

The Narragansett Electric Company
d/b/a National Grid

Distribution Adjustment Charge Filing

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

August 2, 2021

Submitted to:
Rhode Island Public Utilities Commission
R.I.P.U.C. Docket No. 5165

Submitted by:

nationalgrid

August 2, 2021

BY HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 5165 - 2021 Distribution Adjustment Charge (DAC)

Dear Ms. Massaro:

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

The 2021 DAC includes rate-specific Infrastructure, Safety, and Reliability (ISR) reconciliation factors based on the reconciliation of the fiscal year (FY) 2020 revenue requirement contained in National Grid's FY 2020 Gas ISR Plan Reconciliation filing submitted on July 30, 2021 under separate cover in Docket No. 4996, and revenue billed through the ISR Plan factors during the same period. Unlike prior years, and as explained in the Company's July 1, 2021 filing in this docket, this 2021 DAC does not include a Revenue Decoupling Adjustment (RDA) factor to reconcile actual revenue-per-customer by rate class with the target revenue-per-customer as set forth in National Grid's annual Revenue Decoupling Mechanism filing because the Company's over-recovered revenue is too small to derive a billable factor.

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

² The DAC includes an annual System Pressure factor; an Advanced Gas Technology factor; an Environmental Response Cost factor; a Pension Adjustment Factor; an Arrearage Management Adjustment Factor; a Revenue Decoupling Adjustment factor; rate class specific Infrastructure, Safety, and Reliability factors; a Service Quality Performance factor; two Reconciliation factors for last year's DAC factors; an Earnings Sharing Mechanism factor; and a Low Income Discount Recovery Factor. In addition, the DAC also includes a Storm Net Revenue factor pursuant Compliance Attachment 23 to the Amended Settlement Agreement in Docket No. 4770 and a COVID Deferral Recovery Factor resulting from the deferral of 50 percent of the recovery of the net DAC under-recovery filed in Docket No. 5040 as required by the PUC. There is no Earnings Sharing Mechanism factor proposed in this filing because the Company's earnings did not reach the threshold for the sharing of earnings with the Company's customers.

Luly E. Massaro, Commission Clerk
Docket 5165 – DAC 2021
August 2, 2021
Page 2 of 2

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 5040 Service List (2020 DAC Service List)
Leo Wold, Esq.
John Bell, Division

**Testimony of
Ryan M. Scheib**

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET NO. 5165
DISTRIBUTION ADJUSTMENT CHARGE FILING
WITNESS: RYAN M. SCHEIB
AUGUST 2, 2021**

PRE-FILED DIRECT TESTIMONY

OF

RYAN M. SCHEIB

Table of Contents

I. Introduction and Qualifications.....1

II. Purpose of Testimony.....2

III. DAC Summary3

IV. DAC Component Details5

V. DAC Reconciliation.....21

VI. Illustrative Bill Impacts26

1 **I. Introduction and Qualifications**

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

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

5

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

8 A. I am a Senior Analyst in the New England Pricing group of the New England Regulation
9 department of National Grid USA Service Company, Inc. (“Service Company”). In this
10 position, I am responsible for preparing and various regulatory filings for submission to
11 the Rhode Island Public Utilities Commission (“PUC”) on behalf of The Narragansett
12 Electric Company d/b/a National Grid (the “Company”) and the Massachusetts
13 Department of Public Utilities on behalf of the Massachusetts Electric Company and
14 Nantucket Electric Company (together, “Mass. Electric”).

15

16 **Q. Please describe your educational background.**

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

18

19 **Q. Please describe your professional background.**

20 A. In 2016, I joined National Grid as an Associate Analyst in the New England Gas Pricing
21 group and, in 2018, I was promoted to Analyst supporting the gas division of the

1 Company. In 2021, I was promoted to Senior Analyst supporting the Company and
2 Mass. Electric.

3
4 **Q. Have you previously testified before the PUC?**

5 A. Yes. I have testified before the PUC in support of the Company's Distribution
6 Adjustment Charge ("DAC") filings in Docket Nos. 4955 and 5040, the 2020 Gas Cost
7 Recovery filing in Docket No. 5066, and the Company's FY 2021 Gas Infrastructure,
8 Safety, and Reliability Plan filing in Docket No. 4996.

9
10 **II. Purpose of Testimony**

11 **Q. What is the purpose of your testimony?**

12 A. The purpose of my testimony is to describe the reconciliation of the various components
13 of the DAC and to propose new factors to become effective November 1, 2021. This
14 filing is submitted pursuant to the Company's currently effective tariff, R.I.P.U.C.
15 NG-GAS No. 101, at Section 3, Schedule A ("DAC Provision").

16

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

18 A. Yes. I am sponsoring the following schedules with my testimony:

- 19 • Schedule RMS-1 Summary of DAC Factors
20 • Schedule RMS-2 System Pressure Factor
21 • Schedule RMS-3 Advanced Gas Technology Factor

1 Revenue Decoupling Adjustment (“RDA”) factor; rate class specific Infrastructure,
2 Safety, and Reliability (“ISR”) factors; a Service Quality Performance factor; two
3 Reconciliation factors for last year’s DAC factors; an Earnings Sharing Mechanism
4 factor; and a Low Income Discount Recovery Factor. In addition, the DAC also includes
5 a Storm Net Revenue factor pursuant to Compliance Attachment 23 to the Amended
6 Settlement Agreement (“ASA”) in Docket No. 4770 and a COVID Deferral Recovery
7 Factor resulting from the deferral of 50 percent of the recovery of the net DAC under-
8 recovery filed in Docket No. 5040 as required by the PUC.

9
10 **Q. What is the Company proposing for its DAC factors?**

11 A. As in prior years, the proposed DAC factors are not final at the time of the initial filing
12 because certain underlying data for the development of all of the component factors is not
13 yet available. Based upon the data that is available, the preliminary rates (including ISR
14 factors that became effective on April 1, 2021) are shown in Schedule RMS-1.
15 As discussed later in my testimony, the Company will supplement this filing with
16 updated information in a supplemental DAC filing on or around September 1, 2021. The
17 supplemental DAC filing will incorporate all proposed DAC factors and include a bill
18 impact analysis to reflect the final proposed DAC factors. Consistent with the
19 Company’s DAC Provision, the proposed DAC factors, if approved, will take effect and
20 be applicable to gas consumption beginning November 1, 2021.

21

1 **IV. DAC Component Details**

2 **1. System Pressure**

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

4 A. Maintaining proper operating pressure of the Company's distribution system requires the
5 occasional use of various Company facilities. Historically, the Company relied on the
6 use of its liquefied natural gas ("LNG") facilities to maintain system pressure. Pursuant
7 to Docket No. 4846, the Company will determine on an annual basis whether any LNG-
8 related costs should be recovered through the System Pressure factor. Additionally,
9 pursuant to Docket No. 5066, the Company will also determine on an annual basis
10 whether any costs incurred to meet hourly peaking requirements should be recovered
11 from all customers through the System Pressure component of the DAC.

12

13 **Q. Is the Company providing a System Pressure factor in this filing?**

14 A. No. The Company will file its System Pressure cost and proposed factor as part of its
15 September 1 Supplemental DAC filing concurrent with the Company's Gas Cost
16 Recovery ("GCR") Factor filing when hourly peaking asset costs are known. Therefore,
17 Schedule RMS-2 in this filing is a placeholder for the System Pressure factor.

18

1 **2. AGT Program**

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

3 A. The AGT Program was established in Docket No. 2025 to promote the development of
4 energy-efficient natural gas technologies that increase utilization of natural gas during
5 periods of low demand. Increased off-peak usage reduces the unit cost of the gas
6 delivery system for all customers by generating distribution revenue to support fixed
7 costs associated with resources needed during peak periods. The AGT Program provides
8 rebates for technologies such as combined heat and power systems, natural gas-powered
9 fleet vehicles, chilling systems, electrical generators, process heating, desiccant
10 dehumidifiers, and residential high efficiency space heating equipment.

11
12 **Q. Has there been any changes to the AGT component of the DAC?**

13 A. Yes. In Docket No. 5040, the PUC ordered the Company to credit to customers the entire
14 balance in the AGT Program fund through its AGT factor effective November 1, 2020.
15 As a result, the interest the Company has calculated on the AGT Balance pursuant to the
16 DAC Settlement in Docket No. 4339 has only been calculated for the months that the
17 Company has not accrued interest on the balance, which are the months of April 2020
18 through October 2020, before the credit of the AGT balance began in November 2020
19 through the DAC's reconciliation factor. Schedule RMS-3, Page 2, shows the calculation
20 of interest for April 2020 through October 2020, which the Company is reflecting as a
21 credit to customers as shown in Schedule RMS-10, Page 1, Line (15).

1 Similarly, the interest accrued on the AGT fund balance while the balance is being credited
2 to customers (November 1, 2020 through October 31, 2021) is included in the AGT Factor
3 reconciliation balance and is also being reflected as a credit to customers through the
4 DAC's reconciliation factor, as shown in Schedule RMS-10, Page 1, Line (2).

5
6 **Q. What is the Company proposing for recovery for the AGT Program this year?**

7 A. For 2021-22, the Company is not proposing additional AGT Program funding through the
8 DAC and is therefore not proposing an AGT factor in the DAC, as shown on Schedule
9 RMS-3, Page 1.

10
11 **3. Environmental Response Costs**

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

13 A. The Environmental Response Cost factor is designed to provide the Company with
14 recovery of its reasonable and prudently incurred costs for evaluation, remediation, and
15 clean-up of sites associated with the Company's ownership and/or operation of
16 manufactured gas plants ("MGP"), manufactured gas storage facilities, and MGP-related
17 off-site waste disposal locations. In addition, the Environmental Response Cost factor
18 includes recovery of environmental costs for removing and replacing mercury regulators
19 and addressing meter disposal issues, among other work.

20

1 **Q. Please describe the proposed Environmental Response Cost factor.**

2 A. Consistent with the Company's DAC Provision at Item 3.4, the Environmental Response
3 Cost factor reflects recovery of the 10-year amortization of annual environmental
4 response costs in excess of the annual amount recovered in base distribution rates. As
5 shown on Schedule RMS-4, Page 1, the proposed Environmental Response Cost factor
6 reflects annual amortization of \$1,963,054 for the period April 2021 through March 2022
7 to be recovered over the 12 months beginning November 2021. A yearly breakdown of
8 this amortization is provided on Pages 2 and 3 of Schedule RMS-4. Environmental
9 project-specific expenses for the 12 months ending March 31, 2021 are provided on Page
10 4 of Schedule RMS-4. In-depth descriptions of the environmental projects and FY 2021
11 activities are included in the annual Environmental Report filed with the PUC on July 30,
12 2021. The Company currently recovers \$1,310,000 annually for environmental costs in
13 base distribution rates. Netting the annual base rate allowance of \$1,310,000 against the
14 amortization expenses of \$1,963,054 results in environmental costs of \$653,054 to be
15 recovered from customers over the period November 2021 through October 2022 through
16 the DAC. This amount is divided by forecasted throughput of 40,273,298 dekatherms for
17 the 12-month period and divided by 10 to derive a factor of \$0.0016 per therm.

18

1 **4. Pension and PBOP Costs**

2 **Q. Please describe the Pension Adjustment Factor and what it is intended to recover.**

3 A. In accordance with the Company's DAC Provision at Item 3.5, the Pension Adjustment
4 Factor is designed to recover from or credit to customers the prior year's reconciliation
5 balance that results from the comparison of the Company's actual Pension and
6 Postretirement Benefits Other than Pensions ("PBOP") expenses to the Company's
7 Pension and PBOP allowances included in base distribution rates, plus carrying
8 charges. The adjustment factor is based on this difference.

9
10 **Q. Is the Company providing Pension and PBOP costs in this filing?**

11 A. Yes. The schedules that present the reconciliation of the Company's actual Pension and
12 PBOP expenses and the base rate allowances for the 12-month period ending March 31,
13 2021 are included in the direct pre-filed testimony and schedules of Company witnesses
14 Jeffrey D. Oliveira and James H. Allen included in this filing. Mr. Oliveira and Mr.
15 Allen support the derivation of such amounts. Based on the amounts determined by Mr.
16 Oliveira and Mr. Allen, the Pension Adjustment Factor is a surcharge of \$0.0112 per
17 therm and is calculated by dividing the net under-recovery of actual Pension and PBOP
18 expenses by the forecasted throughput of 40,273,298 dekatherms for the 12 months
19 beginning November 1, 2021. This result is then divided by 10 to derive a per-therm
20 factor, as shown on Schedule RMS-5, Page 1.

21

1 **5. Arrearage Management Program Costs**

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

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

10
11 **Q. Please describe the Company’s calculation of the amount of arrearage forgiveness**
12 **recovered through the AMAF.**

13 A. Pursuant to Section XII of the AMP Provision, at the end of each calendar year ending
14 December 31, the Company is required to perform the calculation of the amount of
15 arrears forgiveness eligible for recovery for that year. The arrears amounts eligible
16 for recovery consist of the following two components: (1) amounts forgiven for AMP
17 participants who did not successfully complete the AMP; and (2) amounts forgiven for
18 AMP participants who successfully completed the AMP, which is subject to a bad debt
19 test discussed in more detail below.

20

1 **Q. Has the Company prepared such a calculation for calendar year 2020?**

2 A. Yes, the calendar year (“CY”) 2020 calculation of recoverable arrearage forgiveness is
3 presented in Schedule RMS-6.

4

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

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

9 a. An AMP participant who misses more than two payments during a 12-month
10 payment plan.

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

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

14 d. An AMP participant who moves out of the Company’s service territory prior to
15 the conclusion of the payment plan.

16

17 **Q. What is the ratemaking treatment for amounts forgiven for unsuccessful AMP**
18 **participants?**

19 A. Section XI (Cost Recovery), subsection i., of the AMP Provision provides as follows: “If
20 a customer does not satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), the amount

21

1 of arrearage forgiven by the Company to that point shall remain forgiven and be written
2 off by the Company. However, the amount of arrearage forgiven by the Company is
3 recoverable in full.”

4
5 **Q. How much arrearage did the Company forgive for unsuccessful AMP participants**
6 **in CY 2020?**

7 A. As shown in Schedule RMS-6, Page 2, Lines (11) and (12), the Company forgave a total
8 of \$202,940 in arrearages during CY 2020 for unsuccessful participants. Of that amount,
9 \$173,970 was due to participants who defaulted from the AMP, and an additional
10 \$28,969 was due to customers who voluntarily opted out of the AMP prior to successful
11 completion.

12
13 **Q. What constitutes a successful participant under the AMP?**

14 A. A successful AMP participant is a participating customer who pays the full balance of his
15 or her payment plan within the 12-month plan period, or within the period of any plan
16 extension beyond the initial 12-month period.

17
18 **Q. What is the ratemaking treatment for amounts of arrearage forgiven for successful**
19 **AMP participants?**

20 A. Section XI (Cost Recovery), subsection ii., of the AMP Provision currently provides as
21 follows: “If a customer does satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), all

1 arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year,
2 the Company will perform a test to determine if the amount of bad debt for the year
3 exceeds the adjusted allowable bad debt from the Company's most recent general rate
4 case. This adjusted allowable bad debt will be calculated using the distribution
5 uncollectible amount determined in the last general rate case, updated for the current
6 calendar year GCR, DAC, and energy efficiency-related bad debt. Should the actual
7 amount of bad debt incurred by the Company for the year exceed this adjusted allowable
8 bad debt amount, the Company will be entitled to recover, in the following year, all
9 amounts of arrearage forgiven under R.I. Gen. Laws § 39-2-1(d)(2)(xiv) in the prior year
10 in excess of the allowable bad debt. If, however, the amount of the arrearage forgiven
11 under § 39-2-1(d)(2)(xiv) in excess of the adjusted allowable bad debt for a given year is
12 not significant enough to calculate an annual reconciling factor for that year, the
13 Company may reflect such amount in its next Revenue Decoupling Mechanism
14 reconciliation filing.”

15
16 **Q. How much arrearage was forgiven in CY 2020 for successful AMP participants?**

17 A. Schedule RMS-6 at Page 2, Line (9) shows that a total of \$275,290 of arrears was
18 forgiven for successful AMP participants in CY 2020.

19
20 **Q. How much of the arrearage forgiven for successful AMP participants is eligible for**
21 **recovery after performing the bad debt test?**

1 A. Schedule RMS-6 at Page 2, Line (8) demonstrates that the Company experienced
2 \$1,141,618 less bad debt in CY 2020 than the adjusted allowable bad debt of \$6,986,144
3 shown on Line (6). Therefore, none of the arrears forgiven for successful participants is
4 recoverable.

5

6 **Q. How was the proposed AMAF calculated?**

7 A. As demonstrated in Schedule RMS-6 at Page 1, the Company divided the total amount of
8 recoverable arrearage forgiveness for CY 2020 of \$202,940 by the forecasted dekatherms
9 for November 2021 through October 2022, and then divided that total by 10, resulting in
10 the proposed AMAF of \$0.0005 per therm.

11

12 **6. Revenue Decoupling Adjustment**

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

14 A. Pursuant to its DAC Provision, the Company operates under a Revenue Decoupling
15 Mechanism (“RDM”). The RDM provides for an annual reconciliation of actual base
16 revenue-per-customer by rate class against a benchmark revenue-per-customer. The
17 Company filed the FY 2021 RDM reconciliation with the PUC on July 1, 2021. As
18 shown on Schedule RMS-7, Page 1, the RDA identifies an over-recovery of \$28,178, an
19 amount too small to calculate an RDA factor. Therefore, the Company proposes to carry
20 the over-recovery forward into next year’s RDM reconciliation and calculation of the
21 over- or under- recovery balance, inclusive of the FY 2021 over-recovery, in the

1 Company's next annual RDM filing for the reconciliation period April 2021 through
2 March 2022.

3
4 **7. ISR Plan Reconciliation**

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

6 A. The reconciliation associated with the ISR Plan factors is designed to reconcile the actual
7 FY 2021 revenue requirement on actual cumulative capital investment and actual
8 operation and maintenance ("O&M") expense included in the ISR Plan with the revenue
9 billed through the ISR Plan factors. The Company submitted its FY 2021 ISR Plan
10 reconciliation filing for the Company's gas business in Docket No. 4996 on July 30,
11 2021. In that filing, Company witness Melissa A. Little presented the actual FY 2021
12 revenue requirement on actual cumulative capital investment. In addition, the ISR Plan
13 reconciliation includes a final balance of the recovery of FY 2020 reconciliation balance
14 to capture any over- or under-recovery of that amount.

15
16 **Q. How is the ISR Plan reconciliation reflected in this filing?**

17 A. The ISR Plan reconciliation set forth in Schedule RMS-8 results in a net over-recovery of
18 \$6,004,757. To derive the ISR reconciliation factor per rate class, the Company allocated
19 the FY 2021 revenue requirement on actual cumulative capital investment to rate classes
20 based on the rate base allocation from the Company's 2017 rate case (Docket No. 4770).
21 This was then compared to billed revenue from the billing of the ISR Plan factors by rate

1 class to arrive at the over- or under-recovery of ISR Plan capital investment and O&M
2 expense by rate class in accordance with the Company's DAC Provision. The Company
3 netted this amount against the balance at October 31, 2021 of the reconciliation balance
4 currently being recovered from customers through the ISR reconciliation factors. The
5 Company then divided the net amount for each rate class by the forecasted throughput for
6 each rate class. Schedule RMS-8 shows the ISR reconciliation factors per rate class.

7
8 **8. Service Quality Plan**

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

11 A. Pursuant to the Company's Service Quality Plan, Docket No. 3476, the Company reports
12 the results of the service quality metrics on a quarterly basis and credits any resulting
13 penalty to customers through the DAC. The Company's FY 2021 second quarter report
14 filed on January 29, 2021² indicates that the Company incurred a penalty of \$75,000 for
15 its performance for Meter Testing during CY 2020.³ Therefore, the Company has
16 proposed a Service Quality Performance credit factor of \$0.0001 per therm to be credited
17 to customers effective November 1, 2021 as seen in Schedule RMS-9.

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

³ The fiscal year 2021 second quarter report also serves as the calendar year annual report for the Meter Testing metric.

1 **9. Earnings Sharing Mechanism**

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

4 A. No, the Company is not proposing an ESM factor this year, as shown in Schedule RMS-
5 12. The pre-filed direct testimony of Company Witness Melissa A. Little presents the
6 Company’s Gas Earnings Report for the 12 months ending December 31, 2020, which
7 reflects a return on equity below the earnings sharing threshold.

8
9 **10. Low-Income Discount Recovery Factor**

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

12 A. Not at this time. To estimate the total bill discounts eligible to low income customers, the
13 Company multiplies forecasted volumes for low income customers by base distribution
14 rates, DAC factors, and GCR factors proposed to be in effect. However, the annual GCR
15 factors will not be proposed until September 1, 2021 for effect on November 1, 2021.
16 Therefore, the Low-Income Discount Recovery Factor (“LIDRF”) will be calculated and
17 proposed in the supplemental DAC filing. Schedule RMS-13 in this filing is a
18 placeholder for the LIDRF calculation.

19

1 **11. Storm Net Revenue Credit**

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

3 A. The Storm Net Revenue Factor is designed to credit back to customers the value of
4 services performed by the Company's employees in other jurisdictions, including those
5 outside of National Grid operating companies' service territories, in accordance with the
6 provisions of Compliance Attachment 23 of the ASA.

7
8 **Q. Please describe the Company's calculation of the Storm Fund Net Revenue amount
9 on Schedule RMS-14, Line (3).**

10 A. Pursuant to the ASA, Storm Net Revenue is defined as the proceeds received or cost
11 reductions achieved for base labor and non-incremental labor overhead costs on all labor
12 (i.e., not just base labor) charged for storm restoration services provided to other utilities,
13 whether affiliated or non-affiliated, less an amount equal to 55.18 percent, which is the
14 labor capitalization rate set in the Company's general rate case. In accordance with the
15 ASA, the Company will credit customers 75 percent of the Storm Net Revenue received
16 by the Company.

17
18 **Q. Please describe the Company's calculation of the Storm Net Revenue amount on
19 Schedule RMS-14, Line (3).**

20 A. As seen on Line (1) in Schedule RMS-14, the Net Revenue the Company received for
21 performing storm response services in other jurisdictions is \$173,714 of which 75%, or

1 \$130,286, is proposed to be credited to customers. This amount is then divided by the
2 forecasted throughput of 40,273,298 dth, and divided by 10, resulting in a Storm Net
3 Revenue factor of \$0.0003 for the 12 months beginning November 1, 2021.

4
5 **12. COVID Deferral Recovery**

6 **Q. What is the purpose of the COVID Deferral Recovery?**

7 A. In Docket No. 5040, the PUC ordered the Company to defer fifty percent (50%) of its
8 proposed revenue increase associated with the DAC to help alleviate bill impacts for
9 customers impacted by the economic hardships brought on by the global pandemic. The
10 COVID Deferral Recovery factors proposed in this filing are designed to recover the
11 remaining fifty percent of the 2020-21 DAC increase.

12
13 **Q. Please describe the Company's calculation of COVID Deferral amount to be**
14 **recovered from customers.**

15 A. In last year's DAC filing in Docket No. 5040, the Company proposed an increase in
16 recovery of \$20.1 million compared to the prior year. However, in accordance with the
17 PUC ruling in that proceeding, the Company lowered its proposed DAC factors and
18 deferred the recovery of fifty percent of this increase, or \$10.1 million. To effectuate this
19 reduction, the \$10.1 million COVID Deferral amount was allocated to the various rate
20 classes to calculate the COVID Deferral credit factors effective November 1, 2020 (see

1 Docket No. 5040, Compliance DAC Filing, Compliance Schedule RMS/MJP-1, Page 1,
2 Section 2, Column (g)).

3
4 As seen on Schedule RMS-15, Page 2, the Company tracked the COVID Deferral credit
5 revenue for each rate class based on eight months of actual credit revenue (November
6 2020 through June 2021) and four months of forecasted credit revenue (July 2021
7 through October 2021), plus any interest incurred, to calculate the ending deferral balance
8 for the period ending October 31, 2021 to be recovered for each rate class. The total
9 COVID Deferral the Company is proposing to be recovered is \$9.7 million, and the
10 COVID Deferral amounts to be recovered for each rate class are summarized on
11 Schedule RMS-15, Page 1.

12
13 The Company will update the ending balances with one additional month of actual
14 COVID Deferral credit revenue for each rate class in its supplemental DAC filing.

15
16 **Q. Please describe the Company's calculation of the COVID Deferral Recovery Factors**
17 **proposed in this filing.**

18 A. As seen on Schedule RMS-15, Page 1, the Company divided the COVID Deferral ending
19 under-recovery balance for each rate class by the forecasted throughput for each rate
20 class. Schedule RMS-15 shows the COVID Deferral Recovery factors per rate class.

21

1 **V. DAC Reconciliation**

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

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

13

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

16

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

18 A. The items applicable to all rate classes include those that are being reconciled on the
19 basis of the gas year, from November 2020 through October 2021. They include the
20 following components: (1) System Pressure reconciliation, (2) AGT reconciliation, (3)
21 Environmental Response Cost reconciliation, (4) Arrearage Management Program

1 reconciliation, (5) Pension reconciliation, (6) PBOP reconciliation, (7) Low Income
2 Discount Recovery reconciliation, (8) Service Quality Penalty reconciliation, (9) Tax
3 Credit reconciliation, (10) Storm Net Revenue reconciliation, (11) Low Income
4 Assistance Program Base Rate Fund reconciliation, and (12) prior reconciliation factors.
5 Each component reconciles the amounts approved for recovery or refund and actual
6 revenue billed through June 2021 and forecasted revenue through October 2021.⁴ In
7 addition, a true-up amount representing the difference between the forecasted balance and
8 the actual balance as of October 31, 2020 is reflected in the Reconciliation factor, as well
9 as the interest on the AGT fund balance as described earlier in this testimony.

10
11 The Company derives the Reconciliation factor applicable to all rate classes by totaling
12 the balance of these components for the 12 months ending October 31, 2021. The
13 projected balance for the 12 month period ending October 31, 2021 consists of the a net
14 amount due to customers of \$56,973, plus the net 2020 true up surcharge of \$631,235,
15 and the AGT interest credit of \$5,227, for a total surcharge of \$569,035 to customers.
16 This total is divided by the forecasted throughput of 40,273,298 dth for the period
17 November 1, 2021 through October 31, 2022. This result is then divided by 10 to derive
18 a per-therm factor or \$0.0014 per therm for the 12-month period beginning November 1,
19 2021. A summary of the various items being reconciled that are applicable to all rate

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

1 classes is shown on Schedule RMS-10, Page 1, Section 1, while the details are set forth
2 on Pages 2, 3, 4, and 9. The Reconciliation factor applicable to all rate classes will be
3 added to the factor applicable to the Large and Extra-Large rate class customers'
4 reconciliation to derive two distinct Reconciliation factors among the two groups of
5 customers.

6
7 **Q. What is the reconciliation component applicable only to the Residential and Small
8 and Medium C&I rate classes?**

9 A. The reconciliation of the RDA balance through the RDA factors that are only applicable
10 to Residential and Small and Medium C&I customers results in a separate Reconciliation
11 factor for this group of customers. This factor was derived by taking the RDM
12 reconciliation ending balance as of October 31, 2021, which represents a net under-
13 recovery of the amount to be charged through the RDA factor and RDA reconciliation
14 factor of \$531,031, as shown on Schedule RMS-10, Page 1, Line (22), and dividing that
15 total by the forecasted throughput of 29,256,191 dekatherms for the Residential and
16 Small and Medium C&I rate classes. This factor is then divided by 10 to derive a per-
17 therm surcharge. The summary of this derivation is shown on Schedule RMS-10, Page 1,
18 Section 2.

19
20 **Q. What reconciliation components are applicable to the Large and Extra-Large Rate
21 classes?**

1 A. The Large and Extra-Large Reconciliation factor includes the following components: (1)
2 the prior reconciliation factor applicable to the Large and Extra-Large rate classes; and
3 (2) the reconciliation of the base rate allowance for the recovery of Environmental
4 Response Costs for the April 2020 through March 2021 period, which is subject to
5 reconciliation in the DAC. For Residential and Small and Medium C&I customers, the
6 reconciliation of this base rate allowance to billed revenue is completed as part of the
7 RDM reconciliation, where actual revenue is reconciled to targets that include this base
8 rate allowance. Therefore, the recovery for the base rate component for this DAC
9 component must be separately reconciled only for the Large and Extra-Large rate classes,
10 which are excluded from the Company's RDM.

11
12 The base rate reconciliation factor for this program is calculated by dividing the total
13 annual base rate allowance approved by the PUC by the total annual forecasted firm
14 throughput from the Company's 2017 rate case for the months April through March. The
15 Company then multiplies the base rate reconciliation factor by the forecasted throughput
16 for Large and Extra-Large rate classes from the Company's respective rate cases, to
17 obtain the forecasted monthly revenues. The forecasted monthly revenues are then
18 compared to the actual revenues to derive the annual over- or under-recoveries for the 12
19 months ending March 31, 2021 for each component.

20

1 The ending balance of the base rate allowance at the end of March 2021 is a surcharge
2 balance of \$33,810. The balance of the Reconciliation factor associated with the
3 previous reconciliation for these rate classes is an over-recovery of \$80,905 resulting in a
4 net amount due to Large and Extra-Large customers of \$47,094. The credit amount due
5 to Large and Extra-Large customers is then divided by the forecasted throughput of
6 11,017,107 dth associated with the Large and Extra-Large customers, and again divided
7 by 10, to derive a credit factor of \$0.0004 per therm. Finally, this credit factor was added
8 to the Reconciliation factor applicable to all rate classes, as described earlier in my
9 testimony, to derive a net surcharge Reconciliation factor applicable to the Large and
10 Extra Large rate classes of \$0.0010 per therm for the 12-month period beginning
11 November 1, 2021. A summary of these items is shown in Schedule RMS-10, Page 1,
12 Section 3, while the details are set forth on Schedule RMS-10, Page 3, Line (42) and
13 Page 5.

14
15 The Company will be updating the ending balances with one additional month of actual
16 revenue for each of these reconciliation items in its supplemental DAC filing.
17

18 **Q. Did the Company provide DAC reconciliations over the historical fiscal year as it**
19 **did last year?**

20 A. Yes. In Schedule RMS-11, the Non-Base Rate components, the RDM, and the ISR Plan
21 reconciliations are provided for the fiscal year ending March 31, 2021. Although such

1 rates are not designed over the period of the fiscal year, Schedule RMS-11 is provided for
2 informational purposes.

3
4 **Q. What is the basis of the forecast utilized in the preliminary DAC?**

5 A. The preliminary DAC factors are based on the current projected throughput of
6 40,273,298 dekatherms for the period November 1, 2021 to October 31, 2022. This
7 forecast will also be used in the Company's GCR filing to be submitted on or around
8 September 1 and will be supported in that filing.

9
10 **VI. Bill Impacts**

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

12 A. Yes, the Company is presenting illustrative bill impacts for the Residential Heating rate
13 classes at this time. Since the Low-Income Discount Recovery factor and System
14 Pressure factor are not yet being proposed, the Company is presenting a bill impact
15 analysis comparing the annual bill based on currently-effective rates and factors and the
16 annual bill reflecting the proposed DAC components included in this filing and
17 maintaining the System Pressure factor and LIDRF at their currently-effective values.
18 The Company has also kept constant the currently-effective GCR factors so as to ensure
19 the bill impacts only reflect the changes to the DAC Factors proposed in this filing. The
20 Company will submit updated bill impacts for all rate classes reflecting the impact of all
21 of its proposed DAC factors with the supplemental DAC.

1 **Q. What is the impact of the DAC Factors proposed in this initial filing for November**
2 **1, 2021 on customer bills?**

3 A. Schedule RMS-16 sets forth the annual impact of the changes in the DAC Factors
4 proposed in this initial filing on customers' bills at various levels of consumption for the
5 Company's rate classes. For an average Residential Heating customer utilizing 845
6 therms annually, the impact of the proposed residential DAC Factor, exclusive of changes
7 to the System Pressure and Low Income Discount Recovery factors, results in an annual
8 increase of \$40.68 (an increase of \$39.46 in the DAC factor itself and \$1.22 in Gross
9 Earnings Tax), or 3.0 percent.

