

September 18, 2020

**VIA ELECTRONIC MAIL**

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

**RE: Docket 4770 – Electric Base Distribution Rates for Rate Year 3 – Compliance Filing Responses to PUC Data Requests – Set 3**

Dear Ms. Massaro:

On behalf of National Grid,<sup>1</sup> I enclose an electronic version<sup>2</sup> of the Company's response to PUC 3-10.

This transmittal completes the Company's responses to the Public Utilities Commission's Third Set of Data Requests issued in the above-referenced matter.

Thank you very much for your time and attention to this matter. If you have any questions, please contact me at 401-784-7288.

Very truly yours,



**Jennifer Brooks Hutchinson**

Enclosures

cc: Docket 4770 Service List  
Linda George  
John Bell, Division  
Al Mancini, Division  
Leo Wold, Esq.  
Christy Hetherington, Esq.

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

<sup>2</sup> Due to the COVID-19 Pandemic emergency period, the Company is providing a PDF version of the above-referenced transmittal. The Company will provide the PUC with a hard copy and, if needed, additional hard copies at a later date.

Certificate of Service

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

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



\_\_\_\_\_  
Joanne M. Scanlon

September 18, 2020  
Date

**National Grid Docket No. 4770 (Rate Application) & Docket No. 4780 (PST)  
Combined Service list updated 7/20/2020**

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PUC 3-10

Request:

Referring to Compliance Attachment 1, page 7 of 9, included in the Settlement Agreement that was approved by the Commission in Docket 4770/4780, the referenced page is a schedule which itemizes all of the Grid Mod projects which received funding in the rate case over the three years of the rate plan.

- a. For each project, the total revenue requirement is given, including itemization of the total annual electric revenue requirement for Capex and Opex separately.
- b. Please provide a schedule that reconciles actual annual cost incurrence for each of the projects on the referenced schedule (for Rate Years 1 and 2) against the projected revenue requirement for each project that appeared on the referenced schedule at the time the rate plan was approved by the Commission.
- c. For Rate Year 3, please use the Company’s forecast. The response should be provided in a manner that will allow the Commission to easily identify the variance between funding and actual/expected cost incurrence over the three years of the rate plan.
- d. In addition, please show the forecasted revenue requirement (if any) for each project for the rate year following Rate Year 3 (which can be labeled as “Rate Year 4” for reference).

Response:

- a-d. Please refer to Attachment PUC 3-10. Attachment PUC 3-10 includes a summary and sub-attachments as indexed below to support the revenue requirements on actual or projected operating expense and capital investment placed into service associated with the program spending provided in the Company’s response to Data Request PUC 3-9 by Rate Year, including Rate Year 4.

Please note, as indicated in the Company’s response to PUC 3-7, the Company is in the process of quantifying the labor dollars associated with the System Data Portal work. The Company will supplement its response to PUC 3-9 to provide that information to the PUC in advance of the PST Technical Session on September 24, 2020. The Company will also supplement this response at that time to include the revenue requirement on the labor dollars associated with the System Data Portal.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4770  
In Re: Electric and Gas Distribution Rate Filing – Rate Year 3  
Responses to the Commission’s Third Set of Data Requests  
Issued on August 31, 2020

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PUC 3-10, page 2

<b><u>Description of Attachment</u></b>	<b><u>Attachment Number</u></b>
Summary of Revenue Requirements	Attachment PUC 3-10-1
AMI Business Case Revenue Requirement RY1-RY4	Attachment PUC 3-10-2
Energy Storage Revenue Requirement RY1-RY4	Attachment PUC 3-10-3
Electric Transportation Revenue Requirement RY1-RY4	Attachment PUC 3-10-4
System Data Portal Revenue Requirement RY1-RY4	Attachment PUC 3-10-5
GIS Enhancement (IS) Revenue Requirement RY1-RY4	Attachment PUC 3-10-6
GIS Enhancement (BR) Revenue Requirement RY1-RY4	Attachment PUC 3-10-7
DSCADA/ADMS Revenue Requirement RY1-RY4	Attachment PUC 3-10-8
RTU Separation Revenue Requirement RY1-RY4	Attachment PUC 3-10-9
Enterprise Service Bus Revenue Requirement RY1-RY4	Attachment PUC 3-10-10
Data Lake Revenue Requirement RY1-RY4	Attachment PUC 3-10-11
PI Historian Revenue Requirement RY1-RY4	Attachment PUC 3-10-12
Advanced Analytics Revenue Requirement RY1-RY4	Attachment PUC 3-10-13
Telecommunications Revenue Requirement RY1-RY4	Attachment PUC 3-10-14
Cybersecurity Revenue Requirement RY1-RY4	Attachment PUC 3-10-15



