737	\$11,889	\$29,589	\$72,022	\$94,590	\$87,362	\$67,137	\$452,719
(39)	Medium	\$24,227	\$49,632	\$33,332	\$21,218	\$21,789	\$24,266	\$30,594	\$110,159	\$129,330	\$112,568	\$97,593	\$702,785
(40)	Large LL	\$9,658	\$75,578	\$8,567	\$3,215	\$4,612	\$5,273	\$8,128	\$25,074	\$31,325	\$26,009	\$23,167	\$375,167
(41)	Large HL	\$3,140	\$27,595	\$11,070	\$10,618	\$10,919	\$9,193	\$10,905	\$12,396	\$20,067	\$18,010	\$16,381	\$171,246
(42)	XI-LL	\$130	\$19,295	\$1,834	(\$964)	\$860	\$1,068	\$1,415	\$5,934	\$14,469	\$8,989	\$8,329	\$72,929
(43)	XI-HL	\$728	\$58,946	\$20,066	\$20,183	\$20,019	\$19,386	\$23,877	\$39,841	\$27,877	\$26,136	\$22,103	\$299,383
(44)	Total	\$203,055	\$535,145	\$247,066	\$158,956	\$158,737	\$162,007	\$206,080	\$430,602	\$511,049	\$428,395	\$362,683	\$5,862,008

(1)-(8) FY20 ISR Component per Docket 4916
Col (a): Prorated for FY19 & FY20 ISR Component
(9)-(16) Per Company Records
(18) Line (1) x Line (9)
(19) Line (2) x Line (10)
(20) Line (3) x Line (11)
(21) Line (4) x Line (12)
(22) Line (5) x Line (13)
(23) Line (6) x Line (14)
(24) Line (7) x Line (15)
(25) Line (8) x Line (16)
(27)-(34) Billing adjustments due to cancellations and rebills
(36) Line (18) + Line (27)
(37) Line (19) + Line (28)
(38) Line (20) + Line (29)
(39) Line (21) + Line (30)
(40) Line (22) + Line (31)
(41) Line (23) + Line (32)
(42) Line (24) + Line (33)
(43) Line (25) + Line (34)

Schedule RMS/MJP-9
Service Quality Factor

**National Grid - RI Gas
Service Quality Performance Factor
Effective November 1, 2020**

(1)	SQP Penalty Amount - Meter Testing	(\$75,000)
(2)	SQP Penalty Amount - Leak Call Response (Normal Business Hours)	<u>(\$92,383)</u>
(3)	Total SQP Penalty Amount	(\$167,383)
(4)	Firm Throughput	39,648,231 dths
(5)	SQP Factor per dth	(\$0.0040) per dth
(6)	SQP Factor per therm	(\$0.0004) per therm

- (1) Docket 3476, FY2020 Second Quarter Report on Service Quality Plan, filed on March 11, 2020
- (2) Docket 3476, FY2020 Second Quarter Report on Service Quality Plan, filed on March 11, 2020
- (3) Line (1) + Line (2)
- (4) Company Forecast
- (5) Line (3) ÷ Line (4)
- (6) Line (5) ÷ 10, truncated to 4 decimal places

Schedule RMS/MJP-10
Reconciliation Factors

**National Grid - RI Gas
Reconciliation Factor effective November 1, 2020**

<u>Description</u>	<u>Schedule</u>	<u>Page #</u>	<u>Ending Balance</u>	<u>Period</u>
Section 1: Reconciliation of Prior Year DAC Factors (All Rate Classes)				
(1)	System Pressure	Page 2, line (9)	(\$116,244)	Nov 19-Oct 20
(2)	AGT Factor	Page 2, line (17)	\$0	Apr 19 - Mar 20
(3)	Environmental - DAC	Page 2, line (25)	\$43,373	Nov 19-Oct 20
(4)	Arrearage Management	Page 2, line (33)	\$30,217	Nov 19-Oct 20
(5)	On-System Margin Credits	Page 3, line (57)	\$0	Nov 19-Oct 20
(6)	Pension	Page 3, line (65)	(\$32,115)	Nov 19-Oct 20
(7)	PBOP	Page 3, line (73)	\$261,364	Nov 19-Oct 20
(8)	Previous Reconciliation Factor	Page 2, line (41)	\$354,713	Nov 19-Oct 20
(9)	Earnings Sharing Mechanism	Page 3, line (81)	\$0	Nov 19-Oct 20
(10)	Low Income Discount Recovery	Page 4, line (90)	(\$364,428)	Nov 19-Oct 20
(11)	Service Quality Penalty	Page 4, line (98)	(\$38,341)	Nov 19-Oct 20
(12)	Tax Credit Factor	Page 4, line (106)	(\$297,055)	Nov 19-Oct 20
(13)	Storm Net Revenue Factor	Page 4, line (114)	(\$72,363)	Nov 19-Oct 20
(14)	LIAP Base Rate Fund Reconciliation Factor	Page 4, line (122)	(\$125,889)	Nov 19-Oct 20
(15)	True-up October 19	Page 9, line (26)	\$358,829	Actual Oct 19 vs. Oct 19 Forecast
(16)	AGT Interest on Fund balance	RMS/MJP-3S, page 2, line (15), col (m)	(\$21,498)	Based on Apr 19 - Mar 20
(17)	Sub Total	Sum [(1):(16)]	(\$19,438)	
(18)	Firm Throughput	Nov 2020 - Oct 2021	39,648,231	dth
(19)	Reconciliation Factor	Line (17) ÷ Line (18)	(\$0.0004)	per dth
(20)	Reconciliation Factor	Line (19) ÷ 10, truncated to 4 decimal places	\$0.0000	per therm

Section 2: Revenue Decoupling Mechanism Reconciliation

(21)	RDA Reconciliation	Page 6, line (13)	(\$942,089)	Nov 19-Oct 20
(22)	RDM Recon Reconciliation	Page 6, line (27)	(\$21,940)	Nov 19-Oct 20
(23)	Sub Total	Line (21) + Line (22)	(\$964,029)	
(24)	Firm Throughput, Residential, Small & Medium C&I	Nov 2020 - Oct 2021	28,848,000	dth
(25)	RDA Reconciliation Factor	Line (23) ÷ Line (24)	(\$0.0334)	per dth
(26)	RDA Reconciliation Factor	Line (25) ÷ 10, truncated to 4 decimal places	(\$0.0033)	per therm

Section 3: Reconciliation of Prior year DAC Factors (Large & X-Large Only)

(27)	Environmental - Base Rates	Page 5, line (41)	\$24,253	Apr 19 - Mar 20
(28)	Previous Reconciliation Factor	Page 3, line (49)	(\$284,051)	Nov 19-Oct 20
(29)	Sub Total	Sum [(27):(28)]	(\$259,798)	
(30)	Firm Throughput, Large and Extra Large C&I	Nov 2019 - Oct 2020	10,800,231	dth
(31)	L / XL Reconciliation Factor	Line (29) ÷ Line (30)	(\$0.0240)	per dth
(32)	L / XL Reconciliation Factor	Line (31) ÷ 10, truncated to 4 decimal places	(\$0.0024)	per therm

(32) Combined with the Reconciliation factor of (\$0) per therm on Line (20) for an overall Large and Extra Large Reconciliation factor of (\$0.0024) per therm

**National Grid – RI Gas
Non-Base Rate / Gas Year Reconciling Components**

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	
	30	31	31	29	31	30	31	30	31	31	30	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	12 month End
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(1) System Pressure Recon Adjust.													
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	\$0	(\$2,757)	(\$19,712)	(\$39,233)	(\$55,813)	(\$70,733)	(\$82,667)	(\$93,670)	(\$98,117)	(\$102,391)	(\$106,559)	(\$110,929)	\$0
(3) Actual Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Actual Revenue	\$2,754	\$16,929	\$19,452	\$16,477	\$14,824	\$11,856	\$10,909	\$4,349	\$4,168	\$4,058	\$4,258	\$5,195	\$115,229
(5) Ending Balance Under/(Over) Recovery	(\$2,754)	(\$19,686)	(\$39,164)	(\$55,710)	(\$70,637)	(\$82,589)	(\$93,576)	(\$98,019)	(\$102,285)	(\$106,449)	(\$110,817)	(\$116,124)	(\$115,229)
(6) Average Monthly Balance Under/(Over) Recovery	(\$1,377)	(\$11,222)	(\$29,438)	(\$47,471)	(\$63,225)	(\$76,661)	(\$88,122)	(\$95,438)	(\$100,201)	(\$104,420)	(\$108,688)	(\$113,526)	(\$115,229)
(7) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(8) Interest Applied	(\$3)	(\$26)	(\$69)	(\$103)	(\$95)	(\$79)	(\$93)	(\$98)	(\$106)	(\$111)	(\$111)	(\$120)	(\$1,015)
(9) Sys Pressure End Balance Under/(Over) Recovery	(\$2,757)	(\$19,712)	(\$39,233)	(\$55,813)	(\$70,733)	(\$82,667)	(\$93,670)	(\$98,117)	(\$102,391)	(\$106,559)	(\$110,929)	(\$116,244)	(\$116,244)
(10) Advanced Gas Technology													
(11) AGT Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(12) Actual AGT Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Ending AGT Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(16) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(17) AGT End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) Environmental Recon. Adjust - DAC													
(19) Environmental Acct Beg. Balance Under/(Over) Recovery	\$1,085,051	\$1,012,811	\$867,177	\$700,027	\$558,126	\$430,780	\$328,416	\$233,881	\$196,075	\$160,139	\$125,122	\$88,331	\$1,085,051
(20) Actual Environmental Revenue	\$74,602	\$147,821	\$168,973	\$143,270	\$128,092	\$102,753	\$94,832	\$38,027	\$36,124	\$35,168	\$36,900	\$45,028	\$1,051,590
(21) Ending Environmental Balance Under/(Over) Recovery	\$1,010,449	\$864,990	\$698,204	\$556,757	\$430,034	\$328,027	\$233,584	\$195,854	\$159,951	\$124,971	\$88,222	\$43,303	\$33,461
(22) Average Monthly Balance Under/(Over) Recovery	\$1,047,750	\$938,901	\$782,691	\$628,392	\$494,080	\$379,404	\$281,000	\$214,868	\$178,013	\$142,555	\$106,672	\$65,817	\$33,461
(23) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(24) Interest Applied	\$2,362	\$2,187	\$1,823	\$1,369	\$746	\$389	\$298	\$220	\$188	\$151	\$109	\$70	\$9,912
(25) Environmental Recon End Balance Under/(Over) Recovery	\$1,012,811	\$867,177	\$700,027	\$558,126	\$430,780	\$328,416	\$233,881	\$196,075	\$160,139	\$125,122	\$88,331	\$43,373	\$43,373
(26) AMAF Adjustment - DAC													
(27) AMAF Acct Beg. Balance	\$376,209	\$364,968	\$314,933	\$257,199	\$208,298	\$164,129	\$128,709	\$96,038	\$83,010	\$70,587	\$58,482	\$45,763	\$376,209
(28) Actual AMAF Revenue	\$12,075	\$50,826	\$58,400	\$49,408	\$44,449	\$35,570	\$32,790	\$13,120	\$12,504	\$12,173	\$12,773	\$15,586	\$349,674
(29) Ending AMAF Balance	\$364,134	\$314,142	\$256,533	\$207,791	\$163,849	\$128,559	\$95,919	\$82,918	\$70,506	\$58,414	\$45,709	\$30,177	\$26,535
(30) Average Monthly Balance	\$370,172	\$339,555	\$285,733	\$232,495	\$186,073	\$146,344	\$112,314	\$89,478	\$76,758	\$64,501	\$52,096	\$37,970	\$26,535
(31) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(32) Interest Applied	\$834	\$791	\$666	\$507	\$281	\$150	\$119	\$92	\$81	\$68	\$53	\$40	\$3,682
(33) AMAF Recon End Balance	\$364,968	\$314,933	\$257,199	\$208,298	\$164,129	\$128,709	\$96,038	\$83,010	\$70,587	\$58,482	\$45,763	\$30,217	\$30,217
(34) Reconciliation Factor (Applicable to all) - DAC													
(35) Recon Factor Acct Beg. Balance Under/(Over) Recovery	\$1,074,369	\$1,063,795	\$970,851	\$849,438	\$747,900	\$654,994	\$582,936	\$523,177	\$500,229	\$466,006	\$432,666	\$397,611	\$1,074,369
(36) Actual Recon Revenue	\$12,981	\$95,311	\$123,530	\$103,276	\$93,965	\$72,691	\$60,345	\$23,472	\$23,734	\$23,815	\$23,481	\$43,296	\$732,897
(37) Ending Recon Balance Under/(Over) Recovery	\$1,061,388	\$968,484	\$847,321	\$746,162	\$663,935	\$582,303	\$522,591	\$499,705	\$465,495	\$432,191	\$397,185	\$354,315	\$341,472
(38) Average Monthly Balance Under/(Over) Recovery	\$1,067,878	\$1,016,139	\$909,086	\$797,800	\$700,918	\$618,648	\$552,764	\$511,441	\$482,862	\$449,098	\$414,926	\$375,963	\$341,472
(39) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(40) Interest Applied	\$2,407	\$2,367	\$2,117	\$1,738	\$1,058	\$634	\$585	\$524	\$511	\$475	\$425	\$398	\$13,241
(41) Reconciliation End Balance Under/(Over) Recovery	\$1,063,795	\$970,851	\$849,438	\$747,900	\$654,994	\$582,936	\$523,177	\$500,229	\$466,006	\$432,666	\$397,611	\$354,713	\$354,713

National Grid - RI Gas
Base Rate / Fiscal Year Reconciling Components

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	12 month End
	30	31	30	31	31	30	31	30	31	31	28	31	
	Actual												
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
DAC FACTORS, \$/dth													
(1) AGT Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(2) LIAP Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(3) LIHEAP Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(4) Low Income Weatherization Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(5) Environmental - Base Rates	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330
RI Firm Forecasted Throughput (dth)	4,123,739	2,564,144	1,699,591	1,399,591	1,344,827	1,351,911	1,662,439	2,794,434	4,705,829	6,088,459	6,246,495	5,691,000	39,672,460
(6) RI Firm L-XL Forecasted Throughput (dth) - Docket 4770	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(7) Actual RI Firm L-XL Firm through-put (dth)	1,224,816	731,744	650,093	516,836	598,949	599,226	618,334	977,544	1,380,212	1,566,927	1,352,237	1,190,584	11,407,504
AGT Recon. Adjustment - Base Rates L-XL													\$82,980
(8) AGT Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(9) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(10) Fest L/XL AGT Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) Actual Firm Through-put L-XL	1,224,816	731,744	650,093	516,836	598,949	599,226	618,334	977,544	1,380,212	1,566,927	1,352,237	1,190,584	11,407,504
(12) Actual AGT Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Collection Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) Ending Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Average Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Bk. America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%	1.78%
(17) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) AGT End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LIAP Recon. Adjustment - Base Rates L-XL													\$493,731
(19) LIAP Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(21) Fest LIAP Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(22) Actual Firm Through-put L-XL	1,224,816	731,744	650,093	516,836	598,949	599,226	618,334	977,544	1,380,212	1,566,927	1,352,237	1,190,584	11,407,504
(23) Actual LIAP Collections No EE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(24) Actual LIAP Collections EE Only	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(25) Collection Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(26) Ending Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Average Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(28) Bk. America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%	1.78%
(29) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) LIAP End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Environmental Recon. Adjust - Base Rates L-XL													\$362,346
(31) Environmental Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	(\$4,567)	\$52	\$3,185	\$9,633	\$12,895	\$15,626	\$21,942	\$23,152	\$22,600	\$19,970	\$20,102	\$24,253
(32) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(33) Fest Environmental Collections	\$35,884	\$28,787	\$24,595	\$23,497	\$23,009	\$22,481	\$26,686	\$33,438	\$44,970	\$49,061	\$44,741	\$43,431	\$400,578
(34) Actual Firm Through-put L-XL	1,224,816	731,744	650,093	516,836	598,949	599,226	618,334	977,544	1,380,212	1,566,927	1,352,237	1,190,584	11,407,504
(35) Actual Environmental Collections	\$40,444	\$24,162	\$21,466	\$17,066	\$19,778	\$19,787	\$20,418	\$32,279	\$45,575	\$51,741	\$44,651	\$39,314	\$376,681
(36) Collection Variance	(\$4,560)	\$4,625	\$3,129	\$6,429	\$2,694	\$2,694	\$6,268	\$1,159	(\$6,005)	(\$2,680)	\$90	\$4,117	\$4,117
(37) Ending Environmental Balance Under/(Over) Recovery	(\$4,560)	\$58	\$3,181	\$9,614	\$12,864	\$15,589	\$21,894	\$23,101	\$22,547	\$19,920	\$20,060	\$24,219	\$24,219
(38) Average Balance Under/(Over) Recovery	(\$2,280)	(\$2,254)	\$1,616	\$6,400	\$11,249	\$14,242	\$18,760	\$22,522	\$22,850	\$21,260	\$20,015	\$22,161	\$22,161
(39) Bk. America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%	1.78%
(40) Interest Applied	(\$7)	(\$7)	\$5	\$19	\$31	\$37	\$48	\$51	\$53	\$50	\$42	\$34	\$36
(41) Environmental End Balance Under/(Over) Recovery	(\$4,567)	\$52	\$3,185	\$9,633	\$12,895	\$15,626	\$21,942	\$23,152	\$22,600	\$19,970	\$20,102	\$24,253	\$24,253

Lines (1)-(6): Docket 4770
Line (7): Company's Classified Sales Report

**National Grid - RI Gas
RDA Reconciliation**

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Total
	30	31	31	29	31	30	31	30	31	31	30	31	(m)
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
RDM Recon Rates \$/decahtherm													
Res-NH, Res-H, Small, Medium	-80.2622	-80.3526	-80.3529	-80.3523	-80.3527	-80.3493	-80.3716	-80.3560	-80.3530	-80.3530	-80.3530	-80.3530	
(1) Actual Firm Throughput - decahtherms													
(2) Res-NH	23,516	38,387	50,349	40,120	39,666	37,790	33,650	20,336	13,192	12,870	12,955	17,210	340,039
(3) Res-H	1,274,538	2,665,432	3,479,544	2,865,695	2,638,016	2,114,354	1,674,612	663,704	459,638	438,537	451,733	606,383	19,332,184
(4) Small	143,702	349,921	459,091	421,778	326,172	242,036	169,268	61,998	51,967	51,719	54,435	46,321	2,378,408
(5) Medium	405,663	792,629	943,423	823,210	738,174	535,891	413,927	181,151	199,940	188,417	185,696	221,094	5,629,215
(6) Total	1,847,419	3,846,369	4,932,406	4,150,803	3,742,027	2,930,072	2,291,457	927,189	724,736	691,544	704,819	891,009	27,679,847
(7) RDM Acct Beg. Balance	(\$10,474,458)	(\$10,013,136)	(\$8,678,722)	(\$6,956,352)	(\$5,507,510)	(\$4,195,200)	(\$3,175,553)	(\$2,326,967)	(\$1,999,089)	(\$1,745,238)	(\$1,502,841)	(\$1,255,453)	
(8) Actual RDM Revenue	(\$484,386)	(\$1,356,158)	(\$1,740,558)	(\$1,462,407)	(\$1,319,628)	(\$1,023,420)	(\$851,498)	(\$330,093)	(\$255,832)	(\$244,115)	(\$248,801)	(\$314,526)	
(9) Ending RDM Balance Under/(Over) Recovery	(\$9,990,072)	(\$8,656,979)	(\$6,938,164)	(\$5,493,945)	(\$4,187,882)	(\$3,171,779)	(\$2,324,055)	(\$1,996,874)	(\$1,743,257)	(\$1,501,123)	(\$1,254,040)	(\$940,927)	
(10) Average Monthly Balance	(\$10,232,265)	(\$9,335,057)	(\$7,808,443)	(\$6,225,149)	(\$4,847,696)	(\$3,683,490)	(\$2,749,804)	(\$2,161,920)	(\$1,871,173)	(\$1,623,180)	(\$1,378,441)	(\$1,098,190)	
(11) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(12) Interest Applied	(\$23,065)	(\$21,744)	(\$18,188)	(\$13,564)	(\$7,318)	(\$3,774)	(\$2,911)	(\$2,215)	(\$1,981)	(\$1,719)	(\$1,412)	(\$1,163)	(\$302,029)
(13) RDM Recon End Balance Under/(Over) Recovery	(\$10,013,136)	(\$8,678,722)	(\$6,956,352)	(\$5,507,510)	(\$4,195,200)	(\$3,175,553)	(\$2,326,967)	(\$1,999,089)	(\$1,745,238)	(\$1,502,841)	(\$1,255,453)	(\$942,089)	
(14) RDM Revenue per rate class													
(15) Res-NH	(\$6,166)	(\$13,534)	(\$17,767)	(\$14,135)	(\$13,988)	(\$13,199)	(\$12,504)	(\$7,240)	(\$4,657)	(\$4,543)	(\$4,573)	(\$6,075)	(\$118,382)
(16) Res-H	(\$334,179)	(\$939,782)	(\$1,227,869)	(\$1,009,639)	(\$930,298)	(\$738,505)	(\$622,280)	(\$236,288)	(\$162,252)	(\$154,804)	(\$159,462)	(\$214,053)	(\$6,729,411)
(17) Small	(\$37,678)	(\$123,376)	(\$162,005)	(\$148,600)	(\$115,025)	(\$84,539)	(\$62,900)	(\$22,072)	(\$18,344)	(\$18,257)	(\$19,215)	(\$16,351)	(\$828,362)
(18) Medium	(\$106,363)	(\$279,466)	(\$332,917)	(\$290,033)	(\$260,317)	(\$187,177)	(\$153,814)	(\$64,492)	(\$70,579)	(\$66,511)	(\$65,551)	(\$78,046)	(\$1,955,267)
(19) Total	(\$484,386)	(\$1,356,158)	(\$1,740,558)	(\$1,462,407)	(\$1,319,628)	(\$1,023,420)	(\$851,498)	(\$330,093)	(\$255,832)	(\$244,115)	(\$248,801)	(\$314,526)	(\$9,631,422)
(20) RDM Recon Adjustment													
(21) RDM Recon Acct Beg. Balance Under/(Over) Recovery	(\$291,094)	(\$278,106)	(\$240,743)	(\$192,077)	(\$151,019)	(\$113,653)	(\$84,273)	(\$61,330)	(\$51,902)	(\$44,707)	(\$37,835)	(\$30,822)	(\$1,577,562)
(22) Actual RDM Recon Revenue	(\$13,629)	(\$37,967)	(\$49,169)	(\$41,431)	(\$37,566)	(\$29,481)	(\$23,020)	(\$9,486)	(\$7,247)	(\$6,915)	(\$7,048)	(\$8,910)	(\$271,869)
(23) Ending RDM Recon Balance Under/(Over) Recovery	(\$277,465)	(\$240,139)	(\$191,574)	(\$150,646)	(\$113,453)	(\$84,172)	(\$61,253)	(\$51,844)	(\$44,655)	(\$37,792)	(\$30,787)	(\$21,912)	(\$1,305,693)
(24) Average Monthly Balance Under/(Over) Recovery	(\$284,280)	(\$259,122)	(\$216,158)	(\$171,362)	(\$132,236)	(\$98,913)	(\$72,763)	(\$56,587)	(\$48,279)	(\$41,249)	(\$34,311)	(\$26,367)	
(25) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(26) Interest Applied	(\$641)	(\$604)	(\$503)	(\$373)	(\$200)	(\$101)	(\$77)	(\$58)	(\$51)	(\$44)	(\$35)	(\$28)	(\$2,715)
(27) RDM Recon Adjustment End Balance Under/(Over) Recovery	(\$278,106)	(\$240,743)	(\$192,077)	(\$151,019)	(\$113,653)	(\$84,273)	(\$61,330)	(\$51,902)	(\$44,707)	(\$37,835)	(\$30,822)	(\$21,940)	(\$1,308,408)
(28) RDM Recon and Recon Adj End Balance Under/(Over) Recovery													(\$964,029)

(6) Sum Lines (2) through (5).
(7) (a) Beginning balance, Docket 4955, Schedule RMS/AEL-1S, Line (16) + monthly interest calculated from April - October at Bk. America rate less 200 basis points.
(19) Sum Lines (15) through (18).
(21) (a) Beginning balance, Docket 4955, RMS/AEL-1S, Line (17).
(28) Line (13) + Line (27).