10

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

12 A. Yes.

**Schedules of
Ryan M. Scheib**

Schedules of Ryan M. Scheib

Schedule RMS -1	Summary of DAC Factors
Schedule RMS -2	System Pressure Factor
Schedule RMS -3	Advanced Gas Technology Program Factor
Schedule RMS -4	Environmental Response Cost Factor
Schedule RMS -5	Pensions and Postretirement Benefits Other than Pensions Factor
Schedule RMS -6	Arrearage Management Adjustment Factor
Schedule RMS -7	Revenue Decoupling Adjustment Factor
Schedule RMS -8	ISR Reconciliation Factors
Schedule RMS -9	Service Quality Factor
Schedule RMS -10	Reconciliation Factors
Schedule RMS -11	Reconciliations for FY 21
Schedule RMS -12	Earnings Sharing Mechanism Factor
Schedule RMS -13	Low Income Discount Recovery Factor
Schedule RMS -14	Storm Net Revenue Factor
Schedule RMS -15	COVID Deferral
Schedule RMS -16	Illustrative Bill Impact Analysis

Schedule RMS -1
Summary of DAC Factors

**National Grid - RI Gas
Summary of DAC Factors
Effective November 1, 2021**

Section 1: DAC factor (not including annual ISR component) November 1, 2021 - October 31, 2022

			Residential/ Small/		Residential Low
			Medium C&I	Large/ X-Large	Income
			(a)	(b)	(c)
(1) System Pressure (SP)	RMS-2	n/a	n/a	n/a	n/a
(2) Advanced Gas Technology Program (AGT)	RMS-3	\$0	\$0.0000	\$0.0000	\$0.0000
(3) Environmental Response Cost Factor (ERCF)	RMS-4	\$653,054	\$0.0016	\$0.0016	\$0.0016
(4) Pension Adjustment Factor (PAF)	RMS-5	\$4,584,169	\$0.0112	\$0.0112	\$0.0112
(5) Arrearage Management Adjustment Factor (AMAF)	RMS-6	\$202,940	\$0.0005	\$0.0005	\$0.0005
(6) Service Quality Factor (SQP)	RMS-9	(\$75,000)	(\$0.0001)	(\$0.0001)	(\$0.0001)
(7) Reconciliation Factor (R)	RMS-10	\$521,941	\$0.0014	\$0.0010	\$0.0014
(8) Earnings Sharing Mechanism (ESM)	RMS-12	\$0	\$0.0000	\$0.0000	\$0.0000
(9) Low Income Discount Recovery Factor (LIDRF)	RMS-13	n/a	n/a	n/a	n/a
(10) Storm Net Revenue Factor	RMS-14	(\$130,286)	(\$0.0003)	(\$0.0003)	(\$0.0003)
(11) Subtotal	Sum [(1)-(10)]	\$5,756,817	\$0.0143	\$0.0139	\$0.0143
(12) Uncollectible Percentage	Dkt 4770	<u>1.91%</u>	<u>1.91%</u>	<u>1.91%</u>	<u>1.91%</u>
(13) DAC factors grossed up for uncollectible	(11) ÷ [1-(12)]	\$5,868,913	\$0.0145	\$0.0141	\$0.0145
(14) Revenue Decoupling Adjustment (RDA)	RMS-7	(\$28,178)	\$0.0000	\$0.0000	\$0.0000
(15) Revenue Decoupling Adjustment Reconciliation	RMS-10	<u>\$531,031</u>	<u>\$0.0018</u>	<u>\$0.0000</u>	<u>\$0.0018</u>
(16) DAC factor	(13)+(14)+(15)	\$6,371,767	\$0.0163	\$0.0141	\$0.0163

Section 2: DAC factors including annual ISR component

	ISR Reconciliation w/o uncollectible (therms) (a)	Uncollectible Percentage (b)	ISR Reconciliation* (therms) (c) = (a) x [1+(b)]	Base DAC Component* (therms) (d)	DAC Component Subtotal Rates* (therms) (e) = (c) + (d)	ISR Component (therms)* (f)	COVID Deferral Factor (g)	November 1, 2021 DAC Rates* (therms) (h)
(17) Res-NH	(\$0.0658)	1.91%	(\$0.0670)	\$0.0163	(\$0.0507)	\$0.1265	\$0.0112	\$0.0870
(18) Res-NH-LI	(\$0.0658)	1.91%	(\$0.0670)	\$0.0163	(\$0.0507)	\$0.1265	\$0.0118	\$0.0876
(19) Res-H	(\$0.0203)	1.91%	(\$0.0206)	\$0.0163	(\$0.0043)	\$0.1265	\$0.0281	\$0.1503
(20) Res-H-LI	(\$0.0203)	1.91%	(\$0.0206)	\$0.0163	(\$0.0043)	\$0.1265	\$0.0273	\$0.1495
(21) Small	(\$0.0178)	1.91%	(\$0.0181)	\$0.0163	(\$0.0018)	\$0.1190	\$0.0298	\$0.1470
(22) Medium	(\$0.0092)	1.91%	(\$0.0093)	\$0.0163	\$0.0070	\$0.0763	\$0.0303	\$0.1136
(23) Large LL	(\$0.0129)	1.91%	(\$0.0131)	\$0.0141	\$0.0010	\$0.0735	\$0.0111	\$0.0856
(24) Large HL	(\$0.0043)	1.91%	(\$0.0043)	\$0.0141	\$0.0098	\$0.0713	\$0.0140	\$0.0951
(25) XL-LL	(\$0.0054)	1.91%	(\$0.0055)	\$0.0141	\$0.0086	\$0.0279	\$0.0137	\$0.0502
(26) XL-HL	(\$0.0035)	1.91%	(\$0.0035)	\$0.0141	\$0.0106	\$0.0307	\$0.0124	\$0.0537

*Factors Include Uncollectible Allowance

- (a) RMS-8
- (b) Per Docket 4770
- (d) Section 1, Line (16)
- (f) FY22 ISR component per Docket 5099, Section 4, Attachment 1(C), Page 1
- (g) RMS-15

Schedule RMS -2
System Pressure Factor

This Page Intentionally Left Blank

Schedule RMS -3
Advanced Gas Technology Program Factor

**National Grid - RI Gas
AGT Factor
Effective November 1, 2021**

(1)	AGT collected through DAC	\$0
(2)	Firm Throughput	40,273,298 dths
(3)	AGT Factor per dekatherm	\$0.0000 per dth
(4)	AGT Factor per therm	\$0.0000 per therm

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

**National Grid - RI Gas
AGT Account Balance and Interest Calculation**

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Total
	30	31	30	31	31	30	31	(h)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	
(1) Beginning Balance	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	
(2) Rebate Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(3) Other Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Sub-total Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Forecasted Throughput from Docket 4770 (dth)	0	0	0	0	0	0	0	0
L/XL Classes	0	0	0	0	0	0	0	0
Res H, NH, Small & Medium C&I Classes	0	0	0	0	0	0	0	0
(6) Base Rates Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(7) L/XL Classes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(8) Res H, NH, Small & Medium C&I Classes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(9) Sub-total Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(10) AGT Balance Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) AGT Balance Reconciliation								\$0
(12) Ending Balance	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040
Interest Calculation								
(13) Month's Average Balance	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040	\$713,040
(14) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(15) Calculated Interest (not applied to balance)	\$733	\$757	\$733	\$757	\$757	\$733	\$757	\$5,227

(1) Column (a) Ending Balance per Docket 5040, RMS/MJP-3, Page 2 of 2
(4) Line (2) + Line (3)
(5) Rate year forecast as presented in Docket 4770
(7) Large and Extra Large C&I throughput from Line (5) x \$0.0000 (AGT base rate). Actual revenue for these rate classes are reconciled through the Reconciliation Factor for Large and Extra Large C&I.
(8) Res H, NH, Small & Medium throughput from Line (5) x \$0.0000 (AGT base rate). Actual revenue for these rate classes are reconciled through the Revenue Decoupling Mechanism (RDM).
(9) Line (7) + Line (8)
(12) Lines (1) - (4) + (9) + (10)
(13) Lines [(1)+(12)] ÷ 2
(14) Per RIPUC NG-Gas No. 101, Section 3, Schedule A
(15) Column (h), total interest refunded to customers at RMS-10, Page 1, line 16 per Docket 4339 Settlement of Issues

Schedule RMS -4
Environmental Response Cost Factor

**National Grid - RI Gas
Environmental Response Cost (ERC) Factor
Effective November 1, 2021**

<u>Description</u>	<u>Reference</u>	<u>Amount</u>
(1) Amortization of Pre-FY2012 expenses	Page 3, Col K, Ln (2)	\$0
(2) Amortization of FY2012 expenses - year 9 of 10	Page 3, Col K, Ln (4)	\$558,390
(3) Amortization of FY2013 expenses - year 8 of 10	Page 3, Col K, Ln (6)	\$136,852
(4) Amortization of FY2014 expenses - year 7 of 10	Page 3, Col K, Ln (8)	\$300,824
(5) Amortization of FY2015 expenses - year 6 of 10	Page 3, Col K, Ln (10)	\$112,908
(6) Amortization of FY2016 expenses - year 5 of 10	Page 3, Col K, Ln (12)	\$111,792
(7) Amortization of FY2017 expenses - year 4 of 10	Page 3, Col K, Ln (14)	\$303,756
(8) Amortization of FY2018 expenses - year 3 of 10	Page 3, Col K, Ln (16)	\$114,380
(9) Amortization of FY2019 expenses - year 2 of 10	Page 3, Col K, Ln (18)	\$95,024
(10) Amortization of FY2020 expenses - year 1 of 10	Page 3, Col K, Ln (20)	\$85,093
(11) Amortization of FY2021 expenses - year 1 of 10	Page 3, Col K, Ln (22)	<u>\$144,035</u>
(12)	Subtotal	\$1,963,054
(13) Base Rate Environmental Cost Allowance		\$1,310,000
(14) Cost in excess of Allowance		\$653,054
(15) Firm Throughput		40,273,298 dths
(16) Environmental Response Cost Factor per dekatherm		\$0.0160 per dth
(17) Environmental Response Cost Factor per therm		\$0.0016 per therm
(12) Sum of Lines (1) to (11)		
(13) Docket 4770		
(14) Line (12) - Line (13)		
(15) Company Forecast		
(16) Line (14) ÷ Line (15)		
(17) Line (16) ÷ 10, truncated to 4 decimal places		

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

ENVIRONMENTAL AMORTIZATION

	FY2012 (a)	FY2013 (b)	FY2014 (c)	FY2015 (d)	FY2016 (e)	FY2017 (f)	FY2018 (g)	FY2019 (h)	FY2020 (i)	FY2021 (j)
(1) FY 2002-FY 2011 NET ERC Costs Net of Insurance										
(2) Amortization Period (years)	\$1,337,029	\$85,999	\$687,269	\$734,562	\$720,894	\$677,291	\$753,117	\$757,700	\$661,121	\$452,292
(3) FY 2012 NET ERC Costs Net of Insurance	\$5,583,936									
(4) Amortization Period (years)	10	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394
(5) FY 2013 NET ERC Costs Net of Insurance	\$1,368,521									
(6) Amortization Period (years)	10	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852
(7) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237									
(8) Amortization Period (years)	10	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824
(9) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080									
(10) Amortization Period (years)	10	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908
(11) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923									
(12) Amortization Period (years)	10	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792
(13) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565									
(14) Amortization Period (years)	10	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756
(15) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802									
(16) Amortization Period (years)	10	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380
(17) FY 2019 NET ERC Costs Net of Insurance	\$950,236									
(18) Amortization Period (years)	10	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024
(19) FY 2020 NET ERC Costs Net of Insurance	\$850,927									
(20) Amortization Period (years)	10	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093
(21) FY 2021 NET ERC Costs Net of Insurance	\$1,440,353									
(22) Amortization Period (years)	10									
(23) Amortization Expense sub-total	\$1,337,029	\$644,393	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606	\$2,395,051	\$2,271,315
(24) ENVIRONMENTAL REMEDIATION COSTS										
(25) Beginning Balance	\$13,370,265	\$18,954,201	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565	\$31,560,492
(26) Environmental Expenditures, net of Insurance	\$5,583,936	\$1,368,521	\$3,008,237	\$1,129,080	\$1,117,923	\$3,037,565	\$1,143,802	\$950,236	\$850,927	\$1,440,353
(27) Ending Balance	\$18,954,201	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565	\$31,560,492	\$33,000,845
(28) ACCUMULATED ENVIRONMENTAL REMEDIATION										
(29) Beginning Balance	\$6,502,988	\$7,840,018	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742	\$22,394,793
(30) Amortization Expense (1)	\$1,337,029	\$644,393	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606	\$2,395,051	\$2,271,315
(31) Ending Balance	\$7,840,018	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742	\$22,394,793	\$24,666,108
(32) NET ENVIRONMENTAL REMEDIATION COSTS	\$11,114,183	\$11,838,310	\$13,464,032	\$12,862,480	\$12,150,531	\$13,290,034	\$12,156,193	\$10,709,823	\$9,165,699	\$8,334,737

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

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

	FY2022 (k)	FY2023 (l)	FY2024 (m)	FY2025 (n)	FY2026 (o)	FY2027 (p)	FY2028 (q)	FY2029 (r)	FY2030 (s)	FY2031 (t)
ENVIRONMENTAL AMORTIZATION										
(1) FY 2002-FY 2011 NET ERC Costs Net of Insurance										
(2) Amortization Period (years)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(3) FY 2012 NET ERC Costs Net of Insurance	\$558,390	\$136,853	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(5) FY 2013 NET ERC Costs Net of Insurance	\$136,852	\$300,824	\$300,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(7) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237	\$112,908	\$112,908	\$112,908	\$0	\$0	\$0	\$0	\$0	\$0
(8) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(9) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080	\$111,792	\$111,792	\$111,792	\$0	\$0	\$0	\$0	\$0	\$0
(10) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(11) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923	\$303,756	\$303,756	\$303,756	\$303,756	\$303,761	\$0	\$0	\$0	\$0
(12) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(13) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,382	\$0	\$0	\$0
(14) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(15) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,020	\$0	\$0
(16) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(17) FY 2019 NET ERC Costs Net of Insurance	\$950,236	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,093	\$85,090	\$0
(18) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(19) FY 2020 NET ERC Costs Net of Insurance	\$850,927	\$144,035	\$144,035	\$144,035	\$144,035	\$144,035	\$144,035	\$144,035	\$144,035	\$144,038
(20) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(21) FY 2021 NET ERC Costs Net of Insurance	\$1,440,353	\$1,404,665	\$1,267,809	\$966,988	\$854,083	\$742,293	\$438,534	\$324,148	\$229,125	\$144,038
(22) Amortization Period (years)	10	10	10	10	10	10	10	10	10	10
(23) Amortization Expense sub-total	\$1,963,054	\$33,000,845	\$33,000,845	\$33,000,845	\$33,000,845	\$33,000,845	\$33,000,845	\$33,000,845	\$33,000,845	\$33,000,845
(24) ENVIRONMENTAL REMEDIATION COSTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(25) Beginning Balance	\$24,666,108	\$26,629,162	\$28,033,827	\$29,301,636	\$30,268,624	\$31,122,707	\$31,865,000	\$32,303,534	\$32,627,682	\$32,856,807
(26) Environmental Expenditures, net of Insurance	\$1,963,054	\$1,404,665	\$1,267,809	\$966,988	\$854,083	\$742,293	\$438,534	\$324,148	\$229,125	\$144,038
(27) Ending Balance	\$26,629,162	\$28,033,827	\$29,301,636	\$30,268,624	\$31,122,707	\$31,865,000	\$32,303,534	\$32,627,682	\$32,856,807	\$33,000,845
(28) ACCUMULATED ENVIRONMENTAL REMEDIATION										
(29) Beginning Balance	\$6,371,683	\$4,967,018	\$3,699,209	\$2,732,221	\$1,878,138	\$1,135,845	\$697,311	\$373,163	\$144,038	\$0
(30) Amortization Expense (1)										
(31) Ending Balance										
(32) NET ENVIRONMENTAL REMEDIATION COSTS										

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

**National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC FY 2021 Detail**

	Total Costs at <u>3/31/2020</u> (a)	<u>FY 2021 Costs</u> (b)	Total Costs at <u>3/31/2021</u> (c) = (a) + (b)
<u>Environmental Expenses</u>			
(1) 907 & 908 Allens Avenue	\$23,309,375	\$117,586	\$23,426,961
(2) 307 PCB Reg Pipe Abandon.	\$2,710,993	\$386,586	\$3,097,579
(3) 379 Petroleum Site	\$8,347,988	\$12,484	\$8,360,472
(4) 700 18 & 21 Holders COR	\$2,776,743	\$0	\$2,776,743
(5) 161 Canal Street, Westerly	\$29,133	\$0	\$29,133
(6) 178 Site Inv Connell Hwy Newp	\$44,092	\$0	\$44,092
(7) 144 Westerly Soil Investigation	\$82,184	\$0	\$82,184
(8) 171 Contaminated Regulators	\$3,164,340	\$2,577	\$3,166,917
(9) 781 Mendon Road	\$121,355	\$0	\$121,355
(10) 782 Tidewater	\$2,047,795	\$719,116	\$2,766,911
(11) 783 Hamlet	\$213,517	\$15,550	\$229,067
(12) -- Thames & Wellington	\$6,287,030	\$93,194	\$6,380,224
(13) -- Misc MGP (NEG)	\$574,055	\$73,413	\$647,468
(14) -- Insurance Recovery	\$1,372,212	\$1,110	\$1,373,322
(15) -- East Providence (First Ave) Holder	\$379,425	\$18,737	\$398,162
(16) -- 560 Thames Street Newp	<u>\$165,403</u>	<u>\$0</u>	<u>\$165,403</u>
(17) Sub-Total	\$51,625,640	\$1,440,353	\$53,065,993
(18) Insurance Recovery/Settlement			
(19) 910 Environmental Insurance Recovery Settlement		\$0	
(20) Net FY 2021 Environmental Response Costs		<u><u>\$1,440,353</u></u>	

(1)-(16) Col (a): Docket 5040, RMS/MJP-4, Page 4, Col (c)

(1)-(16) Col (b): Annual Environmental Report for Gas Service, Period of April 1, 2020 - March 31, 2021

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

Schedule RMS -5
Pensions and Postretirement Benefits Other than Pensions Factor

**National Grid - RI Gas
Pension Adjustment Factors
Effective November 1, 2021**

<u>Pension Factor</u>	
(1)	Pension Reconciliation \$3,617,675
(2)	Carrying Charges <u>\$0</u>
(3)	Total Pension Cost \$3,617,675
(4)	Firm Throughput 40,273,298 dths
(5)	Pension Factor per dth \$0.0890 per dth
(6)	Pension Factor per therm \$0.0089 per therm
<u>PBOP Factor</u>	
(7)	PBOP Reconciliation \$966,494
(8)	Carrying Charges <u>\$0</u>
(9)	Total PBOP Cost \$966,494
(10)	Firm Throughput 40,273,298 dths
(11)	PBOP Factor per dth \$0.0230 per dth
(12)	PBOP Factor per therm \$0.0023 per therm
<u>Pension & PBOP Factor Combined</u>	
(13)	Pension & PBOP Factor per dth \$0.1120 per dth
(14)	Pension & PBOP Factor per therm \$0.0112 per therm

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

Schedule RMS -6
Arrearage Management Adjustment Factor

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

(1) Total Recoverable Arrearage Forgiveness Amount	\$202,940
(2) Firm Throughput	40,273,298 dths
(3) Arrearage Management Adjustment Factor per dekatherm	\$0.0050 per dth
(4) Arrearage Management Adjustment Factor per therm	\$0.0005 per therm

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

National Grid - RI Gas
Calculation of Recoverable Arrearage Forgiveness Amount
Calendar Year 2020

<u>Uncollectible Recovery from:</u>	
(1) Rate Year Base Distribution Rates (Docket 4770, Rate Year 2 - 8 Months)	\$2,549,536
(2) Rate Year Base Distribution Rates (Docket 4770, Rate Year 3 - 4 Months)	\$983,158
(3) Calendar Year Commodity Rates	\$2,534,014
(4) Calendar Year DAC	\$324,360
(5) Calendar Year Energy Efficiency (EE)	<u>\$595,076</u>
(6) Total Allowable Bad Debt	\$6,986,144
(7) Total Actual Net Charge Offs	<u>\$5,844,526</u>
(8) Actual Above / (Below) Allowable Bad Debt	(\$1,141,618)
(9) Amount of AMP Successful Participants Arrearage Forgiveness	<u>\$275,290</u>
(10) Recoverable Arrearage Forgiveness Due to AMP Successful Participants	\$0
(11) Recoverable Arrearage Forgiveness Due to AMP Unsuccessful Participants (Cancelled)	\$28,969
(12) Recoverable Arrearage Forgiveness Due to AMP Unsuccessful Participants (Default)	<u>\$173,970</u>
(13) Total Recoverable Arrearage Forgiveness Amount	\$202,940
(1) RIPUC Docket No. 4770, April 24, 2019 Revised Excess Deferred Income Tax True-Up Filing, Revised Supplemental Compliance Attachment 2, Page 4, Line (11), Column (c)	
(2) RIPUC Docket No. 4770, April 24, 2019 Revised Excess Deferred Income Tax True-Up Filing, Revised Supplemental Compliance Attachment 2, Page 4, Line (11), Column (e)	
(3) Page 3, Section 1, Line (3)	
(4) Page 3, Section 2, Line (3)	
(5) Page 3, Section 3, Line (3)	
(6) Sum of Lines (1) to (5)	
(7) Page 4, Column (d), Line (1)	
(8) Line (7) - Line (6)	
(9) Page 5, Line (6)	
(10) If Line (8) > 0 then Min of Line (8) or Line (9), Else 0	
(11) Page 5, Line (4)	
(12) Page 5, Line (2)	
(13) Sum of Lines (10) to (12)	

**National Grid - RI Gas
Calculation of Recoverable Arrearage Foregone Amount
Calendar Year 2020**

<u>Section 1: Gas Cost Recovery</u>	<u>Jan - Dec</u> (a)
(1) Gas Cost Recovery Billings	\$132,670,886
(2) Uncollectible Percentage	1.91%
(3) Commodity Rate Allowable Bad Debt	\$2,534,014
<p>(1) Per Company Revenue Reports for calendar year 2020 (2) Uncollectible percentage approved in RIPUC Docket 4770 (3) Line (1) x Line (2)</p>	
<hr/>	
<u>Section 2: Distribution Adjustment Clause</u>	
(1) Distribution Adjustment Clause Billings	\$16,982,216
(2) Uncollectible Percentage	1.91%
(3) DAC Rate Allowable Bad Debt	\$324,360
<p>(1) Per Company Revenue Reports for calendar year 2020 (2) Uncollectible percentage approved in RIPUC Docket 4770 (3) Line (1) x Line (2)</p>	
<hr/>	
<u>Section 3: Energy Efficiency</u>	
(1) Energy Efficiency Billings	\$31,155,816
(2) Uncollectible Percentage	1.91%
(3) Energy Efficiency Allowable Bad Debt	\$595,076
<p>(1) Per Company Revenue Reports for calendar year 2020 (2) Uncollectible percentage approved in RIPUC Docket 4770 (3) Line (1) x Line (2)</p>	

National Grid - RI Gas
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2020 Net Charge - Offs

	Beginning Balance <u>FERC 144</u> (a)	Adjustments to Reserve <u>FERC 904</u> (b)	Ending Balance <u>FERC 144</u> (c)	Net <u>Charge Offs</u> (d)
(1)	\$12,449,926	\$18,537,657	\$25,143,057	\$5,844,526

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

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

	<u>Unsuccessful Accounts (Default)</u>	
(1)	Number of accounts not successful as of 12/31/2020	571
(2)	Amount forgiven prior to defaulting	\$173,970
	<u>Unsuccessful Accounts (Cancelled)</u>	
(3)	Number of accounts not successful as of 12/31/2020	102
(4)	Amount forgiven prior to defaulting	\$28,969
	<u>Successful Accounts</u>	
(5)	Number of accounts successfully completing the first year of the program	498
(6)	Amount forgiven during 2020	\$275,290
	<u>Enrolled Accounts</u>	
(7)	Number of accounts enrolled as of 12/31/2020	318
(8)	Amount forgiven during 2020	\$154,852
	<u>Total Enrolled Accounts</u>	
(9)	Number of accounts enrolled as of 12/31/2020	1,489
(10)	Amount forgiven during 2020	\$633,082
(1)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2020	
(2)	Per Company Records	
(3)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2020	
(4)	Per Company Records	
(5)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2020	
(6)	Per Company Records	
(7)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2020	
(8)	Per Company Records	
(9)	Sum of Lines (1), (3), (5), and (7)	
(10)	Sum of Lines (2), (4), (6), and (8)	

Schedule RMS -7
Revenue Decoupling Adjustment Factor



STEVEN J. BOYAJIAN

One Financial Plaza, 14th Floor
Providence, RI 02903-2485
Main (401) 709-3300
Fax (401) 709-3399
sboyajian@rc.com
Direct (401) 709-3359

Also admitted in Massachusetts

July 1, 2021

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: National Grid's Gas Revenue Decoupling Mechanism Reconciliation Filing
For the Reconciliation Period April 2020 through March 2021
Docket No. 5156**

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed please find the Company's annual Revenue Decoupling Mechanism ("RDM") reconciliation filing for the period April 2020 to March 2021. National Grid submits this filing pursuant to the provisions of the Distribution Adjustment Clause of National Grid's gas tariff, R.I.P.U.C. NG-Gas No. 101, at Section 3, Schedule A, which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment ("RDA") factor to be included in National Grid's annual Distribution Adjustment Charge ("DAC") filing.

This filing consists of the pre-filed direct testimony and schedules of Ryan M. Scheib. Mr. Scheib provides an overview of National Grid's RDM reconciliation and describes the actual RDM results for the reconciliation period April 2020 through March 2021.

As a result of National Grid's RDM reconciliation, National Grid over-recovered revenue by \$28,178 under its RDM during the reconciliation period. However, the over-recovery is too

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

Robinson+Cole

Luly E. Massaro, Commission Clerk
July 1, 2021
Page 2 of 2

small to derive a billable factor. Therefore, National Grid is proposing to carry this over-recovery balance forward into next year's RDM reconciliation period, which covers April 2021 through March 2022. National Grid is not proposing an RDA factor for effect November 1, 2021. The annual bill impact of the termination of the currently-effective RDA factor on a typical residential heating customer using 845 therms per year is a reduction of \$6.03, or 0.4%.

Thank you for your attention to this matter. If you have any questions, please contact me at 401-709-3359.

Sincerely,



Steven J. Boyajian

Enclosures

cc: Leo Wold, Esq.
John Bell, Division

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021**

DIRECT TESTIMONY

OF

RYAN M. SCHEIB

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021**

TABLE OF CONTENTS

I.	<u>Introduction and Qualifications</u>	1
II.	<u>Purpose of Testimony</u>	2
III.	<u>RDM Reconciliation</u>	3
IV.	<u>Results of the RDM Reconciliation</u>	5
V.	<u>Bill Impacts</u>	7

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 1 OF 8**

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

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

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

5

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

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

15

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

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

18

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

20 A. In 2016, I joined National Grid as an Associate Analyst in the New England Gas Pricing
21 group and, in 2018, I was promoted to Analyst supporting the gas division of the

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 2 OF 8

1 Company. In 2021, I was promoted to Senior Analyst supporting Mass. Electric, with
2 ongoing responsibilities for pricing responsibilities for the gas division of the Company.

3
4 **Q. Have you previously testified before the PUC?**

5 A. Yes. I have testified before the PUC in support of the Company's Distribution
6 Adjustment Charge ("DAC") filing in Docket Nos. 4955 and 5040, its 2020 Gas Cost
7 Recovery filing in Docket No. 5066, and in the Company's FY 2021 Gas Infrastructure,
8 Safety, and Reliability Plan filing in Docket No. 4996.

9
10 **II. Purpose of Testimony**

11 **Q. What is the purpose of your testimony?**

12 A. The purpose of my testimony is to present the Company's March 31, 2021 Revenue
13 Decoupling Mechanism ("RDM") reconciliation balance, which will be used to
14 determine the proposed Revenue Decoupling Adjustment ("RDA") factor to be
15 incorporated in the Company's upcoming August 2, 2021 DAC filing. Specifically, I
16 provide an overview of the Company's gas RDM reconciliation and explain the RDM
17 results for the reconciliation period April 1, 2020 through March 31, 2021.

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

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 3 OF 8

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

Q. Are you sponsoring any schedules with your testimony?

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

Schedule RMS-1	Annual Gas RDM Reconciliation Balance
Schedule RMS-2	Monthly RDM Reconciliation by Rate Class for the Period April 1, 2020 through March 31, 2021
Schedule RMS-3	Actual vs. Normal Billing Heating Degree Day Comparison for April 2020 through March 2021
Schedule RMS-4	Target Revenue-Per-Customer by Rate Class

III. RDM Reconciliation

Q. Please provide an overview of the Company’s RDM reconciliation.

A. In Docket No. 4206, the PUC approved a Revenue-Per-Customer RDM that provides for an annual reconciliation, by rate class, between a target level of base distribution revenue and actual base distribution revenue billed during the reconciliation period. The reconciliation is driven by the comparison of the Actual Revenue-Per-Customer during the reconciliation period and the Target Revenue-Per-Customer. The reconciliation is performed on a monthly basis and covers the Company’s fiscal year (the period April 1 through March 31 of the following year) for all Residential and Small and Medium Commercial and Industrial (“C&I”) firm rate classes. Under the RDM, customers subject to the RDM are credited any net over-recovery of target revenue and are surcharged for

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 4 OF 8**

1 any net under-recovery of target revenue through the RDA factor, which is one of several
2 components of the DAC, effective November 1 each year.

3
4 **Q. What are the Target Revenue-Per-Customer and the Actual Revenue-Per-
5 Customer?**

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

11
12 **Q. What is the result of the RDM reconciliation presented in this filing?**

13 A. The RDM reconciliation results in a net over-recovery balance of approximately \$28,000
14 for the period April 2020 through March 2021, as shown in Schedule RMS-1.

15
16 **Q. How did the Company determine the RDM reconciliation balance at the end of
17 March 2021?**

18 A. On a monthly basis and for each rate class, the Company calculated the difference
19 between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the
20 Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company
21 has over-recovered its RDM target revenue and must credit customers the excess amount.

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 5 OF 8**

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

9
10 **Q. Has the Target Revenue-Per-Customer changed from last year's filing?**

11 A. No. The Target Revenue-Per-Customer calculated in last year's Revenue Decoupling
12 Mechanism filing in Docket No. 5040 will be used in the calculation of RDM
13 adjustments until new base distribution rates are established for gas service.

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

16 **Q. What are the results of the RDM reconciliation for the year ending March 31, 2021?**

17 A. For the reconciliation period April 2020 through March 2021, the Company has
18 calculated a net over-recovery of target revenue of approximately \$28,000 as summarized
19 in Schedule RMS-1. This net over-recovery would typically be credited to customers

¹ Interest on the average monthly balance is calculated at the same interest rate used to calculate interest on the Company's other DAC balances, which is the Bank of America Prime Rate less 200 basis points.

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 6 OF 8

1 included in the RDM through the RDA factor, which the Company would propose to go
2 into effect November 1, 2021 when it submits its DAC filing. However, the over-
3 recovery of \$28,000 is an amount too small to derive a factor. Therefore, the Company
4 proposes to carry this over-recovery forward into next year's RDM reconciliation and
5 calculation of the over- or under- recovery balance in the Company's next annual RDM
6 filing for the reconciliation period April 2021 through March 2022.

7
8 **Q. How does the Company intend to include the \$28,000 over-recovery calculated in**
9 **this filing in next year's annual RDM filing?**

10 A. In next year's RDM filing, which will cover the period April 1, 2021 through March 30,
11 2022, the Company will start the reconciliation with a beginning balance of \$28,000 in
12 each of the respective rate class reconciliations and continue to calculate the monthly
13 over- or under- recovery balances over the course of the fiscal year. The monthly over-
14 recovery or under-recovery will accumulate and the balance, including the over-recovery
15 balance presented in this filing, will accrue interest. In next year's RDM filing, the
16 Company will then calculate an RDA factor to credit or surcharge the ending over- or
17 under- recovery balance, which the Company would propose to go into effect November
18 1, 2022 as part of its DAC filing.

19
20 **Q. What are the drivers for the net over-recovery?**

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 7 OF 8

1 A. As shown in Schedule RMS/MJP-1, the Company's net over-recovery of \$28,000 was
2 driven by a \$983,000 combined over-recovery for the Residential RDM groups, and a
3 \$955,000 combined under-recovery for the Small and Medium C&I RDM groups. The
4 weather in Fiscal Year 2021 was slightly warmer than normal⁴ which, all else being
5 equal, would typically result in lower customer usage. However, the effect of the
6 ongoing global pandemic has likely also impacted customer usage. The Company has
7 observed the impact of the pandemic on its gas usage, with increased residential usage (as
8 evidenced with the over-recovery in the residential non-heating rate classes), with more
9 customers working remotely from home, and lower C&I usage, with businesses closed or
10 opened for reduced hours.

11

12 **V. Bill Impacts**

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

15 A. No, the Company is not presenting bill impact information at this time. Because the
16 Company will not be proposing an RDA factor here or in the DAC filing, and the bill
17 impact of the currently-effective RDA factor terminating on and after November 1, 2021
18 on a stand-alone basis provides limited information as to the cumulative impact of the
19 change in the overall DAC, the Company is not including bill impacts in this filing.

⁴ Overall, FY 2021 weather was approximately 3.3 percent warmer than normal, but 2.7 percent colder than FY 2020, as illustrated in Schedule RMS-3.

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
R.I.P.U.C. DOCKET 5165
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: RYAN M. SCHEIB
JULY 1, 2021
PAGE 8 OF 8

1 Rather, the Company will submit bill impacts for the cumulative impact of all of its
2 proposed DAC factors, including the RDA factor, with its August 2, 2021 DAC filing.