		Ending 8/31/19			Ending 8/31/20			Ending 8/31/21			Ending 8/31/22			Cumulative
		RY1		RY1 Variance (c)-(a)-(b)	RY2		Actual to Date (e)	RY3		Projected (i)	Approved (l)	Projected (m)	RY4 Variance (n)-(l)-(m)	
Program	Year of Investment	Approved (a)	Actual (b)		Approved (d)				Approved (h)					
AMT Business Case														
Investment	OPEX	\$ 666,667	\$2,007,428	(\$1,340,761)	\$ 666,667	\$245,025	\$421,642		\$ 666,667	\$88,482	\$ 666,667	\$0	\$666,667	\$325,733
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX in Service			\$0										\$0
Rev Req		\$ 666,667	\$2,007,428	(\$1,340,761)	\$666,667	\$245,025	\$421,642		\$666,667	\$88,482	\$666,667	\$0	\$666,667	\$325,733
	OPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
Total		\$666,667	\$2,007,428	(\$1,340,761)	\$666,667	\$245,025	\$421,642		\$666,667	\$88,482	\$666,667	\$0	\$666,667	\$325,733
Energy Storage														
Investment	OPEX	\$5,000	\$29,226	(\$24,226)	\$24,000		\$24,000		\$41,250	\$31,024	\$41,250	\$10,000	\$31,250	\$41,250
	CAPEX	\$894,375	\$894,375	\$894,375	\$1,341,563	\$9,158	\$2,226,780		\$1,726,780	\$0	\$500,000	\$0	\$500,000	\$0
	CAPEX	\$894,375	\$894,375	\$894,375	\$1,341,563		\$2,235,938		\$0	\$410,603	\$1,825,335	\$0	\$1,825,335	\$0
Rev Req		\$5,000	\$25,134	(\$20,134)	\$22,390	\$22,390	\$22,390		\$37,225	\$26,681	\$10,544	\$12,800	\$28,625	\$41,425
	CAPEX	\$107,856	\$107,856	\$107,856	\$129,314	\$129,314	\$327,169		\$123,075	\$123,075	\$36,244	\$123,075	\$123,075	\$483,319
	CAPEX	\$0	\$0	\$0	\$107,965	\$107,965	\$107,965		\$251,686	\$251,686	\$251,686	\$251,686	\$251,686	\$681,337
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$32,784	\$32,784	\$32,784	\$32,784	\$32,784	\$108,580
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total		\$112,856	\$25,134	(\$87,721)	\$259,668	\$0	\$347,390		\$411,986	\$59,465	\$352,521	\$699,910	\$230,138	\$181,848
Electric Transportation														
Investment	OPEX	\$634,197	\$377,195	\$257,002	\$949,951	\$956,294	\$6,343		\$1,635,170	\$992,259	\$642,911	\$893,570	\$1,715,230	\$813,510
	CAPEX	\$824,748	\$75,204	\$749,544	\$1,419,195	\$1,711,110	(\$291,915)		\$3,262,316	\$2,351,200	\$911,116	\$1,368,745	\$3,186,615	\$75,701
	CAPEX	\$905,232	\$75,204	\$830,028	\$1,620,406	\$1,711,110	(\$90,704)		\$3,785,464	\$2,351,200	\$1,434,244	\$2,173,588	\$3,186,615	\$598,849
Rev Req		\$626,988	\$377,195	\$249,792	\$915,616	\$956,294	(\$40,678)		\$1,532,019	\$992,259	\$539,760	\$748,874	\$1,715,230	\$183,211
	CAPEX	\$54,312	\$4,150	\$50,162	\$134,091	\$10,358	\$123,733		\$127,561	\$9,784	\$117,777	\$291,672	\$9,345	\$118,216
	CAPEX	\$0	\$0	\$0	\$102,044	\$107,269	(\$5,225)		\$249,326	\$260,095	(\$10,768)	(\$19,994)	\$244,448	\$4,879
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$143,608	\$99,261	\$99,261	\$99,261	\$354,257	(\$11,388)
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$242,869	\$0	\$0	\$0	\$0	(\$12,127)
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	(\$197,392)
Total		\$681,300	\$381,345	\$299,954	\$1,151,751	\$1,073,921	\$77,830		\$2,151,775	\$1,405,746	\$746,030	\$1,123,814	\$2,520,672	\$368,986
System Data Portal														
Investment	OPEX	\$466,667	\$33,789	\$108,544	\$700,000	\$33,872	\$108,461		\$700,000	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Rev Req		\$466,667	\$33,789	\$108,544	\$700,000	\$33,872	\$108,461		\$700,000	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total		\$466,667	\$33,789	\$108,544	\$700,000	\$33,872	\$108,461		\$700,000	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
GIS Enhancement (IS)														