National Grid - RI Gas
ISR Reconciliation for FY 19

	Nov-19 30 Actual (a)	Dec-19 31 Actual (b)	Jan-20 31 Actual (c)	Feb-20 29 Actual (d)	Mar-20 31 Actual (e)	Apr-20 30 Actual (f)	May-20 31 Actual (g)	Jun-20 30 Actual (h)	Jul-20 31 Forecast (i)	Aug-20 31 Forecast (j)	Sep-20 30 Forecast (k)	Oct-20 31 Forecast (l)	Total
ISR Recon Rates \$/decatherm													
(1) Res-NH	\$0.1192	\$0.4726	\$0.4777	\$0.4836	\$0.4808	\$0.4811	\$0.4809	\$0.4811	\$0.4810	\$0.4810	\$0.4810	\$0.4810	\$0.4810
(2) Res-H	\$0.0140	\$0.0943	\$0.0958	\$0.0960	\$0.0960	\$0.0959	\$0.0960	\$0.0964	\$0.0960	\$0.0960	\$0.0960	\$0.0960	\$0.0960
(3) Small	\$0.0317	\$0.0924	\$0.0951	\$0.0848	\$0.1082	\$0.0949	\$0.0948	\$0.0936	\$0.0950	\$0.0950	\$0.0950	\$0.0950	\$0.0950
(4) Medium	\$0.0331	\$0.0023	\$0.0021	\$0.0021	\$0.0020	\$0.0016	\$0.0025	\$0.0019	\$0.0020	\$0.0020	\$0.0020	\$0.0020	\$0.0020
(5) Large LL	\$0.0344	\$0.0336	\$0.0315	\$0.0315	\$0.0320	\$0.0324	\$0.0324	\$0.0324	\$0.0320	\$0.0320	\$0.0320	\$0.0320	\$0.0320
(6) Large HL	\$0.0603	\$0.0508	\$0.0443	\$0.0440	\$0.0444	\$0.0446	\$0.0453	\$0.0440	\$0.0440	\$0.0440	\$0.0440	\$0.0440	\$0.0440
(7) XL-LL	\$0.0094	\$0.0602	\$0.0480	\$0.0477	\$0.0480	\$0.0481	\$0.0778	\$0.0524	\$0.0480	\$0.0480	\$0.0480	\$0.0480	\$0.0480
(8) XL-HL	\$0.0060	\$0.0109	\$0.0067	\$0.0071	\$0.0070	\$0.0070	\$0.0110	\$0.0070	\$0.0070	\$0.0070	\$0.0070	\$0.0070	\$0.0070
Actual Firm Throughput - decatherms													
(9) Res-NH	23,516	38,387	50,349	40,120	39,666	37,790	33,650	20,336	13,192	12,870	12,955	17,210	340,039
(10) Res-H	1,274,538	2,665,432	3,479,544	2,865,695	2,638,016	2,114,354	1,674,612	663,704	459,638	438,537	451,733	606,383	19,332,184
(11) Small	143,702	349,921	459,091	421,778	326,172	242,036	169,268	61,998	51,967	51,719	54,435	46,321	2,378,408
(12) Medium	405,663	792,629	943,423	823,210	738,174	535,891	413,927	181,151	199,940	188,417	185,696	221,094	5,629,215
(13) Large LL	211,968	439,777	525,649	433,858	388,121	290,789	222,009	44,556	52,887	43,431	45,226	95,592	2,793,864
(14) Large HL	99,903	138,826	167,674	144,024	131,166	111,706	91,329	73,503	91,875	91,003	103,985	106,623	1,351,617
(15) XL-LL	116,661	220,037	216,237	185,873	164,601	112,194	85,194	(4,141)	28,734	25,089	29,879	83,202	1,263,559
(16) XL-HL	549,013	581,573	657,368	588,482	506,695	529,527	448,683	412,333	491,138	501,539	535,334	555,401	6,357,086
(17) Total	2,824,963	5,226,581	6,499,333	5,503,040	4,932,610	3,974,288	3,138,673	1,453,439	1,389,371	1,352,605	1,419,243	1,731,827	39,445,972
sum([8],[15])													
(18) ISR Res-NH Acct Beg. Balance Under/(Over-Recovery)	\$182,828	\$174,309	\$156,552	\$132,838	\$113,705	\$94,789	\$76,694	\$60,585	\$50,858	\$44,563	\$38,416	\$32,221	
(19) FY 2018 Recon	(\$6,118)												
(20) Actual Res-NH Revenue	\$2,803	\$18,142	\$24,050	\$19,402	\$19,073	\$18,182	\$16,182	\$9,784	\$6,345	\$6,191	\$6,231	\$8,278	
(21) Ending Res-NH Balance	\$173,907	\$156,167	\$132,502	\$113,436	\$94,632	\$76,607	\$60,513	\$50,801	\$44,513	\$38,372	\$32,185	\$23,943	
(22) Average Monthly Balance	\$178,368	\$165,238	\$144,527	\$123,137	\$104,168	\$85,698	\$68,604	\$55,693	\$47,685	\$41,468	\$35,301	\$28,082	
(23) BK America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	
(24) Interest Applied	\$402	\$385	\$337	\$268	\$157	\$88	\$73	\$57	\$50	\$44	\$36	\$30	
(25) ISR Res-NH Recon End Balance	\$174,309	\$156,552	\$132,838	\$113,705	\$94,789	\$76,694	\$60,585	\$50,858	\$44,563	\$38,416	\$32,221	\$23,973	
(26) Under/(over) Recovery	(\$8,519)	(\$17,757)	(\$23,714)	(\$19,134)	(\$18,916)	(\$18,094)	(\$16,109)	(\$9,727)	(\$6,295)	(\$6,147)	(\$6,195)	(\$8,248)	
(27) ISR Res-H Acct Beg. Balance Under/(Over) Recovery	\$2,234,036	\$1,953,829	\$1,706,795	\$1,377,066	\$1,104,659	\$853,005	\$650,909	\$490,676	\$427,138	\$383,441	\$341,725	\$298,687	
(28) FY 2018 Recon	(\$267,045)												
(27) Actual Res-H Revenue	\$17,876	\$251,292	\$333,316	\$275,107	\$253,130	\$202,867	\$160,837	\$64,008	\$44,125	\$42,100	\$43,366	\$58,213	
(26) Ending Res-H Balance	\$1,949,114	\$1,702,536	\$1,373,478	\$1,101,958	\$851,529	\$650,139	\$490,072	\$426,668	\$383,012	\$341,342	\$298,359	\$240,474	
(25) Average Monthly Balance	\$2,091,575	\$1,828,183	\$1,540,136	\$1,239,512	\$978,094	\$751,572	\$570,490	\$458,672	\$405,075	\$362,392	\$320,042	\$269,581	
(24) BK America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	
(23) Interest Applied	\$4,715	\$4,258	\$3,587	\$2,701	\$1,476	\$770	\$604	\$470	\$429	\$384	\$328	\$285	
(22) ISR Res-H Recon End Balance	\$1,953,829	\$1,706,795	\$1,377,066	\$1,104,659	\$853,005	\$650,909	\$490,676	\$427,138	\$383,441	\$341,725	\$298,687	\$240,760	
(23) Under/(over) Recovery	(\$280,207)	(\$247,034)	(\$329,729)	(\$272,406)	(\$251,654)	(\$202,097)	(\$160,233)	(\$63,538)	(\$43,696)	(\$41,716)	(\$43,038)	(\$57,927)	
(24) ISR Small C&I Acct Beg. Balance Under/(Over) Recovery	\$306,731	\$260,911	\$229,140	\$185,945	\$150,540	\$115,442	\$92,570	\$76,609	\$70,882	\$66,017	\$61,171	\$56,060	
(25) FY 2018 Recon	(\$51,018)												
(26) Actual Small C&I Revenue	-\$4,560	\$32,341	\$43,678	\$35,771	\$35,298	\$22,979	\$16,050	\$5,803	\$4,937	\$4,913	\$5,171	\$4,401	
(27) Ending Small C&I Balance	\$260,272	\$228,570	\$185,462	\$150,173	\$115,241	\$92,463	\$76,519	\$70,806	\$65,945	\$61,104	\$56,000	\$51,660	
(28) Average Monthly Balance	\$283,502	\$244,741	\$207,301	\$168,059	\$132,891	\$103,953	\$84,545	\$73,708	\$68,413	\$63,561	\$58,586	\$53,860	
(29) BK America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	
(30) Interest Applied	\$639	\$570	\$483	\$366	\$201	\$107	\$90	\$76	\$72	\$67	\$60	\$57	
(31) ISR Small C&I Recon End Balance	\$260,911	\$229,140	\$185,945	\$150,540	\$115,442	\$92,570	\$76,609	\$70,882	\$66,017	\$61,171	\$56,060	\$51,717	
(32) Under/(over) Recovery	(\$45,820)	(\$31,771)	(\$43,195)	(\$35,405)	(\$35,098)	(\$22,872)	(\$15,961)	(\$5,727)	(\$4,864)	(\$4,846)	(\$5,111)	(\$4,343)	

(33)	ISR Medium Act Beg. Balance Under/(Over) Recovery	\$65,162	\$1,791	\$3,658	\$5,639	\$7,379	\$8,837	\$9,719	\$10,752	\$11,106	\$11,518	\$11,907	\$12,291
(34)	FY 2018 Recon	(\$76,860)											
(35)	Actual Medium Revenue	(\$13,413)	(\$1,860)	(\$1,971)	(\$1,725)	(\$1,446)	(\$872)	(\$1,022)	(\$343)	(\$400)	(\$377)	(\$371)	(\$442)
(36)	Ending Medium Balance	\$1,715	\$3,651	\$5,629	\$7,365	\$8,825	\$9,709	\$10,741	\$11,095	\$11,506	\$11,894	\$12,278	\$12,733
(37)	Average Monthly Balance	\$33,439	\$2,721	\$4,643	\$6,502	\$8,102	\$9,273	\$10,230	\$10,923	\$11,306	\$11,706	\$12,092	\$12,512
(38)	Bk. America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(39)	Interest Applied	\$75	\$6	\$11	\$14	\$10	\$10	\$11	\$11	\$12	\$12	\$12	\$13
(40)	ISR Medium Recon End Balance	\$1,791	\$3,658	\$5,639	\$7,379	\$8,837	\$9,719	\$10,752	\$11,106	\$11,518	\$11,907	\$12,291	\$12,746
(41)	Under/(over) Recovery	(\$63,371)	\$1,867	\$1,982	\$1,739	\$1,458	\$882	\$1,033	\$354	\$412	\$389	\$384	\$455
(42)	ISR Large LL Act Beg. Balance Under/(Over) Recovery	\$132,938	\$107,081	\$92,528	\$76,281	\$62,754	\$50,432	\$41,065	\$32,558	\$30,997	\$29,337	\$27,978	\$26,558
(43)	FY 2018 Recon	(\$33,420)											
(44)	Actual Large LL Revenue	-\$7,292	\$14,785	\$16,443	\$13,678	\$12,408	\$9,414	\$8,546	\$1,593	\$1,692	\$1,390	\$1,447	\$3,059
(45)	Ending Large LL Balance	\$106,811	\$92,296	\$76,085	\$62,603	\$50,347	\$41,018	\$32,517	\$30,965	\$29,305	\$27,947	\$26,530	\$23,499
(46)	Average Monthly Balance	\$119,875	\$99,688	\$84,306	\$69,442	\$56,550	\$45,725	\$36,792	\$31,761	\$30,151	\$28,642	\$27,254	\$25,029
(47)	Bk. America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(48)	Interest Applied	\$270	\$232	\$196	\$151	\$85	\$47	\$39	\$33	\$32	\$30	\$28	\$26
(49)	ISR Large LL Recon End Balance	\$107,081	\$92,528	\$76,281	\$62,754	\$50,432	\$41,065	\$32,558	\$30,997	\$29,337	\$27,978	\$26,558	\$23,526
(50)	Under/(over) Recovery	(\$25,858)	(\$14,553)	(\$16,247)	(\$13,527)	(\$12,322)	(\$9,367)	(\$8,507)	(\$1,560)	(\$1,660)	(\$1,359)	(\$1,419)	(\$3,032)
(51)	ISR Large HL Act Beg. Balance Under/(Over) Recovery	(\$59,290)	(\$63,747)	(\$56,841)	(\$49,544)	(\$43,306)	(\$37,548)	(\$32,598)	(\$27,579)	(\$24,373)	(\$20,354)	(\$16,369)	(\$11,808)
(52)	FY 2018 Recon	(\$10,340)											
(53)	Actual Large HL Revenue	(\$6,021)	(\$7,047)	(\$7,420)	(\$6,340)	(\$5,819)	(\$4,985)	(\$5,051)	(\$3,233)	(\$4,042)	(\$4,004)	(\$4,575)	(\$4,691)
(54)	Ending Large HL Balance	(\$63,609)	(\$76,700)	(\$84,921)	(\$93,205)	(\$103,487)	(\$112,562)	(\$121,547)	(\$130,346)	(\$139,330)	(\$148,352)	(\$157,394)	(\$166,417)
(55)	Average Monthly Balance	(\$61,449)	(\$80,224)	(\$85,131)	(\$94,374)	(\$103,674)	(\$112,955)	(\$122,237)	(\$131,526)	(\$140,811)	(\$150,096)	(\$159,381)	(\$168,666)
(56)	Bk. America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(57)	Interest Applied	(\$139)	(\$140)	(\$124)	(\$101)	(\$61)	(\$36)	(\$32)	(\$27)	(\$24)	(\$19)	(\$14)	(\$10)
(58)	ISR Large HL Recon End Balance	(\$63,747)	(\$76,841)	(\$84,944)	(\$93,240)	(\$103,524)	(\$112,808)	(\$122,092)	(\$131,376)	(\$140,660)	(\$150,000)	(\$159,340)	(\$168,680)
(59)	Under/(over) Recovery	(\$4,458)	\$6,907	\$7,296	\$6,238	\$5,758	\$4,949	\$5,019	\$3,207	\$4,019	\$3,985	\$4,561	\$4,681
(60)	ISR XL LL Act Beg. Balance Under/(Over) Recovery	\$71,888	\$71,094	\$57,991	\$47,732	\$38,965	\$31,117	\$25,748	\$19,145	\$19,382	\$18,022	\$16,836	\$15,419
(61)	FY 2018 Recon	(\$2,047)											
(62)	Actual XL LL Revenue	(\$1,092)	\$13,253	\$10,382	\$8,862	\$7,900	\$5,399	\$6,627	(\$2,17)	\$1,379	\$1,204	\$1,434	\$3,994
(63)	Ending XL LL Balance	\$70,933	\$78,841	\$67,609	\$58,871	\$51,065	\$43,719	\$36,121	\$28,968	\$27,749	\$26,545	\$25,341	\$24,137
(64)	Average Monthly Balance	\$71,411	\$64,468	\$52,800	\$43,301	\$35,015	\$28,418	\$22,434	\$19,253	\$18,692	\$17,420	\$16,149	\$14,422
(65)	Bk. America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(66)	Interest Applied	\$161	\$150	\$123	\$94	\$53	\$29	\$24	\$20	\$20	\$18	\$17	\$14
(67)	ISR XL LL Recon End Balance	\$71,094	\$57,991	\$47,732	\$38,965	\$31,117	\$25,748	\$19,145	\$19,382	\$18,022	\$16,836	\$15,419	\$14,439
(68)	Under/(over) Recovery	(\$794)	(\$13,103)	(\$10,259)	(\$8,767)	(\$7,848)	(\$5,370)	(\$6,603)	\$237	(\$1,359)	(\$1,186)	(\$1,418)	(\$3,979)
(69)	ISR XL HL Act Beg. Balance Under/(Over) Recovery	(\$40,615)	(\$48,564)	(\$42,334)	(\$37,992)	(\$33,913)	(\$30,425)	(\$26,771)	(\$21,880)	(\$19,023)	(\$15,604)	(\$12,107)	(\$8,371)
(70)	FY 2018 Recon	(\$11,124)											
(71)	Actual XL HL Revenue	(\$3,276)	(\$6,336)	(\$4,435)	(\$4,158)	(\$3,536)	(\$3,684)	(\$4,916)	(\$2,878)	(\$3,438)	(\$3,511)	(\$3,747)	(\$3,888)
(72)	Ending XL HL Balance	(\$48,464)	(\$54,228)	(\$47,899)	(\$42,834)	(\$37,377)	(\$32,741)	(\$28,855)	(\$24,917)	(\$21,585)	(\$18,093)	(\$14,346)	(\$10,458)
(73)	Average Monthly Balance	(\$44,540)	(\$45,396)	(\$40,116)	(\$35,913)	(\$32,145)	(\$28,583)	(\$24,313)	(\$20,441)	(\$17,304)	(\$13,848)	(\$10,234)	(\$6,427)
(74)	Bk. America Rate less 200 Basis Points	2.75%	2.75%	2.75%	2.75%	1.78%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(75)	Interest Applied	(\$100)	(\$106)	(\$93)	(\$78)	(\$49)	(\$29)	(\$26)	(\$21)	(\$18)	(\$15)	(\$10)	(\$7)
(76)	ISR XL HL Recon End Balance	(\$48,564)	(\$42,334)	(\$37,992)	(\$33,913)	(\$30,425)	(\$26,771)	(\$21,880)	(\$19,023)	(\$15,604)	(\$12,107)	(\$8,371)	(\$4,490)
(77)	Under/(over) Recovery	(\$7,949)	\$6,230	\$4,342	\$4,080	\$3,487	\$3,655	\$4,891	\$2,857	\$3,420	\$3,496	\$3,737	\$3,881
	Approved Amount to be Recovered ¹												\$2,837,604
	Under/(Over) Recovery												\$352,544

¹Docket 4955, RMS/AEL-88, Page 1 of 2

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

October 31, 2019 Ending Deferred Balances

Description		Forecast ¹	Actual	Variance
		(a)	(b)	(c) = (b) - (a)
(1)	System Pressure	(\$189,421)	(\$189,669)	(\$248)
(2)	Advanced Gas Technology	\$6	\$8	\$2
(3)	Environmental - DAC	(\$1,250)	(\$72,232)	(\$70,982)
(4)	Arrearage Management	\$4,556	\$328	(\$4,227)
(5)	Previous Reconciliation Factor - Applicable to All	(\$80,616)	(\$88,225)	(\$7,610)
(6)	Previous Reconciliation Factor - Large & Extra Large	\$69,513	\$107,380	\$37,867
(7)	On-System Margin Credits	(\$1)	\$2	\$3
(8)	Pension	\$16,166	\$312,554	\$296,387
(9)	PBOP	\$21,167	\$138,528	\$117,361
(10)	Earnings Sharing Mechanism	\$3	\$4	\$1
(11)	Low Income Discount Recovery	\$1,211,697	\$914,745	(\$296,952)
(12)	RDM			
(13)	RDA Reconciliation	(\$317,816)	(\$138,007)	\$179,809
(14)	RDM Recon Reconciliation	<u>\$26,722</u>	<u>\$23,573</u>	<u>(\$3,148)</u>
(15)	Sub-Total RDM	(\$291,094)	(\$114,433)	\$176,661
(16)	ISR Recon			
(17)	Residential Non-Heating	(\$6,118)	(\$4,489)	\$1,630
(18)	Residential Heating	(\$267,045)	(\$226,222)	\$40,823
(19)	Small C&I	(\$51,018)	(\$40,772)	\$10,246
(20)	Medium C&I	(\$76,860)	(\$72,712)	\$4,147
(21)	Large Low Load C&I	(\$33,420)	(\$783)	\$32,637
(22)	Large High Load C&I	(\$10,340)	\$2,671	\$13,011
(23)	Extra Large Low Load C&I	(\$2,047)	\$279	\$2,326
(24)	Extra Large High Load C&I	<u>(\$11,124)</u>	<u>(\$5,379)</u>	<u>\$5,745</u>
(25)	Sub-Total ISR	(\$457,973)	(\$347,407)	\$110,566
(26)	Total	\$302,753	\$661,582	\$358,829

¹Docket 4955, RMS/AEL-10S, Pages 2-3, 5-7 filed on September 3, 2019.

- (1) See AEL-11, Page 1, Col (g), Line (9)
- (2) See AEL-11, Page 1, Col (g), Line (20)
- (3) See AEL-11, Page 1, Col (g), Line (32)
- (4) See AEL-11, Page 2, Col (g), Line (44)
- (5) See AEL-11, Page 2, Col (g), Line (56)
- (6) See AEL-11, Page 2, Col (g), Line (68)
- (7) See AEL-11, Page 3, Col (g), Line (80)
- (8) See AEL-11, Page 3, Col (g), Line (92)
- (9) See AEL-11, Page 3, Col (g), Lines (104)
- (10) See AEL-11, Page 3, Col (g), Lines (116)
- (11) See AEL-11, Page 3, Col (g), Lines (125)
- (12) See AEL-11, Page 4, Col (g), Lines (18) and (36)
- (16) See AEL-11, Pages 5-8, Col (g), Lines (12), (24), (36), (48), (60), (72), (84), (96)
- (26) Net owed to Company, sum[Lines[(1):(11)] + Line (15) + Line (25)]

Schedule RMS/MJP-11
Reconciliations for FY 20

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2019 - March 2020)

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	Actual	31	Actual	30	Actual	30	Actual	31	Actual	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) System Pressure Recon Adjust.												
(2) System Pressure Acct Beg. Balance Under/(Over) Recover	(\$185,490)	(\$186,129)	(\$186,761)	(\$187,354)	(\$187,929)	(\$188,581)	(\$189,078)	\$0	(\$2,757)	(\$19,712)	(\$39,233)	(\$55,813)
(3) Actual Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Actual Revenue	\$105	\$78	\$56	\$18	\$133	\$9	\$109	\$2,754	\$16,929	\$19,452	\$16,477	\$14,824
(5) Ending Balance Under/(Over) Recovery	(\$185,595)	(\$186,207)	(\$186,817)	(\$187,372)	(\$188,062)	(\$188,590)	(\$189,187)	(\$2,754)	(\$19,686)	(\$39,164)	(\$55,710)	(\$70,637)
(6) Average Monthly Balance Under/(Over) Recovery	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(7) Bk. America Rate less 200 Basis Points	(\$534)	(\$553)	(\$537)	(\$557)	(\$519)	(\$488)	(\$482)	(\$3)	(\$26)	(\$69)	(\$103)	(\$95)
(8) Interest Applied												
(9) Sys Pressure End Balance Under/(Over) Recovery	(\$186,129)	(\$186,761)	(\$187,354)	(\$187,929)	(\$188,581)	(\$189,078)	(\$189,669)	(\$2,757)	(\$19,712)	(\$39,233)	(\$55,813)	(\$70,733)
(10) Advanced Gas Technology												
(11) AGT Acct Beg. Balance Under/(Over) Recovery	\$5	\$5	\$8	\$8	\$8	\$8	\$8	\$8	\$0	\$0	\$0	\$0
(12) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$6)	\$0	\$0	\$0	\$0
(13) AGT DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2)	\$0	\$0	\$0	\$0
(14) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Actual AGT Revenue	\$0	(\$3)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) Ending AGT Balance Under/(Over) Recovery	\$5	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$0	\$0	\$0	\$0
(17) Average Monthly Balance Under/(Over) Recovery	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(18) Bk. America Rate less 200 Basis Points	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(19) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) AGT End Balance Under/(Over) Recovery	\$5	\$8	\$8	\$8	\$8	\$8	\$8	\$8	\$0	\$0	\$0	\$0
(21) Environmental Recon. Adjust - DAC												
(22) Environmental Acct Beg. Balance Under/(Over) Recovery	\$341,331	\$226,550	\$110,255	\$65,082	\$33,274	\$637	(\$32,895)	(\$72,232)	\$1,012,811	\$867,177	\$700,027	\$558,126
(23) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(24) Environmental DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(25) Environmental Response Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(26) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Actual Environmental Revenue	\$115,597	\$116,795	\$45,424	\$31,954	\$32,684	\$33,490	\$39,204	\$74,602	\$147,821	\$168,973	\$143,270	\$128,092
(28) Ending Environmental Balance Under/(Over) Recovery	\$225,734	\$109,755	\$64,831	\$33,128	\$590	(\$32,853)	(\$72,099)	\$1,010,449	\$864,990	\$698,204	\$556,757	\$430,034
(29) Average Monthly Balance Under/(Over) Recovery	3.80%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(30) Bk. America Rate less 200 Basis Points	\$816	\$500	\$252	\$146	\$47	(\$42)	(\$134)	\$2,362	\$2,187	\$1,823	\$1,369	\$746
(31) Interest Applied												
(32) Environmental Recon End Balance Under/(Over) Recover.	\$226,550	\$110,255	\$65,082	\$33,274	\$637	(\$32,895)	(\$72,232)	\$1,012,811	\$867,177	\$700,027	\$558,126	\$430,780
(33) AMAF Adjustment - DAC												
(34) AMAF Acct Beg. Balance Under/(Over) Recovery	\$29,264	\$20,807	\$12,244	\$9,079	\$7,078	\$5,066	\$2,963	\$376,209	\$364,968	\$314,933	\$257,199	\$208,298
(35) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(36) AMAF DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,227)	\$0	\$0	\$0	\$0
(37) AMAF Adjustment Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,079	\$0	\$0	\$0	\$0
(38) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$456,616	\$0	\$0	\$0	\$0
(39) Actual AMAF Revenue	\$8,529	\$8,612	\$3,196	\$2,025	\$2,029	\$2,113	\$2,639	\$12,075	\$50,826	\$58,400	\$49,408	\$44,449
(40) Ending AMAF Balance Under/(Over) Recovery	\$20,735	\$12,195	\$9,048	\$7,054	\$5,049	\$2,953	\$324	\$364,134	\$314,142	\$256,533	\$207,791	\$163,849
(41) Average Monthly Balance Under/(Over) Recovery	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(42) Bk. America Rate less 200 Basis Points	\$72	\$49	\$31	\$24	\$17	\$10	\$4	\$834	\$791	\$666	\$507	\$281
(43) Interest Applied												
(44) AMAF Recon End Balance Under/(Over) Recovery	\$20,807	\$12,244	\$9,079	\$7,078	\$5,066	\$2,963	\$328	\$364,968	\$314,933	\$257,199	\$208,298	\$164,129
(12) Docket 4955, RMS/AEL-10S, Page 1, Ln (2)												
(13) RMS/MJP-10S, Page 8, Ln (2)												
(14) Col (b), Sum Lines [11)-(13)]												
(23) Docket 4955, RMS/AEL-10S, Page 1, Ln (3)												
(24) RMS/MJP-10S, Page 8, Ln (3)												
(25) Col (b) per Docket 4955, RMS/AEL-1S, Pg 1, Ln (3)												
(26) Col (b), Sum Lines[22)-(25)]												
(37) Col (b) per Docket 4955, RMS/AEL-1S, Pg 1, Ln (5)												
(38) Col (b), Sum Lines[34)-(37)]												