3

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

5 **A. Yes.**

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
Schedule RMS-1
Page 1 of 1

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

(1)	Residential Non-Heat (incl Low Income)	(\$242,799)
(2)	Residential Heat (incl Low Income)	(\$740,535)
(3)	Small C&I	\$717,528
(4)	Medium C&I	\$237,629
(5)	FY 2021 Net Over Recovery of Target Revenue	<u>(\$28,178)</u>

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

RDM Reconciliation by Rate Class by Month

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Non-Heat												
(1) Benchmark Revenue Per Customer (RPC)	\$28.44	\$23.10	\$19.85	\$18.69	\$18.80	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85
(2) Beginning Balance Under/(Over) Recovery	\$0	\$31,676	(\$20,747)	(\$35,226)	(\$39,967)	(\$63,637)	(\$50,836)	(\$51,604)	(\$87,427)	(\$85,705)	(\$159,685)	(\$245,553)
(3) Actual Number of Customers	16,539	16,562	16,554	16,158	16,148	16,140	16,164	16,149	16,163	16,079	16,084	16,052
(4) Actual Base Revenue	\$438,709	\$435,011	\$343,047	\$306,694	\$327,198	\$286,215	\$313,811	\$385,538	\$415,999	\$337,731	\$338,278	\$495,337
(5) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Adjusted Base Revenue	\$438,709	\$435,011	\$343,047	\$306,694	\$327,198	\$286,215	\$313,811	\$385,538	\$415,999	\$337,731	\$338,278	\$495,337
(7) Actual Base Revenue Per Customer	\$26.53	\$26.27	\$20.72	\$18.98	\$20.26	\$17.73	\$19.41	\$23.87	\$25.74	\$20.94	\$20.94	\$30.86
(8) RPC Variance (Benchmark- Actual)	\$1.91	(\$3.17)	(\$0.87)	(\$0.29)	(\$1.46)	(\$0.80)	(\$0.04)	(\$2.21)	\$0.11	(\$4.59)	(\$5.33)	\$2.99
(9) Monthly Under/(Over) Recovery of RPC	\$31,660	(\$2,429)	(\$14,450)	(\$4,701)	(\$23,616)	\$12,859	(\$7,144)	(\$35,751)	\$1,815	(\$73,852)	(\$85,674)	\$48,023
(10) Preliminary Ending Balance	\$31,660	(\$20,753)	(\$35,197)	(\$39,927)	(\$63,582)	(\$50,777)	(\$51,550)	(\$87,355)	(\$85,612)	(\$159,555)	(\$245,359)	(\$197,530)
(11) Average Balance	\$15,830	\$5,462	(\$17,972)	(\$37,576)	(\$31,774)	(\$27,207)	(\$31,193)	(\$69,480)	(\$86,519)	(\$122,629)	(\$202,522)	(\$221,541)
(12) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(13) Interest Applied	\$16	\$6	(\$29)	(\$40)	(\$55)	(\$59)	(\$54)	(\$71)	(\$92)	(\$130)	(\$194)	(\$235)
(14) Ending Balance Under/(Over) Recovery	\$31,676	(\$20,747)	(\$35,226)	(\$39,967)	(\$63,637)	(\$50,836)	(\$51,604)	(\$87,427)	(\$85,705)	(\$159,685)	(\$245,553)	(\$197,764)
Residential Non-Heat Low Income												
(15) Benchmark Revenue Per Customer (RPC)	\$28.44	\$23.10	\$19.85	\$18.69	\$18.80	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85
(16) Beginning Balance Under/(Over) Recovery	\$0	(\$3,844)	(\$9,664)	(\$11,829)	(\$13,159)	(\$14,978)	(\$15,831)	(\$16,835)	(\$20,267)	(\$23,533)	(\$32,415)	(\$41,954)
(17) Actual Number of Customers	590	593	600	583	586	586	573	615	607	645	653	670
(18) Actual Base Revenue	20,622	19,512	14,064	12,213	12,820	11,696	12,085	16,734	18,934	27,460	27,879	25,714
(19) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) Adjusted Base Revenue	\$20,622	\$19,512	\$14,064	\$12,213	\$12,820	\$11,696	\$12,085	\$16,734	\$18,934	\$27,460	\$27,879	\$25,714
(21) Actual Base Revenue Per Customer	\$34.95	\$32.90	\$23.44	\$20.95	\$21.88	\$19.96	\$21.09	\$27.21	\$31.19	\$42.57	\$42.69	\$38.38
(22) RPC Variance (Benchmark- Actual)	(\$6.51)	(\$9.80)	(\$3.59)	(\$2.26)	(\$3.08)	(\$1.43)	(\$1.72)	(\$5.55)	(\$5.34)	(\$13.72)	(\$14.55)	(\$4.53)
(23) Monthly Under/(Over) Recovery of RPC	(\$3,842)	(\$3,813)	(\$2,154)	(\$1,317)	(\$1,803)	(\$838)	(\$986)	(\$3,413)	(\$3,243)	(\$8,852)	(\$9,504)	(\$3,035)
(24) Preliminary Ending Balance	(\$3,842)	(\$9,657)	(\$11,818)	(\$13,146)	(\$14,963)	(\$15,815)	(\$16,817)	(\$20,248)	(\$23,510)	(\$32,385)	(\$41,918)	(\$44,989)
(25) Average Balance	(\$1,921)	(\$6,751)	(\$10,741)	(\$12,488)	(\$14,061)	(\$15,397)	(\$16,324)	(\$18,541)	(\$21,888)	(\$27,959)	(\$37,167)	(\$43,471)
(26) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(27) Interest Applied	(\$2)	(\$7)	(\$11)	(\$13)	(\$15)	(\$16)	(\$17)	(\$19)	(\$23)	(\$30)	(\$36)	(\$46)
(28) Ending Balance Under/(Over) Recovery	(\$3,844)	(\$9,664)	(\$11,829)	(\$13,159)	(\$14,978)	(\$15,831)	(\$16,835)	(\$20,267)	(\$23,533)	(\$32,415)	(\$41,954)	(\$45,035)
Residential Non-Heat (incl Low Income)												
(29) Benchmark Revenue Per Customer (RPC)	\$28.44	\$23.10	\$19.85	\$18.69	\$18.80	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85
(30) Beginning Balance Under/(Over) Recovery	\$0	\$27,832	(\$30,412)	(\$47,055)	(\$53,126)	(\$78,615)	(\$66,667)	(\$68,439)	(\$107,693)	(\$109,236)	(\$192,099)	(\$287,507)
(31) Actual Number of Customers	17,129	17,155	17,154	16,741	16,734	16,726	16,737	16,764	16,770	16,724	16,737	16,722
(32) Adjusted Base Revenue	\$459,331	\$454,523	\$357,111	\$318,907	\$340,018	\$297,911	\$325,896	\$402,272	\$434,933	\$365,191	\$366,157	\$521,052
(33) Actual Base Revenue Per Customer	\$26.82	\$26.50	\$20.82	\$19.05	\$20.32	\$17.81	\$19.47	\$24.00	\$25.94	\$21.84	\$21.84	\$31.16
(34) RPC Variance (Benchmark- Actual)	\$1.62	(\$3.40)	(\$0.97)	(\$0.36)	(\$1.52)	\$0.72	(\$0.10)	(\$2.34)	(\$0.09)	(\$4.95)	(\$5.69)	\$2.69
(35) Monthly Under/(Over) Recovery of RPC	\$27,818	(\$58,243)	(\$16,604)	(\$6,018)	(\$25,419)	\$12,022	(\$1,700)	(\$39,164)	(\$1,428)	(\$82,704)	(\$95,178)	\$44,988
(36) Preliminary Ending Balance	\$27,818	(\$30,410)	(\$47,015)	(\$53,073)	(\$78,545)	(\$66,593)	(\$68,367)	(\$107,603)	(\$109,121)	(\$191,940)	(\$287,277)	(\$242,518)
(37) Average Balance	\$13,909	(\$1,289)	(\$38,713)	(\$50,064)	(\$65,835)	(\$72,604)	(\$67,517)	(\$88,021)	(\$108,407)	(\$150,588)	(\$239,688)	(\$265,012)
(38) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(39) Interest Applied	\$14	(\$1)	(\$40)	(\$53)	(\$70)	(\$74)	(\$71)	(\$90)	(\$115)	(\$159)	(\$229)	(\$281)
(40) Ending Balance Under/(Over) Recovery	\$27,832	(\$30,412)	(\$47,055)	(\$53,126)	(\$78,615)	(\$66,667)	(\$68,439)	(\$107,693)	(\$109,236)	(\$192,099)	(\$287,507)	(\$242,799)
(1) RMS-4, Line (4)				(9)	Line (3) x Line (8)							
(2) Line (14)				(10)	Line (2) + Line (9)							
(3) Company's billing system				(11)	Company's billing system							
(4) Company's billing system				(12)	Line (11) x Line (12) ÷ 365 x # days							
(5) Line (4) + Line (5)				(13)	Line (11) x Line (12) ÷ 365 x # days							
(6) Line (4) + Line (5)				(14)	Line (10) + Line (13)							
(7) Line (6) ÷ Line (3)				(15)	RMS-4, Line (4)							
(8) Line (1) - Line (7)				(16)	Line (16) + Line (23)							
				(17)	Company's billing system							
				(18)	Company's billing system							
				(19)	Line (18) + Line (19)							
				(20)	Line (20) ÷ Line (17)							
				(21)	Line (15) - Line (21)							
				(22)	Line (17) x Line (22)							
				(23)	Line (16) + Line (23)							
				(24)	Line (16) + Line (23)							
				(25)	Line (16) + Line (24) ÷ 2							
				(26)	Line (25) x Line (26) ÷ 365 x # days							
				(27)	Line (24) + Line (27)							
				(28)	RMS-4, Line (4)							
				(29)	Line (30) + Line (35)							
				(30)	Line (30) + Line (36) ÷ 2							
				(31)	Line (37) x Line (38) ÷ 365 x # days							
				(32)	Line (36) + Line (39)							
				(33)	Line (32) ÷ Line (31)							
				(34)	Line (29) - Line (33)							
				(35)	Line (31) * Line (34)							
				(36)	Line (30) + Line (35)							
				(37)	Line (30) + Line (36) ÷ 2							
				(38)	Line (37) x Line (38) ÷ 365 x # days							
				(39)	Line (37) x Line (38) ÷ 365 x # days							

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
Schedule RMS-2
Page 2 of 3

RDM Reconciliation by Rate Class by Month

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Heating												
(41) Benchmark Revenue Per Customer (RPC)	\$67.82	\$40.28	\$28.40	\$24.23	\$23.28	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39
(42) Beginning Balance Under/(Over) Recovery	\$0	\$239,117	(\$2,943,414)	(\$2,993,635)	(\$2,828,961)	(\$2,960,578)	(\$2,534,211)	(\$2,361,938)	(\$1,867,035)	(\$99,667)	(\$443,293)	(\$1,073,293)
(43) Actual Number of Customers	210,207	209,748	209,557	209,367	209,557	209,564	210,388	211,365	212,300	212,518	212,545	212,308
(44) Actual Base Revenue	\$14,017,244	\$11,629,750	\$5,998,600	\$4,905,207	\$5,006,575	\$4,684,181	\$5,476,159	\$9,097,466	\$14,143,116	\$21,255,110	\$23,248,314	\$19,476,256
(45) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(46) Adjusted Base Revenue	\$14,017,244	\$11,629,750	\$5,998,600	\$4,905,207	\$5,006,575	\$4,684,181	\$5,476,159	\$9,097,466	\$14,143,116	\$21,255,110	\$23,248,314	\$19,476,256
(47) Actual Base Revenue Per Customer	\$66.68	\$55.45	\$28.63	\$23.43	\$23.89	\$22.35	\$26.03	\$43.04	\$66.62	\$100.02	\$109.38	\$91.74
(48) RPC Variance (Benchmark- Actual)	\$1.14	(\$15.17)	(\$0.23)	\$0.80	(\$0.61)	\$2.05	\$0.83	\$3.20	\$7.48	(\$1.62)	(\$2.96)	\$2.65
(49) Monthly Under/(Over) Recovery of RPC	\$238,995	(\$3,181,101)	(\$47,181)	\$167,755	(\$128,554)	\$429,181	\$174,863	\$676,976	\$1,588,314	(\$343,339)	(\$629,275)	\$563,496
(50) Preliminary Ending Balance	\$238,995	(\$2,941,983)	(\$2,990,595)	(\$2,825,880)	(\$2,957,515)	(\$2,531,397)	(\$2,359,348)	(\$1,684,962)	(\$98,722)	(\$443,006)	(\$1,072,568)	(\$509,797)
(51) Average Balance	\$119,497	(\$1,351,433)	(\$2,967,005)	(\$2,909,758)	(\$2,893,238)	(\$2,745,988)	(\$2,446,779)	(\$2,023,450)	(\$892,879)	(\$271,336)	(\$757,930)	(\$791,545)
(52) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(53) Interest Applied	\$122	(\$1,431)	(\$3,040)	(\$3,081)	(\$3,063)	(\$2,814)	(\$2,591)	(\$2,073)	(\$945)	(\$287)	(\$725)	(\$838)
(54) Ending Balance Under/(Over) Recovery	\$239,117	(\$2,943,414)	(\$2,993,635)	(\$2,828,961)	(\$2,960,578)	(\$2,534,211)	(\$2,361,938)	(\$1,687,035)	(\$99,667)	(\$443,293)	(\$1,073,293)	(\$510,635)
Residential Heating - Low Income												
(55) Benchmark Revenue Per Customer (RPC)	\$67.82	\$40.28	\$28.40	\$24.23	\$23.28	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39
(56) Beginning Balance Under/(Over) Recovery	\$0	\$6,844	(\$309,743)	(\$330,335)	(\$318,735)	(\$347,362)	(\$368,506)	(\$368,528)	(\$360,606)	(\$230,606)	(\$325,075)	(\$320,985)
(57) Actual Number of Customers	20,199	20,478	20,478	20,959	20,703	20,679	20,013	19,511	18,761	18,571	18,824	19,219
(58) Actual Base Revenue	1,363,055	1,141,281	601,840	495,893	510,240	525,346	537,181	893,854	1,259,916	1,921,562	1,998,851	1,722,706
(59) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(60) Adjusted Base Revenue	\$1,363,055	\$1,141,281	\$601,840	\$495,893	\$510,240	\$525,346	\$537,181	\$893,854	\$1,259,916	\$1,921,562	\$1,998,851	\$1,722,706
(61) Actual Base Revenue Per Customer	\$67.48	\$55.73	\$29.39	\$23.66	\$24.65	\$25.40	\$26.84	\$45.81	\$67.16	\$103.47	\$106.19	\$89.64
(62) RPC Variance (Benchmark- Actual)	\$0.34	(\$15.45)	(\$0.99)	\$0.57	(\$1.37)	(\$1.00)	\$0.43	\$0.64	\$6.94	(\$5.07)	\$0.23	\$4.75
(63) Monthly Under/(Over) Recovery of RPC	\$6,844	(\$316,427)	(\$30,265)	\$11,944	(\$28,274)	(\$20,778)	\$368	\$8,335	\$130,274	(\$94,175)	\$4,400	\$91,376
(64) Preliminary Ending Balance	\$6,844	(\$309,582)	(\$330,008)	(\$318,392)	(\$347,009)	(\$368,140)	(\$368,138)	(\$360,194)	(\$230,293)	(\$324,781)	(\$320,676)	(\$229,609)
(65) Average Balance	\$3,420	(\$151,369)	(\$319,875)	(\$324,364)	(\$332,872)	(\$357,751)	(\$368,622)	(\$364,161)	(\$292,430)	(\$277,694)	(\$322,876)	(\$275,297)
(66) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(67) Interest Applied	\$4	(\$160)	(\$328)	(\$343)	(\$352)	(\$367)	(\$390)	(\$373)	(\$313)	(\$294)	(\$309)	(\$291)
(68) Ending Balance Under/(Over) Recovery	\$6,844	(\$309,743)	(\$330,335)	(\$318,735)	(\$347,362)	(\$368,506)	(\$368,528)	(\$360,606)	(\$230,606)	(\$325,075)	(\$320,985)	(\$229,900)
Residential Heat (incl Low Income)												
(69) Benchmark Revenue Per Customer (RPC)	\$67.82	\$40.28	\$28.40	\$24.23	\$23.28	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39
(70) Beginning Balance Under/(Over) Recovery	\$0	\$245,962	(\$3,253,157)	(\$3,323,970)	(\$3,147,696)	(\$3,307,940)	(\$2,902,717)	(\$2,730,467)	(\$2,047,602)	(\$330,273)	(\$768,368)	(\$1,394,277)
(71) Actual Number of Customers	230,406	230,226	230,035	230,326	230,240	230,243	230,401	230,896	231,061	231,089	231,369	231,527
(72) Adjusted Base Revenue	\$15,380,299	\$12,771,030	\$6,600,440	\$5,401,100	\$5,516,815	\$5,209,527	\$6,013,340	\$9,991,320	\$15,403,033	\$23,176,671	\$25,247,165	\$21,198,962
(73) Actual Base Revenue Per Customer	\$66.75	\$55.47	\$28.69	\$23.45	\$23.96	\$22.63	\$26.10	\$43.27	\$66.66	\$100.29	\$109.12	\$91.56
(74) RPC Variance (Benchmark- Actual)	\$1.07	(\$15.19)	(\$0.29)	\$0.78	(\$0.68)	\$1.77	\$0.76	\$2.97	\$7.44	(\$1.89)	(\$2.70)	\$2.83
(75) Monthly Under/(Over) Recovery of RPC	\$245,836	(\$3,497,527)	(\$67,446)	\$179,699	(\$156,828)	\$408,402	\$175,231	\$685,311	\$1,718,587	(\$437,514)	(\$624,876)	\$654,872
(76) Preliminary Ending Balance	\$245,836	(\$3,251,566)	(\$3,320,603)	(\$3,144,272)	(\$3,304,524)	(\$2,899,537)	(\$2,727,486)	(\$2,045,156)	(\$767,787)	(\$1,393,244)	(\$1,080,806)	(\$739,406)
(77) Average Balance	\$122,918	(\$1,502,802)	(\$3,286,880)	(\$3,234,121)	(\$3,226,110)	(\$3,103,738)	(\$2,815,102)	(\$2,387,811)	(\$1,188,309)	(\$549,030)	(\$1,080,806)	(\$1,066,842)
(78) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(79) Interest Applied	\$126	(\$1,591)	(\$3,368)	(\$3,424)	(\$3,416)	(\$3,180)	(\$2,980)	(\$2,447)	(\$1,258)	(\$581)	(\$1,034)	(\$1,130)
(80) Ending Balance Under/(Over) Recovery	\$245,962	(\$3,253,157)	(\$3,323,970)	(\$3,147,696)	(\$3,307,940)	(\$2,902,717)	(\$2,730,467)	(\$2,047,602)	(\$330,273)	(\$768,368)	(\$1,394,277)	(\$740,535)
(41) RMS-4, Line (8)				(57) Company's billing system			(65) [Line (56) + Line (64)] ÷ 2			(73) Line (72) ÷ Line (71)		
(42) Line (54)				(58) Company's billing system			(67) [Line (65) x Line (66)] ÷ 365 x # days			(74) Line (69) - Line (73)		
(43) Company's billing system				(60) Line (58) + Line (59)			(68) Line (64) + Line (67)			(75) Line (74) x Line (71)		
(44) Company's billing system				(61) Line (60) ÷ Line (57)			(69) RMS-4, Line (8)			(76) Line (70) + Line (75)		
(46) Line (44) + Line (45)				(62) Line (55) - Line (61)			(70) Line (80)			(77) [Line (70) + Line (76)] / 2		
(47) Line (46) ÷ Line (43)				(63) Line (57) x Line (62)			(71) Line (43) + Line (57)			(79) [Line (77) x Line (78)] ÷ 365 x # days		
(48) Line (41) - Line (47)				(64) Line (56) + Line (63)			(72) Line (46) + Line (60)			(80) Line (76) + Line (79)		

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
Schedule RMS-2
Page 3 of 3

RDM Reconciliation by Rate Class by Month

	Apr-20	May-20	June-20	July-20	Aug-20	Sept-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Small C&I												
(81) Benchmark Revenue Per Customer (RPC)	\$100.56	\$56.18	\$45.13	\$37.35	\$36.41	\$38.45	\$41.23	\$62.24	\$111.42	\$144.91	\$150.97	\$139.11
(82) Beginning Balance Under/(Over) Recovery	\$0	\$228,090	(\$25,545)	\$95,494	\$171,609	\$184,784	\$305,273	\$357,494	\$430,554	\$873,135	\$976,552	\$717,364
(83) Actual Number of Customers	19,221	19,171	19,075	19,037	19,063	19,122	19,117	19,239	20,116	20,153	19,361	19,355
(84) Actual Base Revenue	1,704,890	1,330,769	739,852	635,058	681,097	615,003	736,324	1,124,779	1,799,433	2,817,934	3,175,174	2,693,070
(85) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,753	\$0
(86) Adjusted Base Revenue	1,704,890	1,330,769	739,852	635,058	681,097	615,003	736,324	1,124,779	1,799,433	2,817,934	3,182,927	2,693,070
(87) Actual Base Revenue Per Customer (Actual)	\$88.70	\$69.42	\$38.79	\$33.36	\$35.73	\$32.16	\$38.52	\$58.46	\$89.45	\$139.83	\$164.40	\$139.14
(88) RPC Variance (Benchmark- Actual)	\$11.86	(\$13.24)	\$6.34	\$3.99	\$0.68	\$6.29	\$2.71	\$3.78	\$21.97	\$5.08	(\$13.43)	(\$0.03)
(89) Monthly Under/(Over) Recovery of RPC	\$227,974	(\$253,742)	\$121,003	\$75,974	\$12,987	\$120,238	\$51,870	\$72,657	\$441,891	\$102,438	(\$259,997)	(\$596)
(90) Preliminary Ending Balance	\$227,974	(\$25,652)	\$95,458	\$171,468	\$184,596	\$305,022	\$337,143	\$430,151	\$872,446	\$975,573	\$716,555	\$716,769
(91) Average Balance	\$113,987	\$101,219	\$34,957	\$133,481	\$178,102	\$244,903	\$331,208	\$393,822	\$651,500	\$924,354	\$846,553	\$717,067
(92) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(93) Interest Applied	\$117	\$107	\$36	\$141	\$189	\$251	\$351	\$404	\$690	\$979	\$810	\$759
(94) Ending Balance Under/(Over) Recovery	\$228,090	(\$25,545)	\$95,494	\$171,609	\$184,784	\$305,273	\$337,494	\$430,554	\$873,135	\$976,552	\$717,364	\$717,528
Medium C&I												
(95) Benchmark Revenue Per Customer (RPC)	\$472.75	\$367.58	\$289.00	\$293.82	\$297.81	\$287.02	\$317.68	\$380.01	\$522.48	\$624.77	\$604.14	\$588.19
(96) Beginning Balance Under/(Over) Recovery	\$0	\$87,471	(\$97,845)	(\$19,437)	\$185,065	\$331,990	\$578,781	\$717,465	\$733,511	\$921,752	\$836,281	\$358,520
(97) Actual Number of Customers	5,190	5,190	5,189	5,186	5,141	5,067	5,068	5,075	5,082	5,086	5,093	5,100
(98) Actual Base Revenue	2,366,146	2,093,051	1,421,153	1,319,336	1,384,389	1,208,006	1,472,004	1,913,248	2,467,879	3,263,981	3,555,217	3,120,975
(99) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(100) Adjusted Base Revenue	2,366,146	2,093,051	1,421,153	1,319,336	1,384,389	1,208,006	1,472,004	1,913,248	2,467,879	3,263,981	3,555,217	3,120,975
(101) Actual Base Revenue Per Customer (Actual)	\$456	\$403	\$274	\$254	\$269	\$238	\$290	\$377	\$486	\$642	\$698	\$612
(102) RPC Variance (Benchmark- Actual)	\$17	(\$36)	\$15	\$39	\$29	\$49	\$27	\$3	\$37	(\$17)	(\$94)	(\$24)
(103) Monthly Under/(Over) Recovery of RPC	\$87,426	(\$185,311)	\$78,468	\$204,414	\$146,652	\$246,325	\$137,998	\$15,303	\$187,365	(\$86,401)	(\$478,332)	(\$121,206)
(104) Preliminary Ending Balance	\$87,426	(\$97,839)	(\$19,377)	\$184,978	\$331,717	\$578,315	\$716,779	\$732,768	\$920,876	\$835,351	\$357,949	\$237,313
(105) Average Balance	\$43,713	(\$5,184)	(\$8,611)	\$82,770	\$258,391	\$455,153	\$647,780	\$725,117	\$827,115	\$878,551	\$597,115	\$297,917
(106) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(107) Interest Applied	\$45	(\$5)	(\$60)	\$88	\$274	\$466	\$686	\$743	\$876	\$930	\$571	\$315
(108) Ending Balance Under/(Over) Recovery	\$87,471	(\$97,845)	(\$19,437)	\$185,065	\$331,990	\$578,781	\$717,465	\$733,511	\$921,752	\$836,281	\$358,520	\$237,629
(81) RMS-4, Line (12)				(96) Line (108)								
(82) Line (94)				(97) Company's billing system								
(83) Company's billing system				(98) Company's billing system								
(84) Company's billing system				(100) Line (98) + Line (99)								
(85) Company's billing system adjustment				(101) Line (100) ÷ Line (97)								
(86) Line (84) + Line (85)				(102) Line (95) - Line (101)								
(87) Line (86) ÷ Line (83)				(103) Line (97) x Line (102)								
				(96) Line (108)								
				(97) Company's billing system								
				(98) Company's billing system								
				(100) Line (98) + Line (99)								
				(101) Line (100) ÷ Line (97)								
				(102) Line (95) - Line (101)								
				(103) Line (97) x Line (102)								
				(96) Line (108)								
				(97) Company's billing system								
				(98) Company's billing system								
				(100) Line (98) + Line (99)								
				(101) Line (100) ÷ Line (97)								
				(102) Line (95) - Line (101)								
				(103) Line (97) x Line (102)								
				(96) Line (108)								
				(97) Company's billing system								
				(98) Company's billing system								
				(100) Line (98) + Line (99)								
				(101) Line (100) ÷ Line (97)								
				(102) Line (95) - Line (101)								
				(103) Line (97) x Line (102)								

Actual vs. Normal Billing Degree Day Comparison for April 2020 - March 2021

	<u>Month/Year</u>	<u>Actual Billing Degree Days</u>	<u>Normal Billing Degree Days</u>
		(a)	(b)
(1)	Apr-20	629	669
(2)	May-20	446	328
(3)	Jun-20	120	107
(4)	Jul-20	4	15
(5)	Aug-20	0	1
(6)	Sep-20	17	18
(7)	Oct-20	124	145
(8)	Nov-20	385	423
(9)	Dec-20	676	763
(10)	Jan-21	960	1,025
(11)	Feb-21	1,017	1,031
(12)	Mar-21	878	911
(13)	Total	5,255	5,436
(14)	Degree Day Difference		182
(15)	Degree Day Difference (%)		-3.3%

Source: Normal Heating Degree Day Report

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

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
Schedule RMS-4
Page 1 of 1

Gas Revenue Decoupling Targets Approved in Docket No. 5040

	Apr-20 (a)	May-20 (b)	Jun-20 (c)	Jul-20 (d)	Aug-20 (e)	Sep-20 (f)	Oct-20 (g)	Nov-20 (h)	Dec-20 (i)	Jan-21 (j)	Feb-21 (k)	Mar-21 (l)	Total (m)
(1) Residential Non-Heat (incl Low-Income)													
(2) Number of Customers	18,286	18,218	18,198	17,532	16,963	18,202	18,263	18,319	18,364	18,358	18,349	18,334	
(3) Actual Revenue	\$519,983	\$420,781	\$361,182	\$327,732	\$318,932	\$337,192	\$353,697	\$396,720	\$474,792	\$529,580	\$516,330	\$620,557	\$5,177,477
(4) RPC	\$28.44	\$23.10	\$19.85	\$18.69	\$18.80	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85	
(5) Residential Heating (incl Low-Income)													
(6) Number of Customers	228,665	228,030	227,615	227,807	228,217	224,509	225,664	227,078	227,977	228,494	228,682	228,871	
(7) Actual Revenue	\$15,508,970	\$9,184,092	\$6,463,856	\$5,518,940	\$5,312,767	\$5,478,848	\$6,060,914	\$10,500,865	\$16,892,215	\$22,483,715	\$24,337,334	\$21,604,114	\$149,346,629
(8) RPC	\$67.82	\$40.28	\$28.40	\$24.23	\$23.28	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39	
(9) Small													
(10) Number of Customers	19,108	19,002	18,893	18,795	18,877	18,529	18,687	18,958	19,127	19,187	19,210	19,224	
(11) Actual Revenue	\$1,921,498	\$1,067,607	\$852,619	\$702,074	\$687,234	\$712,467	\$770,442	\$1,179,865	\$2,131,114	\$2,780,449	\$2,900,050	\$2,674,221	\$18,379,639
(12) RPC	\$100.56	\$56.18	\$45.13	\$37.35	\$36.41	\$38.45	\$41.23	\$62.24	\$111.42	\$144.91	\$150.97	\$139.11	
(13) Medium C&I													
(14) Number of Customers	5,277	5,265	5,262	5,260	5,182	5,221	5,252	5,258	5,270	5,273	5,277	5,280	
(15) Actual Revenue	\$2,494,704	\$1,935,323	\$1,520,695	\$1,545,504	\$1,543,246	\$1,498,552	\$1,668,447	\$1,998,082	\$2,753,482	\$3,294,391	\$3,188,043	\$3,105,657	\$26,546,125
(16) RPC	\$472.75	\$367.58	\$289.00	\$293.82	\$297.81	\$287.02	\$317.68	\$380.01	\$522.48	\$624.77	\$604.14	\$588.19	

Schedule RMS -8
ISR Reconciliation Factors

**National Grid – RI Gas
FY 21 ISR Reconciliation Factors
Effective November 1, 2021**

(1)	Revenue Requirement (a)	Rate Class (b)	Rate Base Allocator % (c)	Allocation to Rate Class (d)	Actual Revenue (e)	Under/(Over) Recovery (f)	ISR Recon. Under/(Over) Recovery (g)	Total Under/(Over) Recovery by Rate Class (h)	Forecasted Throughput (dfh) (i)	ISR Recon (dfh) (i)	ISR Recon (therm) (k)
(2)	\$14,851,995										
(3)		Res-NH	2.55%	\$378,726	\$568,462	(\$189,736)	(\$8,441)	(\$198,177)	300,785	(\$0.6588)	(\$0.0658)
(4)		Res-H	64.04%	\$9,511,218	\$13,556,199	(\$4,044,981)	(\$62,977)	(\$4,107,958)	20,203,541	(\$0.2033)	(\$0.0203)
(5)		Small	8.04%	\$1,194,100	\$1,624,423	(\$430,323)	(\$2,021)	(\$432,344)	2,421,031	(\$0.1785)	(\$0.0178)
(6)		Medium	12.23%	\$1,816,399	\$2,396,241	(\$579,842)	(\$5,682)	(\$585,525)	6,330,834	(\$0.0924)	(\$0.0092)
(7)		Large LL	5.57%	\$827,256	\$1,179,282	(\$352,026)	(\$8,601)	(\$360,627)	2,788,706	(\$0.1293)	(\$0.0129)
(8)		Large HL	2.25%	\$334,170	\$386,173	(\$52,003)	\$1,702	(\$50,301)	1,158,625	(\$0.0434)	(\$0.0043)
(9)		XL-LL	0.97%	\$144,064	\$189,178	(\$45,114)	(\$7,453)	(\$52,567)	970,800	(\$0.0541)	(\$0.0054)
(10)		XL-HL	4.35%	\$646,062	\$868,511	(\$222,450)	\$5,192	(\$217,258)	6,098,976	(\$0.0356)	(\$0.0035)
(11)		Total	100.00%	\$14,851,995	\$20,768,470	(\$5,916,475)	(\$88,282)	(\$6,004,757)	40,273,298		

(a) Docket 4996, FY 21 ISR Cumulative Revenue Requirement filed July 2021

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

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

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

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

(g) RMS-10 - Pages 7-8 Column (l) Lines (25), (34), (43), (52), (61), (70), (79), (88)

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

(i) Per Company Forecast

(j) Column (h) ÷ Column (i)

(k) Column (j) ÷ 10

National Grid - RI Gas
FY 2021 Gas ISR

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Prorated	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
(1) Res-NH	\$0.8573	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	\$1,6320	364,585
(2) Res-H	\$0.3725	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	\$0,7280	19,576,181
(3) Small	\$0.3632	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	\$0,7050	2,413,108
(4) Medium	\$0.2355	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	\$0,4520	5,394,922
(5) Large LL	\$0.2251	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	\$0,4320	2,828,747
(6) Large HL	\$0.1886	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	\$0,3270	1,203,793
(7) XL-LL	\$0.0844	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	\$0,1570	1,200,212
(8) XL-HL	\$0.0764	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	\$0,1470	5,883,044
RI Firm Throughput (dth)													
(9) Res-NH	37,790	33,650	20,336	15,739	14,507	13,351	16,179	25,541	34,418	52,769	52,993	47,314	364,585
(10) Res-H	2,114,354	1,674,612	663,704	444,710	403,430	378,658	533,500	1,191,721	2,081,500	3,356,734	3,691,353	3,041,905	19,576,181
(11) Small	242,036	169,268	61,998	38,501	40,131	38,744	54,758	130,988	254,406	447,199	512,131	422,948	2,413,108
(12) Medium	535,891	413,927	181,151	140,611	146,072	127,332	193,038	372,566	593,607	891,384	975,535	823,807	5,394,922
(13) Large LL	290,789	222,009	44,556	18,851	35,255	38,163	68,928	198,537	320,463	532,078	581,527	477,591	2,828,747
(14) Large HL	111,706	91,329	73,503	78,691	69,057	60,682	75,049	87,776	115,938	154,502	146,920	138,639	1,203,793
(15) XL-LL	112,194	85,194	(4,141)	(7,601)	18,712	24,844	48,449	120,132	162,251	243,722	232,756	163,702	1,200,212
(16) XL-HL	529,527	448,683	412,333	405,824	437,377	482,510	422,681	439,959	583,662	638,074	617,814	464,599	5,883,044
(17) Total	3,974,288	3,138,673	1,453,439	1,135,327	1,164,541	1,164,284	1,412,581	2,567,219	4,146,245	6,316,463	6,811,028	5,580,505	38,864,592
ISR Revenue													
(18) Res-NH	\$32,396	\$54,916	\$33,188	\$25,686	\$23,675	\$21,788	\$26,404	\$41,682	\$56,170	\$86,119	\$86,485	\$77,216	\$565,726
(19) Res-H	\$787,565	\$1,219,118	\$483,176	\$323,749	\$293,697	\$275,663	\$388,388	\$867,573	\$1,515,332	\$2,443,702	\$2,687,305	\$2,214,507	\$13,499,775
(20) Small	\$87,904	\$119,334	\$43,709	\$27,143	\$28,292	\$27,315	\$38,604	\$92,346	\$179,356	\$315,276	\$361,052	\$298,178	\$1,618,510
(21) Medium	\$126,224	\$187,095	\$81,880	\$63,556	\$66,025	\$67,554	\$87,253	\$168,400	\$268,310	\$460,942	\$440,942	\$372,361	\$2,322,506
(22) Large LL	\$65,465	\$95,908	\$19,248	\$8,144	\$15,230	\$16,486	\$29,777	\$85,768	\$138,440	\$229,858	\$251,220	\$206,319	\$1,161,863
(23) Large HL	\$21,071	\$29,865	\$24,036	\$25,732	\$22,582	\$19,843	\$24,541	\$28,703	\$37,912	\$50,522	\$48,043	\$45,335	\$378,183
(24) XL-LL	\$9,468	\$13,375	(\$650)	(\$1,193)	\$2,938	\$3,900	\$7,607	\$18,861	\$25,473	\$38,264	\$36,543	\$25,701	\$180,287
(25) XL-HL	\$40,480	\$65,956	\$60,613	\$59,656	\$64,294	\$70,929	\$62,134	\$64,674	\$85,298	\$93,797	\$90,819	\$68,296	\$827,447
(26) Total	\$1,170,573	\$1,785,567	\$745,200	\$532,473	\$516,733	\$493,479	\$664,708	\$1,368,007	\$2,306,792	\$3,660,444	\$4,002,407	\$3,307,913	\$20,554,296
Billing Adjustment													
(27) Res-NH	\$2,585	(\$227)	\$22	\$174	\$19	(\$6)	\$125	(\$86)	(\$10)	(\$47)	\$99	\$89	\$2,736
(28) Res-H	\$60,841	(\$6,654)	(\$161)	(\$310)	\$1,124	\$248	\$712	\$474	(\$80)	\$256	(\$464)	\$438	\$36,424
(29) Small	\$7,330	(\$782)	(\$682)	\$790	(\$32)	\$39	(\$471)	(\$89)	\$128	(\$71)	(\$323)	\$75	\$5,914
(30) Medium	(\$4,472)	\$50,947	\$5,402	\$1,400	(\$234)	\$2,594	\$452	(\$2,465)	\$12,721	\$3,001	\$2,188	\$2,200	\$73,736
(31) Large LL	(\$4,070)	\$22,135	\$1,537	(\$725)	(\$631)	(\$51)	(\$74)	(\$974)	\$5,907	(\$359)	(\$2,246)	(\$3,031)	\$17,419
(32) Large HL	(\$1,699)	\$7,677	(\$79)	(\$0)	\$0	\$79	\$0	(\$58)	\$2,057	(\$3)	\$0	\$16	\$7,990
(33) XL-LL	(\$3,538)	\$8,991	(\$596)	(\$579)	(\$12)	\$18	(\$580)	\$179	\$4,015	\$95	\$241	(\$243)	\$8,891
(34) XL-HL	(\$15,713)	\$37,778	(\$180)	(\$133)	(\$200)	(\$260)	(\$221)	(\$316)	\$22,159	(\$751)	(\$684)	(\$413)	\$41,065
(35) Total	\$41,266	\$119,865	\$5,263	\$617	\$34	\$2,662	(\$56)	(\$3,336)	\$46,897	\$3,020	(\$1,189)	(\$869)	\$214,174
ISR Actual Revenue													
(36) Res-NH	\$34,981	\$54,689	\$33,210	\$25,860	\$23,694	\$21,782	\$26,529	\$41,596	\$56,161	\$86,072	\$86,583	\$77,305	\$568,462
(37) Res-H	\$848,407	\$1,212,463	\$483,015	\$323,439	\$294,822	\$275,911	\$389,099	\$868,047	\$1,515,252	\$2,443,958	\$2,686,841	\$2,214,945	\$13,556,199
(38) Small	\$95,234	\$118,553	\$43,027	\$27,933	\$28,260	\$27,354	\$38,134	\$92,258	\$179,484	\$315,205	\$360,729	\$298,253	\$1,624,423
(39) Medium	\$121,752	\$238,042	\$87,282	\$64,956	\$65,791	\$60,148	\$87,706	\$165,934	\$281,032	\$405,906	\$443,130	\$374,561	\$2,396,241
(40) Large LL	\$61,396	\$118,043	\$20,785	\$7,419	\$14,599	\$16,436	\$29,703	\$84,794	\$144,347	\$249,499	\$248,974	\$203,289	\$1,179,289
(41) Large HL	\$19,372	\$37,541	\$23,957	\$25,732	\$22,582	\$19,922	\$24,541	\$28,644	\$39,969	\$50,519	\$48,043	\$45,351	\$386,173
(42) XL-LL	\$5,931	\$22,367	(\$1,246)	(\$1,773)	\$2,925	\$3,919	\$7,027	\$19,039	\$29,489	\$39,259	\$36,784	\$25,458	\$189,178
(43) XL-HL	\$24,767	\$103,734	\$60,433	\$59,523	\$64,095	\$70,669	\$61,913	\$64,358	\$107,957	\$93,046	\$90,134	\$67,883	\$868,511
(44) Total	\$1,211,839	\$1,905,432	\$750,463	\$533,090	\$516,767	\$496,141	\$664,652	\$1,364,671	\$2,353,689	\$3,663,463	\$4,001,218	\$3,307,044	\$20,768,470
(1)-(8)	FY21 ISR Component per Docket 4996												
(9)-(16)	Col (a): Prorated for FY20 & FY21 ISR Component												
(17)	Per Company Records												
(18)	Line (1) x Line (9)												
(19)	Line (2) x Line (10)												
(20)	Line (3) x Line (11)												
(21)	Line (4) x Line (12)												
(22)	Line (5) x Line (13)												
(23)	Line (6) x Line (14)												
(24)	Line (7) x Line (15)												
(25)	Line (8) x Line (16)												
(26)-(34)	Billing adjustments due to cancellations and rebills												
(35)	Line (18) + Line (27)												
(36)	Line (19) + Line (28)												
(37)	Line (20) + Line (29)												
(38)	Line (21) + Line (30)												
(39)	Line (22) + Line (31)												
(40)	Line (23) + Line (32)												
(41)	Line (24) + Line (33)												
(42)	Line (25) + Line (34)												

