Raquel J. Webster
Senior Counsel

January 29, 2021

BY ELECTRONIC MAIL

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

RE: Docket 5099 - Proposed FY 2022 Gas Infrastructure, Safety, and Reliability Plan
Responses to PUC Data Requests – Set 3

Dear Ms. Massaro:

I have enclosed an electronic version of National Grid's[1] responses to the Rhode Island Public Utilities Commission's Third Set of Data Requests in the above-referenced matter.

The Company's responses to the PUC's remaining requests in Set 3 are pending.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,

Raquel J. Webster

Enclosures

cc: Docket 5099 Service List
Leo Wold, Esq.
Al Mancini, Division
John Bell, Division
Rod Walker, Division

[1] The Narragansett Electric Company d/b/a National Grid ("National Grid" or "Company").

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Certificate of Service

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

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

Joanne M. Scanlon

January 29, 2021
Date

Docket No. 5099- National Grid's FY 2022 Gas Infrastructure, Safety and Reliability (ISR) Plan - Service List 1/7/2021

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PUC 3-1

Request:

Referring to Table 2 on Bates page 77, please (a) provide an estimate of the distribution rate increases required for each of the given years to fund the growth in the revenue requirement associated with the last row in the Spending Forecast, applying the same cost of capital assumptions used in calculating the revenue requirements in this filing (please show the growth both annually and cumulatively), (b) calculate the annual and cumulative bill impact of the growth on all rate classes, assuming the same rate base allocator to rate classes as used in the current filing, and (c) provide a typical bill impact analysis for residential heating and low income heating customers over the same period, assuming all other rates remain the same.

Response:

Please refer to Attachment 3-1-1 for the estimated annual revenue requirement associated with the forecasted budgets shown on the last row in the Spending Forecast shown on Table 2 on Bates page 77. Attachment 3-1-2 presents the illustrative ISR factor calculations for the years beyond FY 2022 and Attachment 3-1-3 presents the annual and cumulative rate changes and bill impact analysis at each rate class's average annual use.

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Annual Revenue Requirement Summary

Line No.		Approved Fiscal Year 2021 (a)	Fiscal Year 2022 (b)	Fiscal Year 2023 (c)	Fiscal Year 2024 (d)	Fiscal Year 2025 (e)	Fiscal Year 2026 (f)
	Operation and Maintenance Expenses						
1	Forecasted Gas Operation and Maintenance Expense	$0	$0	$0	$0	$0	$0
	Capital Investment:						
2	Actual Revenue Requirement on FY 2018 Incremental Capital Included in ISR Rate Base	$676,445	$690,881	$705,341	$719,824	$734,326	$748,841
3	Actual Revenue Requirement on FY 2019 Incremental Capital Included in ISR Rate Base	$292,352	$291,583	$290,803	$290,015	$289,218	$288,413
4	Actual Revenue Requirement on FY 2020 Incremental Capital Included in ISR Rate Base	$9,556,813	$8,718,700	$8,490,363	$8,264,099	$8,039,756	$7,817,187
5	Forecasted Revenue Requirement on FY 2021 Capital Included in ISR Rate Base	$7,524,753	$15,098,354	$14,755,678	$14,415,443	$14,077,468	$13,741,583
6	Forecasted Revenue Requirement on FY 2022 Capital Included in ISR Rate Base		$6,464,832	$12,755,437	$12,409,852	$12,067,218	$11,727,314
7	Forecasted Revenue Requirement on FY 2023 Capital Included in ISR Rate Base			$8,147,184	$16,086,590	$15,674,154	$15,265,253
8	Forecasted Revenue Requirement on FY 2024 Capital Included in ISR Rate Base				$12,757,113	$25,212,417	$24,612,659
9	Forecasted Revenue Requirement on FY 2025 Capital Included in ISR Rate Base					$10,924,740	$21,585,050
10	Forecasted Revenue Requirement on FY 2026 Capital Included in ISR Rate Base						$10,707,177
11	Total Capital Investment Revenue Requirement	$18,050,363	$31,264,350	$45,144,806	$64,942,936	$87,019,296	$106,493,475
12	FY 2021 Property Tax Recovery Adjustment	$4,711,167					
13	FY 2022 Property Tax Recovery Adjustment		$8,261,429				
14	FY 2023 Property Tax Recovery Adjustment			$12,424,522			
15	FY 2024 Property Tax Recovery Adjustment				$18,956,471		
16	FY 2025 Property Tax Recovery Adjustment					$24,276,966	
17	FY 2026 Property Tax Recovery Adjustment						$29,300,365
18	**Total Capital Investment Component of Revenue Requirement**	**$22,761,529**	**$39,525,779**	**$57,569,328**	**$83,899,407**	**$111,296,262**	**$135,793,840**
19	**Total Fiscal Year Revenue Requirement**	**$22,761,529**	**$39,525,779**	**$57,569,328**	**$83,899,407**	**$111,296,262**	**$135,793,840**
20	**Incremental Fiscal Year Rate Adjustment**		$16,764,250	$18,043,550	$26,330,079	$27,396,854	$24,497,579

Column Notes:
(a) RIPUC Docket No. 4996, Revised Section 3, Attachment 1R, Page 1 of 22, Column (b)

Line Notes for Columns (b) through (f):

2	Page 2 of 38, Line 30, Col. (e) through Col. (i)	11	Sum of Lines 2 through Line 6
3	Page 5 of 38, Line 29, Col. (d) through Col. (h)	13	Page 36 of 38, Line 55, Column (k) × 1,000
4	Page 8 of 38, Line 29, Col. (c) through Col. (g)	14	Page 37 of 38, Line 76, Column (c) × 1,000
5	Page 12 of 38, Line 29, Col. (b) through Col. (f)	15	Page 37 of 38, Line 76, Column (f) × 1,000
6	Page 15 of 38, Line 29, Col. (a) through Col. (e)	16	Page 37 of 38, Line 76, Column (i) × 1,000
7	Page 18 of 38, Line 29, Col. (a) through Col. (d)	17	Page 37 of 38, Line 76, Column (l) × 1,000
8	Page 21 of 38, Line 29, Col. (a) through Col. (c)	18	Sum of Line 11 through Line 13
9	Page 24 of 38, Line 29, Col. (a) and Col. (b)	19	Line 1 + Line 18
10	Page 27 of 38, Line 29, Col. (a)	20	CY Line 19 - PY Line 19

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2022 Revenue Requirement FY 2018 Actual Incremental Gas Capital Investment

Line No.				Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	Fiscal Year 2021 (d)	Fiscal Year 2022 (e)	Fiscal Year 2023 (f)	Fiscal Year 2024 (g)	Fiscal Year 2025 (h)	Fiscal Year 2026 (i)
	Depreciable Net Capital Included in ISR Rate Base											
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (a)		$4,632,718	$0	$0	$0	$0	$0	$0	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (a)		$12,059,428	$0	$0	$0	$0	$0	$0	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		($7,426,710)	($7,426,710)	($7,426,710)	($7,426,710)	($7,426,710)	($7,426,710)	($7,426,710)	($7,426,710)	($7,426,710)
	Change in Net Capital Included in ISR Rate Base											
4	Capital Included in ISR Rate Base	Line 1		$4,632,718	$0	$0	$0	$0	$0	$0	$0	$0
5	Depreciation Expense			$0	$0	$0	$0	$0	$0	$0	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$4,632,718	$4,632,718	$4,632,718	$4,632,718	$4,632,718	$4,632,718	$4,632,718	$4,632,718	$4,632,718
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (a)		$1,941,168	$1,941,168	$1,941,168						
8	**Net Plant Amount**	Year 1 = Line 6 + Line 7, Then = Prior Year		**$6,573,886**	**$6,573,886**	**$6,573,886**	**$6,573,886**	**$6,573,886**	**$6,573,886**	**$6,573,886**	**$6,573,886**	**$6,573,886**
	Deferred Tax Calculation:											
9	Composite Book Depreciation Rate		1/	3.38%	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1=Page 3 of 38, Line 24, Col (a); then = Page 3 of 38, Col (d)		$7,820,728	$21,720	$20,089	$18,585	$17,189	$15,901	$14,707	$13,606	$13,425
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$7,820,728	$7,842,448	$7,862,538	$7,881,123	$7,898,312	$7,914,213	$7,928,920	$7,942,525	$7,955,950
12	Book Depreciation	Year 1= Line 3 × Line 9 × 50%; then = Line 3 × Line 9		($125,511)	($234,127)	($222,059)	($222,059)	($222,059)	($222,059)	($222,059)	($222,059)	($222,059)
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		($125,511)	($359,638)	($581,697)	($803,756)	($1,025,814)	($1,247,873)	($1,469,932)	($1,691,990)	($1,914,049)
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$7,946,239	$8,202,087	$8,444,235	$8,684,878	$8,924,126	$9,162,086	$9,398,851	$9,634,515	$9,869,999
15	Effective Tax Rate		2/	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$1,668,710	$1,722,438	$1,773,289	$1,823,824	$1,874,066	$1,924,038	$1,973,759	$2,023,248	$2,072,700
17	Less: FY 2018 Federal NOL	-Page 31 of 38, Line 15, Col (j)		($6,051,855)	($6,051,855)	($6,051,855)	($6,051,855)	($6,051,855)	($6,051,855)	($6,051,855)	($6,051,855)	($6,051,855)
18	Excess Deferred Tax	(Line 14 × 31.55% blended FY18 tax rate) - Line 16; then = Prior Year Line 18		$838,328	$838,328	$838,328	$838,328	$838,328	$838,328	$838,328	$838,328	$838,328
19	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17 + Line 18		($3,544,817)	($3,491,089)	($3,440,238)	($3,389,703)	($3,339,461)	($3,289,489)	($3,239,768)	($3,190,279)	($3,140,827)
	ISR Rate Base Calculation:											
20	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$6,573,886	$6,573,886	$6,573,886	$6,573,886	$6,573,886	$6,573,886	$6,573,886	$6,573,886	$6,573,886
21	Accumulated Depreciation	- Line 13		$125,511	$359,638	$581,697	$803,756	$1,025,814	$1,247,873	$1,469,932	$1,691,990	$1,914,049
22	Deferred Tax Reserve	- Line 19		$3,544,817	$3,491,089	$3,440,238	$3,389,703	$3,339,461	$3,289,489	$3,239,768	$3,190,279	$3,140,827
23	Year End Rate Base before Deferred Tax Proration	Sum of Lines 20 through 22		$10,244,214	$10,424,613	$10,595,821	$10,767,344	$10,939,161	$11,111,248	$11,283,586	$11,456,155	$11,628,762
	Revenue Requirement Calculation:											
24	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = 0; then Average of (Prior + Current Year Line 23)						$10,853,253	$11,025,204	$11,197,417	$11,369,870	$11,542,459
25	Proration Adjustment	Year 1 and 2 =0; then = Page 4 of 38, Line 41, Col (j) and Col. (k)						$2,157	$2,145	$2,134	$2,124	$2,123
26	Average ISR Rate Base after Deferred Tax Proration	Line 24 + Line 25						$10,855,409	$11,027,349	$11,199,551	$11,371,995	$11,544,581
27	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)						8.41%	8.41%	8.41%	8.41%	8.41%
28	Return and Taxes	Line 26 × Line 27						$912,940	$927,400	$941,882	$956,385	$970,899
29	Book Depreciation	Year 1 = N/A; then = Line 12						($222,059)	($222,059)	($222,059)	($222,059)	($222,059)
30	**Annual Revenue Requirement**	Sum of Lines 28 through 29		**N/A**	**N/A**	**N/A**	**N/A**	**$690,881**	**$705,341**	**$719,824**	**$734,326**	**$748,841**

1/ 3.38%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 /12 + 2.99% × 7 / 12
2/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2018 Incremental Capital Investment

Line No.				Fiscal Year 2018 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 2 of 38, Line 1		$4,632,718
2	Capital Repairs Deduction Rate	Per Tax Department	1/	85.43%
3	Capital Repairs Deduction	Line 1 × Line 2		$3,957,731
4	Bonus Depreciation			
5	Plant Additions	Line 1		$4,632,718
6	Less Capital Repairs Deduction	Line 3		$3,957,731
7	Plant Additions Net of Capital Repairs Deduction	Line 5 - Line 6		$674,987
8	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		100.00%
9	Plant Eligible for Bonus Depreciation	Line 7 × Line 8		$674,987
10	Bonus depreciation 100% category	100% × 15.86%	2/	15.86%
11	Bonus depreciation 50% category	50% × 58.05%	2/	29.03%
12	Bonus depreciation 40% category	40% × 26.35%	2/	10.54%
13	Bonus Depreciation Rate (October 2017 - March 2018)	1 × 50% × 0%	2/	0.00%
14	Total Bonus Depreciation Rate	Line 10 + Line 11 + Line 12 + Line 13		55.43%
15	Bonus Depreciation	Line 9 × Line 14		$374,112
	Remaining Tax Depreciation			
16	Plant Additions	Line 1		$4,632,718
17	Less Capital Repairs Deduction	Line 3		$3,957,731
18	Less Bonus Depreciation	Line 15		$374,112
19	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 16 - Line 17 - Line 18		$300,875
20	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
21	Remaining Tax Depreciation	Line 19 × Line 20		$11,283
22	FY18 tax (gain)/loss on retirements	Per Tax Department	3/	$1,536,434
23	Cost of Removal	Page 2 of 38, Line 7		$1,941,168
24	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 21, 22 & 23		$7,820,728

20 Year MACRS Depreciation

MACRS basis: $300,875

Fiscal Year	(b)	(c) Annual	(d) Cumulative
2018	3.75%	$11,283	$7,820,728
2019	7.22%	$21,720	$7,842,448
2020	6.68%	$20,089	$7,862,538
2021	6.18%	$18,585	$7,881,123
2022	5.71%	$17,189	$7,898,312
2023	5.29%	$15,901	$7,914,213
2024	4.89%	$14,707	$7,928,920
2025	4.52%	$13,606	$7,942,525
2026	4.46%	$13,425	$7,955,950
2027	4.46%	$13,422	$7,969,372
2028	4.46%	$13,425	$7,982,797
2029	4.46%	$13,422	$7,996,219
2030	4.46%	$13,425	$8,009,644
2031	4.46%	$13,422	$8,023,066
2032	4.46%	$13,425	$8,036,491
2033	4.46%	$13,422	$8,049,913
2034	4.46%	$13,425	$8,063,338
2035	4.46%	$13,422	$8,076,761
2036	4.46%	$13,425	$8,090,186
2037	4.46%	$13,422	$8,103,608
2038	2.23%	$6,713	$8,110,320
	100.00%	$300,875	

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

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Incremental Capital Investment

Line No.	Deferred Tax Subject to Proration		(a) FY22	(b) FY23	(c) FY24	(d) FY25	(e) FY26
1	Book Depreciation	Page 2 of 38 , Line 12 ,Col (e) and Col. (f)	($222,059)	($222,059)	($222,059)	($222,059)	($222,059)
2	Bonus Depreciation		$0	$0	$0	$0	$0
3	Remaining MACRS Tax Depreciation	Page 3 of 38 , Col (d)	($17,189)	($15,901)	($14,707)	($13,606)	($13,425)
4	FY18 tax (gain)/loss on retirements		$0	$0	$0	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	($239,248)	($237,960)	($236,765)	($235,664)	($235,484)
6	Effective Tax Rate		21%	21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	($50,242)	($49,972)	($49,721)	($49,489)	($49,452)
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction						
9	Cost of Removal						
10	Book/Tax Depreciation Timing Difference at 3/31/2017						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
12	Effective Tax Rate						
13	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	($50,242)	($49,972)	($49,721)	($49,489)	($49,452)
15	Net Operating Loss		$0	$0	$0	$0	$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	($50,242)	($49,972)	($49,721)	($49,489)	($49,452)
	Allocation of FY 2018 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	($239,248)	($237,960)	($236,765)	($235,664)	($235,484)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	$0	$0	$0	$0	$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	($239,248)	($237,960)	($236,765)	($235,664)	($235,484)
20	Total FY 2018 Federal NOL		$0	$0	$0	$0	$0
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	$0	$0	$0	$0	$0
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$0	$0	$0	$0	$0
23	Effective Tax Rate		21%	21%	21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$0	$0	$0	$0	$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	($50,242)	($49,972)	($49,721)	($49,489)	($49,452)

	Proration Calculation	(h) Number of Days in Month	(i) Proration Percentage	(j) FY22	(k) FY23	(l) FY24	(m) FY25	(n) FY26
26	April	30	91.78%	($3,843)	($3,822)	($3,803)	($3,785)	($3,782)
27	May	31	83.29%	($3,487)	($3,468)	($3,451)	($3,435)	($3,432)
28	June	30	75.07%	($3,143)	($3,126)	($3,110)	($3,096)	($3,094)
29	July	31	66.58%	($2,787)	($2,772)	($2,758)	($2,746)	($2,744)
30	August	31	58.08%	($2,432)	($2,419)	($2,407)	($2,395)	($2,394)
31	September	30	49.86%	($2,088)	($2,076)	($2,066)	($2,056)	($2,055)
32	October	31	41.37%	($1,732)	($1,723)	($1,714)	($1,706)	($1,705)
33	November	30	33.15%	($1,388)	($1,380)	($1,374)	($1,367)	($1,366)
34	December	31	24.66%	($1,032)	($1,027)	($1,022)	($1,017)	($1,016)
35	January	31	16.16%	($677)	($673)	($670)	($667)	($666)
36	February	28	8.49%	($356)	($354)	($352)	($350)	($350)
37	March	31	0.00%	$0	$0	$0	$0	$0
38	Total	365		($22,964)	($22,841)	($22,726)	($22,621)	($22,603)
39	Deferred Tax Without Proration	Line 25		($50,242)	($49,972)	($49,721)	($49,489)	($49,452)
40	Average Deferred Tax without Proration	Line 39 × 50%		($25,121)	($24,986)	($24,860)	($24,745)	($24,726)
41	Proration Adjustment	Line 38 - Line 40		$2,157	$2,145	$2,134	$2,124	$2,123

Column Notes:

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

(j) & (k) Current Year Line 25 ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2022 Revenue Requirement FY 2019 Actual Incremental Gas Capital Investment

Line No.				Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2021 (c)	Fiscal Year 2022 (d)	Fiscal Year 2023 (e)	Fiscal Year 2024 (f)	Fiscal Year 2025 (g)	Fiscal Year 2026 (h)
	Depreciable Net Capital Included in ISR Rate Base										
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (b)		($914,000)	$0	$0	$0	$0	$0	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (b)		($1,368,021)	$0	$0	$0	$0	$0	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$454,021	$454,021	$454,021	$454,021	$454,021	$454,021	$454,021	$454,021
	Change in Net Capital Included in ISR Rate Base										
4	Capital Included in ISR Rate Base	Line 1		($914,000)	$0	$0	$0	$0	$0	$0	$0
5	Depreciation Expense			$0	$0	$0	$0	$0	$0	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		($914,000)	($914,000)	($914,000)	($914,000)	($914,000)	($914,000)	($914,000)	($914,000)
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (b)		$5,626,564	$5,626,564	$5,626,564	$5,626,564	$5,626,564			
8	**Net Plant Amount**	**Line 1 = Line 6+7; Then = Prior Year**		**$4,712,564**	**$4,712,564**	**$4,712,564**	**$4,712,564**	**$4,712,564**	**$4,712,564**	**$4,712,564**	**$4,712,564**
	Deferred Tax Calculation:										
9	Composite Book Depreciation Rate	As Approved in RIPUC Docket No. 4323 & 4770	1/	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1 = Page 6 of 38, Line 21, Col (a); then = Page 6 of 38, Col (d)		$5,200,130	($8,390)	($7,760)	($7,179)	($6,640)	($6,143)	($5,681)	($5,256)
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$5,200,130	$5,191,739	$5,183,979	$5,176,799	$5,170,159	$5,164,017	$5,158,335	$5,153,080
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9		$7,157	$13,575	$13,575	$13,575	$13,575	$13,575	$13,575	$13,575
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$7,157	$20,732	$34,307	$47,883	$61,458	$75,033	$88,608	$102,184
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$5,192,973	$5,171,007	$5,149,671	$5,128,917	$5,108,701	$5,088,984	$5,069,727	$5,050,896
15	Effective Tax Rate			21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$1,090,524	$1,085,911	$1,081,431	$1,077,072	$1,072,827	$1,068,687	$1,064,643	$1,060,688
17	Add: FY 2019 Federal NOL incremental utilization	Page 30 of 38, Line 12, Col (b)		$286,350	$286,350	$286,350	$286,350	$286,350	$286,350	$286,350	$286,350
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$1,376,874	$1,372,261	$1,367,781	$1,363,422	$1,359,177	$1,355,036	$1,350,992	$1,347,038
	ISR Rate Base Calculation:										
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$4,712,564	$4,712,564	$4,712,564	$4,712,564	$4,712,564	$4,712,564	$4,712,564	$4,712,564
20	Accumulated Depreciation	- Line 13		($7,157)	($20,732)	($34,307)	($47,883)	($61,458)	($75,033)	($88,608)	($102,184)
21	Deferred Tax Reserve	- Line 18		($1,376,874)	($1,372,261)	($1,367,781)	($1,363,422)	($1,359,177)	($1,355,036)	($1,350,992)	($1,347,038)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$3,328,533	$3,319,570	$3,310,475	$3,301,259	$3,291,929	$3,282,494	$3,272,963	$3,263,342
	Revenue Requirement Calculation:										
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = 0; then Average of (Prior + Current Year Line 22)					$3,305,867	$3,296,594	$3,287,211	$3,277,729	$3,268,153
24	Proration Adjustment	Year 1 and 2 =0; then = Page 7 of 38, Line 41, Col (j) and Col. (k)					($187)	($182)	($178)	($174)	($170)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24					$3,305,680	$3,296,412	$3,287,034	$3,277,555	$3,267,983
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)					8.41%	8.41%	8.41%	8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26					$278,008	$277,228	$276,440	$275,642	$274,837
28	Book Depreciation	Line 12					$13,575	$13,575	$13,575	$13,575	$13,575
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**N/A**	**N/A**	**N/A**	**$291,583**	**$290,803**	**$290,015**	**$289,218**	**$288,413**

1/ 3.38%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 /12 + 2.99% × 7 / 12

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2019 Incremental Capital Investment

Line No.				Fiscal Year 2019 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 5 of 38, Line 1		($914,000)
2	Capital Repairs Deduction Rate	Per Tax Department	1/	85.18%
3	Capital Repairs Deduction	Line 1 × Line 2		($778,545)
	Bonus Depreciation			
4	Plant Additions	Line 1		($914,000)
5	Less Capital Repairs Deduction	Line 3		($778,545)
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		($135,455)
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		($135,455)
9	Bonus Depreciation Rate (30% Eligible)	1 × 30% × 11.65%	2/	3.50%
10	Bonus Depreciation Rate (40% Eligible)	1 × 40% × 26.75%	2/	10.70%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		14.20%
12	Bonus Depreciation	Line 8 × Line 11		($19,228)
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		($914,000)
14	Less Capital Repairs Deduction	Line 3		($778,545)
15	Less Bonus Depreciation	Line 12		($19,228)
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		($116,227)
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		($4,359)
19	FY19 tax (gain)/loss on retirements	Per Tax Department	3/	$375,698
20	Cost of Removal	Page 5 of 38, Line 7		$5,626,564
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$5,200,130

(b)	(c)	(d)	(e)
MACRS basis:		($116,227)	
		Annual	Cumulative
Fiscal Year			
2019	3.75%	($4,359)	$5,200,130
2020	7.22%	($8,390)	$5,191,739
2021	6.68%	($7,760)	$5,183,979
2022	6.18%	($7,179)	$5,176,799
2023	5.71%	($6,640)	$5,170,159
2024	5.29%	($6,143)	$5,164,017
2025	4.89%	($5,681)	$5,158,335
2026	4.52%	($5,256)	$5,153,080
2027	4.46%	($5,186)	$5,147,894
2028	4.46%	($5,185)	$5,142,709
2029	4.46%	($5,186)	$5,137,523
2030	4.46%	($5,185)	$5,132,338
2031	4.46%	($5,186)	$5,127,152
2032	4.46%	($5,185)	$5,121,967
2033	4.46%	($5,186)	$5,116,781
2034	4.46%	($5,185)	$5,111,596
2035	4.46%	($5,186)	$5,106,410
2036	4.46%	($5,185)	$5,101,225
2037	4.46%	($5,186)	$5,096,039
2038	4.46%	($5,185)	$5,090,854
2039	2.23%	($2,593)	$5,088,261
	100.00%	($116,227)	$0

1/ Capital Repairs percentage is the actual result of FY2019 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2019 tax return
3/ Actual Loss the actual result of FY2019 tax return

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Incremental Capital Investment