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2019 - March 2020)

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(45) Reconciliation Factor (Applicable to all) - DAC												
(46) Reconc Factor Acct Beg. Balance Under/(Over) Recovery	(\$147,131)	(\$125,926)	(\$113,622)	(\$106,607)	(\$102,389)	(\$98,271)	(\$93,917)	(\$88,225)	\$1,063,795	\$970,851	\$849,438	\$747,900
(47) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,616	\$0	\$0	\$0	\$0
(48) Reconciliation (All) DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,610	\$0	\$0	\$0	\$0
(49) Reconciliation (All) Factor Balance Under/(Over) Recover	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,074,369	\$0	\$0	\$0	\$0
(50) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,074,369	\$0	\$0	\$0	\$0
(51) Actual Recon Revenue	(\$21,598)	(\$12,659)	(\$7,331)	(\$4,529)	(\$4,394)	(\$4,603)	(\$5,923)	\$12,981	\$95,311	\$123,530	\$103,276	\$93,965
(52) Ending Recon Balance Under/(Over) Recovery	(\$125,533)	(\$113,267)	(\$106,291)	(\$102,078)	(\$97,995)	(\$93,668)	(\$87,994)	\$1,061,388	\$968,484	\$847,321	\$746,162	\$653,935
(53) Average Monthly Balance Under/(Over) Recovery	(\$136,332)	(\$119,596)	(\$109,957)	(\$104,343)	(\$100,192)	(\$95,970)	(\$90,955)	\$1,067,878	\$1,016,139	\$909,086	\$797,800	\$700,918
(54) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(55) Interest Applied	(\$392)	(\$356)	(\$316)	(\$310)	(\$277)	(\$248)	(\$232)	\$2,407	\$2,367	\$2,117	\$1,738	\$1,058
(56) Reconciliation End Balance Under/(Over) Recovery	(\$125,926)	(\$113,622)	(\$106,607)	(\$102,389)	(\$98,271)	(\$93,917)	(\$88,225)	\$1,063,795	\$970,851	\$849,438	\$747,900	\$654,994
(57) Reconciliation Factor (L & XL) - DAC												
(58) Recon Factor Acct Beg. Balance Under/(Over) Recovery	(\$42,075)	(\$15,504)	\$40,201	\$54,590	\$66,849	\$80,184	\$93,525	\$107,380	\$7,297	(\$37,983)	(\$76,623)	(\$110,500)
(59) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$69,513)	\$0	\$0	\$0	\$0
(60) Reconciliation (L & XL) DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$37,867)	\$0	\$0	\$0	\$0
(61) Reconciliation (L & XL) Factor Balance Under/(Over) Rec	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,997)	\$0	\$0	\$0	\$0
(62) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,997)	\$0	\$0	\$0	\$0
(63) Actual Recon Revenue (L & XL)	(\$26,654)	(\$55,668)	(\$14,253)	(\$12,079)	(\$13,132)	(\$13,117)	(\$13,599)	(\$15,295)	\$45,245	\$38,506	\$33,674	\$29,736
(64) Ending Recon Balance Under/(Over) Recovery	(\$15,421)	\$40,164	\$54,454	\$66,669	\$79,981	\$93,301	\$107,124	\$7,298	(\$37,948)	(\$76,489)	(\$110,297)	(\$140,236)
(65) Average Monthly Balance Under/(Over) Recovery	(\$28,748)	\$12,330	\$47,327	\$60,629	\$73,415	\$86,742	\$100,325	(\$349)	(\$15,325)	(\$57,236)	(\$93,460)	(\$125,368)
(66) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(67) Interest Applied	(\$83)	\$37	\$136	\$180	\$203	\$225	\$256	(\$1)	(\$36)	(\$133)	(\$204)	(\$189)
(68) Reconciliation End Balance Under/(Over) Recovery	(\$15,504)	\$40,201	\$54,590	\$66,849	\$80,184	\$93,525	\$107,380	\$7,297	(\$37,983)	(\$76,623)	(\$110,500)	(\$140,425)
(69) On-system Credits Recon. Adjust. - DAC												
(70) On-system Credit Acct Beg. Balance Under/(Over) Recov	(\$1)	(\$1)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$2	\$0	\$0	\$0	\$0
(71) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1)	\$0	\$0	\$0	\$0
(72) On-system DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3)	\$0	\$0	\$0	\$0
(73) On-system Credit Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(74) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(75) Actual On-system Revenue	(\$1)	(\$1)	(\$0)	(\$0)	(\$0)	(\$0)	(\$2)	\$0	\$0	\$0	\$0	\$0
(76) Ending On-system Balance Under/(Over) Recovery	(\$1)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$2)	\$0	\$0	\$0	\$0	\$0
(77) Average Monthly Balance Under/(Over) Recovery	(\$1)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$1)	\$0	\$0	\$0	\$0	\$0
(78) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(79) Interest Applied	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0
(80) On-system Credit End Balance Under/(Over) Recovery	(\$1)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$2	\$0	\$0	\$0	\$0
(35) Docket 4955, RMS/AEL-10S, Page 1, Ln (8)												
(36) RMS/MJP-10, Page 8, Ln (5)												
(37) Col (h) per Docket 4955, RMS/AEL-10S, Pg 1, Ln (14)												
(38) Col (b) Sum Lines(34)-(37)												
(47) Docket 4955, RMS/AEL-10S, Page 1, Ln (27)												
(48) RMS/MJP-10, Page 8, Ln (6)												
(49) Col (h) per Docket 4955, RMS/AEL-10S, Pg 1, Ln (28)												
(50) Col (b) Sum Lines [(46)-(49)]												
(59) Docket 4955, RMS/AEL-10S, Page 1, Ln (5)												
(60) RMS/MJP-10, Page 8, Ln (7)												
(62) Col (b) Sum Lines [(58)-(61)]												

National Grid – RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2019 - March 2020)

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Pension Adjustment												
(81) Pen Act Beg. Balance Under/(Over) Recovery	(\$885,193)	(\$584,748)	(\$151,195)	(\$40,549)	\$35,591	\$120,991	\$209,055	\$312,554	\$243,643	\$216,442	\$168,451	\$123,678
(82) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$16,166)	\$0	\$0	\$0	\$0
(84) Pension DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$296,387)	\$0	\$0	\$0	\$0
(85) Pension Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$335,714	\$0	\$0	\$0	\$0
(86) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$335,714	\$0	\$0	\$0	\$0
(87) Actual Pension Revenue	(\$302,557)	(\$434,645)	(\$110,921)	(\$76,148)	(\$85,184)	(\$87,637)	(\$102,835)	\$92,723	\$27,736	\$48,439	\$45,091	\$41,012
(88) Ending Pension Balance Under/(Over) Recovery	(\$582,636)	(\$150,103)	(\$40,274)	\$35,599	\$120,775	\$208,628	\$311,890	\$242,991	\$215,907	\$168,003	\$123,360	\$82,666
(89) Average Monthly Balance Under/(Over) Recovery	(\$733,915)	(\$367,425)	(\$95,734)	(\$2,475)	\$78,183	\$164,810	\$260,472	\$289,352	\$229,775	\$192,223	\$145,906	\$103,172
(90) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(91) Interest Applied	(\$2,111)	(\$1,092)	(\$275)	(\$27)	\$216	\$427	\$664	\$652	\$535	\$448	\$318	\$156
(92) Pension Adjustment End Balance Under/(Over) Recovery	(\$584,748)	(\$151,195)	(\$40,549)	(\$40,549)	\$35,591	\$120,991	\$209,055	\$312,554	\$243,643	\$216,442	\$168,451	\$123,678
PROP Adjustment												
(93) PROP Adjustment												
(94) PROP Act Beg. Balance Under/(Over) Recovery	(\$1,070,651)	(\$703,679)	(\$460,877)	(\$308,536)	(\$199,265)	(\$94,414)	\$12,964	\$138,528	(\$847,958)	(\$690,745)	(\$499,153)	(\$330,450)
(95) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$21,167)	\$0	\$0	\$0	\$0
(96) PBOP DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$117,361)	\$0	\$0	\$0	\$0
(97) PBOP Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,251,941)	\$0	\$0	\$0	\$0
(98) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,251,941)	\$0	\$0	\$0	\$0
(99) Actual PBOP Revenue	(\$369,520)	(\$244,531)	(\$153,446)	(\$110,024)	(\$105,256)	(\$107,483)	(\$125,372)	(\$406,347)	(\$159,003)	(\$192,976)	(\$169,606)	(\$147,278)
(100) Ending PBOP Balance Under/(Over) Recovery	(\$701,131)	(\$459,148)	(\$307,431)	(\$198,512)	(\$94,009)	\$13,069	\$138,336	(\$845,594)	(\$688,955)	(\$497,769)	(\$329,547)	(\$183,172)
(101) Average Monthly Balance Under/(Over) Recovery	(\$885,891)	(\$581,414)	(\$384,154)	(\$253,524)	(\$146,637)	(\$40,672)	\$75,650	(\$1,048,768)	(\$768,457)	(\$594,257)	(\$414,350)	(\$256,811)
(102) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(103) Interest Applied	(\$2,548)	(\$1,728)	(\$1,105)	(\$754)	(\$405)	(\$105)	\$193	(\$2,364)	(\$1,790)	(\$1,384)	(\$903)	(\$388)
(104) PBOP Adjustment End Balance Under/(Over) Recovery	(\$703,679)	(\$460,877)	(\$308,536)	(\$199,265)	(\$94,414)	\$12,964	\$138,528	(\$847,958)	(\$690,745)	(\$499,153)	(\$330,450)	(\$183,560)
Earnings Sharing Mechanism												
(105) Earnings Sharing Mechanism												
(106) ESM Act Beg. Balance Under/(Over) Recovery	\$3	\$3	\$4	\$4	\$4	\$4	\$4	\$4	\$0	\$0	\$0	\$0
(107) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3)	\$0	\$0	\$0	\$0
(108) ESM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1)	\$0	\$0	\$0	\$0
(109) ESM Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(110) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(111) Actual ESM Revenue	\$0	(\$1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(112) Ending ESM Balance Under/(Over) Recovery	\$3	(\$4)	\$4	\$4	\$4	\$4	\$4	\$4	\$0	\$0	\$0	\$0
(113) Average Monthly Balance Under/(Over) Recovery	\$3	(\$4)	\$4	\$4	\$4	\$4	\$4	\$4	\$0	\$0	\$0	\$0
(114) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(115) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(116) ESM Adjustment End Balance Under/(Over) Recovery	\$3	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$0	\$0	\$0	\$0
Low Income Discount Recovery Adjustment												
(117) Low Income Discount Recovery Adjustment												
(118) LIDRF Act Beg. Balance Under/(Over) Recovery	\$588,130	\$716,745	\$604,619	\$681,358	\$740,724	\$794,799	\$849,878	\$849,878	\$26,274	(\$20,849)	(\$13,598)	(\$9,256)
(119) Actual Discount Credits Applied (cost)	\$691,723	\$466,605	\$298,025	\$215,089	\$213,687	\$218,628	\$255,816	\$397,988	\$707,699	\$867,991	\$734,732	\$767,709
(120) Actual LIDRF Revenue	\$564,981	\$580,692	\$223,133	\$157,834	\$161,728	\$165,675	\$193,194	\$371,743	\$754,828	\$860,700	\$730,366	\$648,913
(121) Ending LIDRF Balance	\$174,871	\$602,658	\$679,511	\$738,613	\$792,683	\$847,752	\$912,500	\$26,245	(\$20,855)	(\$13,557)	(\$9,231)	\$109,540
(122) Average Monthly Balance Under/(Over) Recovery	\$651,500	\$659,702	\$642,065	\$709,986	\$766,703	\$821,275	\$881,189	\$13,122	\$2,710	(\$17,203)	(\$11,415)	\$50,142
(123) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(124) Interest Applied	\$1,874	\$1,961	\$1,847	\$2,111	\$2,116	\$2,126	\$2,245	\$20	\$6	(\$40)	(\$25)	\$76
(125) LIDRF End Balance Under/(Over) Recovery	\$716,745	\$604,619	\$681,358	\$740,724	\$794,799	\$849,878	\$849,878	\$914,745	(\$20,849)	(\$13,598)	(\$9,256)	\$109,616
(71) Docket 4955, RMS/AEL-10S, Page 1, Ln (6)												
(72) RMS/MJP-10, Page 8, Ln (8)												
(73) Col (h) per Docket 4955, RMS/AEL-5S, Pg 1, Ln (3)												
(74) Col (h) per Sum Lines [(70)/(73)]												
(83) Docket 4955, RMS/AEL-10S, Page 1, Ln (7)												
(84) RMS/MJP-10, Page 8, Ln (9)												
(85) Col (h) per Docket 4955, RMS/AEL-5S, Pg 1, Ln (9)												
(86) Col (h) per Sum Lines [(82)/(85)]												
(95) Col (h) per Docket 4955, RMS/AEL-10S, Pg 1, Ln (9)												

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2019 - March 2020)

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual	Actual	Actual	Actual	Actual							
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(126) Service Quality Penalty Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$75,000)	(\$74,406)	(\$68,960)	(\$62,661)	(\$57,338)
(127) SQI Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(128) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(129) SQI DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(130) Service Quality Penalty Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(131) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$75,000)	(\$74,406)	(\$68,960)	(\$62,661)	(\$57,338)
(132) Actual SQI Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$762)	(\$5,613)	(\$6,452)	(\$5,454)	(\$4,923)
(133) Ending SQI Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$74,238)	(\$68,793)	(\$62,508)	(\$57,207)	(\$52,415)
(134) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$74,619)	(\$71,600)	(\$65,734)	(\$59,934)	(\$54,876)
(135) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(136) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,688)	(\$1,671)	(\$1,553)	(\$1,311)	(\$883)
(137) SQI Recon End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$74,406)	(\$68,960)	(\$62,661)	(\$57,338)	(\$52,498)
(138) Tax Credit Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(139) TCF Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,262,655)	(\$3,197,338)	(\$2,764,538)	(\$2,264,392)	(\$1,841,021)
(140) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(141) TCF DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(142) Tax Credit Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(143) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,262,655)	(\$3,197,338)	(\$2,764,538)	(\$2,264,392)	(\$1,841,021)
(144) Actual TCF Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$72,590)	(\$439,735)	(\$505,996)	(\$427,839)	(\$388,585)
(145) Ending TCF Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,190,065)	(\$2,757,603)	(\$2,258,542)	(\$1,836,553)	(\$1,455,436)
(146) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,226,360)	(\$2,977,470)	(\$2,511,540)	(\$2,050,472)	(\$1,648,228)
(147) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(148) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,273)	(\$6,935)	(\$5,850)	(\$4,468)	(\$2,488)
(149) TCF Recon End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,197,338)	(\$2,764,538)	(\$2,264,392)	(\$1,841,021)	(\$1,457,924)
(150) Storm Net Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$566,107)	(\$555,314)	(\$483,240)	(\$399,942)	(\$329,440)
(151) Storm Net Revenue Acct Beg. Balance Under/(Over) Rec	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(152) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(153) Storm Net Revenue DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(154) Storm Net Revenue Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$566,107)	(\$555,314)	(\$483,240)	(\$399,942)	(\$329,440)
(155) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$12,055)	(\$73,283)	(\$84,325)	(\$71,296)	(\$64,256)
(156) Actual Storm Net Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$554,052)	(\$482,031)	(\$398,915)	(\$328,646)	(\$265,184)
(157) Ending Storm Net Revenue Balance Under/(Over) Rec	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$566,107)	(\$518,673)	(\$441,077)	(\$364,294)	(\$297,312)
(158) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	2.75%	2.75%	2.75%	2.75%	1.78%
(159) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(160) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,262)	(\$1,208)	(\$1,022)	(\$794)	(\$449)
(161) Storm Net Revenue Recon End Balance Under/(Over) Rec	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$555,314)	(\$483,240)	(\$399,942)	(\$329,440)	(\$265,633)
(162) LIAP Base Rate Fund Recon Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,228,172)	(\$1,203,944)	(\$1,043,073)	(\$857,164)	(\$699,798)
(163) LIAO Recon Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(164) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(165) LIAP Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(166) LIAP Recon Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(167) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,228,172)	(\$1,203,944)	(\$1,043,073)	(\$857,164)	(\$699,798)
(168) Actual LIAP Recon Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$26,966)	-163,484	-188,120	-159,060	-143,346
(169) Ending LIAP Recon Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,201,206)	(\$1,040,460)	(\$854,953)	(\$698,104)	(\$556,452)
(170) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,214,689)	(\$1,122,202)	(\$949,013)	(\$777,634)	(\$628,125)
(171) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(172) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,738)	(\$2,614)	(\$2,210)	(\$1,694)	(\$948)
(173) LIAP Recon End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,203,944)	(\$1,043,073)	(\$857,164)	(\$699,798)	(\$557,401)
(115) Col (h): Docket 4955, RMS/AEL-1S, Page 1, Line (9)												
(119) Col (b): Sum Lines [(115):(118)]												
(127) Col (b): Docket 4955, RMS/AEL-1S, Page 1, Line (10)												
(131) Col (b): Sum Lines [(127):(130)]												
(139) Col (b): Docket 4955, RMS/AEL-1S, Page 1, Line (11)												
(143) Col (b): Sum Lines [(139):(142)]												
(151) Col (b): Docket 4955, RMS/AEL-1S, Page 1, Line (12)												
(155) Col (b): Sum Lines [(151):(154)]												

**National Grid - RI Gas
RDA Reconciliation (April 2019 - March 2020)**

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	(m)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Actual Firm Throughput - dekatherms													
(1) Res-NH	40,445	30,945	23,475	17,126	14,390	14,763	16,529	23,516	38,387	50,349	40,120	39,666	349,709
(2) Res-H	2,109,996	1,299,627	694,563	416,620	395,063	410,446	556,332	1,274,538	2,665,432	3,479,544	2,865,695	2,638,016	18,805,870
(3) Small	258,912	145,241	71,282	43,606	45,418	43,046	57,700	143,702	349,921	459,091	421,778	326,172	2,365,869
(4) Medium	651,128	405,015	243,655	155,243	159,451	176,639	204,465	405,663	792,629	943,423	823,210	738,174	5,698,696
(5) Total	3,060,482	1,880,828	1,032,974	632,596	614,323	644,894	835,026	1,847,419	3,846,369	4,932,406	4,150,803	3,742,027	27,220,143
(6) RDM Reconciliation													
(7) RDM Acct Beg. Balance Under/(Over) Recovery	(\$1,843,868)	(\$1,236,278)	(\$881,173)	(\$676,980)	(\$552,062)	(\$431,013)	(\$303,307)	(\$138,007)	(\$10,013,136)	(\$8,678,722)	(\$6,956,352)	(\$5,507,510)	
(8) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(9) RDM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(10) RDM Balance November 2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(11) Interest on RDM Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(12) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(13) Actual RDM Revenue	(\$612,014)	(\$358,248)	(\$206,431)	(\$126,741)	(\$122,404)	(\$128,655)	(\$165,862)	(\$484,386)	(\$1,356,158)	(\$1,740,558)	(\$1,462,407)	(\$1,319,628)	
(14) Ending RDM Balance Under/(Over) Recovery	(\$1,231,854)	(\$878,030)	(\$674,742)	(\$550,238)	(\$429,658)	(\$302,358)	(\$137,445)	(\$9,990,072)	(\$8,656,979)	(\$6,938,164)	(\$5,493,945)	(\$4,187,882)	
(15) Average Monthly Balance Under/(Over) Recovery	(\$1,537,861)	(\$1,057,154)	(\$777,957)	(\$613,609)	(\$490,860)	(\$366,685)	(\$220,376)	(\$10,232,265)	(\$9,335,057)	(\$7,808,443)	(\$6,225,149)	(\$4,847,696)	
(16) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%	
(17) Interest Applied	(\$4,424)	(\$3,142)	(\$2,328)	(\$1,824)	(\$1,355)	(\$949)	(\$562)	(\$23,065)	(\$21,744)	(\$18,188)	(\$13,564)	(\$7,318)	
(18) RDM Recon End Balance Under/(Over) Recovery	(\$1,236,278)	(\$881,173)	(\$676,980)	(\$552,062)	(\$431,013)	(\$303,307)	(\$138,007)	(\$10,013,136)	(\$8,678,722)	(\$6,956,352)	(\$5,507,510)	(\$4,195,200)	
(19) RDM Revenue per rate class													
(20) Res-NH	(\$8,088)	(\$5,894)	(\$4,691)	(\$3,431)	(\$2,867)	(\$2,945)	(\$3,283)	(\$6,166)	(\$13,534)	(\$17,767)	(\$14,135)	(\$13,988)	
(21) Res-H	(\$421,943)	(\$247,544)	(\$138,802)	(\$83,470)	(\$78,717)	(\$81,883)	(\$110,505)	(\$334,179)	(\$939,782)	(\$1,227,869)	(\$1,009,639)	(\$930,298)	
(22) Small	(\$51,776)	(\$27,665)	(\$14,245)	(\$8,737)	(\$9,049)	(\$8,588)	(\$11,461)	(\$37,678)	(\$123,376)	(\$162,005)	(\$148,600)	(\$115,025)	
(23) Medium	(\$130,208)	(\$77,145)	(\$48,692)	(\$31,103)	(\$31,771)	(\$35,239)	(\$40,613)	(\$106,363)	(\$279,466)	(\$332,917)	(\$290,033)	(\$260,317)	
(24) Total	(\$612,014)	(\$358,248)	(\$206,431)	(\$126,741)	(\$122,404)	(\$128,655)	(\$165,862)	(\$484,386)	(\$1,356,158)	(\$1,740,558)	(\$1,462,407)	(\$1,319,628)	
(25) RDM Recon Adjustment													
(26) RDM Recon Acct Beg. Balance Under/(Over) Recovery	\$49,181	\$40,114	\$34,498	\$31,457	\$29,610	\$27,848	\$25,993	\$23,573	(\$278,106)	(\$240,743)	(\$192,077)	(\$151,019)	
(27) Transfer to 2019-2020 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(28) RDM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(29) RDM Balance November 2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(30) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(31) Actual RDM Recon Revenue	\$9,195	\$5,727	\$3,136	\$1,938	\$1,841	\$1,924	\$2,483	(\$13,629)	(\$37,967)	(\$49,169)	(\$41,431)	(\$37,566)	
(32) Ending RDM Recon Balance Under/(Over) Recovery	\$39,986	\$34,387	\$31,362	\$29,519	\$27,769	\$25,924	\$23,510	(\$277,465)	(\$240,139)	(\$191,574)	(\$150,646)	(\$113,453)	
(33) Average Monthly Balance Under/(Over) Recovery	\$44,584	\$37,251	\$32,930	\$30,488	\$28,689	\$26,886	\$24,752	(\$284,280)	(\$259,122)	(\$216,158)	(\$171,362)	(\$132,236)	
(34) BK America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%	
(35) Interest Applied	\$128	\$111	\$95	\$91	\$79	\$70	\$63	(\$641)	(\$604)	(\$503)	(\$373)	(\$200)	
(36) RDM Recon Adjustment End Balance Under/(Over) Recovery	\$40,114	\$34,498	\$31,457	\$29,610	\$27,848	\$25,993	\$23,573	(\$278,106)	(\$240,743)	(\$192,077)	(\$151,019)	(\$113,653)	