Schedule RMS -9
Service Quality Factor

**National Grid - RI Gas
Service Quality Performance Factor
Effective November 1, 2021**

(1)	Total SQP Penalty Amount	(\$75,000)
(2)	Firm Throughput	40,273,298 dths
(3)	SQP Factor per dth	(\$0.0010) per dth
(4)	SQP Factor per therm	(\$0.0001) per therm

- (1) Docket 3476, FY2021 Second Quarter Report on Service Quality Plan, filed on January 29, 2021
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

Schedule RMS-10
Reconciliation Factors

**National Grid - RI Gas
Reconciliation Factor effective November 1, 2021**

<u>Description</u>	<u>Schedule</u>	<u>Page #</u>	<u>Ending Balance</u>	<u>Period</u>
Section 1: Reconciliation of Prior Year DAC Factors (All Rate Classes)				
(1)	System Pressure	Page 2, line (9)	(\$630,413)	Nov 20-Oct 21
(2)	AGT Factor	Page 2, line (17)	(\$84,977)	Nov 20-Oct 21
(3)	Environmental - DAC	Page 2, line (25)	\$25,342	Nov 20-Oct 21
(4)	Arrearage Management	Page 2, line (33)	\$28,947	Nov 20-Oct 21
(5)	Pension	Page 3, line (57)	\$26,107	Nov 20-Oct 21
(6)	PBOP	Page 3, line (65)	\$126,402	Nov 20-Oct 21
(7)	Previous Reconciliation Factor	Page 2, line (41)	\$47,563	Nov 20-Oct 21
(8)	Earnings Sharing Mechanism	Page 3, line (73)	(\$54,987)	Nov 20-Oct 21
(9)	Low Income Discount Recovery	Page 3, line (82)	\$301,964	Nov 20-Oct 21
(10)	Service Quality Penalty	Page 3, line (90)	(\$49,488)	Nov 20-Oct 21
(11)	Tax Credit Factor	Page 3, line (98)	\$142,577	Nov 20-Oct 21
(12)	Storm Net Revenue Factor	Page 4, line (106)	\$10,989	Nov 20-Oct 21
(13)	LIAP Base Rate Fund Reconciliation Factor	Page 4, line (114)	\$53,001	Nov 20-Oct 21
(14)	True-up October 20	Page 9, line (29)	\$631,235	Actual Oct 20 vs. Oct 20 Forecast
(15)	AGT Interest on Fund balance	RMS-3, page 2, line (15), col (h)	<u>(\$5,227)</u>	Based on Apr 20 - Oct 20
(16)	Sub Total	Sum [(1):(15)]	\$569,035	
(17)	Firm Throughput	Nov 2021 - Oct 2022	40,273,298	dth
(18)	Reconciliation Factor	Line (16) ÷ Line (17)	\$0.0141	per dth
(19)	Reconciliation Factor	Line (18) ÷ 10, truncated to 4 decimal places	\$0.0014	per therm

Section 2: Revenue Decoupling Mechanism Reconciliation

(20)	RDA Reconciliation	Page 6, line (13)	\$1,041,057	Nov 20-Oct 21
(21)	RDM Recon Reconciliation	Page 6, line (27)	(\$510,026)	Nov 20-Oct 21
(22)	Sub Total	Line (20) + Line (21)	\$531,031	
(23)	Firm Throughput, Residential, Small & Medium C&I	Nov 2021 - Oct 2022	29,256,191	dth
(24)	RDA Reconciliation Factor	Line (22) ÷ Line (23)	\$0.0181	per dth
(25)	RDA Reconciliation Factor	Line (24) ÷ 10, truncated to 4 decimal places	\$0.0018	per therm

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

(26)	Environmental - Base Rates	Page 5, line (41)	\$33,810	Apr 20 - Mar 21
(27)	Previous Reconciliation Factor	Page 2, line (49)	<u>(\$80,905)</u>	Nov 20-Oct 21
(28)	Sub Total	Sum [(26):(27)]	(\$47,094)	
(29)	Firm Throughput, Large and Extra Large C&I	Nov 2021 - Oct 2022	11,017,107	dth
(30)	L / XL Reconciliation Factor	Line (28) ÷ Line (29)	(\$0.0042)	per dth
(31)	L / XL Reconciliation Factor	Line (30) ÷ 10, truncated to 4 decimal places	(\$0.0004)	per therm

(31) Combined with the Reconciliation factor of \$0.0014 per therm on Line (19) for an overall Large and Extra Large Reconciliation factor of \$0.001 per therm

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

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
	30	31	31	28	31	30	31	30	31	31	30	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) System Pressure Recon Adjust.												
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	\$0	(\$100,956)	\$537,910	\$806,443	\$1,014,829	\$1,303,356	\$696,082	\$309,062	\$100,852	(\$71,432)	(\$239,153)	(\$409,931)
(3) Actual Costs	\$20,574	\$1,305,540	\$1,242,058	\$1,252,572	\$1,147,240	\$5,414	\$20,574	\$20,574	\$21,256	\$21,256	\$21,256	\$21,256
(4) Actual Revenue	\$121,479	\$666,906	\$974,238	\$1,045,058	\$859,943	\$613,715	\$408,128	\$228,994	\$193,556	\$188,812	\$191,701	\$241,186
(5) Ending Balance Under/(Over) Recovery	(\$100,905)	\$537,678	\$805,730	\$1,015,957	\$1,302,126	\$699,205	\$308,528	\$100,642	(\$238,988)	(\$238,988)	(\$409,598)	(\$629,861)
(6) Average Monthly Balance Under/(Over) Recovery	(\$50,452)	\$218,361	\$402,865	\$407,979	\$1,158,478	\$999,206	\$302,305	\$204,852	(\$14,702)	(\$155,210)	(\$324,375)	(\$519,896)
(7) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(8) Interest Applied	(\$52)	\$222	\$713	\$873	\$1,220	\$1,027	\$533	\$210	\$16	(\$165)	(\$333)	(\$552)
(9) Sys Pressure End Balance Under/(Over) Recovery	(\$100,956)	\$537,910	\$806,443	\$1,014,829	\$1,303,356	\$696,082	\$309,062	\$100,852	(\$71,432)	(\$239,153)	(\$409,931)	(\$630,413)
(10) Advanced Gas Technology												
(11) AGT Acct Beg. Balance Under/(Over) Recovery	(\$713,040)	(\$700,986)	(\$628,098)	(\$521,167)	(\$406,273)	(\$311,737)	(\$244,294)	(\$199,484)	(\$174,418)	(\$153,225)	(\$132,534)	(\$111,497)
(12) Actual AGT Revenue	(\$12,780)	(\$73,593)	(\$107,541)	(\$115,339)	(\$94,916)	(\$67,729)	(\$45,045)	(\$25,258)	(\$21,367)	(\$20,843)	(\$21,162)	(\$26,624)
(13) Ending AGT Balance	(\$706,260)	(\$667,393)	(\$520,557)	(\$403,828)	(\$311,357)	(\$244,008)	(\$195,249)	(\$174,226)	(\$153,051)	(\$132,382)	(\$111,372)	(\$84,873)
(14) Average Monthly Balance Under/(Over) Recovery	(\$706,650)	(\$664,190)	(\$574,328)	(\$463,498)	(\$358,815)	(\$277,873)	(\$221,771)	(\$186,855)	(\$163,735)	(\$142,804)	(\$121,953)	(\$98,185)
(15) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(16) Interest Applied	(\$726)	(\$705)	(\$610)	(\$444)	(\$381)	(\$285)	(\$235)	(\$192)	(\$174)	(\$152)	(\$125)	(\$104)
(17) AGT End Balance Under/(Over) Recovery	(\$700,986)	(\$628,098)	(\$521,167)	(\$406,273)	(\$311,737)	(\$244,294)	(\$199,484)	(\$174,418)	(\$153,225)	(\$132,534)	(\$111,497)	(\$84,977)
(18) Environmental Recon. Adjust - DAC												
(19) Environmental Acct Beg. Balance Under/(Over) Recovery	\$961,315	\$897,224	\$793,493	\$642,720	\$479,744	\$346,240	\$250,894	\$187,373	\$152,009	\$121,990	\$92,679	\$62,883
(20) Actual Environmental Revenue	\$65,045	\$104,628	\$151,535	\$163,514	\$133,942	\$95,653	\$63,753	\$35,538	\$30,165	\$29,425	\$29,876	\$37,587
(21) Ending Environmental Balance Under/(Over) Recovery	\$896,270	\$792,596	\$641,958	\$479,206	\$345,802	\$250,587	\$187,141	\$151,835	\$121,844	\$92,565	\$62,803	\$25,296
(22) Average Monthly Balance Under/(Over) Recovery	\$928,792	\$844,910	\$717,725	\$560,962	\$412,773	\$298,414	\$219,017	\$169,604	\$136,927	\$107,277	\$77,741	\$44,089
(23) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(24) Interest Applied	\$954	\$897	\$762	\$538	\$438	\$307	\$233	\$174	\$145	\$114	\$80	\$47
(25) Environmental Recon End Balance Under/(Over) Recovery	\$897,224	\$793,493	\$642,720	\$479,744	\$346,240	\$250,894	\$187,373	\$152,009	\$121,990	\$92,679	\$62,883	\$25,342
(26) AMAF Adjustment - DAC												
(27) AMAF Acct Beg. Balance	\$600,436	\$573,490	\$508,800	\$414,493	\$312,835	\$229,389	\$169,820	\$130,199	\$108,059	\$89,311	\$71,005	\$52,396
(28) Actual AMAF Revenue	\$27,548	\$65,265	\$94,796	\$102,007	\$83,734	\$59,774	\$39,780	\$22,262	\$18,853	\$18,391	\$18,672	\$23,492
(29) Ending AMAF Balance	\$572,888	\$508,225	\$414,004	\$312,486	\$229,101	\$169,615	\$130,040	\$107,937	\$89,206	\$70,920	\$52,333	\$28,904
(30) Average Monthly Balance	\$586,662	\$540,858	\$461,402	\$363,490	\$270,968	\$199,502	\$149,930	\$119,068	\$98,633	\$80,115	\$61,669	\$40,650
(31) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(32) Interest Applied	\$603	\$574	\$490	\$349	\$288	\$205	\$159	\$122	\$105	\$85	\$63	\$43
(33) AMAF Recon End Balance	\$573,490	\$508,800	\$414,493	\$312,835	\$229,389	\$169,820	\$130,199	\$108,059	\$89,311	\$71,005	\$52,396	\$28,947
(34) Reconciliation Factor (Applicable to all) - DAC												
(35) Recon Factor Acct Beg. Balance Under/(Over) Recovery	\$217,038	\$187,362	\$171,920	\$148,433	\$121,998	\$100,489	\$86,477	\$78,263	\$73,774	\$67,565	\$61,503	\$55,339
(36) Actual Recon Revenue	\$29,884	\$15,652	\$23,657	\$26,565	\$21,627	\$14,108	\$8,301	\$4,568	\$6,284	\$6,130	\$6,224	\$7,831
(37) Ending Recon Balance Under/(Over) Recovery	\$187,154	\$171,730	\$148,263	\$121,868	\$100,371	\$86,381	\$78,176	\$73,695	\$67,490	\$61,435	\$55,279	\$47,508
(38) Average Monthly Balance Under/(Over) Recovery	\$202,096	\$179,546	\$160,092	\$135,151	\$111,185	\$93,435	\$82,327	\$75,979	\$70,632	\$64,500	\$58,391	\$51,423
(39) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(40) Interest Applied	\$208	\$191	\$170	\$130	\$118	\$96	\$87	\$78	\$75	\$68	\$60	\$55
(41) Reconciliation End Balance Under/(Over) Recovery	\$187,362	\$171,920	\$148,433	\$121,998	\$100,489	\$86,477	\$78,263	\$73,774	\$67,565	\$61,503	\$55,339	\$47,563
(42) Reconciliation Factor (L & XL) - DAC												
(43) Recon Factor Acct Beg. Balance Under/(Over) Recovery	(\$255,399)	(\$272,377)	(\$248,057)	(\$219,573)	(\$191,857)	(\$169,468)	(\$149,180)	(\$131,914)	(\$121,783)	(\$112,147)	(\$102,380)	(\$92,602)
(44) Actual Recon Revenue (L & XL)	\$16,707	(\$24,596)	(\$28,732)	(\$27,913)	(\$22,581)	(\$20,451)	(\$17,415)	(\$9,760)	(\$9,603)	(\$9,880)	(\$9,879)	(\$11,789)
(45) Ending Recon Balance Under/(Over) Recovery	(\$272,106)	(\$247,781)	(\$219,325)	(\$191,660)	(\$169,276)	(\$149,017)	(\$131,765)	(\$121,652)	(\$112,023)	(\$102,207)	(\$92,501)	(\$80,813)
(46) Average Monthly Balance Under/(Over) Recovery	(\$263,752)	(\$260,079)	(\$233,691)	(\$205,616)	(\$180,566)	(\$160,473)	(\$140,783)	(\$126,783)	(\$116,903)	(\$107,267)	(\$97,441)	(\$86,707)
(47) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(48) Interest Applied	(\$271)	(\$276)	(\$248)	(\$197)	(\$164)	(\$149)	(\$124)	(\$130)	(\$124)	(\$114)	(\$100)	(\$89)
(49) Reconciliation End Balance Under/(Over) Recovery	(\$272,377)	(\$248,057)	(\$219,573)	(\$191,857)	(\$169,468)	(\$149,180)	(\$131,914)	(\$121,783)	(\$112,147)	(\$102,380)	(\$92,602)	(\$80,905)

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
	30	31	31	28	31	30	31	30	31	31	30	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(50) Pension Adjustment												
(51) Pen Acct Beg. Balance Under/(Over) Recovery	\$35,485	\$36,644	\$28,353	\$23,621	\$22,044	\$24,138	\$24,932	\$22,994	\$25,998	\$26,025	\$26,053	\$26,080
(52) Actual Pension Revenue	(\$1,122)	\$8,326	\$4,759	\$1,909	(\$2,069)	(\$769)	\$1,963	\$0	\$0	\$0	\$0	\$0
(53) Ending Pension Balance Under/(Over) Recovery	\$36,607	\$28,318	\$23,594	\$22,022	\$24,113	\$24,907	\$22,969	\$25,972	\$25,998	\$26,025	\$26,053	\$26,080
(54) Average Monthly Balance Under/(Over) Recovery	\$36,046	\$32,481	\$25,973	\$22,822	\$23,079	\$24,522	\$22,994	\$24,483	\$25,998	\$26,025	\$26,053	\$26,080
(55) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(56) Interest Applied	\$37	\$34	\$28	\$22	\$25	\$25	\$25	\$25	\$28	\$28	\$27	\$28
(57) Pension Adjustment End Balance Under/(Over) Recovery	\$36,644	\$28,353	\$23,621	\$22,044	\$24,138	\$24,932	\$22,994	\$22,998	\$26,025	\$26,053	\$26,080	\$26,107
(58) PBOF Adjustment												
(59) PBOF Acct Beg. Balance Under/(Over) Recovery	\$889,323	\$912,306	\$825,753	\$691,947	\$545,608	\$421,233	\$333,219	\$277,482	\$214,671	\$187,911	\$160,704	\$160,704
(60) Actual PBOF Revenue	(\$22,058)	\$87,475	\$134,611	\$146,932	\$124,888	\$88,400	\$56,061	\$35,669	\$27,651	\$26,973	\$27,386	\$34,455
(61) Ending PBOF Balance Under/(Over) Recovery	\$911,381	\$824,831	\$691,142	\$618,481	\$483,164	\$333,833	\$277,158	\$241,814	\$214,428	\$194,884	\$160,525	\$160,525
(62) Average Monthly Balance Under/(Over) Recovery	\$900,352	\$868,568	\$758,448	\$618,481	\$483,164	\$333,833	\$277,158	\$241,814	\$214,428	\$194,884	\$160,525	\$160,525
(63) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(64) Interest Applied	\$925	\$922	\$805	\$593	\$513	\$387	\$324	\$267	\$242	\$214	\$179	\$152
(65) PBOF Adjustment End Balance Under/(Over) Recovery	\$912,306	\$825,753	\$691,142	\$618,481	\$483,164	\$333,833	\$277,158	\$241,814	\$214,671	\$187,911	\$160,704	\$160,704
(66) Earnings Sharing Mechanism												
(67) ESM Acct Beg. Balance Under/(Over) Recovery	(\$461,331)	(\$453,566)	(\$406,401)	(\$337,211)	(\$262,864)	(\$201,692)	(\$158,054)	(\$129,058)	(\$112,861)	(\$99,149)	(\$85,760)	(\$72,148)
(68) Actual ESM Revenue	(\$8,235)	(\$47,621)	(\$69,585)	(\$74,634)	(\$61,419)	(\$43,823)	(\$29,148)	(\$23,821)	(\$13,825)	(\$13,487)	(\$13,693)	(\$17,228)
(69) Ending ESM Balance Under/(Over) Recovery	(\$453,096)	(\$405,945)	(\$336,816)	(\$262,577)	(\$201,445)	(\$157,869)	(\$128,906)	(\$105,237)	(\$99,036)	(\$85,662)	(\$72,067)	(\$54,920)
(70) Average Monthly Balance Under/(Over) Recovery	(\$457,214)	(\$409,756)	(\$337,609)	(\$269,894)	(\$202,155)	(\$159,780)	(\$129,054)	(\$105,897)	(\$105,949)	(\$92,400)	(\$78,913)	(\$63,534)
(71) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(72) Interest Applied	(\$470)	(\$456)	(\$395)	(\$288)	(\$246)	(\$185)	(\$152)	(\$124)	(\$112)	(\$98)	(\$81)	(\$67)
(73) ESM Adjustment End Balance Under/(Over) Recovery	(\$453,566)	(\$406,401)	(\$337,211)	(\$262,864)	(\$201,692)	(\$158,054)	(\$129,058)	(\$105,897)	(\$99,149)	(\$85,760)	(\$72,148)	(\$54,987)
(74) Low Income Discount Recovery Adjustment												
(75) LIDRF Acct Beg. Balance	\$0	\$80,949	\$60,580	\$114,765	\$133,567	\$186,949	\$232,937	\$238,416	\$281,481	\$289,401	\$296,069	\$304,408
(76) Actual LIDRF Revenue	\$435,378	\$653,145	\$1,026,066	\$1,067,362	\$911,887	\$660,098	\$417,044	\$272,815	\$202,796	\$196,837	\$201,302	\$240,280
(77) Ending LIDRF Balance	\$354,471	\$673,588	\$971,974	\$1,048,679	\$858,674	\$614,326	\$411,815	\$230,017	\$195,179	\$190,480	\$193,271	\$243,046
(78) Average Monthly Balance	\$80,907	\$60,505	\$114,672	\$133,448	\$186,779	\$232,721	\$238,166	\$281,214	\$289,098	\$295,738	\$304,100	\$301,642
(79) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(80) Interest Applied	\$42	\$75	\$93	\$119	\$170	\$216	\$250	\$267	\$303	\$311	\$308	\$322
(81) LIDRF Adjustment End Balance	\$80,949	\$60,580	\$114,765	\$133,567	\$186,949	\$232,937	\$238,416	\$281,481	\$289,401	\$296,069	\$304,408	\$301,964
(83) Service Quality Penalty Adjustment												
(84) SQI Acct Beg. Balance	(\$531,728)	(\$520,757)	(\$464,965)	(\$383,188)	(\$295,287)	(\$222,979)	(\$171,391)	(\$137,126)	(\$117,950)	(\$101,727)	(\$85,888)	(\$69,785)
(85) Actual SQI Revenue	(\$11,511)	(\$56,315)	(\$82,227)	(\$88,226)	(\$72,583)	(\$51,791)	(\$34,429)	(\$19,307)	(\$16,339)	(\$15,939)	(\$16,183)	(\$20,360)
(86) Ending SQI Balance	(\$520,217)	(\$464,442)	(\$382,738)	(\$294,962)	(\$222,704)	(\$171,188)	(\$136,820)	(\$117,819)	(\$101,611)	(\$85,788)	(\$69,705)	(\$49,425)
(87) Average Monthly Balance	(\$525,973)	(\$492,600)	(\$423,852)	(\$339,075)	(\$258,996)	(\$197,084)	(\$154,176)	(\$127,472)	(\$109,780)	(\$93,758)	(\$77,796)	(\$59,605)
(88) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(89) Interest Applied	(\$540)	(\$523)	(\$450)	(\$325)	(\$275)	(\$202)	(\$164)	(\$131)	(\$117)	(\$100)	(\$80)	(\$63)
(90) SQI Recon End Balance	(\$520,757)	(\$464,965)	(\$383,188)	(\$295,287)	(\$222,979)	(\$171,391)	(\$137,126)	(\$117,950)	(\$101,727)	(\$85,888)	(\$69,785)	(\$49,488)
(91) Tax Credit Adjustment												
(92) TCF Acct Beg. Balance	\$0	\$140,951	\$141,101	\$141,251	\$141,386	\$141,536	\$141,682	\$141,832	\$141,978	\$142,129	\$142,280	\$142,426
(93) Actual TCF Revenue	(\$140,879)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(94) Ending TCF Balance	\$70,440	\$140,951	\$141,101	\$141,251	\$141,386	\$141,536	\$141,682	\$141,832	\$141,978	\$142,129	\$142,280	\$142,426
(95) Average Monthly Balance	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(96) BK America Rate less 200 Basis Points	\$72	\$150	\$150	\$145	\$150	\$145	\$150	\$146	\$151	\$146	\$151	\$151
(97) Interest Applied	\$140,951	\$141,101	\$141,251	\$141,386	\$141,536	\$141,682	\$141,832	\$141,978	\$142,129	\$142,280	\$142,426	\$142,577
(98) TCF Recon End Balance	\$140,951	\$141,101	\$141,251	\$141,386	\$141,536	\$141,682	\$141,832	\$141,978	\$142,129	\$142,280	\$142,426	\$142,577

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
	30	31	31	28	31	30	31	30	31	31	30	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(99) Storm Net Revenue Adjustment												
(100) Storm Net Revenue Acct Beg. Balance		\$10,164	\$10,638	\$10,505	\$10,841	\$10,820	\$10,847	\$10,947	\$10,943	\$10,955	\$10,967	\$10,978
(101) Actual Storm Net Revenue	(\$13,302)	(\$463)	\$145	(\$326)	\$32	(\$16)	(\$88)	\$15	\$0	\$0	\$0	\$0
(102) Ending Storm Net Revenue Balance	\$10,166	\$10,627	\$10,493	\$10,831	\$10,809	\$10,836	\$10,935	\$10,932	\$10,943	\$10,955	\$10,967	\$10,978
(103) Average Monthly Balance	(\$1,368)	\$10,396	\$10,566	\$10,668	\$10,825	\$10,828	\$10,891	\$10,940	\$10,943	\$10,955	\$10,967	\$10,978
(104) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(105) Interest Applied	(\$2)	\$11	\$11	\$10	\$11	\$11	\$12	\$11	\$12	\$12	\$11	\$12
(106) Storm Net Revenue Recon End Balance	\$10,164	\$10,638	\$10,505	\$10,841	\$10,820	\$10,847	\$10,947	\$10,943	\$10,955	\$10,967	\$10,978	\$10,989
												\$10,989
(107) LIAP Base Rate Fund Recon Adjustment												
(108) LIAP Recon Acct Beg. Balance	\$0	\$52,397	\$52,453	\$52,508	\$52,559	\$52,614	\$52,668	\$52,724	\$52,779	\$52,835	\$52,891	\$52,945
(109) Actual LIAP Recon Revenue	(\$52,370)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(110) Ending LIAP Recon Balance	\$52,370	\$52,397	\$52,453	\$52,508	\$52,559	\$52,614	\$52,668	\$52,724	\$52,779	\$52,835	\$52,891	\$52,945
(111) Average Monthly Balance	\$26,185	\$52,397	\$52,453	\$52,508	\$52,559	\$52,614	\$52,668	\$52,724	\$52,779	\$52,835	\$52,891	\$52,945
(112) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(113) Interest Applied	\$27	\$56	\$56	\$50	\$56	\$54	\$56	\$54	\$56	\$56	\$54	\$56
(114) LIAP Recon End Balance	\$52,397	\$52,453	\$52,508	\$52,559	\$52,614	\$52,668	\$52,724	\$52,779	\$52,835	\$52,891	\$52,945	\$53,001

Column (a), Line (11), per Docket 5040, Compliance RMS/MJP-1, Page 1, Line (2).
Column (a), Line (19), per Docket 5040, Compliance RMS/MJP-1, Page 1, Line (3).
Column (a), Line (27), per Docket 5040, Compliance RMS/MJP-1, Page 1, Line (5).
Column (a), Line (35), per Docket 5040, Second Revision RMS/MJP-10S, Page 1, Line (17).
Column (a), Line (43), per Docket 5040, Second Revision RMS/MJP-10S, Page 1, Line (29).
Column (a), Line (51), per Docket 5040, Second Revision RMS/MJP-5, Page 1, Line (3).
Column (a), Line (59), per Docket 5040, Second Revision RMS/MJP-5, Page 1, Line (9).
Column (a), Line (67), per Docket 5040, Compliance RMS/MJP-1, Page 1, Line (8).
Column (a), Line (84), per Docket 5040, Compliance RMS/MJP-1, Page 1, Line (6).
Column (a), Line (100), per Docket 5040, Compliance RMS/MJP-1, Page 1, Line (10).

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

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	12 month End
	30	31	30	31	31	30	31	30	31	31	28	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
	(a)	(b)	(c)	(d)	(c)	(f)	(g)	(h)	(i)	(f)	(k)	(l)	
DAC FACTORS: \$/dth													
(1) AGT Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(2) LIAP Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(3) LIHEAP Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(4) Low Income Weatherization Factor - Base Rates	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(5) Environmental - Base Rates	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330
RI Firm Forecasted Throughput (dth)	4,123,739	2,564,144	1,699,591	1,399,591	1,344,827	1,351,911	1,662,439	2,794,434	4,705,829	6,088,459	6,246,495	5,691,000	39,672,460
(6) RI Firm L-XL Forecasted Throughput (dth) - Docket 4770	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(7) Actual RI Firm L-XL Firm through-put (dth)	1,044,216	847,216	526,251	495,765	560,401	606,199	615,107	846,403	1,182,314	1,568,376	1,579,017	1,244,531	11,115,796
Environmental Recon. Adjust - Base Rates L-XL													
(31) Environmental Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	\$1,405	\$2,219	\$9,443	\$16,581	\$21,105	\$23,592	\$29,996	\$35,518	\$41,489	\$38,805	\$31,440	\$362,346
(32) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(33) Fest Environmental Collections	\$35,884	\$28,787	\$24,595	\$23,495	\$23,009	\$22,481	\$26,686	\$33,438	\$44,970	\$49,061	\$44,741	\$43,431	\$400,578
(34) Actual Firm Through-put L-XL	1,044,216	847,216	526,251	495,765	560,401	606,199	615,107	846,403	1,182,314	1,568,376	1,579,017	1,244,531	11,115,796
(35) Actual Environmental Collections	\$34,480	\$27,975	\$17,377	\$16,370	\$18,505	\$20,017	\$20,311	\$27,949	\$39,040	\$51,788	\$52,140	\$41,095	\$367,047
(36) Collection Variance	\$1,404	\$812	\$7,218	\$7,125	\$4,504	\$2,464	\$6,375	\$5,489	\$5,930	(\$2,727)	(\$7,399)	\$2,336	
(37) Ending Environmental Balance Under/(Over) Recovery	\$1,404	\$2,217	\$9,437	\$16,568	\$21,085	\$23,569	\$29,967	\$35,485	\$41,448	\$38,762	\$31,406	\$33,776	
(38) Average Balance Under/(Over) Recovery	\$702	\$1,811	\$5,828	\$13,005	\$18,833	\$22,337	\$26,780	\$32,740	\$38,483	\$40,126	\$35,105	\$32,608	
(39) BK America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(40) Interest Applied	\$1	\$2	\$6	\$14	\$20	\$23	\$28	\$34	\$41	\$43	\$34	\$35	\$279
(41) Environmental End Balance Under/(Over) Recovery	\$1,405	\$2,219	\$9,443	\$16,581	\$21,105	\$23,592	\$29,996	\$35,518	\$41,489	\$38,805	\$31,440	\$33,810	\$338,810

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

**National Grid – RI Gas
RDA Reconciliation**

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Total
	30	31	31	28	31	30	31	30	31	31	30	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	(m)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
RDM Recon Rates \$/decatherm													
Res-NH, Res-H, Small, Medium	(\$0.4147)	\$0.0587	\$0.0681	\$0.0664	\$0.0681	\$0.0687	\$0.0688	\$0.0680	\$0.0690	\$0.0690	\$0.0690	\$0.0690	
Prorated													
(1) Actual Firm Throughput - decatherms													
(2) Res-NH	25,541	34,418	52,769	52,993	47,314	36,159	24,576	18,932	13,587	12,979	13,211	16,397	348,875
(3) Res-H	1,191,721	2,081,500	3,356,734	3,691,353	3,041,905	1,982,673	1,147,582	633,186	460,711	440,051	454,182	613,380	19,094,980
(4) Small	130,988	254,406	447,199	512,131	422,948	244,067	125,771	62,003	48,243	44,594	45,059	49,175	2,386,582
(5) Medium	372,566	593,607	891,384	975,535	823,807	578,137	350,108	206,197	192,110	179,556	183,508	232,264	5,578,779
(6) Total	1,720,815	2,963,931	4,748,087	5,232,011	4,335,974	2,841,037	1,648,037	920,318	714,651	677,179	695,959	911,216	27,409,215
(7) RDM Acct Beg. Balance	\$2,024,739	\$2,740,850	\$2,248,837	\$2,248,837	\$1,903,587	\$1,610,051	\$1,416,379	\$1,304,468	\$1,243,156	\$1,195,139	\$1,149,658	\$1,102,793	
(8) Actual RDM Revenue	(\$713,664)	\$174,121	\$323,266	\$347,240	\$295,400	\$193,226	\$113,354	\$62,619	\$49,311	\$46,725	\$48,021	\$62,874	
(9) Ending RDM Balance Under/(Over) Recovery	\$2,738,403	\$2,566,730	\$2,246,281	\$1,901,597	\$1,608,187	\$1,414,825	\$1,303,024	\$1,241,848	\$1,193,846	\$1,148,414	\$1,101,637	\$1,039,919	
(10) Average Monthly Balance	\$2,381,571	\$2,653,790	\$2,407,914	\$2,075,217	\$1,755,887	\$1,512,438	\$1,359,701	\$1,273,158	\$1,218,501	\$1,171,777	\$1,125,647	\$1,071,356	
(11) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(12) Interest Applied	\$2,447	\$2,817	\$2,556	\$1,990	\$1,864	\$1,554	\$1,444	\$1,308	\$1,294	\$1,244	\$1,156	\$1,137	\$35,588
(13) RDM Recon End Balance Under/(Over) Recovery	\$2,740,850	\$2,569,547	\$2,248,837	\$1,903,587	\$1,610,051	\$1,416,379	\$1,304,468	\$1,243,156	\$1,195,139	\$1,149,658	\$1,102,793	\$1,041,057	
(14) RDM Revenue per rate class													
(15) Res-NH	(\$10,592)	\$2,022	\$3,593	\$3,517	\$3,223	\$2,485	\$1,690	\$1,288	\$937	\$896	\$912	\$1,131	\$11,102
(16) Res-H	(\$494,236)	\$122,281	\$228,538	\$244,989	\$207,238	\$136,242	\$78,932	\$43,083	\$31,789	\$30,364	\$31,339	\$42,323	\$702,882
(17) Small	(\$54,324)	\$14,945	\$30,447	\$33,989	\$28,814	\$16,771	\$8,651	\$4,219	\$3,329	\$3,077	\$3,109	\$3,393	\$96,421
(18) Medium	(\$154,512)	\$34,872	\$60,689	\$64,745	\$56,124	\$39,728	\$24,081	\$14,030	\$13,256	\$12,389	\$12,662	\$16,026	\$194,089
(19) Total	(\$713,664)	\$174,121	\$323,266	\$347,240	\$295,400	\$193,226	\$113,354	\$62,619	\$49,311	\$46,725	\$48,021	\$62,874	\$1,004,494
(20) RDM Recon Adjustment													
(21) RDM Recon Acct Beg. Balance Under/(Over) Recovery	(\$994,958)	(\$1,346,906)	(\$1,263,075)	(\$1,105,509)	(\$935,529)	(\$790,761)	(\$695,165)	(\$640,103)	(\$609,623)	(\$585,960)	(\$563,545)	(\$540,449)	(\$994,958)
(22) Actual RDM Recon Revenue	\$350,746	(\$85,216)	(\$158,822)	(\$170,958)	(\$145,684)	(\$96,359)	(\$55,771)	(\$31,121)	(\$24,298)	(\$23,024)	(\$23,663)	(\$30,981)	(\$495,151)
(23) Ending RDM Recon Balance Under/(Over) Recovery	(\$1,345,704)	(\$1,261,690)	(\$1,104,253)	(\$934,551)	(\$789,845)	(\$694,402)	(\$639,394)	(\$608,982)	(\$585,325)	(\$562,936)	(\$539,882)	(\$509,468)	(\$994,958)
(24) Average Monthly Balance Under/(Over) Recovery	(\$1,170,331)	(\$1,304,298)	(\$1,183,664)	(\$1,020,030)	(\$862,687)	(\$742,582)	(\$667,280)	(\$624,542)	(\$597,474)	(\$574,448)	(\$551,714)	(\$524,959)	(\$994,958)
(25) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
(26) Interest Applied	(\$1,202)	(\$1,385)	(\$1,257)	(\$978)	(\$916)	(\$763)	(\$708)	(\$642)	(\$634)	(\$610)	(\$567)	(\$557)	(\$10,219)
(27) RDM Recon Adjustment-End Balance Under/(Over) Recovery	(\$1,346,906)	(\$1,263,075)	(\$1,105,509)	(\$935,529)	(\$790,761)	(\$695,165)	(\$640,103)	(\$609,623)	(\$585,960)	(\$563,545)	(\$540,449)	(\$510,026)	(\$10,026)
(28) RDM Recon and Recon Adj End Balance Under/(Over) Recovery													\$531,031

(6) Sum Lines (2) through (5).
(7) (a) Beginning balance; Docket 5040, Compliance RMS/MIP-1, Line (14) + monthly interest calculated from April - October at Bk America rate less 200 basis points.
(19) Sum Lines (15) through (18).
(21) (a) Beginning balance; Docket 5040, Compliance RMS/MIP-1, Line (15).
(28) Line (13) + Line (27).