Investment	OPEX	\$142,333	\$33,789	\$108,544	\$142,333	\$33,872	\$108,461		\$142,333	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Rev Req		\$142,333	\$33,789	\$108,544	\$142,333	\$33,872	\$108,461		\$142,333	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total		\$142,333	\$33,789	\$108,544	\$142,333	\$33,872	\$108,461		\$142,333	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
AMT Business Case														
Investment	OPEX	\$ 666,667	\$2,007,428	(\$1,340,761)	\$ 666,667	\$245,025	\$421,642		\$ 666,667	\$88,482	\$ 666,667	\$0	\$666,667	\$325,733
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX in Service			\$0										\$0
Rev Req		\$ 666,667	\$2,007,428	(\$1,340,761)	\$666,667	\$245,025	\$421,642		\$666,667	\$88,482	\$666,667	\$0	\$666,667	\$325,733
	OPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0			\$0				\$0	\$0	\$0	\$0	\$0	\$0
Total		\$666,667	\$2,007,428	(\$1,340,761)	\$666,667	\$245,025	\$421,642		\$666,667	\$88,482	\$666,667	\$0	\$666,667	\$325,733
Energy Storage														
Investment	OPEX	\$5,000	\$29,226	(\$24,226)	\$24,000		\$24,000		\$41,250	\$31,024	\$41,250	\$10,000	\$31,250	\$41,250
	CAPEX	\$894,375	\$894,375	\$894,375	\$1,341,563	\$9,158	\$2,226,780		\$1,726,780	\$0	\$500,000	\$0	\$500,000	\$0
	CAPEX	\$894,375	\$894,375	\$894,375	\$1,341,563		\$2,235,938		\$0	\$410,603	\$1,825,335	\$0	\$1,825,335	\$0
Rev Req		\$5,000	\$25,134	(\$20,134)	\$22,390	\$22,390	\$22,390		\$37,225	\$26,681	\$10,544	\$12,800	\$28,625	\$41,425
	CAPEX	\$107,856	\$107,856	\$107,856	\$129,314	\$129,314	\$327,169		\$123,075	\$123,075	\$36,244	\$123,075	\$123,075	\$483,319
	CAPEX	\$0	\$0	\$0	\$107,965	\$107,965	\$107,965		\$251,686	\$251,686	\$251,686	\$251,686	\$251,686	\$681,337
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$32,784	\$32,784	\$32,784	\$32,784	\$32,784	\$108,580
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total		\$112,856	\$25,134	(\$87,721)	\$259,668	\$0	\$347,390		\$411,986	\$59,465	\$352,521	\$699,910	\$230,138	\$181,848
Electric Transportation														
Investment	OPEX	\$634,197	\$377,195	\$257,002	\$949,951	\$956,294	(\$6,343)		\$1,635,170	\$992,259	\$642,911	\$893,570	\$1,715,230	\$813,510
	CAPEX	\$824,748	\$75,204	\$749,544	\$1,419,195	\$1,711,110	(\$291,915)		\$3,262,316	\$2,351,200	\$911,116	\$1,368,745	\$3,186,615	\$75,701
	CAPEX	\$905,232	\$75,204	\$830,028	\$1,620,406	\$1,711,110	(\$90,704)		\$3,785,464	\$2,351,200	\$1,434,244	\$2,173,588	\$3,186,615	\$598,849
Rev Req		\$626,988	\$377,195	\$249,792	\$915,616	\$956,294	(\$40,678)		\$1,532,019	\$992,259	\$539,760	\$748,874	\$1,715,230	\$183,211
	CAPEX	\$54,312	\$4,150	\$50,162	\$134,091	\$10,358	\$123,733		\$127,561	\$9,784	\$117,777	\$291,672	\$9,345	\$118,216
	CAPEX	\$0	\$0	\$0	\$102,044	\$107,269	(\$5,225)		\$249,326	\$260,095	(\$10,768)	(\$19,994)	\$244,448	\$4,879
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$143,608	\$99,261	\$99,261	\$99,261	\$354,257	(\$11,388)
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$242,869	\$0	\$0	\$0	\$0	(\$12,127)
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	(\$197,392)
Total		\$681,300	\$381,345	\$299,954	\$1,151,751	\$1,073,921	\$77,830		\$2,151,775	\$1,405,746	\$746,030	\$1,123,814	\$2,520,672	\$368,986
System Data Portal														
Investment	OPEX	\$466,667	\$33,789	\$108,544	\$700,000	\$33,872	\$108,461		\$700,000	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Rev Req		\$466,667	\$33,789	\$108,544	\$700,000	\$33,872	\$108,461		\$700,000	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
	CAPEX	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0
Total		\$466,667	\$33,789	\$108,544	\$700,000	\$33,872	\$108,461		\$700,000	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
GIS Enhancement (IS)														
Investment	OPEX	\$142,333	\$33,789	\$108,544	\$142,333	\$33,872	\$108,461		\$142,333	\$209,985	\$142,333	\$160,000	\$160,000	\$17,667
	CAPE													