Line No.	Deferred Tax Subject to Proration		(a) FY22	(b) FY23	(c) FY24	(d) FY25	(e) FY26
1	Book Depreciation	Page 5 of 38 , Line 12 ,Col (d) and Col. (e)	$13,575	$13,575	$13,575	$13,575	$13,575
2	Bonus Depreciation		$0	$0	$0	$0	$0
3	Remaining MACRS Tax Depreciation	Page 6 of 38 , Col (d)	$7,179	$6,640	$6,143	$5,681	$5,256
4	FY19 tax (gain)/loss on retirements		$0	$0	$0	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$20,755	$20,215	$19,718	$19,256	$18,831
6	Effective Tax Rate		21%	21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$4,358	$4,245	$4,141	$4,044	$3,955
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction						
9	Cost of Removal						
10	Book/Tax Depreciation Timing Difference at 3/31/2019						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	$0	$0	$0	$0	$0
12	Effective Tax Rate		21%	21%	21%	21%	21%
13	Deferred Tax Reserve	Line 11 × Line 12	$0	$0	$0	$0	$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	$4,358	$4,245	$4,141	$4,044	$3,955
15	Net Operating Loss		$0	$0	$0	$0	$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	$4,358	$4,245	$4,141	$4,044	$3,955
	Allocation of FY 2019 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$20,755	$20,215	$19,718	$19,256	$18,831
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	$0	$0	$0	$0	$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	$20,755	$20,215	$19,718	$19,256	$18,831
20	Total FY 2019 Federal NOL		$0	$0	$0	$0	$0
21	Allocated FY 2019 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	$0	$0	$0	$0	$0
22	Allocated FY 2019 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$0	$0	$0	$0	$0
23	Effective Tax Rate		21%	21%	21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$0	$0	$0	$0	$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$4,358	$4,245	$4,141	$4,044	$3,955

		(h) Number of Days in Month	(i) Proration Percentage	(j) FY22	(k) FY23	(l) FY24	(m) FY25	(n) FY26
	Proration Calculation							
26	April	30	91.78%	$333	$325	$317	$309	$302
27	May	31	83.29%	$303	$295	$287	$281	$274
28	June	30	75.07%	$273	$266	$259	$253	$247
29	July	31	66.58%	$242	$236	$230	$224	$219
30	August	31	58.08%	$211	$205	$200	$196	$191
31	September	30	49.86%	$181	$176	$172	$168	$164
32	October	31	41.37%	$150	$146	$143	$139	$136
33	November	30	33.15%	$120	$117	$114	$112	$109
34	December	31	24.66%	$90	$87	$85	$83	$81
35	January	31	16.16%	$59	$57	$56	$54	$53
36	February	28	8.49%	$31	$30	$29	$29	$28
37	March	31	0.00%	$0	$0	$0	$0	$0
38	Total	365		$1,992	$1,940	$1,893	$1,848	$1,808
39	Deferred Tax Without Proration	Line 25		$4,358	$4,245	$4,141	$4,044	$3,955
40	Average Deferred Tax without Proration	Line 39 × 50%		$2,179	$2,123	$2,070	$2,022	$1,977
41	Proration Adjustment	Line 38 - Line 40		($187)	($182)	($178)	($174)	($170)

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

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2022 Revenue Requirement FY 2020 Actual Incremental Gas Capital Investment

Line No.				Fiscal Year 2020 (a)	Fiscal Year 2021 (b)	Fiscal Year 2022 (c)	Fiscal Year 2023 (d)	Fiscal Year 2024 (e)	Fiscal Year 2025 (f)	Fiscal Year 2026 (g)
	Depreciable Net Capital Included in ISR Rate Base									
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (c)		$105,296,046	$0	$0	$0	$0	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (c)	1/	$4,276,135	$0	$0	$0	$0	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$101,019,911	$101,019,911	$101,019,911	$101,019,911	$101,019,911	$101,019,911	$101,019,911
	Change in Net Capital Included in ISR Rate Base									
4	Capital Included in ISR Rate Base	Line 1		$105,296,046	$0	$0	$0	$0	$0	$0
5	Depreciation Expense	Page 34 of 38, Line 72(c)		$23,534,853	$0	$0	$0	$0	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$81,761,193	$81,761,193	$81,761,193	$81,761,193	$81,761,193	$81,761,193	$81,761,193
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (c)		$7,055,630	$7,055,630	$7,055,630	$7,055,630	$7,055,630	$7,055,630	$7,055,630
8	**Net Plant Amount**	Line 1 = Line 6+7; Then = Prior Year		**$88,816,823**	**$88,816,823**	**$88,816,823**	**$88,816,823**	**$88,816,823**	**$88,816,823**	**$88,816,823**
	Deferred Tax Calculation:									
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1 =Page 9 of 38, Line 21, Col (a); then =Page 9 of 38, Col (d)		$89,531,414	$1,753,362	$1,621,720	$1,500,279	$1,387,582	$1,283,629	$1,187,205
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$89,531,414	$91,284,775	$92,906,495	$94,406,774	$95,794,356	$97,077,985	$98,265,189
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$1,510,248	$3,020,495	$3,020,495	$3,020,495	$3,020,495	$3,020,495	$3,020,495
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$1,510,248	$4,530,743	$7,551,238	$10,571,734	$13,592,229	$16,612,724	$19,633,220
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$88,021,166	$86,754,032	$85,355,257	$83,835,040	$82,202,127	$80,465,260	$78,631,970
15	Effective Tax Rate			21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$18,484,445	$18,218,347	$17,924,604	$17,605,358	$17,262,447	$16,897,705	$16,512,714
17	Add: FY 2020 Federal NOL utilization	Page 30 of 38, Line 12, Col (c)		($3,063,059)	($3,063,059)	($3,063,059)	($3,063,059)	($3,063,059)	($3,063,059)	($3,063,059)
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$15,421,386	$15,155,288	$14,861,545	$14,542,300	$14,199,388	$13,834,646	$13,449,655
	ISR Rate Base Calculation:									
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$88,816,823	$88,816,823	$88,816,823	$88,816,823	$88,816,823	$88,816,823	$88,816,823
20	Accumulated Depreciation	- Line 13		($1,510,248)	($4,530,743)	($7,551,238)	($10,571,734)	($13,592,229)	($16,612,724)	($19,633,220)
21	Deferred Tax Reserve	- Line 18		($15,421,386)	($15,155,288)	($14,861,545)	($14,542,300)	($14,199,388)	($13,834,646)	($13,449,655)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$71,885,189	$69,130,792	$66,404,039	$63,702,789	$61,025,206	$58,369,452	$55,733,948
	Revenue Requirement Calculation:									
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = 0; then Average of (Prior + Current Year Line 22)				$67,767,415	$65,053,414	$62,363,998	$59,697,329	$57,051,700
24	Proration Adjustment	Year 1 and 2 =0; then = Page 10 of 38, Line 41, Col (k) and Col. (l)				($12,306)	($13,375)	($14,366)	($15,281)	($16,129)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24				$67,755,109	$65,040,040	$62,349,631	$59,682,048	$57,035,571
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)				8.41%	8.41%	8.41%	8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26				$5,698,205	$5,469,867	$5,243,604	$5,019,260	$4,796,692
28	Book Depreciation	Line 12				$3,020,495	$3,020,495	$3,020,495	$3,020,495	$3,020,495
29	**Annual Revenue Requiremen**	Sum of Lines 27 through 28		**N/A**	**N/A**	**$8,718,700**	**$8,490,363**	**$8,264,099**	**$8,039,756**	**$7,817,187**

1/ 2.99%, Composite Book Depreciation Rate of Distribution Plant approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2020 Incremental Capital Investments

Line No.				Fiscal Year 2020 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 8 of 38, Line 1		$105,296,046
2	Capital Repairs Deduction Rate	Per Tax Department	1/	76.14%
3	Capital Repairs Deduction	Line 1 × Line 2		$80,172,409
	Bonus Depreciation			
4	Plant Additions	Line 1		$105,296,046
5	Less Capital Repairs Deduction	Line 3		$80,172,409
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$25,123,637
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$25,123,637
9	Bonus Depreciation Rate 30%, up to December 31, 2019	14.78% × 30% × 75%		3.33%
10	Bonus Depreciation Rate 0%, after December 31, 2019			0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		3.33%
12	Bonus Depreciation	Line 8 × Line 11		$835,487
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$105,296,046
14	Less Capital Repairs Deduction	Line 3		$80,172,409
15	Less Bonus Depreciation	Line 12		$835,487
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$24,288,150
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$910,806
19	FY20 tax (gain)/loss on retirements	Per Tax Department	2/	$557,081
20	Cost of Removal	Page 8 of 38, Line 7		$7,055,630
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$89,531,414

20 Year MACRS Depreciation

MACRS basis: $24,288,150

Fiscal Year	(c)	(d) Annual	(e) Cumulative
2020	3.75%	$910,806	$89,531,414
2021	7.22%	$1,753,362	$91,284,775
2022	6.68%	$1,621,720	$92,906,495
2023	6.18%	$1,500,279	$94,406,774
2024	5.71%	$1,387,582	$95,794,356
2025	5.29%	$1,283,629	$97,077,985
2026	4.89%	$1,187,205	$98,265,189
2027	4.52%	$1,098,310	$99,363,499
2028	4.46%	$1,083,737	$100,447,237
2029	4.46%	$1,083,494	$101,530,731
2030	4.46%	$1,083,737	$102,614,468
2031	4.46%	$1,083,494	$103,697,963
2032	4.46%	$1,083,737	$104,781,700
2033	4.46%	$1,083,494	$105,865,194
2034	4.46%	$1,083,737	$106,948,932
2035	4.46%	$1,083,494	$108,032,426
2036	4.46%	$1,083,737	$109,116,163
2037	4.46%	$1,083,494	$110,199,658
2038	4.46%	$1,083,737	$111,283,395
2039	4.46%	$1,083,494	$112,366,889
2040	2.23%	$541,869	$112,908,758
	100.00%	$24,288,150	

1/ Capital Repairs percentage is the actual result of FY2020 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2020 tax return
2/ Actual Loss the actual result of FY2020 tax return

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2020 Incremental Capital Investments

Line No.			(a) FY22	(b) FY23	(c) FY24	(d) FY25	(e) FY26
	Deferred Tax Subject to Proration						
1	Book Depreciation	Page 8 of 38 , Line 12 ,Col (c) and Col. (d)	$3,020,495	$3,020,495	$3,020,495	$3,020,495	$3,020,495
2	Bonus Depreciation		$0	$0	$0	$0	$0
3	Remaining MACRS Tax Depreciation	Page 9 of 38 , Col (d)	($1,621,720)	($1,500,279)	($1,387,582)	($1,283,629)	($1,187,205)
4	FY20 tax (gain)/loss on retirements		$0	$0	$0	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$1,398,776	$1,520,216	$1,632,913	$1,736,867	$1,833,291
6	Effective Tax Rate		21%	21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$293,743	$319,245	$342,912	$364,742	$384,991
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction						
9	Cost of Removal						
10	Book/Tax Depreciation Timing Difference at 3/31/2020						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
12	Effective Tax Rate						
13	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	$293,743	$319,245	$342,912	$364,742	$384,991
15	Net Operating Loss						
16	Net Deferred Tax Reserve	Line 14 + Line 15	$293,743	$319,245	$342,912	$364,742	$384,991
	Allocation of FY 2018 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$1,398,776	$1,520,216	$1,632,913	$1,736,867	$1,833,291
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	$0	$0	$0	$0	$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	$1,398,776	$1,520,216	$1,632,913	$1,736,867	$1,833,291
20	Total FY 2020 Federal NOL						
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	$0	$0			
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$0	$0			
23	Effective Tax Rate		21%	21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$0	$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$293,743	$319,245	$342,912	$364,742	$384,991

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY22	(l) FY23	(m) FY24	(n) FY25	(o) FY26
	Proration Calculation								
26	April	30	91.80%		$22,472	$24,423	$26,234	$27,904	$29,453
27	May	31	83.33%		$20,399	$22,170	$23,813	$25,329	$26,735
28	June	30	75.14%		$18,392	$19,989	$21,471	$22,838	$24,106
29	July	31	66.67%		$16,319	$17,736	$19,051	$20,263	$21,388
30	August	31	58.20%		$14,246	$15,483	$16,630	$17,689	$18,671
31	September	30	50.00%		$12,239	$13,302	$14,288	$15,198	$16,041
32	October	31	41.53%		$10,166	$11,049	$11,868	$12,623	$13,324
33	November	30	33.33%		$8,160	$8,868	$9,525	$10,132	$10,694
34	December	31	24.86%		$6,086	$6,615	$7,105	$7,557	$7,977
35	January	31	16.39%		$4,013	$4,361	$4,685	$4,983	$5,259
36	February	29	8.47%		$2,073	$2,253	$2,420	$2,574	$2,717
37	March	31	0.00%		$0	$0	$0	$0	$0
38	Total	366			$134,565	$146,248	$157,090	$167,090	$176,367
39	Deferred Tax Without Proration	Line 25			$293,743	$319,245	$342,912	$364,742	$384,991
40	Average Deferred Tax without Proration								
		Line 39 × 50%			$146,871	$159,623	$171,456	$182,371	$192,496
41	Proration Adjustment	Line 38 - Line 40			($12,306)	($13,375)	($14,366)	($15,281)	($16,129)

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

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
ISR Additions April through August 2020

Line No.	Month No.	Month	FY 2020 ISR Additions (a)	In Rates (b)	Not In Rates (c) = (a) - (b)	Weight for Days (d)	Weighted Average (e) = (d) × (c)	Weight for Investment (f)=(c)÷Total(c)
1								
2	1	Apr-19	$12,009,983	$7,764,750	$4,245,233	0.958	$4,068,348	4.03%
3	2	May-19	$12,009,983	$7,764,750	$4,245,233	0.875	$3,714,579	4.03%
4	3	Jun-19	$12,009,983	$7,764,750	$4,245,233	0.792	$3,360,809	4.03%
5	4	Jul-19	$12,009,983	$7,764,750	$4,245,233	0.708	$3,007,040	4.03%
6	5	Aug-19	$12,009,983	$7,764,750	$4,245,233	0.625	$2,653,271	4.03%
7	6	Sep-19	$12,009,983	$0	$12,009,983	0.542	$6,505,407	11.41%
8	7	Oct-19	$12,009,983	$0	$12,009,983	0.458	$5,504,576	11.41%
9	8	Nov-19	$12,009,983	$0	$12,009,983	0.375	$4,503,744	11.41%
10	9	Dec-19	$12,009,983	$0	$12,009,983	0.292	$3,502,912	11.41%
11	10	Jan-20	$12,009,983	$0	$12,009,983	0.208	$2,502,080	11.41%
12	11	Feb-20	$12,009,983	$0	$12,009,983	0.125	$1,501,248	11.41%
13	12	Mar-20	$12,009,983	$0	$12,009,983	0.042	$500,416	11.41%
14		Total	$144,119,796	$38,823,750	$105,296,046		$41,324,429	100.00%
15	**Total Additions September 2019 through March 2020**				**$84,069,881**			
16	**FY 2020 Weighted Average Incremental Rate Base Percentage**						**39.25%**	

Column (a)=Page 30 of 38 , Line 1 ,Col (c)
Column (b)=Page 30 of 38 , Line 2 ,Col (c)
Column (d) = (12.5 - Month No.) ÷ 12
Line 14 = Page 30 of 38 Line 1 Col (c)
Line 15 = Sum of Lines 7(c) through 13(c)
Line 16 = Line 14(e)/Line 14(c)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2022 Revenue Requirement FY 2021 Forecasted Incremental Gas Capital Investment

Line No.				Fiscal Year 2021 (a)	Fiscal Year 2022 (b)	Fiscal Year 2023 (c)	Fiscal Year 2024 (d)	Fiscal Year 2025 (e)	Fiscal Year 2026 (f)
	Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (d)		$179,664,487	$0	$0	$0	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (d)	1/	$23,555,236	$0	$0	$0	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$156,109,251	$156,109,251	$156,109,251	$156,109,251	$156,109,251	$156,109,251
	Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1		$179,664,487	$0	$0	$0	$0	$0
5	Depreciation Expense	Page 34 of 38, Line 78(c)		$40,700,586	$0	$0	$0	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$138,963,901	$138,963,901	$138,963,901	$138,963,901	$138,963,901	$138,963,901
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (d)		$17,833,998					
8	**Net Plant Amount**	**Line 6 + Line 7**		**$156,797,898**	**$156,797,898**	**$156,797,898**	**$156,797,898**	**$156,797,898**	**$156,797,898**
	Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1 =Page 13 of 38, Line 21, Col (a); then = Page 13 of 38, Col (d)		$173,600,482	$1,909,181	$1,765,840	$1,633,607	$1,510,895	$1,397,703
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$173,600,482	$175,509,663	$177,275,503	$178,909,110	$180,420,005	$181,817,709
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$2,333,833	$4,667,667	$4,667,667	$4,667,667	$4,667,667	$4,667,667
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$2,333,833	$7,001,500	$11,669,167	$16,336,833	$21,004,500	$25,672,166
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$171,266,649	$168,508,163	$165,606,337	$162,572,277	$159,415,505	$156,145,542
15	Effective Tax Rate			21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$35,965,996	$35,386,714	$34,777,331	$34,140,178	$33,477,256	$32,790,564
17	Add: FY 2021 Federal NOL utilization	Page 30 of 38 , Line 12 ,Col (d)		($7,598,182)	($7,598,182)	($7,598,182)	($7,598,182)	($7,598,182)	($7,598,182)
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$28,367,814	$27,788,532	$27,179,148	$26,541,996	$25,879,074	$25,192,382
	ISR Rate Base Calculation:								
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$156,797,898	$156,797,898	$156,797,898	$156,797,898	$156,797,898	$156,797,898
20	Accumulated Depreciation	- Line 13		($2,333,833)	($7,001,500)	($11,669,167)	($16,336,833)	($21,004,500)	($25,672,166)
21	Deferred Tax Reserve	- Line 18		($28,367,814)	($27,788,532)	($27,179,148)	($26,541,996)	($25,879,074)	($25,192,382)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$126,096,251	$122,007,867	$117,949,583	$113,919,069	$109,914,325	$105,933,350
	Revenue Requirement Calculation:								
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = 0; then Average of (Prior + Current Year Line 22)			$124,052,059	$119,978,725	$115,934,326	$111,916,697	$107,923,838
24	Proration Adjustment	Year 1 =0; then = Page 14 of 38, Line 41, Col (k) and Col. (l)			($24,864)	($26,156)	($27,348)	($28,454)	($29,474)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24			$124,027,195	$119,952,569	$115,906,978	$111,888,243	$107,894,363
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)			8.41%	8.41%	8.41%	8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26			$10,430,687	$10,088,011	$9,747,777	$9,409,801	$9,073,916
28	Book Depreciation	Line 12			$4,667,667	$4,667,667	$4,667,667	$4,667,667	$4,667,667
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**N/A**	**$15,098,354**	**$14,755,678**	**$14,415,443**	**$14,077,468**	**$13,741,583**

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2021 Incremental Capital Investments

Line No.				Fiscal Year 2021 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 12 of 38, Line 1		$179,664,487
2	Capital Repairs Deduction Rate	Per Tax Department	1/	85.28%
3	Capital Repairs Deduction	Line 1 × Line 2		$153,217,875
	Bonus Depreciation			
4	Plant Additions	Line 1		$179,664,487
5	Less Capital Repairs Deduction	Line 3		$153,217,875
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$26,446,612
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$0
9	Bonus Depreciation Rate ()	Per Tax Department		0.00%
10	Bonus Depreciation Rate ()	Per Tax Department		0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		0.00%
12	Bonus Depreciation	Line 8 × Line 11		$0
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$179,664,487
14	Less Capital Repairs Deduction	Line 3		$153,217,875
15	Less Bonus Depreciation	Line 12		$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$26,446,612
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$991,748
19	FY21 tax (gain)/loss on retirements	Per Tax Department	2/	1,556,861
20	Cost of Removal	Page 12 of 38, Line 7		$17,833,998
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$173,600,482

(b)	(c)	(d)	(e)
20 Year MACRS Depreciation			
MACRS basis:		$26,446,612	
		Annual	Cumulative
Fiscal Year			
2021	3.75%	$991,748	$173,600,482
2022	7.22%	$1,909,181	$175,509,663
2023	6.68%	$1,765,840	$177,275,503
2024	6.18%	$1,633,607	$178,909,110
2025	5.71%	$1,510,895	$180,420,005
2026	5.29%	$1,397,703	$181,817,709
2027	4.89%	$1,292,710	$183,110,419
2028	4.52%	$1,195,916	$184,306,335
2029	4.46%	$1,180,048	$185,486,383
2030	4.46%	$1,179,783	$186,666,166
2031	4.46%	$1,180,048	$187,846,214
2032	4.46%	$1,179,783	$189,025,997
2033	4.46%	$1,180,048	$190,206,045
2034	4.46%	$1,179,783	$191,385,828
2035	4.46%	$1,180,048	$192,565,876
2036	4.46%	$1,179,783	$193,745,660
2037	4.46%	$1,180,048	$194,925,707
2038	4.46%	$1,179,783	$196,105,491
2039	4.46%	$1,180,048	$197,285,539
2040	4.46%	$1,179,783	$198,465,322
2041	2.23%	$590,024	$199,055,346
	100.00%	$26,446,612	

1/ Capital Repairs percentage is based on a three-year average of FYs 2017, 2018 and 2019 capital repairs rates.
2/ FY 2021 estimated tax loss on retirements is tax department estimate

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2021 Incremental Capital Investments

Line No.			(a) FY22	(b) FY23	(c) FY24	(d) FY25	(e) FY26
	Deferred Tax Subject to Proration						
1	Book Depreciation	Page 12 of 38 , Line 12 ,Col (b) and Col (c)	$4,667,667	$4,667,667	$4,667,667	$4,667,667	$4,667,667
2	Bonus Depreciation	Page 13 of 38 , Line 12 ,Col (a)	$0				
3	Remaining MACRS Tax Depreciation	Page 13 of 38 , Col (d)	($1,909,181)	($1,765,840)	($1,633,607)	($1,510,895)	($1,397,703)
4	FY21 tax (gain)/loss on retirements	Page 13 of 38 , Line 19 ,Col (a)	$0	$0	$0	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$2,758,486	$2,901,826	$3,034,059	$3,156,772	$3,269,963
6	Effective Tax Rate		21%	21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$579,282	$609,384	$637,152	$662,922	$686,692
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 13 of 38 , Line 3 ,Col (a)					
9	Cost of Removal	Page 12 of 38 , Line 7 ,Col (a)					
10	Book/Tax Depreciation Timing Difference at 3/31/2021						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
12	Effective Tax Rate						
13	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	$579,282	$609,384	$637,152	$662,922	$686,692
15	Net Operating Loss	- Page 12 of 38 , Line 17 ,Col (a)					
16	Net Deferred Tax Reserve	Line 14 + Line 15	$579,282	$609,384	$637,152	$662,922	$686,692
	Allocation of FY 2021 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$2,758,486	$2,901,826	$3,034,059	$3,156,772	$3,269,963
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	$0	$0	$0	$0	$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	$2,758,486	$2,901,826	$3,034,059	$3,156,772	$3,269,963
20	Total FY 2021 Federal NOL	- Page 12 of 38 , Line 17 ,Col (a)÷21%					
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	$0	$0	$0	$0	$0
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$0	$0	$0	$0	$0
23	Effective Tax Rate		21%	21%	21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$0	$0	$0	$0	$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$579,282	$609,384	$637,152	$662,922	$686,692

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY22	(l) FY23	(m) FY24	(n) FY25	(o) FY26
	Proration Calculation								
26	April	30	91.78%		$44,306	$46,608	$48,732	$50,703	$52,521
27	May	31	83.29%		$40,206	$42,295	$44,222	$46,011	$47,661
28	June	30	75.07%		$36,238	$38,121	$39,858	$41,470	$42,957
29	July	31	66.58%		$32,138	$33,808	$35,349	$36,779	$38,097
30	August	31	58.08%		$28,038	$29,495	$30,839	$32,087	$33,237
31	September	30	49.86%		$24,071	$25,321	$26,475	$27,546	$28,534
32	October	31	41.37%		$19,971	$21,008	$21,966	$22,854	$23,674
33	November	30	33.15%		$16,003	$16,835	$17,602	$18,314	$18,970
34	December	31	24.66%		$11,903	$12,522	$13,092	$13,622	$14,110
35	January	31	16.16%		$7,803	$8,209	$8,583	$8,930	$9,250
36	February	28	8.49%		$4,100	$4,313	$4,510	$4,692	$4,860
37	March	31	0.00%		$0	$0	$0	$0	$0
38	Total	365			$264,777	$278,536	$291,228	$303,007	$313,872
39	Deferred Tax Without Proration	Line 25			$579,282	$609,384	$637,152	$662,922	$686,692
40	Average Deferred Tax without Proration	Line 39 × 0.5			$289,641	$304,692	$318,576	$331,461	$343,346
41	Proration Adjustment	Line 38 - Line 40			($24,864)	($26,156)	($27,348)	($28,454)	($29,474)

Column Notes:
(i) Sum of remaining days in the year (Col (h)) divided by 365
(k) ~ (o) Current Year Line 25 ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2022 Revenue Requirement FY 2022 Forecasted Incremental Gas Capital Investment