(8) Docket 4955, RMS/AEL-10S, Page 1, Line (18)
(9) RMS/MJP-10, Page 8, Line (13)
(10) Docket 4955, RMS/AEL-1S, Page 1, Line (16)
(11) Beginning balance, Docket 4955, Schedule RMS/AEL-1S, Line (16) + monthly interest calculated from April - October at BK America rate less 200 basis points
(12) Col (b) - Sum Lines [(7)-(11)]
(27) Docket 4955, RMS/AEL-10S, Page 1, Line (19)
(28) RMS/MJP-10, Page 8, Line (14)
(29) Docket 4955, RMS/AEL-10S, Page 1, Line (20)
(30) Col (b) - Sum Lines [(26)-(29)]

**National Grid - RI Gas
ISR Reconciliation (April 2019 - March 2020)**

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual											
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) ISR Res-NH Acct Beg. Balance Under/(Over) Recovery	(\$25,112)	(\$19,800)	(\$15,756)	(\$12,681)	(\$10,456)	(\$8,575)	(\$6,641)	(\$4,489)	\$174,309	\$156,552	\$132,838	\$113,705
(2) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,630)	\$0	\$0	\$0	\$0
(3) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$6,118)	\$0	\$0	\$0	\$0
(4) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$179,285	\$0	\$0	\$0	\$0
(5) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,543	\$0	\$0	\$0	\$0
(6) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$182,828	\$0	\$0	\$0	\$0
(7) Actual Res-NH Revenue	(\$5,376)	(\$4,097)	(\$3,116)	(\$2,260)	(\$1,907)	(\$1,953)	(\$2,167)	\$2,803	\$18,142	\$24,050	\$19,402	\$19,073
(8) Ending Res-NH Balance Under/(Over) Recovery	(\$19,736)	(\$15,704)	(\$12,640)	(\$10,421)	(\$8,548)	(\$6,622)	(\$4,474)	\$173,907	\$156,167	\$132,502	\$113,436	\$94,632
(9) Average Monthly Balance Under/(Over) Recovery	(\$22,424)	(\$17,752)	(\$14,198)	(\$11,551)	(\$9,502)	(\$7,598)	(\$5,558)	\$178,368	\$165,238	\$144,527	\$123,137	\$104,168
(10) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(11) Interest Applied	(\$65)	(\$53)	(\$41)	(\$34)	(\$26)	(\$20)	(\$14)	\$402	\$385	\$337	\$268	\$157
(12) ISR Res-NH Recon End Balance Under/(Over) Recovery	(\$19,800)	(\$15,756)	(\$12,681)	(\$10,456)	(\$8,575)	(\$6,641)	(\$4,489)	\$174,309	\$156,552	\$132,838	\$113,705	\$94,789
(13) ISR Res-H Acct Beg. Balance Under/(Over) Recovery	(\$548,836)	(\$432,227)	(\$360,647)	(\$322,752)	(\$300,386)	(\$279,041)	(\$256,763)	(\$226,222)	\$1,953,829	\$1,706,795	\$1,377,066	\$1,104,659
(14) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$40,823)	\$0	\$0	\$0	\$0
(15) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$267,045)	\$0	\$0	\$0	\$0
(16) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,190,744	\$0	\$0	\$0	\$0
(17) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,292	\$0	\$0	\$0	\$0
(18) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,234,036	\$0	\$0	\$0	\$0
(19) Actual Res-H Revenue	(\$118,018)	(\$72,758)	(\$38,876)	(\$23,291)	(\$22,143)	(\$22,971)	(\$31,155)	\$17,876	\$251,292	\$333,316	\$275,107	\$253,130
(20) Ending Res-H Balance Under/(Over) Recovery	(\$430,818)	(\$359,470)	(\$321,771)	(\$299,461)	(\$278,243)	(\$256,070)	(\$225,607)	\$1,949,114	\$1,702,536	\$1,373,478	\$1,101,958	\$851,529
(21) Average Monthly Balance Under/(Over) Recovery	(\$489,827)	(\$395,849)	(\$341,209)	(\$311,107)	(\$289,314)	(\$267,556)	(\$241,185)	\$2,091,575	\$1,828,183	\$1,540,136	\$1,239,512	\$978,094
(22) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(23) Interest Applied	(\$1,409)	(\$1,177)	(\$982)	(\$925)	(\$799)	(\$693)	(\$615)	\$4,715	\$4,258	\$3,587	\$2,701	\$1,476
(24) ISR Res-H Recon End Balance Under/(Over) Recovery	(\$432,227)	(\$360,647)	(\$322,752)	(\$300,386)	(\$279,041)	(\$256,763)	(\$226,222)	\$1,953,829	\$1,706,795	\$1,377,066	\$1,104,659	\$853,005

- (2) RMS/MJP-10, Pg 8, Line (17)
- (3) Dkt 4955, RMS/AEL-8S, Pg 1, Line (3), Col (g)
- (4) Dkt 4955, RMS/AEL-8S, Pg 1, Line (3), Col (f)
- (5) Apr19-Oct19 @ BOA Rate less 200 Basis Points
- (6) Line (4) + Line (5)
- (14) RMS/MJP-10, Pg 8, Line (18)
- (15) Dkt 4955, RMS/MJP-8S, Pg 1, Line (4), Col (g)
- (16) Dkt 4955, RMS/MJP-8S, Pg 1, Line (4), Col (f)
- (17) Apr19-Oct19 @ BOA Rate less 200 Basis Points
- (18) Line (16) + Line (17)

**National Grid - RI Gas
ISR Reconciliation (April 2019 - March 2020)**

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(25) ISR Small C&I Act Beg. Balance Under/(Over) Recovery	(\$131,390)	(\$95,418)	(\$75,472)	(\$65,916)	(\$60,013)	(\$54,585)	(\$48,693)	(\$40,772)	\$260,911	\$229,140	\$185,945	\$150,540
(26) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,246)	\$0	\$0	\$0	\$0
(27) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$51,018)	\$0	\$0	\$0	\$0
(28) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$300,787	\$0	\$0	\$0	\$0
(29) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,944	\$0	\$0	\$0	\$0
(30) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$306,731	\$0	\$0	\$0	\$0
(31) Actual Small C&I Revenue	(\$36,298)	(\$20,199)	(\$9,759)	(\$6,089)	(\$5,587)	(\$6,025)	(\$8,034)	(\$4,560)	\$32,341	\$43,678	\$35,771	\$35,298
(32) Ending Small C&I Balance Under/(Over) Recovery	(\$95,092)	(\$75,218)	(\$65,713)	(\$59,826)	(\$54,427)	(\$48,559)	(\$40,659)	\$260,272	\$228,570	\$185,462	\$150,173	\$115,241
(33) Average Monthly Balance Under/(Over) Recovery	(\$113,241)	(\$85,318)	(\$70,592)	(\$62,871)	(\$57,220)	(\$51,572)	(\$44,676)	\$283,502	\$244,741	\$207,301	\$168,059	\$132,891
(34) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(35) Interest Applied	(\$326)	(\$254)	(\$203)	(\$187)	(\$158)	(\$134)	(\$114)	\$639	\$570	\$483	\$366	\$201
(36) ISR Small C&I Recon End Balance Under/(Over) Recovery	(\$95,418)	(\$75,472)	(\$65,916)	(\$60,013)	(\$54,585)	(\$48,693)	(\$40,772)	\$260,911	\$229,140	\$185,945	\$150,540	\$115,442
(37) ISR Medium Act Beg. Balance Under/(Over) Recovery	(\$169,904)	(\$136,167)	(\$119,978)	(\$107,574)	(\$99,637)	(\$91,587)	(\$82,607)	(\$72,712)	\$1,791	\$3,658	\$5,639	\$7,379
(38) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,147)	\$0	\$0	\$0	\$0
(39) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$76,860)	\$0	\$0	\$0	\$0
(40) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$63,899	\$0	\$0	\$0	\$0
(41) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,263	\$0	\$0	\$0	\$0
(42) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$65,162	\$0	\$0	\$0	\$0
(43) Actual Medium Revenue	(\$34,177)	(\$16,569)	(\$12,731)	(\$8,245)	(\$8,314)	(\$9,205)	(\$10,093)	(\$13,413)	(\$1,860)	(\$1,971)	(\$1,725)	(\$1,446)
(44) Ending Medium Balance Under/(Over) Recovery	(\$135,727)	(\$119,598)	(\$107,247)	(\$99,330)	(\$91,323)	(\$82,382)	(\$72,514)	\$1,715	\$3,651	\$5,629	\$7,365	\$8,825
(45) Average Monthly Balance Under/(Over) Recovery	(\$152,816)	(\$127,882)	(\$113,613)	(\$103,452)	(\$95,480)	(\$86,985)	(\$77,561)	\$33,439	\$2,721	\$4,643	\$6,502	\$8,102
(46) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(47) Interest Applied	(\$440)	(\$380)	(\$327)	(\$308)	(\$264)	(\$225)	(\$198)	\$75	\$6	\$11	\$14	\$12
(48) ISR Medium Recon End Balance Under/(Over) Recovery	(\$136,167)	(\$119,978)	(\$107,574)	(\$99,637)	(\$91,587)	(\$82,607)	(\$72,712)	\$1,791	\$3,658	\$5,639	\$7,379	\$8,837

- (26) RMS/MJP-10, Pg 8, Line (19)
- (27) Dkt 4955, RMS/MJP-8S, Pg 1, Line (5), Col (g)
- (28) Dkt 4955, RMS/MJP-8S, Pg 1, Line (5), Col (f)
- (29) Apr19-Oct19 @ BOA Rate less 200 Basis Points
- (30) Line (28) + Line (29)
- (38) RMS/MJP-10, Pg 8, Line (20)
- (39) Dkt 4955, RMS/MJP-8S, Pg 1, Line (6), Col (g)
- (40) Dkt 4955, RMS/MJP-8S, Pg 1, Line (6), Col (f)
- (41) Apr19-Oct19 @ BOA Rate less 200 Basis Points
- (42) Line (40) + Line (41)

**National Grid - RI Gas
ISR Reconciliation (April 2019 - March 2020)**

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(i)	(k)	(l)
(49) ISR Large LL Acct Beg. Balance Under/(Over) Recovery	(\$93,880)	(\$67,883)	(\$19,347)	(\$14,056)	(\$12,121)	(\$9,133)	(\$5,839)	(\$783)	\$107,081	\$92,528	\$76,281	\$62,754
(50) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$32,637)	\$0	\$0	\$0	\$0
(51) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$33,420)	\$0	\$0	\$0	\$0
(52) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$130,362	\$0	\$0	\$0	\$0
(53) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,576	\$0	\$0	\$0	\$0
(54) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$132,938	\$0	\$0	\$0	\$0
(55) Actual Large LL Revenue	(\$26,229)	(\$48,666)	(\$5,338)	(\$1,974)	(\$3,018)	(\$3,313)	(\$5,064)	(\$7,292)	\$14,785	\$16,443	\$13,678	\$12,408
(56) Ending Large LL Balance Under/(Over) Recovery	(\$67,651)	(\$19,217)	(\$14,008)	(\$12,082)	(\$9,103)	(\$5,820)	(\$775)	\$106,811	\$92,296	\$76,085	\$62,603	\$50,347
(57) Average Monthly Balance Under/(Over) Recovery	(\$80,765)	(\$43,550)	(\$16,678)	(\$13,069)	(\$10,612)	(\$7,476)	(\$3,307)	\$119,875	\$99,688	\$84,306	\$69,442	\$56,550
(58) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(59) Interest Applied	(\$232)	(\$129)	(\$48)	(\$39)	(\$29)	(\$19)	(\$8)	\$270	\$232	\$196	\$151	\$85
(60) ISR Large LL Recon End Balance Under/(Over) Recovery	(\$67,883)	(\$19,347)	(\$14,056)	(\$12,121)	(\$9,133)	(\$5,839)	(\$783)	\$107,081	\$92,528	\$76,281	\$62,754	\$50,432
(61) ISR Large HL Acct Beg. Balance Under/(Over) Recovery	(\$47,922)	(\$39,739)	(\$25,077)	(\$19,296)	(\$13,750)	(\$8,014)	(\$3,089)	\$2,671	(\$63,747)	(\$56,841)	(\$49,544)	(\$43,306)
(62) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,011)	\$0	\$0	\$0	\$0
(63) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,340)	\$0	\$0	\$0	\$0
(64) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$58,141)	\$0	\$0	\$0	\$0
(65) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,149)	\$0	\$0	\$0	\$0
(66) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$59,290)	\$0	\$0	\$0	\$0
(67) Actual Large HL Revenue	(\$8,309)	(\$14,758)	(\$5,845)	(\$5,595)	(\$5,765)	(\$4,940)	(\$5,760)	(\$6,021)	(\$7,047)	(\$7,420)	(\$6,340)	(\$5,819)
(68) Ending Large HL Balance Under/(Over) Recovery	(\$39,613)	(\$24,981)	(\$19,232)	(\$13,701)	(\$7,984)	(\$3,074)	\$2,671	(\$63,609)	(\$56,700)	(\$49,421)	(\$43,205)	(\$37,487)
(69) Average Monthly Balance Under/(Over) Recovery	(\$43,767)	(\$32,360)	(\$22,154)	(\$16,498)	(\$10,867)	(\$5,544)	(\$209)	(\$61,449)	(\$60,224)	(\$53,131)	(\$46,374)	(\$40,396)
(70) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(71) Interest Applied	(\$126)	(\$96)	(\$64)	(\$49)	(\$30)	(\$14)	(\$1)	(\$139)	(\$140)	(\$124)	(\$101)	(\$61)
(72) ISR Large HL Recon End Balance Under/(Over) Recovery	(\$39,739)	(\$25,077)	(\$19,296)	(\$13,750)	(\$8,014)	(\$3,089)	\$2,671	(\$63,747)	(\$56,841)	(\$49,544)	(\$43,306)	(\$37,548)

- (50) RMS/MJP-10, Pg 8, Line (21)
- (51) Dkt 4955, RMS/MJP-8S, Pg 1, Line (7), Col (g)
- (52) Dkt 4955, RMS/MJP-8S, Pg 1, Line (7), Col (f)
- (53) Apr19-Oct19 @ BOA Rate less 200 Basis Points
- (54) Line (52) + Line (53)
- (62) RMS/MJP-10, Pg 8, Line (22)
- (63) Dkt 4955, RMS/MJP-8S, Pg 1, Line (8), Col (g)
- (64) Dkt 4955, RMS/MJP-8S, Pg 1, Line (8), Col (f)
- (65) Apr19-Oct19 @ BOA Rate less 200 Basis Points
- (66) Line (64) + Line (65)

**National Grid - RI Gas
ISR Reconciliation (April 2019 - March 2020)**

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
	30	31	30	31	31	30	31	30	31	31	29	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(i)	(k)	(l)
(73) ISR XL LL Acct Beg. Balance Under/(Over) Recovery	(\$6,649)	(\$4,857)	(\$484)	(\$180)	(\$376)	(\$208)	\$1	\$279	\$71,094	\$57,991	\$47,732	\$38,965
(74) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,326)	\$0	\$0	\$0	\$0
(75) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,047)	\$0	\$0	\$0	\$0
(76) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$70,495	\$0	\$0	\$0	\$0
(77) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,393	\$0	\$0	\$0	\$0
(78) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71,888	\$0	\$0	\$0	\$0
(79) Actual XL LL Revenue	(\$1,808)	(\$4,380)	(\$305)	\$196	(\$169)	(\$209)	(\$277)	(\$1,092)	\$13,253	\$10,382	\$8,862	\$7,900
(80) Ending XL LL Balance Under/(Over) Recovery	(\$4,840)	(\$476)	(\$179)	(\$375)	(\$207)	\$1	\$278	\$70,933	\$57,841	\$47,609	\$38,871	\$31,065
(81) Average Monthly Balance Under/(Over) Recovery	(\$5,744)	(\$2,666)	(\$331)	(\$278)	(\$292)	(\$103)	\$140	\$71,411	\$64,468	\$52,800	\$43,301	\$35,015
(82) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(83) Interest Applied	(\$17)	(\$8)	(\$1)	(\$1)	(\$1)	(\$0)	\$0	\$161	\$150	\$123	\$94	\$53
(84) ISR XL LL Recon End Balance Under/(Over) Recovery	(\$4,857)	(\$484)	(\$180)	(\$376)	(\$208)	\$1	\$279	\$71,094	\$57,991	\$47,732	\$38,965	\$31,117
(85) ISR XL HL Acct Beg. Balance Under/(Over) Recovery	(\$30,209)	(\$26,817)	(\$18,829)	(\$16,143)	(\$13,435)	(\$10,738)	(\$8,005)	(\$5,379)	(\$48,564)	(\$42,334)	(\$37,992)	(\$33,913)
(86) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,745)	\$0	\$0	\$0	\$0
(87) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$11,124)	\$0	\$0	\$0	\$0
(88) FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$39,828)	\$0	\$0	\$0	\$0
(89) Interest Applied on FY19 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$787)	\$0	\$0	\$0	\$0
(90) Total FY 2019 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$40,615)	\$0	\$0	\$0	\$0
(91) Actual XL HL Revenue	(\$3,474)	(\$8,055)	(\$2,736)	(\$2,752)	(\$2,730)	(\$2,757)	(\$2,644)	(\$3,276)	(\$6,336)	(\$4,435)	(\$4,158)	(\$3,536)
(92) Ending XL HL Balance Under/(Over) Recovery	(\$26,735)	(\$18,762)	(\$16,093)	(\$13,391)	(\$10,705)	(\$7,981)	(\$5,362)	(\$48,464)	(\$42,228)	(\$37,899)	(\$33,834)	(\$30,377)
(93) Average Monthly Balance Under/(Over) Recovery	(\$28,472)	(\$22,789)	(\$17,461)	(\$14,767)	(\$12,070)	(\$9,360)	(\$6,683)	(\$44,540)	(\$45,396)	(\$40,116)	(\$35,913)	(\$32,145)
(94) Bk America Rate less 200 Basis Points	3.50%	3.50%	3.50%	3.50%	3.25%	3.15%	3.00%	2.75%	2.75%	2.75%	2.75%	1.78%
(95) Interest Applied	(\$82)	(\$68)	(\$50)	(\$44)	(\$33)	(\$24)	(\$17)	(\$100)	(\$106)	(\$93)	(\$78)	(\$49)
(96) ISR XL HL Recon End Balance Under/(Over) Recovery	(\$26,817)	(\$18,829)	(\$16,143)	(\$13,435)	(\$10,738)	(\$8,005)	(\$5,379)	(\$48,564)	(\$42,334)	(\$37,992)	(\$33,913)	(\$30,425)

- (74) RMS/MJP-10, Pg 8, Line (23)
- (75) Dkt 4955, RMS/MJP-8S, Pg 1, Line (9), Col (g)
- (76) Dkt 4955, RMS/MJP-8S, Pg 1, Line (9), Col (f)
- (77) Apr 19-Oct 19 @ BOA Rate less 200 Basis Points
- (78) Line (76) + Line (77)
- (86) RMS/MJP-10, Pg 8, Line (24)
- (87) Dkt 4955, RMS/MJP-8S, Pg 1, Line (10), Col (g)
- (88) Dkt 4955, RMS/MJP-8S, Pg 1, Line (10), Col (f)
- (89) Apr 19-Oct 19 @ BOA Rate less 200 Basis Points
- (90) Line (88) + Line (89)

Schedule RMS/MJP-12
Earnings Sharing Mechanism Factor

**National Grid - RI Gas
ESM Factor
Effective November 1, 2020**

(1)	Revised Total Earnings Credited to DAC - Calendar Year 2018	(\$461,331)
(2)	Firm Throughput	39,648,231 dth
(3)	ESM Factor	(\$0.0110) per dth
(4)	ESM Factor	(\$0.0011) per therm

- (1) Revised Earnings Sharing Report for the twelve months ending December 31, 2018 in Docket 5040 filed on August 3, 2020.
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

Schedule RMS/MJP-13
Low Income Discount Recovery Factor

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Schedule RMS/MJP-14
Storm Net Revenue Factor

**National Grid - RI Gas
Storm Net Revenue Factor
Effective November 1, 2020**

(1)	Storm Net Revenue	(\$17,735)
(2)	Customer Share Percentage	75.00%
(3)	Customer Share	(\$13,302)
(4)	Firm Throughput	39,648,231 dths
(5)	Storm Contingency Fund Factor per dth	\$0.0000 per dth
(6)	Storm Contingency Fund Factor per therm	\$0.0000 per therm

- (1) Per Settlement Agreement in Docket No. 4686/4770
- (2) Per Settlement Agreement in Docket No. 4686/4770
- (3) Line (1) * Line (2)
- (4) Company Forecast
- (5) Line (3) ÷ Line (4)
- (6) Line (5) ÷ 10, truncated to 4 decimal places

**Testimony of
Oliveira & Allen**

JOINT PRE-FILED DIRECT TESTIMONY

OF

JEFFREY D. OLIVEIRA

AND

JAMES H. ALLEN

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1 **I. Introduction and Qualifications**

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

3 A. My name is Jeffrey D. Oliveira and my business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

5

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

7 A. I am employed by National Grid USA Service Company, Inc. (Service Company) as a
8 Revenue Requirement Specialist in the Regulation and Pricing Department. The Service
9 Company provides engineering, financial, administrative, and other technical support to
10 subsidiary companies of National Grid USA. My current duties include leading and
11 overseeing the revenue requirement analyses and modeling that support regulatory
12 filings, regulatory strategies, and rate cases for National Grid's distribution operations in
13 New England, including The Narragansett Electric Company (the Company).

14

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

16 A. In 2000, I earned an Associate's degree in Business Administration from Bristol
17 Community College in Fall River, Massachusetts. I have been employed by the Service
18 Company and its predecessor companies since 1999. From 1999 through 2000, I was
19 employed by Fall River Gas Company as a Staff Accountant. In 2001, after Fall River
20 Gas Company merged with Southern Union Company, I continued as a Staff Accountant
21 with increased responsibilities. In August of 2006, the Company acquired the Rhode

1 Island operations of Southern Union d/b/a New England Gas Company at which time I
2 joined the Service Company as a Senior Accounting Analyst. In January 2009, I became
3 a Senior Revenue Requirement Analyst in the Service Company's Strategy and
4 Regulation Department. In July 2011, I was promoted to my current position.
5

6 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
7 **(PUC) or any other regulatory commission?**

8 A. Yes. I testified in support of the Company's 2019 gas and electric pension adjustment
9 factor filings in Docket No. 4955 and Docket No. 4958, respectively. I also testified in
10 support of the Company's 2018 gas and electric pension adjustment factor filings in
11 Docket No. 4846 and Docket No. 4855, respectively. In addition, I testified before the
12 PUC at the evidentiary hearings in Docket No. 4686 in support of the Company's
13 settlement with the Rhode Island Division of Public Utilities and Carriers pertaining to
14 the operation of the Company's Storm Fund. I have also submitted pre-filed testimony to
15 the Massachusetts Department of Public Utilities on behalf of Massachusetts Electric
16 Company and Nantucket Electric Company as a revenue requirement witness in annual
17 pension adjustment mechanism proceedings.
18

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

20 A. My name is James H. Allen and my business address is 40 Sylvan Road, Waltham,
21 Massachusetts 02451.

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

2 A. I am a Lead Analyst in the Pension and Environmental Accounting Group for the Service
3 Company.

4
5 **Q. Please describe your education and professional experience.**

6 A. In 1991, I earned a Bachelor of Science in Accounting from the University of Rhode
7 Island. I began my career as a staff auditor at Carl Weinberg and Co. CPA's located in
8 Warwick, Rhode Island. In 1994, I joined Cayer Prescott CPA's where I worked as a
9 senior auditor. During this time, I earned my certified public accountant's license in the
10 State of Rhode Island. In 1996, I joined Brown and Sharpe Manufacturing Company as a
11 senior accountant. In February 1997, I was promoted to lead financial analyst supporting
12 US GAAP and SEC reporting. In 1999, I joined Textron Financial Company as a senior
13 financial analyst working in the financial reporting group. In 2001, I joined NSTAR as a
14 senior financial analyst. I continued as a senior financial analyst with increasing
15 responsibilities until my departure in 2003 when I joined the Service Company as a
16 senior accounting analyst. Since that time, I have held various positions within the
17 Service Company. In 2011, I was promoted to my current position.

18

19 **Q. Have you previously testified before the PUC or any other regulatory commission?**

20 A. Yes. I testified before the PUC in support of the Company's 2019 gas and electric pension
21 adjustment factor filings in Docket No. 4955 and Docket No. 4958, respectively.

1 **II. Purpose of Testimony**

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

3 A. Our testimony describes the origin of the Company's Pension and Postretirement Benefits
4 Other than Pensions (PBOP) expense reconciliation, and provides the calculation of the
5 reconciliation of Pension and PBOP costs to the allowance for recovery in base distribution
6 rates, as provided for in the Pension Adjustment Factor (PAF) provision in the Company's
7 tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Item 3.5.