[illegible]

Power Sector Transformation Initiatives  
Response to the Commission's Third Set of Data Requests PUC 3-10  
Investment Plan Comparison

Line		Program	Year of Investment	Ending 8/31/19			Ending 8/31/20			Ending 8/31/21			Ending 8/31/22			Cumulative
				RY1			RY2			RY3			RY4			
				Approved (a)	Actual (b)	RY 1 Variance (c)=(b)-(a)	Approved (d)	Actual to Date (e)	RY2 Variance (f)=(e)-(d)	Approved (h)	Projected (i)	RY3 Variance (j)=(i)-(h)	Approved (l)	Projected (m)	RY4 Variance (n)=(m)-(l)	
110	PI Historian															
111	Investment			\$0	\$0	\$515,000	\$0	\$515,000	\$515,000	\$12,170	\$502,830	\$1,017,830	\$505,000	\$10,000	\$1,027,830	
112	CAPEX		\$113,000	\$0	\$113,000	\$0	\$0	\$0	\$0	\$0	\$0	\$113,000	\$0	\$0	\$113,000	
113	CAPEX in Service				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
114																
115	Rev Req		\$0		\$0	\$515,000		\$515,000	\$515,000	\$12,170	\$502,830	\$1,017,830	\$505,000	\$10,000	\$1,027,830	
116	CAPEX RY1		\$0		\$0	\$23,044		\$23,044	\$21,390		\$21,390	\$44,434	\$21,390	\$21,390	\$65,824	
117	CAPEX RY2				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
118	CAPEX RY3				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
119	CAPEX RY4				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
120	Total		\$0	\$0	\$0	\$538,044	\$0	\$538,044	\$536,390	\$12,170	\$524,220	\$1,062,264	\$505,000	\$31,390	\$1,093,654	
121	Advanced Analytics															
122	Investment		\$0	\$0	\$0	\$188,900	\$111,078	\$188,900	\$338,852	\$72,366	\$266,486	\$455,386	\$305,000	\$33,852	\$489,238	
123	CAPEX		\$2,045,256	\$0	\$2,045,256	\$952,413	\$0	\$952,413	\$609,026	\$0	\$609,026	\$3,606,095	\$0	\$609,026	\$4,215,721	
124	CAPEX in Service				\$0	\$519,374		\$519,374	\$651,192	\$383,610	\$267,582	\$786,956		\$651,192	\$1,438,149	
125																
126	Rev Req		\$0		\$0	\$299,978	\$111,078	\$188,900	\$338,852	\$72,366	\$266,486	\$455,386	\$305,000	\$33,852	\$489,238	
127	CAPEX RY1		\$0		\$0	\$415,938		\$415,938	\$386,079		\$386,079	\$802,017	\$386,079	\$386,079	\$1,888,096	
128	CAPEX RY2				\$0	\$103,437		\$103,437	\$198,970		\$198,970	\$302,407	\$198,970	\$198,970	\$501,377	
129	CAPEX RY3				\$0				\$66,143	\$41,265	\$24,878	\$248,787	\$66,143	\$66,143	\$11,809	
130	CAPEX RY4				\$0				\$0	\$0	\$0	\$0	\$0	\$0	\$0	
131	Total		\$0	\$0	\$0	\$708,275	\$111,078	\$708,275	\$990,044	\$113,631	\$876,413	\$1,584,688	\$384,212	\$605,832	\$2,190,520	