Line No.				Fiscal Year 2022 (a)	Fiscal Year 2023 (b)	Fiscal Year 2024 (c)	Fiscal Year 2025 (d)	Fiscal Year 2026 (e)
	Depreciable Net Capital Included in ISR Rate Base							
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (e)		$175,462,000	$0	$0	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (e)	1/	$21,307,741	$0	$0	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$154,154,259	$154,154,259	$154,154,259	$154,154,259	$154,154,259
	Change in Net Capital Included in ISR Rate Base							
4	Capital Included in ISR Rate Base	Line 1		$175,462,000	$0	$0	$0	$0
5	Depreciation Expense	Page 34 of 38, Line 77(c)		$40,954,246	$0	$0	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$134,507,754	$134,507,754	$134,507,754	$134,507,754	$134,507,754
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (e)		$4,212,654				
8	**Net Plant Amount**	**Line 6 + Line 7**		**$138,720,407**	**$138,720,407**	**$138,720,407**	**$138,720,407**	**$138,720,407**
	Deferred Tax Calculation:							
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%	2.99%	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1 =Page 16 of 38, Line 21, Col (a); then = Page 16 of 38, Col (d)		$149,466,469	$2,307,475	$2,134,230	$1,974,411	$1,826,098
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$149,466,469	$151,773,944	$153,908,175	$155,882,585	$157,708,684
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$2,304,606	$4,609,212	$4,609,212	$4,609,212	$4,609,212
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$2,304,606	$6,913,819	$11,523,031	$16,132,243	$20,741,456
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$147,161,863	$144,860,126	$142,385,144	$139,750,342	$136,967,228
15	Effective Tax Rate			21.00%	21.00%	21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$30,903,991	$30,420,626	$29,900,880	$29,347,572	$28,763,118
17	Add: FY 2022 Federal NOL utilization	Page 30 of 38 , Line 12 ,Col (e)		$6,564,587	$6,564,587	$6,564,587	$6,564,587	$6,564,587
18	Net Deferred Tax Reserve before Proration Adjustmen	Line 16 + Line 17		$37,468,578	$36,985,213	$36,465,467	$35,912,158	$35,327,705
	ISR Rate Base Calculation:							
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$138,720,407	$138,720,407	$138,720,407	$138,720,407	$138,720,407
20	Accumulated Depreciation	- Line 13		($2,304,606)	($6,913,819)	($11,523,031)	($16,132,243)	($20,741,456)
21	Deferred Tax Reserve	- Line 18		($37,468,578)	($36,985,213)	($36,465,467)	($35,912,158)	($35,327,705)
22	Year End Rate Base before Deferred Tax Proratior	Sum of Lines 19 through 21		$98,947,223	$94,821,376	$90,731,910	$86,676,006	$82,651,247
	Revenue Requirement Calculation:							
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2		$49,473,612	$96,884,299	$92,776,643	$88,703,958	$84,663,626
24	Proration Adjustment	Page 17 of 38, Line 41, Col (k) and Col. (l)		($5,998)	($20,747)	($22,309)	($23,749)	($25,086)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24		$49,467,613	$96,863,552	$92,754,334	$88,680,208	$84,638,540
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)		8.41%	8.41%	8.41%	8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26		$4,160,226	$8,146,225	$7,800,639	$7,458,006	$7,118,101
28	Book Depreciation	Line 12		$2,304,606	$4,609,212	$4,609,212	$4,609,212	$4,609,212
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**$6,464,832**	**$12,755,437**	**$12,409,852**	**$12,067,218**	**$11,727,314**

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2022 Incremental Capital Investments

Line No.				Fiscal Year 2022 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 15 of 38, Line 1		$175,462,000
2	Capital Repairs Deduction Rate	Per Tax Department	1/	81.78%
3	Capital Repairs Deduction	Line 1 × Line 2		$143,498,087
	Bonus Depreciation			
4	Plant Additions	Line 1		$175,462,000
5	Less Capital Repairs Deduction	Line 3		$143,498,087
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$31,963,913
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$0
9	Bonus Depreciation Rate 30%	Per Tax Department		0.00%
10	Bonus Depreciation Rate 0%	Per Tax Department		0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		0.00%
12	Bonus Depreciation	Line 8 × Line 11		$0
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$175,462,000
14	Less Capital Repairs Deduction	Line 3		$143,498,087
15	Less Bonus Depreciation	Line 12		$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$31,963,913
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$1,198,647
19	FY22 tax (gain)/loss on retirements	Per Tax Department	2/	$557,081
20	Cost of Removal	Page 15 of 38, Line 7		$4,212,654
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$149,466,469

20 Year MACRS Depreciation

MACRS basis: $31,963,913

Fiscal Year	(b)	(c) Annual	(d) Cumulative
2022	3.75%	$1,198,647	$149,466,469
2023	7.22%	$2,307,475	$151,773,944
2024	6.68%	$2,134,230	$153,908,175
2025	6.18%	$1,974,411	$155,882,585
2026	5.71%	$1,826,098	$157,708,684
2027	5.29%	$1,689,293	$159,397,977
2028	4.89%	$1,562,396	$160,960,373
2029	4.52%	$1,445,408	$162,405,781
2030	4.46%	$1,426,230	$163,832,011
2031	4.46%	$1,425,910	$165,257,921
2032	4.46%	$1,426,230	$166,684,151
2033	4.46%	$1,425,910	$168,110,061
2034	4.46%	$1,426,230	$169,536,291
2035	4.46%	$1,425,910	$170,962,201
2036	4.46%	$1,426,230	$172,388,430
2037	4.46%	$1,425,910	$173,814,341
2038	4.46%	$1,426,230	$175,240,570
2039	4.46%	$1,425,910	$176,666,481
2040	4.46%	$1,426,230	$178,092,710
2041	4.46%	$1,425,910	$179,518,621
2042	2.23%	$713,115	$180,231,735
	100.00%	$31,963,913	

1/ Capital Repairs percentage is based on a three-year average of FYs 2018, 2019 and 2020 capital repairs rates.
2/ FY 2022 estimated tax loss on retirements is tax department estimate

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2022 Incremental Capital Investments

Line No.			(a) FY22	(b) FY23	(c) FY24	(d) FY25	(e) FY26
	Deferred Tax Subject to Proration						
1	Book Depreciation	Page 15 of 38 , Line 12 ,Col (a) and Col (b)	$2,304,606	$4,609,212	$4,609,212	$4,609,212	$4,609,212
2	Bonus Depreciation	- Page 16 of 38 , Line 12 ,Col (a)	$0				
3	Remaining MACRS Tax Depreciation	- Page 16 of 38 , Col (d)	($1,198,647)	($2,307,475)	($2,134,230)	($1,974,411)	($1,826,098)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 38 , Line 19 ,Col (a)	($557,081)	$0	$0	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$548,878	$2,301,737	$2,474,982	$2,634,801	$2,783,114
6	Effective Tax Rate		21%	21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$115,264	$483,365	$519,746	$553,308	$584,454
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 38 , Line 3 ,Col (a)	($143,498,087)				
9	Cost of Removal	- Page 15 of 38 , Line 7 ,Col (a)	($4,212,654)				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	($147,710,741)				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	($31,019,256)				
14	Total Deferred Tax Reserve	Line 7 + Line 13	($30,903,991)	$483,365	$519,746	$553,308	$584,454
15	Net Operating Loss	- Page 15 of 38 , Line 17 ,Col (a)	($6,564,587)				
16	Net Deferred Tax Reserve	Line 14 + Line 15	($37,468,578)	$483,365	$519,746	$553,308	$584,454
	Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$548,878				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	($147,710,741)				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	($147,161,863)				
20	Total FY 2022 Federal NOL	- Page 15 of 38 , Line 17 ,Col (a)÷21%	($31,259,936)				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	($31,376,528)				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$116,592				
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$24,484				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$139,749	$483,365	$519,746	$553,308	$584,454

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY22	(l) FY23	(m) FY24	(n) FY25	(o) FY26
	Proration Calculation								
26	April	30	91.78%		$10,689	$36,970	$39,752	$42,319	$44,701
27	May	31	83.29%		$9,699	$33,549	$36,074	$38,403	$40,565
28	June	30	75.07%		$8,742	$30,238	$32,514	$34,613	$36,562
29	July	31	66.58%		$7,753	$26,817	$28,835	$30,697	$32,425
30	August	31	58.08%		$6,764	$23,396	$25,157	$26,781	$28,289
31	September	30	49.86%		$5,807	$20,085	$21,597	$22,991	$24,286
32	October	31	41.37%		$4,818	$16,664	$17,918	$19,075	$20,149
33	November	30	33.15%		$3,861	$13,353	$14,358	$15,285	$16,146
34	December	31	24.66%		$2,872	$9,932	$10,680	$11,369	$12,009
35	January	31	16.16%		$1,882	$6,511	$7,001	$7,453	$7,873
36	February	28	8.49%		$989	$3,421	$3,679	$3,916	$4,137
37	March	31	0.00%		$0	$0	$0	$0	$0
38	Total	365			$63,876	$220,935	$237,564	$252,905	$267,141
39	Deferred Tax Without Proration	Line 25			$139,749	$483,365	$519,746	$553,308	$584,454
40	Average Deferred Tax without Proration	Line 39 × 0.5			$69,874	$241,682	$259,873	$276,654	$292,227
41	Proration Adjustment	Line 38 - Line 40			($5,998)	($20,747)	($22,309)	($23,749)	($25,086)

Column Notes:
(i) Sum of remaining days in the year (Col (h)) divided by 365
(k) ~ (o) Current Year Line 25 ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2023 Revenue Requirement FY 2023 Forecasted Incremental Gas Capital Investment

Line No.				Fiscal Year 2023 (a)	Fiscal Year 2024 (b)	Fiscal Year 2025 (c)	Fiscal Year 2026 (d)
	Depreciable Net Capital Included in ISR Rate Base						
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (e)		$210,158,762	$0	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (e)	1/	$26,269,985	$0	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$183,888,777	$183,888,777	$183,888,777	$183,888,777
	Change in Net Capital Included in ISR Rate Base						
4	Capital Included in ISR Rate Base	Line 1		$210,158,762	$0	$0	$0
5	Depreciation Expense	Page 34 of 38, Line 77(c)		$40,954,246	$0	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$169,204,515	$169,204,515	$169,204,515	$169,204,515
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (e)		$5,610,238			
8	**Net Plant Amount**	**Line 6 + Line 7**		**$174,814,754**	**$174,814,754**	**$174,814,754**	**$174,814,754**
	Deferred Tax Calculation:						
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1 =Page 19 of 38, Line 21, Col (a); then = Page 19 of 38, Col (d)		$179,477,133	$2,763,767	$2,556,264	$2,364,841
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$179,477,133	$182,240,900	$184,797,164	$187,162,005
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$2,749,137	$5,498,274	$5,498,274	$5,498,274
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$2,749,137	$8,247,412	$13,745,686	$19,243,961
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$176,727,996	$173,993,488	$171,051,478	$167,918,044
15	Effective Tax Rate			21.00%	21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$37,112,879	$36,538,632	$35,920,810	$35,262,789
17	Add: FY 2022 Federal NOL utilization	Page 30 of 38 , Line 12 ,Col (e)		$6,564,587	$6,564,587	$6,564,587	$6,564,587
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$43,677,466	$43,103,219	$42,485,397	$41,827,376
	ISR Rate Base Calculation:						
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$174,814,754	$174,814,754	$174,814,754	$174,814,754
20	Accumulated Depreciation	- Line 13		($2,749,137)	($8,247,412)	($13,745,686)	($19,243,961)
21	Deferred Tax Reserve	- Line 18		($43,677,466)	($43,103,219)	($42,485,397)	($41,827,376)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$128,388,151	$123,464,123	$118,583,670	$113,743,417
	Revenue Requirement Calculation:						
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2		$64,194,075	$125,926,137	$121,023,897	$116,163,544
24	Proration Adjustment	Page 20 of 38, Line 41, Col (k) and Col. (l)		($8,024)	($24,648)	($26,518)	($28,244)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24		$64,186,052	$125,901,489	$120,997,378	$116,135,300
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)		8.41%	8.41%	8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26		$5,398,047	$10,588,315	$10,175,880	$9,766,979
28	Book Depreciation	Line 12		$2,749,137	$5,498,274	$5,498,274	$5,498,274
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**$8,147,184**	**$16,086,590**	**$15,674,154**	**$15,265,253**

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2023 Incremental Capital Investments

Line No.				Fiscal Year 2023 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 18 of 38, Line 1		$210,158,762
2	Capital Repairs Deduction Rate	Per Tax Department	1/	81.78%
3	Capital Repairs Deduction	Line 1 × Line 2		$171,874,140
	Bonus Depreciation			
4	Plant Additions	Line 1		$210,158,762
5	Less Capital Repairs Deduction	Line 3		$171,874,140
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$38,284,622
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$0
9	Bonus Depreciation Rate 30%	Per Tax Department		0.00%
10	Bonus Depreciation Rate 0%	Per Tax Department		0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		0.00%
12	Bonus Depreciation	Line 8 × Line 11		$0
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$210,158,762
14	Less Capital Repairs Deduction	Line 3		$171,874,140
15	Less Bonus Depreciation	Line 12		$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$38,284,622
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$1,435,673
19	Tax (gain)/loss on retirements	Per Tax Department	2/	$557,081
20	Cost of Removal	Page 18 of 38, Line 7		$5,610,238
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$179,477,133

(b)	(c)	(d)	(e)
20 Year MACRS Depreciation			
MACRS basis:		$38,284,622	
		Annual	Cumulative
Fiscal Year			
2022	3.75%	$1,435,673	$179,477,133
2023	7.22%	$2,763,767	$182,240,900
2024	6.68%	$2,556,264	$184,797,164
2025	6.18%	$2,364,841	$187,162,005
2026	5.71%	$2,187,200	$189,349,205
2027	5.29%	$2,023,342	$191,372,548
2028	4.89%	$1,871,352	$193,243,900
2029	4.52%	$1,731,231	$194,975,130
2030	4.46%	$1,708,260	$196,683,390
2031	4.46%	$1,707,877	$198,391,267
2032	4.46%	$1,708,260	$200,099,527
2033	4.46%	$1,707,877	$201,807,404
2034	4.46%	$1,708,260	$203,515,664
2035	4.46%	$1,707,877	$205,223,541
2036	4.46%	$1,708,260	$206,931,801
2037	4.46%	$1,707,877	$208,639,678
2038	4.46%	$1,708,260	$210,347,937
2039	4.46%	$1,707,877	$212,055,814
2040	4.46%	$1,708,260	$213,764,074
2041	4.46%	$1,707,877	$215,471,951
2042	2.23%	$854,130	$216,326,081
	100.00%	$38,284,622	

1/ Capital Repairs percentage is based on a three-year average of FYs 2018, 2019 and 2020 capital repairs rates.
2/ Based on FY 2022 estimated tax loss from the Tax Department

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2023 Incremental Capital Investments

Line No.			(a) FY23	(b) FY24	(c) FY25	(d) FY26
	Deferred Tax Subject to Proration					
1	Book Depreciation	Page 18 of 38 , Line 12 ,Col (a) and Col (b)	$2,749,137	$5,498,274	$5,498,274	$5,498,274
2	Bonus Depreciation	- Page 19 of 38 , Line 12 ,Col (a)	$0			
3	Remaining MACRS Tax Depreciation	- Page 19 of 38 , Col (d)	($1,435,673)	($2,763,767)	($2,556,264)	($2,364,841)
4	FY22 tax (gain)/loss on retirements	- Page 19 of 38 , Line 19 ,Col (a)	($557,081)	$0	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$756,382	$2,734,508	$2,942,010	$3,133,433
6	Effective Tax Rate		21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$158,840	$574,247	$617,822	$658,021
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	- Page 19 of 38 , Line 3 ,Col (a)	($171,874,140)			
9	Cost of Removal	- Page 18 of 38 , Line 7 ,Col (a)	($5,610,238)			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	($177,484,378)			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	($37,271,719)			
14	Total Deferred Tax Reserve	Line 7 + Line 13	($37,112,879)	$574,247	$617,822	$658,021
15	Net Operating Loss	- Page 18 of 38 , Line 17 ,Col (a)	($6,564,587)			
16	Net Deferred Tax Reserve	Line 14 + Line 15	($43,677,466)	$574,247	$617,822	$658,021
	Allocation of FY 2022 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$756,382			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	($177,484,378)			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	($176,727,996)			
20	Total FY 2022 Federal NOL	- Page 18 of 38 , Line 17 ,Col (a)÷21%	($31,259,936)			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	($31,393,726)			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$133,790			
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$28,096			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$186,936	$574,247	$617,822	$658,021

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY23	(l) FY24	(m) FY25	(n) FY26
	Proration Calculation							
26	April	30	91.78%		$14,298	$43,921	$47,254	$50,328
27	May	31	83.29%		$12,975	$39,856	$42,881	$45,671
28	June	30	75.07%		$11,694	$35,923	$38,649	$41,164
29	July	31	66.58%		$10,371	$31,859	$34,276	$36,507
30	August	31	58.08%		$9,048	$27,795	$29,904	$31,849
31	September	30	49.86%		$7,768	$23,861	$25,672	$27,342
32	October	31	41.37%		$6,445	$19,797	$21,299	$22,685
33	November	30	33.15%		$5,164	$15,864	$17,068	$18,178
34	December	31	24.66%		$3,841	$11,800	$12,695	$13,521
35	January	31	16.16%		$2,518	$7,735	$8,322	$8,864
36	February	28	8.49%		$1,323	$4,064	$4,373	$4,657
37	March	31	0.00%		$0	$0	$0	$0
38	Total	365			$85,444	$262,475	$282,393	$300,767
39	Deferred Tax Without Proration	Line 25			$186,936	$574,247	$617,822	$658,021
40	Average Deferred Tax without Proration	Line 39 × 0.5			$93,468	$287,123	$308,911	$329,011
41	Proration Adjustment	Line 38 - Line 40			($8,024)	($24,648)	($26,518)	($28,244)

Column Notes:
(i) Sum of remaining days in the year (Col (h)) divided by 365
(k) ~ (n) Current Year Line 25 ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2024 Revenue Requirement FY 2024 Forecasted Incremental Gas Capital Investment

Line No.				Fiscal Year 2024 (a)	Fiscal Year 2025 (b)	Fiscal Year 2026 (c)
	Depreciable Net Capital Included in ISR Rate Base					
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (e)		$305,609,677	$0	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (e)	1/	$38,201,412	$0	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$267,408,264	$267,408,264	$267,408,264
	Change in Net Capital Included in ISR Rate Base					
4	Capital Included in ISR Rate Base	Line 1		$305,609,677	$0	$0
5	Depreciation Expense	Page 34 of 38, Line 77(c)		$40,954,246	$0	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$264,655,430	$264,655,430	$264,655,430
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (e)		$8,158,323		
8	**Net Plant Amount**	**Line 6 + Line 7**		**$272,813,754**	**$272,813,754**	**$272,813,754**
	Deferred Tax Calculation:					
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%	2.99%	2.99%
10	Tax Depreciation	Year 1 =Page 22 of 38, Line 21, Col (a); then = Page 22 of 38, Col (d)		$260,739,901	$4,019,028	$3,717,281
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$260,739,901	$264,758,928	$268,476,209
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$3,997,754	$7,995,507	$7,995,507
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$3,997,754	$11,993,261	$19,988,768
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$256,742,147	$252,765,668	$248,487,441
15	Effective Tax Rate			21.00%	21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$53,915,851	$53,080,790	$52,182,363
17	Add: FY 2022 Federal NOL utilization	Page 30 of 38 , Line 12 ,Col (e)		$6,564,587	$6,564,587	$6,564,587
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$60,480,438	$59,645,377	$58,746,949
	ISR Rate Base Calculation:					
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$272,813,754	$272,813,754	$272,813,754
20	Accumulated Depreciation	- Line 13		($3,997,754)	($11,993,261)	($19,988,768)
21	Deferred Tax Reserve	- Line 18		($60,480,438)	($59,645,377)	($58,746,949)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$208,335,562	$201,175,116	$194,078,036
	Revenue Requirement Calculation:					
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2		$104,167,781	$204,755,339	$197,626,576
24	Proration Adjustment	Page 23 of 38, Line 41, Col (k) and Col. (l)		($13,680)	($35,843)	($38,563)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24		$104,154,101	$204,719,496	$197,588,014
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)		8.41%	8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26		$8,759,360	$17,216,910	$16,617,152
28	Book Depreciation	Line 12		$3,997,754	$7,995,507	$7,995,507
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**$12,757,113**	**$25,212,417**	**$24,612,659**

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2024 Incremental Capital Investments

Line No.				Fiscal Year 2024 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 21 of 38, Line 1		$305,609,677
2	Capital Repairs Deduction Rate	Per Tax Department	1/	81.78%
3	Capital Repairs Deduction	Line 1 × Line 2		$249,936,762
	Bonus Depreciation			
4	Plant Additions	Line 1		$305,609,677
5	Less Capital Repairs Deduction	Line 3		$249,936,762
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$55,672,915
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$0
9	Bonus Depreciation Rate 30%	Per Tax Department		0.00%
10	Bonus Depreciation Rate 0%	Per Tax Department		0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		0.00%
12	Bonus Depreciation	Line 8 × Line 11		$0
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$305,609,677
14	Less Capital Repairs Deduction	Line 3		$249,936,762
15	Less Bonus Depreciation	Line 12		$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$55,672,915
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$2,087,734
19	Tax (gain)/loss on retirements	Per Tax Department	2/	$557,081
20	Cost of Removal	Page 21 of 38, Line 7		$8,158,323
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$260,739,901

(b)	(c)	(d)	(e)
20 Year MACRS Depreciation			
MACRS basis:		$55,672,915	
		Annual	Cumulative
Fiscal Year			
2022	3.75%	$2,087,734	$260,739,901
2023	7.22%	$4,019,028	$264,758,928
2024	6.68%	$3,717,281	$268,476,209
2025	6.18%	$3,438,916	$271,915,125
2026	5.71%	$3,180,594	$275,095,719
2027	5.29%	$2,942,314	$278,038,032
2028	4.89%	$2,721,292	$280,759,324
2029	4.52%	$2,517,529	$283,276,853
2030	4.46%	$2,484,125	$285,760,979
2031	4.46%	$2,483,569	$288,244,548
2032	4.46%	$2,484,125	$290,728,673
2033	4.46%	$2,483,569	$293,212,242
2034	4.46%	$2,484,125	$295,696,367
2035	4.46%	$2,483,569	$298,179,936
2036	4.46%	$2,484,125	$300,664,061
2037	4.46%	$2,483,569	$303,147,630
2038	4.46%	$2,484,125	$305,631,755
2039	4.46%	$2,483,569	$308,115,324
2040	4.46%	$2,484,125	$310,599,450
2041	4.46%	$2,483,569	$313,083,018
2042	2.23%	$1,242,063	$314,325,081
	100.00%	$55,672,915	

1/ Capital Repairs percentage is based on a three-year average of FYs 2018, 2019 and 2020 capital repairs rates.
2/ Based on FY 2022 estimated tax loss from the Tax Department

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2024 Incremental Capital Investments

Line No.			(a) FY24	(b) FY25	(c) FY26
	Deferred Tax Subject to Proration				
1	Book Depreciation	Page 21 of 38 , Line 12 ,Col (a) and Col (b)	$3,997,754	$7,995,507	$7,995,507
2	Bonus Depreciation	- Page 22 of 38 , Line 12 ,Col (a)	$0		
3	Remaining MACRS Tax Depreciation	- Page 22 of 38 , Col (d)	($2,087,734)	($4,019,028)	($3,717,281)
4	FY22 tax (gain)/loss on retirements	- Page 22 of 38 , Line 19 ,Col (a)	($557,081)	$0	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$1,352,938	$3,976,479	$4,278,227
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$284,117	$835,061	$898,428
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 22 of 38 , Line 3 ,Col (a)	($249,936,762)		
9	Cost of Removal	- Page 21 of 38 , Line 7 ,Col (a)	($8,158,323)		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	($258,095,085)		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	($54,199,968)		
14	Total Deferred Tax Reserve	Line 7 + Line 13	($53,915,851)	$835,061	$898,428
15	Net Operating Loss	- Page 21 of 38 , Line 17 ,Col (a)	($6,564,587)		
16	Net Deferred Tax Reserve	Line 14 + Line 15	($60,480,438)	$835,061	$898,428
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$1,352,938		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	($258,095,085)		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	($256,742,147)		
20	Total FY 2022 Federal NOL	- Page 21 of 38 , Line 17 ,Col (a)÷21%	($31,259,936)		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	($31,424,665)		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$164,729		
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$34,593		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$318,710	$835,061	$898,428

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY24	(l) FY25	(m) FY26
	Proration Calculation						
26	April	30	91.78%		$24,376	$63,869	$68,715
27	May	31	83.29%		$22,121	$57,959	$62,357
28	June	30	75.07%		$19,938	$52,239	$56,203
29	July	31	66.58%		$17,682	$46,329	$49,844
30	August	31	58.08%		$15,426	$40,418	$43,486
31	September	30	49.86%		$13,243	$34,699	$37,332
32	October	31	41.37%		$10,987	$28,789	$30,973
33	November	30	33.15%		$8,805	$23,069	$24,820
34	December	31	24.66%		$6,549	$17,159	$18,461
35	January	31	16.16%		$4,293	$11,249	$12,102
36	February	28	8.49%		$2,256	$5,910	$6,359
37	March	31	0.00%		$0	$0	$0
38	Total	365			$145,675	$381,688	$410,651
39	Deferred Tax Without Proration	Line 25			$318,710	$835,061	$898,428
40	Average Deferred Tax without Proration	Line 39 × 0.5			$159,355	$417,530	$449,214
41	Proration Adjustment	Line 38 - Line 40			($13,680)	($35,843)	($38,563)

Column Notes:
(i) Sum of remaining days in the year (Col (h)) divided by 365
(k) ~ (m) Current Year Line 25 ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2025 Revenue Requirement FY 2025 Forecasted Incremental Gas Capital Investment