National Grid - RI Gas
ISR Reconciliation for FY 21

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
ISR Recon Rates \$/decatherm													
(1) Res-NH	\$0.3083	\$0.0114	\$0.0072	\$0.0035	\$0.0040	\$0.0038	\$0.0038	\$0.0046	\$0.0040	\$0.0040	\$0.0040	\$0.0040	\$0.0040
(2) Res-H	\$0.0609	\$0.0082	\$0.0071	\$0.0072	\$0.0071	\$0.0070	\$0.0070	\$0.0070	\$0.0070	\$0.0070	\$0.0070	\$0.0070	\$0.0070
(3) Small	\$0.0611	\$0.0170	\$0.0161	\$0.0164	\$0.0160	\$0.0160	\$0.0164	\$0.0159	\$0.0160	\$0.0160	\$0.0160	\$0.0160	\$0.0160
(4) Medium	\$0.0175	\$0.0022	\$0.0021	\$0.0021	\$0.0021	\$0.0022	\$0.0021	\$0.0021	\$0.0020	\$0.0020	\$0.0020	\$0.0020	\$0.0020
(5) Large LL	\$0.0170	\$0.0137	\$0.0160	\$0.0143	\$0.0137	\$0.0150	\$0.0167	\$0.0189	\$0.0150	\$0.0150	\$0.0150	\$0.0150	\$0.0150
(6) Large HL	\$0.0444	\$0.0485	\$0.0460	\$0.0460	\$0.0462	\$0.0462	\$0.0537	\$0.0460	\$0.0460	\$0.0460	\$0.0460	\$0.0460	\$0.0460
(7) XL-LL	\$0.0468	\$0.0047	\$0.0045	\$0.0039	\$0.0039	\$0.0039	\$0.0065	\$0.0161	\$0.0040	\$0.0040	\$0.0040	\$0.0040	\$0.0040
(8) XL-HL	\$0.0072	\$0.0151	\$0.0119	\$0.0119	\$0.0120	\$0.0119	\$0.0168	\$0.0120	\$0.0120	\$0.0120	\$0.0120	\$0.0120	\$0.0120
Actual Firm Throughput - decatherms													
(9) Res-NH	25,541	34,418	52,769	52,993	47,314	36,159	24,576	18,932	13,587	12,979	13,211	16,397	348,875
(10) Res-H	1,191,721	2,081,500	3,356,734	3,691,353	3,041,905	1,982,673	1,147,582	633,186	460,711	440,051	454,182	613,380	19,094,980
(11) Small	130,988	254,406	447,199	512,131	422,948	244,067	125,771	62,003	48,243	44,594	45,059	49,175	2,386,582
(12) Medium	372,566	593,607	891,384	975,535	823,807	578,137	350,108	206,197	192,110	179,556	183,508	232,264	5,578,779
(13) Large LL	198,537	320,463	532,078	581,527	477,591	308,692	174,803	44,783	47,486	44,688	45,850	91,291	2,867,789
(14) Large HL	87,776	115,938	154,502	146,920	138,639	110,363	87,351	86,745	71,311	72,940	79,582	79,091	1,231,158
(15) XL-LL	120,132	162,251	243,722	232,756	163,702	131,620	56,481	(3,418)	24,195	21,503	27,423	72,477	1,252,842
(16) XL-HL	439,959	583,662	638,074	617,814	464,599	589,067	410,892	436,843	399,214	409,743	396,000	412,069	5,797,938
(17) Total	2,567,219	4,146,245	6,316,463	6,811,028	5,580,505	3,980,780	2,377,565	1,485,271	1,256,856	1,226,054	1,244,814	1,566,144	38,558,943
sum([8]:[15])													
(18) ISR Res-NH Act Beg. Balance Under/(Over)-Recovery													
(19) FY 2019 Recon													
(20) Actual Res-NH Revenue	\$7,874	\$391	\$379	\$184	\$189	\$139	\$94	\$87	\$54	\$52	\$53	\$66	\$66
(21) Ending Res-NH Balance	(\$6,648)	(\$7,054)	(\$7,440)	(\$7,632)	(\$7,828)	(\$7,975)	(\$8,078)	(\$8,173)	(\$8,236)	(\$8,296)	(\$8,358)	(\$8,432)	(\$8,432)
(22) Average Monthly Balance	(\$14,078)	(\$6,858)	(\$7,251)	(\$7,540)	(\$7,734)	(\$7,906)	(\$8,031)	(\$8,130)	(\$8,209)	(\$8,270)	(\$8,332)	(\$8,399)	(\$8,399)
(23) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(24) Interest Applied	(\$14)	(\$7)	(\$8)	(\$7)	(\$8)	(\$8)	(\$9)	(\$8)	(\$9)	(\$9)	(\$9)	(\$9)	(\$9)
(25) ISR Res-NH Recon End Balance	(\$6,663)	(\$7,061)	(\$7,448)	(\$7,639)	(\$7,837)	(\$7,983)	(\$8,086)	(\$8,181)	(\$8,244)	(\$8,305)	(\$8,367)	(\$8,441)	(\$8,441)
(26) Under/(over) Recovery	\$14,846	(\$398)	(\$387)	(\$191)	(\$198)	(\$147)	(\$103)	(\$95)	(\$63)	(\$61)	(\$61)	(\$75)	(\$75)
(27) ISR Res-H Act Beg. Balance Under/(Over) Recovery													
(28) FY 2019 Recon													
(29) Actual Res-H Revenue	\$72,533	\$16,992	\$23,758	\$26,412	\$21,457	\$13,953	\$8,081	\$4,516	\$3,225	\$3,080	\$3,179	\$4,294	\$4,294
(30) Ending Res-H Balance	\$66,242	\$49,232	\$25,536	(\$837)	(\$22,282)	(\$36,247)	(\$44,358)	(\$48,917)	(\$52,190)	(\$55,324)	(\$58,560)	(\$62,913)	(\$62,913)
(31) Average Monthly Balance	(\$18,408)	\$57,728	\$37,414	\$12,369	(\$11,554)	(\$29,271)	(\$40,318)	(\$46,659)	(\$50,578)	(\$53,784)	(\$56,971)	(\$60,766)	(\$60,766)
(32) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(33) Interest Applied	(\$19)	\$61	\$40	\$12	(\$12)	(\$30)	(\$43)	(\$48)	(\$54)	(\$57)	(\$59)	(\$65)	(\$65)
(34) ISR Res-H Recon End Balance	\$66,224	\$49,293	\$25,575	(\$825)	(\$22,294)	(\$36,277)	(\$44,401)	(\$48,965)	(\$52,244)	(\$55,381)	(\$58,619)	(\$62,913)	(\$62,913)
(35) Under/(over) Recovery	\$169,281	(\$16,930)	(\$23,718)	(\$26,401)	(\$21,469)	(\$13,983)	(\$8,124)	(\$4,564)	(\$3,279)	(\$3,137)	(\$3,238)	(\$4,358)	(\$4,358)
(36) ISR Small C&I Act Beg. Balance Under/(Over) Recovery													
(37) FY 2019 Recon													
(38) Actual Small C&I Revenue	\$8,008	\$4,334	\$7,194	\$8,420	\$6,772	\$3,905	\$2,068	\$984	\$772	\$713	\$721	\$787	\$787
(39) Ending Small C&I Balance	\$34,537	\$30,215	\$23,055	\$14,663	\$7,909	\$4,015	\$1,953	\$972	\$202	-\$511	-\$1,232	-\$2,020	-\$2,020
(40) Average Monthly Balance	\$12,072	\$32,382	\$26,652	\$18,873	\$11,295	\$5,968	\$3,987	\$1,464	-\$588	-\$154	-\$871	-\$1,626	-\$1,626
(41) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(42) Interest Applied	\$12	\$34	\$28	\$18	\$12	\$6	\$3	\$2	\$1	\$0	-\$1	-\$2	-\$2
(43) ISR Small C&I Recon End Balance	\$34,549	\$30,249	\$23,083	\$14,681	\$7,921	\$4,021	\$1,956	\$974	-\$511	-\$1,233	-\$1,233	-\$2,020	-\$2,020
(44) Under/(over) Recovery	\$44,942	(\$4,300)	(\$7,166)	(\$8,402)	(\$6,760)	(\$3,899)	(\$2,065)	(\$982)	(\$771)	(\$714)	(\$722)	(\$789)	(\$789)

(45)	ISR Medium Acct Beg. Balance Under/(Over) Recovery	(\$30,048)	(\$15,428)	(\$13,534)	(\$11,461)	(\$9,716)	(\$8,475)	(\$7,670)	(\$7,230)	(\$6,853)	(\$6,501)	(\$6,141)
(46)	FY 2019 Recon	\$12,617										
(47)	Actual Medium Revenue	(\$741)	(\$1,910)	(\$2,084)	(\$1,756)	(\$1,250)	(\$814)	(\$447)	(\$384)	(\$359)	(\$367)	(\$465)
(48)	Ending Medium Balance	(\$16,689)	(\$13,518)	(\$12,491)	(\$10,583)	(\$8,466)	(\$7,661)	(\$7,222)	(\$6,846)	(\$6,494)	(\$6,134)	(\$5,676)
(49)	Average Monthly Balance	(\$23,368)	(\$14,473)	(\$12,491)	(\$10,583)	(\$9,091)	(\$8,068)	(\$7,408)	(\$7,038)	(\$6,674)	(\$6,318)	(\$5,908)
(50)	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(51)	Interest Applied	(\$24)	(\$15)	(\$12)	(\$11)	(\$9)	(\$9)	(\$8)	(\$7)	(\$7)	(\$6)	-\$6
(52)	ISR Medium Recon End Balance	(\$16,713)	(\$15,428)	(\$11,461)	(\$9,716)	(\$8,475)	(\$7,670)	(\$7,230)	(\$6,853)	(\$6,501)	(\$6,141)	(\$5,682)
(53)	Under/(over) Recovery	\$1,334	\$1,894	\$2,072	\$1,745	\$1,241	\$806	\$440	\$377	\$352	\$361	\$458
(54)	ISR Large LL Acct Beg. Balance Under/(Over) Recovery	(\$69,182)	(\$43,636)	(\$35,173)	(\$26,884)	(\$20,372)	(\$15,743)	(\$12,831)	(\$11,996)	(\$11,296)	(\$10,637)	(\$9,960)
(55)	FY 2019 Recon	\$24,732										
(56)	Actual Large LL Revenue	\$3,471	(\$4,393)	(\$8,318)	(\$6,538)	(\$4,647)	(\$2,927)	(\$848)	(\$712)	(\$670)	(\$688)	(\$1,369)
(57)	Ending Large LL Balance	(\$47,920)	(\$43,588)	(\$35,131)	(\$26,347)	(\$18,725)	(\$12,816)	(\$11,983)	(\$11,284)	(\$10,626)	(\$9,950)	(\$8,591)
(58)	Average Monthly Balance	(\$58,551)	(\$45,784)	(\$31,014)	(\$23,616)	(\$18,048)	(\$14,280)	(\$12,407)	(\$11,640)	(\$10,961)	(\$10,293)	(\$9,275)
(59)	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(60)	Interest Applied	(\$60)	(\$49)	(\$30)	(\$25)	(\$19)	(\$15)	(\$13)	(\$12)	(\$12)	(\$11)	(\$10)
(61)	ISR Large LL Recon End Balance	(\$47,980)	(\$43,636)	(\$35,173)	(\$26,884)	(\$20,372)	(\$15,743)	(\$12,831)	(\$11,996)	(\$11,296)	(\$10,637)	(\$9,960)
(62)	Under/(over) Recovery	\$2,120	\$4,344	\$8,464	\$6,513	\$4,629	\$2,912	\$835	\$700	\$659	\$677	\$1,360
(63)	ISR Large HL Acct Beg. Balance Under/(Over) Recovery	(\$47,788)	(\$46,089)	(\$39,026)	(\$32,302)	(\$25,931)	(\$20,856)	(\$16,185)	(\$12,209)	(\$8,940)	(\$5,593)	(\$1,936)
(64)	FY 2019 Recon	(\$7,709)										
(65)	Actual Large HL Revenue	(\$3,893)	(\$5,618)	(\$6,758)	(\$6,402)	(\$5,099)	(\$4,690)	(\$3,990)	(\$3,280)	(\$3,355)	(\$3,661)	(\$3,638)
(66)	Ending Large HL Balance	(\$51,604)	(\$46,037)	(\$38,981)	(\$32,268)	(\$25,900)	(\$20,832)	(\$16,165)	(\$12,195)	(\$8,929)	(\$5,585)	(\$1,932)
(67)	Average Monthly Balance	(\$49,696)	(\$48,846)	(\$42,535)	(\$35,647)	(\$29,101)	(\$23,381)	(\$18,511)	(\$14,190)	(\$10,569)	(\$7,263)	(\$3,762)
(68)	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(69)	Interest Applied	(\$51)	(\$52)	(\$45)	(\$34)	(\$24)	(\$20)	(\$15)	(\$11)	(\$8)	(\$4)	\$0
(70)	ISR Large HL Recon End Balance	(\$51,655)	(\$46,089)	(\$39,026)	(\$32,302)	(\$25,931)	(\$20,856)	(\$16,185)	(\$12,209)	(\$8,940)	(\$5,593)	(\$1,936)
(71)	Under/(over) Recovery	(\$3,867)	\$5,566	\$6,724	\$6,371	\$5,075	\$4,671	\$3,976	\$3,269	\$3,348	\$3,657	\$3,638
(72)	ISR XL LL Acct Beg. Balance Under/(Over) Recovery	(\$19,698)	(\$12,160)	(\$10,344)	(\$9,437)	(\$8,803)	(\$8,300)	(\$7,939)	(\$8,003)	(\$7,914)	(\$7,837)	(\$7,735)
(73)	FY 2019 Recon	\$13,177										
(74)	Actual XL LL Revenue	\$5,623	(\$756)	(\$1,085)	(\$916)	(\$512)	(\$369)	\$55	(\$97)	(\$86)	(\$110)	(\$290)
(75)	Ending XL LL Balance	(\$12,144)	(\$11,404)	(\$10,332)	(\$9,428)	(\$8,291)	(\$7,931)	(\$7,995)	(\$7,906)	(\$7,828)	(\$7,727)	(\$7,445)
(76)	Average Monthly Balance	(\$15,921)	(\$11,782)	(\$10,875)	(\$9,886)	(\$8,547)	(\$8,115)	(\$7,967)	(\$7,954)	(\$7,871)	(\$7,782)	(\$7,590)
(77)	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(78)	Interest Applied	(\$16)	(\$13)	(\$9)	(\$10)	(\$9)	(\$9)	(\$8)	(\$8)	(\$8)	(\$8)	(\$8)
(79)	ISR XL LL Recon End Balance	(\$12,160)	(\$11,417)	(\$10,344)	(\$9,437)	(\$8,803)	(\$8,300)	(\$7,939)	(\$8,003)	(\$7,914)	(\$7,837)	(\$7,735)
(80)	Under/(over) Recovery	\$7,538	\$743	\$1,073	\$634	\$503	\$360	(\$63)	\$88	\$78	\$102	\$282
(81)	ISR XL HL Acct Beg. Balance Under/(Over) Recovery	(\$60,465)	(\$62,461)	(\$53,703)	(\$46,161)	(\$33,300)	(\$26,304)	(\$19,405)	(\$14,193)	(\$9,415)	(\$4,506)	\$244
(82)	FY 2019 Recon	(\$5,095)										
(83)	Actual XL HL Revenue	(\$3,162)	(\$8,820)	(\$7,596)	(\$5,582)	(\$7,026)	(\$6,923)	(\$5,229)	(\$4,791)	(\$4,917)	(\$4,752)	(\$4,945)
(84)	Ending XL HL Balance	(\$61,432)	(\$53,642)	(\$46,108)	(\$38,803)	(\$33,261)	(\$26,273)	(\$19,381)	(\$14,176)	(\$9,403)	(\$4,498)	\$246
(85)	Average Monthly Balance	(\$61,432)	(\$58,051)	(\$49,905)	(\$42,482)	(\$36,052)	(\$29,786)	(\$22,842)	(\$16,790)	(\$11,798)	(\$6,957)	(\$2,130)
(86)	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(87)	Interest Applied	(\$63)	(\$62)	(\$53)	(\$41)	(\$38)	(\$24)	(\$17)	(\$13)	(\$7)	(\$2)	\$3
(88)	ISR XL HL Recon End Balance	(\$62,461)	(\$53,703)	(\$46,161)	(\$38,843)	(\$33,300)	(\$26,304)	(\$19,405)	(\$14,193)	(\$9,415)	(\$4,506)	\$244
(87)	Under/(over) Recovery	(\$1,996)	\$8,758	\$7,543	\$7,317	\$6,996	\$6,899	\$5,212	\$4,778	\$4,910	\$4,750	\$4,948

Approved Amount to be Recovered Under/(Over) Recovery
(\$359,497)
(\$88,282)

¹Docket 5040, Second Revision RMS/MIP-8S, Page 1 of 2

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

October 31, 2020 Ending Deferred Balances

Description		Forecast ¹	Actual	Variance
		(a)	(b)	(c) = (b) - (a)
(1)	System Pressure	(\$115,359)	(\$112,573)	\$2,786
(2)	Advanced Gas Technology	\$0	\$0	\$0
(3)	Environmental - DAC	\$50,090	\$69,909	\$19,820
(4)	Arrearage Management	\$32,599	\$39,613	\$7,014
(5)	Previous Reconciliation Factor - Applicable to All	\$373,433	\$436,785	\$63,351
(6)	Previous Reconciliation Factor - Large & Extra Large	(\$279,652)	(\$268,654)	\$10,998
(7)	Pension	(\$32,934)	(\$26,039)	\$6,895
(8)	PBOP	\$256,549	\$232,791	(\$23,759)
(9)	Earnings Sharing Mechanism	\$0	\$0	\$0
(10)	Low Income Discount Recovery	(\$119,305)	\$621,733	\$741,038
(11)	Service Quality Penalty	(\$38,986)	(\$40,873)	(\$1,887)
(12)	Tax Credit Factor	(\$317,225)	(\$376,596)	(\$59,371)
(13)	Storm Net Revenue	(\$75,740)	(\$85,681)	(\$9,941)
(14)	LIAP Base Rate Fund Reconciliation	(\$133,414)	(\$155,584)	(\$22,170)
(15)	RDM			
(16)	RDA Reconciliation	(\$972,252)	(\$1,087,043)	(\$114,792)
(17)	RDM Recon Reconciliation	<u>(\$22,706)</u>	<u>(\$26,008)</u>	<u>(\$3,302)</u>
(18)	Sub-Total RDM	(\$994,958)	(\$1,113,052)	(\$118,094)
(19)	ISR Recon			
(20)	Residential Non-Heating	\$22,734	\$22,219	(\$516)
(21)	Residential Heating	\$241,833	\$257,877	\$16,044
(22)	Small C&I	\$52,938	\$54,728	\$1,790
(23)	Medium C&I	\$12,617	\$12,340	(\$277)
(24)	Large Low Load C&I	\$24,732	\$26,090	\$1,358
(25)	Large High Load C&I	(\$7,709)	(\$11,975)	(\$4,266)
(26)	Extra Large Low Load C&I	\$13,177	\$15,381	\$2,204
(27)	Extra Large High Load C&I	<u>(\$5,095)</u>	<u>(\$6,878)</u>	<u>(\$1,783)</u>
(28)	Sub-Total ISR	\$355,227	\$369,781	\$14,554
(29)	Total	(\$1,039,675)	(\$408,440)	\$631,235

¹Docket 5040, Second Revision RMS/MJP-10S, Pages 2-4, 6-8 filed on October 9, 2020.

- (1) See RMS-11, Page 1, Col (g), Line (9)
- (2) See RMS-11, Page 1, Col (g), Line (21)
- (3) See RMS-11, Page 1, Col (g), Line (33)
- (4) See RMS-11, Page 1, Col (g), Line (45)
- (5) See RMS-11, Page 2, Col (g), Line (57)
- (6) See RMS-11, Page 2, Col (g), Line (69)
- (7) See RMS-11, Page 2, Col (g), Line (81)
- (8) See RMS-11, Page 2, Col (g), Lines (93)
- (9) See RMS-11, Page 3, Col (g), Lines (105)
- (10) See RMS-11, Page 3, Col (g), Lines (114)
- (11) See RMS-11, Page 3, Col (g), Lines (126)
- (12) See RMS-11, Page 3, Col (g), Lines (138)
- (13) See RMS-11, Page 4, Col (g), Lines (150)
- (14) See RMS-11, Page 4, Col (g), Lines (162)
- (15) See RMS-11, Page 5, Col (g), Lines (18) and (36)
- (19) See RMS-11, Pages 6-9, Col (g), Lines (12), (24), (36), (48), (60), (72), (84), (96)
- (29) Net owed to Company, sum[Lines(1):(14)] + Line (18) + Line (28)

Schedule RMS -11
Reconciliations for FY 21

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2020 - March 2021)

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) System Pressure Recon Adjust.												
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	(\$70,733)	(\$82,667)	(\$93,670)	(\$98,117)	(\$101,508)	(\$104,876)	(\$108,305)	\$0	(\$100,956)	\$537,910	\$806,443	\$1,014,829
(3) Actual Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,574	\$1,305,540	\$1,242,058	\$1,252,572	\$1,147,240
(4) Actual Revenue	\$11,856	\$10,909	\$4,349	\$3,286	\$3,258	\$3,320	\$4,151	\$121,479	\$666,906	\$974,238	\$1,045,058	\$859,943
(5) Ending Balance Under/(Over) Recovery	(\$82,589)	(\$93,576)	(\$98,019)	(\$101,403)	(\$104,766)	(\$108,196)	(\$112,456)	(\$100,905)	\$337,678	\$805,730	\$1,013,957	\$1,302,126
(6) Average Monthly Balance Under/(Over) Recovery	(\$76,661)	(\$88,122)	(\$95,844)	(\$99,760)	(\$103,137)	(\$106,536)	(\$110,380)	(\$85,452)	\$218,361	\$671,820	\$910,200	\$1,158,478
(7) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(8) Interest Applied	(\$79)	(\$93)	(\$98)	(\$106)	(\$109)	(\$109)	(\$117)	(\$52)	\$232	\$713	\$873	\$1,230
(9) Sys Pressure End Balance Under/(Over) Recovery	(\$82,667)	(\$93,670)	(\$98,117)	(\$101,508)	(\$104,876)	(\$108,305)	(\$112,573)	(\$100,956)	\$337,910	\$806,443	\$1,014,829	\$1,303,356
(10) Advanced Gas Technology												
(11) AGT Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$700,986)	(\$628,098)	(\$521,167)	(\$406,273)
(12) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) AGT DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) AGT Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$713,040)	\$0	\$0	\$0	\$0
(15) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$713,040)	\$0	\$0	\$0	\$0
(16) Actual AGT Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$713,040)	(\$700,986)	(\$628,098)	(\$521,167)	(\$406,273)
(17) Ending AGT Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$12,780)	(\$73,593)	(\$107,541)	(\$115,339)	(\$94,916)
(18) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$700,260)	(\$627,393)	(\$520,557)	(\$405,828)	(\$311,357)
(19) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(20) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$726)	(\$705)	(\$610)	(\$444)	(\$381)
(21) AGT End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$700,986)	(\$628,098)	(\$521,167)	(\$406,273)	(\$311,737)
(22) Environmental Recon. Adjust - DAC												
(23) Environmental Acct Beg. Balance Under/(Over) Recovery	\$430,780	\$328,416	\$233,881	\$196,075	\$166,835	\$136,693	\$106,534	\$69,909	\$897,224	\$793,493	\$642,720	\$479,744
(24) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$50,090)	\$0	\$0	\$0	\$0
(25) Environmental DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$19,820)	\$0	\$0	\$0	\$0
(26) Environmental Response Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$961,315	\$0	\$0	\$0	\$0
(27) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$961,315	\$0	\$0	\$0	\$0
(28) Actual Environmental Revenue	\$102,753	\$94,832	\$38,027	\$29,432	\$30,302	\$30,284	\$36,718	\$65,045	\$104,628	\$151,535	\$163,514	\$133,942
(29) Ending Environmental Balance Under/(Over) Recovery	\$328,027	\$233,584	\$195,854	\$166,643	\$136,533	\$106,409	\$69,816	\$896,270	\$792,596	\$641,958	\$479,206	\$345,802
(30) Average Monthly Balance Under/(Over) Recovery	\$379,404	\$281,000	\$214,868	\$181,359	\$151,684	\$121,551	\$88,175	\$928,792	\$844,910	\$717,725	\$560,963	\$412,773
(31) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(32) Interest Applied	\$389	\$298	\$220	\$192	\$161	\$125	\$93	\$954	\$897	\$762	\$538	\$438
(33) Environmental Recon End Balance Under/(Over) Recovery	\$328,416	\$233,881	\$196,075	\$166,835	\$136,693	\$106,534	\$69,909	\$897,224	\$793,493	\$642,720	\$479,744	\$346,240
(34) AMAF Adjustment - DAC												
(35) AMAF Acct Beg. Balance Under/(Over) Recovery	\$164,129	\$128,709	\$96,038	\$83,010	\$72,961	\$62,598	\$52,220	\$39,613	\$573,490	\$508,800	\$414,493	\$312,835
(36) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$32,599)	\$0	\$0	\$0	\$0
(37) AMAF DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,014)	\$0	\$0	\$0	\$0
(38) AMAF Adjustment Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,436	\$0	\$0	\$0	\$0
(39) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,436	\$0	\$0	\$0	\$0
(40) Actual AMAF Revenue	\$35,570	\$32,790	\$13,120	\$10,131	\$10,435	\$10,437	\$12,656	\$27,548	\$65,265	\$94,796	\$102,007	\$83,734
(41) Ending AMAF Balance Under/(Over) Recovery	\$128,559	\$95,919	\$82,918	\$72,879	\$62,526	\$52,161	\$39,564	\$572,888	\$508,225	\$414,004	\$312,486	\$229,101
(42) Average Monthly Balance Under/(Over) Recovery	\$146,344	\$112,314	\$89,478	\$77,944	\$67,744	\$57,380	\$45,892	\$586,662	\$540,858	\$461,402	\$363,490	\$270,968
(43) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(44) Interest Applied	\$150	\$119	\$92	\$83	\$72	\$59	\$49	\$603	\$574	\$490	\$349	\$288
(45) AMAF Recon End Balance Under/(Over) Recovery	\$128,709	\$96,038	\$83,010	\$72,961	\$62,598	\$52,220	\$39,613	\$573,490	\$508,800	\$414,493	\$312,835	\$229,389

(26) Col (b) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (3)
(27) Col (b): Sum Lines{(23):(26)}
(36) Docket 5040, Second Revision RMS/MJP-105, Page 1, Ln (4)
(37) RMS-10, Page 9, Ln (4)
(38) Col (b) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (5)
(39) Col (b): Sum Lines{(35):(38)}

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2020 - March 2021)

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(46) Reconciliation Factor (Applicable to all) - DAC												
(47) Recon Factor Acct Beg. Balance Under/(Over) Recovery	\$654,994	\$582,936	\$523,177	\$500,229	\$484,668	\$469,924	\$456,306	\$436,785	\$187,362	\$171,920	\$148,433	\$121,998
(48) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$373,433)	\$0	\$0	\$0	\$0
(49) Reconciliation (All) DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$63,351)	\$0	\$0	\$0	\$0
(50) Reconciliation (All) Factor Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$217,038	\$0	\$0	\$0	\$0
(51) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$217,038	\$0	\$0	\$0	\$0
(52) Actual Recon Revenue	\$72,691	\$60,345	\$23,472	\$16,082	\$15,249	\$14,092	\$19,994	\$29,884	\$15,632	\$23,657	\$26,565	\$21,627
(53) Ending Recon Balance Under/(Over) Recovery	\$382,303	\$522,591	\$499,705	\$484,147	\$469,419	\$455,832	\$436,312	\$187,154	\$171,730	\$148,263	\$121,868	\$100,371
(54) Average Monthly Balance Under/(Over) Recovery	\$618,648	\$511,441	\$492,188	\$477,043	\$467,309	\$462,878	\$446,309	\$179,546	\$160,092	\$135,151	\$111,185	\$111,185
(55) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(56) Interest Applied	\$634	\$585	\$524	\$521	\$505	\$474	\$473	\$208	\$191	\$170	\$130	\$118
(57) Reconciliation End Balance Under/(Over) Recovery	\$582,936	\$523,177	\$500,229	\$484,668	\$469,924	\$456,306	\$436,785	\$187,362	\$171,920	\$148,433	\$121,998	\$100,489
(58) Reconciliation Factor (L & XL)-DAC												
(59) Recon Factor Acct Beg. Balance Under/(Over) Recovery	(\$140,425)	(\$166,732)	(\$197,634)	(\$210,996)	(\$223,459)	(\$237,673)	(\$253,035)	(\$268,654)	(\$272,377)	(\$248,057)	(\$219,573)	(\$191,857)
(60) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$279,652	\$0	\$0	\$0	\$0
(61) Reconciliation (L & XL) DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,998)	\$0	\$0	\$0	\$0
(62) Reconciliation (L & XL) Factor Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$255,399)	\$0	\$0	\$0	\$0
(63) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$255,399)	\$0	\$0	\$0	\$0
(64) Actual Recon Revenue (L & XL)	\$26,149	\$30,709	\$13,153	\$12,233	\$13,970	\$15,111	\$15,343	\$16,707	(\$24,596)	(\$28,732)	(\$27,913)	(\$22,581)
(65) Ending Recon Balance Under/(Over) Recovery	(\$166,574)	(\$197,441)	(\$210,787)	(\$223,229)	(\$237,429)	(\$252,784)	(\$268,378)	(\$272,106)	(\$247,781)	(\$219,325)	(\$191,600)	(\$169,276)
(66) Average Monthly Balance Under/(Over) Recovery	(\$153,500)	(\$182,086)	(\$204,210)	(\$217,112)	(\$230,444)	(\$245,228)	(\$260,706)	(\$263,732)	(\$260,079)	(\$233,691)	(\$205,616)	(\$180,566)
(67) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(68) Interest Applied	(\$157)	(\$193)	(\$209)	(\$230)	(\$244)	(\$251)	(\$276)	(\$271)	(\$276)	(\$248)	(\$197)	(\$192)
(69) Reconciliation End Balance Under/(Over) Recovery	(\$166,732)	(\$197,634)	(\$210,996)	(\$223,459)	(\$237,673)	(\$253,035)	(\$268,654)	(\$272,377)	(\$248,057)	(\$219,573)	(\$191,857)	(\$169,468)
(70) Pension Adjustment												
(71) Pen Acct Beg. Balance Under/(Over) Recovery	\$82,822	\$48,284	\$31,304	\$15,061	\$3,139	(\$5,986)	(\$14,582)	(\$26,039)	\$36,644	\$28,353	\$23,621	\$22,044
(72) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,934	\$0	\$0	\$0	\$0
(73) Pension DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$6,895)	\$0	\$0	\$0	\$0
(74) Pension Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,485	\$0	\$0	\$0	\$0
(75) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,485	\$0	\$0	\$0	\$0
(76) Actual Pension Revenue	\$34,605	\$17,022	\$16,267	\$11,931	\$9,124	\$8,585	\$11,436	\$11,122	\$8,326	\$4,759	\$1,599	(\$2,069)
(77) Ending Pension Balance Under/(Over) Recovery	\$48,217	\$31,262	\$15,037	\$3,130	(\$5,985)	(\$14,571)	(\$26,018)	(\$36,607)	\$28,318	\$23,594	\$22,022	\$24,113
(78) Average Monthly Balance Under/(Over) Recovery	\$65,519	\$39,773	\$23,171	\$9,095	(\$1,423)	(\$10,279)	(\$20,300)	\$36,046	\$32,481	\$25,973	\$22,822	\$23,079
(79) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(80) Interest Applied	\$67	\$42	\$24	\$10	(\$2)	(\$11)	(\$21)	\$27	\$34	\$28	\$22	\$25
(81) Pension Adjustment End Balance Under/(Over) Recovery	\$48,284	\$31,304	\$15,061	\$3,139	(\$5,986)	(\$14,582)	(\$26,039)	\$36,644	\$28,353	\$23,621	\$22,044	\$24,138
(82) BPBP Adjustment												
(83) BPBP Acct Beg. Balance Under/(Over) Recovery	(\$183,560)	(\$62,227)	\$35,470	\$83,866	\$120,858	\$155,762	\$190,051	\$232,791	\$912,306	\$825,753	\$691,947	\$545,608
(84) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$256,549)	\$0	\$0	\$0	\$0
(85) BPBP DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,759	\$0	\$0	\$0	\$0
(86) BPBP Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$889,323	\$0	\$0	\$0	\$0
(87) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$889,323	\$0	\$0	\$0	\$0
(88) Actual BPBP Revenue	(\$121,459)	(\$97,711)	(\$48,335)	(\$36,884)	(\$34,757)	(\$34,112)	(\$42,516)	(\$22,058)	\$87,475	\$134,611	\$146,932	\$124,888
(89) Ending BPBP Balance Under/(Over) Recovery	(\$62,101)	\$35,484	\$83,805	\$120,750	\$155,615	\$189,874	\$232,563	\$911,381	\$824,831	\$691,142	\$545,015	\$420,720
(90) Average Monthly Balance Under/(Over) Recovery	(\$122,830)	(\$13,371)	\$59,638	\$102,308	\$138,237	\$172,818	\$211,309	\$900,332	\$868,568	\$758,448	\$618,481	\$483,164
(91) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(92) Interest Applied	(\$126)	(\$14)	\$61	\$108	\$146	\$177	\$224	\$925	\$922	\$805	\$593	\$513
(93) BPBP Adjustment End Balance Under/(Over) Recovery	(\$62,227)	\$35,470	\$83,866	\$120,858	\$155,762	\$190,051	\$232,791	\$912,306	\$825,753	\$691,947	\$545,608	\$421,233

(48) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (8)
(49) RMS-10, Page 9, Ln (5)
(50) Col (h) per Docket 5040, Second Revision RMS/MJP-10, Pg 1, Ln (17)
(51) Col (h): Sum Lines (47):(50)
(60) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (28)
(61) RMS-10, Page 9, Ln (6)
(62) Col (h) per Docket 5040, Second Revision RMS/MJP-10, Pg 1, Ln (29)
(63) Col (h): Sum Lines (59):(62)
(72) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (6)
(73) RMS-10, Page 9, Ln (7)
(74) Col (h) per Docket 5040, Second Revision RMS/MJP-5, Pg 1, Ln (3)
(75) Col (h): Sum Lines (71):(74)
(84) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (7)
(85) RMS-10, Page 9, Ln (8)
(86) Col (h) per Docket 5040, Second Revision RMS/MJP-5, Pg 1, Ln (9)
(87) Col (h): Sum Lines (83):(86)