132	Telecommunications															
133	Investment		\$0	\$8,025	(\$8,025)	\$425,022	\$327,349	\$97,673	\$636,886	\$255,136	\$381,750	\$471,398	\$390,000	\$246,886	\$718,284	
134	CAPEX		\$77,748	\$0	\$77,748	\$38,874	\$0	\$38,874	\$38,982	\$0	\$38,982	\$155,044	\$0	\$38,982	\$194,586	
135	CAPEX in Service				\$0	\$20,077		\$20,077	\$27,060	\$97,841	(\$570,781)	(\$550,704)		\$27,060	(\$523,643)	
136																
137	Rev Req		\$0	\$8,025	(\$8,025)	\$425,022	\$327,349	\$97,673	\$636,886	\$255,136	\$381,750	\$471,398	\$390,000	\$246,886	\$718,284	
138	CAPEX RY1		\$0		\$0	\$15,855		\$15,855	\$14,717		\$14,717	\$305,572	\$14,717	\$14,717	\$45,289	
139	CAPEX RY2				\$0	\$4,222		\$4,222	\$8,121		\$8,121	\$12,443	\$8,121	\$8,121	\$20,464	
140	CAPEX RY3				\$0			\$0	\$4,222	\$64,307	(\$60,085)	(\$60,085)	\$4,222	(\$119,221)	(\$179,306)	
141	CAPEX RY4				\$0			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
142	Total		\$0	\$8,025	(\$8,025)	\$445,099	\$327,349	\$117,750	\$663,946	\$319,443	\$344,503	\$454,238	\$513,443	\$150,503	\$604,731	
143	Cybersecurity															
144	Investment		\$0	\$696	(\$696)	\$802,100	\$269,999	\$532,101	\$623,280	\$343,784	\$279,496	\$810,901	\$150,000	\$473,280	\$1,284,181	
145	CAPEX		\$2,564,388	\$0	\$2,564,388	\$1,247,855	\$0	\$1,247,855	\$826,073	\$0	\$826,073	\$4,638,316	\$0	\$826,073	\$5,464,389	
146	CAPEX in Service				\$0	\$658,484		\$658,484	\$835,826		\$835,826	\$1,494,310		\$835,826	\$2,330,137	
147																
148	Rev Req		\$0	\$696	(\$696)	\$802,100	\$269,999	\$532,101	\$623,280	\$343,784	\$279,496	\$810,901	\$150,000	\$473,280	\$1,284,181	
149	CAPEX RY1		\$0		\$0	\$522,961		\$522,961	\$485,420		\$485,420	\$1,008,381	\$485,420	\$485,420	\$1,493,801	
150	CAPEX RY2				\$0	\$135,523		\$135,523	\$260,691		\$260,691	\$396,214	\$260,691	\$260,691	\$656,905	
151	CAPEX RY3				\$0			\$0	\$89,716		\$89,716	\$89,716		\$89,716	\$179,432	
152	CAPEX RY4				\$0			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
153	Total		\$0	\$696	(\$696)	\$1,460,584	\$269,999	\$1,190,585	\$1,459,107	\$343,784	\$1,115,323	\$2,305,212	\$150,000	\$1,309,107	\$3,614,319	
154	Grand Total		\$2,069,822	\$2,561,770	(\$491,948)	\$8,668,329	\$3,259,262	\$5,409,067	\$10,549,590	\$4,207,553	\$6,342,037	\$11,259,157	\$7,307,791	\$3,241,799	\$14,500,955	

NOTE:  
Grid Mod investments benefiting multiple jurisdictions are Service Company investments and will impact future revenue requirements as tent expense.