Line No.				Fiscal Year 2025 (a)	Fiscal Year 2026 (b)
	Depreciable Net Capital Included in ISR Rate Base				
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (e)		$267,669,499	$0
2	Retirements	Page 30 of 38 , Line 9 ,Col (e)	1/	$33,458,865	$0
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$234,210,634	$234,210,634
	Change in Net Capital Included in ISR Rate Base				
4	Capital Included in ISR Rate Base	Line 1		$267,669,499	$0
5	Depreciation Expense	Page 34 of 38, Line 77(c)		$40,954,246	$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$226,715,252	$226,715,252
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (e)		$7,145,501	
8	**Net Plant Amount**	**Line 6 + Line 7**		**$233,860,754**	**$233,860,754**
	Deferred Tax Calculation:				
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%	2.99%
10	Tax Depreciation	Year 1 =Page 25 of 38, Line 21, Col (a); then = Page 25 of 38, Col (d)		$228,439,280	$3,520,082
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$228,439,280	$231,959,362
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$3,501,449	$7,002,898
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$3,501,449	$10,504,347
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$224,937,831	$221,455,015
15	Effective Tax Rate			21.00%	21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$47,236,944	$46,505,553
17	Add: FY 2022 Federal NOL utilization	Page 30 of 38 , Line 12 ,Col (e)		$6,564,587	$6,564,587
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$53,801,531	$53,070,140
	ISR Rate Base Calculation:				
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$233,860,754	$233,860,754
20	Accumulated Depreciation	- Line 13		($3,501,449)	($10,504,347)
21	Deferred Tax Reserve	- Line 18		($53,801,531)	($53,070,140)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$176,557,773	$170,286,267
	Revenue Requirement Calculation:				
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2		$88,278,887	$173,422,020
24	Proration Adjustment	Page 26 of 38, Line 41, Col (k) and Col. (l)		($11,455)	($31,393)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24		$88,267,431	$173,390,627
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)		8.41%	8.41%
27	Return and Taxes	Line 25 × Line 26		$7,423,291	$14,582,152
28	Book Depreciation	Line 12		$3,501,449	$7,002,898
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**$10,924,740**	**$21,585,050**

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Incremental Capital Investments

Line No.				Fiscal Year 2025 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 24 of 38, Line 1		$267,669,499
2	Capital Repairs Deduction Rate	Per Tax Department	1/	81.78%
3	Capital Repairs Deduction	Line 1 × Line 2		$218,908,146
	Bonus Depreciation			
4	Plant Additions	Line 1		$267,669,499
5	Less Capital Repairs Deduction	Line 3		$218,908,146
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$48,761,353
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$0
9	Bonus Depreciation Rate 30%	Per Tax Department		0.00%
10	Bonus Depreciation Rate 0%	Per Tax Department		0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		0.00%
12	Bonus Depreciation	Line 8 × Line 11		$0
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$267,669,499
14	Less Capital Repairs Deduction	Line 3		$218,908,146
15	Less Bonus Depreciation	Line 12		$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$48,761,353
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$1,828,551
19	Tax (gain)/loss on retirements	Per Tax Department	2/	$557,081
20	Cost of Removal	Page 24 of 38, Line 7		$7,145,501
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$228,439,280

(b)	(c)	(d)	(e)
20 Year MACRS Depreciation			
MACRS basis:		$48,761,353	
		Annual	Cumulative
Fiscal Year			
2022	3.75%	$1,828,551	$228,439,280
2023	7.22%	$3,520,082	$231,959,362
2024	6.68%	$3,255,796	$235,215,157
2025	6.18%	$3,011,989	$238,227,146
2026	5.71%	$2,785,736	$241,012,882
2027	5.29%	$2,577,037	$243,589,920
2028	4.89%	$2,383,455	$245,973,374
2029	4.52%	$2,204,988	$248,178,363
2030	4.46%	$2,175,732	$250,354,094
2031	4.46%	$2,175,244	$252,529,338
2032	4.46%	$2,175,732	$254,705,070
2033	4.46%	$2,175,244	$256,880,314
2034	4.46%	$2,175,732	$259,056,045
2035	4.46%	$2,175,244	$261,231,289
2036	4.46%	$2,175,732	$263,407,021
2037	4.46%	$2,175,244	$265,582,265
2038	4.46%	$2,175,732	$267,757,996
2039	4.46%	$2,175,244	$269,933,240
2040	4.46%	$2,175,732	$272,108,972
2041	4.46%	$2,175,244	$274,284,216
2042	2.23%	$1,087,866	$275,372,082
	100.00%	$48,761,353	

1/ Capital Repairs percentage is based on a three-year average of FYs 2018, 2019 and 2020 capital repairs rates.
2/ Based on FY 2022 estimated tax loss from the Tax Department

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2025 Incremental Capital Investments

Line No.			(a) FY25	(b) FY26
	Deferred Tax Subject to Proration			
1	Book Depreciation	Page 24 of 38 , Line 12 ,Col (a) and Col (b)	$3,501,449	$7,002,898
2	Bonus Depreciation	- Page 25 of 38 , Line 12 ,Col (a)	$0	
3	Remaining MACRS Tax Depreciation	- Page 25 of 38 , Col (d)	($1,828,551)	($3,520,082)
4	FY22 tax (gain)/loss on retirements	- Page 25 of 38 , Line 19 ,Col (a)	($557,081)	$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$1,115,817	$3,482,816
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	$234,322	$731,391
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 25 of 38 , Line 3 ,Col (a)	($218,908,146)	
9	Cost of Removal	- Page 24 of 38 , Line 7 ,Col (a)	($7,145,501)	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	($226,053,647)	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	($47,471,266)	
14	Total Deferred Tax Reserve	Line 7 + Line 13	($47,236,944)	$731,391
15	Net Operating Loss	- Page 24 of 38 , Line 17 ,Col (a)	($6,564,587)	
16	Net Deferred Tax Reserve	Line 14 + Line 15	($53,801,531)	$731,391
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$1,115,817	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	($226,053,647)	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	($224,937,830)	
20	Total FY 2022 Federal NOL	- Page 24 of 38 , Line 17 ,Col (a)÷21%	($31,259,936)	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	($31,415,003)	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$155,067	
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$32,564	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$266,886	$731,391

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY25	(l) FY26
	Proration Calculation					
26	April	30	91.78%		$20,412	$55,940
27	May	31	83.29%		$18,524	$50,763
28	June	30	75.07%		$16,696	$45,754
29	July	31	66.58%		$14,807	$40,577
30	August	31	58.08%		$12,918	$35,401
31	September	30	49.86%		$11,090	$30,391
32	October	31	41.37%		$9,201	$25,215
33	November	30	33.15%		$7,373	$20,205
34	December	31	24.66%		$5,484	$15,029
35	January	31	16.16%		$3,595	$9,852
36	February	28	8.49%		$1,889	$5,177
37	March	31	0.00%		$0	$0
38	Total	365			$121,987	$334,303
39	Deferred Tax Without Proration	Line 25			$266,886	$731,391
40	Average Deferred Tax without Proration	Line 39 × 0.5			$133,443	$365,696
41	Proration Adjustment	Line 38 - Line 40			($11,455)	($31,393)

Column Notes:
(i) Sum of remaining days in the year (Col (h)) divided by 365
(k) ~ (l) Current Year Line 25 ÷ 12 × Current Month Col (i)

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2026 Revenue Requirement FY 2026 Forecasted Incremental Gas Capital Investment

Line No.				Fiscal Year 2026 (a)
	Depreciable Net Capital Included in ISR Rate Base			
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 30 of 38 , Line 3 ,Col (e)		$263,164,754
2	Retirements	Page 30 of 38 , Line 9 ,Col (e)	1/	$32,895,769
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		$230,268,985
	Change in Net Capital Included in ISR Rate Base			
4	Capital Included in ISR Rate Base	Line 1		$263,164,754
5	Depreciation Expense	Page 34 of 38, Line 77(c)		$40,954,246
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		$222,210,508
7	Cost of Removal	Page 30 of 38 , Line 6 ,Col (e)		$7,025,246
8	**Net Plant Amount**	**Line 6 + Line 7**		**$229,235,754**
	Deferred Tax Calculation:			
9	Composite Book Depreciation Rate	Page 32 of 38, Line 86(e)	1/	2.99%
10	Tax Depreciation	Year 1 =Page 28 of 38, Line 21, Col (a); then = Page 28 of 38, Col (d)		$224,604,135
11	Cumulative Tax Depreciation	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10		$224,604,135
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9		$3,442,521
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		$3,442,521
14	Cumulative Book / Tax Timer	Line 11 - Line 13		$221,161,614
15	Effective Tax Rate			21.00%
16	Deferred Tax Reserve	Line 14 × Line 15		$46,443,939
17	Add: FY 2022 Federal NOL utilization	Page 30 of 38 , Line 12 ,Col (e)		$6,564,587
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17		$53,008,526
	ISR Rate Base Calculation:			
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		$229,235,754
20	Accumulated Depreciation	- Line 13		($3,442,521)
21	Deferred Tax Reserve	- Line 18		($53,008,526)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21		$172,784,707
	Revenue Requirement Calculation:			
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2		$86,392,353
24	Proration Adjustment	#REF!		($11,190)
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24		$86,381,164
26	Pre-Tax ROR	Page 38 of 38, Line 30, Column (e)		8.41%
27	Return and Taxes	Line 25 × Line 26		$7,264,656
28	Book Depreciation	Line 12		$3,442,521
29	**Annual Revenue Requirement**	**Sum of Lines 27 through 28**		**$10,707,177**

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2026 Incremental Capital Investments

Line No.				Fiscal Year 2026 (a)
	Capital Repairs Deduction			
1	Plant Additions	Page 27 of 38, Line 1		$263,164,754
2	Capital Repairs Deduction Rate	Per Tax Department	1/	81.78%
3	Capital Repairs Deduction	Line 1 × Line 2		$215,224,031
	Bonus Depreciation			
4	Plant Additions	Line 1		$263,164,754
5	Less Capital Repairs Deduction	Line 3		$215,224,031
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5		$47,940,723
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%
8	Plant Eligible for Bonus Depreciation	Line 6 × Line 7		$0
9	Bonus Depreciation Rate 30%	Per Tax Department		0.00%
10	Bonus Depreciation Rate 0%	Per Tax Department		0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10		0.00%
12	Bonus Depreciation	Line 8 × Line 11		$0
	Remaining Tax Depreciation			
13	Plant Additions	Line 1		$263,164,754
14	Less Capital Repairs Deduction	Line 3		$215,224,031
15	Less Bonus Depreciation	Line 12		$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15		$47,940,723
17	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%
18	Remaining Tax Depreciation	Line 16 × Line 17		$1,797,777
19	Tax (gain)/loss on retirements	Per Tax Department	2/	$557,081
20	Cost of Removal	Page 27 of 38, Line 7		$7,025,246
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19 & 20		$224,604,135

20 Year MACRS Depreciation

MACRS basis: $47,940,723

Fiscal Year	(b)	(c) Annual	(d) Cumulative
2022	3.75%	$1,797,777	$224,604,135
2023	7.22%	$3,460,841	$228,064,976
2024	6.68%	$3,201,002	$231,265,978
2025	6.18%	$2,961,298	$234,227,277
2026	5.71%	$2,738,854	$236,966,130
2027	5.29%	$2,533,667	$239,499,797
2028	4.89%	$2,343,343	$241,843,140
2029	4.52%	$2,167,879	$244,011,019
2030	4.46%	$2,139,115	$246,150,135
2031	4.46%	$2,138,636	$248,288,770
2032	4.46%	$2,139,115	$250,427,885
2033	4.46%	$2,138,636	$252,566,521
2034	4.46%	$2,139,115	$254,705,636
2035	4.46%	$2,138,636	$256,844,272
2036	4.46%	$2,139,115	$258,983,387
2037	4.46%	$2,138,636	$261,122,022
2038	4.46%	$2,139,115	$263,261,137
2039	4.46%	$2,138,636	$265,399,773
2040	4.46%	$2,139,115	$267,538,888
2041	4.46%	$2,138,636	$269,677,524
2042	2.23%	$1,069,558	$270,747,081
	100.00%	$47,940,723	

1/ Capital Repairs percentage is based on a three-year average of FYs 2018, 2019 and 2020 capital repairs rates.
2/ Based on FY 2022 estimated tax loss from the Tax Department

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2026 Incremental Capital Investments

Line No.			(a) FY26
	Deferred Tax Subject to Proration		
1	Book Depreciation	#REF!	$3,442,521
2	Bonus Depreciation	- Page 28 of 38 , Line 12 ,Col (a)	$0
3	Remaining MACRS Tax Depreciation	- Page 28 of 38 , Col (d)	($1,797,777)
4	FY22 tax (gain)/loss on retirements	- Page 28 of 38 , Line 19 ,Col (a)	($557,081)
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	$1,087,663
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	$228,409
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 28 of 38 , Line 3 ,Col (a)	($215,224,031)
9	Cost of Removal	- Page 27 of 38 , Line 7 ,Col (a)	($7,025,246)
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	($222,249,277)
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	($46,672,348)
14	Total Deferred Tax Reserve	Line 7 + Line 13	($46,443,939)
15	Net Operating Loss	- Page 27 of 38 , Line 17 ,Col (a)	($6,564,587)
16	Net Deferred Tax Reserve	Line 14 + Line 15	($53,008,526)
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	$1,087,663
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	($222,249,277)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	($221,161,614)
20	Total FY 2022 Federal NOL	- Page 27 of 38 , Line 17 ,Col (a)÷21%	($31,259,936)
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	($31,413,671)
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	$153,735
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	$32,284
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	$260,694

		(h) Number of Days in Month	(i) Proration Percentage	(j)	(k) FY26
	Proration Calculation				
26	April	30	91.78%		$19,939
27	May	31	83.29%		$18,094
28	June	30	75.07%		$16,308
29	July	31	66.58%		$14,463
30	August	31	58.08%		$12,618
31	September	30	49.86%		$10,832
32	October	31	41.37%		$8,987
33	November	30	33.15%		$7,202
34	December	31	24.66%		$5,357
35	January	31	16.16%		$3,512
36	February	28	8.49%		$1,845
37	March	31	0.00%		$0
38	Total	365			$119,157
39	Deferred Tax Without Proration	Line 25			$260,694
40	Average Deferred Tax without Proration	Line 39 × 0.5			$130,347
41	Proration Adjustment	Line 38 - Line 40			($11,190)

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

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
FY 2018 - FY 2026 Incremental Capital Investment Summary

Line No.			Actual Fiscal Year 2018 (a)	Actual Fiscal Year 2019 (b)	Actual Fiscal Year 2020 (c)	Plan Fiscal Year 2021 (d)	Plan Fiscal Year 2022 (e)	Plan Fiscal Year 2023 (f)	Plan Fiscal Year 2024 (g)	Plan Fiscal Year 2025 (h)	Plan Fiscal Year 2026 (i)
	Capital Investment										
1	ISR-eligible Capital Investment	Col (a)=Docket No. 4678 FY18 Reconciliation Filing; Col (b)=Docket No. 4781 FY19 Reconciliation Filing; Col (c)=Docket No. 4916 FY20 Reconciliation Filing; Col (d)=Docket No. 4996 FY21 Plan Filing; Col(e)=Section 2, Table 1	$97,809,718	$92,263,000	$144,119,796	$179,664,487	$175,462,000	$210,158,762	$305,609,677	$267,669,499	$263,164,754
2	ISR-eligible Capital Additions included in Rate Base per RIPUC Docket No. 4770	Docket No. 4770 Schedule MAL-11-Gas Page 5, Col (a)=Lines 1(a) + 1(b); Col(b)=Lines 1(c) + 1(d); Col(c)= Line 1(e)	$93,177,000	$93,177,000	$38,823,750	$0	$0	$0	$0	$0	$0
3	Incremental ISR Capital Investment	Line 1 - Line 2	$4,632,718	($914,000)	$105,296,046	$179,664,487	$175,462,000	$210,158,762	$305,609,677	$267,669,499	$263,164,754
	Cost of Removal										
4	ISR-eligible Cost of Removal	Col (a) Docket No. 4678 FY 2018 ISR Reconciliation Filing; Col (b) Docket No. 4781 FY 2019 ISR Reconciliation Filing; Col (c) Docket No. 4916 FY 2020 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 Plan Filing; Col (e)=Section 2, Table 1	$8,603,224	$11,583,085	$10,161,508	$18,947,513	$4,684,000	$5,610,238	$8,158,323	$7,145,501	$7,025,246
5	ISR-eligible Cost of Removal in Rate Base per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L23+L42×7÷12+Docket 4678 Page 2, Line 7x3÷12; Col(b)=[P1]L42×5÷12+[P2]L18×7÷12; Col (c)=[P2]L18×5÷12+L39×7÷12; Col (d)=[P2] L39×5÷12+L60×7÷12; Col (e)= [P2] L60×5÷12	$6,662,056	$5,956,522	$3,105,878	$1,113,515	$471,346	$0	$0	$0	$0
6	Incremental Cost of Removal	Line 4 - Line 5	$1,941,168	$5,626,564	$7,055,630	$17,833,998	$4,212,654	$5,610,238	$8,158,323	$7,145,501	$7,025,246
	Retirements										
7	ISR-eligible Retirements	Col (a) Docket No. 4678 FY 2018 ISR Reconciliation Filing; Col (b) Docket No. 4781 FY 2019 ISR Reconciliation FilingCol (c) Docket No. 4916 FY 2020 ISR Reconciliation Filing; Col (d) Docket No. 4996 FY21 Plan Filing; Col(e)=FY22 Planned Investment x 3-year average actual retirement rate FY18 - FY20	$24,056,661	$6,531,844	$8,395,321	$25,032,041	$21,932,866	$26,269,985	$38,201,412	$33,458,865	$32,895,769
8	ISR-eligible Retirements per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L24+L43×7÷12+ Docket 4678 Page 2, Line 2x3÷12; Col(b)=[P1]L43×5÷12+[P2]L19×7÷12; Col (c)=[P2]L19×5÷12+L40×7÷12; Col (d) = [P2]L40×5÷12+L61×7÷12; Col (e)= L61×5÷12	$11,997,233	$7,899,865	$4,119,186	$1,476,805	$625,125	$0	$0	$0	$0
9	Incremental Retirements	Line 7 - Line 8	$12,059,428	($1,368,021)	$4,276,135	$23,555,236	$21,307,741	$26,269,985	$38,201,412	$33,458,865	$32,895,769
	(NOL)/ NOL Utilization										
10	ISR (NOL)/NOL Utilization Per ISR	Page 31 of 38, Line 15	($6,051,855)	$1,091,119	$0	$0	$10,722,358	$12,815,001	$8,709,673	$3,186,562	$11,558,139
11	ISR NOL Utilization Per Docket 4770	Schedule 11-Gas Page 11, Docket No. 4770: Col (a)= L40×5÷12; Col (b) = L40×5÷12+L48×7÷12; Col (c) = P11,L48×5÷12+P12,L39×7÷12; Col (d) = P12,L39×5÷12+P12,L49×7÷12; Col (e)= P12,L49×5÷12	$0	$804,769	$3,063,059	$7,598,182	$4,157,771	$0	$0	$0	$0
12	Incremental (NOL)/NOL Utilization	Line 10 - Line 11	($6,051,855)	$286,350	($3,063,059)	($7,598,182)	$6,564,587	$12,815,001	$8,709,673	$3,186,562	$11,558,139

Note:
Cols (f) through (i)

1,4 Total Line 1 and Line 4 agree with the last row in Section 2, Table 2 (Bates page 77). Allocation between Line 1 and Line 4 is based on the ratio in FY 2022.

FY	2022	2023	2024	2025	2026
Line 1	$175,462,000	$210,158,762	$305,609,677	$267,669,499	$263,164,754
Line 4	$4,684,000	$5,610,238	$8,158,323	$7,145,501	$7,025,246
Sum of Line 1 and Line 4	$180,146,000	$215,769,000	$313,768,000	$274,815,000	$270,190,000
	-	-	-	-	-

2,5,8,11 Cols (f) through (i) are set to zero as the rate year 3 in Docket No 4770 ends on August 31, 2021 which is before FY 2023.
7 Planned Investment x 3-year average actual retirement rate FY18 - FY20
10 Based on most recent budget per Tax Department

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")

		(a)	(b) Test Year July 2016 - June 2017	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
											Jul & Aug 2017	12 Mths Aug 31 2018	12 Mths Aug 31 2019	12 Mths Aug 31 2020	12 Mths Aug 31 2021	12 Mths Aug 31 2022	12 Mths Aug 31 2023	12 Mths Aug 31 2024	12 Mths Aug 31 2025
1	Total Base Rate Plant DIT Provision		$29,439,421								$5,223,437	$20,453,237	$16,078,372	$5,085,206	$7,746,916	$0	$0	$0	$0
2	Excess DIT amortization										$0	$0	($1,470,238)	($1,470,238)	($1,470,238)	$0	$0	$0	$0
		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
3	Total Base Rate Plant DIT Provision										$24,514,347	$17,043,594	$8,195,454	$5,167,632	$2,615,283	$0	$0	$0	$0
4	Incremental FY 18	$2,507,039	$2,560,766	$2,611,618	$2,662,153	$2,712,395	$2,762,366	$2,812,087	$2,861,576	$2,911,028	$2,507,039	$53,728	$50,851	$50,535	$50,242	$49,972	$49,721	$49,489	$49,452
5	Incremental FY 19	$0	$1,090,524	$1,085,911	$1,081,431	$1,077,072	$1,072,827	$1,068,687	$1,064,643	$1,060,688	$0	$1,090,524	($4,613)	($4,480)	($4,358)	($4,245)	($4,141)	($4,044)	($3,955)
6	Incremental FY 20	$0	$0	$18,484,445	$18,218,347	$17,924,604	$17,605,358	$17,262,447	$16,897,705	$16,512,714	$0	$0	$18,484,445	($266,098)	($293,743)	($319,245)	($342,912)	($364,742)	($384,991)
7	Incremental FY 21				$35,965,996	$35,386,714	$34,777,331	$34,140,178	$33,477,256	$32,790,564				$35,965,996	($579,282)	($609,384)	($637,152)	($662,922)	($686,692)
8	Incremental FY 22					$30,903,991	$30,420,626	$29,900,880	$29,347,572	$28,763,118					$30,903,991	($483,365)	($519,746)	($553,308)	($584,454)
9	Incremental FY 23						$37,112,879	$36,538,632	$35,920,810	$35,262,789						$37,112,879	($574,247)	($617,822)	($658,021)
10	Incremental FY 24							$53,915,851	$53,080,790	$52,182,363							$53,915,851	($835,061)	($898,428)
11	Incremental FY 25								$47,236,944	$46,505,553								$47,236,944	($731,391)
12	Incremental FY 26									$46,443,939									$46,443,939
13	TOTAL Plant DIT Provision	$2,507,039	$3,651,291	$22,181,974	$57,927,927	$88,004,776	$123,751,388	$175,638,762	$219,887,297	$262,432,756	$27,021,386	$18,187,846	$26,726,137	$40,913,585	$32,692,132	$35,746,612	$51,887,374	$44,248,535	$42,545,459
14	NOL (Utilization)										$6,051,855	($1,091,119)	$0	$0	($10,722,358)	($12,815,001)	($8,709,673)	($3,186,562)	($11,558,139)
15	Lesser of NOL or DIT Provision										$6,051,855	($1,091,119)	$0	$0	($10,722,358)	($12,815,001)	($8,709,673)	($3,186,562)	($11,558,139)

Line Notes:

1(b) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 2 of 23, Line 29, Col (e) minus Col (b)
1(j) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 3 plus Line 4
1(k) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 7
1(l) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 50
1(m) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 41
1(n) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 51
1(o) RIPUC Docket Nos. 4770/4780 third rate year ends at Aug 31, 2021
2 RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 52
3 Col (f) = Line 1(b) × 25% + Line 1(f) + Line 1(g) × 7/12; Col (g) = Line 1(g) × 5/12 + Line 1(h) × 7/12 + Line (2(g) x 5/12 + Line 2(h) × 7/12; Col (h) = Line 1(h) × 5/12 + Line 1(i) × 7/12 + Line (2(h) x 5/12 + Line 2(i) × 7/12; Col (i) = Line 1(i) × 5/12 + Line 1(j) × 7/12 + Line (2(i) x 5/12 + Line 2(j) × 7/12;
4(a)-12(i) Cumulative DIT plus Deferred Income Tax (Page 2, Line 16 + Line 18; Page 5, Line 16; Page 8, Line 16; Page 12, Line 16; Page 15, Line 16; Page 18, Line 16;Page 21, Line 16;Page 24, Line 16;Page 27, Line 16;)
4(f)-12(i) Year over year change in cumulative DIT shown in Cols (a) through (i)
13 Sum of Lines 3 through 12
14 Col (j)~(r) = Docket no. 4916 FY 20 ISR Rec, Att. MAL-1, p.19, L. 8; Col (m) ~Col (r) Per Tax Department
15 Lesser of Line 9 or Line 10