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2020 - March 2021)

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(94) Earnings Sharing Mechanism												
(95) ESM Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$453,566)	(\$406,401)	(\$337,211)	(\$262,864)
(96) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(97) ESM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(98) ESM Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(99) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(100) Actual ESM Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$47,621)	(\$69,585)	(\$74,634)	(\$61,419)
(101) Ending ESM Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$405,945)	(\$336,816)	(\$262,577)	(\$201,445)
(102) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$429,756)	(\$371,609)	(\$299,894)	(\$232,155)
(103) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(104) ESM Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$470	(\$456)	(\$395)	(\$288)	(\$246)
(105) Interest Applied End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$453,566)	(\$406,401)	(\$337,211)	(\$262,864)	(\$201,692)
(106) Low Income Discount Recovery Adjustment												
(107) LIDRF Acct Beg. Balance Under/(Over) Recovery	\$109,616	\$263,687	\$347,349	\$424,996	\$483,443	\$537,489	\$577,814	0	\$80,949	\$60,580	\$114,765	\$133,567
(108) Actual Discount Credits Applied (cost)	\$672,994	\$565,779	\$270,631	\$208,421	\$209,065	\$195,385	\$231,458	\$435,378	\$653,145	\$1,026,066	\$1,067,362	\$911,887
(109) Actual LIDRF Revenue	\$519,114	\$482,440	\$193,380	\$150,455	\$155,560	\$155,631	\$188,173	\$354,471	\$971,974	\$1,048,679	\$1,048,679	\$858,674
(110) Ending LIDRF Balance	\$263,496	\$347,026	\$424,601	\$424,963	\$536,949	\$577,243	\$621,099	\$80,907	\$60,505	\$114,672	\$133,448	\$186,779
(111) Average Monthly Balance	\$186,556	\$305,356	\$385,975	\$453,979	\$510,196	\$557,366	\$599,456	\$40,453	\$70,727	\$87,626	\$124,106	\$160,173
(112) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(113) Interest Applied	\$191	\$323	\$395	\$481	\$540	\$571	\$635	\$42	\$75	\$93	\$119	\$170
(114) LIDRF End Balance Under/(Over) Recovery	\$263,687	\$347,349	\$424,996	\$483,443	\$537,489	\$577,814	\$621,733	\$80,949	\$60,580	\$114,765	\$133,567	\$186,949
(115) Service Quality Penalty Adjustment												
(116) SQI Acct Beg. Balance Under/(Over) Recovery	(\$52,498)	(\$48,596)	(\$45,079)	(\$44,060)	(\$43,361)	(\$42,616)	(\$41,837)	(\$40,873)	(\$320,757)	(\$464,965)	(\$383,188)	(\$293,287)
(117) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,986	\$0	\$0	\$0	\$0
(118) SQI DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,887	\$0	\$0	\$0	\$0
(119) Service Quality Penalty Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$531,728)	\$0	\$0	\$0	\$0
(120) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$531,728)	\$0	\$0	\$0	\$0
(121) Actual SQI Revenue	(\$3,953)	(\$3,567)	(\$1,064)	(\$746)	(\$790)	(\$822)	(\$1,008)	(\$11,511)	(\$520,757)	(\$464,965)	(\$383,188)	(\$293,287)
(122) Ending SQI Balance Under/(Over) Recovery	(\$48,545)	(\$45,029)	(\$44,015)	(\$43,314)	(\$42,571)	(\$41,794)	(\$40,829)	(\$39,856)	(\$36,315)	(\$32,738)	(\$28,226)	(\$22,583)
(123) Average Monthly Balance Under/(Over) Recovery	(\$50,521)	(\$46,813)	(\$44,547)	(\$43,687)	(\$42,966)	(\$42,205)	(\$41,333)	(\$40,442)	(\$36,442)	(\$32,738)	(\$29,462)	(\$22,704)
(124) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(125) Interest Applied	(\$52)	(\$50)	(\$46)	(\$46)	(\$45)	(\$43)	(\$44)	(\$540)	(\$523)	(\$450)	(\$325)	(\$275)
(126) SQI Recon End Balance Under/(Over) Recovery	(\$48,596)	(\$45,079)	(\$44,060)	(\$43,361)	(\$42,616)	(\$41,837)	(\$40,873)	(\$39,856)	(\$36,442)	(\$32,738)	(\$29,462)	(\$22,583)
(127) Tax Credit Adjustment												
(128) TCF Acct Beg. Balance Under/(Over) Recovery	(\$1,457,924)	(\$1,150,919)	(\$867,771)	(\$754,458)	(\$666,935)	(\$576,662)	(\$486,285)	(\$376,596)	\$140,951	\$14,101	\$141,251	\$141,386
(129) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$317,225	\$0	\$0	\$0	\$0
(130) TCF DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$59,371	\$0	\$0	\$0	\$0
(131) Tax Credit Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(132) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(133) Actual TCF Revenue	(\$308,341)	(\$284,216)	(\$114,143)	(\$88,275)	(\$90,931)	(\$90,922)	(\$110,145)	(\$140,879)	\$140,951	\$141,101	\$141,251	\$141,386
(134) Ending TCF Balance Under/(Over) Recovery	(\$1,149,583)	(\$866,703)	(\$753,628)	(\$666,183)	(\$576,004)	(\$485,740)	(\$376,140)	\$140,879	\$140,951	\$141,101	\$141,251	\$141,386
(135) Average Monthly Balance Under/(Over) Recovery	(\$1,303,753)	(\$1,008,811)	(\$810,699)	(\$710,321)	(\$621,470)	(\$531,201)	(\$431,212)	\$70,440	\$140,951	\$141,101	\$141,251	\$141,386
(136) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(137) Interest Applied	(\$1,336)	(\$1,068)	(\$831)	(\$732)	(\$658)	(\$544)	(\$457)	\$72	\$150	\$150	\$135	\$150
(138) TCF Recon End Balance Under/(Over) Recovery	(\$1,150,919)	(\$867,771)	(\$754,458)	(\$666,935)	(\$576,662)	(\$486,285)	(\$376,596)	\$140,951	\$141,101	\$141,251	\$141,386	\$141,536

(96) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (9)
(97) RMS-10, Page 9, Ln (9)
(98) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(99) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(100) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(101) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(102) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(103) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(104) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(105) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(106) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(107) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(108) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(109) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(110) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(111) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(112) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(113) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(114) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(115) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(116) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(117) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(118) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(119) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(120) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(121) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(122) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(123) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(124) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(125) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(126) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(127) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(128) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(129) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(130) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(131) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(132) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(133) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(134) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(135) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(136) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(137) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)
(138) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg. 1, Ln (8)

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2020 - March 2021)

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(139) Storm Net Revenue Adjustment												
(140) Storm Net Revenue Act Beg. Balance Under/(Over) Recover:	(\$265,633)	(\$214,500)	(\$167,349)	(\$148,501)	(\$133,954)	(\$118,947)	(\$103,923)	(\$85,681)	\$10,164	\$10,638	\$10,505	\$10,841
(141) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$75,740	\$0	\$0	\$0	\$0
(142) Storm Net Revenue DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,941	\$0	\$0	\$0	\$0
(143) Storm Net Revenue Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,302)	\$0	\$0	\$0	\$0
(144) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,302)	\$10,164	\$10,638	\$10,505	\$10,841
(145) Actual Storm Net Revenue	(\$51,378)	(\$47,353)	(\$19,010)	(\$14,697)	(\$15,140)	(\$15,139)	(\$18,342)	(\$23,468)	(\$463)	\$145	(\$326)	\$32
(146) Ending Storm Net Revenue Balance Under/(Over) Recovery	(\$214,255)	(\$167,147)	(\$148,339)	(\$133,804)	(\$118,814)	(\$103,808)	(\$85,581)	\$10,166	\$10,627	\$10,493	\$10,831	\$10,809
(147) Average Monthly Balance Under/(Over) Recovery	(\$239,944)	(\$190,824)	(\$157,844)	(\$141,153)	(\$126,384)	(\$111,378)	(\$94,752)	(\$11,568)	\$10,396	\$10,566	\$10,668	\$10,825
(148) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(149) Interest Applied	(\$246)	(\$202)	(\$162)	(\$149)	(\$134)	(\$114)	(\$100)	(\$2)	\$11	\$11	\$10	\$11
(150) Storm Net Revenue Recon End Balance Under/(Over) Recover:	(\$214,500)	(\$167,349)	(\$148,501)	(\$133,954)	(\$118,947)	(\$103,923)	(\$85,681)	\$10,164	\$10,638	\$10,505	\$10,841	\$10,820
(151) LIAP Base Rate Fund Recon Adjustment												
(152) LIAO Recon Act Beg. Balance Under/(Over) Recovery	(\$557,401)	(\$443,281)	(\$337,999)	(\$295,885)	(\$263,387)	(\$229,890)	(\$196,336)	(\$155,584)	\$52,397	\$52,453	\$52,508	\$52,559
(153) Transfer to 2020-2021 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$133,414	\$0	\$0	\$0	\$0
(154) LIAP Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,170	\$0	\$0	\$0	\$0
(155) LIAP Recon Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(156) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$52,397	\$52,453	\$52,508	\$52,559
(157) Actual LIAP Recon Revenue	(\$114,632)	(\$105,695)	(\$42,439)	(\$32,794)	(\$33,758)	(\$33,772)	(\$40,938)	(\$52,370)	\$0	\$0	\$0	\$0
(158) Ending LIAP Recon Balance Under/(Over) Recovery	(\$442,769)	(\$337,586)	(\$295,560)	(\$263,091)	(\$229,629)	(\$196,118)	(\$155,398)	\$52,397	\$52,397	\$52,453	\$52,508	\$52,559
(159) Average Monthly Balance Under/(Over) Recovery	(\$500,085)	(\$390,433)	(\$316,780)	(\$279,488)	(\$246,508)	(\$213,004)	(\$175,867)	\$26,185	\$52,397	\$52,453	\$52,508	\$52,559
(160) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(161) Interest Applied	(\$512)	(\$413)	(\$325)	(\$296)	(\$261)	(\$218)	(\$186)	\$27	\$56	\$56	\$50	\$56
(162) LIAP Recon End Balance Under/(Over) Recovery	(\$443,281)	(\$337,999)	(\$295,885)	(\$263,387)	(\$229,890)	(\$196,336)	(\$155,584)	\$52,397	\$52,453	\$52,508	\$52,559	\$52,614

- (141) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (13)
- (142) RMS-10, Page 9, Ln (13)
- (143) Col (h) per Docket 5040, Compliance RMS/MJP-1, Pg 1, Ln (10)
- (144) Col (h): Sum Lines{(140);(143)}
- (153) Docket 5040, Second Revision RMS/MJP-10S, Page 1, Ln (14)
- (154) RMS-10, Page 9, Ln (14)
- (156) Col (h): Sum Lines{(152);(155)}

Schedule RMS -12
Earnings Sharing Mechanism Factor

**National Grid - RI Gas
ESM Factor
Effective November 1, 2021**

(1)	Total Earnings Credited to DAC	\$0
(2)	Firm Throughput	40,273,298 dth
(3)	ESM Factor	\$0.0000 per dth
(4)	ESM Factor	\$0.0000 per therm

- (1) Revised Earnings Sharing Report for the twelve months ending December 31, 2020 in Docket 5165 filed on August 2, 2021.
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

Schedule RMS -13
Low Income Discount Recovery Factor

This Page Intentionally Left Blank

Schedule RMS -14
Storm Net Revenue Factor

**National Grid - RI Gas
Storm Net Revenue Factor
Effective November 1, 2021**

(1)	Storm Net Revenue	(\$173,714)
(2)	Customer Share Percentage	75.00%
(3)	Customer Share	(\$130,286)
(4)	Firm Throughput	40,273,298 dths
(5)	Storm Contingency Fund Factor per dth	(\$0.0030) per dth
(6)	Storm Contingency Fund Factor per therm	(\$0.0003) per therm

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

Schedule RMS -15
COVID Deferral

**National Grid - RI Gas
COVID Deferral Recovery Factors
Effective November 1, 2021**

	<u>Rate Class</u> (a)	COVID Deferral Under <u>Recovery</u> (b)	Forecasted <u>Throughput</u> (c)	COVID Deferral Recovery <u>(dth)</u> (d)	COVID Deferral Recovery <u>(therm)</u> (e)
(1)	Res-NH	\$32,342	288,061	\$0.1122	\$0.0112
(2)	Res -NH LI	\$1,514	12,724	\$0.1189	\$0.0118
(3)	Res-H	\$5,216,401	18,535,896	\$0.2814	\$0.0281
(4)	Res-H LI	\$455,955	1,667,645	\$0.2734	\$0.0273
(5)	Small	\$722,370	2,421,031	\$0.2983	\$0.0298
(6)	Medium	\$1,922,625	6,330,834	\$0.3036	\$0.0303
(7)	Large LL	\$310,248	2,788,706	\$0.1112	\$0.0111
(8)	Large HL	\$162,524	1,158,625	\$0.1402	\$0.0140
(9)	XL-LL	\$133,212	970,800	\$0.1372	\$0.0137
(10)	XL-HL	<u>\$761,622</u>	<u>6,098,976</u>	\$0.1248	\$0.0124
(11)	Total	\$9,718,811	40,273,298		

- (b) Page 2, Col (m), Lines (43), (51), (59), (67), (75), (83), (91), (99), (107), (115)
- (c) Per Company Forecast
- (d) Column (b) ÷ (c)
- (e) Column (d) ÷ (10), truncated to 4 decimal places

National Grid - RI Gas
COVID Deferral

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
COVID Deferral Factor \$/dekatherm													
(1) Res-NH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.099)	(\$0.099)	(\$0.099)	(\$0.099)	(\$0.099)
(2) Res -NH LI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.087)	(\$0.087)	(\$0.087)	(\$0.087)	(\$0.087)
(3) Res-H	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.296)	(\$0.296)	(\$0.296)	(\$0.296)	(\$0.296)
(4) Res-H LI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.284)	(\$0.284)	(\$0.284)	(\$0.284)	(\$0.284)
(5) Small	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.301)	(\$0.301)	(\$0.301)	(\$0.301)	(\$0.301)
(6) Medium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.341)	(\$0.341)	(\$0.341)	(\$0.341)	(\$0.341)
(7) Large LL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.107)	(\$0.107)	(\$0.107)	(\$0.107)	(\$0.107)
(8) Large HL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.130)	(\$0.130)	(\$0.130)	(\$0.130)	(\$0.130)
(9) XL-LL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.104)	(\$0.104)	(\$0.104)	(\$0.104)	(\$0.104)
(10) XL-HL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(\$0.128)	(\$0.128)	(\$0.128)	(\$0.128)	(\$0.128)
Throughput - dekatherms													
(12) Res-NH	24,249	32,651	49,873	49,981	44,626	34,029	23,197	17,925	13,181	12,614	12,839	15,939	20,748
(13) Res -NH LI	1,291	1,767	2,896	3,012	2,688	2,131	1,380	1,007	405	365	372	458	695
(14) Res-H	1,082,842	1,911,972	3,079,189	3,399,975	2,795,586	1,814,236	1,050,464	576,769	416,552	397,470	410,179	557,297	1,337,252
(15) Res-H LI	108,880	169,529	277,546	291,378	246,319	168,437	97,119	56,418	44,159	42,581	44,003	56,083	118,162
(16) Small	130,988	254,406	447,199	512,131	422,948	244,067	125,771	62,003	48,243	44,594	45,059	49,175	150,580
(17) Medium	372,566	593,607	891,384	975,535	823,807	578,137	350,108	206,197	192,110	179,556	183,508	232,264	447,002
(18) Large LL	198,537	320,463	532,078	581,527	477,591	308,962	174,803	44,783	47,486	44,688	45,850	91,291	241,047
(19) Large HL	87,776	115,938	154,502	146,920	138,639	110,363	87,351	86,745	71,311	72,940	79,091	94,197	241,047
(20) XL-LL	120,132	162,251	243,722	232,756	163,702	131,620	56,481	(3,418)	24,195	21,503	27,423	72,477	153,789
(21) XL-HL	439,959	583,662	638,074	617,814	464,599	589,067	410,892	436,843	399,214	409,743	396,000	412,069	442,115
(22) Total	2,567,219	4,146,245	6,316,463	6,811,028	5,580,505	3,980,780	2,377,565	1,485,271	1,256,856	1,226,054	1,244,814	1,566,144	3,005,588
COVID Deferral Revenue													
(24) Res-NH	(\$866)	(\$3,169)	(\$4,890)	(\$4,939)	(\$4,403)	(\$3,356)	(\$2,278)	(\$1,749)	(\$1,305)	(\$1,249)	(\$1,271)	(\$1,578)	(\$1,027)
(25) Res -NH LI	(\$43)	(\$153)	(\$248)	(\$262)	(\$234)	(\$184)	(\$120)	(\$88)	(\$35)	(\$32)	(\$32)	(\$40)	(\$1,471)
(26) Res-H	(\$127,323)	(\$558,095)	(\$910,656)	(\$1,004,510)	(\$827,203)	(\$557,110)	(\$310,928)	(\$170,593)	(\$123,299)	(\$117,651)	(\$121,413)	(\$164,960)	(\$197,913)
(27) Res-H LI	(\$11,697)	(\$47,900)	(\$78,707)	(\$82,670)	(\$69,884)	(\$47,793)	(\$27,602)	(\$16,000)	(\$12,541)	(\$12,093)	(\$12,497)	(\$15,928)	(\$16,779)
(28) Small	(\$16,894)	(\$75,635)	(\$134,124)	(\$153,286)	(\$127,277)	(\$73,520)	(\$37,615)	(\$18,656)	(\$14,521)	(\$13,423)	(\$14,802)	(\$22,662)	(\$22,662)
(29) Medium	(\$39,538)	(\$208,720)	(\$304,977)	(\$331,108)	(\$280,863)	(\$198,317)	(\$128,326)	(\$70,176)	(\$65,510)	(\$61,228)	(\$62,576)	(\$79,202)	(\$76,214)
(30) Large LL	(\$6,373)	(\$35,807)	(\$57,653)	(\$60,827)	(\$49,379)	(\$33,023)	(\$21,686)	(\$5,361)	(\$5,081)	(\$4,782)	(\$4,906)	(\$9,768)	(\$12,896)
(31) Large HL	(\$2,547)	(\$15,586)	(\$20,165)	(\$20,165)	(\$19,491)	(\$14,410)	(\$13,255)	(\$11,277)	(\$9,270)	(\$9,482)	(\$10,346)	(\$10,282)	(\$6,123)
(32) XL-LL	(\$259)	(\$19,284)	(\$25,867)	(\$24,252)	(\$16,930)	(\$13,571)	(\$9,531)	\$743	(\$2,516)	(\$2,236)	(\$2,852)	(\$7,538)	(\$7,997)
(33) XL-HL	(\$2,495)	(\$94,179)	(\$81,019)	(\$78,484)	(\$60,152)	(\$74,949)	(\$73,845)	(\$55,776)	(\$51,099)	(\$52,447)	(\$50,688)	(\$52,745)	(\$28,295)
(34) Total	(\$208,036)	(\$1,058,529)	(\$1,618,307)	(\$1,759,427)	(\$1,455,817)	(\$996,232)	(\$625,185)	(\$348,934)	(\$285,177)	(\$274,623)	(\$280,144)	(\$356,843)	(\$369,936)
Res-NH COVID Deferral Balance													
(36) COVID Deferral Res-NH Acct Beg. Balance	\$0	(\$867)	(\$4,039)	(\$8,936)	(\$13,886)	(\$18,306)	(\$21,683)	(\$23,985)	(\$25,760)	(\$27,093)	(\$28,371)	(\$29,672)	(\$31,282)
(37) Actual Res-NH Revenue	(\$866)	(\$3,169)	(\$4,890)	(\$4,939)	(\$4,403)	(\$3,356)	(\$2,278)	(\$1,749)	(\$1,305)	(\$1,249)	(\$1,271)	(\$1,578)	\$0
(38) Ending Res-NH LI Balance	(\$866)	(\$4,039)	(\$8,936)	(\$13,886)	(\$18,306)	(\$21,683)	(\$23,985)	(\$25,760)	(\$27,093)	(\$28,371)	(\$29,672)	(\$31,282)	(\$32,081)
(39) Average Monthly Balance	(\$433)	(\$2,020)	(\$4,468)	(\$6,444)	(\$9,153)	(\$12,842)	(\$17,992)	(\$24,840)	(\$34,121)	(\$47,717)	(\$66,042)	(\$93,309)	(\$128,081)
(40) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(41) Interest Applied	(\$0)	(\$3)	(\$7)	(\$11)	(\$17)	(\$21)	(\$24)	(\$26)	(\$28)	(\$29)	(\$30)	(\$32)	(\$33)
(42) COVID Deferral Res-NH End Balance	(\$867)	(\$4,039)	(\$8,936)	(\$13,886)	(\$18,306)	(\$21,683)	(\$23,985)	(\$25,760)	(\$27,093)	(\$28,371)	(\$29,672)	(\$31,282)	(\$32,342)
Res-NH LI COVID Deferral Balance													
(44) COVID Deferral Res-NH LI Acct Beg. Balance	\$0	(\$43)	(\$196)	(\$444)	(\$707)	(\$942)	(\$1,127)	(\$1,248)	(\$1,338)	(\$1,374)	(\$1,408)	(\$1,441)	(\$1,483)
(45) Actual Res-NH LI Revenue	(\$43)	(\$153)	(\$248)	(\$262)	(\$234)	(\$184)	(\$120)	(\$88)	(\$35)	(\$32)	(\$32)	(\$40)	(\$30)
(46) Ending Res-NH LI Balance	(\$43)	(\$196)	(\$444)	(\$706)	(\$942)	(\$1,126)	(\$1,247)	(\$1,336)	(\$1,373)	(\$1,406)	(\$1,440)	(\$1,481)	(\$1,513)
(47) Average Monthly Balance	(\$21)	(\$119)	(\$320)	(\$575)	(\$824)	(\$1,034)	(\$1,187)	(\$1,292)	(\$1,355)	(\$1,390)	(\$1,424)	(\$1,461)	(\$1,498)
(48) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(49) Interest Applied	(\$0)	(\$0)	(\$0)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$2)	(\$2)
(50) COVID Deferral Res-NH LI End Balance	(\$43)	(\$196)	(\$444)	(\$707)	(\$942)	(\$1,127)	(\$1,248)	(\$1,338)	(\$1,374)	(\$1,408)	(\$1,441)	(\$1,483)	(\$1,514)

**National Grid – RI Gas
COVID Deferral**

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Large LL COVID Deferral Balance													
(84) COVID Deferral Large LL Acct Beg. Balance	\$0	(\$6,377)	(\$42,209)	(\$99,938)	(\$160,889)	(\$210,465)	(\$243,721)	(\$265,677)	(\$271,314)	(\$276,686)	(\$281,764)	(\$286,962)	(\$297,040)
(85) Actual Large LL Revenue	(\$6,373)	(\$35,807)	(\$57,653)	(\$60,827)	(\$49,379)	(\$33,023)	(\$21,686)	(\$5,361)	(\$5,081)	(\$4,782)	(\$4,906)	(\$9,768)	(\$12,896)
(86) Ending Large LL Balance	(\$6,373)	(\$42,184)	(\$99,862)	(\$160,764)	(\$210,268)	(\$243,488)	(\$265,407)	(\$271,038)	(\$276,395)	(\$281,468)	(\$286,670)	(\$296,730)	(\$307,541)
(87) Average Monthly Balance	(\$3,187)	(\$24,280)	(\$130,351)	(\$130,351)	(\$185,579)	(\$226,976)	(\$254,564)	(\$268,357)	(\$273,854)	(\$279,077)	(\$284,217)	(\$291,846)	(\$303,488)
(88) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(89) Interest Applied	(\$3)	(\$26)	(\$75)	(\$125)	(\$197)	(\$233)	(\$270)	(\$276)	(\$291)	(\$296)	(\$292)	(\$310)	(\$312)
(90) COVID Deferral Large LL End Balance	(\$6,377)	(\$42,209)	(\$99,938)	(\$160,889)	(\$210,465)	(\$243,721)	(\$265,677)	(\$271,314)	(\$276,686)	(\$281,764)	(\$286,962)	(\$297,040)	(\$310,248)
Large HL COVID Deferral Balance													
(92) COVID Deferral Large HL Acct Beg. Balance	\$0	(\$2,548)	(\$18,145)	(\$38,340)	(\$57,477)	(\$77,039)	(\$91,536)	(\$104,895)	(\$116,286)	(\$125,684)	(\$135,304)	(\$145,795)	(\$160,237)
(93) Actual Large HL Revenue	(\$2,547)	(\$15,586)	(\$20,165)	(\$19,091)	(\$19,491)	(\$14,410)	(\$13,255)	(\$11,277)	(\$9,270)	(\$9,482)	(\$10,346)	(\$10,282)	(\$6,123)
(94) Ending Large HL Balance	(\$2,547)	(\$18,134)	(\$38,310)	(\$57,431)	(\$76,968)	(\$91,449)	(\$104,791)	(\$116,172)	(\$125,556)	(\$135,166)	(\$145,650)	(\$156,077)	(\$162,360)
(95) Average Monthly Balance	(\$1,273)	(\$10,341)	(\$28,228)	(\$47,886)	(\$67,222)	(\$84,244)	(\$98,163)	(\$110,534)	(\$120,921)	(\$130,425)	(\$140,477)	(\$150,936)	(\$159,299)
(96) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(97) Interest Applied	(\$1)	(\$11)	(\$30)	(\$46)	(\$71)	(\$87)	(\$104)	(\$114)	(\$128)	(\$138)	(\$144)	(\$160)	(\$164)
(98) COVID Deferral Large HL End Balance	(\$2,548)	(\$18,145)	(\$38,340)	(\$57,477)	(\$77,039)	(\$91,536)	(\$104,895)	(\$116,286)	(\$125,684)	(\$135,304)	(\$145,795)	(\$156,237)	(\$162,524)
Extra Large LL COVID Deferral Balance													
(100) COVID Deferral XL LL Acct Beg. Balance	\$0	(\$259)	(\$19,554)	(\$45,455)	(\$69,762)	(\$86,775)	(\$100,442)	(\$110,085)	(\$109,455)	(\$112,088)	(\$114,445)	(\$117,416)	(\$125,082)
(101) Actual XL LL Revenue	(\$259)	(\$19,284)	(\$25,867)	(\$24,252)	(\$16,930)	(\$13,571)	(\$9,531)	\$743	(\$2,516)	(\$2,236)	(\$2,852)	(\$7,538)	(\$7,997)
(102) Ending XL LL Balance	(\$259)	(\$19,543)	(\$45,420)	(\$69,706)	(\$86,692)	(\$100,346)	(\$109,973)	(\$109,342)	(\$111,971)	(\$114,324)	(\$117,297)	(\$124,954)	(\$133,079)
(103) Average Monthly Balance	(\$130)	(\$9,901)	(\$32,487)	(\$57,581)	(\$78,227)	(\$93,561)	(\$105,208)	(\$109,713)	(\$110,713)	(\$113,206)	(\$115,871)	(\$121,185)	(\$129,081)
(104) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(105) Interest Applied	(\$0)	(\$11)	(\$34)	(\$55)	(\$83)	(\$96)	(\$112)	(\$113)	(\$118)	(\$120)	(\$119)	(\$129)	(\$133)
(106) COVID Deferral XL LL End Balance	(\$259)	(\$19,554)	(\$45,455)	(\$69,762)	(\$86,775)	(\$100,442)	(\$110,085)	(\$109,455)	(\$112,088)	(\$114,445)	(\$117,416)	(\$125,082)	(\$133,212)
Extra Large HL COVID Deferral Balance													
(108) COVID Deferral XL HL Acct Beg. Balance	\$0	(\$2,496)	(\$96,727)	(\$177,892)	(\$256,585)	(\$317,042)	(\$392,355)	(\$466,656)	(\$522,940)	(\$574,622)	(\$627,706)	(\$679,065)	(\$732,559)
(109) Actual XL HL Revenue	(\$2,495)	(\$94,179)	(\$81,019)	(\$78,484)	(\$60,152)	(\$74,949)	(\$73,845)	(\$55,776)	(\$51,099)	(\$52,447)	(\$50,688)	(\$52,745)	(\$28,295)
(110) Ending XL HL Balance	(\$2,495)	(\$96,675)	(\$177,747)	(\$256,377)	(\$316,737)	(\$391,991)	(\$466,200)	(\$522,432)	(\$574,039)	(\$627,069)	(\$678,394)	(\$731,810)	(\$760,854)
(111) Average Monthly Balance	(\$1,247)	(\$49,585)	(\$137,237)	(\$217,135)	(\$286,661)	(\$354,516)	(\$429,277)	(\$494,544)	(\$548,490)	(\$600,845)	(\$653,050)	(\$705,438)	(\$746,707)
(112) Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
(113) Interest Applied	(\$1)	(\$53)	(\$146)	(\$208)	(\$304)	(\$364)	(\$456)	(\$508)	(\$582)	(\$638)	(\$671)	(\$749)	(\$767)
(114) COVID Deferral XL HL End Balance	(\$2,496)	(\$96,727)	(\$177,892)	(\$256,585)	(\$317,042)	(\$392,355)	(\$466,656)	(\$522,940)	(\$574,622)	(\$627,706)	(\$679,065)	(\$732,559)	(\$756,174)
(115) Under/ (Over) Recovery													(\$9,718,811)

Schedule RMS -16
Illustrative Bill Impact Analysis

**National Grid - RI Gas
Distribution Adjustment Charge (DAC) Filing
Illustrative Bill Impact Analysis with Various Levels of Consumption**

Residential Heating:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:								
						GCR	Base DAC	ISR	EE	LIHEAP	GET			
(1)														
(2)														
(3)														
(4)														
(5)	548	\$978.13	\$951.75	\$26.37	2.8%	\$0.00	\$25.58	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.79	\$0.00
(6)	608	\$1,065.24	\$1,035.96	\$29.28	2.8%	\$0.00	\$28.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.88	\$0.00
(7)	667	\$1,150.83	\$1,118.73	\$32.10	2.9%	\$0.00	\$31.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.96	\$0.00
(8)	726	\$1,236.47	\$1,201.52	\$34.95	2.9%	\$0.00	\$33.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.05	\$0.00
(9)	785	\$1,321.99	\$1,284.19	\$37.80	2.9%	\$0.00	\$36.67	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.13	\$0.00
(10)	845	\$1,409.04	\$1,368.36	\$40.68	3.0%	\$0.00	\$39.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.22	\$0.00
(11)	905	\$1,496.13	\$1,452.57	\$43.56	3.0%	\$0.00	\$42.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.31	\$0.00
(12)	964	\$1,581.70	\$1,535.29	\$46.41	3.0%	\$0.00	\$45.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.39	\$0.00
(13)	1,023	\$1,667.28	\$1,618.03	\$49.26	3.0%	\$0.00	\$47.78	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.48	\$0.00
(14)	1,082	\$1,752.90	\$1,700.81	\$52.09	3.1%	\$0.00	\$50.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.56	\$0.00
(15)	1,142	\$1,840.01	\$1,785.03	\$54.98	3.1%	\$0.00	\$53.33	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.65	\$0.00

Residential Heating Low Income:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Total Bill Discount	Difference due to:			EE	LIHEAP	GET	
								Base DAC	ISR	DAC				
(16)														
(17)														
(18)														
(19)														
(20)	548	\$726.30	\$707.36	\$18.94	2.7%	\$0.00	(\$6.12)	\$24.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.57	\$0.00
(21)	608	\$790.83	\$769.83	\$21.00	2.7%	\$0.00	(\$6.79)	\$27.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.63	\$0.00
(22)	667	\$854.26	\$831.21	\$23.05	2.8%	\$0.00	(\$7.45)	\$29.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.69	\$0.00
(23)	726	\$917.70	\$892.61	\$25.10	2.8%	\$0.00	(\$8.12)	\$32.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.75	\$0.00
(24)	785	\$981.08	\$953.92	\$27.16	2.8%	\$0.00	(\$8.78)	\$35.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.81	\$0.00
(25)	845	\$1,045.54	\$1,016.34	\$29.20	2.9%	\$0.00	(\$9.44)	\$37.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.88	\$0.00
(26)	905	\$1,110.07	\$1,078.79	\$31.28	2.9%	\$0.00	(\$10.12)	\$40.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.94	\$0.00
(27)	964	\$1,173.45	\$1,140.13	\$33.32	2.9%	\$0.00	(\$10.77)	\$43.09	\$0.00	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
(28)	1,023	\$1,236.86	\$1,201.50	\$35.36	2.9%	\$0.00	(\$11.43)	\$45.73	\$0.00	\$0.00	\$0.00	\$0.00	\$1.06	\$0.00
(29)	1,082	\$1,300.29	\$1,262.89	\$37.41	3.0%	\$0.00	(\$12.09)	\$48.38	\$0.00	\$0.00	\$0.00	\$0.00	\$1.12	\$0.00
(30)	1,142	\$1,364.83	\$1,325.36	\$39.47	3.0%	\$0.00	(\$12.76)	\$51.05	\$0.00	\$0.00	\$0.00	\$0.00	\$1.18	\$0.00

**National Grid - RI Gas
Distribution Adjustment Charge (DAC) Filing
Illustrative Bill Impact Analysis with Various Levels of Consumption**

Residential Non-Heating:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:							
							Base DAC	ISR	EE	LIHEAP	GET			
(31)														
(32)														
(33)														
(34)														
(35)	144	\$378.30	\$383.62	(\$5.32)	-1.4%	\$0.00	(\$5.16)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.16)	GET
(36)	158	\$397.20	\$403.03	(\$5.84)	-1.4%	\$0.00	(\$5.66)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.18)	GET
(37)	172	\$416.23	\$422.62	(\$6.39)	-1.5%	\$0.00	(\$6.20)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.19)	GET
(38)	189	\$439.26	\$446.29	(\$7.03)	-1.6%	\$0.00	(\$6.82)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.21)	GET
(39)	202	\$456.86	\$464.37	(\$7.51)	-1.6%	\$0.00	(\$7.28)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.23)	GET
(40)	220	\$481.29	\$489.45	(\$8.16)	-1.7%	\$0.00	(\$7.92)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.24)	GET
(41)	238	\$505.67	\$514.52	(\$8.85)	-1.7%	\$0.00	(\$8.58)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.27)	GET
(42)	251	\$523.30	\$532.64	(\$9.34)	-1.8%	\$0.00	(\$9.06)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.28)	GET
(43)	268	\$546.36	\$556.27	(\$9.92)	-1.8%	\$0.00	(\$9.62)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.30)	GET
(44)	282	\$565.30	\$575.76	(\$10.46)	-1.8%	\$0.00	(\$10.15)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.31)	GET
(45)	297	\$585.66	\$596.68	(\$11.02)	-1.8%	\$0.00	(\$10.69)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.33)	GET