- Line Notes:
- 10 Docket No. 4770 RY3 C, Attachment PUC 3-10-2, Page 1
  - 21 Docket No. 4770 RY3 C, Attachment PUC 3-10-3, Page 1
  - 32 Docket No. 4770 RY3 C, Attachment PUC 3-10-4, Page 1
  - 33-43 To be updated per the Company's response to PUC 3-7
  - 43 Docket No. 4770 RY3 C, Attachment PUC 3-10-5, Page 1
  - 54 Docket No. 4770 RY3 C, Attachment PUC 3-10-6, Page 1
  - 65 Docket No. 4770 RY3 C, Attachment PUC 3-10-7, Page 1
  - 76 Docket No. 4770 RY3 C, Attachment PUC 3-10-8, Page 1
  - 87 Docket No. 4770 RY3 C, Attachment PUC 3-10-9, Page 1
  - 98 Docket No. 4770 RY3 C, Attachment PUC 3-10-10, Page 1
  - 109 Docket No. 4770 RY3 C, Attachment PUC 3-10-11, Page 1
  - 120 Docket No. 4770 RY3 C, Attachment PUC 3-10-12, Page 1
  - 131 Docket No. 4770 RY3 C, Attachment PUC 3-10-13, Page 1
  - 142 Docket No. 4770 RY3 C, Attachment PUC 3-10-14, Page 1
  - 153 Docket No. 4770 RY3 C, Attachment PUC 3-10-15, Page 1

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Grid Mod Synergy - AMI Business Case  
Rate Year Annual Revenue Requirement Summary

Line No.			Rate Year 1 (a)	Rate Year 2 (b)	Rate Year 3 (c)	Rate Year 4 (d)
	Operation and Maintenance (O&M) Expenses:					
1	AMI Business Case		\$ 2,007,428	\$245,025	\$88,482	\$0
2	Total O&M costs	Sum of Line 1	\$ 2,007,428	\$245,025	\$88,482	\$0
3	<b>Total Revenue Requirement</b>		<b>\$ 2,007,428</b>	<b>\$245,025</b>	<b>\$88,482</b>	<b>\$0</b>

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

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	Operation and Maintenance (O&M) Expenses:					
1	Operation & Maintenance Expense		\$29,226	\$0	\$31,024	\$10,000
2	Operation & Maintenance Expense		\$0	\$0		
3	<b>Total O&amp;M costs</b>	Sum of Lines 1 through 2	<b>\$29,226</b>	<b>\$0</b>	<b>\$31,024</b>	<b>\$10,000</b>
4	Less Research & Development Tax Incentive applicable to O&M costs	14% of Line 1	(\$4,092)	\$0	(\$4,343)	(\$1,400)
5	<b>Total O&amp;M Costs Net of R&amp;D Tax Incentives</b>	Line 3 + Line 4	<b>\$25,134</b>	<b>\$0</b>	<b>\$26,681</b>	<b>\$8,600</b>
	Capital Investment:					
6	Actual Revenue Requirement on Rate Year 1 Capital investment		\$0	\$0	\$0	\$0
7	Actual Revenue Requirement on Rate Year 2 Capital investment			\$0	\$0	\$0
8	Estimated Revenue Requirement on Rate Year 3 Capital investment				\$32,784	\$75,795
9	Estimated Revenue Requirement on Rate Year 4 Capital investment					\$145,743
10	<b>Total Capital Investment Component of Revenue Requirement</b>	Sum of Lines 6 through 8	<b>\$0</b>	<b>\$0</b>	<b>\$32,784</b>	<b>\$221,538</b>
11	<b>Total Revenue Requirement</b>	Line 5 + Line 10	<b>\$25,134</b>	<b>\$0</b>	<b>\$59,465</b>	<b>\$230,138</b>