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

9 A. Yes, we are sponsoring the following schedule that accompanies our testimony:

- 10 • Schedule JDO/JHA-1 - Pension and Post-Retirement Benefits Other than Pension
11 (PBOP) Expense Reconciliation.

12

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

14 **Q. Generally, how does the reconciliation of Pension and PBOP expense operate?**

15 A. In the Company's 2008 general rate case in Docket No. 3943, the PUC approved the
16 Company's proposal to reconcile its Pension and PBOP expenses against the allowance
17 in base rates and recover or refund any difference annually through the Distribution
18 Adjustment Charge (DAC). In accordance with the PAF provision in the Company's
19 tariff, the PAF is designed to recover or refund the prior year's reconciliation of the
20 Company's actual Pension and PBOP expenses to the Company's Pension and PBOP
21 expenses included in base rates. The adjustment factor is based on this difference.

1 In the Company’s 2012 Rate Case, the rate allowances for both Pension and PBOP were
2 established at then-current levels. In the Company’s general rate case filed in 2017 in
3 Docket No. 4770 (2017 Rate Case), the rate allowances for both Pension and PBOP were
4 established for each of the three years commencing September 1, 2018. The PAF is
5 based on the difference between the Company’s actual Pension and PBOP expense for
6 the prior 12-month period ended March 31, 2020 and the allowance included in base
7 distribution rates.

8
9 In addition, the Company will contribute to the Pension and PBOP plans at the
10 “Minimum Funding Obligation” level. The Minimum Funding Obligation level is equal
11 to the amount billed to customers plus the amounts of capitalized Pension and PBOP
12 costs. The amount billed to customers includes (1) the Pension and PBOP allowance in
13 base distribution rates, (2) plus or minus the amount billed or credited to customers
14 through the PAF. If the Company does not fund its Pension and PBOP plans at the
15 Minimum Funding Obligation level, the Company will pay a carrying charge to
16 customers at the weighted average cost of capital. This payment would be applied to the
17 cumulative five quarter average shortfall between the Minimum Funding Obligation level
18 and amounts the Company contributes to the Pension and PBOP plans, plus amounts paid
19 to the Service Company for allocated Pension and PBOP costs.

1 **Q. Has the Company performed this reconciliation for the 12-month period ending**
2 **March 2020?**

3 A. Yes. This reconciliation is included as Schedule JDO/JHA-1.
4

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

6 A. The Company's reconciliation indicates that it has under-recovered Pension expenses in
7 the amount of \$35,485 and under-recovered PBOP expenses in the amount of \$889,323
8 for the 12 months ending March 2020 (FY 2020). In addition, the Minimum Funding
9 Obligation was over-funded on a cumulative basis, resulting in no carrying charge.
10

11 **IV. Conclusion**

12 **Q. Does this conclude your testimony?**

13 A. Yes.

**Narragansett Electric - Gas Operations
Pension/Post-Retirement Benefits Other Than Pension (PBOP) Costs
12 Months Ended March 31, 2020**

		April 2019 - March 2020		
		Pension	PBOP	Total
		(a)	(b)	(c)
(1)	<u>Rate Allowance:</u>			
(2)	National Grid - RI Gas Pension/PBOP Costs Allowance	\$871,420	(1,856,234)	(984,814)
(3)	National Grid - Service Company/Other Affiliates Pension/PBOP Costs Allowance	\$1,945,182	631,210	2,576,392
(4)	Total Pension/PBOP Costs in Base Rates	\$2,816,602	(1,225,024)	1,591,578
(5)	<u>Expense Reconciliation:</u>			
(6)	Current Year actual Pension/PBOP Expense Direct	\$935,879	(\$575,748)	360,131
(7)	Current Year actual Service Company Pension/PBOP Expense	\$1,888,062	\$224,196	2,112,258
(8)	Current Year actual Affiliated Pension/PBOP Expense	\$28,147	\$15,852	43,999
(9)	Total Current Year Pension/PBOP Expense Including Service Company/Other Affiliates Expense	\$2,852,088	(\$335,701)	\$2,516,387
(10)	Current Year Pension/PBOP Expense Reconciliation	\$35,485	\$889,323	\$924,808
(11)	Funding Carrying Charge			\$0

- (2) (a) Page 4 of 5, Line (4) (e)
- (2) (b) Page 4 of 5, Line (4) (f)
- (3) (a) Page 4 of 5, Line (7) (e)
- (3) (b) Page 4 of 5, Line (7) (f)
- (4) Line (2) + Line (3)
- (6)-(8) Per Company Books
- (9) Sum of Lines (6) through (8)
- (10) Line (9) - Line (4)
- (11) Minus Page 2 of 5, Line (24) (f)

Narragansett Electric - Gas Operations
Pension Funding Carrying Charges
12 Months Ended March 31, 2020

	(a) Annual Recovery Amount	(b) Mar-2019	(c) Jun-2019	(d) Sep-2019	(e) Dec-2019	(f) Mar-2020
(1) <u>Customer Funding</u>						
(1) Base Rate Recovery:						
(2) Direct - Docket No. 4770 Rate Yr 1 (4/2019 - 8/2019)	\$995,442	\$248,861	\$248,861	\$165,907		
(3) Servco/Other Affiliates - Docket No. 4770 Rate Yr 1 (4/2018 - 8/2019)	\$2,277,908	\$569,477	\$569,477	\$379,651		
(4) Direct - Docket No. 4770 Rate Yr 2 (9/2019 - 3/2020)	\$782,833			\$65,236	\$195,708	\$195,708
(5) Servco/Other Affiliates - Docket No. 4770 Rate Yr 2 (9/2019 - 3/2020)	\$1,707,521			\$142,293	\$426,880	\$426,880
(6) PAF Surcharge Recovery:						
(7) Docket No. 4846	(\$2,811,656)	(\$702,914)	(\$702,914)	(\$702,914)	(\$234,305)	
(8) Docket No. 4955	\$362,972				\$60,495	\$90,743
(9) Pension Capitalized Amount:						
(10) Direct		\$346,313	\$415,335	\$617,527	\$608,012	\$551,899
(11) Servco/Other Affiliates		\$131,851	\$149,233	\$163,857	\$149,125	\$151,187
(12) Total Customer Funding:		\$593,588	\$679,991	\$831,558	\$1,205,916	\$1,416,417
(13) <u>Company Contributions</u> ¹		Jun-2019	Sep-2019	Dec-2019	Mar-2020	Jun-2020
(14) Pension		\$369,000	\$369,000	\$369,000	\$369,000	\$0
(15) Service Company Allocated Costs		\$701,328	\$718,710	\$685,802	\$576,005	\$578,068
(16) Total Contributions		\$1,070,328	\$1,087,710	\$1,054,802	\$945,005	\$578,068
(17) Under/(Over) Funding		(\$476,740)	(\$407,718)	(\$223,244)	\$260,911	\$838,350
(18) Cumulative Under/(Over) Funding - Pension		\$2,109,794	\$1,702,075	\$1,478,832	\$1,739,743	\$2,578,092
(19) Cumulative Under/(Over) Funding - PBOP		(\$3,375,141)	(\$4,556,110)	(\$5,647,568)	(\$6,430,340)	(\$7,026,550)
(20) Cumulative Under/(Over) Funding - Total		(\$1,265,347)	(\$2,854,035)	(\$4,168,736)	(\$4,690,597)	(\$4,448,458)
(21) Five Quarter Average						(\$3,485,435)
(22) Base for Carrying Charge (greater of line 22 or zero)						\$0
(23) Pre-tax WACC						8.41%
(24) Carrying Charge						\$0

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

- (2) (a) Page 4 of 5, Line (2) (b)
- (2) (b) - (2) (c) Line (2) (a) ÷ 12 x 3
- (2) (d) Line (2) (a) ÷ 12 x 2
- (3) (a) Page 4 of 5, Line (5) (b)
- (3) (b) - (3) (c) Line (3) (a) ÷ 12 x 3
- (3) (d) Line (3) (a) ÷ 12 x 2
- (4) (a) Page 4 of 5, Line (3) (b)
- (4) (d) Line (4) (a) ÷ 12 x 1
- (4) (e) - (4) (f) Line (4) (a) ÷ 12 x 3
- (5) (a) Page 4 of 5, Line (6) (b)
- (5) (d) Line (5) (a) ÷ 12 x 1
- (5) (e) - (5) (f) Line (5) (a) ÷ 12 x 3
- (7) (a) Docket No. 4846 Schedule JDO-1, page 1 of 4, Line 11
- (7) (b) - (7) (d) Line (7) (a) ÷ 12 x 3
- (7) (e) Line (7) (a) ÷ 12 x 1
- (8) (a) Docket No. 4855 Schedule JDO/JHA-1, page 1 of 5, Line 10, column (a)
- (8) (e) Line (8) (a) ÷ 12 x 2
- (8) (f) Line (8) (a) ÷ 12 x 3
- (10) (b) - (10) (f) Per Company Books
- (11) (b) - (11) (f) Per Company Books
- (12) (b) - (12) (f) Sum of Line (2) through Line (11)
- (14) Per Company Books
- (15) Line (3) + Line (5) + Line (11)
- (16) Line (14) + Line (15)
- (17) Line (12) - Line (17)
- (18) Line (17) + prior qtr Line (18)
- (19) Page 3 of 3, Line (18)
- (20) Line (18) + Line (19)
- (21) (f) Average of column (b) through column (f)
- (22) (f) If Line 21 is greater than zero, Line 21 if not, zero
- (23) Page 5 of 5, Line (5) column (e)
- (24) Line (22) x Line (23)

Narragansett Electric - Gas Operations
PBOP Funding - Carrying Charges
12 Months Ended March 31, 2020

	(a) Annual Recovery Amount	(b) Mar-2019	(c) Jun-2019	(d) Sep-2019	(e) Dec-2019	(f) Mar-2020
<u>Customer Funding</u>						
(1)	Base Rate Recovery:					
(2)	Direct - Docket No. 4770 Rate Yr 1 (4/2019 - 8/2019)	(\$1,856,234)	(\$464,059)	(\$464,059)	(\$309,372)	
(3)	Servco/Other Affiliates - Docket No. 4770 Rate Yr 1 (4/2019 - 8/2019)	\$631,210	\$157,803	\$157,803	\$105,202	
(4)	Direct - Docket No. 4770 Rate Yr 2 (9/2019 - 3/2020)	(\$1,856,234)			(\$154,686)	(\$464,059)
(5)	Servco/Other Affiliates - Docket No. 4770 Rate Yr 2 (9/2019 - 3/2020)	\$631,210			\$52,601	\$157,803
(6)	PAF Surcharge Recovery:					
(7)	Docket No. 4846	(\$3,417,375)	(\$854,344)	(\$854,344)	(\$854,344)	(\$284,781)
(8)	Docket No. 4955	(\$1,251,941)			(\$208,657)	(\$312,985)
(9)	PBOP Capitalized Amount:					
(10)	Direct		\$65,310	\$137,483	\$226,969	\$174,761
(11)	Servco/Other Affiliates		\$42,541	\$53,016	\$51,792	\$49,341
(12)	Total Customer Funding:		(\$1,052,749)	(\$970,101)	(\$881,838)	(\$575,591)
(13)	<u>Company Contributions¹</u>					
(14)	PBOP		Jun-2019 \$25	Sep-2019 \$50	Dec-2019 \$25	Mar-2020 \$37
(15)	Service Company Allocated Costs		\$200,343	\$210,818	\$209,595	\$207,144
(16)			\$200,368	\$210,868	\$209,620	\$207,181
(17)	Under/(Over) Funding		(\$1,253,117)	(\$1,180,969)	(\$1,091,458)	(\$782,772)
(18)	Cumulative Funding Under/(Over) Funding		(\$3,375,141)	(\$4,556,110)	(\$5,647,568)	(\$6,430,340)

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

- (2) (a) Page 4 of 5, Line (2) (c)
- (2) (b) - (2) (c) Line (2) (a) ÷ 12 x 3
- (2) (d) Line (2) (a) ÷ 12 x 2
- (3) (a) Page 4 of 5, Line (5) (c)
- (3) (b) - (3) (c) Line (3) (a) ÷ 12 x 3
- (3) (d) Line (3) (a) ÷ 12 x 2
- (4) (a) Page 4 of 5, Line (3) (c)
- (4) (d) Line (4) (a) ÷ 12 x 1
- (4) (e) - (4) (f) Line (4) (a) ÷ 12 x 3
- (5) (a) Page 4 of 5, Line (6) (c)
- (5) (d) Line (5) (a) ÷ 12 x 1
- (5) (e) - (5) (f) Line (5) (a) ÷ 12 x 3
- (7) (a) Docket No. 4846 Schedule JDO-1, page 2 of 4, Line 11
- (7) (b) - (7) (d) Line (7) (a) ÷ 12 x 3
- (7) (e) Line (7) (a) ÷ 12 x 1
- (8) (a) Docket No. 4855 Schedule JDO/JHA-1, page 1 of 5, Line 10, column (b)
- (8) (e) Line (8) (a) ÷ 12 x 2
- (8) (f) Line (8) (a) ÷ 12 x 3
- (10) (b) - (10) (f) Per Company Books
- (11) (b) - (11) (f) Per Company Books
- (12) (b) - (12) (f) Sum of Line (2) through Line (11)
- (14) Per Company Books
- (15) Line (3) + Line (5) + Line (11)
- (16) Line (14) + Line (15)
- (17) Line (12) - Line (16)
- (18) Line (17) + prior qtr Line (18)

Narragansett Electric - Gas Operations
Pension/PBOP Rate Allowance
12 Months Ended March 31, 2020

	(a) Docket No.	(b) Total Rate Allowance		(d) # of Months	(e) Fiscal Year 2020 Rate Allowance		(f)
		Pension	PBOP		Pension	PBOP	
(1) <u>Rate Allowance</u>							
(1) Base Rate Recovery:							
(2) Direct (Rate Year 1 - Sept 1, 2018 to Aug 31, 2019)	4770 Rate Yr 1	\$995,442	(\$1,856,234)	5	\$414,768		(\$773,431)
(3) Direct (Rate Year 2 - Sept 1, 2019 to Aug 31, 2020)	4770 Rate Yr 2	\$782,833	(\$1,856,234)	7	\$456,653		(\$1,082,803)
(4) Direct (Rate Year 3 - Sept 1, 2020 to Aug 31, 2021)	4770 Rate Yr 3	\$426,651	(\$1,856,234)	0	\$0		\$0
(5) Direct Total					\$871,420		(\$1,856,234)
(6) Servco/Other Affiliates (Rate Yr 1 - Sept 1, 2018 to Aug 31, 2019)	4770 Rate Yr 1	\$2,277,908	\$631,210	5	\$949,128		\$263,004
(7) Servco/Other Affiliates (Rate Yr 2 - Sept 1, 2019 to Aug 31, 2020)	4770 Rate Yr 2	\$1,707,521	\$631,210	7	\$996,054		\$368,206
(8) Servco/Other Affiliates (Rate Yr 3 - Sept 1, 2020 to Aug 31, 2021)	4770 Rate Yr 3	\$1,331,085	\$631,210	0	\$0		\$0
(9) Servco/Other Affiliates - Total					\$1,945,182		\$631,210
(10) Total Docket No. 4770-Rate Year 1	4770 Rate Yr 1	\$3,273,350	(\$1,225,024)		\$1,363,896		(\$510,427)
(11) Total Docket No. 4770-Rate Year 2	4770 Rate Yr 2	\$2,490,354	(\$1,225,024)		\$1,452,707		(\$714,597)
(12) Total Docket No. 4770-Rate Year 3	4770 Rate Yr 3	\$1,757,736	(\$1,225,024)		\$0		\$0
(13)					\$2,816,602		(\$1,225,024)

- (2) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line (1) (a)
- (2) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line (1) (a)
- (2) (e) Line (2) (b) ÷ 12 x Line (2) (d)
- (2) (f) Line (2) (c) ÷ 12 x Line (2) (d)
- (3) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line (1) (c)
- (3) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line (1) (c)
- (3) (e) Line (3) (b) ÷ 12 x Line (3) (d)
- (3) (f) Line (3) (c) ÷ 12 x Line (3) (d)
- (4) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line (1) (e)
- (4) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line (1) (e)
- (4) (e) Line (4) (b) ÷ 12 x Line (4) (d)
- (4) (f) Line (4) (c) ÷ 12 x Line (4) (d)
- (5) Line (2) + Line (3) + Line (4)
- (6) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line (2) (a) plus Line (3) (a)
- (6) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line (2) (a) plus Line (3) (a)
- (6) (e) Line (6) (b) ÷ 12 x Line (6) (d)
- (6) (f) Line (6) (c) ÷ 12 x Line (6) (d)
- (7) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line (2) (c) plus Line (3) (c)
- (7) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line (2) (c) plus Line (3) (c)
- (7) (e) Line (7) (b) ÷ 12 x Line (7) (d)
- (7) (f) Line (7) (c) ÷ 12 x Line (7) (d)
- (8) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line (2) (e) plus Line (3) (e)
- (8) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line (2) (e) plus Line (3) (e)
- (8) (e) Line (8) (b) ÷ 12 x Line (8) (d)
- (8) (f) Line (8) (c) ÷ 12 x Line (8) (d)
- (9) Line (6) + Line (7) + Line (8)
- (10) Line (2) + Line (6)
- (11) Line (3) + Line (8)
- (12) Line (4) + Line (9)
- (13) Line (10) + Line (11) + Line (12)

The Narragansett Electric Company
d/b/a National Grid
Calculation of Weighted Average Cost of Capital

Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4770 at 21% income tax rate

	(a) Ratio	(b) Rate	(c) Rate	(d) Taxes	(e) Return
(1) Long Term Debt	48.35%	4.98%	2.41%		2.41%
(2) Short Term Debt	0.60%	1.76%	0.01%		0.01%
(3) Preferred Stock	0.10%	4.50%	0.00%		0.00%
(4) Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
(5)	<u>100.00%</u>		<u>7.15%</u>	<u>1.26%</u>	<u>8.41%</u>

(6) (d) - Column (c) x 21% ÷ (1 - 21%)

**Testimony of
Melissa A. Little**

PRE-FILED DIRECT TESTIMONY

OF

MELISSA A. LITTLE

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I. Introduction1

II. Purpose of Testimony2

III. Earnings Sharing Mechanism Results.....3

VI. Conclusion20

1 **I. Introduction**

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

3 A. My name is Melissa A. Little, and my business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

5

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

7 A. I am a Director for New England Revenue Requirements in the Strategy and Regulation
8 department of National Grid USA Service Company, Inc. (Service Company). The
9 Service Company provides engineering, financial, administrative, and other technical
10 support to subsidiary companies of National Grid USA (National Grid). My current
11 duties include revenue requirement responsibilities for National Grid's gas and electric
12 distribution activities in New England, including The Narragansett Electric Company
13 d/b/a National Grid (the Company).

14

15 **Q. Please describe your educational background and work experience.**

16 A. In 2000, I received a Bachelor of Science degree in Accounting Information Systems
17 from Bentley College (now Bentley University). In September 2000, I joined
18 PricewaterhouseCoopers LLP in Boston, Massachusetts, where I worked as an associate
19 in the Assurance practice. In November 2004, I joined National Grid as an Analyst in the
20 General Accounting group. After the merger of National Grid and KeySpan in 2007, I
21 joined the Regulation and Pricing department as a Senior Analyst in the Regulatory

1 Accounting function, also supporting the Niagara Mohawk Power Corporation Revenue
2 Requirement team. I was promoted to Lead Specialist in July 2011 and moved to the
3 New England Revenue Requirement team. In August 2017, I was promoted to my
4 current position.

5
6 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
7 **(the PUC)?**

8 A. Yes. I have testified before the PUC on numerous occasions, including in support of the
9 Company's revenue requirement for the Company's Application to Change Electric and
10 Gas Base Distribution Rates in Docket No. 4770 and the Proposed Power Sector
11 Transformation (PST) Vision and Implementation Plan in Docket No. 4780. In addition,
12 I have testified as the revenue requirement witness in numerous Gas and Electric
13 Infrastructure, Safety, and Reliability Plan proceedings, and in other matters before the
14 PUC.

15
16 **II. Purpose of Testimony**

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

18 A. Pursuant to the Distribution Adjustment Clause provision of the Company's gas tariff,
19 RIPUC NG-GAS No. 101, Section 3, Schedule A, if there are any excess earnings to be
20 shared with customers, as I describe in more detail below, then any customer share of
21 those earnings will flow back to customers through the Distribution Adjustment Charge

1 (DAC). My testimony describes the Company's gas earnings subject to the Company's
2 earnings sharing mechanism (ESM) for the 12-month period ending December 31, 2019
3 in accordance with Article II, Section 10 of the Docket No. 4770 Amended Settlement
4 Agreement approved by the Rhode Island Public Utilities Commission (PUC) on August
5 24, 2018.

6
7 **Q. Are there any schedules to your testimony?**

8 A. Yes, I am sponsoring the following schedules that accompany my testimony:

9 Schedule MAL-1 Revised Calendar Year (CY) 2019 Gas Earnings Report

10 Schedule MAL-2 Revised Calendar Year (CY) 2018 Gas Earnings Report

11 Schedule MAL-1 is intended to replace the earnings sharing calculation originally
12 submitted to the PUC on May 1, 2020 as part of Docket No. 4770; Schedule MAL-2
13 replaces the corrected earnings sharing calculation originally submitted to the PUC on
14 September 24, 2019 as part of Docket No. 4955. An explanation of the revisions to each
15 schedule is provided below.

16
17 **III. Earnings Sharing Mechanism Results**

18 **Q. Please provide the background for the ESM.**

19 A. In the Company's general rate case filed in 2006 in Docket No. 3401, Order No. 17381,
20 the PUC approved a settlement agreement between the Division of Public Utilities and
21 Carriers, The Energy Council of RI, and the Company (Docket No. 3401 Settlement

1 Agreement) that required the former New England Gas Company to file an earnings
2 sharing calculation, based on a 12-month period ending June 30, by September 1 of each
3 year as part of an incentive-based ESM. The Company assumed the obligations of the
4 Docket No. 3401 Settlement Agreement in connection with National Grid's acquisition of
5 the regulated gas assets in Rhode Island from Southern Union Company (Southern
6 Union) in 2006. As part of the Company's 2017 Rate Case and the resulting Amended
7 Settlement Agreement in that proceeding (Docket No. 4770 Amended Settlement
8 Agreement), the Company continues to file an Earnings Report consistent with and in a
9 form similar to that which the Company has been filing for several years, most recently in
10 Docket No. 4323 (2012 Rate Case), calculating gas regulatory earnings for the calendar
11 year. The Earnings Report is based on the Company's gas annual report filed with the
12 PUC for the 12 months ending December 31.¹

13
14 **Q. Has the Company calculated the earned return on equity for CY 2019?**

15 A. Yes. The Company's tariff, RIPUC NG-GAS No. 101, Section 3, Schedule A, Sheet 10,
16 sub-part 5.0, requires earnings to be calculated each year based on financial results for the
17 12-month period ending December 31. The determination of earnings subject to the ESM
18 is based on a benchmark return on equity of 9.275 percent as established in the Docket
19 No. 4770 Amended Settlement Agreement. The earnings sharing formula requires that

¹ The Company's gas annual report for the 12 months ending December 31, 2019 was filed with the PUC on April 24, 2020.

1 any annual earnings over a 9.275 percent return on equity, up to and including 100 basis
2 points (10.275 percent), will be shared with customers, with 50 percent to be credited to
3 customers and 50 percent to be retained by the Company. Any earnings in excess of a
4 10.275 percent return on equity will also be shared with customers, with 75 percent to be
5 credited to customers and 25 percent to be retained by the Company. As discussed later
6 in my testimony, the Company calculated a return on equity for CY 2019 of 8.53 percent.
7 As reflected on Schedule MAL-1, Page 1, Line 17, the CY 2019 return is below the 9.275
8 percent threshold, so it does not trigger an earnings sharing calculation.
9

10 **Q. How did the Company calculate the return on equity for purposes of the ESM?**

11 A. In accordance with the Docket No. 3401 Settlement Agreement, the return on equity is
12 calculated by dividing the net income available for common equity by the common
13 equity applicable to rate base. *See* Docket No. 3401 Settlement Agreement at Section
14 II.F.1. In accordance with the Docket No. 4770 Amended Settlement Agreement, the
15 Company will show the calculation of the regulatory earned return on distribution rate
16 base and the earned return on distribution common equity, in two ways (*See* Docket No.
17 4770 Amended Settlement Agreement at Section II.C.10.):

18 (1) Earnings including all Performance Incentives earned for the applicable calendar
19 year will be calculated by dividing the net income available for common equity
20 including incentives (Actual Total Earnings), by the common equity applicable to
21 rate base.

1 (2) Earnings excluding all Performance Incentives earned for the applicable calendar
2 year will be calculated by dividing the net income available for common equity as
3 shown on Schedule MAL-1, Page 2 (Base Earnings), by the common equity
4 applicable to rate base.