Residential Non-Heating Low Income:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:				EE	LIHEAP	GET	
							Base DAC	ISR	Discount	DAC				
(46)														
(47)														
(48)														
(49)														
(50)	144	\$281.95	\$286.03	(\$4.07)	-1.4%	\$0.00	\$1.32	(\$5.27)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.12)
(51)	158	\$295.96	\$300.42	(\$4.45)	-1.5%	\$0.00	\$1.44	(\$5.76)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.13)
(52)	172	\$310.08	\$314.94	(\$4.86)	-1.5%	\$0.00	\$1.57	(\$6.29)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.15)
(53)	189	\$327.13	\$332.47	(\$5.34)	-1.6%	\$0.00	\$1.73	(\$6.91)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.16)
(54)	202	\$340.18	\$345.91	(\$5.73)	-1.7%	\$0.00	\$1.85	(\$7.41)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.17)
(55)	220	\$358.27	\$364.50	(\$6.23)	-1.7%	\$0.00	\$2.02	(\$8.06)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.19)
(56)	238	\$376.35	\$383.07	(\$6.72)	-1.8%	\$0.00	\$2.17	(\$8.69)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.20)
(57)	251	\$389.41	\$396.52	(\$7.11)	-1.8%	\$0.00	\$2.30	(\$9.19)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.21)
(58)	268	\$406.47	\$414.07	(\$7.60)	-1.8%	\$0.00	\$2.46	(\$9.83)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.23)
(59)	282	\$420.53	\$428.50	(\$7.98)	-1.9%	\$0.00	\$2.58	(\$10.32)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.24)
(60)	297	\$435.61	\$444.02	(\$8.41)	-1.9%	\$0.00	\$2.72	(\$10.88)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$0.25)

**National Grid - RI Gas
Distribution Adjustment Charge (DAC) Filing
Illustrative Bill Impact Analysis with Various Levels of Consumption**

C & I Small:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:			LIHEAP	GET	
							Base DAC	DAC	ISR			
(61)												
(62)	830	\$1,438.15	\$1,394.94	\$43.21	3.1%	\$0.00	\$41.91	\$0.00	\$0.00	\$0.00	\$1.30	
(63)	919	\$1,558.11	\$1,510.26	\$47.86	3.2%	\$0.00	\$46.42	\$0.00	\$0.00	\$0.00	\$1.44	
(64)	1,010	\$1,680.81	\$1,628.23	\$52.59	3.2%	\$0.00	\$51.01	\$0.00	\$0.00	\$0.00	\$1.58	
(65)	1,099	\$1,800.81	\$1,743.61	\$57.20	3.3%	\$0.00	\$55.48	\$0.00	\$0.00	\$0.00	\$1.72	
(66)	1,187	\$1,919.54	\$1,857.76	\$61.78	3.3%	\$0.00	\$59.93	\$0.00	\$0.00	\$0.00	\$1.85	
(67)	1,277	\$2,040.77	\$1,974.28	\$66.48	3.4%	\$0.00	\$64.49	\$0.00	\$0.00	\$0.00	\$1.99	
(68)	1,367	\$2,162.12	\$2,090.96	\$71.15	3.4%	\$0.00	\$69.02	\$0.00	\$0.00	\$0.00	\$2.13	
(69)	1,456	\$2,282.10	\$2,206.31	\$75.79	3.4%	\$0.00	\$73.52	\$0.00	\$0.00	\$0.00	\$2.27	
(70)	1,544	\$2,400.83	\$2,320.44	\$80.38	3.5%	\$0.00	\$77.97	\$0.00	\$0.00	\$0.00	\$2.41	
(71)	1,635	\$2,523.48	\$2,438.37	\$85.10	3.5%	\$0.00	\$82.55	\$0.00	\$0.00	\$0.00	\$2.55	
(72)	1,725	\$2,644.77	\$2,554.98	\$89.79	3.5%	\$0.00	\$87.10	\$0.00	\$0.00	\$0.00	\$2.69	

C & I Medium:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:			LIHEAP	GET	
							Base DAC	DAC	ISR			
(76)												
(77)	6,907	\$9,112.77	\$8,645.65	\$467.12	5.4%	\$0.00	\$453.11	\$0.00	\$0.00	\$0.00	\$14.01	
(78)	7,650	\$9,978.99	\$9,461.62	\$517.37	5.5%	\$0.00	\$501.85	\$0.00	\$0.00	\$0.00	\$15.52	
(79)	8,391	\$10,842.47	\$10,274.98	\$567.48	5.5%	\$0.00	\$550.46	\$0.00	\$0.00	\$0.00	\$17.02	
(80)	9,136	\$11,710.87	\$11,092.97	\$617.90	5.6%	\$0.00	\$599.36	\$0.00	\$0.00	\$0.00	\$18.54	
(81)	9,880	\$12,578.16	\$11,909.97	\$668.19	5.6%	\$0.00	\$648.14	\$0.00	\$0.00	\$0.00	\$20.05	
(82)	10,623	\$13,444.40	\$12,725.96	\$718.43	5.6%	\$0.00	\$696.88	\$0.00	\$0.00	\$0.00	\$21.55	
(83)	11,366	\$14,310.60	\$13,541.97	\$768.63	5.7%	\$0.00	\$745.57	\$0.00	\$0.00	\$0.00	\$23.06	
(84)	12,111	\$15,178.99	\$14,359.95	\$819.04	5.7%	\$0.00	\$794.47	\$0.00	\$0.00	\$0.00	\$24.57	
(85)	12,855	\$16,046.33	\$15,176.97	\$869.36	5.7%	\$0.00	\$843.28	\$0.00	\$0.00	\$0.00	\$26.08	
(86)	13,596	\$16,909.82	\$15,990.33	\$919.48	5.8%	\$0.00	\$891.90	\$0.00	\$0.00	\$0.00	\$27.58	
(87)	14,340	\$17,777.13	\$16,807.33	\$969.79	5.8%	\$0.00	\$940.70	\$0.00	\$0.00	\$0.00	\$29.09	

**National Grid - RI Gas
Distribution Adjustment Charge (DAC) Filing
Illustrative Bill Impact Analysis with Various Levels of Consumption**

C & I LLF Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:							
							Base DAC	DAC	ISR	EE	LIHEAP	GET		
(91)														
(92)														
(93)														
(94)														
(95)	37,587	\$45,497.22	\$44,559.50	\$937.72	2.1%	\$0.00	\$909.59	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28.13	
(96)	41,634	\$50,128.15	\$49,089.45	\$1,038.70	2.1%	\$0.00	\$1,007.54	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$31.16	
(97)	45,683	\$54,761.78	\$53,622.03	\$1,139.74	2.1%	\$0.00	\$1,105.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$34.19	
(98)	49,731	\$59,394.30	\$58,153.60	\$1,240.70	2.1%	\$0.00	\$1,203.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$37.22	
(99)	53,777	\$64,024.17	\$62,682.51	\$1,341.66	2.1%	\$0.00	\$1,301.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40.25	
(100)	57,825	\$68,656.72	\$67,214.07	\$1,442.65	2.1%	\$0.00	\$1,399.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$43.28	
(101)	61,873	\$73,289.32	\$71,745.68	\$1,543.64	2.2%	\$0.00	\$1,497.33	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$46.31	
(102)	65,920	\$77,920.20	\$76,275.60	\$1,644.60	2.2%	\$0.00	\$1,595.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$49.34	
(103)	69,967	\$82,551.71	\$80,806.13	\$1,745.58	2.2%	\$0.00	\$1,693.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52.37	
(104)	74,016	\$87,185.34	\$85,338.74	\$1,846.60	2.2%	\$0.00	\$1,791.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$55.40	
(105)	78,063	\$91,816.19	\$89,868.64	\$1,947.56	2.2%	\$0.00	\$1,889.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$58.43	

C & I HLF Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:							
							Base DAC	DAC	ISR	EE	LIHEAP	GET		
(106)														
(107)														
(108)														
(109)														
(110)	41,956	\$43,360.11	\$41,573.70	\$1,786.40	4.3%	\$0.00	\$1,732.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$53.59	
(111)	46,471	\$47,759.03	\$45,780.40	\$1,978.63	4.3%	\$0.00	\$1,919.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$59.36	
(112)	50,991	\$52,162.37	\$49,991.31	\$2,171.06	4.3%	\$0.00	\$2,105.93	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$65.13	
(113)	55,507	\$56,562.19	\$54,198.85	\$2,363.34	4.4%	\$0.00	\$2,292.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$70.90	
(114)	60,028	\$60,966.46	\$58,410.61	\$2,555.85	4.4%	\$0.00	\$2,479.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$76.68	
(115)	64,545	\$65,367.20	\$62,619.02	\$2,748.19	4.4%	\$0.00	\$2,665.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$82.45	
(116)	69,062	\$69,767.88	\$66,827.41	\$2,940.47	4.4%	\$0.00	\$2,852.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$88.21	
(117)	73,583	\$74,172.11	\$71,039.13	\$3,132.98	4.4%	\$0.00	\$3,038.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$93.99	
(118)	78,099	\$78,571.90	\$75,246.66	\$3,325.24	4.4%	\$0.00	\$3,225.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99.76	
(119)	82,619	\$82,975.30	\$79,457.61	\$3,517.69	4.4%	\$0.00	\$3,412.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105.53	
(120)	87,137	\$87,377.83	\$83,667.75	\$3,710.08	4.4%	\$0.00	\$3,598.78	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$111.30	

**National Grid - RI Gas
Distribution Adjustment Charge (DAC) Filing
Illustrative Bill Impact Analysis with Various Levels of Consumption**

C & I LLF Extra-Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:						
						GCR	Base DAC	ISR	EE	LIHEAP	GET	
(121)												
(122)												
(123)												
(124)												
(125)	233,835	\$211,282.83	\$203,327.62	\$7,955.22	3.9%	\$0.00	\$7,716.56	\$0.00	\$0.00	\$0.00	\$238.66	
(126)	259,019	\$233,370.52	\$224,558.53	\$8,811.99	3.9%	\$0.00	\$8,547.63	\$0.00	\$0.00	\$0.00	\$264.36	
(127)	284,197	\$255,453.50	\$245,784.96	\$9,668.55	3.9%	\$0.00	\$9,378.49	\$0.00	\$0.00	\$0.00	\$290.06	
(128)	309,381	\$277,541.12	\$267,015.79	\$10,525.33	3.9%	\$0.00	\$10,209.57	\$0.00	\$0.00	\$0.00	\$315.76	
(129)	334,562	\$299,626.46	\$288,244.43	\$11,382.03	3.9%	\$0.00	\$11,040.57	\$0.00	\$0.00	\$0.00	\$341.46	
(130)	359,745	\$321,713.31	\$309,474.58	\$12,238.72	4.0%	\$0.00	\$11,871.56	\$0.00	\$0.00	\$0.00	\$367.16	
(131)	384,928	\$343,800.18	\$330,704.70	\$13,095.47	4.0%	\$0.00	\$12,702.61	\$0.00	\$0.00	\$0.00	\$392.86	
(132)	410,110	\$365,886.31	\$351,934.12	\$13,952.19	4.0%	\$0.00	\$13,533.62	\$0.00	\$0.00	\$0.00	\$418.57	
(133)	435,293	\$387,973.14	\$373,164.17	\$14,808.97	4.0%	\$0.00	\$14,364.70	\$0.00	\$0.00	\$0.00	\$444.27	
(134)	460,471	\$410,056.15	\$394,390.65	\$15,665.51	4.0%	\$0.00	\$15,195.54	\$0.00	\$0.00	\$0.00	\$469.97	
(135)	485,655	\$432,143.78	\$415,621.51	\$16,522.27	4.0%	\$0.00	\$16,026.60	\$0.00	\$0.00	\$0.00	\$495.67	

C & I HLF Extra-Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:						
						GCR	Base DAC	ISR	EE	LIHEAP	GET	
(136)												
(137)												
(138)												
(139)												
(140)	486,528	\$386,631.07	\$368,122.95	\$18,508.12	5.0%	\$0.00	\$17,952.88	\$0.00	\$0.00	\$0.00	\$555.24	
(141)	538,924	\$427,601.83	\$407,100.50	\$20,501.33	5.0%	\$0.00	\$19,886.29	\$0.00	\$0.00	\$0.00	\$615.04	
(142)	591,320	\$468,571.77	\$446,077.27	\$22,494.51	5.0%	\$0.00	\$21,819.67	\$0.00	\$0.00	\$0.00	\$674.84	
(143)	643,718	\$509,543.97	\$485,056.14	\$24,487.82	5.0%	\$0.00	\$23,753.19	\$0.00	\$0.00	\$0.00	\$734.63	
(144)	696,109	\$550,510.46	\$524,029.61	\$26,480.85	5.1%	\$0.00	\$25,686.42	\$0.00	\$0.00	\$0.00	\$794.43	
(145)	748,506	\$591,481.95	\$563,007.86	\$28,474.08	5.1%	\$0.00	\$27,619.86	\$0.00	\$0.00	\$0.00	\$854.22	
(146)	800,903	\$632,453.46	\$601,986.14	\$30,467.32	5.1%	\$0.00	\$29,553.30	\$0.00	\$0.00	\$0.00	\$914.02	
(147)	853,294	\$673,419.89	\$640,959.51	\$32,460.38	5.1%	\$0.00	\$31,486.57	\$0.00	\$0.00	\$0.00	\$973.81	
(148)	905,692	\$714,392.07	\$679,938.42	\$34,453.65	5.1%	\$0.00	\$33,420.04	\$0.00	\$0.00	\$0.00	\$1,033.61	
(149)	958,088	\$755,362.08	\$718,915.22	\$36,446.86	5.1%	\$0.00	\$35,553.45	\$0.00	\$0.00	\$0.00	\$1,093.41	
(150)	1,010,485	\$796,333.60	\$757,893.49	\$38,440.11	5.1%	\$0.00	\$37,286.91	\$0.00	\$0.00	\$0.00	\$1,153.20	

**Testimony of
Oliveira & Allen**

DIRECT TESTIMONY

OF

JEFFREY D. OLIVEIRA

AND

JAMES H. ALLEN

Table of Contents

I. Introduction and Qualifications 1

II. Purpose of Testimony 4

III. Pension and PBOP Expense Reconciliation 4

IV. Conclusion 8

1 **I. Introduction and Qualifications**

2 **Q. Mr. Oliveira, please state your full name and business address.**

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

5

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

7 A. I am employed by National Grid USA Service Company, Inc. (the "Service Company")
8 as a Lead Revenue Requirement Analyst in the New England Regulation department.

9 The Service Company provides engineering, financial, administrative, and other technical
10 support to subsidiary companies of National Grid USA ("National Grid"). My current
11 duties include leading and overseeing the revenue requirement analyses and modeling
12 that support regulatory filings, regulatory strategies, and rate cases for National Grid's
13 distribution operations in New England, including The Narragansett Electric Company
14 (the "Company").

15

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

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

1 with increased responsibilities. In August of 2006, the Company acquired the Rhode
2 Island operations of Southern Union d/b/a New England Gas Company at which time I
3 joined the Service Company as a Senior Accounting Analyst. In January 2009, I became
4 a Senior Revenue Requirement Analyst in the Service Company's Strategy and
5 Regulation Department. In July 2011, I was promoted to my current position.

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

9 A. Yes. I have testified before the Rhode Island Public Utilities Commission (PUC) on
10 numerous occasions. I testified most recently in support of the Company's 2020 gas and
11 electric pension adjustment factor filings in Docket No. 5040 and Docket No. 5054,
12 respectively.

13
14 **Q. Mr. Allen, please state your full name and business address.**

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

17
18 **Q. By whom are you employed and in what position?**

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

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

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

14

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

16 A. Yes. I testified in support of the Company's 2020 gas and electric pension adjustment factor
17 filings in Docket No. 5040 and Docket No. 5054, respectively. I also testified before the
18 PUC in support of the Company's 2019 gas and electric pension adjustment factor filings
19 in Docket No. 4955 and Docket No. 4958, respectively.

1 **II. Purpose of Testimony**

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

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

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

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

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

13

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

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

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

1 In the Company’s 2012 Rate Case, the rate allowances for both Pension and PBOP were
2 established at then-current levels. In the Company’s general rate case filed in 2017 in
3 Docket No. 4770 (2017 Rate Case), the rate allowances for both Pension and PBOP were
4 established for each of the three years commencing September 1, 2018. The PAF is
5 based on the difference between the Company’s actual Pension and PBOP expense for
6 the prior 12-month period ended March 31, 2021 and the allowance included in base
7 distribution rates.

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

1 **Q. Has the Company performed this reconciliation for the 12-month period ending**
2 **March 2021?**

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

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

6 A. The Company's reconciliation indicates that it has under-recovered Pension expenses in
7 the amount of \$3,617,675 and under-recovered PBOP expenses in the amount of
8 \$966,494 for the 12 months ending March 2021 (Fiscal Year 2021). In addition, the
9 Minimum Funding Obligation was over-funded on a cumulative basis, resulting in no
10 carrying charge.
11

12 **Q. Did the Company experience a material change in the Pension and PBOP**
13 **expenses for FY 2021 due to the COVID crisis and its impact on the stock and bond**
14 **markets?**

15 A. Pension and PBOP expenses for FY 2021 reflect assets and liabilities measured at
16 March 31, 2020, the measurement date, using prevailing economic market conditions.
17 Since March 31, 2020 was just a few weeks into the COVID crisis, market conditions
18 impact FY 2021 expense in several ways that were outside of the Company's control.

1 First, the liabilities and service cost are required to be measured using rates of return on
2 high quality corporate bonds available as of the measurement date. As of March 31,
3 2020, corporate bond yields had declined significantly for the prior measurement date.
4 The Company used a discount rate of 3.65% to measure liabilities and service cost,
5 compared to 4.10% as of March 31, 2019 and 4.30% used in the projected estimated
6 expense rates in Docket No. 4770.

7
8 Second, the market value of assets declined significantly as of March 31, 2020. The
9 calculation of the Expected Return on Asset (“EROA”) component of expense, reflects
10 the asset values as of the measurement date. In addition, losses related to actual FY 2020
11 asset returns (compared to expected) impact the gain/loss amortization component of
12 expense in FY 2021.

13
14 Finally, long-term capital market assumptions by asset class are also a key input in the
15 EROA calculation. The first quarter 2020 capital market assumptions took into account
16 the preliminary long-term impact and volatility caused by the COVID crisis. As a result,
17 most asset classes saw a decline in expected long term returns resulting in overall lower
18 EROAs year over year.

19
20 It is important to note that assets, liabilities and assumptions are updated annually as of
21 the measurement date, March 31, unless there is a special event requiring an interim

1 remeasurement, such as a settlement, curtailment or plan amendment. As a result,
2 changes in market conditions, such as market performance, during FY 2021 are not
3 reflected in expense rates until FY 2022.

4

5 **IV. Conclusion**

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

7 **A. Yes.**

Narragansett Electric - Gas Operations
Pension/Post-Retirement Benefits Other Than Pension (PBOP) Costs
12 Months Ended March 31, 2021

		April 2020 - March 2021		
		Pension	PBOP	Total
		(a)	(b)	(c)
(1)	<u>Rate Allowance:</u>			
(2)	National Grid - RI Gas Pension/PBOP Costs Allowance	\$575,060	(\$1,856,234)	(\$1,281,174)
(3)	National Grid - Service Company/Other Affiliates Pension/PBOP Costs Allowance	\$1,487,933	\$631,210	\$2,119,143
(4)	Total Pension/PBOP Costs in Base Rates	\$2,062,994	(\$1,225,024)	\$837,970
(5)	<u>Expense Reconciliation:</u>			
(6)	Current Year actual Pension/PBOP Expense Direct	\$2,651,618	(\$810,976)	\$1,840,643
(7)	Current Year actual Service Company Pension/PBOP Expense	\$2,991,242	\$532,639	\$3,523,882
(8)	Current Year actual Affiliated Pension/PBOP Expense	\$37,808	\$19,806	\$57,614
(9)	Total Current Year Pension/PBOP Expense Including Service Company/Other Affiliates Expense	\$5,680,668	(\$258,530)	\$5,422,138
(10)	Current Year Pension/PBOP Expense Reconciliation	\$3,617,675	\$966,494	\$4,584,169
(11)	Funding Carrying Charge			\$0

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

**Narragansett Electric - Gas Operations
Pension Funding Carrying Charges
12 Months Ended March 31, 2021**

	(a) Annual Recovery Amount	(b) Mar-2020	(c) Jun-2020	(d) Sep-2020	(e) Dec-2020	(f) Mar-2021
<u>Customer Funding</u>						
(1) Base Rate Recovery:						
(2) Direct - Docket No. 4770 Rate Yr 2 (4/2020 - 8/2020)	\$782,833	\$195,708	\$195,708	\$130,472		
(3) Servco/Other Affiliates - Docket No. 4770 Rate Yr 2 (4/2020 - 8/2020)	\$1,707,521	\$426,880	\$426,880	\$284,587		
(4) Direct - Docket No. 4770 Rate Yr 3 (9/2020 - 3/2021)	\$426,651			\$35,554	\$106,663	\$106,663
(5) Servco/Other Affiliates - Docket No. 4770 Rate Yr 3 (9/2020 - 3/2021)	\$1,331,085			\$110,924	\$332,771	\$332,771
(6) PAF Surcharge Recovery:						
(7) Docket No. 4955	\$362,972	\$90,743	\$90,743	\$90,743	\$30,248	
(8) Docket No. 5040	\$35,485				\$5,914	\$8,871
(9) Pension Capitalized Amount:						
(10) Direct		\$551,899	\$471,085	\$543,190	\$537,401	\$499,284
(11) Servco/Other Affiliates		\$151,187	\$190,370	\$156,844	\$199,561	\$198,916
(12) Total Customer Funding:		\$1,416,417	\$1,374,786	\$1,352,314	\$1,212,557	\$1,146,505
(13) <u>Company Contributions</u> ¹		Jun-2020	Sep-2020	Dec-2020	Mar-2021	Jun-2021
(14) Pension		\$0	\$0	\$0	\$0	\$683,250
(15) Service Company Allocated Costs		\$578,068	\$617,250	\$552,354	\$532,332	\$531,687
(16) Total Contributions		\$578,068	\$617,250	\$552,354	\$532,332	\$1,214,937
(17) Under/(Over) Funding		\$838,350	\$757,536	\$799,959	\$680,225	(\$68,432)
(18) Cumulative Under/(Over) Funding - Pension		\$2,578,092	\$3,335,629	\$4,135,588	\$4,815,813	\$4,747,381
(19) Cumulative Under/(Over) Funding - PBOP		(\$7,026,550)	(\$7,633,620)	(\$8,244,072)	(\$8,497,771)	(\$8,576,939)
(20) Cumulative Under/(Over) Funding - Total		(\$4,448,458)	(\$4,297,992)	(\$4,108,484)	(\$3,681,957)	(\$3,829,558)
(21) Five Quarter Average						(\$4,073,290)
(22) Base for Carrying Charge (greater of line 22 or zero)						\$0
(23) Pre-tax WACC						8.41%
(24) Carrying Charge						\$0

¹-This amount represents dollars funded in the subsequent quarter

- (2) (a) Page 4 of 5, Line (3) (b)
- (2) (b) - (2) (c) Line (2) (a) ÷ 12 x 3
- (2) (d) Line (2) (a) ÷ 12 x 2
- (3) (a) Page 4 of 5, Line (7) (b)
- (3) (b) - (3) (c) Line (3) (a) ÷ 12 x 3
- (3) (d) Line (3) (a) ÷ 12 x 2
- (4) (a) Page 4 of 5, Line (4) (b)
- (4) (d) Line (4) (a) ÷ 12 x 1
- (4) (e) - (4) (f) Line (4) (a) ÷ 12 x 3
- (5) (a) Page 4 of 5, Line (8) (b)
- (5) (d) Line (5) (a) ÷ 12 x 1
- (5) (e) - (5) (f) Line (5) (a) ÷ 12 x 3
- (7) (a) Docket No. 4955 Schedule JDO/JHA-1, page 1 of 5, Line 10, column (a)
- (7) (b) - (7) (d) Line (7) (a) ÷ 12 x 3
- (7) (e) Line (7) (a) ÷ 12 x 1
- (8) (a) Docket No. 5040 Schedule JDO/JHA-1, page 1 of 5, Line 10, column (a)
- (8) (e) Line (8) (a) ÷ 12 x 2
- (8) (f) Line (8) (a) ÷ 12 x 3
- (10) (b) - (10) (f) Per Company Books
- (11) (b) - (11) (f) Per Company Books
- (12) (b) - (12) (f) Sum of Line (2) through Line (11)
- (14) Per Company Books
- (15) Line (3) + Line (5) + Line (11)
- (16) Line (14) + Line (15)
- (17) Line (12) - Line (16)
- (18) Line (17) + prior qtr Line (18)
- (19) Page 3 of 5, Line (18)
- (20) Line (18) + Line (19)
- (21) (f) Average of Line (20) column (b) through column (f)
- (22) (f) If Line 21 is greater than zero, Line 21 if not, zero
- (23) Page 5 of 5, Line (5) column (e)
- (24) Line (22) x Line (23)

**Narragansett Electric - Gas Operations
PBOP Funding - Carrying Charges
12 Months Ended March 31, 2021**

	(a) Annual Recovery Amount	(b) Mar-2020	(c) Jun-2020	(d) Sep-2020	(e) Dec-2020	(f) Mar-2021
<u>Customer Funding</u>						
(1) Base Rate Recovery:						
(2) Direct - Docket No. 4770 Rate Yr 2 (4/2020 - 8/2020)	(\$1,856,234)	(\$464,059)	(\$464,059)	(\$309,372)		
(3) Servco/Other Affiliates - Docket No. 4770 Rate Yr 2 (4/2020 - 8/2020)	\$631,210	\$157,803	\$157,803	\$105,202		
(4) Direct - Docket No. 4770 Rate Yr 3 (9/2020 - 3/2021)	(\$1,856,234)			(\$154,686)	(\$464,059)	(\$464,059)
(5) Servco/Other Affiliates - Docket No. 4770 Rate Yr 3 (9/2020 - 3/2021)	\$631,210			\$52,601	\$157,803	\$157,803
PAF Surcharge Recovery:						
(7) Docket No. 4955	(\$1,251,941)	(\$312,985)	(\$312,985)	(\$312,985)	(\$104,328)	
(8) Docket No. 5040	\$889,323				\$148,221	\$222,331
PBOP Capitalized Amount:						
(10) Direct		\$180,883	\$170,022	\$166,617	\$166,517	\$162,596
(11) Servco/Other Affiliates		\$50,301	\$67,581	\$47,390	\$58,502	\$56,875
(12) Total Customer Funding:		(\$388,058)	(\$381,638)	(\$405,235)	(\$37,346)	\$135,546
<u>Company Contributions¹</u>						
(14) PBOP		\$49	\$49	\$24	\$49	\$37
(15) Service Company Allocated Costs		\$208,104	\$225,383	\$205,192	\$216,304	\$214,677
(16)		\$208,152	\$225,432	\$205,217	\$216,353	\$214,714
(17) Under/(Over) Funding		(\$596,210)	(\$607,070)	(\$610,451)	(\$253,699)	(\$79,168)
(18) Cumulative Funding Under/(Over) Funding		(\$7,026,550)	(\$7,633,620)	(\$8,244,072)	(\$8,497,771)	(\$8,576,939)

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

- (2) (a) Page 4 of 5, Line (3) (c)
- (2) (b) - (2) (c) Line (2) (a) ÷ 12 x 3
- (2) (d) Line (2) (a) ÷ 12 x 2
- (3) (a) Page 4 of 5, Line (7) (c)
- (3) (b) - (3) (c) Line (3) (a) ÷ 12 x 3
- (3) (d) Line (3) (a) ÷ 12 x 2
- (4) (a) Page 4 of 5, Line (4) (c)
- (4) (d) Line (4) (a) ÷ 12 x 1
- (4) (e) - (4) (f) Line (4) (a) ÷ 12 x 3
- (5) (a) Page 4 of 5, Line (8) (c)
- (5) (d) Line (5) (a) ÷ 12 x 1
- (5) (e) - (5) (f) Line (5) (a) ÷ 12 x 3
- (7) (a) Docket No. 4955 Schedule JDO/JHA-1, page 1 of 5, Line 10, column (b)
- (7) (b) - (7) (d) Line (7) (a) ÷ 12 x 3
- (7) (e) Line (7) (a) ÷ 12 x 1
- (8) (a) Docket No. 5040 Schedule JDO/JHA-1, page 1 of 5, Line 10, column (b)
- (8) (e) Line (8) (a) ÷ 12 x 2
- (8) (f) Line (8) (a) ÷ 12 x 3
- (10) (b) - (10) (f) Per Company Books
- (11) (b) - (11) (f) Per Company Books
- (12) (b) - (12) (f) Sum of Line (2) through Line (11)
- (14) Per Company Books
- (15) Line (3) + Line (5) + Line (11)
- (16) Line (14) + Line (15)
- (17) Line (12) - Line (16)
- (18) Line (17) + prior qtr Line (18)

**Narragansett Electric - Gas Operations
Pension/PBOP Rate Allowance
12 Months Ended March 31, 2021**

	(a) Docket No.	(b) Total Rate Allowance		(d) # of Months	(e) Fiscal Year 2021 Rate Allowance		(f)
		Pension	PBOP		Pension	PBOP	
<u>Rate Allowance</u>							
(1) Base Rate Recovery:							
(2) Direct (Rate Year 1 - Sept 1, 2018 to Aug 31, 2019)	4770 Rate Yr 1	\$995,442	(\$1,856,234)	0	\$0	\$0	
(3) Direct (Rate Year 2 - Sept 1, 2019 to Aug 31, 2020)	4770 Rate Yr 2	\$782,833	(\$1,856,234)	5	\$326,180	(\$773,431)	
(4) Direct (Rate Year 3 - Sept 1, 2020 to Aug 31, 2021)	4770 Rate Yr 3	\$426,651	(\$1,856,234)	7	\$248,880	(\$1,082,803)	
(5) Direct Total					\$575,060	(\$1,856,234)	
(6) Servco/Other Affiliates (Rate Yr 1 - Sept 1, 2018 to Aug 31, 2019)	4770 Rate Yr 1	\$2,277,908	\$631,210	0	\$0	\$0	
(7) Servco/Other Affiliates (Rate Yr 2 - Sept 1, 2019 to Aug 31, 2020)	4770 Rate Yr 2	\$1,707,521	\$631,210	5	\$711,467	\$263,004	
(8) Servco/Other Affiliates (Rate Yr 3 - Sept 1, 2020 to Aug 31, 2021)	4770 Rate Yr 3	\$1,331,085	\$631,210	7	\$776,466	\$368,206	
(9) Servco/Other Affiliates - Total					\$1,487,933	\$631,210	
(10) Total Docket No. 4770-Rate Year 1	4770 Rate Yr 1	\$3,273,350	(\$1,225,024)		\$0	\$0	
(11) Total Docket No. 4770-Rate Year 2	4770 Rate Yr 2	\$2,490,354	(\$1,225,024)		\$1,037,648	(\$510,427)	
(12) Total Docket No. 4770-Rate Year 3	4770 Rate Yr 3	\$1,757,736	(\$1,225,024)		\$1,025,346	(\$714,597)	
(13)					\$2,062,994	(\$1,225,024)	

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

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

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

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

(4) (d) Column (c) x 21% ÷ (1 - 21%)

**Testimony of
Melissa A. Little**

PRE-FILED DIRECT TESTIMONY

OF

MELISSA A. LITTLE

Table of Contents

I. Introduction1

II. Purpose of Testimony2

III. Earnings Sharing Mechanism Results3

IV. Conclusion16

1 **I. Introduction**

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

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

5

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

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

14

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

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

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

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

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

14
15 **II. Purpose of Testimony**

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

17 A. Pursuant to the Distribution Adjustment Clause provision of the Company’s gas tariff,
18 R.I.P.U.C. NG-GAS No. 101, Section 3, Schedule A (“ESM Provision”), if there are any
19 excess earnings to be shared with customers, as I describe in more detail below, then any
20 customer share of those earnings will flow back to customers through the Distribution
21 Adjustment Charge (“DAC”). My testimony describes the Company’s gas earnings

1 subject to the Company’s earnings sharing mechanism (“ESM”) for the 12-month period
2 ending December 31, 2020 in accordance with Article II, Section 10 of the Docket No.
3 4770 Amended Settlement Agreement approved by the PUC on August 24, 2018.

4
5 **Q. Are there any schedules to your testimony?**

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

7 Schedule MAL-1 Calendar Year (“CY”) 2020 Gas Earnings Report
8

9 **III. Earnings Sharing Mechanism Results**

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

11 A. In the Company’s general rate case filed in 2006 in Docket No. 3401, Order No. 17381,
12 the PUC approved a settlement agreement between the Division of Public Utilities and
13 Carriers, The Energy Council of RI, and the Company (“Docket No. 3401 Settlement
14 Agreement”) that required the former New England Gas Company to file an earnings
15 sharing calculation, based on a 12-month period ending June 30, by September 1 of each
16 year as part of an incentive-based ESM. The Company assumed the obligations of the
17 Docket No. 3401 Settlement Agreement in connection with National Grid’s acquisition of
18 the regulated gas assets in Rhode Island from Southern Union Company (“Southern
19 Union”) in 2006. As part of the Company’s 2017 Rate Case and the resulting Amended
20 Settlement Agreement in that proceeding (“Docket No. 4770 Amended Settlement
21 Agreement”), the Company continues to file an Earnings Report consistent with and in a

1 form similar to that which the Company has been filing for several years, most recently in
2 Docket No. 4323 (“2012 Rate Case”), calculating gas regulatory earnings for the calendar
3 year. The Earnings Report is based on the Company’s gas annual report filed with the
4 PUC for the 12 months ending December 31.¹
5

6 **Q. Has the Company calculated the earned return on equity for CY 2020?**

7 A. Yes. The ESM Provision, Sheet 10, sub-part 5.0, requires earnings to be calculated each
8 year based on financial results for the 12-month period ending December 31. The
9 determination of earnings subject to the ESM is based on a benchmark return on equity of
10 9.275 percent as established in the Docket No. 4770 Amended Settlement Agreement.
11 The earnings sharing formula requires that any annual earnings over a 9.275 percent
12 return on equity, up to and including 100 basis points (10.275 percent), will be shared
13 with customers, with 50 percent to be credited to customers and 50 percent to be retained
14 by the Company. Any earnings in excess of a 10.275 percent return on equity will also
15 be shared with customers, with 75 percent to be credited to customers and 25 percent to
16 be retained by the Company. As discussed later in my testimony, the Company
17 calculated a return on equity for CY 2020 of 7.94 percent. As reflected on Schedule
18 MAL-1, Page 1, beginning on Line 17, the CY 2020 return on equity is below the 9.275
19 percent threshold, resulting in no excess earnings sharing with customers.

¹ The Company’s gas annual report for the 12 months ending December 31, 2020 was filed with the PUC on April 16, 2021, and the CY 2020 earnings sharing mechanism was filed on May 4, 2021 as part of Docket No. 4770.

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

2 A. In accordance with the Docket No. 3401 Settlement Agreement, the return on equity is
3 calculated by dividing the net income available for common equity by the common
4 equity applicable to rate base. *See* Docket No. 3401 Settlement Agreement at Section
5 II.F.1. In accordance with the Docket No. 4770 Amended Settlement Agreement, the
6 Company will show the calculation of the regulatory earned return on distribution rate
7 base and the earned return on distribution common equity, in two ways (“*See* Docket
8 No. 4770 Amended Settlement Agreement at Section II.C.10.”):

- 9 (1) Earnings including all Performance Incentives earned for the applicable calendar
10 year will be calculated by dividing the net income available for common equity
11 including incentives (“Actual Total Earnings”), by the common equity applicable
12 to rate base.
- 13 (2) Earnings excluding all Performance Incentives earned for the applicable calendar
14 year will be calculated by dividing the net income available for common equity as
15 shown on Schedule MAL-1, Page 2 (“Base Earnings”), by the common equity
16 applicable to rate base.