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 2019  
Energy Storage

Line No.		Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	Energy Storage	\$0	\$0	\$0	\$0
2	Total Estimated Capital Investment	\$0	\$0	\$0	\$0
	Sum of Line 1				
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0	\$0	\$0
4	Retirements	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0	\$0	\$0
	Line 2				
	Line 3 * 0%				
	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5				
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	\$0	\$0	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	Line 5 + Line 7				
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	2020 Spend	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0	\$0	\$0
	Page 3 of 13, Line 21				
	Previous Year Line 11 + Current Year Line 10				
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	8.33%	8.33%	8.33%	8.33%
13	Book Depreciation	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0	\$0	\$0
	As filed per R.I.P.U.C. Docket No. 4770				
	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12				
	Previous Year Line 14 + Current Year Line 13				
15	Total Cumulative Book Depreciation	\$0	\$0	\$0	\$0
	Line 14				
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	\$0	\$0	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL	\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	\$0	\$0	\$0	\$0
	Line 11 - Line 15				
	Line 16 * Line 17				
	Sum of Lines 18 through 19				
<u>Rate Base Calculation:</u>					
21	Cumulative Incremental Capital Included in Rate Base	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	\$0	\$0	\$0	\$0
24	Year End Rate Base	\$0	\$0	\$0	\$0
	Line 8				
	- Line 15				
	- Line 20				
	Sum of Lines 21 through 23				
<u>Revenue Requirement Calculation:</u>					
25	Average Rate Base before Deferred Tax Proration Adjustment	\$0	\$0	\$0	\$0
26	Proration Adjustment	\$0	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	\$0	\$0	\$0	\$0
28	Pre-Tax ROR	8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	\$0	\$0	\$0	\$0
30	Book Depreciation	\$0	\$0	\$0	\$0
31	Property Taxes	\$0	\$0	\$0	\$0
	Line 27 * Line 28				
	Line 13				
	Tax Rate 3.176% per Dkt 4770 Sch -7 - Columns (b & c) Line 8 * 3.176%				
32	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
	Line 29 + Line 30 + Line 31				

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 Capital Investments  
Energy Storage

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (c)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 0%	0.00%			
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$0			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0	\$0
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%	19.20%	11.52%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0	\$0

**The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration  
Energy Storage**

Line No.			(a) RY19	(b) RY20	(c) RY21	(c) RY22	
Deferred Tax Subject to Proration							
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0				
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0				
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	\$0				
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0				
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0				
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)+21%	\$0				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20					
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20					
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
Proration Calculation							
		(h) Number of Days in Month	(i) Proration Percentage	(j) RY19	(k) RY20	(k) RY21	(k) RY22
26	September	30	91.78%	\$0	\$0	\$0	\$0
27	October	31	83.29%	\$0	\$0	\$0	\$0
28	November	30	75.07%	\$0	\$0	\$0	\$0
29	December	31	66.58%	\$0	\$0	\$0	\$0
30	January	31	58.08%	\$0	\$0	\$0	\$0
31	February	28	50.41%	\$0	\$0	\$0	\$0
32	March	31	41.92%	\$0	\$0	\$0	\$0
33	April	30	33.70%	\$0	\$0	\$0	\$0
34	May	31	25.21%	\$0	\$0	\$0	\$0
35	June	30	16.99%	\$0	\$0	\$0	\$0
36	July	31	8.49%	\$0	\$0	\$0	\$0
37	August	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0	\$0	
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0	\$0	
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0	\$0	

**Column Notes:**

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



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

Line No.			Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
<u>Estimated Capital Investment</u>					
1	Energy Storage		\$0		
2	Total Capital Investment	Sum of Line 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 3 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 5 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	2021 Spend	Page 6 of 13, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	8.33%	8.33%	8.33%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b) = Line 5 * Line 12	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line , Col (j) through Col. (k)	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0
26	Pre-Tax ROR		1/ 8.23%	8.23%	8.23%
27	Return and Taxes	Line 25 * Line 26	\$0	\$0	\$0
28	Book Depreciation	Line 13	\$0	\$0	\$0
29	Property Taxes	Tax Rate 3.176% MAL-7 - Columns (b) Line 8 * 3.176%	\$0	\$0	\$0
30	<b>Annual Revenue Requirement</b>	<b>Line 27 + Line 28 + Line 29</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%	0.00%	2.23%
Short Term Debt	0.60%	1.76%	0.01%	0.00%	0.01%
Preferred Stock	0.10%	4.50%	0.00%	0.00%	0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