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

	Account No.	Account Title	Test Year June 30, 2017 (a)	1/ ARO Adjustment (b)	Adjustments June 30, 2017 (c)	Adjusted Balance (d) = (a) + (b) + (c)	Proposed Rate (e)	Depreciation Expense (f) = (d) x (e)
		Intangible Plant						
1	302.00	Franchises And Consents	$213,499	$0	$0	$213,499	0.00%	$0
2	303.00	Misc. Intangible Plant	$25,427	$0	$0	$25,427	0.00%	$0
3	303.01	Misc. Int Cap Software	$19,833,570	$0	$9,991,374	$29,824,944	0.00%	$0
4								
5		Total Intangible Plant	$20,072,496	$0	$9,991,374	$30,063,870		$0
6								
7		Production Plant						
8								
9	304.00	Production Land Land Rights	$364,912	$0	$0	$364,912	0.00%	$0
10	305.00	Prod. Structures & Improvements	$2,693,397	$0	$0	$2,693,397	15.05%	$405,356
11	307.00	Production Other Power	$46,159	$0	$0	$46,159	7.16%	$3,305
12	311.00	Production LNG Equipment	$3,167,445	$0	$0	$3,167,445	11.40%	$361,089
13	320.00	Prod. Other Equipment	$1,106,368	$0	$0	$1,106,368	6.69%	$74,016
14								
15		Total Production Plant	$7,378,281	$0	$0	$7,378,281		$843,766
16								
17		Storage Plant						
18								
19	360.00	Stor. Land & Land Rights	$261,151	$0	$0	$261,151	0.00%	$0
20	361.03	Storage Structures Improvements	$3,385,049	$0	$0	$3,385,049	0.99%	$33,512
21	362.04	Storage Gas Holders	$4,606,338	$0	$0	$4,606,338	0.04%	$1,843
22	363.00	Stor. Purification Equipment	$13,891,210	$0	$0	$13,891,210	3.37%	$468,134
23								
24		Total Storage Plant	$22,143,748	$0	$0	$22,143,748		$503,488
25								
26		Distribution Plant						
27								
28	374.00	Dist. Land & Land Rights	$956,717	$0	$0	$956,717	0.00%	$0
29	375.00	Gas Dist Station Structure	$10,642,632	$0	$0	$10,642,632	1.15%	$122,390
30	376.00	Distribution Mains	$46,080,760	$0	$0	$46,080,760	3.61%	$1,663,515
31	376.03	Dist. River Crossing Main	$695,165	$0	$0	$695,165	3.61%	$25,095
32	376.04	Mains - Steel And Other - Sl	$4,190	$0	$0	$4,190	0.00%	$0
33	376.06	Dist. District Regulator	$14,213,837	$0	$0	$14,213,837	3.61%	$513,120
34	376.11	Gas Mains Steel	$57,759,572	$0	$0	$57,759,572	3.31%	$1,908,954
35	376.12	Gas Mains Plastic	$382,797,443	$0	$0	$382,797,443	2.70%	$10,316,391
36	376.13	Gas Mains Cast Iron	$5,556,209	$0	$0	$5,556,209	8.39%	$465,888
37	376.14	Gas Mains Valves	$222,104	$0	$0	$222,104	3.61%	$8,018
38	376.15	Propane Lines	$0	$0	$0	$0	3.61%	$0
39	376.16	Dist. Cathodic Protect	$1,569,576	$0	$0	$1,569,576	3.61%	$56,662
40	376.17	Dist. Joint Seals	$63,067,055	$0	$0	$63,067,055	4.63%	$2,920,005
41	377.00	T&D Compressor Sta Equipment	$248,656	$0	$0	$248,656	1.07%	$2,661
42	377.62	1/ 5360-Tanks ARO	$299	($299)	$0	$0	0.00%	$0
43	378.10	Gas Measure & Reg Sta Equipment	$19,586,255	$0	$0	$19,586,255	2.08%	$407,394
44	378.55	Gas M&Reg Sta Eqp RTU	$372,772	$0	$0	$372,772	6.35%	$23,671
45	379.00	Dist. Measure. Reg. Gs	$11,033,164	$0	$0	$11,033,164	2.22%	$244,936
46	379.01	Dist. Meas. Reg. Gs Eq	$1,399,586	$0	$0	$1,399,586	0.00%	$0
47	380.00	Gas Services All Sizes	$331,205,854	$0	$0	$331,205,854	3.05%	$10,101,779
48	381.10	Sml Meter& Reg Bare Co	$26,829,565	$0	$0	$26,829,565	1.76%	$472,200
49	381.30	Lrg Meter& Reg Bare Co	$15,779,214	$0	$0	$15,779,214	1.76%	$277,714
50	381.40	Meters	$9,332,227	$0	$0	$9,332,227	0.96%	$89,589
51	382.00	Meter Installations	$675,201	$0	$0	$675,201	3.66%	$24,712
52	382.20	Sml Meter& Reg Installation	$43,145,998	$0	$0	$43,145,998	3.66%	$1,579,144
53	382.30	Lrg Meter&Reg Installation	$2,524,025	$0	$0	$2,524,025	3.66%	$92,379
54	383.00	Dist. House Regulators	$937,222	$0	$0	$937,222	0.67%	$6,279
55	384.00	T&D Gas Reg Installs	$1,216,551	$0	$0	$1,216,551	1.56%	$18,978
56	385.00	Industrial Measuring And Regulating Station Equipment	$540,187	$0	$0	$540,187	4.18%	$22,580
57	385.01	Industrial Measuring And Regulating Station Equipment	$255,921	$0	$0	$255,921	0.00%	$0
58	386.00	Other Property On Customer Premises	$271,765	$0	$0	$271,765	0.23%	$625
59	386.02	Dist. Consumer Prem Equipment	$110,131	$0	$0	$110,131	0.00%	$0
60	387.00	Dist. Other Equipment	$930,079	$0	$0	$930,079	2.15%	$19,997
61	388.00	1/ ARO	$5,736,827	($5,736,827)	$0	$0	0.00%	$0
62								
63		Total Distribution Plant	$1,055,696,761	($5,737,126)	$0	$1,049,959,635	2.99%	$31,384,677
64								
65		General Plant						
66								
67	389.01	General Plant Land Lan	$285,357	$0	$0	$285,357	0.00%	$0
68	390.00	Structures And Improvements	$7,094,532	$0	$0	$7,094,532	3.12%	$221,349
69	391.01	Gas Office Furniture & Fixture	$274,719	$0	$0	$274,719	6.67%	$18,324
70	394.00	General Plant Tools Shop (Fully Dep)	$26,487	$0	$0	$26,487	0.00%	$0
71	394.00	General Plant Tools Shop	$5,513,613	$0	$0	$5,513,613	5.00%	$275,681
72	395.00	General Plant Laboratory	$221,565	$0	$0	$221,565	6.67%	$14,778
73	397.30	Communication Radio Site Specific	$387,650	$0	$0	$387,650	5.00%	$19,383
74	397.42	Communication Equip Tel Site	$63,481	$0	$0	$63,481	20.00%	$12,696
75	398.10	Miscellaneous Equipment (Fully Dep)	$1,341,386	$0	$0	$1,341,386	0.00%	$0
76	398.10	Miscellaneous Equipment	$2,789,499	$0	$0	$2,789,499	6.67%	$186,060
77	399.10	1/ ARO	$342,146	($342,146)	$0	$0	0.00%	$0
78								
79		Total General Plant	$18,340,436	($342,146)	$0	$17,998,289	4.16%	$748,271
80								
81		Grand Total - All Categories	$1,123,631,722	($6,079,273)	$9,991,374	$1,127,543,823	3.05%	$33,480,202
82							2.97%	
83		Other Utility Plant Assets						
84			Line 63		Total Distribution Plant	$1,049,959,635	2.99%	$31,384,677
85			Line 73 + Line 74		Communication Equipment	$451,132	7.11%	$32,079
86					Total ISR Tangible Plant	$1,050,410,767	2.99%	$31,416,756
					Non ISR Assets	$77,133,057		

Lines 1 through 81 - per RIPUC Docket No. 4770 Compliance filing dated August 16, 2018 , Compliance Attachment 2, Schedule 6-GAS, Pages 3 & 4

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket Nos. 4770/4780
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The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Gas
For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019

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

Line No	Description		Reference	Amount	Less non-ISR eligible Plant	ISR Amount
				(a)	(b)	(c)
1	Total Company Rate Year Depreciation		Sum of Page 2, Line 16 and Line 17	$39,136,909		
2	Total Company Test Year Depreciation		Per Company Books	$33,311,851		
3	Less: Reserve adjustments		Page 4, Line 29, Col (b) + Col (c)	($15,649)		
4	Adjusted Total Company Test Year Depreciation Expense		Line 2 + Line 3	$33,296,202		
5	Depreciation Expense Adjustmen		Line 1 - Line 4	$5,840,707		
6						
7				Per Book		
8	Test Year Depreciation Expense 12 Months Ended 06/30/17:			Amount		
9	Total Gas Utility Plant 06/30/17		Page 4, Line 27, Col (d)	$1,405,994,678	($77,133,057)	$1,328,861,622
10	Less Non Depreciable Plant		Sum of Page 3, Line 5, Col (d) and Page 4, Line 25, Col (e)	($308,514,725)		($308,514,725)
11	Depreciable Utility Plant 06/30/17		Line 9 + Line 10	$1,097,479,953	($77,133,057)	$1,020,346,897
12						
13	Plus: Added Plant 2 Mos Ended 08/31/17		Schedule 11-GAS, Page 3, Line 4	$19,592,266		$19,592,266
14	Less: Retired Plant 2 Months Ended 08/31/17	1/	Line 13 x Retirement Rate	($1,345,989)		($1,345,989)
15	Depreciable Utility Plant 08/31/17		Line 11 + Line 13 + Line 14	$1,115,726,231	($77,133,057)	$1,020,346,897
16						
17	Average Depreciable Plant for Year Ended 08/31/17		(Line 11 + Line 15)/2	$1,106,603,092		$1,106,603,092
18						
19	Composite Book Rate %		As Approved in RIPUC Docket No. 4323	3.38%		
20						
21	Book Depreciation Reserve 06/30/17		Page 5, Line 72, Col (d)	$357,576,825		$357,576,825
22	Plus: Book Depreciation Expense		Line 17 x Line 19	$6,233,864		$6,233,864
23	Less: Net Cost of Removal/(Salvage)	2/	Line 13 x Cost of Removal Rate	($1,014,879)		($1,014,879)
24	Less: Retired Plant		Line 14	($1,345,989)		($1,345,989)
25	Book Depreciation Reserve 08/31/17		Sum of Line 21 through Line 24	$361,449,821		
26						
27	Depreciation Expense 12 Months Ended 08/31/18					
28	Total Utility Plant 08/31/17		Line 9 + Line 13 + Line 14	$1,424,240,956	($77,133,057)	$1,347,107,900
29	Less Non Depreciable Plant		Line 10	($308,514,725)		($308,514,725)
30	Depreciable Utility Plant 08/31/17		Line 28 + Line 29	$1,115,726,231		$1,038,593,175
31						
32	Plus: Plant Added in 12 Months Ended 08/31/18		Schedule 11-GAS, Page 3, Line 11	$115,710,016		$115,710,016
33	Less: Plant Retired in 12 Months Ended 08/31/18		Line 32 x Retirement rate	($7,949,278)		($7,949,278)
34	Depreciable Utility Plant 08/31/18		Sum of Line 30 through Line 33	$1,223,486,969		$1,146,353,912
35						
36	Average Depreciable Plant for 12 Months Ended 08/31/18		(Line 30 + Line 34)/2	$1,169,606,600		$1,092,473,543
37						
38	Composite Book Rate %		As Approved in RIPUC Docket No. 4323	3.38%		3.38%
39						
40	Book Depreciation Reserve 08/31/17		Line 25	$361,449,821		
41	Plus: Book Depreciation 08/31/18		Line 36 x Line 38	$39,532,703		$36,925,606
42	Less: Net Cost of Removal/(Salvage)		Line 32 x Cost of Removal Rate	($5,993,779)		
43	Less: Retired Plant		Line 33	($7,949,278)		
44	Book Depreciation Reserve 08/31/18		Sum of Line 40 through Line 43	$387,039,467		

1/ 3 year average retirement over plant addition in service FY 15 ~ FY17 — 6.87% Retirements
2/ 3 year average Cost of Removal over plant addition in service FY 15 ~ FY17 — 5.18% COR

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket Nos. 4770/4780
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The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Gas
For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2021

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

Line No	Description		Reference		Amount	Less non-ISR eligible Plant	ISR Amount
					(a)	(b)	(c)
1	Rate Year Depreciation Expense 12 Months Ended 08/31/19:						
2	Total Utility Plant 08/31/18		Page 1, Line 28 + Line 32 + Line 33		$1,532,001,694	($77,133,057)	$1,454,868,637
3	Less Non-Depreciable Plant		Page 1, Line 10		($308,514,725)		($308,514,725)
4	Depreciable Utility Plant 08/31/18		Line 2 + Line 3		$1,223,486,969		$1,146,353,912
5							
6	Plus: Added Plant 12 Months Ended 08/31/19		Schedule 11-GAS, Page 3, Line 35		$114,477,000	($1,348,000)	$113,129,000
7	Less: Depreciable Retired Plant	1/	Line 6 x Retirement rate		($7,864,570)	$92,608	($7,771,962)
8							
9	Depreciable Utility Plant 08/31/19		Sum of Line 4 through Line 7		$1,330,099,399	($78,388,449)	$1,251,710,950
10							
11	Average Depreciable Plant for Rate Year Ended 08/31/19		(Line 4 + Line 9)/2		$1,276,793,184		$1,199,032,431
12							
13	Proposed Composite Rate %		Page 4, Line 17, Col (e)		3.05%		2.99%
14							
15	Book Depreciation Reserve 08/31/18		Page 1, Line 44		$387,039,467		$0
16	Plus: Book Depreciation Expense		Line 11 x Line 13		$38,950,409		$35,851,070
17	Plus: Unrecovered Reserve Adjustment		Schedule NWA-1-GAS, Part VI, Page 6		$186,500		$186,500
18	Less: Net Cost of Removal/(Salvage)	2/	Line 6 x Cost of Removal Rate		($5,929,909)		$0
19	Less: Retired Plant		Line 7		($7,864,570)		$0
20	Book Depreciation Reserve 08/31/19		Sum of Line 15 through Line 19		$412,381,898		$36,037,570
21							
22	Rate Year Depreciation Expense 12 Months Ended 08/31/20:						
23	Total Utility Plant 08/31/19		Line 2 + Line 6 + Line 7		$1,638,614,124	($78,388,449)	$1,560,225,675
24	Less Non-Depreciable Plant		Page 1, Line 10		($308,514,725)		($308,514,725)
25	Depreciable Utility Plant 08/31/19		Line 23 + Line 24		$1,330,099,399		$1,251,710,950
26							
27	Plus: Added Plant 12 Months Ended 08/31/20		Schedule 11-GAS, Page 5, Line 11(i)		$21,017,630	($750,000)	$20,267,630
28	Less: Depreciable Retired Plant	1/	Line 27 x Retirement rate		($1,443,911)	$51,525	($1,392,386)
29							$0
30	Depreciable Utility Plant 08/31/20		Sum of Line 25 through Line 28		$1,349,673,118	($79,086,924)	$1,270,586,194
31							
32	Average Depreciable Plant for Rate Year Ended 08/31/20		(Line 25 + Line 30)/2		$1,339,886,258		$1,261,148,572
33							
34	Proposed Composite Rate %		Page 4, Line 17, Col (e)		3.05%		2.99%
35							
36	Book Depreciation Reserve 08/31/20		Line 20		$412,381,898		$0
37	Plus: Book Depreciation Expense		Line 32 x Line 34		$40,875,154		$37,708,342
38	Plus: Unrecovered Reserve Adjustment		Schedule NWA-1-GAS, Part VI, Page 6		$186,500		$186,500
39	Less: Net Cost of Removal/(Salvage)	2/	Line 27 x Cost of Removal Rate		($1,088,713)		$0
40	Less: Retired Plant		Line 28		($1,443,911)		$0
41	Book Depreciation Reserve 08/31/20		Sum of Line 36 through Line 40		$450,910,927		$37,894,842
42							
43	Rate Year Depreciation Expense 12 Months Ended 08/31/21:						
44	Total Utility Plant 08/31/20		Line 23 + Line 27 + Line 28		$1,658,187,843	($79,086,924)	$1,579,100,919
45	Less Non-Depreciable Plant		Page 1, Line 10		($308,514,725)		($308,514,725)
46	Depreciable Utility Plant 08/31/20		Line 44 + Line 45		$1,349,673,118		$1,270,586,194
47							
48	Plus: Added Plant 12 Months Ended 08/31/21		Schedule 11-GAS, Page 5, Line 11(l)		$21,838,436	($750,000)	$21,088,436
49	Less: Depreciable Retired Plant	1/	Line 48 x Retirement rate		($1,500,301)	$51,525	($1,448,776)
50							
51	Depreciable Utility Plant 08/31/21		Sum of Line 46 through Line 49		$1,370,011,253	($79,785,399)	$1,290,225,854
52							
53	Average Depreciable Plant for Rate Year Ended 08/31/21		(Line 46 + Line 51)/2		$1,359,842,185		$1,280,406,024
54							
55	Proposed Composite Rate %		Page 4, Line 17, Col (e)		3.05%		2.99%
56							
57	Book Depreciation Reserve 08/31/20		Line 41		$450,910,927		$0
58	Plus: Book Depreciation Expense		Line 53 x Line 55		$41,483,938		$38,284,140
59	Plus: Unrecovered Reserve Adjustment		Schedule NWA-1-GAS, Part VI, Page 6		$186,500		$186,500
60	Less: Net Cost of Removal/(Salvage)	2/	Line 48 x Cost of Removal Rate		($1,131,231)		$0
61	Less: Retired Plant		Line 49		($1,500,301)		$0
62	Book Depreciation Reserve 08/31/21		Sum of Line 57 through Line 61		$489,949,834		$38,470,640
63							
64	1/ 3 year average retirement over plant addition in service FY 15 ~ FY17			0.0687	Retirements		
65	2/ 3 year average Cost of Removal over plant addition in service FY 15 ~ FY17			0.0518	COR		
66							
67	Book Depreciation RY2		Line 37 (a) + Line 38 (b)				$41,061,654
68	Less: General Plant Depreciation (assuming add=retirement)		Page 10, Line 79(f)				($748,271)
69	Plus: Comm Equipment Depreciation		Page 10, Line 73 + Line 74				$32,079
70	Total						$40,345,462
71	7 Months						x7/12
72	FY 2020 Depreciation Expense						$23,534,853
73							
74	Book Depreciation RY3		Line 58 (a) + Line 59 (b)				$41,670,438
75	Less: General Plant Depreciation		Page 10, Line 79(f)				($748,271)
76	Plus: Comm Equipment Depreciation		Page 10, Line 73 + Line 74				$32,079
77	Total						$40,954,246
78	FY 2021 Depreciation Expense		5 Months of RY 2 and 7 Months of RY 3				$40,700,586

The Narragansett Electric Company
d/b/a National Grid
Forecasted FY 2022 ISR Property Tax Recovery Adjustment
(000s)

Line		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		End of FY 2018	**ISR Additions**	**Non-ISR Add's**	**Total Add's**	**Bk Depr**	**Retirements**	**COR**	**End of FY 2019**
1	Plant In Service	$1,195,705	$92,263	$24,845	$117,108		($6,844)		$1,305,969
2	Accumulated Depr	$414,713				$40,858	($6,844)	($6,123)	$442,604
3	Net Plant	$780,992							$863,364
4	Property Tax Expense	$22,678							$23,283
5	Effective Prop tax Rate	2.90%							2.70%
		End of FY 2019	**ISR Additions**	**Non-ISR Add's**	**Total Add's**	**Bk Depr**	**Retirements**	**COR**	**End of FY 2020**
6	Plant In Service	$1,305,969	$144,120	$22,074	$166,193		($8,567)		$1,463,595
7	Accumulated Depr	$442,604				$41,588	($8,567)	($10,162)	$465,463
8	Net Plant	$863,364							$998,132
9	Property Tax Expense	$23,283							$25,959
10	Effective Prop tax Rate	2.70%							2.60%
		End of FY 2020	**ISR Additions**	**Non-ISR Add's**	**Total Add's**	**Bk Depr**	**Retirements**	**COR**	**End of FY 2021**
11	Plant In Service	$1,463,595	$179,664	$24,845	$204,509		($25,032)		$1,643,072
12	Accumulated Depr	$465,463				$46,666	($25,032)	($18,948)	$468,150
13	Net Plant	$998,132							$1,174,923
14	Property Tax Expense	$25,959							$31,685
15	Effective Prop tax Rate	2.60%							2.70%
		End of FY 2021	**ISR Additions**	**Non-ISR Add's**	**Total Add's**	**Bk Depr**	**Retirements**	**COR**	**End of FY 2022**
16	Plant In Service	$1,643,072	$175,462	$24,845	$197,536		($21,933)		$1,818,675
17	Accumulated Depr	$468,150				$51,651	($21,933)	($4,684)	$493,184
18	Net Plant	$1,174,923							$1,325,491
19	Property Tax Expense	$31,685							$34,463
20	Effective Prop tax Rate	2.70%							2.60%

			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
			Cumulative Increm. ISR Prop. Tax for FY2018				**Cumulative Increm. ISR Prop. Tax for FY2019 1st 5 month**				**Cumulative Increm. ISR Prop. Tax for FY2019 7 months**		
21	Incremental ISR Additions			$97,810				$92,263				($914)	
22	Book Depreciation: base allowance on ISR eligible plant			($24,356)				($24,356)				$0	
23	Book Depreciation: current year ISR additions			($1,246)				($1,449)				($7)	
24	COR			$8,603				$11,583				$5,627	
25	Net Plant Additions			$80,811				$78,041				$4,705	
26	RY Effective Tax Rate			3.06%				3.06%				2.92%	
	Property Tax Recovery on Growth and non-ISR										7 mos	1.70%	
27	ISR Year Effective Tax Rate		2.90%				2.70%				2.70%		
28	RY Effective Tax Rate		3.06%	-0.15%			3.06%	-0.36%			2.92%	-0.22%	
29	RY Effective Tax Rate 5 mos for FY 2019						5 month	-0.15%				-0.13% 7 mos	
30	RY Net Plant times 5 mo rate	7 months	$458,057	-0.15%	($694)		$458,057	-0.15%	($684)		$919,892	* -0.13%	($1,203)
31	FY 2014 Net Adds times ISR Year Effective Tax rate	7 months	$6,343	2.90%	$184		$5,950	1.12%	$67				0
32	FY 2015 Net Adds times ISR Year Effective Tax rate	7 months	$42,913	2.90%	$1,246		$39,920	1.12%	$449				
33	FY 2016 Net Adds times ISR Year Effective Tax rate		$59,527	2.90%	$1,729		$55,693	1.12%	$626				
34	FY 2017 Net Adds times ISR Year Effective Tax rate		$58,883	2.90%	$1,710		$56,076	1.12%	$630				
35	FY 2018 Net Adds times ISR Year Effective Tax rate		$80,810	2.90%	$2,347		$77,664	1.12%	$873		$6,934	1.57%	$109
36	FY 2019 Net Adds times ISR Year Effective Tax rate						$78,041	1.12%	$877		$4,705	1.57%	$74
37	Total ISR Property Tax Recovery				$6,521				$2,837				($1,020)

The Narragansett Electric Company
d/b/a National Grid
Forecasted FY 2022 ISR Property Tax Recovery Adjustment
Forecasted FY 2022 ISR Property Tax Recovery Adjustment (Continued) 1

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
		Cumulative Increm. ISR Prop. Tax for FY2020				Cumulative Increm. ISR Prop. Tax for FY2021				Cumulative Increm. ISR Prop. Tax for FY2022		
38	Incremental ISR Additions		$105,296				$179,664				$175,462	
39	Book Depreciation: base allowance on ISR eligible plant		$0				$0				($23,890)	
40	Book Depreciation: current year ISR additions		($1,510)				($2,334)				($2,305)	
41	COR		$7,056				$17,834				$4,213	
42	Net Plant Additions		$110,841				$195,165				$153,480	
43												
44	RY Effective Tax Rate		2.96%				3.02%				3.05%	
45	ISR Year Effective Tax Rate	2.60%				2.70%				2.60%		
46	RY Effective Tax Rate	2.96%	-0.36%			3.02%	-0.32%			3.05%	-0.45%	
47	RY Effective Tax Rate		-0.36%				-0.32%				-0.45%	
48	RY Net Plant times Rate Difference	$908,586	* -0.36%	($3,246)		$889,353	* -0.32%	($2,886)		$881,383	* -0.45%	($3,957)
49	Growth and non-ISR Incremental times rate difference	($20,407)	* -0.36%	$73		($41,336)	* -0.32%	$134		($51,615)	* -0.45%	$232
50	FY 2018 Net Incremental times rate difference	7,156	* 2.6%	$186		$7,378	* 2.7%	$199		$7,600	* 2.6%	$198
51	FY 2019 Net Incremental times rate difference	4,692	* 2.6%	$122		$4,678	* 2.7%	$126		$4,665	* 2.6%	$121
52	FY 2020 Net Incremental times rate difference	$110,841	* 2.6%	$2,882		$107,821	* 2.7%	$2,908		$104,800	* 2.6%	$2,725
53	FY 2021 Net Adds times rate difference					$195,165	* 2.7%	$5,263		$190,497	* 2.6%	$4,953
54	FY 2022 Net Adds times rate difference									$153,480	* 2.6%	$3,990
55	Total ISR Property Tax Recovery			$17				$5,744				$8,261