17

18 Performance Incentives refers to each of the following incentives:

- 19 (1) Energy Efficiency Program incentive;
- 20 (2) The Company’s share of any incentive earned pursuant to the Natural Gas
21 Portfolio Management Plan recorded during the calendar year;

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

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

11 A. The Company calculated net income available for common equity based on operating
12 income for CY 2020, less applicable interest, and adjusted to reflect established PUC
13 ratemaking principles. The Company's calculation of net income available for common
14 equity is set forth in Schedule MAL-1, Page 2. As shown on Line 42 of that page, for CY
15 2020, the Company calculated net income available for common equity of \$40,200,276.
16

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

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

1 income/expense. The miscellaneous service revenues largely consist of credits to
2 customers for gas bill disputes. This is reflected as a \$52,347 decrease to other
3 revenues on Page 2, Line 4. (Schedule MAL-1, Page 14, Line 21)

4 (5) Interest on Customer Arrears: The Company removes interest accrued on
5 customer arrearage accounts from Account 419 – interest and dividend income –
6 and instead adds such interest to other revenues on Page 2, Line 4, resulting in an
7 increase to other revenues of \$129,393. (Schedule MAL-1, Page 14, Line 22)

8 (6) Inventory Financing: The Company has removed stored gas inventory from rate
9 base and eliminated carrying costs on stored gas inventory from revenues. This
10 resulted in a decrease to operating revenues of \$1,052,062, representing the
11 amount of stored gas inventory carrying costs recorded as revenue during CY
12 2020, as shown on Page 2, Line 8. (Schedule MAL-1, Page 14, Line 25)

13 *Expense Adjustments:*

14 (1) Aquidneck Island Event Expense: The Company excluded incremental costs
15 associated with the Aquidneck Island Gas Service Interruption that occurred on
16 January 21, 2019 from its calculation of CY 2020 net income on Page 2. This
17 adjustment resulted in a decrease to total operating expense of \$194,583,
18 comprised of a \$52,339 decrease to distribution expense on Page 2, Line 15, and a
19 \$142,244 decrease to administrative and general expense on Page 2, Line 18.
20 (Schedule MAL-1, Page 14, Sum of Lines 39 and 53).

21

1 As of this point in time, the Company's specific course for recovery of Aquidneck
2 event-related costs has yet to be determined and could potentially come from a
3 variety of sources, insurance proceeds being one example. As such, the Company
4 has taken a conservative approach in excluding the incremental Aquidneck event-
5 related costs from its calculation of CY 2019 and CY 2020 earnings; however,
6 this approach should not be interpreted as the Company forfeiting its right to
7 petition for cost recovery of any unremunerated expenses in the future.

8
9 (2) Bad Debt Write-Offs: Bad debt expense is recorded in the Company's general
10 ledger based on the Company's best estimate during the year of amounts billed to
11 customers that will eventually become uncollectible. The Company recovers bad
12 debt expense from customers based on actual bad debt write-offs net of recoveries
13 rather than the Company's recorded estimates of bad debt expense. Accordingly,
14 the Customer Accounts expense on Page 2, Line 16 includes bad debt expense
15 and was decreased by \$12,693,131 to reflect actual bad debt net write-offs during
16 the year. (Schedule MAL-1, Page 14, Sum of Lines 44 and 45)

17 (3) Advertising Expense: The Company has removed \$254,395 of sales and
18 advertising expenses, as shown on Page 2, Line 17. (Schedule MAL-1, Page 14,
19 Line 49)

20 (4) Variable Pay: The Company has reduced Administrative and General expense on
21 Page 2, Line 18 by \$242,300 to remove a portion of variable pay consistent with

1 the way this cost is excluded for ratemaking. (Schedule MAL-1, Page 14, Line
2 54)

3 (5) Company's portion of Service Company Excess Deferred Income Taxes: In
4 Docket No. 4770, Service Company excess deferred income tax amortization was
5 reflected in operating & maintenance expense as a component of Service
6 Company rent expense. The Company's portion of Service Company excess
7 deferred income tax amortization totaled \$722,508, shown in Docket No. 4770
8 Second Compliance Attachment 31 at Page 1, as \$39,878 from Column (a) plus
9 10 months of the \$819,156 increase from Column (c). This adjustment is
10 reflected on Page 2, Line 18. (Schedule MAL-1, Page 14, Line 55)

11
12 **Q. How did the Company calculate federal income tax on operating income?**

13 A. The Company multiplied its taxable operating income by the federal income tax rate of
14 21 percent for CY 2020, as shown on Schedule MAL-1, Page 3, Line 20. The Company
15 has also included an adjustment to reduce tax expense for the amortization of excess
16 deferred income taxes generated by the federal tax rate reduction from 35 percent to 21
17 percent pursuant to the Tax Cuts and Jobs Act effective January 1, 2018 which is
18 discussed later in my testimony.

19
20 **Q. How did the Company calculate long-term debt interest, short-term debt interest,
21 and preferred stock dividends?**

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

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

3
4 Further, the Docket No. 3401 Settlement Agreement requires the Company to use the
5 actual cost of long-term debt and the most recent 12-month average cost of short-term
6 debt in its earnings calculation. Therefore, as shown on Schedule MAL-1, Page 4, the
7 Company computed the cost of long-term debt by multiplying rate base applicable to
8 long-term debt by the Company's actual long-term debt rate applicable to the gas
9 business for CY 2020, or 4.48 percent, as calculated on Page 10. Likewise, the
10 Company computed the cost of short-term debt by multiplying rate base applicable to
11 short-term debt by the 12-month average cost of short-term debt, or 2.09 percent, as
12 calculated on Page 11. This short-term debt rate assumes average monthly National Grid
13 money pool rates as applied to the Company's monthly outstanding short-term debt
14 balances for CY 2020. Finally, the Company computed the cost of preferred stock by
15 multiplying rate base applicable to preferred stock by the cost rate of 4.50 percent
16 established in the Docket No. 4770 Amended Settlement Agreement.

17

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

2 A. As required by the Docket No. 3401 Settlement Agreement, average rate base is to be
3 based on a five-quarter average. The CY 2020 rate base is set forth in Schedule MAL-1,
4 Page 5. *See* Docket No. 3401 Settlement Agreement at Section II.F.1. The Company
5 excluded from rate base environmental response costs, asset retirement obligations, and
6 prepaid taxes. However, the Company included construction-work-in-progress in rate
7 base. Consistent with prior Earnings Reports, the Company computed the working
8 capital allowance pursuant to the method approved in Docket No. 3943, at Order No.
9 19563, as shown on Schedule MAL-1, Page 6. Effective September 1, 2018, the deferred
10 debits in rate base include the book value of GIS Smallworld, which is amortized
11 annually at \$426,180. The Company also excluded stored gas inventory and customer
12 deposits from the rate base calculation. In addition, a hold harmless rate base credit is
13 included as a reduction to rate base as well as amortization of excess deferred income
14 taxes which reduces the Company's accumulated deferred income tax liability, therefore,
15 increasing rate base.

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

17 A. Effective December 31, 2017, the Company restated its deferred tax balances based on
18 the new 21 percent federal income tax rate because the Company will be paying income
19 taxes as the book/tax timing differences reverse at that 21 percent federal income tax rate.
20 However, because deferred taxes are an offset to rate base, reducing the deferred tax

1 balances based on the 21 percent federal income tax rate has the effect of artificially
2 increasing rate base. To counteract this artificial increase to rate base, a new line item
3 called Excess Deferred Income Taxes has been included in the rate base calculation
4 reflecting the value of the decrease to accumulated deferred income taxes as of
5 December 31, 2017. These excess deferred income taxes represent the net benefit as of
6 December 31, 2017 that will eventually be earned by the Company through reduced
7 future income taxes, and ultimately returned to customers through base distribution rates,
8 pursuant to the Docket No. 4770 Amended Settlement Agreement. As the return of
9 excess deferred income taxes to customers commenced with new base rates on September
10 1, 2018, the rate base calculation includes the cumulative quarterly amortization of the
11 excess deferred income tax balance in the CY 2020 calculation of rate base.

12
13 **Q. What is the “hold harmless” adjustment the Company has made to its rate base**
14 **calculation?**

15 A. As a result of National Grid’s purchase of the regulated gas assets in Rhode Island from
16 Southern Union in 2006, the Company realized a tax basis step-up for the assets acquired.
17 This step-up in tax basis resulted in a total tax basis for the assets acquired, which
18 equaled the net book basis for those same assets. Consequently, at the time of
19 acquisition, the Company’s book/tax timing difference, which gives rise to deferred tax
20 liabilities, was equal to zero. Therefore, the Company recorded no accumulated deferred
21

1 taxes on its balance sheet. Effective with Southern Union ownership in 2000, all deferred
2 tax provisions associated with New England Gas Company operations were recorded on
3 the books of the parent company and not on the balance sheet of New England Gas
4 Company. However, commencing with the National Grid acquisition of New England
5 Gas Company from Southern Union on August 24, 2006, the Company began recording
6 deferred tax liabilities, due primarily to the difference in book versus tax depreciation
7 rates. The Company will continue to record deferred tax provisions related to the assets
8 acquired, as well as on investments in Company assets post-acquisition. Therefore, the
9 Company's CY 2020 general ledger reflects actual deferred tax provisions recorded by
10 the Company through December 31, 2020, as reflected on Schedule MAL-1, Page 5, Line
11 16.

12
13 Consequently, the hold harmless adjustment, reflected on Schedule MAL-1, Page 5, Line
14 19, is associated with National Grid's purchase of the regulated gas assets in Rhode
15 Island from Southern Union. This hold harmless adjustment provides customers an
16 economically equivalent rate base credit to offset the rate base increase that resulted from
17 National Grid's asset purchase, as agreed to and approved by the PUC in the 2007
18 Earnings Report in Docket No. 3859. Schedule MAL-1, Page 13 demonstrates the annual
19 values of the hold harmless rate base adjustment, as approved in Docket No. 3859.

20

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

2 A. In accordance with the capital structure approved in the Docket No. 4770 Amended
3 Settlement Agreement, the Company multiplied the five-quarter average rate base at
4 December 31, 2020, as I discussed earlier, by 50.95 percent to determine common equity
5 applicable to rate base of \$506,031,617, as shown on Schedule MAL-1, Page 4.
6

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

8 A. Schedule MAL-1, Page 1, calculates the earnings to be shared with customers based on
9 the sharing percentages required in the ESM Provision. Lines 1 through 3 summarize the
10 calculation of average common equity. Line 5 is the Actual Total Earnings as described
11 above, and Line 6 is the return on common equity including all performance incentives
12 for CY 2020, or 8.15 percent. Lines 9 through 11 show the dollar value and earnings
13 impact of each of the Company's incentives earned in CY 2020. Line 14 is the Base
14 Earnings as described above, and Line 15 is the return on common equity excluding
15 performance incentives for CY 2020, or 7.94 percent. Because Line 15 is less than 9.275
16 percent, the earned return on common equity for CY 2020 does not exceed the threshold
17 above which the Company's regulated earnings are shared with customers. Therefore,
18 there are no earnings available to be shared with customers associated with CY 2020
19 Base Earnings.
20

1 IV. Conclusion

2 Q. Does this conclude your testimony?

3 A. Yes.

Schedule MAL-1
CY 2020 Gas Earnings Report

National Grid - RI Gas
Gas Earnings Sharing Mechanism
For the Twelve Months ended December 31, 2020

Table of Contents

Gas Earnings Sharing Mechanism	1
Income Statement	2
Federal Income Tax Calculation	3
Applicable Capital Structure, Interest Expense and Preferred Dividends	4
Rate Base	5
Cash Working Capital Calculation	6
Detail Other Revenue/(Expense)	7
Detail Other Interest Expense	8
Detail Non-Operating Income / (Expense)	9
Calculation of Average Long-Term Debt Interest Rate	10
Calculation of Average Short-Term Debt Interest Rate	11
Merger Hold Harmless Rate Base Credit	12
Projected Deferred Tax Schedule	13
Reconciliation of Gas Earnings Sharing Mechanism to Annual Report	14

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
CY 2020 Gas Earnings Report
Schedule MAL-1
August 2, 2021
Page 1 of 14

National Grid - RI Gas
Gas Earnings Sharing Mechanism
For the Twelve Months ended December 31, 2020

1	Average Rate Base	\$993,192,574	
2	Equity Component of Rate Base	50.95%	
3	Average Common Equity	<u>\$506,031,617</u>	
4			
5	Actual Total Earnings	\$41,254,050	
6	Return on Common Equity with Incentives	8.15%	
7			
8	Less incentives:		
9	Energy Efficiency shareholder incentive	\$366,449	0.07%
10	Natural Gas Portfolio Management Plan	\$687,325	0.14%
11	Gas Procurement Incentive Plan	<u>\$0</u>	0.00%
12		\$1,053,774	
13			
14	Base Earnings	\$40,200,276	
15	Return on Common Equity without Incentives	<u>7.94%</u>	
16			
17	Return on Equity > 9.275% and < 10.275%	0.00%	
18	Earnings to be Shared	<u>\$0</u>	
19	Earnings to Customers - 50%	<u>\$0</u>	
20			
21	Return on Equity > 10.275%	0.00%	
22	Earnings to be Shared	<u>\$0</u>	
23	Earnings to Customers - 75%	<u>\$0</u>	
24			
25	Total After tax Earnings Credited to Customers	<u><u>\$0</u></u>	
26			
27	Total Earnings Credited to DAC	<u><u>\$0</u></u>	

Notes:

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

National Grid - RI Gas
Income Statement
For the Twelve Months ended December 31, 2020

	<u>Income Statement</u> (a)	<u>Adjustments</u> (b)	<u>2020</u> (c)
1 <u>Operating Revenues</u>			
2 Total Firm Gas	\$365,216,262	(\$3,222,481)	\$361,993,781
3 Transportation	\$49,159,755	(\$157,730)	\$49,002,025
4 Other Revenues	<u>\$25,545,525</u>	<u>\$2,206,748</u>	<u>\$27,752,273</u>
5 Total Operating Revenues	<u>\$439,921,542</u>	<u>(\$1,173,463)</u>	<u>\$438,748,079</u>
6			
7 <i>Adjustment to Operating Revenue:</i>			
8 Inventory Financing		(\$1,052,062)	(\$1,052,062)
9 Total Adjusted Operating Revenues	<u>\$439,921,542</u>	<u>(\$2,225,525)</u>	<u>\$437,696,017</u>
10			
11 <u>Operating Expenses</u>			
12 Production (Gas Costs)	\$155,621,869		\$155,621,869
13 Storage	\$3,288,544		\$3,288,544
14 Transmission	\$3,885,327		\$3,885,327
15 Distribution	\$27,878,418	(\$52,339)	\$27,826,079
16 Customer Accounts	\$51,200,391	(\$12,693,131)	\$38,507,260
17 Sales	\$254,397	(\$254,397)	\$0
18 Administrative and General	<u>\$50,328,560</u>	<u>(\$1,107,052)</u>	<u>\$49,221,508</u>
19 Total Operating Expenses	<u>\$292,457,505</u>	<u>(\$14,106,918)</u>	<u>\$278,350,587</u>
20			
21 <u>Other Expenses</u>			
22 Depreciation and Amortization	\$44,622,779		\$44,622,779
23 Local and Other Taxes	\$30,993,002		\$30,993,002
24 Revenue Related Taxes (Gross Earnings Tax - GET)	\$12,808,581		\$12,808,581
25 Federal Income Taxes @ 21%	\$6,874,757	\$2,388,928	\$9,263,685
26 Total Other Expenses	<u>\$95,299,120</u>	<u>\$2,388,928</u>	<u>\$97,688,047</u>
27			
28 <u>Income Before Interest Expense</u>	<u>\$52,164,917</u>	<u>\$9,492,466</u>	<u>\$61,657,383</u>
29			
30 <u>Interest Expense</u>			
31 Other Income/Expenses	(\$1,243,993)	\$1,243,993	\$0
32 Short-Term Debt	\$0	\$124,546	\$124,546
33 Long-Term Debt	\$1,946,340	\$19,567,006	\$21,513,346
34 Other Interest Expense	\$393,934	(\$349,231)	\$44,704
35 AFUDC	<u>(\$270,182)</u>		<u>(\$270,182)</u>
36 Total Interest Expense	<u>\$826,099</u>	<u>\$20,586,314</u>	<u>\$21,412,413</u>
37			
38 <u>Net Income / (Loss)</u>	<u>\$51,338,818</u>	<u>(\$11,093,849)</u>	<u>\$40,244,970</u>
39			
40 Preferred Dividends		\$44,694	\$44,694
41			
42 <u>Net Income / (Loss) Applicable to Common Equity</u>	<u>\$51,338,818</u>	<u>(\$11,138,542)</u>	<u>\$40,200,276</u>

Notes:

- (a) From Company Financial Statements
- 1(b)-19(b) From Page 14 of 14
- (c) (a) + (b)
- 4 From Page 7 of 14 line 27
- 23 From Page 6 of 14 line 3 through 5
- 24 From Page 6 of 14 line 6
- 25 From Page 3 of 14 line 24
- 31 From Page 9 of 14 line 25
- 32 From Page 4 of 14 line 25(b)
- 33 From Page 4 of 14 line 17(b)
- 34 From Page 8 of 14 line 3
- 40 From Page 4 of 14 line 34(b)

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
CY 2020 Gas Earnings Report
Schedule MAL-1
August 2, 2021
Page 3 of 14**

**National Grid - RI Gas
Federal Income Tax Calculation
For the Twelve Months ended December 31, 2020**

1	Operating Revenues	\$437,696,017
2		
3	Less:	
4		
5	Operating Expenses	\$278,350,587
6	Depreciation and Amortization	\$44,622,779
7	Local and Other Taxes	\$30,993,002
8	Revenue Related Taxes (GET)	\$12,808,581
9	Interest - Short-Term Debt	\$124,546
10	Interest - Long-Term Debt	\$21,513,346
11	Other Interest	\$44,704
12	AFUDC	<u>(\$270,182)</u>
13		
14	Total Deductions	<u>\$388,187,363</u>
15		
16	Taxable Income	\$49,508,654
17		
18	Federal Income Tax Rate	<u>21.00%</u>
19		
20	Imputed Federal Income Tax Expense	\$10,396,817
21		
22	Amortization of EDIT	(\$1,133,133)
23		
24	Net Federal Income Tax Expense	<u><u>\$9,263,685</u></u>

Notes:

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

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
CY 2020 Gas Earnings Report
Schedule MAL-1
August 2, 2021
Page 4 of 14

National Grid - RI Gas
Applicable Capital Structure, Interest Expense and Preferred Dividends
For the Twelve Months ended December 31, 2020

	%	\$
	(a)	(b)
1		\$993,192,574
2		
3		
4		
5	<u>Docket 4770</u>	
6	0.60%	\$5,959,155
7	48.35%	\$480,208,610
8	0.10%	\$993,193
9	50.95%	\$506,031,617
	<u>100.00%</u>	<u>\$993,192,574</u>
10		
11		
12		
13	48.35%	\$480,208,610
14		
15	Cost of Long-Term Debt December 2020	4.48%
16		
17	Proforma Long-Term Debt Interest	<u>\$21,513,346</u>
18		
19		
20		
21	0.60%	\$5,959,155
22		
23	Cost of Short-Term Debt December 2020	2.09%
24		
25	Proforma Short-Term Debt Interest	<u>\$124,546</u>
26		
27		
28		
29		
30	0.10%	\$993,193
31		
32	Cost of Preferred Stock	4.50%
33		
34	Proforma Preferred Stock	<u>\$44,694</u>

Notes:

- 1(b) From Page 5 of 14 line 24(f)
- 5(a)-8(a) Docket 4770 Compliance Filing dated August 16, 2018, Compliance Filing Attachment 2, Schedule 1-GAS, Page 4
- 5(b)-8(b) Line 1(b) times line 5(a) through line 8(a)
- 13 Line 1(b) times line 13(a)
- 15 From Page 10 of 14 line 15(g)
- 17 Line 13(b) times line 15(b)
- 21 Line 1(b) times line 21(a)
- 23 From Page 11 of 14 line 14(b)
- 25 Line 21(b) times line 23(b)
- 30 Line 1(b) times line 30(a)
- 32 Docket 4770 Compliance Filing dated August 16, 2018, Compliance Attachment 2, Schedule 1-GAS, Page 4, Line 5
- 34 Line 30(b) times line 32(b)

National Grid - RI Gas
Rate Base
For the Twelve Months ended December 31, 2020

	December 2019 (a)	March 2020 (b)	June 2020 (c)	September 2020 (d)	December 2020 (e)	5 Quarter Average December 2020 (f)
1 Gas Plant In Service	\$1,413,654,374	\$1,430,922,859	\$1,489,752,633	\$1,514,308,654	\$1,592,176,337	\$1,488,162,971
2 CWIP	\$80,032,223	\$95,786,546	\$85,475,481	\$110,040,568	\$72,357,430	\$88,738,450
3 Less: Accumulated Depreciation	\$420,277,455	\$427,790,937	\$434,384,429	\$441,405,437	\$447,577,999	\$434,287,251
4 Less: Contribution in Aid of Construction	\$38	\$38	\$38	\$38	\$38	\$38
5						
6 Net Plant	\$1,073,409,104	\$1,098,918,430	\$1,140,843,647	\$1,182,943,747	\$1,216,955,730	\$1,142,614,132
7						
8 Materials and Supplies	\$4,814,716	\$4,314,297	\$4,611,892	\$3,897,918	\$4,227,699	\$4,373,305
9 Prepaid Expenses, Excluding Taxes	\$4,736	\$693,233	\$421,005	\$481,128	\$1,224,446	\$564,910
10 Deferred Debits	\$1,260,729	\$1,154,184	\$1,047,639	\$941,094	\$834,549	\$1,047,639
11 Unamortized debt expense and Interest Rate Lock	\$1,903,731	\$2,042,432	\$2,838,173	\$2,780,851	\$2,723,530	\$2,457,743
12 Cash Working Capital	\$29,509,617	\$29,081,967	\$29,081,967	\$29,081,967	\$29,081,967	\$29,167,497
13						
14 Subtotal	\$37,493,529	\$37,286,113	\$38,000,676	\$37,182,958	\$38,092,191	\$37,611,093
15						
16 Accumulated Deferred FIT	\$106,427,898	\$110,366,797	\$115,033,649	\$117,792,981	\$119,314,303	\$113,787,125
17 Excess Deferred Tax	\$58,151,908	\$58,151,908	\$58,151,908	\$58,774,217	\$58,852,072	\$58,416,402
18 Excess Deferred Tax Amortization	(\$2,400,119)	(\$2,705,425)	(\$2,952,047)	(\$3,198,669)	(\$3,533,252)	(\$2,957,902)
19 Hold Harmless	\$17,005,095	\$16,408,103	\$15,811,112	\$15,214,120	\$14,617,129	\$15,811,112
20 Customer Deposits	\$2,060,983	\$2,005,287	\$1,981,563	\$1,947,232	\$1,884,503	\$1,975,914
21						
22 Subtotal	\$181,245,764	\$184,226,670	\$188,026,185	\$190,529,882	\$191,134,755	\$187,032,651
23						
24 Rate Base	\$929,656,869	\$951,977,873	\$990,818,138	\$1,029,596,824	\$1,063,913,166	\$993,192,574

Notes:

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

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
CY 2020 Gas Earnings Report
Schedule MAL-1
August 2, 2021
Page 6 of 14

National Grid - RI Gas
Cash Working Capital Calculation
For the Twelve Months ended December 31, 2020

1	Gas Costs	\$155,621,869
2	Operating Expenses	\$122,728,718
3	Payroll Taxes	\$2,876,186
4	Property Taxes	\$28,109,530
5	State Taxes Other	\$7,286
6	Revenue Related Taxes (GET)	\$12,808,581
7	Total	\$322,152,170
8		
9	Daily Cash Requirement	\$882,609
10		
11	Net Lag Days	32.95
12		
13	Total Working Capital	\$29,081,967

Notes:

- 1 From Page 2 of 14 line 12(c)
- 2 From Page 2 of 14 line 13(c) through 18(c)
- 3-5 From Page 2 of 14 line 23(c)
- 6 From Page 2 of 14 line 24(c)
- 7 Sum of Line 1 through Line 6
- 9 Line 7 divided by 365 days
- 11 Per Docket No. 4770, Compliance Filing dated August 16, 2018,
Compliance Attachment 2, Schedule 42,
(Page 3 of 29, Line 18 - Page 2 of 29, Line 1)
- 13 Line 9 times line 11

National Grid - RI Gas
Detail Other Revenue/(Expense)
For the Twelve Months ended December 31, 2020

	<u>Income Statement</u>	<u>Adjustments</u>	<u>2020</u>
	(a)	(b)	(c)
1 Rent from Gas Property	\$1,974,400		\$1,974,400
2			
3 Other Revenue	(\$5,798,664)		(\$5,798,664)
4			
5 Excess Sharing	(\$5,222,107)	\$5,222,107	\$0
6			
7 RDM Revenue	\$16,906,627		\$16,906,627
8 Unbilled RDM Revenue		\$746,945	\$746,945
9 Energy Efficiency Shareholder Incentives		(\$366,449)	(\$366,449)
10			
11 Other Revenue - Off System Gas Sales	\$5,802,926	(\$5,802,926)	\$0
12			
13 Other Gas Rev Contract Sharing	\$106,506	(\$106,506)	\$0
14			
15 Other Deferred Revenue	\$14,253,773	(\$6,772,603)	\$7,481,170
16 LIHEAP Revenue		\$6,772,603	\$6,772,603
17			
18 DAC Revenue	(\$2,511,888)		(\$2,511,888)
19 Unbilled DAC Revenue		\$2,436,531	\$2,436,531
20			
21 Recovery of Supervision & Administrative Costs	(\$18,396)		(\$18,396)
22			
23 Misc Revenue	\$52,347	(\$52,347)	\$0
24			
25 Interest on Customer Arrears		\$129,393	\$129,393
26			
27 Total Other Revenue	<u>\$25,545,525</u>	<u>\$2,206,748</u>	<u>\$27,752,273</u>

Notes:

- (a) From Company Financial Statements
- (b) From Page 14 of 14
- (c) (a) + (b)

National Grid - RI Gas
Detail Other Interest Expense
For the Twelve Months ended December 31, 2020

		<u>Income Statement</u>	<u>Adjustments</u>	<u>2020</u>
		(a)	(b)	(c)
1	Interest on Customer Deposits	\$393,934	(\$349,231)	\$44,704
2				
3	Total Other Interest Expense	\$393,934	(\$349,231)	\$44,704

Notes:

- (a) From Company Financial Statements
- (b) (c) - (a)
- (c) Interest on Customer Deposits

National Grid - RI Gas
Detail Non-Operating Income / (Expense)
For the Twelve Months ended December 31, 2020

	<u>Income Statement</u>	<u>Adjustments</u>	<u>2020</u>
	(a)	(b)	(c)
1 Donations	(\$279,496)		(\$279,496)
2			
3 Deferred Compensation - Life Insurance	(\$581)		(\$581)
4			
5 Penalties	(\$486,837)		(\$486,837)
6			
7 Lobbying / Legal and Political Expense	(\$199,486)		(\$199,486)
8			
9 Federal Income Taxes on Non-Operating Income	\$0		\$0
10			
11 Revenue from Non-Utility Operations	\$120,230		\$120,230
12 Expenses of Non-Utility Operations	(\$81,897)	\$81,897	\$0
13 Share Awards		(\$81,897)	(\$81,897)
14			
15 Interest on Over / (Under) Collections, primarily Deferred Gas Costs	\$464,139		\$464,139
16 CSS Revenue - Customer Arrears		(\$129,393)	(\$129,393)
17			
18 Misc Non-Operating Income	\$209,453		\$209,453
19 Miscellaneous Service Revenues		\$52,347	\$52,347
20			
21 Other Deductions	\$1,498,467		\$1,498,467
22			
23 Zero out Non-Operating Income / (Expense)	<u> </u>	(\$1,166,948)	(\$1,166,948)
24			
25 Total Non-Operating Income/(Expense)	<u><u>\$1,243,993</u></u>	<u><u>(\$1,243,993)</u></u>	<u><u>\$0</u></u>

Notes:

- (a) From Company Financial Statements
- 16(b) Reclass Interest on Customer Arrears to Other Revenue on Page 7 of 14, line 25(b)
- 19(b) Reclass Miscellaneous Service Revenues from Other Revenue on Page 7 of 14, line 23(b)
- 23(b) (Sum of Lines 1(a) through 21(b)) * -1
- (c) (a) + (b)

National Grid - RI Gas
Calculation of Average Long-Term Debt Interest Rate
For the Twelve Months ended December 31, 2020

Series	Percent (a)	Due (b)	Amount (c)	Annual Interest (d)	Annual Amortization of DD&E (e)	Total Expense (f)	Cost of Debt (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							

Notes:

- 1-11 From Financial Statements
- 13 Sum of Lines 1-11
- 14(c) Line 13 * Line 14(a)
- 14(d) Sum of Lines 2(d) through 6(d) * Line 14(a) / Sum of Lines 2(c) through 6(c)
- 14(e) Sum of Lines 2(e) through 6(e) * Line 14(a) / Sum of Lines 2(c) through 6(c)
- 15(c)-15(e) Line 16 + Line 17
- 16(c)-16(e) Sum of Lines 8 through 11
- 17(c)-17(e) Sum of Lines 2 through 6, - Line 14
- (f) (d) + (e)
- (g) (f) / (c)

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

National Grid - RI Gas
Calculation of Average Short-Term Debt Interest Rate
For the Twelve Months ended December 31, 2020

		(a)	(b)	(c)
	<u>Month</u>	Average Short-Term <u>Debt Balance</u>	Weighted <u>Cost Rate</u>	Short-Term <u>Interest Expense</u>
1	Jan-20	\$139,044,928	2.18%	\$244,776
2	Feb-20	\$142,250,521	2.01%	\$223,647
3	Mar-20	\$232,682,175	1.97%	\$375,623
4	Apr-20	\$82,848,299	2.36%	\$194,121
5	May-20	\$0	1.85%	\$0
6	Jun-20	\$0	1.03%	\$0
7	Jul-20	\$0	0.37%	\$0
8	Aug-20	\$0	0.25%	\$0
9	Sep-20	\$0	0.18%	\$0
10	Oct-20	\$0	0.47%	\$0
11	Nov-20	\$0	0.18%	\$0
12	Dec-20	\$0	0.20%	\$0
13				
14	Average	\$49,735,494	2.09%	\$1,038,167

Notes:

- Average amounts represent The Narragansett Electric Company consolidated
- 1(a)-12(a) amounts as the Gas division is not a legal entity and participates in the National Grid money pool as a division of The Narragansett Electric Company.
- 14(b) Line 14 (c) divided by Line 14 (a)

National Grid - RI Gas
Merger Hold Harmless Rate Base Credit
For the Twelve Months ended December 31, 2020

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Schedule MAL-11-GAS
Page 9 of 23

The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Test Year Ending June 31, 2017 through Rate Year 1 Ending August 31, 2019

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

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Schedule MAL-11-GAS
Page 10 of 23

The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Rate Year 1 Ending August 31, 2019 through Data Year 2 Ending August 31, 2021

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

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
CY 2020 Gas Earnings Report
Schedule MAL-1
August 2, 2021
Page 13 of 14

Schedule DJE-2
 Revised

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

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

National Grid - RI Gas
Reconciliation of Gas Earnings Sharing Mechanism to Annual Report
For the Twelve Months ended December 31, 2020

1	Operating Revenues	
2	Gas Operating Revenues shown on Page 301, Line 1(f) of the Annual Report	\$365,216,261
3	1 Unbilled Revenue Net Margin	(\$4,238,889)
4	2 Unbilled Energy Efficiency	\$1,016,408
5	Gas Earnings Sharing Mechanism, Page 2, Total Firm Gas Revenues	\$361,993,780
6		
7	Revenues from Transportation shown on Page 301, Line 7(f) of the Annual Report	\$49,159,755
8	1 Unbilled Transportation	(\$157,730)
9	Gas Earnings Sharing Mechanism, Page 2, Transportation Revenues	\$49,002,025
10		
11	Forfeited Discounts shown on Page 301, Line 3(f) of the Annual Report	\$0
12	Miscellaneous Service Revenues shown on Page 301, Line 4(f) of the Annual Report	\$52,347
13	Rent from Gas Property shown on Page 301, Line 12(f) of the Annual Report	\$1,974,400
14	Other Gas Revenues shown on Page 301, Line 14(f) of the Annual Report	\$23,518,779
15	1 Unbilled RDM	\$746,945
16	2 Unbilled DAC	\$2,436,531
17	3 Off System Gas Sales	(\$5,802,926)
18	4 Contract Sharing	(\$106,506)
19	5 Excess Sharing	\$5,222,107
20	6 Energy Efficiency Incentives	(\$366,449)
21	7 Miscellaneous Service Revenues	(\$52,347)
22	8 CSS Revenue - Customer Arrears	\$129,393
23	Gas Earnings Sharing Mechanism, Page 2, Other Revenues	27,752,274
24		
25	Inventory Financing	(\$1,052,062)
26		
27		
28	Operating Expenses	
29	Production expenses shown on Page 320 of the Annual Report	\$155,621,869
30	Gas Earnings Sharing Mechanism, Page 2, Production (Gas Costs)	\$155,621,869
31		
32	Natural Gas Storage expenses shown on Page 322 of the Annual Report	\$3,288,542
33	Gas Earnings Sharing Mechanism, Page 2, Storage	\$3,288,542
34		
35	Transmission expenses shown on Page 323 of the Annual Report	\$3,885,328
36	Gas Earnings Sharing Mechanism, Page 2, Transmission	\$3,885,328
37		
38	Distribution expenses shown on Page 324 of the Annual Report	\$27,878,418
39	1 Normalize Aquidneck Island event expense	(\$52,339)
40	Gas Earnings Sharing Mechanism, Page 2, Distribution	\$27,826,079
41		
42	Customer Accounts expenses shown on Pages 324-325 of the Annual Report	\$25,527,809
43	Customer Service & Information expenses shown on Pages 325 of the Annual Report	\$25,672,580
44	1 Zero out Uncollectible Accounts per books	(\$18,537,657)
45	2 Add Bad Debt Charge-Offs	\$5,844,526
46	Gas Earnings Sharing Mechanism, Page 2, Customer Accounts	\$38,507,258
47		
48	Sales expenses shown on Page 325 of the Annual Report	\$254,395
49	1 Remove Sales expenses	(\$254,395)
50	Gas Earnings Sharing Mechanism, Page 2, Sales	\$0
51		
52	Administrative and General expenses shown on Page 325 of the Annual Report	\$50,328,559
53	1 Normalize Aquidneck Island event expense	(\$142,244)
54	2 Exclude Executive Variable Compensation not charged to customers	(\$242,300)
55	3 Service Company excess deferred federal income taxes per Docket No. 4770 Excess Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019, Second Compliance Attachment 31, Page 1	(\$722,508)
56	Gas Earnings Sharing Mechanism, Page 2, Administrative and General	\$49,221,507