5 Performance Incentives refers to each of the following incentives:

- 6 (1) Energy Efficiency Program incentive;
- 7 (2) The Company's share of any incentive earned pursuant to the Natural Gas
8 Portfolio Management Plan recorded during the calendar year;
- 9 (3) The Company's share of any incentive earned or penalties incurred pursuant to
10 the Gas Procurement Incentive Plan recorded during the calendar year; and
- 11 (4) Any other performance incentive that may be approved by the PUC in a future
12 proceeding that was earned and recorded by the Company for performance
13 applicable to the calendar year, unless the PUC determines at the time of approval
14 that any such future incentive should be included in the calculation of Base
15 Earnings.
- 16

17 **Q. Please explain the calculation of net income available for common equity for**
18 **purposes of the ESM.**

19 A. The Company calculated net income available for common equity based on operating
20 income for CY 2019, less applicable interest, and adjusted to reflect established PUC
21 ratemaking principles. The Company's calculation of net income available for common

1 equity is set forth in Schedule MAL-1, Page 2. As shown on Line 42 of that page, for CY
2 2019, the Company calculated net income available for common equity of \$37,615,997.

3
4 **Q. Did the Company make any adjustments to Schedule MAL-1 operating revenues,
5 expenses, and/or interest charges?**

6 A. Yes. The Company has reflected the following adjustments to operating revenues and
7 expenses on various line items on Page 2 of Schedule MAL-1, as listed on Schedule
8 MAL-1, Page 14, and described below:

9 *Operating Revenue Adjustments:*

10 (1) Energy Efficiency Shareholder Incentives: The Company is allowed to keep
11 shareholder incentives related to achieving approved energy efficiency targets.
12 This resulted in a net decrease to total firm gas and other operating revenues of
13 \$1,625,651 on Page 2, Lines 2 and 4. (Schedule MAL-1, Page 14, Sum of Lines 3
14 and 23)

15 (2) Unbilled Revenue Margins: The Company excluded unbilled revenue and the
16 associated cost of gas from the determination of earnings, which is consistent with
17 the methodology applied in Docket No. 3401. This resulted in an increase to
18 operating revenues of \$126,597, comprised of a \$1,597,317 decrease to total firm
19 gas revenues on Page 2, Line 2, a \$165,505 increase to transportation revenues on
20 Page 2, Line 3, and a \$1,558,409 increase to other revenues on Page 2, Line 4.

21 (Schedule MAL-1, Page 14, Sum of Lines 4, 5, 9, 19, and 20)

- 1 (3) Off-System Gas Sales: The Company makes certain adjustments to its revenues
2 to eliminate the incentive provided to the Company to generate off-system gas
3 revenue and excess pipeline capacity revenue. The Company accomplishes this
4 by eliminating, or reversing, all revenues associated with off-system sales, as well
5 as the credits the Company provides to customers associated with those sales.
6 These adjustments net to a \$710,356 decrease to other revenues on Page 2, Line 4.
7 (Schedule MAL-1, Page 14, Sum of Lines 16, 17, and 18)
- 8 (4) Miscellaneous Service Revenues: The Company removes miscellaneous service
9 revenues from its other revenues and shows them as non-operating
10 income/expense. The miscellaneous service revenues largely consist of credits to
11 customers for gas bill disputes. This is reflected as a \$149,219 decrease to other
12 revenues on Page 2, Line 4. (Schedule MAL-1, Page 14, Line 21)
- 13 (5) Interest on Customer Arrears: The Company removes interest accrued on
14 customer arrearage accounts from Account 419 – interest and dividend income –
15 and instead adds such interest to other revenues on Page 2, Line 4, resulting in an
16 increase to other revenues of \$576,104. (Schedule MAL-1, Page 14, Line 22)
- 17 (6) Inventory Financing: The Company has removed stored gas inventory from rate
18 base and eliminated carrying costs on stored gas inventory from revenues. This
19 resulted in a decrease to operating revenues of \$1,018,360, representing the
20 amount of stored gas inventory carrying costs recorded as revenue during CY
21 2019, as shown on Page 2, Line 8. (Schedule MAL-1, Page 14, Line 26)

1 *Expense Adjustments:*

2 (1) Aquidneck Island Event Expense: The Company excluded incremental costs
3 associated with the Aquidneck Island Gas Service Interruption that occurred on
4 January 21, 2019 from its calculation of net income on Page 2. This adjustment
5 resulted in a decrease to total operating expense² of \$27,402,380, comprised of a
6 \$19,939,830 decrease to distribution expense on Page 2, Line 15, and a
7 \$7,462,549 decrease to administrative and general expense on Page 2, Line 18.

8 As I explain in more detail below, this amount changed from the original
9 adjustment provided in the earnings sharing calculation originally submitted to the
10 PUC on May 1, 2020 as part of Docket No. 4770. (Schedule MAL-1, Page 14,
11 Sum of Lines 40 and 56).

12
13 As of this point in time, the Company's specific course for recovery of Aquidneck
14 event-related costs has yet to be determined and could potentially come from a
15 variety of sources, insurance proceeds being one example. As such, the Company
16 has taken a conservative approach in excluding the incremental Aquidneck event-
17 related costs from its calculation of CY 2019 earnings; however, this approach
18 should not be interpreted as the Company forfeiting its right to petition for cost
19 recovery of any unremunerated expenses in the future.

² The Company also included a \$401,865 decrease to payroll taxes, bringing the total Aquidneck adjustment to \$27,804,244.

1 Second Compliance Attachment 31 at Page 1. This adjustment is reflected on
2 Page 2, Line 18. (Schedule MAL-1, Page 14, Line 55)

3 (6) Out of Period Pension and Post-retirement Benefits Other than Pension (PBOP)

4 Adjustment: As I explain in more detail below, the Company reduced
5 Administrative and General expense on Page 2, Line 18 by \$3,318,110 for the
6 September through December 2018 out of period portion of adjustments made in
7 CY 2019 to align Pension and PBOP expense with the Pension and PBOP rate
8 allowances included in the Docket No. 4770 Amended Settlement Agreement.

9 This adjustment was not included in the original earnings sharing calculation
10 submitted to the PUC on May 1, 2020 as part of Docket No. 4770. The Company
11 also recorded an offsetting adjustment to the CY 2018 ESM. (Schedule MAL-1,
12 Page 14, Line 57 and Schedule MAL-2, Page 14, Line 54)

13
14 **Q. How did the Company calculate federal income tax on operating income?**

15 A. The Company multiplied its taxable operating income by the federal income tax rate of
16 21 percent for CY 2019, as shown on Schedule MAL-1, Page 3, Line 20. The Company
17 has also included an adjustment to reduce tax expense for the amortization of excess
18 deferred income taxes generated by the federal tax rate reduction from 35 percent to 21
19 percent pursuant to the Tax Cuts and Jobs Act effective January 1, 2018 which is
20 discussed later in my testimony.

21

1 **Q. How did the Company calculate long-term debt interest, short-term debt interest,**
2 **and preferred stock dividends?**

3 A. The Docket No. 4770 Amended Settlement Agreement specifies the capital structure to
4 be used in computing the cost of capital. The imputed capital structure is as follows:

Short-term Debt	0.60 percent
Long-term Debt	48.35 percent
Preferred Equity	0.10 percent
Common Equity	50.95 percent

5

6 Further, the Docket No. 3401 Settlement Agreement requires the Company to use the
7 actual cost of long-term debt and the most recent 12-month average cost of short-term
8 debt in its earnings calculation. Therefore, as shown on Schedule MAL-1, Page 4, the
9 Company computed the cost of long-term debt by multiplying rate base applicable to
10 long-term debt by the Company's actual long-term debt rate applicable to the gas
11 business for CY 2019, or 4.99 percent, as calculated on Page 10. Likewise, the Company
12 computed the cost of short-term debt by multiplying rate base applicable to short-term
13 debt by the 12-month average cost of short-term debt, or 2.32 percent, as calculated on
14 Page 11. This short-term debt rate assumes average monthly National Grid money pool
15 rates as applied to the Company's monthly outstanding short-term debt balances for CY
16 2019. Finally, the Company computed the cost of preferred stock by multiplying rate

1 base applicable to preferred stock by the cost rate of 4.50 percent established in the
2 Docket No. 4770 Amended Settlement Agreement.

3
4 **Q. How did the Company determine rate base in the Earnings Report?**

5 A. As required by the Docket No. 3401 Settlement Agreement, average rate base is to be
6 based on a five-quarter average. The CY 2019 rate base is set forth in Schedule MAL-1,
7 Page 5. *See* Docket No. 3401 Settlement Agreement at Section II.F.1. The Company
8 excluded from rate base environmental response costs, asset retirement obligations, and
9 prepaid taxes. However, the Company included construction-work-in-progress in rate
10 base. Consistent with prior Earnings Reports, the Company computed the working
11 capital allowance pursuant to the method approved in Docket No. 3943, at Order No.
12 19563, as shown on Schedule MAL-1, Page 6. Effective September 1, 2018, the deferred
13 debits in rate base include the book value of GIS Smallworld, which is amortized
14 annually at \$426,180. The Company also excluded stored gas inventory and customer
15 deposits from the rate base calculation. In addition, a hold harmless rate base credit is
16 included as a reduction to rate base as well as amortization of excess deferred income
17 taxes which reduces the Company's accumulated deferred income tax liability therefore
18 increasing rate base.

19

1 **Q. Please explain the adjustment to rate base for Excess Deferred Income Taxes.**

2 A. Effective December 31, 2017, the Company restated its deferred tax balances based on
3 the new 21 percent federal income tax rate because the Company will be paying income
4 taxes as the book/tax timing differences reverse at that 21 percent federal income tax rate.
5 However, because deferred taxes are an offset to rate base, reducing the deferred tax
6 balances based on the 21 percent federal income tax rate has the effect of artificially
7 increasing rate base. To counteract this artificial increase to rate base, a new line item
8 called Excess Deferred Income Taxes has been included in the rate base calculation
9 reflecting the value of the decrease to accumulated deferred income taxes as of
10 December 31, 2017. These excess deferred income taxes represent the net benefit as of
11 December 31, 2017 that will eventually be earned by the Company through reduced
12 future income taxes, and ultimately returned to customers through base distribution rates,
13 pursuant to the Docket No. 4770 Amended Settlement Agreement. As the return of
14 excess deferred income taxes to customers commenced with new base rates on
15 September 1, 2018, the rate base calculation includes the cumulative quarterly
16 amortization of the excess deferred income tax balance in the CY 2019 calculation of rate
17 base.

18

1 **Q. What is the “hold harmless” adjustment the Company has made to its rate base**
2 **calculation?**

3 A. As a result of National Grid’s purchase of the regulated gas assets in Rhode Island from
4 Southern Union in 2006, the Company realized a tax basis step-up for the assets acquired.
5 This step-up in tax basis resulted in a total tax basis for the assets acquired, which
6 equaled the net book basis for those same assets. Consequently, at the time of
7 acquisition, the Company’s book/tax timing difference, which gives rise to deferred tax
8 liabilities, was equal to zero. Therefore, the Company recorded no accumulated deferred
9 taxes on its balance sheet. Effective with Southern Union ownership in 2000, all deferred
10 tax provisions associated with New England Gas Company operations were recorded on
11 the books of the parent company and not on the balance sheet of New England Gas
12 Company. However, commencing with the National Grid acquisition of New England
13 Gas Company from Southern Union on August 24, 2006, the Company began recording
14 deferred tax liabilities, due primarily to the difference in book versus tax depreciation
15 rates. The Company will continue to record deferred tax provisions related to the assets
16 acquired, as well as on investments in Company assets post-acquisition. Therefore, the
17 Company’s CY 2019 general ledger reflects actual deferred tax provisions recorded by
18 the Company through December 31, 2019, as reflected on Schedule MAL-1, Page 5,
19 Line 16.

20

1 Consequently, the hold harmless adjustment, reflected on Schedule MAL-1, Page 5, Line
2 19, is associated with National Grid's purchase of the regulated gas assets in Rhode
3 Island from Southern Union. This hold harmless adjustment provides customers an
4 economically equivalent rate base credit to offset the rate base increase that resulted from
5 National Grid's asset purchase, as agreed to and approved by the PUC in the 2007
6 Earnings Report in Docket No. 3859. Schedule MAL-1, Page 13 demonstrates the annual
7 values of the hold harmless rate base adjustment, as approved in Docket No. 3859.
8

9 **Q. How did the Company determine common equity applicable to rate base?**

10 A. In accordance with the capital structure approved in the Docket No. 4770 Amended
11 Settlement Agreement, the Company multiplied the five-quarter average rate base at
12 December 31, 2019, as I discussed earlier, by 50.95 percent to determine common equity
13 applicable to rate base of \$440,735,773, as shown on Schedule MAL-1, Page 4.
14

15 **Q. Please summarize the earnings sharing calculation on Schedule MAL-1.**

16 A. Schedule MAL-1, Page 1, calculates the earnings to be shared with customers based on
17 the sharing percentages required in the Company's gas tariff. Lines 1 through 3
18 summarize the calculation of average common equity. Line 5 is the Actual Total
19 Earnings as described above, and Line 6 is the return on common equity including all
20 performance incentives for CY 2019, or 9.07 percent. Lines 9 through 11 show the dollar
21 value and earnings impact of each of the Company's incentives earned in CY 2019. Line

1 14 is the Base Earnings as described above, and Line 15 is the return on common equity
2 excluding performance incentives for CY 2019, or 8.53 percent. Because Line 15 is less
3 than 9.275 percent, the earned return on common equity for CY 2019 does not exceed the
4 threshold above which the Company's regulated earnings are shared with customers.
5 Therefore, there are no earnings available to be shared with customers associated with
6 CY 2019.

7
8 **Q. Please explain the revisions to the CY 2018 and CY 2019 Gas Earnings reports,**
9 **presented as Schedules MAL-1 and MAL-2 in this filing.**

10 A. While preparing its response to the Division's Informal Data Request 1-9 which inquired
11 about a \$4 million decrease in Administrative and General Expenses between CY 2018
12 and CY 2019, the Company identified the following adjustments:

13 (1) New Pension and Post-Retirement Benefits Other than Pensions (PBOP) rate
14 allowances were approved in the Docket No. 4770 Amended Settlement
15 Agreement; rate allowances decreased from \$7.7 million to \$3.3 million for
16 Pensions, and from \$4.3 million to (\$1.2) million for PBOPs, effective
17 September 1, 2018. The Company did not change the Pension and PBOP rate
18 allowances on its books until fiscal year-end, March 31, 2019, when it recorded a
19 one-time \$2.6 million decrease to Pension expense and a \$3.2 million decrease to
20 PBOP expense encompassing the periods September 2018 through March 2019.
21 \$3.3 million of the total decrease in Pension and PBOP expense was attributed to

1 September through December 2018, therefore the Company is adjusting its CY
2 2019 and CY 2018 Administrative and General expenses to reflect this credit in
3 the proper period. The \$3.3 million credit was removed from the CY 2019
4 calculation of net income at Schedule MAL-1 on Page 2 and reflected in the CY
5 2018 calculation of net income at Schedule MAL-2 on Page 2. This adjustment
6 increased the 2018 Return on Equity from 9.02 percent to 9.68 percent and
7 triggered 50 percent after-tax earnings sharing with customers of \$801k.

8 (2) The Company performed a review of costs recorded to FERC account 925
9 Injuries and Damages in CY 2019 and determined that \$5 million in insurance
10 claims reserves and claims payments had not been coded to the specific orders
11 created to capture the Aquidneck Island Gas Service Interruption costs and was
12 therefore not included in the original adjustment. Furthermore, the Company
13 determined it should add back \$2.6 million in non-incremental labor and
14 overheads that should not have been included in the original adjustment for the
15 Aquidneck event. As a result of these changes, the exclusion of CY 2019
16 Aquidneck-related costs increased by a net total of \$2.4 million, from \$25.4
17 million submitted in the original filing to \$27.8 million, which therefore increased
18 CY 2019 net income.

19 Additionally, the Company discovered that it was including the Company's total cost of
20 long-term debt for The Narragansett Electric Company legal entity in its interest expense
21 calculation on Page 4, rather than the cost of long-term debt associated with the

1 Company's gas business. In the Docket No. 4770 Amended Settlement Agreement, the
2 cost of long-term debt included in the approved weighted average cost of capital for both
3 the electric and gas businesses was based on a total net plant allocation (Gas Operations
4 Net Plant / Total Net Plant = 30 percent; Electric Operations Net Plant / Total Net Plant =
5 70 percent). The 30 percent allocated to the gas business includes the total cost of the
6 First Mortgage bonds which the Company assumed in National Grid's acquisition of the
7 regulated gas assets from Southern Union. This logic is demonstrated in the testimony of
8 Company Witness Robert B. Hevert at Schedule RBH-13 (Book 2 at Bates 320).

9
10 Applying this methodology to the Revised CY 2019 earnings report at Schedule MAL-1,
11 Page 10 increases the cost of long-term debt from 4.75 percent to 4.99 percent as noted
12 above. The Revised CY 2018 earnings report at Schedule MAL-2, Page 10 shows an
13 increase in the cost of long-term debt from 4.93 percent to 5.24 percent. That increase
14 drives a further change in ROE from 9.68 percent to 9.46 percent and reduces the 50
15 percent after-tax earnings sharing with customers to \$357,976. Applying the tax true-up
16 at the 21 percent federal income tax rate as well as interest at the Bank of America Prime
17 Rate less 200 basis points in effect during the November 2019 through October 2020
18 periods of the 2019-2020 DAC as shown on Schedule MAL-2, Page 15, results in total
19 CY 2018 earnings to be credited through the DAC of \$461,331.

20

1 **Q. Please briefly summarize the impact to the CY 2019 and CY 2018 earnings results**
2 **related to the revisions discussed above?**

3 A. The revised CY 2019 return on equity is 8.53 percent, which is a 0.36 percent decrease
4 compared to the CY 2019 earnings originally reported on May 1, 2020 of 8.89 percent
5 and remains under the 9.275 percent allowed return on equity. The revised CY 2018
6 return on equity is 9.456 percent, which is an increase of 0.346 percent compared to the
7 CY 2018 earnings reported in last year's DAC filing in Docket No. 4955 of 9.11 percent.
8 As the revised CY 2018 return on equity is above the allowed return of 9.275 percent and
9 below 10.275 percent, 50 percent of the earnings above 9.275 percent or 0.181 percent
10 will be shared with customers plus interest, totaling \$461,331.

11

12 **VI. Conclusion**

13 **Q. Does this conclude your testimony?**

14 A. Yes.

Schedule MAL-1

Revised CY 2019 Gas Earnings Report

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised Gas Earnings Sharing Mechanism
Schedule MAL-1
August 3 , 2020**

**National Grid - RI Gas
Revised Earnings Sharing Calculation
For the Twelve Months ended December 31, 2019**

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The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised Gas Earnings Sharing Mechanism
Schedule MAL-1
August 3 , 2020
Page 1 of 14

**National Grid - RI Gas
Revised Earnings Sharing Calculation
For the Twelve Months ended December 31, 2019**

1	Average Rate Base	\$865,035,866	
2	Equity Component of Rate Base	50.95%	
3	Average Common Equity	<u>\$440,735,773</u>	
4			
5	Actual Total Earnings	\$39,969,793	
6	Return on Common Equity with Incentives	9.07%	
7			
8	Less incentives:		
9	Energy Efficiency shareholder incentive	\$1,625,651	0.37%
10	Natural Gas Portfolio Management Plan	\$710,356	0.16%
11	Gas Procurement Incentive Plan	<u>\$17,789</u>	0.00%
12		\$2,353,796	
13			
14	Base Earnings	\$37,615,997	
15	Return on Common Equity without Incentives	<u>8.53%</u>	
16			
17	<u>Return on Equity > 9.275% and < 10.275%</u>	0.00%	
18	Earnings to be Shared	<u>\$0</u>	
19	Earnings to Customers - 50%	<u>\$0</u>	
20			
21	Return on Equity > 10.275%	0.00%	
22	Earnings to be Shared	<u>\$0</u>	
23	Earnings to Customers - 75%	<u>\$0</u>	
24			
25	Total After tax Earnings Credited to Customers	<u><u>\$0</u></u>	
26			
27	Total Earnings Credited to DAC	<u><u>\$0</u></u>	

Notes:

- 1 From Page 5 of 14 line 24(f)
- 2 From Page 4 of 14 line 8(a)
- 3 Line 1 times line 2
- 5 Line 12 plus line 14
- 6 Line 5 divided by line 3
- 9 Line 9 divided by line 3
- 10 Line 10 divided by line 3
- 11 Line 11 divided by line 3
- 14 From Page 2 of 14 line 42
- 15 Line 14 divided by line 3
- 17 Smaller of 10.275% or Line 15 minus 9.275%.
- 18 Line 3 times line 17
- 19 Line 18 times 50%
- 21 If Line 15 is greater than 10.275%
- 22 Line 3 times line 21
- 23 Line 22 times 75%
- 25 Line 19 plus line 23
- 27 Line 25 divided by 79%

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised Gas Earnings Sharing Mechanism
Schedule MAL-1
August 3, 2020
Page 2 of 14

**National Grid - RI Gas
Income Statement
For the Twelve Months ended December 31, 2019**

	<u>2019</u>
1 <u>Operating Revenues</u>	
2 Total Firm Gas	\$382,295,156
3 Transportation	\$45,636,420
4 Other Revenues	\$6,783,924
5 Total Operating Revenues	<u>\$434,715,499</u>
6	
7 <i>Adjustment to Operating Revenue:</i>	
8 Inventory Financing	(\$1,018,360)
9 Total Adjusted Operating Revenues	<u>\$433,697,139</u>
10	
11 <u>Operating Expenses</u>	
12 Production (Gas Costs)	\$173,520,830
13 Storage	\$3,577,240
14 Transmission	\$2,551,617
15 Distribution	\$28,128,452
16 Customer Accounts	\$44,832,234
17 Sales	\$0
18 Administrative and General	\$34,050,518
19 Total Operating Expenses	<u>\$286,660,891</u>
20	
21 <u>Other Expenses</u>	
22 Depreciation and Amortization	\$40,272,196
23 Local and Other Taxes	\$28,129,437
24 Revenue Related Taxes (Gross Earnings Tax - GET)	\$12,099,213
25 Federal Income Taxes @ 21%	\$7,814,449
26 Total Other Expenses	<u>\$88,315,295</u>
27	
28 Income Before Interest Expense	<u>\$58,720,954</u>
29	
30 <u>Interest Expense</u>	
31 Other Income/Expenses	\$0
32 Short-Term Debt	\$120,413
33 Long-Term Debt	\$20,887,787
34 Other Interest Expense	\$57,830
35 AFUDC	\$0
36 Total Interest Expense	<u>\$21,066,030</u>
37	
38 Net Income / (Loss)	<u>\$37,654,924</u>
39	
40 Preferred Dividends	\$38,927
41	
42 Net Income / (Loss) Applicable to Common Equity	<u>\$37,615,997</u>

Notes:

- 4 From Page 7 of 14 line 11
- 23 From Page 6 of 14 line 3 through 5
- 25 From Page 3 of 14 line 24
- 32 From Page 4 of 14 line 25(b)
- 33 From Page 4 of 14 line 17(b)
- 34 From Page 8 of 14 line 3
- 40 From Page 4 of 14 line 34(b)

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised Gas Earnings Sharing Mechanism
Schedule MAL-1
August 3, 2020
Page 3 of 14**

**National Grid - RI Gas
Federal Income Tax Calculation
For the Twelve Months ended December 31, 2019**

1	Operating Revenues	\$433,697,139
2		
3	Less:	
4		
5	Operating Expenses	\$286,660,891
6	Depreciation and Amortization	\$40,272,196
7	Local and Other Taxes	\$28,129,437
8	Revenue Related Taxes (GET)	\$12,099,213
9	Interest - Short-Term Debt	\$120,413
10	Interest - Long-Term Debt	\$20,887,787
11	Other Interest	\$57,830
12	AFUDC	<u>\$0</u>
13		
14	Total Deductions	<u>\$388,227,766</u>
15		
16	Taxable Income	\$45,469,373
17		
18	Federal Income Tax Rate	<u>21.00%</u>
19		
20	Imputed Federal Income Tax Expense	\$9,548,568
21		
22	Amortization of EDIT	(\$1,734,119)
23		
24	Net Federal Income Tax Expense	<u><u>\$7,814,449</u></u>

Notes:

- 1 From Page 2 of 14 line 9
- 5 From Page 2 of 14 line 19
- 6 From Page 2 of 14 line 22
- 7 From Page 2 of 14 line 23
- 8 From Page 2 of 14 line 24
- 9 From Page 2 of 14 line 32
- 10 From Page 2 of 14 line 33
- 11 From Page 2 of 14 line 34
- 12 From Page 2 of 14 line 35
- 14 Sum of Line 5 through line 12
- 16 Line 1 minus line 14
- 18 Federal income Tax Rate: rate of 21%
- 20 Line 16 times Line 18
- 22 - Docket No. 4770, Excess Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019, Second Compliance Attachment 31, Page 1
- 24 Line 20 plus Line 22