Line Notes		Line Notes		Line Notes	
1(a) - 10(h)	Docket No. 4916 Attachment MAL-1, Page 17 of 20, 1(a) to 10(h)	20(h)	Estimated based on FY2020 actual property rate	48(g)	48(e) ×47(f)
11(a) - 15(a)	Per Line 6(h) ~ 10(h)	21(a) - 37(g)	Docket No. 4916 Attachment MAL-1, Page 17 of 20, 11(a) to 27(g)	48(i)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal. Att. 1: (Sch 6-G, P2, L51 - L62 + P3, L5(d) - P5, L4(d) - Sch 5-G, P1, L1(e) × 3 ÷1000
11(b)	Page 30 of 38 , Line 1 ,Col (d)÷1000	21(i) - 55(c)	Docket No. 4916 Attachment MAL-1, Page 18 of 20, 28(a) to 45(g)	48(j)	=47(j)
11(c)	Per Company's Book	38(f)	Page 12 of 38, Line 4(a)÷1000	48(k)	48(i)×47(j)
11(d)	Line 11(b) + Line 11(c)	38(j)	Page 15 of 38, Line 4(a)÷1000	49(e)	= - Rate Case, Docket 4770, Compliance, Revised
11(f)	Page 30 of 38 , Line 7 ,Col (d)÷1000	39(f)	FY21 depreciation is reflected in the NBV at 48(e)	49(g)	49(e) ×47(f)
11(h)	Line 11(a) + (d) + (f)	39(j)	- (Page 34 of 38, Line 77(c) ×7÷12)÷1000	49(i)	= - Rate Case, Docket 4770, Compliance, Revised
12(e)	Page 34 of 38 , (Line 16 + Line 17 ,Col (a))×5÷12 + Page 34 of 38 , (Line 37 + Line 38 ,Col (a))×7÷12 + (Page 2 of 38 , Line 3, Col (a) + Page 5 of 38 , Line 3, Col (a))÷1000 * 3.05% + Page 8 of 38 , Line 3, Col (a)×0.5×3.05%÷1000	40(f)	- Page 12 of 38, Line 12(a)÷1000	49(j)	=47(j)
12(f)	=11(f)	40(j)	- Page 15 of 38, Line 12(a)÷1000	49(k)	49(i)×47(j)
12(g)	Page 30 of 38 , Line 4 ,Col (d)÷1000	41(f)	Page 12 of 38, Line 7(a)÷1000	50(e)	Line 50(a) - Page 2 of 38, Line 12(d))÷1000
12(h)	Line 12(a) + (e) + (f) + (g)	41(j)	Page 15 of 38, Line 7(a)÷1000	50(g)	=50(e) ×45(e)
13(h)	Line 11(h) - 12(h)	42(f)	Sum of Lines 38(f) through 41(f)	50(i)	Line 50(e) - Page 2 of 38, Line 12(e))÷1000
14(h)	Per Company's Book	42(j)	Sum of Lines 38(j) through 41(j)	51(e)	Line 51(a) - Page 5 of 38, Line 12(c))÷1000
15(h)	Line 14(h) ÷ 13(h)	44(f)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal. Att. 1, Sch 1-G, P2, L15, Col (c) ÷ 48(e)	51(g)	=51(e) ×45(e)
16(a) - 20(a)	Per Line 11(h) ~ 15(h)			51(i)	Line 51(e) - Page 5 of 38, Line 12(d))÷1000
16(b)	Page 30 of 38 , Line 1 ,Col (e)÷1000	44(j)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal. Att. 1, Sch 1-G, P2, L15, Col (c) ÷ 48(i)	52(e)	Line 52(a) - Page 8 of 38, Line 12(b))÷1000
16(c)	Estimated based on FY2020 actual non-ISR addition			52(g)	=52(e) ×45(e)
16(d)	Line 16(b) + Line 16(c)	45(e)	=15(h)	52(i)	Line 52(e) - Page 8 of 38, Line 12(c))÷1000
16(f)	Page 30 of 38 , Line 7 ,Col (e)÷1000	45(i)	=20(h)	53(e)	=42(f)
16(h)	Line 16(a) + (d) + (f)	46(e)	=44(f)	53(g)	=53(e) ×45(e)
17(e)	Page 34 of 38 , (Line 58 + Line 59) + (Page 2 of 38 , Line 3, Col (a) + Page 5 of 38 , Line 3, Col (a) + Page 8 of 38 , Line 3, Col (a) + Page 12 of 38 , Line 3, Col (a))÷1000 × 3.05%+ (L1(c)+L6(c)+L11(c))×0.0416 + Page 15 of 38 , Line 3, Col (a)×0.5×3.05%÷1000 + L16(c)×0.5×0.0416	46(f)	45(e) -46(e)	53(i)	Line 53(e) - Page 12 of 38, Line 12(b))÷1000
17(f)	=16(f)	46(i)	=44(j)	54(i)	=42(j)
17(g)	Page 30 of 38 , Line 4 ,Col (e)÷1000	46(j)	45(i)-46(i)	54(k)	=54(i)×45(i)
17(h)	Line 17(a) + (e) + (f) + (g)	47(f)	=46(f)	55(g)	sum of 48(g) through 53(g)
18(h)	Line 16(h) - 17(h)	47(j)	=46(j)	55(k)	sum of 48(k) through 54(k)
19(h)	Line 18(h) × 20(h)	48(e)	6-G: (P2, L30 - L41 + P3, L5(d) - P5, L4(d) - Sch 5-G, P1, L1(e) + L1(g)) × 5÷12000+(P2, L51 - L62 + P3, L5(d) - P5, L4(d) - Sch 5-G, P1, L1(e) × 3) × 7÷12000		

The Narragansett Electric Company
d/b/a National Grid
Forecasted FY 2022 ISR Property Tax Recovery Adjustment
Forecasted FY 2022 ISR Property Tax Recovery Adjustment (Continued) 2

		(a) Cumulative Increm.	(b) ISR Prop.	(c) = (a) * 62(a) Tax for FY2023	(d) Cumulative Increm.	(e) ISR Prop.	(f) = (d) * 62(d) Tax for FY2024	(g) Cumulative Increm.	(h) ISR Prop.	(i) = (g) * 62(g) Tax for FY2025	(j) Cumulative Increm.	(k) ISR Prop.	(l) = (j) * 62(j) Tax for FY2026
56	Incremental ISR Additions		$210,158.76			$305,610			$267,669			$263,165	
57	Book Depreciation: base allowance on ISR eligible plant		($40,954)			($40,954)			($40,954)			($40,954)	
58	Book Depreciation: current year ISR additions		($2,749)			($3,998)			($3,501)			($3,443)	
59	COR		$5,610			$8,158			$7,146			$7,025	
60	Net Plant Additions		$172,066			$268,816			$230,359			$225,793	
61	RY Effective Tax Rate		3.05%			3.05%			3.05%			3.05%	
62	ISR Year Effective Tax Rate	2.60%			2.60%			2.60%			2.60%		
63	RY Effective Tax Rate	3.05%			3.05%			3.05%			3.05%		
64	RY Effective Tax Rate Differential		-0.45%			-0.45%			-0.45%			-0.45%	
65	RY Net Plant times Rate Difference	$881,383	* -0.45%	($3,953)	$881,383	* -0.45%	($3,953)	$881,383	* -0.45%	($3,957)	$881,383	* -0.45%	($3,957)
66	Growth and non-ISR Incremental times rate difference	($51,615)	* -0.45%	$232	($51,615)	* -0.45%	$232	($51,615)	* -0.45%	$232	($51,615)	* -0.45%	$232
67	FY 2018 Net Incremental times rate difference	$7,822	* 2.6%	$203	$8,044	* 2.6%	$209	$8,266	* 2.6%	$215	$8,488	* 2.6%	$221
68	FY 2019 Net Incremental times rate difference	$4,651	* 2.6%	$121	$4,638	* 2.6%	$121	$4,624	* 2.6%	$120	$4,610	* 2.6%	$120
69	FY 2020 Net Incremental times rate difference	$101,780	* 2.6%	$2,646	$98,759	* 2.6%	$2,568	$95,739	* 2.6%	$2,489	$92,718	* 2.6%	$2,411
70	FY 2021 Net Adds times rate difference	$185,829	* 2.6%	$4,832	$181,162	* 2.6%	$4,710	$176,494	* 2.6%	$4,589	$171,826	* 2.6%	$4,467
71	FY 2022 Net Adds times rate difference	$148,871	* 2.6%	$3,871	$144,262	* 2.6%	$3,751	$139,652	* 2.6%	$3,631	$135,043	* 2.6%	$3,511
72	FY 2023 Net Adds times rate difference	$172,066	* 2.6%	$4,474	$166,567	* 2.6%	$4,331	$161,069	* 2.6%	$4,188	$155,571	* 2.6%	$4,045
73	FY 2024 Net Adds times rate difference				$268,816	* 2.6%	$6,989	$260,820	* 2.6%	$6,781	$252,825	* 2.6%	$6,573
74	FY 2025 Net Adds times rate difference							$230,359	* 2.6%	$5,989	$223,356	* 2.6%	$5,807
75	FY 2026 Net Adds times rate difference										$225,793	* 2.6%	$5,871
76	Total ISR Property Tax Recovery			$12,425			$18,956			$24,277			$29,300

Line Notes

56(b)	Page 18, Line 1, Col (a)
57(b)	- Page 18, Line 5, Col (a)
58(b)	- Page 18, Line 12, Col (a)
59(b)	Page 18, Line 7, Col (a)
60(b)	Sum of Lines 56 through 59
61(b)	44(j)
62(a)	45(i)
63(a)	61(b)
64(a)	Line 62 - Line 63
65(a)	48(i)
66(a)	49(i)
67(a)	50(i) - Page 2 , Line 12, Col (f)
68(a)	51(i) - Page 5 , Line 12, Col (e)
69(a)	52(i) - Page 8 , Line 12, Col (d)
70(a)	53(i) - Page 12, Line 12, Col (c)
71(a)	54(i) - Page 15, Line 12, Col (b)
72(a)	60(b)
76(a)	Sum of Lines 64 through 75

Line Notes

56(e)	Page 21, Line 1, Col (a)
57(e)	- Page 21, Line 5, Col (a)
58(e)	- Page 21, Line 12, Col (a)
59(e)	Page 21, Line 7, Col (a)
60(e)	Sum of Lines 56 through 59
61(e)	44(j)
62(d)	45(i)
63(d)	61(e)
64(d)	Line 62 - Line 63
65(d)	48(i)
66(d)	49(i)
67(d)	67(a) - Page 2 , Line 12, Col (g)
68(d)	68(a) - Page 5 , Line 12, Col (f)
69(d)	69(a) - Page 8 , Line 12, Col (e)
70(d)	70(a) - Page 12, Line 12, Col (d)
71(d)	71(a) - Page 15, Line 12, Col (c)
72(d)	72(a) - Page 18, Line 12, Col (b)
73(d)	60(e)
76(d)	Sum of Lines 64 through 75

Line Notes

56(h)	Page 24, Line 1, Col (a)
57(h)	- Page 24, Line 5, Col (a)
58(h)	- Page 24, Line 12, Col (a)
59(h)	Page 24, Line 7, Col (a)
60(h)	Sum of Lines 56 through 59
61(h)	44(j)
62(g)	45(i)
63(g)	61(h)
64(g)	Line 62 - Line 63
65(g)	48(i)
66(g)	49(i)
67(g)	67(d) - Page 2 , Line 12, Col (h)
68(g)	68(d) - Page 5 , Line 12, Col (g)
69(g)	69(d) - Page 8 , Line 12, Col (f)
70(g)	70(d) - Page 12, Line 12, Col (e)
71(g)	71(d) - Page 15, Line 12, Col (d)
72(g)	72(d) - Page 18, Line 12, Col (c)
73(g)	73(d) - Page 21, Line 12, Col (b)
74(g)	60(h)
76(g)	Sum of Lines 64 through 75

Line Notes

56(k)	Page 27, Line 1, Col (a)
57(k)	- Page 27, Line 5, Col (a)
58(k)	- Page 27, Line 12, Col (a)
59(k)	Page 27, Line 7, Col (a)
60(k)	Sum of Lines 56 through 59
61(k)	44(j)
62(j)	45(i)
63(j)	61(k)
64(k)	Line 62 - Line 63
65(j)	48(i)
66(j)	49(i)
67(j)	67(g) - Page 2 , Line 12, Col (i)
68(j)	68(g) - Page 5 , Line 12, Col (h)
69(j)	69(g) - Page 8 , Line 12, Col (g)
70(j)	70(g) - Page 12, Line 12, Col (f)
71(j)	71(g) - Page 15, Line 12, Col (e)
72(j)	72(g) - Page 18, Line 12, Col (d)
73(j)	73(g) - Page 21, Line 12, Col (c)
74(j)	74(g) - Page 24, Line 12, Col (b)
75(j)	60(k)
76(j)	Sum of Lines 64 through 75

The Narragansett Electric Company
d/b/a National Grid
FY 2022 through FY 2026 Gas ISR Revenue Requirement Plan
Calculation of Weighted Average Cost of Capital

Line No.

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 35% income tax rate effective April 1, 2013

	(a)	(b)	(c) Weighted	(d)	(e)
	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	5.70%	2.85%		2.85%
Short Term Debt	0.76%	0.80%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.54%	2.51%	10.05%

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

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 21% income tax rate effective January 1, 2018

	(a)	(b)	(c) Weighted	(d)	(e)
	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	49.95%	5.70%	2.85%		2.85%
Short Term Debt	0.76%	0.80%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	1.24%	5.91%
	100.00%		7.54%	1.24%	8.78%

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

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4770 effective September 1, 2018

	(a)	(b)	(c) Weighted	(d)	(e)
	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.98%	2.41%		2.41%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
	100.00%		7.15%	1.26%	8.41%

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

FY18 Blended Rate	Line 8(e) × 75% + Line 20(e) × 25%	9.73%
FY19 Blended Rate	Line 20 x 5 ÷ 12 + Line 30 x 7 ÷ 12	8.56%

The Narragansett Electric Company
Illustrative ISR Factor Calculations FY 2023 - FY 2026

		FY21 (a) Actual	FY22 (b) Proposed	FY23 (c) Illustrative	FY24 (d) Illustrative	FY25 (e) Illustrative	FY26 (f) Illustrative
(1)	Revenue Requirement	$22,761,529	$39,525,779	$57,569,328	$83,899,407	$111,296,262	$135,793,840
(2)	Incremental Fiscal Year Rate Adj		$16,764,250	$18,043,549	$26,330,079	$27,396,855	$24,497,578
(3)	Cumulative Fiscal Year Rate Adj		$16,764,250	$34,807,799	$61,137,878	$88,534,733	$113,032,311
	Rate Base Allocator						
(4)	Residential Total		66.59%	66.59%	66.59%	66.59%	66.59%
(5)	Small		8.04%	8.04%	8.04%	8.04%	8.04%
(6)	Medium		12.23%	12.23%	12.23%	12.23%	12.23%
(7)	Large LL		5.57%	5.57%	5.57%	5.57%	5.57%
(8)	Large HL		2.25%	2.25%	2.25%	2.25%	2.25%
(9)	XL-LL		0.97%	0.97%	0.97%	0.97%	0.97%
(10)	XL-HL		4.35%	4.35%	4.35%	4.35%	4.35%
(11)	Total		100.00%	100.00%	100.00%	100.00%	100.00%
	Allocation to Rate Class						
(12)	Residential Total		$26,320,216	$38,335,416	$55,868,615	$74,112,181	$90,425,118
(13)	Small		$3,177,873	$4,628,574	$6,745,512	$8,948,219	$10,917,825
(14)	Medium		$4,834,003	$7,040,729	$10,260,897	$13,611,533	$16,607,587
(15)	Large LL		$2,201,586	$3,206,612	$4,673,197	$6,199,202	$7,563,717
(16)	Large HL		$889,330	$1,295,310	$1,887,737	$2,504,166	$3,055,361
(17)	XL-LL		$383,400	$558,422	$813,824	$1,079,574	$1,317,200
(18)	XL-HL		$1,719,371	$2,504,265	$3,649,625	$4,841,387	$5,907,032
	Throughput (dth)						
(19)	Residential Total		20,516,304	20,516,304	20,516,304	20,516,304	20,516,304
(20)	Small		2,631,906	2,631,906	2,631,906	2,631,906	2,631,906
(21)	Medium		6,239,985	6,239,985	6,239,985	6,239,985	6,239,985
(22)	Large LL		2,953,321	2,953,321	2,953,321	2,953,321	2,953,321
(23)	Large HL		1,228,858	1,228,858	1,228,858	1,228,858	1,228,858
(24)	XL-LL		1,350,832	1,350,832	1,350,832	1,350,832	1,350,832
(25)	XL-HL		5,496,959	5,496,959	5,496,959	5,496,959	5,496,959

(1) Attachment PUC 3-1-1, Page 1, Line (19)
(2) Attachment PUC 3-1-1, Page 1, Line (20)
(4)-(11) Docket 4770, RI 2017 Rate Case, Compliance Attachment 14, Schedule 2, Page 1 & 2, Line 15 (Rate Class ÷ Total Company)
(12)-(18) Line (1) x Lines ((4) - (11))
(19)-(25) Company Forecast

The Narragansett Electric Company
Illustrative ISR Factor Calculations FY 2023 - FY 2026

		FY21 (a) Actual	FY22 (b) Proposed	FY23 (c) Illustrative	FY24 (d) Illustrative	FY25 (e) Illustrative	FY26 (f) Illustrative
	ISR Factor (therm)						
(1)	Residential Total		$0.1282	$0.1868	$0.2723	$0.3612	$0.4407
(2)	Small		$0.1207	$0.1758	$0.2562	$0.3399	$0.4148
(3)	Medium		$0.0774	$0.1128	$0.1644	$0.2181	$0.2661
(4)	Large LL		$0.0745	$0.1085	$0.1582	$0.2099	$0.2561
(5)	Large HL		$0.0723	$0.1054	$0.1536	$0.2037	$0.2486
(6)	XL-LL		$0.0283	$0.0413	$0.0602	$0.0799	$0.0975
(7)	XL-HL		$0.0312	$0.0455	$0.0663	$0.0880	$0.1074
	Uncollectible %						
(8)	Residential Total		1.91%	1.91%	1.91%	1.91%	1.91%
(9)	Small		1.91%	1.91%	1.91%	1.91%	1.91%
(10)	Medium		1.91%	1.91%	1.91%	1.91%	1.91%
(11)	Large LL		1.91%	1.91%	1.91%	1.91%	1.91%
(12)	Large HL		1.91%	1.91%	1.91%	1.91%	1.91%
(13)	XL-LL		1.91%	1.91%	1.91%	1.91%	1.91%
(14)	XL-HL		1.91%	1.91%	1.91%	1.91%	1.91%
	ISR Factor (therm)						
(15)	Residential Non-Heating		$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(16)	Residential Non-Heating Low Income		$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(17)	Residential Heating		$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(18)	Residential Heating Low Income		$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(19)	Small		$0.1230	$0.1792	$0.2611	$0.3465	$0.4228
(20)	Medium		$0.0789	$0.1149	$0.1676	$0.2223	$0.2712
(21)	Large LL		$0.0759	$0.1106	$0.1612	$0.2139	$0.2610
(22)	Large HL		$0.0737	$0.1074	$0.1565	$0.2076	$0.2534
(23)	XL-LL		$0.0288	$0.0421	$0.0613	$0.0814	$0.0993
(24)	XL-HL		$0.0318	$0.0463	$0.0675	$0.0897	$0.1094

(b) RIPUC Docket No. 5099 ISR FY 2022 Filing, Section 4, Attachment 1 and Attachment 2
(1)-(7) (Attach PUC 3-1-2, Pg 1, Lines ((12) - (18))) ÷ (Attach PUC 3-1-2, Pg 1, Lines ((19) - (25)) x 10)), truncated to 4 decimal places
(8)-(14) Docket 4770, RI 2017 Rate Case, Compliance Attachment 2, Schedule 22, Page 7, Line (15)
(15)-(24) (Lines ((1) - (7))) ÷ (1 - Line (8))

The Narragansett Electric Company
Illustrative ISR Factors and Residential Heating Bill Impacts FY 2023 - FY 2026

		FY21 (a) Actual	FY22 (b) Proposed	FY23 (c) Illustrative	FY24 (d) Illustrative	FY25 (e) Illustrative	FY26 (f) Illustrative
	ISR Factor (therm)						
(1)	Residential Non-Heating	$0.1663	$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(2)	Residential Non-Heating Low Income	$0.1663	$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(3)	Residential Heating	$0.0742	$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(4)	Residential Heating Low Income	$0.0742	$0.1306	$0.1904	$0.2776	$0.3682	$0.4492
(5)	C&I Small	$0.0718	$0.1230	$0.1792	$0.2611	$0.3465	$0.4228
(6)	C&I Medium	$0.0460	$0.0789	$0.1149	$0.1676	$0.2223	$0.2712
(7)	C&I LLF Large	$0.0440	$0.0759	$0.1106	$0.1612	$0.2139	$0.2610
(8)	C&I HLF Large	$0.0333	$0.0737	$0.1074	$0.1565	$0.2076	$0.2534
(9)	C&I LLF Extra-Large	$0.0160	$0.0288	$0.0421	$0.0613	$0.0814	$0.0993
(10)	C&I HLF Extra-Large	$0.0149	$0.0318	$0.0463	$0.0675	$0.0897	$0.1094
	ISR Factor Change vs. Prior Year						
(11)	Residential Non-Heating		($0.0357)	$0.0598	$0.0872	$0.0906	$0.0810
(12)	Residential Non-Heating Low Income		($0.0357)	$0.0598	$0.0872	$0.0906	$0.0810
(13)	Residential Heating		$0.0564	$0.0598	$0.0872	$0.0906	$0.0810
(14)	Residential Heating Low Income		$0.0564	$0.0598	$0.0872	$0.0906	$0.0810
(15)	C&I Small		$0.0512	$0.0562	$0.0819	$0.0854	$0.0763
(16)	C&I Medium		$0.0329	$0.0360	$0.0527	$0.0547	$0.0489
(17)	C&I LLF Large		$0.0319	$0.0347	$0.0506	$0.0527	$0.0471
(18)	C&I HLF Large		$0.0404	$0.0337	$0.0491	$0.0511	$0.0458
(19)	C&I LLF Extra-Large		$0.0128	$0.0133	$0.0192	$0.0201	$0.0179
(20)	C&I HLF Extra-Large		$0.0169	$0.0145	$0.0212	$0.0222	$0.0197
	Cumulative Rate Change vs. Current Year						
(21)	Residential Non-Heating		($0.0357)	$0.0241	$0.1113	$0.2019	$0.2829
(22)	Residential Non-Heating Low Income		($0.0357)	$0.0241	$0.1113	$0.2019	$0.2829
(23)	Residential Heating		$0.0564	$0.1162	$0.2034	$0.2940	$0.3750
(24)	Residential Heating Low Income		$0.0564	$0.1162	$0.2034	$0.2940	$0.3750
(25)	C&I Small		$0.0512	$0.1074	$0.1893	$0.2747	$0.3510
(26)	C&I Medium		$0.0329	$0.0689	$0.1216	$0.1763	$0.2252
(27)	C&I LLF Large		$0.0319	$0.0666	$0.1172	$0.1699	$0.2170
(28)	C&I HLF Large		$0.0404	$0.0741	$0.1232	$0.1743	$0.2201
(29)	C&I LLF Extra-Large		$0.0128	$0.0261	$0.0453	$0.0654	$0.0833
(30)	C&I HLF Extra-Large		$0.0169	$0.0314	$0.0526	$0.0748	$0.0945
	Annual Average Usage						
(31)	Residential Non-Heating		220	220	220	220	220
(32)	Residential Non-Heating Low Income		220	220	220	220	220
(33)	Residential Heating		845	845	845	845	845
(34)	Residential Heating Low Income		845	845	845	845	845
(35)	C&I Small		1,277	1,277	1,277	1,277	1,277
(36)	C&I Medium		10,623	10,623	10,623	10,623	10,623
(37)	C&I LLF Large		57,825	57,825	57,825	57,825	57,825
(38)	C&I HLF Large		64,545	64,545	64,545	64,545	64,545
(39)	C&I LLF Extra-Large		359,745	359,745	359,745	359,745	359,745
(40)	C&I HLF Extra-Large		748,506	748,506	748,506	748,506	748,506

(1)-(10),(a)	RIPUC Docket No. 4996 ISR FY 2021 Filing, Section 4, Attachment 1 and Attachment 2
(1)-(10),(b)	RIPUC Docket No. 5099 ISR FY 2022 Filing, Section 4, Attachment 1 and Attachment 2
(1)-(10),(c)-(f)	Attachment PUC 3-1-2, Page 2, Lines ((15)-(24))
(11)-(20)	Lines ((1)-(10)) Current Year - Prior Year
(21)-(30)	Lines ((11)-(20)) Current Year + Lines ((21)-(30)) Prior Year
(31)-(40)	RIPUC Docket No. 5099 ISR FY 2022 Filing, Section 4, Attachment 2, Annual Average Usages

The Narragansett Electric Company
Illustrative ISR Factors and Residential Heating Bill Impacts FY 2023 - FY 2026

		FY21 (a) Actual	FY22 (b) Proposed	FY23 (c) Illustrative	FY24 (d) Illustrative	FY25 (e) Illustrative	FY26 (f) Illustrative
	$ Bill Impact vs. Prior Year						
(1)	Residential Non-Heating		($8.10)	$13.56	$19.78	$20.55	$18.37
(2)	Residential Non-Heating Low Income		($6.07)	$10.17	$14.83	$15.41	$13.78
(3)	Residential Heating		$49.13	$52.09	$75.96	$78.92	$70.56
(4)	Residential Heating Low Income		$36.85	$39.07	$56.97	$59.19	$52.92
(5)	C&I Small		$67.40	$73.99	$107.82	$112.43	$100.45
(6)	C&I Medium		$360.31	$394.26	$577.15	$599.05	$535.53
(7)	C&I LLF Large		$1,901.67	$2,068.59	$3,016.44	$3,141.63	$2,807.79
(8)	C&I HLF Large		$2,688.27	$2,242.44	$3,267.17	$3,400.26	$3,047.59
(9)	C&I LLF Extra-Large		$4,747.15	$4,932.59	$7,120.73	$7,454.51	$6,638.59
(10)	C&I HLF Extra-Large		$13,040.98	$11,189.01	$16,359.10	$17,130.76	$15,201.62
	Annual Average Bill						
(11)	Residential Non-Heating	$501.64	$493.54	$507.11	$526.88	$547.43	$565.80
(12)	Residential Non-Heating Low Income	$373.64	$367.57	$377.74	$392.57	$407.98	$421.76
(13)	Residential Heating	$1,335.02	$1,384.16	$1,436.25	$1,512.21	$1,591.14	$1,661.70
(14)	Residential Heating Low Income	$991.33	$1,028.18	$1,067.25	$1,124.22	$1,183.42	$1,236.34
(15)	C&I Small	$1,926.42	$1,993.82	$2,067.81	$2,175.63	$2,288.06	$2,388.51
(16)	C&I Medium	$12,512.44	$12,872.74	$13,267.00	$13,844.14	$14,443.19	$14,978.72
(17)	C&I LLF Large	$66,099.35	$68,001.02	$70,069.60	$73,086.04	$76,227.67	$79,035.46
(18)	C&I HLF Large	$60,809.11	$63,497.38	$65,739.81	$69,006.99	$72,407.25	$75,454.84
(19)	C&I LLF Extra-Large	$309,066.64	$313,813.79	$318,746.37	$325,867.10	$333,321.61	$339,960.20
(20)	C&I HLF Extra-Large	$559,149.58	$572,190.56	$583,379.56	$599,738.66	$616,869.42	$632,071.04
	% Bill Impact vs. Prior Year						
(21)	Residential Non-Heating		-1.6%	2.7%	3.9%	3.9%	3.4%
(22)	Residential Non-Heating Low Income		-1.6%	2.8%	3.9%	3.9%	3.4%
(23)	Residential Heating		3.7%	3.8%	5.3%	5.2%	4.4%
(24)	Residential Heating Low Income		3.7%	3.8%	5.3%	5.3%	4.5%
(25)	C&I Small		3.5%	3.7%	5.2%	5.2%	4.4%
(26)	C&I Medium		2.9%	3.1%	4.4%	4.3%	3.7%
(27)	C&I LLF Large		2.9%	3.0%	4.3%	4.3%	3.7%
(28)	C&I HLF Large		4.4%	3.5%	5.0%	4.9%	4.2%
(29)	C&I LLF Extra-Large		1.5%	1.6%	2.2%	2.3%	2.0%
(30)	C&I HLF Extra-Large		2.3%	2.0%	2.8%	2.9%	2.5%
	Cumulative $ Bill Impact vs. Current						
(31)	Residential Non-Heating		($8.10)	$5.47	$25.24	$45.79	$64.16
(32)	Residential Non-Heating Low Income		($6.07)	$4.10	$18.93	$34.34	$48.12
(33)	Residential Heating		$49.13	$101.23	$177.19	$256.11	$326.68
(34)	Residential Heating Low Income		$36.85	$75.92	$132.89	$192.09	$245.01
(35)	C&I Small		$67.40	$141.39	$249.21	$361.64	$462.09
(36)	C&I Medium		$360.31	$754.56	$1,331.71	$1,930.76	$2,466.29
(37)	C&I LLF Large		$1,901.67	$3,970.25	$6,986.69	$10,128.32	$12,936.11
(38)	C&I HLF Large		$2,688.27	$4,930.71	$8,197.88	$11,598.14	$14,645.73
(39)	C&I LLF Extra-Large		$4,747.15	$9,679.74	$16,800.46	$24,254.97	$30,893.57
(40)	C&I HLF Extra-Large		$13,040.98	$24,229.99	$40,589.09	$57,719.84	$72,921.46
	Cumulative % Bill Impact vs. Current						
(41)	Residential Non-Heating		-1.6%	1.1%	5.0%	9.1%	12.8%
(42)	Residential Non-Heating Low Income		-1.6%	1.1%	5.1%	9.2%	12.9%
(43)	Residential Heating		3.7%	7.6%	13.3%	19.2%	24.5%
(44)	Residential Heating Low Income		3.7%	7.7%	13.4%	19.4%	24.7%
(45)	C&I Small		3.5%	7.3%	12.9%	18.8%	24.0%
(46)	C&I Medium		2.9%	6.0%	10.6%	15.4%	19.7%
(47)	C&I LLF Large		2.9%	6.0%	10.6%	15.3%	19.6%
(48)	C&I HLF Large		4.4%	8.1%	13.5%	19.1%	24.1%
(49)	C&I LLF Extra-Large		1.5%	3.1%	5.4%	7.8%	10.0%
(50)	C&I HLF Extra-Large		2.3%	4.3%	7.3%	10.3%	13.0%

(1)-(10): (Page 1, Lines ((11)-(20))) * (Page 1, Lines ((21)-(31)))) / GET
(11)-(20), Col (a): RIPUC Docket No. 5099 ISR FY 2022 Filing, Section 4, Attachment 2
(11)-(20), Col (b) - (f): Lines ((1)-(10)) + Lines ((11)-(20)) Prior Year
(21)-(30): Lines ((1)-(10)) Current Year / Lines ((11)-(20)) Prior Year
(31)-(40): Lines ((1)-(10)) Current Year + Lines ((31)-(40)) Prior Year
(41)-(50): Lines ((31)-(40)) Current Year / Lines ((11)-(20)), Column (a)

PUC 3-2

Request:

Referring to Table 2 on Bates page 77, which forecasts over $1.2 billion of incremental investments in the gas distribution system over the next five years, please explain the Company's perspective regarding the implications of making this sizable investment in the system given the emerging state policy to reduce and eventually eliminate dependency on natural gas in Rhode Island. Has the Company taken into account the potential stranded cost risk by investing in the gas distribution system at the levels forecasted when there are policies being advanced to move away from natural gas growth? Please explain the Company's perspective and the extent to which this does or does not influence capital budgeting.

Response:

National Grid is aware of the emerging state policy that is likely to reduce the use of Natural Gas in Rhode Island over the long term. National Grid shares the State's goals of reducing emissions and is actively developing decarbonization solutions, including hydrogen and geothermal solutions. The Company is engaged with the many state agencies, elected officials, environmental advocates, and Rhode Island residents in developing a pathway to a cleaner energy future for Rhode Island.

Nonetheless, currently, customer interest in using natural gas continues to increase and until such time as goals are set and the timeline for achieving those goals has been determined, National Grid has proposed projects and programs that will maintain the safety and reliability of the Company's gas system. The Company understands that the possibility for stranded investment exists and believes that this is a pertinent issue for consideration in a rate case where depreciation rates are proposed, and where the Company's future gas expansion capital additions are reviewed.

PUC 3-4

Request:

Referring to all of the discretionary line items in Table 1 of Section 2 of the FY 2021 and FY 2022 plans, please provide a table showing the difference in spending for each discretionary category and for each spending subcategory (other than Proactive Main Replacement). For each line item that is increasing, please explain why the Company is proposing an increase.

Response:

The table below shows the FY 2021 Budget, FY 2021 Forecast (through December 31, 2020), and the proposed FY 2022 budget for the Discretionary items in Table 1 of Section 2 of the FY 2021 and FY 2022 plans. The table also includes the variance between the approved FY 2021 Gas ISR Plan and the proposed FY 2022 Gas ISR Plan.

Summary Table ($000)	FY21 Budget	FY21 Forecast	FY22 Budget	Variance FY21 to FY22
Proactive Main Replacement Total	$67,729	$63,766	$75,028	$7,299
Proactive Service Replacement	$350	$160	$350	$0
Reliability	$36,246	$25,451	$40,656	$4,410
Southern RI Gas Expansion Project	$40,460	$41,382	$19,438	($21,022)
Total	**$77,056**	**$66,993**	**$60,444**	**($16,612)**

Please see Attachment PUC 3-4, which includes Reliability subcategories and a detailed breakdown of the LNG subcategory.

Prepared by or under the supervision of: Stephanie Eddleston

Reliability Sub-Category Table	FY21 Budget	FY21 Forecast 9+3	FY22 Budget	Variance FY21 to FY22	Reason for Positive Variance
Gas System Control	$118	$64	$0	($118)	
System Automation	$1,252	$1,115	$1,321	$69	Annual anticipated increase in labor and materials costs
Heater Installation Program	$2,961	$2,524	$3,557	$596	Completion of Laten Knight, construction start for Dey St and Eng/Dev for Smithfield projects
Pressure Regulating Facilities	$7,849	$4,297	$7,462	($387)	
Allens Ave Multi Station Rebuild	$6,200	$8,421	$2,500	($3,700)	
Take Station Refurbishment	$995	$666	$1,300	$305	Refurbishments planned for 2 locations, increases in materials/labor to complete work in FY22
Valve Installation/Replacement (incl Storm Hardening & Middletown/Newport)	$676	$376	$1,233	$557	$54k allocated for PE Stamps for Maintenance program. $500k increase for completion of Newport Sectionalizing Valves Installation program. Includes FY21 carryover due to permitting issues and remainder of the work.
Gas System Reliability	$2,371	$598	$3,068	$697	The FY 2022 budget finances ongoing multi-year projects designed to eliminate single-feed systems. Projects planned for FY22 include the East Providence downrate (install 260 ft; downrate 23,000 ft) and the Newport 10-to-35# upgrade (3,525 ft)
I&R - Reactive	$1,392	$1,399	$1,348	($44)	
Distribution Station Over Pressure Protection	$3,636	$1,620	$3,301	($335)	
LNG	$6,433	$2,657	$7,738	$1,305	**See LNG Table below for details**
Aquidneck Island Long Term Capacity Options (formerly Old Mill Ln Permanent Portable Site)		$700	$4,900	$4,900	Advance assessment of infrastructure options to replace the recurring portable LNG at Old Mill Lane
Replace Pipe on Bridges	$1,500	$151	$2,006	$506	FY21 development planned for the Glenbridge Ave and Goat Island Bridge projects. Glenbridge Ave delayed due to covid and Goat Island on hold due to RIDOT rebuilding the bridge. Glenbridge Ave deferred to FY22. Reactive DOT bridge work will also handled as needed.
Access Protection Remediation	$260	$260	$310	$50	$43k of the variance is due to the allocation of PE Stamps from incremental expense allocation

Tools & Equipment	$603	$603	$612	$9	More meter testing equipment will be purchased in due to the planned increase in meter refurbishments.
Total	**$36,246**	**$25,451**	**$40,656**	**$4,410**	

LNG Projects	FY21 Budget	FY21 Forecast 9+3	FY22 Budget	Variance FY21 to FY22	Reason for Positive Variance
LNG - Blanket	$570	$953	$586	$16	Annual anticipated increase in labor and materials costs
LNG - Cumberland Tank Replacement	$199	$150	$2,000	$1,801	Onboarding of Owners Engineer and continued development of all phases of project
LNG - Exeter LNG Capital Upgrade Project	$5,415	$1,096	$5,052	($363)	
LNG - Newport Site Demo	$0	$0	$100	$100	Project Development and planning for demolition of LNG equipment
LNG - Old Mill Lane Permanent Portable Site	$249	$458	$0	($249)	
Total	**$6,433**	**$2,657**	**$7,738**	**$1,305**	

PUC 3-8

Request:

For each line item listed in Table 1 (Bates page 76), please provide an estimate of the incremental impact (if any) on the FY 2022 and FY 2023 revenue requirements that will be caused from each line item.

Response:

Please see Attachment PUC 3-8 for an estimate of the incremental impact on the FY 2022 (Column (b)) and FY 2023 (Column (c)) revenue requirements from each line item of Section 2, Table 1 (Bates page 76). The Company has employed the same methodology described in response to Data Request PUC 1-17 to calculate the FY 2022 and FY 2023 revenue requirement by line item.

Table 1

Narragansett Gas - FY 2022

	Categories	(a) Budget	(b) = Line 62 (a) × Col (a) FY22 Revenue Requirement	(c) = Line 62 (b) × Col (a) FY23 Revenue Requirement
	NON-DISCRETIONARY			
	Public Works			
1	*CSC/Public Works - Non-Reimbursable*	$19,152,000	$1,111,493	$1,767,581
2	*CSC/Public Works - Reimbursable*	$1,455,000	$84,441	$134,285
3	*CSC/Public Works - Reimbursements*	($1,405,000)	($81,540)	($129,671)
4	***Public Works Total***	**$19,202,000**	**$1,114,394**	**$1,772,196**
5	**Mandated Programs**			
6	*Corrosion*	$1,250,000	$72,544	$115,365
7	*Purchase Meter (Replacement)*	$2,880,000	$167,142	$265,802
9	*Reactive Leaks (CI Joint Encapsulation/Service Replacement)*	$11,973,000	$694,857	$1,105,015
10	*Service Replacement (Reactive) - Non-Leaks/Other*	$1,911,000	$110,906	$176,370
11	*Main Replacement (Reactive) - Maintenance (incl Water Intrusion)*	$1,126,000	$65,348	$103,921
12	*Low Pressure System Elimination (Proactive)*	$500,000	$29,018	$46,146
14	*Transmission Station Integrity*	$1,740,000	$100,981	$160,589
15	***Mandated Total***	**$21,380,000**	**$1,240,795**	**$1,973,208**
16	**Damage / Failure (Reactive)**			
17	***Damage / Failure (Reactive)***	**$250,000**	$14,509	$23,073
18				
19	**NON-DISCRETIONARY TOTAL**	**$40,832,000**	**$2,369,699**	**$3,768,477**
20	**DISCRETIONARY**			
21	**Proactive Main Replacement**			
22	*Main Replacement (Proactive) - Leak Prone Pipe*	$67,176,000	$3,898,581	$6,199,824
23	*Main Replacement (Proactive) - Large Diameter LPCI Program*	$3,852,000	$223,552	$355,510
24	*Atwells Avenue*	$4,000,000	$232,141	$369,169
25	***Proactive Main Replacement Total***	**$75,028,000**	**$4,354,275**	**$6,924,503**
26	**Proactive Service Replacement**			
27	***Proactive Service Replacement Total***	**$350,000**	$20,312	$32,302
28	**Reliability**			
30	*System Automation*	$1,321,000	$76,665	$121,918
31	*Heater Installation Program*	$3,557,000	$206,432	$328,284
32	*Pressure Regulating Facilities*	$7,462,000	$433,060	$688,685
33	*Allens Ave Multi Station Rebuild*	$2,500,000	$145,088	$230,731
34	*Take Station Refurbishment*	$1,300,000	$75,446	$119,980
35	*Valve Installation/Replacement (incl Storm Hardening & Middletown/Newport)*	$1,233,000	$71,558	$113,796
36	*Gas System Reliability*	$3,068,000	$178,052	$283,153
37	*I&R - Reactive*	$1,348,000	$78,232	$124,410
38	*Distribution Station Over Pressure Protection*	$3,301,000	$191,575	$304,657
39	*LNG*	$7,738,000	$449,077	$714,157
40	*Aquidneck Island Long Term Capacity Options*	$4,900,000	$284,373	$452,232
42	*Replace Pipe on Bridges*	$2,006,000	$116,419	$185,138
43	*Access Protection Remediation*	$310,000	$17,991	$28,611
44	*Tools & Equipment*	$612,000	$35,518	$56,483
45	***Reliability Total***	**$40,656,000**	**$2,359,484**	**$3,752,234**
46	**SUBTOTAL DISCRETIONARY (Without Gas Expansion)**	**$116,034,000**	**$6,734,071**	**$10,709,039**
47	Southern RI Gas Expansion Project	$19,438,000	$1,128,091	$1,793,977
48	**DISCRETIONARY TOTAL (With Gas Expansion)**	**$135,472,000**	**$7,862,162**	**$12,503,015**
49	**CAPITAL ISR TOTAL (Base Capital - Without Gas Expansion)**	**$156,866,000**	**$9,103,770**	**$14,477,516**
50				
51	**CAPITAL ISR TOTAL (With Gas Expansion)** Amount does not include incremental paving associated with new RI Paving Law, PE Stamps, or O&M	**$176,304,000**	**$10,231,861**	**$16,271,493**
52	**Incremental Costs**			
53	*Incremental Paving - Main Installation*	$3,019,000	$175,209	$278,630
54	*Incremental Paving - Patches*	$823,000	$47,763	$75,957
55	***Incremental Costs Total***	**$3,842,000**	**$222,972**	**$354,587**
56	**CAPITAL ISR TOTAL (with Gas Expansion, PE Stamps, and Incremental Paving)**	**$180,146,000**	**$10,454,832**	**$16,626,079**

57	Fiscal Year of Revenue Requirement	FY22	FY23		
		(a)	(b)		
58	Depreciation, Return and Taxes associated with FY22 investment	$6,464,832	$12,755,437		
59	Property tax associated with FY22 investment	$3,990,000	$3,870,642		
60	Total revenue requirement associated with FY22 investment	$10,454,832	$16,626,079		
61	Total FY22 Investment Plan Spend	$180,146,000	$180,146,000		
62	Revenue Requirement Ratio of FY22 Capital Investment	5.80%	9.23%		
Line notes:					
58	Section 3 Attachment 1, Page 15, Line 29, Col (a) and (b) (Bates page 183)				
59 (a)	Section 3 Attachment 1, Page 24, Line 54, Col (k) (Bates page 192)				
59 (b)					
	FY 2022 Net ISR Plant Additions	$153,480,070	Section 3 Attachment 1, Page 24, Line 54, Col (i) (Bates page 192)		
	Less: FY 2023 Book Depreciation on FY 2022 ISR Plant Additions	($4,609,212)	Section 3 Attachment 1, Page 15, Line 12, Col (b) (Bates page 183)		
	FY 2022 Net ISR Plant Additions at FY 2023	$148,870,858			
	Times estimated FY 2022 Property Tax Rate	2.60%	Section 3 Attachment 1, Page 24, Line 45, Col (i) (Bates page 192)		
	FY 2023 Property tax associated with FY 2022 investment	$3,870,642			
60	Line 58 + Line 59				
61	Section 2, Table 1 (Bates page 76)				
62	Line 60 ÷ Line 61				

PUC 3-9

Request:

Does the Company have a process through which Narragansett Electric must receive budget spending approvals from the National Grid USA or UK senior management or finance management function before making the budget spending proposal to the Commission? If so, please explain the process. Is the process for Rhode Island the same or different than other jurisdictions? Please explain.

Response:

The capital spending and work plans for each operating company are approved by both the US Gas Chief Operating Officer and the Jurisdictional President.

Specifically, in the US, the National Grid 10-year capital planning process commences annually in July, and final approval for the plan is received in January. Year two of the prior year's approved capital plan is used as a spending guideline for the next ISR filing. Annually, the 10-year capital plan is adjusted for any new asset requirements, changes to forecast, updated estimates, project scope changes, etc. Review of the prioritization of asset requirements may take place if the Company's new proposed budget is in excess of the Company's spending targets. This process is the same for all jurisdictions.

PUC 3-11

Request:

Referring to Bates pages 71-72 and the Replace Pipe and Bridges program and the budget of $2.01 million, please provide an estimate of the capital cost of the Glenbridge Avenue project. The plan also states: "Program activities will also include development of other bridge projects in the portfolio and reactive work on gas main on bridges, as those needs arise." How much of this is associated with the total $2.01 budget. Please explain how the portion of the budget relating to addressing the activities "as those needs arise" was derived.

Response:

The Glenbridge Avenue project was originally scheduled to be developed in Fiscal Year (FY) 2021 but was deferred to FY 2022 due to COVID-19-related travel restrictions, which prevented the Company's engineers from performing assessments. In FY 2021, the other project was Goat Island bridge, which is on hold due to RI-DOT work on the bridge. As of the end of December 2020, $0.035M was spent on abandonment of Broad Street mains due to RI-DOT replacing the bridge deck. FY to date, there was no reactive work required for the replacement of pipes on bridges program in Rhode Island.

In FY 2022, 102 Sylvan Drive and 604 Park Avenue will also be developed for a cost of $0.507M. The deferred Glenbridge Avenue project development will cost $0.617M. The remainder of the budget $0.886M will be used for reactive work on gas mains on bridges. Based on the reactive nature of this work we have budgeted for one or possibly two additional jobs in FY 2022.

Prepared by or under the supervision of: Saadat Khan

PUC 3-12

Request:

Referring to Bates page 72 and the budget of $612,000 for "capital tools and equipment," (a) please provide a breakdown of the tools and equipment that make up the budgeted amount. (b) How does the Company determine whether the costs of the tools and equipment will be capitalized and eventually placed into rate base? (c) Please explain how the statutory and tariff-based terms of the ISR allow for the Company to recover the costs of tools and equipment within the ISR. (d) What method or criteria does the Company use to determine how much in capital tools and equipment need to be purchased for a given fiscal year before including the item in the ISR budget? (e) What impact does the $612,000 have on the FY 2022 revenue requirement? (f) Please provide a copy of any accounting guidance documents used to determine when tools and equipment may be capitalized.

Response:

(a) The Capital Tools and Equipment budget consists of two categories: Tools and Meter Testing Equipment.

The Capital Tools and Equipment purchased under the annual budget are required to properly outfit the Company's Gas Construction and Maintenance, Customer Metering Services and Instrumentation and Regulation teams to safely maintain, monitor, test, repair and build the Company's gas distribution system. The Company's Fiscal Year 2022 capital tools and equipment capital budget is not based on an itemized list of the tools and equipment. The capital tool and equipment budget is a reactionary budget used to purchase/replace tooling based on tooling breakdowns, policy and work method changes, and work force increases. Tool breakdown beyond repair occurs on a consistent basis, requiring capital expenditures in a given year to maintain operations. Typical tool replacements include tampers, hammers, rock drills, saws, hand tools, pipe locating equipment, meter provers, meter storage carts, and leak detection equipment. Less frequently, tooling/equipment capital spend is due to policy or work methods changes, as well as increases in workplan and work force to upfit these resources.

(b) Tools and equipment with a value of more than $500 are capitalized.

PUC 3-12, page 2

(c) RIPUC Tariff section 3.3.1 Gas Infrastructure, Safety, and Reliability Plan Filing provides, in part:

> In compliance with R.I. Gen. Laws Section 39-1-27.7.1, no later than January 1 of each year, the Company shall submit to the PUC a Gas Infrastructure, Safety, and Reliability Plan (Gas ISR Plan) for the upcoming fiscal year (April to March) for review and approval within 90 days. The Gas ISR Plan shall include the upcoming fiscal year's forecasted capital investment on its gas distribution system infrastructure and may include any other costs relating to maintaining safety and reliability that have been mutually agreed upon by the Division and the Company.

These tool costs are related to maintenance of the safety and reliability of the Company's gas distribution system and are appropriately capitalized in accordance with the foregoing provision of the Company's tariff.

(d) During the annual capital tool and equipment budgeting process, the Company reviews numerous items including prior year spend, multiple year spend trends, as well as known policy changes that might drive tooling needs. Also, taken into account are known resource increases and one-off large cost tooling replacements foreseen for the coming year, if any are applicable. The Fiscal Year 2022 Capital Tools and Equipment budget is based on prior year spend plus an increase to allow for annual anticipated increase of tool and equipment cost.

(e) The Company has employed the same methodology described in its response to Data Request PUC 1-17 to calculate the FY 2022 revenue requirement by line item. Please see Line 26, Page 3 of the Company's response to Data Request PUC 1-17. The FY 2022 revenue requirement associated to FY 2022 capital investment to FY 2022 capital investment spending ratio is 5.8%. By multiplying the 5.8% times the $612,000 capital tools and equipment investment, the impact on FY 2022 revenue requirement is $35,496.

(f) Work Order Capitalization

All capital work orders are predicated on the installation, construction, replacement, or removal of a unit of property. If the answer to either of the questions below is "Yes," the work performed or item purchased should generally be classified as a capital asset:

1) Does the work performed or item purchased result in property, plant, or equipment that will provide a benefit to the company beyond one year?

PUC 3-12, page 3

2) Does the work performed extend the life, enhance the reliability, increase the capacity or output, or lower the associated operating costs of the existing asset?