National Grid - RI Gas
Rate Base
For the Twelve Months ended December 31, 2019

	December 2018 (a)	March 2019 (b)	June 2019 (c)	September 2019 (d)	December 2019 (e)	5 Quarter Average December 2019 (f)
1 Gas Plant In Service	\$1,270,410,017	\$1,306,303,326	\$1,341,681,826	\$1,377,391,497	\$1,413,654,374	\$1,341,888,208
2 CWIP	\$75,391,908	\$56,566,955	\$57,086,110	\$68,216,249	\$80,032,223	\$67,458,689
3 Less: Accumulated Depreciation	\$399,108,875	\$405,714,105	\$408,384,458	\$413,908,773	\$420,277,455	\$409,478,733
4 Less: Contribution in Aid of Construction	\$38	\$38	\$38	\$38	\$38	\$38
5						
6 Net Plant	\$946,693,012	\$957,156,137	\$990,383,440	\$1,031,698,935	\$1,073,409,104	\$999,868,126
7						
8 Materials and Supplies	\$4,724,404	\$4,832,904	\$5,382,351	\$4,763,295	\$4,814,716	\$4,903,534
9 Prepaid Expenses, Excluding Taxes	\$4,774	\$485,197	\$302,095	\$307,836	\$4,736	\$220,928
10 Deferred Debits	\$1,686,909	\$1,580,364	\$1,473,819	\$1,367,274	\$1,260,729	\$1,473,819
11 Unamortized debt expense and Interest Rate Lock	\$2,071,368	\$2,029,459	\$1,987,549	\$1,945,640	\$1,903,731	\$1,987,549
12 Cash Working Capital	\$30,219,217	\$29,509,617	\$29,509,617	\$29,509,617	\$29,509,617	\$29,651,537
13						
14 Subtotal	\$38,706,672	\$38,437,542	\$38,655,432	\$37,893,662	\$37,493,529	\$38,237,368
15						
16 Accumulated Deferred FIT	\$79,976,277	\$94,390,371	\$98,993,775	\$102,508,922	\$106,427,898	\$96,459,449
17 Excess Deferred Tax	\$58,151,908	\$58,151,908	\$58,151,908	\$58,151,908	\$58,151,908	\$58,151,908
18 Excess Deferred Tax Amortization	(\$666,000)	(\$1,165,500)	(\$1,665,000)	(\$2,120,520)	(\$2,400,119)	(\$1,603,428)
19 Hold Harmless	\$19,020,489	\$18,516,640	\$18,012,792	\$17,508,943	\$17,005,095	\$18,012,792
20 Customer Deposits	\$1,982,743	\$2,067,280	\$2,063,050	\$2,070,481	\$2,060,983	\$2,048,907
21						
22 Subtotal	\$158,465,417	\$171,960,699	\$175,556,524	\$178,119,734	\$181,245,764	\$173,069,628
23						
24 Rate Base	\$826,934,267	\$823,632,981	\$853,482,348	\$891,472,863	\$929,656,869	\$865,035,866

Notes:

- 1(a)-4(e) From Company Financial Statements
- 1(f)-4(f) Average of Column (a) through Column (e)
- 6(a)-6(e) Line 1 + Line 2 - Line 3 - Line 4
- 6(f) Average of Column (a) through Column (e)
- 8(a)-11(e) From Company Financial Statements
- 8(f)-11(f) Average of Column (a) through Column (e)
- 12(b)-12(e) From Page 6 of 14 Line 13
- 14 Sum of Line 8 through Line 12
- 16(a)-21(e) From Company Financial Statements
- 16(f)-21(f) Average of Column (a) through Column (e)
- 17 Excess Deferred Tax for change in tax rate from 35% to 21%
- 18 Per Docket No. 4770, Excess Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019, Second Compliance Attachment 31, Page 1
- 19 Hold Harmless rate base credit per Docket No. 3859
- 22 Sum of Line 16 through Line 20
- 24 Line 6 + Line 14 - Line 22

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised Gas Earnings Sharing Mechanism
Schedule MAL-1
August 3 , 2020
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National Grid - RI Gas
Cash Working Capital Calculation
For the Twelve Months ended December 31, 2019

1	Gas Costs	\$173,520,830
2	Operating Expenses	\$113,140,061
3	Payroll Taxes	\$2,731,278
4	Property Taxes	\$25,456,447
5	State Taxes Other	(\$58,288)
6	Revenue Related Taxes (GET)	\$12,099,213
7	Total	\$326,889,540
8		
9	Daily Cash Requirement	\$895,588
10		
11	Net Lag Days	32.95
12		
13	Total Working Capital	\$29,509,617

Notes:

- 1 From Page 2 of 14 line 12
- 2 From Page 2 of 14 line 13 through 18
- 3-5 From Company Financial Statements
- 6 From Page 2 of 14 line 24
- 7 Sum of Line 1 through Line 6
- 9 Line 7 divided by 365 days
- 11 Per Docket No. 4770, Compliance Filing dated August 16, 2018,
Compliance Attachment 2, Schedule 42,
(Page 3 of 29, Line 18 - Page 2 of 29, Line 1)
- 13 Line 9 times line 11

The Narragansett Electric Company
d/b/a National Grid
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Revised Gas Earnings Sharing Mechanism
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National Grid - RI Gas
Detail Other Revenue/(Expense)
For the Twelve Months ended December 31, 2019

1	Rent from Gas Property	\$1,854,100
2	Other Revenue	(\$1,282,890)
3	Recovery of Supervision & Administrative Costs	\$0
4	RDM Revenue	(\$401,010)
5	DAC Revenue	(\$22,052)
6	LIHEAP Revenue	\$5,036,120
7	Other Deferred Revenue	\$1,023,552
8	Misc Revenue	\$0
9	Interest on Customer Arrears	\$576,104
10		
11	Total Other Revenue	\$6,783,924

Notes:

- 1-9 From Company Financial Statements
- 11 Sum of line 1 through line 9

**The Narragansett Electric Company
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Revised Gas Earnings Sharing Mechanism
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August 3 , 2020
Page 8 of 14**

**National Grid - RI Gas
Detail Other Interest Expense
For the Twelve Months ended December 31, 2019**

1	Interest on Customer Deposits	\$57,830
2		
3	Total Other Interest Expense	<u><u>\$57,830</u></u>

Notes:

- 1 From Company Financial Statements
- 3 Line 1

National Grid - RI Gas
Detail Non-Operating Income / (Expense)
For the Twelve Months ended December 31, 2019

1	Service Contract Revenue	\$254,194
2	Share Awards	(\$553,290)
3	Interest on Over / (Under) Collections, primarily Deferred Gas Costs	\$380,908
4	Deferred Compensation - Life Insurance	(\$793)
5	Federal Income Taxes on Non-Operating Income	\$0
6	NGPMP per Docket 4038	\$0
7	Lobbying / Legal and Political Expense	(\$200,342)
8	Penalties	(\$160,919)
9	Other	(\$2,098,131)
10	Total Non-Operating Income/(Expense)	(\$2,378,374)

Notes:

- 1-9 From Company Financial Statements
- 10 Sum of line 1 through line 9

National Grid - RI Gas
Calculation of Average Long-Term Debt Interest Rate
For the Twelve Months ended December 31, 2019

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Series</u>	<u>Percent</u>	<u>Due</u>	<u>Amount</u>	<u>Annual Interest</u>	<u>Annual Amortization of DD&E</u>	<u>Total Expense</u>	<u>Cost of Debt</u>
1	<u>Senior Unsecured Notes</u>						
2	4.534%	15-Mar-2020	\$250,000,000	\$11,335,000	\$664,600	\$11,999,600	4.80%
3	5.638%	15-Mar-2040	\$300,000,000	\$16,914,000	\$279,300	\$17,193,300	5.73%
4	4.170%	10-Dec-2042	\$250,000,000	\$10,425,000	\$75,000	\$10,500,000	4.20%
5	3.919%	1-Aug-2028	\$350,000,000	\$13,716,500	\$61,185	\$13,777,685	3.94%
6	<u>First Mortgage Bonds (*)</u>						
7	9.630%	30-May-2020	\$10,000,000	\$963,000	\$4,100	\$967,100	9.67%
8	8.460%	30-Sep-2022	\$12,500,000	\$1,057,500	\$4,300	\$1,061,800	8.49%
9	8.090%	30-Sep-2022	\$2,343,750	\$189,609	\$3,500	\$193,109	8.24%
10	7.500%	15-Dec-2025	\$5,218,750	\$391,406	\$4,100	\$395,506	7.58%
11							8.71%
12	Total		\$1,180,062,500	\$54,992,016	\$1,096,085	\$56,088,101	4.75%
13	Electric Operations	70.00%	826,043,750	37,632,039	775,824	38,407,863	4.65%
14	Gas Operations	30.00%	354,018,750	17,359,976	320,261	17,680,238	4.99%
15	Legacy Debt		30,062,500	2,601,516	16,000	2,617,516	8.71%
16	New Debt		323,956,250	14,758,461	304,261	15,062,722	4.65%
17	Electric Transmission						
18	Total		1,180,062,500	54,992,016	1,096,085	56,088,101	4.75%

Notes:

1-10 From Financial Statements

1(c)-10(c) *Average amounts represent The Narragansett Electric Company consolidated amounts as the Gas division is not a legal entity.

National Grid - RI Gas
Calculation of Average Short-Term Debt Interest Rate
For the Twelve Months ended December 31, 2019

		(a)	(b)	(c)
	<u>Month</u>	<u>Average Short-Term Debt Balance</u>	<u>Weighted Cost Rate</u>	<u>Short-Term Interest Expense</u>
1	Jan-19	\$47,365,161	2.84%	\$108,479
2	Feb-19	\$37,982,046	2.77%	\$72,054
3	Mar-19	\$43,878,708	2.71%	\$94,148
4	Apr-19	\$41,106,442	2.73%	\$86,098
5	May-19	\$21,585,886	2.70%	\$45,313
6	Jun-19	\$26,689,709	2.67%	\$50,927
7	Jul-19	\$40,741,336	2.58%	\$85,149
8	Aug-19	\$48,200,318	2.50%	\$97,090
9	Sep-19	\$64,375,649	2.34%	\$116,438
10	Oct-19	\$70,541,282	2.28%	\$133,193
11	Nov-19	\$74,346,875	2.19%	\$130,633
12	Dec-19	\$98,402,163	2.11%	\$169,093
13				
14	Average	\$51,267,965	2.32%	\$1,188,615

Notes:

1(a)-12(a) Average amounts represent The Narragansett Electric Company consolidated amounts as the Gas division is not a legal entity and participates in the National Grid money pool as a division of The Narragansett Electric Company.

14(b) Line 14 (c) divided by Line 14 (a)

National Grid - RI Gas
Merger Hold Harmless Rate Base Credit
For the Twelve Months ended December 31, 2019

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Schedule MAL-11-GAS
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The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Test Year Ending June 30, 2017 through Rate Year 1 Ending August 31, 2019

Description	Period (a)	Monthly Expense (b)	Merger Hold Harmless Rate Base Credit (c)
1 Balance at June 30, 2017			\$21,532,971
2			
3 Subsequent 2 months			<u>(\$253,030)</u>
4			
5 Balance at August 31, 2017			\$21,279,942
6			
7			
8 Increase/(Decrease) 12 Months Ended	08/31/18		(\$1,674,988.40)
9			
10 Balance at August 31, 2018			\$19,604,953
11	09/30/18	(\$146,116)	\$19,458,837
12	10/31/18	(\$146,116)	\$19,312,721
13	11/30/18	(\$146,116)	\$19,166,605
14	12/31/18	(\$146,116)	\$19,020,489
15	01/31/19	(\$167,950)	\$18,852,539
16	02/28/19	(\$167,950)	\$18,684,590
17	03/31/19	(\$167,950)	\$18,516,640
18	04/30/19	(\$167,950)	\$18,348,691
19	05/31/19	(\$167,950)	\$18,180,741
20	06/30/19	(\$167,950)	\$18,012,792
21	07/31/19	(\$167,950)	\$17,844,842
22 Balance at August 31, 2019	08/31/19	(\$167,950)	\$17,676,893
23			
24 Rate Year 1 Merger Hold Harmless - 5 Quarter Average			<u>\$18,662,756</u>

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
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Schedule MAL-11-GAS
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The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Rate Year 1 Ending August 31, 2019 through Rate Year 2 Ending August 31, 2021

Description	Period (a)	Monthly Expense (b)	Merger Hold Harmless Rate Base Credit (c)
1 Balance at August 31, 2019			\$17,676,893
2	09/30/19	(\$167,950)	\$17,508,943
3	10/31/19	(\$167,950)	\$17,340,994
4	11/30/19	(\$167,950)	\$17,173,044
5	12/31/19	(\$167,950)	\$17,005,095
6	01/31/20	(\$198,997)	\$16,806,098
7	02/29/20	(\$198,997)	\$16,607,100
8	03/31/20	(\$198,997)	\$16,408,103
9	04/30/20	(\$198,997)	\$16,209,106
10	05/31/20	(\$198,997)	\$16,010,109
11	06/30/20	(\$198,997)	\$15,811,112
12	07/31/20	(\$198,997)	\$15,612,115
13 Balance at August 31, 2020	08/31/20	(\$198,997)	\$15,413,118
14			
15 Rate Year 2 Merger Hold Harmless - 5 Quarter Average			<u>\$16,576,053</u>
16			
17 Balance at August 31, 2020			\$15,413,118
18	09/30/20	(\$198,997)	\$15,214,120
19	10/31/20	(\$198,997)	\$15,015,123
20	11/30/20	(\$198,997)	\$14,816,126
21	12/31/20	(\$198,997)	\$14,617,129
22	01/31/21	(\$223,582)	\$14,393,547
23	02/28/21	(\$223,582)	\$14,169,965
24	03/31/21	(\$223,582)	\$13,946,383
25	04/30/21	(\$223,582)	\$13,722,802
26	05/31/21	(\$223,582)	\$13,499,220
27	06/30/21	(\$223,582)	\$13,275,638
28	07/31/21	(\$223,582)	\$13,052,056
29 Balance at August 31, 2021	08/31/21	(\$223,582)	\$12,828,474
30			
31 Rate Year 3 Merger Hold Harmless - 5 Quarter Average			<u>\$14,145,381</u>

**The Narragansett Electric Company
d/b/a National Grid
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Revised Gas Earnings Sharing Mechanism
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Schedule DJE-2
Revised

NATIONAL GRID
MERGER ADJUSTMENT TO ADIT
Projected Deferred Tax Schedule
(\$000)

<u>As of 31-Dec</u>	<u>Southern Union ADIT</u>	<u>National Grid ADIT</u>	<u>Difference</u>	<u>Southern Union ADITC</u>	<u>ADIT Merger Adjustment</u>
2006	\$34,845	\$214	\$34,631	\$1,133	\$35,764
2007	\$33,908	\$1,238	\$32,670	\$928	\$33,598
2008	\$32,170	\$2,073	\$30,097	\$724	\$30,821
2009	\$30,086	\$1,859	\$28,227	\$519	\$28,746
2010	\$29,473	\$2,238	\$27,235	\$315	\$27,549
2011	\$29,632	\$3,184	\$26,448	\$110	\$26,558
2012	\$29,583	\$3,760	\$25,823		\$25,823
2013	\$29,515	\$4,286	\$25,229		\$25,229
2014	\$29,199	\$4,628	\$24,572		\$24,572
2015	\$29,095	\$5,530	\$23,566		\$23,566
2016	\$28,823	\$6,531	\$22,292		\$22,292
2017	\$28,342	\$7,568	\$20,774		\$20,774
2018	\$27,627	\$8,606	\$19,020		\$19,020
2019	\$26,847	\$9,842	\$17,005		\$17,005
2020	\$25,922	\$11,305	\$14,617		\$14,617
2021	\$24,732	\$12,797	\$11,934		\$11,934
2022	\$23,374	\$14,311	\$9,064		\$9,064

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised Gas Earnings Sharing Mechanism
Schedule MAL-1
August 3, 2020
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National Grid - RI Gas
Reconciliation of Revised Gas Earnings Sharing Mechanism to Annual Report
For the Twelve Months ended December 31, 2019

1	Operating Revenues	
2	Gas Operating Revenues shown on Page 301, Line 1(f) of the Annual Report	\$382,349,815
3	1 Remove Energy Efficiency Incentives	\$1,542,657
4	2 Unbilled Revenue Net Margin	(\$1,128,678)
5	3 Unbilled Energy Efficiency	(\$468,640)
6	Gas Earnings Sharing Mechanism, Page 2, Total Firm Gas Revenues	\$382,295,155
7		
8	Revenues from Transportation shown on Page 301, Line 7(f) of the Annual Report	\$45,470,915
9	1 Unbilled Transportation	\$165,505
10	Gas Earnings Sharing Mechanism, Page 2, Transportation Revenues	\$45,636,420
11		
12	Forfeited Discounts shown on Page 301, Line 3(f) of the Annual Report	\$47
13	Miscellaneous Service Revenues shown on Page 301, Line 4(f) of the Annual Report	\$149,172
14	Rent from Gas Property shown on Page 301, Line 12(f) of the Annual Report	\$1,854,100
15	Other Gas Revenues shown on Page 301, Line 14(f) of the Annual Report	\$6,673,975
16	1 Excess Sharing	\$5,561,683
17	2 Off System Gas Sales	(\$6,431,726)
18	3 Contract Sharing	\$159,688
19	4 Unbilled DAC	\$713,011
20	5 Unbilled RDM	\$845,398
21	6 Miscellaneous Service Revenues	(\$149,219)
22	7 CSS Revenue - Customer Arrears	\$576,104
23	8 Remove Energy Efficiency Incentives	(\$3,168,309)
24	Gas Earnings Sharing Mechanism, Page 2, Other Revenues	6,783,923
25		
26	Inventory Financing	(\$1,018,360)
27		
28		
29	Operating Expenses	
30	Production expenses shown on Page 320 of the Annual Report	\$173,520,830
31	Gas Earnings Sharing Mechanism, Page 2, Production (Gas Costs)	\$173,520,830
32		
33	Natural Gas Storage expenses shown on Page 322 of the Annual Report	\$3,577,240
34	Gas Earnings Sharing Mechanism, Page 2, Storage	\$3,577,240
35		
36	Transmission expenses shown on Page 323 of the Annual Report	\$2,551,617
37	Gas Earnings Sharing Mechanism, Page 2, Transmission	\$2,551,617
38		
39	Distribution expenses shown on Page 324 of the Annual Report	\$48,068,283
40	1 Normalize Aquidneck Island event expense	(\$19,939,830)
41	Gas Earnings Sharing Mechanism, Page 2, Distribution	\$28,128,453
42		
43	Customer Accounts expenses shown on Pages 324-325 of the Annual Report	\$15,373,700
44	Customer Service & Information expenses shown on Pages 325 of the Annual Report	\$31,670,920
45	1 Zero out Uncollectible Accounts per books	(\$8,817,225)
46	2 Add Bad Debt Write-Offs	\$6,604,839
47	Gas Earnings Sharing Mechanism, Page 2, Customer Accounts	\$44,832,234
48		
49	Sales expenses shown on Page 325 of the Annual Report	\$198,070
50	1 Remove Sales expenses	(\$198,070)
51	Gas Earnings Sharing Mechanism, Page 2, Sales	\$0
52		
53	Administrative and General expenses shown on Page 325 of the Annual Report	\$37,986,617
54	1 Exclude Executive Variable Compensation not charged to customers	(\$161,360)
55	2 Service Company excess deferred federal income taxes per Docket No. 4770 Excess Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019, Second Compliance Attachment 31, Page 1	\$369,700
56	3 Normalize Aquidneck Island event expense	(\$7,462,549)
57	4 Out of Period Pension OPEB Adjustment	\$3,318,110
58	Gas Earnings Sharing Mechanism, Page 2, Administrative and General	\$34,050,518

Schedule MAL-2

Revised CY 2018 Gas Earnings Report

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020

National Grid - RI Gas
Revised CY 2018 Earnings Sharing Calculation
For the Twelve Months ended December 31, 2018

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The Narragansett Electric Company
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Revised CY 2018 Gas Earnings Sharing Mechanism
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August 3, 2020
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National Grid - RI Gas
Revised CY 2018 Earnings Sharing Calculation
For the Twelve Months ended December 31, 2018

1	Average Rate Base	\$776,357,063	
2	Equity Component of Rate Base	50.95%	
3	Average Common Equity	<u>\$395,553,923</u>	
4			
5	Actual Total Earnings	\$39,707,293	
6	Return on Common Equity before Incentives	10.038%	
7			
8	Less incentives:		
9	Energy Efficiency shareholder incentive	\$1,627,345	0.41%
10	Natural Gas Portfolio Management Plan	\$620,636	0.16%
11	Gas Procurement Incentive Plan	<u>\$54,616</u>	0.01%
12		\$2,302,597	
13			
14	Base Earnings	\$37,404,696	
15	Return on Common Equity after Incentives	<u>9.456%</u>	
16			
17	<u>Return on Equity > 9.275% and < 10.275%</u>	0.181%	
18	Earnings to be Shared	<u>\$715,953</u>	
19	Earnings to Customers - 50%	<u>\$357,976</u>	
20			
21	Return on Equity > 10.275%	0.00%	
22	Earnings to be Shared	<u>\$0</u>	
23	Earnings to Customers - 75%	<u>\$0</u>	
24			
25	Total After tax Earnings Credited to Customers	<u><u>\$357,976</u></u>	
26			
27	Total Earnings Credited to DAC	\$453,134	
28	Interest owed to Customers	<u>\$8,197</u>	
29	Total Earnings and Interest Credited to DAC	<u><u>\$461,331</u></u>	

Notes:

- 1 From Page 5 of 15 line 24(f)
- 2 From Page 4 of 15 line 8(a)
- 3 Line 1 times line 2
- 5 Line 12 plus line 14
- 6 Line 5 divided by line 3
- 9 Line 9 divided by line 3
- 10 Line 10 divided by line 3
- 11 Line 11 divided by line 3
- 14 From Page 2 of 15 line 46
- 15 Line 14 divided by line 3
- 17 Smaller of 10.275% or Line 15 minus 9.275%.
- 18 Line 3 times line 17
- 19 Line 18 times 50%
- 21 If Line 15 is greater than 10.275%
- 22 Line 3 times line 21
- 23 Line 22 times 75%
- 25 Line 19 plus line 23
- 27 Page 15 of 15 line 2
- 28 Page 15 of 15 line 15(d)
- 29 Line 27 plus line 28

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
Page 2 of 15

**National Grid - RI Gas
Income Statement
For the Twelve Months ended December 31, 2018**

	<u>2018</u>
1 <u>Operating Revenues</u>	
2 Total Firm Gas	\$399,470,253
3 Transportation	\$45,239,575
4 Other Revenues	(\$10,714,584)
5 Total Operating Revenues	<u>\$433,995,243</u>
6	
7 <i>Adjustment to Operating Revenue:</i>	
8 Inventory Financing	(\$929,960)
9 Total Adjusted Operating Revenues	<u>\$433,065,283</u>
10	
11 <u>Operating Expenses</u>	
12 Production (Gas Costs)	\$180,027,225
13 Storage	\$5,917,311
14 Transmission	\$1,140,245
15 Distribution	\$29,303,308
16 Customer Accounts	\$40,559,678
17 Sales	\$0
18 Administrative and General	<u>\$36,184,284</u>
19 Total Operating Expenses	<u>\$293,132,051</u>
20	
21 <i>Adjustments to Operating Expense:</i>	
22 Savings Imputed in Base Rates	\$1,633,333
23 Total Adjusted Operating Expenses	<u>\$294,765,384</u>
24	
25 <u>Other Expenses</u>	
26 Depreciation and Amortization	\$35,164,510
27 Local and Other Taxes	\$25,648,707
28 Revenue Related Taxes (Gross Earnings Tax - GET)	\$12,651,187
29 Federal Income Taxes @ 21%	\$9,109,269
30 Total Other Expenses	<u>\$82,573,673</u>
31	
32 Income Before Interest Expense	<u>\$55,726,226</u>
33	
34 <u>Interest Expense</u>	
35 Other Income/Expenses	\$0
36 Short-Term Debt	\$97,821
37 Long-Term Debt	\$19,669,317
38 Other Interest Expense	\$42,195
39 AFUDC	(\$1,522,739)
40 Total Interest Expense	<u>\$18,286,594</u>
41	
42 Net Income / (Loss)	<u>\$37,439,632</u>
43	
44 Preferred Dividends	\$34,936
45	
46 Net Income / (Loss) Applicable to Common Equity	<u>\$37,404,696</u>

Notes:

- 4 From Page 7 of 15 line 10
- 22 Docket No. 3943 (4/4/2008) Attachment NG-MDL-4 Page 1 of 6 Line 7 (8 months)
- 27 From Page 6 of 15 sum of line 3 through line 5
- 29 From Page 3 of 15 line 20
- 36 From Page 4 of 15 line 25(b)
- 37 From Page 4 of 15 line 17(b)
- 38 From Page 8 of 15 line 3
- 44 From Page 4 of 15 line 34(b)

The Narragansett Electric Company
d/b/a National Grid
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Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
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National Grid - RI Gas
Federal Income Tax Calculation
For the Twelve Months ended December 31, 2018

1	Operating Revenues	\$433,065,283
2		
3	Less:	
4		
5	Operating Expenses	\$294,765,384
6	Depreciation and Amortization	\$35,164,510
7	Local and Other Taxes	\$25,648,707
8	Revenue Related Taxes (GET)	\$12,651,187
9	Interest - Short-Term Debt	\$97,821
10	Interest - Long-Term Debt	\$19,669,317
11	Other Interest	\$42,195
12	AFUDC	<u>(\$1,522,739)</u>
13		
14	Total Deductions	<u>\$386,516,382</u>
15		
16	Taxable Income	\$46,548,901
17		
18	Federal Income Tax Rate	<u>21.00%</u>
19		
20	Imputed Federal Income Tax Expense	\$9,775,269
21		
22	Amortization of EDIT (Sept-Dec)	(\$666,000)
23		
24	Net Federal Income Tax Expense	<u><u>\$9,109,269</u></u>

Notes:

1	From Page 2 of 15 line 9
5	From Page 2 of 15 line 23
6	From Page 2 of 15 line 26
7	From Page 2 of 15 line 27
8	From Page 2 of 15 line 28
9	From Page 2 of 15 line 36
10	From Page 2 of 15 line 37
11	From Page 2 of 15 line 38
12	From Page 2 of 15 line 39
14	Sum of Line 5 through line 12
16	Line 1 minus line 14
18	Federal income Tax Rate: rate of 21%
20	Line 16 times Line 18
22	Docket No. 4770, Compliance Attachment 2, Schedule 10-GAS, Page 1, Line 20
24	Line 20 plus Line 22

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
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National Grid - RI Gas
Applicable Capital Structure, Interest Expense and Preferred Dividends
For the Twelve Months ended December 31, 2018

	%	\$
	(a)	(b)
1 Rate Base		<u>\$776,357,063</u>
2		
3 Capital Structure		
4	<u>Docket 4770</u>	
5 Short-Term Debt	0.60%	\$4,658,142
6 Long-Term Debt	48.35%	\$375,368,640
7 Preferred Stock	0.10%	\$776,357
8 Common Equity	50.95%	\$395,553,923
9	<u>100.00%</u>	<u>\$776,357,063</u>
10 Interest Expense		
11		
12		
13 Long-Term Debt Portion	48.35%	\$375,368,640
14		
15 Cost of Long-Term Debt December 2018		5.2400%
16		
17 Proforma Long-Term Debt Interest		<u>\$19,669,317</u>
18		
19		
20		
21 Short-Term Debt Portion	0.60%	\$4,658,142
22		
23 Cost of Short-Term Debt December 2018		2.10%
24		
25 Proforma Short-Term Debt Interest		<u>\$97,821</u>
26		
27 Preferred Dividends		
28		
29		
30 Preferred Stock Portion	0.10%	\$776,357
31		
32 Cost of Preferred Stock		4.50%
33		
34 Proforma Preferred Stock		<u>\$34,936</u>

Notes:

- 1(b) From Page 5 of 15 line 24(f)
- 5(a)-8(a) Docket 4770, Compliance Filing Attachment 2, Schedule 1-GAS, Page 4 of 4
- 5(b)-8(b) Line 1(b) times Line 5(a) through Line 8(a)
- 13 Line 1(b) times Line 13(a)
- 15 From Page 10 of 15 line 14(g)
- 17 Line 13(b) times line 15(b)
- 21 Line 1(b) times Line 21(a)
- 23 From Page 11 Line 14(b)
- 25 Line 21(b) times line 23(b)
- 30 Line 1(b) times Line 30(a)
- 32 Cost rate per Docket No. 4770, Compliance Attachment 2, Schedule 1-GAS, Page 4 Line 5
- 34 Line 30(b) times line 32(b)

National Grid - RI Gas
Rate Base
For the Twelve Months ended December 31, 2018

	December 2017 (a)	March 2018 (b)	June 2018 (c)	September 2018 (d)	December 2018 (e)	5 Quarter Average December 2018 (f)
1 Gas Plant In Service	\$1,153,416,688	\$1,196,039,463	\$1,216,320,455	\$1,244,302,519	\$1,270,410,017	\$1,216,097,828
2 CWIP	\$76,022,283	\$52,548,788	\$62,799,396	\$69,056,353	\$75,391,908	\$67,163,746
3 Less: Accumulated Depreciation	\$381,913,835	\$388,566,984	\$392,205,142	\$395,245,923	\$399,108,875	\$391,408,152
4 Less: Contribution in Aid of Construction	\$38	\$38	\$38	\$38	\$38	\$38
5						
6 Net Plant	\$847,525,098	\$860,021,229	\$886,914,671	\$918,112,911	\$946,693,012	\$891,853,384
7						
8 Materials and Supplies	\$3,580,099	\$3,981,153	\$4,425,685	\$4,593,747	\$4,724,404	\$4,261,017
9 Prepaid Expenses, Excluding Taxes	\$864,353	\$1,811,623	\$128,359	\$267,841	\$4,774	\$615,390
10 Deferred Debits	\$0	\$0	\$0	\$1,793,454	\$1,686,909	\$696,073
11 Unamortized debt expense and Interest Rate Lock	\$1,727,831	\$1,697,996	\$1,668,162	\$2,113,277	\$2,071,368	\$1,855,727
12 Cash Working Capital	\$19,692,717	\$29,919,678	\$29,919,678	\$29,919,678	\$29,919,678	\$27,874,286
13						
14 Subtotal	\$25,865,000	\$37,410,450	\$36,141,884	\$38,687,998	\$38,407,133	\$35,302,493
15						
16 Accumulated Deferred FIT	\$87,805,880	\$69,153,777	\$74,302,956	\$77,337,699	\$79,976,277	\$77,715,318
17 Excess Deferred Tax	\$51,547,315	\$48,219,314	\$48,219,314	\$48,219,314	\$58,151,908	\$50,871,433
18 Excess Deferred Tax Amortization	\$0	\$0	\$0	(\$166,500)	(\$666,000)	(\$166,500)
19 Hold Harmless	\$20,773,882	\$20,335,534	\$19,897,186	\$19,458,837	\$19,020,489	\$19,897,186
20 Customer Deposits	\$1,840,627	\$1,857,003	\$1,830,117	\$1,875,748	\$1,982,743	\$1,877,248
21 Injuries and Damages Reserve	\$1,065,107	\$1,007,021	\$948,521	\$0	\$0	\$604,130
22						
23 Subtotal	\$163,032,811	\$140,572,649	\$145,198,094	\$146,725,099	\$158,465,417	\$150,798,814
24						
25 Rate Base	\$710,357,287	\$756,859,030	\$777,858,460	\$810,075,809	\$826,634,728	\$776,357,063

Notes:

- 1(a)-4(c) From Company Financial Statements
- 1(f)-4(f) Average of Column (a) through Column (e)
- 6(a)-6(c) Line 1 plus line 2 minus line 3 minus line 4
- 6(f) Average of Column (a) through Column (e)
- 8(a)-11(e) From Company Financial Statements
- 8(f)-11(f) Average of Column (a) through Column (e)
- 12(b)-12(e) From Page 6 of 15 Line 13
- 14 Sum of Line 8 through Line 12
- 16(a)-21(e) From Company Financial Statements
- 16(f)-21(f) Average of Column (a) through Column (e)
- 17 Excess Deferred Tax for change in tax rate from 35% to 21%
- 18 Amortization of Excess Deferred Tax per Docket 4770, Compliance Attachment 2, Schedule 11-Gas, Page 11, Line 51
- 19 Hold Harmless rate base credit per Docket No. 3859
- 23 Sum of Line 16 through Line 21
- 25 Line 6 + Line 14 - Line 23

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
Page 6 of 15

National Grid - RI Gas
Cash Working Capital Calculation
For the Twelve Months ended December 31, 2018

1	Gas Costs	\$180,027,225
2	Operating Expenses	\$113,104,826
3	Payroll Taxes	\$2,502,790
4	Property Taxes	\$23,065,094
5	State Taxes Other	\$80,823
6	Revenue Related Taxes (GET)	\$12,651,187
7	Total	\$331,431,945
8		
9	Daily Cash Requirement	\$908,033
10		
11	Net Lag Days	32.95
12		
13	Total Working Capital	\$29,919,678

Notes:

- 1 From Page 2 of 15 line 12
- 2 From Page 2 of 15 lines 13-18
- 3-5 From Company Financial Statements
- 6 From Page 2 of 15 line 28
- 7 Sum of Lines 1 through line 6
- 9 Line 7 divided by 365 days
- 11 Per Docket No. 4770, Schedule MAL-42-GAS,
(Page 3 of 29, Line 18 - Page 2 of 29, Line 1)
- 13 Line 9 times line 11

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
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National Grid - RI Gas
Detail Other Revenue/(Expense)
For the Twelve Months ended December 31, 2018

1	Rent from Gas Property	\$675,018
2	Other Revenue	(\$2,115,622)
3	Recovery of Supervision & Administrative Costs	(\$29,462)
4	RDM Revenue	(\$9,368,557)
5	DAC Revenue	\$188,781
6	LIHEAP Revenue	(\$384,504)
7	Misc Revenue	\$0
8	Interest on Customer Arrears	\$319,761
9		
10	Total Other Revenue	(\$10,714,585)

Notes:

- 1-8 From Company Financial Statements
- 10 Sum of line 1 through line 8

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
Page 8 of 15**

**National Grid - RI Gas
Detail Other Interest Expense
For the Twelve Months ended December 31, 2018**

1	Interest on Customer Deposits	\$42,195
2		
3	Total Other Interest Expense	<u><u>\$42,195</u></u>

Notes:

- 1 From Company Financial Statements
- 3 Line 1

National Grid - RI Gas
Detail Non-Operating Income / (Expense)
For the Twelve Months ended December 31, 2018

1	Service Contract Revenue	\$167,650
2	Share Awards	(\$169,346)
3	Interest on Over / (Under) Collections, primarily Deferred Gas Costs	\$45,128
4	Deferred Compensation - Life Insurance	(\$16,913)
5	Federal Income Taxes on Non-Operating Income	(\$859,958)
6	NGPMP per Docket 4038	\$0
7	Lobbying / Legal and Political Expense	\$526,601
8	Penalties	\$175,400
9	Other	\$2,935,897
10	Total Non-Operating Income/(Expense)	\$2,804,459

Notes:

- 1-9 From Company Financial Statements
- 10 Sum of line 1 through line 9

National Grid - RI Gas
Calculation of Average Long-Term Debt Interest Rate
For the Twelve Months ended December 31, 2018

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Series	Percent	Due	Amount	Annual Interest	Annual Amortization of DD&E	Total Expense	Cost of Debt
<u>Senior Unsecured Notes</u>							
1 Senior Notes	4.534%	15-Mar-2020	\$250,000,000	\$11,335,000	\$664,600	\$11,999,600	4.80%
2 Senior Notes	5.638%	15-Mar-2040	\$300,000,000	\$16,914,000	\$279,300	\$17,193,300	5.73%
3 Senior Notes	4.170%	10-Dec-2042	\$250,000,000	\$10,425,000	\$75,000	\$10,500,000	4.20%
4 Senior Notes	3.919%	1-Aug-2028	\$148,750,000	\$5,829,513	\$61,185	\$5,890,698	3.96%
<u>First Mortgage Bonds (*)</u>							
5 Providence Gas FMB S	6.820%	1-Apr-2018	\$3,616,000	\$246,611	\$7,000	\$253,611	7.01%
6 Providence Gas FMB N	9.630%	30-May-2020	\$10,000,000	\$963,000	\$4,100	\$967,100	9.67%
7 Providence Gas FMB O	8.460%	30-Sep-2022	\$12,500,000	\$1,057,500	\$4,300	\$1,061,800	8.49%
8 FMB Series P	8.090%	30-Sep-2022	\$2,968,750	\$240,172	\$3,500	\$243,672	8.21%
9 FMB Series R	7.500%	15-Dec-2025	\$5,968,750	\$447,656	\$4,100	\$451,756	7.57%
10 Total			\$983,803,500	\$47,458,452	\$1,103,085	\$48,561,537	4.94%
11 Electric Operations	70.000%		\$688,662,450	\$32,303,450	\$783,994	\$33,087,444	4.80%
12 Gas Operations	30.000%		\$295,141,050	\$15,155,002	\$319,091	\$15,474,094	5.24%
13 Legacy Debt			\$35,053,500	\$2,954,939	\$23,000	\$2,977,939	8.50%
14 New Debt			\$260,087,550	\$12,200,063	\$296,091	\$12,496,154	4.80%
15 Total			\$983,803,500	\$47,458,452	\$1,103,085	\$48,561,537	4.94%
			\$0	\$0	\$0	\$0	\$0 check

Notes:

- 1-9 From Financial Statements
- 11 Line 10 times Line 11(a)
- 12 Line 13 + Line 14
- 13 Sum of Lines 5 through 9
- 14 Line 10 less Line 11
- 15 Line 11 + Line 12

1(c)-11(c) *Average amounts represent The Narragansett Electric Company consolidated amounts as the Gas division is not a legal entity.

National Grid - RI Gas
Calculation of Average Short-Term Debt Interest Rate
For the Twelve Months ended December 31, 2018

		(a)	(b)	(c)
	<u>Month</u>	<u>Average Short-Term Debt Balance</u>	<u>Weighted Cost Rate</u>	<u>Short-Term Interest Expense</u>
1	Jan-18	\$188,410,097	1.73%	\$272,423
2	Feb-18	\$207,257,672	1.88%	\$287,680
3	Mar-18	\$266,688,204	1.91%	\$427,366
4	Apr-18	\$289,320,538	2.23%	\$524,088
5	May-18	\$256,154,242	2.32%	\$499,462
6	Jun-18	\$279,330,467	2.25%	\$512,578
7	Jul-18	\$241,974,306	2.31%	\$499,785
8	Aug-18	-	2.28%	-
9	Sep-18	-	2.24%	-
10	Oct-18	-	2.36%	-
11	Nov-18	-	2.48%	-
12	Dec-18	-	2.59%	-
13				
14	Average	\$144,094,627	2.10%	\$3,023,383

Notes:

1(a)-12(a) Average amounts represent The Narragansett Electric Company consolidated amounts as the Gas division is not a legal entity and participates in the National Grid money pool as a division of The Narragansett Electric.

14(b) Line 14 (c) divided by Line 14 (a)

**National Grid - RI Gas
Merger Hold Harmless Rate Base Credit
For the Twelve Months ended December 31, 2018**

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Schedule MAL-11-GAS
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The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Test Year Ending June 31, 2017 through Rate Year 1 Ending August 31, 2019

	Description	Period (a)	Monthly Expense (b)	Merger Hold Harmless Rate Base Credit (c)
1	Balance at June 30, 2017			\$21,532,971
2				
3	Subsequent 2 months			<u>(\$253,030)</u>
4				
5	Balance at August 31, 2017			\$21,279,942
6				
7				
8	Increase/(Decrease) 12 Months Ended	08/31/18		(\$1,674,988.40)
9				
10	Balance at August 31, 2018			\$19,604,953
11		09/30/18	(\$146,116)	\$19,458,837
12		10/31/18	(\$146,116)	\$19,312,721
13		11/30/18	(\$146,116)	\$19,166,605
14		12/31/18	(\$146,116)	\$19,020,489
15		01/31/19	(\$167,950)	\$18,852,539
16		02/28/19	(\$167,950)	\$18,684,590
17		03/31/19	(\$167,950)	\$18,516,640
18		04/30/19	(\$167,950)	\$18,348,691
19		05/31/19	(\$167,950)	\$18,180,741
20		06/30/19	(\$167,950)	\$18,012,792
21		07/31/19	(\$167,950)	\$17,844,842
22	Balance at August 31, 2019	08/31/19	(\$167,950)	\$17,676,893
23				
24	Rate Year 1 Merger Hold Harmless - 5 Quarter Average			<u>\$18,662,756</u>

Line Notes

- 1(c) Page 21 of 23 Line 5 Column (e)
- 3(c) Page 21 of 23 Line 6 Column (f) divide by 3 times 2
- 5(c) Line 1 + Line 8
- 11(b) Page 21 of 23 Line 10 Column (f) divide by 3 times 1
- 12(b) Page 21 of 23 Line 11 Column (f) divide by 3 times 1
- 13(b) Page 21 of 23 Line 11 Column (f) divide by 3 times 1
- 14(b) Page 21 of 23 Line 11 Column (f) divide by 3 times 1
- 15(b) Page 21 of 23 Line 12 Column (f) divide by 3 times 1
- 16(b) Page 21 of 23 Line 12 Column (f) divide by 3 times 1
- 17(b) Page 21 of 23 Line 12 Column (f) divide by 3 times 1
- 18(b) Page 21 of 23 Line 13 Column (f) divide by 3 times 1
- 19(b) Page 21 of 23 Line 13 Column (f) divide by 3 times 1
- 20(b) Page 21 of 23 Line 13 Column (f) divide by 3 times 1
- 21(b) Page 21 of 23 Line 14 Column (f) divide by 3 times 1
- 22(b) Page 21 of 23 Line 14 Column (f) divide by 3 times 1

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
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Schedule DJE-2
Revised

NATIONAL GRID
MERGER ADJUSTMENT TO ADIT
Projected Deferred Tax Schedule
(\$000)

<u>As of</u> <u>31-Dec</u>	Southern Union <u>ADIT</u>	National Grid <u>ADIT</u>	<u>Difference</u>	Southern Union <u>ADITC</u>	ADIT Merger <u>Adjustment</u>
2006	\$ 34,845	\$ 214	\$ 34,631	\$ 1,133	\$ 35,764
2007	\$ 33,908	\$ 1,238	\$ 32,670	\$ 928	\$ 33,598
2008	\$ 32,170	\$ 2,073	\$ 30,097	\$ 724	\$ 30,821
2009	\$ 30,086	\$ 1,859	\$ 28,227	\$ 519	\$ 28,746
2010	\$ 29,473	\$ 2,238	\$ 27,235	\$ 315	\$ 27,549
2011	\$ 29,632	\$ 3,184	\$ 26,448	\$ 110	\$ 26,558
2012	\$ 29,583	\$ 3,760	\$ 25,823		\$ 25,823
2013	\$ 29,515	\$ 4,286	\$ 25,229		\$ 25,229
2014	\$ 29,199	\$ 4,628	\$ 24,572		\$ 24,572
2015	\$ 29,095	\$ 5,530	\$ 23,566		\$ 23,566
2016	\$ 28,823	\$ 6,531	\$ 22,292		\$ 22,292
2017	\$ 28,342	\$ 7,568	\$ 20,774		\$ 20,774
2018	\$ 27,627	\$ 8,606	\$ 19,020		\$ 19,020
2019	\$ 26,847	\$ 9,842	\$ 17,005		\$ 17,005
2020	\$ 25,922	\$ 11,305	\$ 14,617		\$ 14,617
2021	\$ 24,732	\$ 12,797	\$ 11,934		\$ 11,934
2022	\$ 23,374	\$ 14,311	\$ 9,064		\$ 9,064

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
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National Grid - RI Gas
Reconciliation of Revised CY 2018 Gas Earnings Sharing Mechanism to Annual Report
For the Twelve Months ended December 31, 2018

1	Operating Revenues	
2	Gas Operating Revenues shown on Page 301, Line 1(f) of the Annual Report	\$394,332,382
3	1 Remove Energy Efficiency Incentives	(\$1,627,345)
4	2 Unbilled Revenue Net Margin	\$7,726,911
5	3 Unbilled Energy Efficiency	(\$961,695)
6	Gas Earnings Sharing Mechanism, Page 2, Total Firm Gas Revenues	\$399,470,253
7		
8	Revenues from Transportation shown on Page 301, Line 7(f) of the Annual Report	\$45,282,322
9	1 Unbilled Transportation	(\$42,747)
10	Gas Earnings Sharing Mechanism, Page 2, Transportation Revenues	\$45,239,575
11		
12	Miscellaneous Service Revenues shown on Page 301, Line 4(f) of the Annual Report	(\$376)
13	Rent from Gas Property shown on Page 301, Line 12(f) of the Annual Report	\$675,018
14	Other Gas Revenues shown on Page 301, Line 14(f) of the Annual Report	(\$4,244,179)
15	1 Excess Sharing	\$4,482,546
16	2 Off System Gas Sales	(\$5,248,914)
17	3 Contract Sharing	\$145,732
18	4 Unbilled DAC	(\$6,103,929)
19	5 Unbilled RDM	(\$740,618)
20	6 Miscellaneous Service Revenues	\$376
21	7 CSS Revenue - Customer Arrears	\$319,761
22	Gas Earnings Sharing Mechanism, Page 2, Other Revenues	(\$10,714,583)
23		
24	Inventory Financing	(\$929,960)
25		
26		
27	Operating Expenses	
28	Production expenses shown on Page 320 of the Annual Report	\$180,027,225
29	Gas Earnings Sharing Mechanism, Page 2, Production (Gas Costs)	\$180,027,225
30		
31	Natural Gas Storage expenses shown on Page 322 of the Annual Report	\$5,917,312
32	Gas Earnings Sharing Mechanism, Page 2, Storage	\$5,917,312
33		
34	Transmission expenses shown on Page 323 of the Annual Report	\$1,140,244
35	Gas Earnings Sharing Mechanism, Page 2, Transmission	\$1,140,244
36		
37	Distribution expenses shown on Page 324 of the Annual Report	\$29,303,308
38	Gas Earnings Sharing Mechanism, Page 2, Distribution	\$29,303,308
39		
40	Customer Accounts expenses shown on Pages 324-325 of the Annual Report	\$43,666,463
41	1 Zero out Uncollectible Accounts per books	(\$8,721,968)
42	2 Add Bad Debt Write-Offs	\$5,615,181
43	Gas Earnings Sharing Mechanism, Page 2, Customer Accounts	\$40,559,676
44		
45	Sales expenses shown on Page 325 of the Annual Report	\$233,055
46	1 Remove Sales expenses	(\$233,055)
47	Gas Earnings Sharing Mechanism, Page 2, Sales	\$0
48		
49	Administrative and General expenses shown on Page 325 of the Annual Report	\$37,634,675
50	1 Reclassify Donations to A&G expense from Account 426.1	\$324,271
51	2 Exclude Executive Variable Compensation not charged to customers	(\$260,147)
52	3 Normalize out of period adjustment for A&G OH Study reclassification to capital	\$1,543,836
53	4 Estimated Service Company excess deferred federal income taxes (Sept - Dec) per Docket No. 4770, Compliance Attachment 2, Schedule 17, Page 6, Line 24	\$259,759
54	5 Out of Period Pension OPEB Adjustment	(\$3,318,110)
55	Gas Earnings Sharing Mechanism, Page 2, Administrative and General	\$36,184,284

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5040
Revised CY 2018 Gas Earnings Sharing Mechanism
Schedule MAL-2
August 3, 2020
Page 15 of 15**

National Grid - RI Gas
DAC Tax and Interest on Earnings Sharing
For the Twelve Months ended December 31, 2018

1	Total After-tax Earnings Credited to Customers	\$357,976
2	Tax true-up at 21%	\$453,134

		Bank of America Rate less 200 Basis			
	Beg Bal (a)	Points (b)	End Bal (c)	(d) = (c) - (a)	
3	Nov-19 \$453,134	0.0275	\$454,173	\$1,038	
4	Dec-19 \$454,173	0.0275	\$455,213	\$1,041	
5	Jan-20 \$455,213	0.0275	\$456,257	\$1,043	
6	Feb-20 \$456,257	0.0275	\$457,302	\$1,046	
7	Mar-20 \$457,302	0.0178	\$457,981	\$679	
8	Apr-20 \$457,981	0.0125	\$458,458	\$477	
9	May-20 \$458,458	0.0125	\$458,936	\$478	
10	Jun-20 \$458,936	0.0125	\$459,414	\$478	
11	Jul-20 \$459,414	0.0125	\$459,893	\$479	
12	Aug-20 \$459,893	0.0125	\$460,372	\$479	
13	Sep-20 \$460,372	0.0125	\$460,851	\$480	
14	Oct-20 \$460,851	0.0125	\$461,331	\$480	
15				\$8,197	

Notes:

1 Page 1 of 15, Line 25

2 Line 1 / 79%

3(a) Line 2

Column (a) Prior Month Column (c)

Column (c) Column (a)*(1+Column (b)/12)