Factors in Determining Treatment of Project Costs

The following factors also affect the decision whether or not to capitalize project costs:

- Type of work performed
- Construction (addition/replacement) of an existing asset (capital)
- Retirement/removal of an asset (capital)
- Repair/maintenance of an asset (expense)
- Unit of property (retirement unit upon which capitalization decisions are predicated)
- Jurisdiction/rate case (Unit of property catalogs can vary based on past rate proceedings within each utility's jurisdiction
- Dollar (cost) threshold

National Grid Capitalization Thresholds

Company - Segment	5120 - NG ENG SVCS	5220 - KEDNY	5230 - KEDLI	5330 - Boston	5340 - Colonial	5360 - NECO (Gas)	5430 - GENCO
General Plant / Hardware (39x Series FERC Accts)	Cost per Unit must be >= $500 and Considered a Unit of Property						

PUC 3-14

Request:

Please provide a list (and cost) of the capital tools and equipment that were purchased in FY 2021 pursuant to the related FY 2021 budget of $603,000.

Response:

The Company's actual and expected purchases of $501,000 of Capital Tools and Equipment for FY21are detailed in Attachment PUC 3-14.

The Company budgeted for $102,000 of Meter Testing Equipment purchases, which have not been made to date. The Company is currently in discussions with a vendor to purchase a Commercial Wet Leak Tester for approximately $11,000. The grand total forecast amount of $488,778 reflected in Attachment PUC 3-14 does not include the $11,000 for the Commercial Wet Leak Tester.

Field Ops-NE Rhode Island-Gas FY21 YTD December

Item/Tool Description	Quantity	April 001/2021	May 002/2021	June 003/2021	July 004/2021	August 005/2021	September 006/2021	October 007/2021	November 008/2021	December 009/2021	Grand Total
4-6 inch pipe cutter	1									$ 862	$ 862
cp knuckler	5							$ 2,729			$ 2,729
nueco blow down stand	1		$ 5,232								$ 5,232
rhino post driver	1				$ 4,774						$ 4,774
stihl road saws and carts	3			$ 6,340							$ 6,340
wackers	3		$ 7,816								$ 7,816
stihl road saws and carts	2				$ 4,248						$ 4,248
stihl power brooms and bristles	2				$ 1,171						$ 1,171
stihl power brooms and bristles	3									$ 1,990	$ 1,990
bascom turner CGI meters	2				$ 4,920	$ -	$ -	$ -			$ 4,920
tristand vices	2		$ 682								$ 682
clay guns	2							$ 1,851			$ 1,851
metal cutting blades	1									$ 1,503	$ 1,503
CAT4+ tools	4									$ 4,934	$ 4,934
30" road saw blades	2				$ 2,622						$ 2,622
36" road saw blade	1				$ 1,445						$ 1,445
cp Knucklers	6				$ 5,130						$ 5,130
CS Unitec Drill and chuck	1						$ 4,143				$ 4,143
Hilti core bit	1				$ 900						$ 900
service van cordless kit	7									$ 6,841	$ 6,841
Hammer Drill	1									$ 804	$ 804
digital test gauges and protective boots	2			$ 11,127		$ -					$ 11,127
metrotec 810 locators	5									$ 14,568	$ 14,568
pressure calibrators	3						$ -	$ 96		$ 718	$ 814
Supra Flow tapping tool	1					$ 5,286					$ 5,286
4" rotary peelers and 5	5							$ 7,434			$ 7,434
Digital pressure test gauges and calibrations	2			$ 2,340							$ 2,340
PRO-Com smart communicator	1			$ 1,391		$ -					$ 1,391
pressure gauges	1					$ 5,437					$ 5,437
Digital Pyrometer kits	4									$ 1,091	$ 1,091
6" butt fusion machines with jaws and 3	2									$ 27,005	$ 27,005
Air chipping hammers	3			$ 2,057							$ 2,057
Dayton sump and pump savers	1			$ 1,083							$ 1,083
diaphram pumps and regulators	2				$ 1,856						$ 1,856
Soil pipe cutter (snap cutter)	1								$ 642		$ 642
combustion analizer kit	1									$ 1,585	$ 1,585
Materials Total			**$ 13,730**	**$ 24,337**	**$ 27,064**	**$ 10,723**	**$ 4,143**	**$ 12,110**	**$ 642**	**$ 61,902**	**$ 154,651**
Capital Overheads		$ 2,282	$ 3,706	$ 6,220	$ 6,766	$ 2,983	$ 841	$ 5,208	$ 979	$ 16,589	$ 45,573
Herc water truck rental						$ 3,905		$ 13,384	$ 3,275		$ 20,564
Discounts			$ (159)	$ (456)	$ (17)	$ (466)	$ (77)	$ (96)	$ -	$ (655)	$ (1,925)
Other		$ 501	$ 236	$ 306	$ 342	$ 224	$ 289				$ 1,896
Other Expenses Total		**$ 2,782**	**$ 3,783**	**$ 6,070**	**$ 7,091**	**$ 6,646**	**$ 1,052**	**$ 18,495**	**$ 4,255**	**$ 15,934**	**$ 66,108**
Purchase Sub-TOTAL		**$ 2,782**	**$ 17,513**	**$ 30,408**	**$ 34,155**	**$ 17,368**	**$ 5,195**	**$ 30,605**	**$ 4,897**	**$ 77,836**	**$ 220,759**
Tools not Received	**Quantity**										
wacker rammers	7										$ 17,150
road saws and carts	5										$ 9,925
ATS power brooms	5										$ 2,928
Honda Generators	2										$ 5,050
plate compactors	3										$ 5,550
8" pipe cutters	3										$ 3,105
4" pipe cutters	5										$ 3,383
I&R - Grease Guns	multiple										$ 11,000
Other for Melrose St	Melrose St. operating yard tools including combustible gas detectors and FI										$ 70,000
Other for Lincoln	Number of tools for Lincoln operating yard										$ 55,000
Harper Power Hack (order in January)	3										$ 9,500
Mulcare Electrofusion Boxes (Order in February)	5										$ 21,825
Capital OH 25%											$ 53,604
Tools Ordered Total											**$ 268,019**
Grand Total Forecast											**$ 488,778**

PUC 3-15

Request:

Referring to Bates page 72 and the "Access Protection Remediation" program and budget of $310,000, (a) please provide a list and description of the proposed projects that make up the $310,000 budget item, (b) How does the Company determine whether an Access Protection Remediation project should be capitalized and eventually placed into rate base?

Response:

a) The Company is in the process of completing field verifications at the potential access protection remediation sites to finalize the projects for FY 2022. The plan is to schedule 14 projects that have a historical cost average of $19,000 per project in Rhode Island. The Company does not yet have a list of specific project locations since the list will be determined in early FY 2022 once field assessments are completed by Company Engineers. The remainder of the $0.044M budget serves as contingency should more complex access protection remediation projects be included this year, which would increase the unit cost and reserves for additional site verifications for the FY 2023 projects.

b) The Access Protection Remediation asset is capitalized when the installation is deemed to provide a benefit to the Company beyond one year. A new installation will lower annual maintenance costs and damage to the Company's above-grade facilities and, therefore, extend the life of the asset.

PUC 3-16

Request:

Please provide a list (and cost) and description of each of the Access Protection Remediation projects that were implemented in FY 2021 pursuant to the FY 2021 budget of $260,000.

Response:

Access Protection Remediation projects are designed to reduce the risk of public injury by restricting and/or deterring public access to the Company's elevated gas facilities. Typically, this means installing fencing or barriers to prevent the public from walking on or climbing on gas main on bridges. Below is the list of locations (waterway crossing) where projects were implemented in FY 2021.

Bridge #	**Town**	**Nearest Address**	**Cost ($)**
SMF-0005	Smithfield	26 Cross Street, Smithfield, RI. 02917 (Woonasquatucket River)	$20,818
SMF-0006	Smithfield	5 Esmond Street, Smithfield, RI. 02917 (Woonasquatucket River)	$20,359
SMF-0009	Smithfield	308 Waterman Avenue, Smithfield, RI. 02917 (Woonasquatucket River)	$15,316
NPV-0002	Providence	100 Allendale Avenue, Johnston, RI. 02919 (Woonasquatucket River)	$21,506
LNC-0003	Lincoln	580 Great Roadd, Lincoln, RI. 02865 (Moshassuck River)	$17,150
			$95,149

Due to COVID-19 related travel restrictions, the Company was unable to complete planned field verifications earlier in FY 2021. This hindered the Company's ability to complete work at additional locations.

Prepared by or under the supervision of: Saadat Khan

PUC 3-23

Request:

As of December 31, 2020, how many meters did the Company have in inventory that were available to be used for its meter replacement program?

Response:

As of December 31, 2020, the Company had 8,261 meters in inventory for mandated meter purchases, which includes refurbished meters that are being reused

Prepared by or under the supervision of: Saadat Khan

PUC 3-24

Request:

Please explain what criteria the Company uses to determine how many meters need to be purchased each year and how many meters need to be in inventory during a given year to efficiently and effectively carry out its meter replacement program.

Response:

The Company considers multiple factors to determine purchase meter amounts from year-to-year. First, the Company builds a workplan to reflect the number of mandatory meter changes and projected growth work to determine the number of meters needed annually for planned work. Please note that the number of mandatory meter changes in the work plan may vary year over year based on the Company's success in prior years with gaining access to customers' premises to perform the work.

In addition, the Company maintains stock to replace meters due to damage or failure. Also, please note that the Company must keep a variety of meter types in stock to ensure that the right size and type of meter is available for customers who agree to schedule a meter change appointment or request a new gas service, since the Company cannot project with precision the exact number of each type of meter that will be needed in any given year.

In addition, the age of the meter determines whether a meter that has been removed for replacement can be refurbished and used for other locations or if it will be condemned. Without knowing the specific age of every meter returning from service at the time workplans are created, predicting actual condemnation and refurbishment rates is difficult. The Company takes this into consideration to ensure it has sufficient stock available if condemnation rates are higher than expected.

Finally, as the Company is notified by vendors of increases in meter pricing, meter purchases may be redistributed from year-to-year to enable most cost-effective solution for customers. Due to all these factors changing real-time throughout the year, purchase meter and meter change quantities vary from year-to-year.

PUC 3-25

Request:

Does the Company actually "need" to purchase an additional 18,600 meters in FY 2022 in order to prudently implement its meter replacement program in FY 2022? If yes, please explain why and the extent to which implementation would be disrupted if all or a significant portion of the meter purchases were deferred to FY 2023. How much could the purchase program be reduced in FY 2022 without disrupting the ability of the Company to implement its meter replacement program in accordance with requirements, given the number of meters in inventory?

Response:

The Company requires 18,600 meters for planned meter change work in FY 2022 to be compliance regulatory requirements to periodically change meters. The Company purchased 9,000 meters for FY 2022 work in FY2021 to take advantage of lower pricing after the vendor informed the Company that meter prices would increase in CY 2021. The Company is proposing purchasing approximately 9,600 additional meters in its FY 2022 ISR filing.

The Company cannot defer these meter purchases, or it will be at risk of being non-compliant with its regulatory requirements to replace meters.

Prepared by or under the supervision of: Saadat Khan

PUC 3-27

Request:

Please explain the extent to which the Company shares meter inventory with its affiliates and makes bulk purchases that allocates meters among the affiliates. Would the purchases relating to the ISR budget be a share of a larger National Grid USA purchase or be for Rhode Island alone? Please also explain how the costs are allocated when meters are drawn from the shared inventory.

Response:

While the Company has negotiated bulk pricing based on total demand for all its US operating companies, actual purchases are made by the individual operating companies. In other words, all meters purchased with ISR funding, are purchased by Narragansett Electric Company for the sole use of Narragansett Electric Company. The Company receives meters from the manufacturers, and these meters are labeled with the operating company name. Thus, meter inventories cannot be shared across the Company's affiliates.

PUC 3-30

Request:

Regarding the pace at which the Company is purchasing new gas meters,

(a) over what period of years are the gas meters depreciated?

(b) To what extent has the Company taken into account the possibility that it will implement a program that replaces existing meters with advanced meter infrastructure, when making its annual meter purchase decisions?

(c) Does the Company have any concerns about stranding meter investment? Please explain.

Response:

(a) Based on the depreciation study approved in Docket No. 4770, the gas meters have an average remaining useful life of 32.7 years and are being depreciated at 1.76% annually.

(b) Advanced Meter Functionality ("AMF") leverages the existing 10/15 year meter replacement program and does not require any incremental cost to gas meter purchases. As meters leave the meter shop, either as new meters or after refurbishment, they will be equipped with the AMF capable gas communication modules that will enable AMF communication. The Company will determine when and where an AMF capable unit gets installed, based on deployment of the AMF communication network and back-end solution implementation.

(c) No. The Company does not have any concerns regarding stranding meter investment. The Company is leveraging existing work methods and process to deploy AMF gas modules on a business as usual basis. This approach serves to maximize the asset life prior to replacement, as is the process today, and mitigates any concerns about stranded meter or meter accessory assets.

The Company notes that it is currently evaluating the benefits of proposing a change to existing meter change regulations to introduce a Gas Meter Pick-for-Test ("PFT") Sampling Program, in place of the existing 10/15 years interval meter testing/change program. A PFT program is superior to the interval meter change program, in that the program tests a sample of the entire population of meter every year, as opposed to only testing meters that are 10/15 years old. Currently, if the Company finds poor performing meters in the interval change program, it can be 10/15 years or more before the meters are removed from service.

Prepared by or under the supervision of: Saadat Khan

PUC 3-30, page 2

In the PFT program, samples of all meter types installed are collected and tested on an annual basis, with the results of the previous year's testing, dictating the total number of meters to test the subsequent year. As a meter subgroup becomes inaccurate, that meter subgroup will be targeted for removal from the population with new meters in seven to eightyears. A PFT program requires a fraction of the meters compared to the current interval meter change program. With a smaller sample size being required, the success of getting the samples is 100%, and will eliminate the "cannot get in" ("CGI") issue.

All meters, immediately after installation, would become part of the PFT program in comparison to the current requirements, which results in waiting 10/15 years before the meter is first tested. If a meter family is identified as performing poorly, it is selected for remediation, and the Company removes the poor performing meters, providing better accuracy for the customer. The PFT program would eliminate the backlog of meters needing to be replaced as part of the interval program and would also increase the depreciable life of a meter asset. Over time, this approach will reduce the number of meter purchases required annually and the number of meter changes performed. This, in turn, will reduce both capital investments through the ISR and operating expenses.

The Company's New York affiliates currently use this program. As a result, they replace far fewer meters annually, despite having a much larger meter population. This approach also ensures the accuracy of the meters. The total number of meters replaced each year is subject to meter subgroups retirements, but the Company has confidence that the Rhode Island population, similar to the experience of its New York affiliates, will not experience extreme retirements.

According to the Company's survey of American Gas Association ("AGA") companies, few states require an interval meter change type program, as such programs were implemented approximately 80 years ago due to the type of meter materials used at that time.

PUC 3-32

Request:

Referring to Bates page 47, please provide the evidentiary basis and rationale for assuming 50 percent of miles installed and 15 percent of patch restorations will require curb-to-curb restorations.

Response:

The Company estimated the 50 percent and 15 percent adoption rates, for curb-to-curb paving for main installation and larger patches respectively, based on paving requirements officially communicated to the Company by the respective municipalities along with a modest increase (approximately 15%) to the expected adoption rate for main installation. As of December 2020, 14 municipalities had officially communicated their adoption of curb-to-curb paving for final restoration of main installation and Providence and Woonsocket had adopted expanded patch restoration requirements. The Company continues to believe that more municipalities will continue to adopt curb-to-curb paving for final restoration of main installation in the near future and expects the adoption rate to reach 100% in the next one to two fiscal years. The Company does not forecast a large increase in the adoption of expanded paving for patches.

At the time of this response, the Company now forecasts (not officially communicated to the Company) that 27 municipalities will require curb-to-curb paving for final restoration of main installation in FY 2022. Additionally, the City of Central Falls has recently adopted curb-to-curb paving for patches.

A more detailed listing of the Company's forecasted paving commitments for FY 2022 is included in the Company's response to PUC 3-30.

PUC 3-33

Request:

Does the Company have the billing system and related capabilities to track incremental paving by municipality and allocate the revenue requirement associated with incremental paving costs caused by such municipality to gas distribution ratepayers residing within the applicable municipality that requires curb to curb paving, beginning for prospective paving work in FY 2023? Please explain, including identifying any apparent challenges if such an allocation was adopted in rate design.

Response:

The Company's billing system cannot track incremental paving by municipality and allocate the revenue requirement caused by a municipality to gas customers in that municipality. The Company would need to perform such tracking manually to determine each municipality requiring curb to curb paving and the costs incurred in each ISR Plan year in each municipality associated with curb to curb paving. Separately, the Company would have to determine how to recover each municipality's curb to curb paving costs from its customers in those municipalities.

There are several practical challenges in adopting an approach where customers are billed for the recovery of curb to curb paving costs incurred in each municipality. First, the Company's billing system is not programmed to bill different rates to each of the municipalities to which it provides gas service. Second, the ISR revenue requirement is allocated to the Company's rate classes by a rate base allocator at the total company level, and a rate base allocator does not exist for each municipality. Therefore, in terms of cost causation, it is not practical for the Company to allocate a municipality's cost of curb to curb paving to the rate classes represented in that municipality using a rate base allocator specific to that town. Rather, under efficient ratemaking, the Company would use the approved rate base allocator applicable to all customers, the result of which may not align with the customer profile within the municipality. Third, the Company recovers ISR costs through a volumetric (per-therm) factor. The Company does not produce a sales forecast by municipality, which would be required to calculate a volumetric factor specific to a municipality for the curb to curb paving costs incurred in that municipality.

As of December 2020, 14 of the Company's 38 municipalities formally required curb to curb paving for final paving restoration of main installation. These 14 municipalities represent approximately 75 percent of the Company's customers. Therefore, only 25 percent of the Company's customers would not be charged for curb to curb paving based on the premise posed in the information request. However, as discussed in the Company's response to Data Request PUC 1-9, the Company believes that 27 municipalities in its service territory will require curb-

to-curb paving for projects completed in FY 2022, which will continue to eliminate any disparity across municipalities on a unit cost basis.

Furthermore, the Company estimates that FY 2022 incremental paving costs will total $3.84 million. Assuming, conservatively, that the FY 2022 annual revenue requirement is 10% of that cost, customers would pay less than $400,000 in incremental paving costs for FY 2022, which equates to approximately $0.0010 per therm on average and approximately $0.84 per year or $0.07 per month for a typical residential heating customer using 845 therms per year. Given this modest impact and the fact that only 25 percent of the Company's customers (at most) would avoid paying for curb to curb paving, the Company believes the improvements gained by refining the cost allocation process are likely to be minimal.

Finally, cost allocation and rate design practices are generally based on average cost ratemaking where costs are socialized over a large population of customers because costs that may not be incurred in one year may be incurred in the following year such that, on average, all customers, over time, are subject to the average cost of providing service. Limiting the recovery of a specific cost incurred in specific geographic locations from customers in those locations (postage stamp ratemaking) for a utility with a significant number of customers with a billing system and a sales forecast that does not provide for such an approach to ratemaking potentially opens the door to other costs that may be incurred in a similar fashion and recovered from different subsets of customers in different municipalities from year to year. This strays from the rate design principle of simplicity, understandability, feasibility of application, and stability of the rates.

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Request:

Referring to Bates pages 68-69 and references to underspending in the category of LNG, (a) please explain the relationship between the $6,433,000 in spending on "LNG" that was included in Table 1 of the FY 2021 plan (which the Company now indicates will be underspent) and the $7.738,000 in spending on "LNG" that is included in Table 1 of the FY 2022 plan (which the Company now indicates will incorporate FY 2021 deferrals). (b) Please also provide detail that breaks down the components of spending, identifying the FY 2021 investments that are being deferred and those investments that actually occurred. (c) Please explain the effect (if any) that approval of the LNG costs in the FY 2021 budget had on the calculation of the revenue requirement which was included in rates for FY 2021 (i.e., was the Company compensated in FY 2021 rates for forecasted capital additions that never occurred in FY 2021?).

Response:

(a) Please see below for a detail explanation of the LNG investments and the impacts that occurred in FY 2021.

LNG – Blanket

The LNG – Blanket program is typically used for short duration small capital projects each year. This program is also used to cover any unexpected capital replacements that may be required during the season. A significant portion of the FY 2021 budget has been allocated toward a new storage building and pavement upgrades at the Exeter LNG Facility. The storage building was significantly delayed due to COVID-19 travel restrictions and onboarding of contractors for sitework. It is still estimated for the storage building to be completed prior to FY 2022.

LNG - Cumberland Tank Replacement

The Company is in the process of finalizing a feasibility study to identify a conceptual equipment layout at the Cumberland, RI location that complies with 49 CFR 193 Subpart B—Siting Requirements. The Company plans to Onboard an Owners Engineer at the start FY2022. The Owner's Engineer will serve as an independent, non-conflicted representative and advocate for the Company throughout all phases of the project. The major phases of the project as identified by the Company are: Bid Event(s), Front End Engineering and Design ("FEED"), Detailed Engineering, Construction & Commissioning.

Once an Owner's Engineer is onboarded, the Company, with assistance from the Owner's Engineer, will begin to Develop a Scope for an EPC Contractor. The Owner's Engineer will provide various technical experts to evaluate and review the completed feasibility study to determine if more conceptual designs are required. Necessary scope documentation will be developed in preparation for EPC bidding events estimated to begin October 2021. Although the Company does not estimate the Onboarding of an EPC Contractor until August 2022, a significant portion of the bidding events is planned to occur during the second half of FY2022.

LNG - Old Mill Lane Permanent Portable Site

The LNG – Old Mill Lane Permanent Portable Site project has included various infrastructure upgrades to better accommodate portable LNG operations and reduce the operational noise impacts observed by the residential neighbors. The Company has installed a transformer to eliminate the need to operate a diesel generator during normal operations. The Company has also completed the design and installation of a boiloff control system which is anticipated to be commissioned by the end of FY 2021.

LNG - Exeter AESD System

The LNG – Exeter AESD System project was significantly delayed due to COVID-19 travel restrictions. The initial draft study was not issued for review until October 2021. The engineering design is anticipated to be completed at the start of FY 2022. The Company anticipates FY 2022 activities to include completion of the engineering design, bidding events, and start of construction.

LNG - Exeter Boil Off Compressor 2 Upgrade

The LNG – Exeter Boil Off Compressor 2 Upgrade project was significantly delayed due to COVID-19 travel restrictions and agreement of terms and conditions with the selected consultant. The agreement of terms and conditions with the selected consultant was not final until November 2020. The engineering design is anticipated to be completed by Summer 2021. The Company anticipates FY 2022 activities to include completion of the engineering design, procurement of long lead equipment, and start of construction.

LNG - Exeter Hi Ex Foam System

The LNG – Exeter Hi Ex Foam System project was significantly delayed due to COVID-19 travel restrictions. The 90% engineering design has been completed. The Company anticipates FY 2022 activities to include completion of the engineering design, bidding events, and start of construction.

LNG - Exeter Fire Alarm Upgrade

The Company recognized significant overlap with the LNG – Exeter AESD System project which requires an upgraded Fire Panel. For increased efficiency, the scope from the LNG – Exeter Fire Alarm Upgrade was added to the LNG – Exeter AESD System project.

LNG - Exeter Critical Spares

Due to the increased forecast of the LNG – Blanket program, approximately two-thirds of the LNG – Critical Spares program was used as an offset. Orders have been placed in FY 2021 for critical spares related to valves, controls, and hoses at the Exeter LNG Facility. FY 2022 activities will include the evaluation of additional critical spares for procurement in FY 2022.

LNG – Newport Site Removal

FY 2022 activities will include initial planning for the demolition of existing LNG equipment at the Navy base.

(b) Please see the table below for the detail breakdown of the approved, forecast and deferred budget for FY2021 and FY2022.

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	Approved FY 2021 Budget, Cost (thousands)	**FY 2021 Forecast, through 12/31/20, Cost (thousands)**	**Proposed FY 2022 Forecast, Cost (thousands)**
LNG - Blanket	$570	$953	$586
LNG - Cumberland Tank Replacement	$199	$199	$2,000
LNG - Old Mill Lane Permanent Portable Site	$249	$458	$ -
LNG - Exeter AESD System	$1,500	$216	$1,150
LNG - Exeter Boil Off Compressor 2 Upgrade	$2,400	$174	$2,560
LNG - Exeter Hi Ex Foam System	$716	$561	$1,042
LNG - Exeter Fire Alarm Upgrade	$500	$ -	$ -
LNG - Exeter Critical Spares	$299	$96	$300
LNG – Newport Site Removal	$ -	$ -	$100
Total	**$6,433**	**$2,657**	**$7,738**

(c) Please refer to Table below. Line 5 of $243,120 represents the FY 2021 annual revenue requirement impact associated with the variance between the approved FY 2021 LNG budget and the FY 2021 LNG forecast as at today. The Company has employed the same methodology described in response to Data Request PUC 1-17, and the same ratio illustrated in the response to Data Request PUC 3-19.

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1	Approved FY 2021 LNG Budget	$6,433,000	Docket No. 4996, Section 2, Table 1 (Bates page 135)
2	FY 2021 LNG per current forecast	$2,657,000	Table Above
3	FY 2021 LNG expected underspending	($3,776,000)	Line 2 - Line 1
4	Times FY 2021 Revenue Requirement Ratio of FY21 Capital Investment	6.44%	Table included in the response to Data Request PUC 3-19.
5	Estimated FY 2021 Revenue Requirement Impact from FY 2021 LNG underspending	($243,120)	Line 3 × Line 4