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

Line No.			Rate Year Ending <u>August 31, 2020</u> (a)	Rate Year Ending <u>August 31, 2021</u> (b)	Rate Year Ending <u>August 31, 2022</u> (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%		
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%	19.20%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0

**The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration  
Energy Storage**

Line No.			(a) RY20	(b) RY21	(c) RY22
<b>Deferred Tax Subject to Proration</b>					
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
Allocation of FY 2022 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)+21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
<b>Proration Calculation</b>					
		(h) (i) (j) (k) (k)			
		<u>Number of Days in</u>			
		<u>Month</u> <u>Proration Percentage</u>			
26	September	30 91.78%	\$0	\$0	\$0
27	October	31 83.29%	\$0	\$0	\$0
28	November	30 75.07%	\$0	\$0	\$0
29	December	31 66.58%	\$0	\$0	\$0
30	January	31 58.08%	\$0	\$0	\$0
31	February	28 50.41%	\$0	\$0	\$0
32	March	31 41.92%	\$0	\$0	\$0
33	April	30 33.70%	\$0	\$0	\$0
34	May	31 25.21%	\$0	\$0	\$0
35	June	30 16.99%	\$0	\$0	\$0
36	July	31 8.49%	\$0	\$0	\$0
37	August	31 0.00%	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0

**Column Notes:**

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

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

Line No.			Rate Year Ending August 31, 2021 (a)	Rate Year Ending August 31, 2022 (b)
<u>Estimated Capital Investment</u>				
1	Energy Storage		\$410,603	\$0
2	Total Capital Investment	Sum Line 1	\$410,603	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$410,603	\$0
4	Retirements	Line 3 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$410,603	\$410,603
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$410,603	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 5 + Line 7</b>	<b>\$410,603</b>	<b>\$410,603</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	2022 Spend	Page 9 of 13, Line 21	\$82,121	\$131,393
11	Cumulative Tax Depreciation	Current Year Line 10	\$82,121	\$213,514
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	8.33%	8.33%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$17,108	\$34,217
14	Cumulative Book Depreciation	Current Year Line 13	\$17,108	\$51,325
15	Total Cumulative Book Depreciation	Line 14	\$17,108	\$51,325
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$65,013	\$162,189
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$13,653	\$34,060
19	Less: FY 2022 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$13,653	\$34,060
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$410,603	\$410,603
22	Accumulated Depreciation	- Line 15	(\$17,108)	(\$51,325)
23	Deferred Tax Reserve	- Line 20	(\$13,653)	(\$34,060)
24	Year End Rate Base	Sum of Lines 21 through 23	\$379,842	\$325,218
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 + 2	\$189,921	\$352,530
26	Proration Adjustment	Page 10 of 13, Line , Col (j) through Col. (k)	\$552	\$825
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$190,473	\$353,355
26	Pre-Tax ROR		8.23%	8.23%
27	Return and Taxes	Line 25 * Line 26	\$15,676	\$29,081
28	Book Depreciation	Line 13	\$17,108	\$34,217
29	Property Taxes	Tax Rate 3.176% MAL-7	\$0	\$12,497
30	<b>Annual Revenue Requirement</b>	<b>Line 27 + Line 28 + Line 29</b>	<b>\$32,784</b>	<b>\$75,795</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 Capital Investments  
Energy Storage

Line No.			Rate Year Ending <u>August 31, 2021</u> (a)	Rate Year Ending <u>August 31, 2022</u> (b)	
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 8 of 13, Line 2	\$410,603		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$410,603		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$410,603		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$410,603		
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%	0.00%		
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$410,603		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$410,603	\$410,603	\$410,603
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%	19.20%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$82,121	\$131,393	\$78,836
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$82,121	\$131,393	\$78,836

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

Line No.			(a) RY21	(b) RY22	(c) RY23
	<b>Deferred Tax Subject to Proration</b>				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$17,108	\$34,217	\$34,217
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$82,121)	(\$131,393)	(\$78,836)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$65,013)	(\$97,176)	(\$44,619)
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$13,653)	(\$20,407)	(\$9,370)
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$13,653)	(\$20,407)	(\$9,370)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$13,653)	(\$20,407)	(\$9,370)
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$65,013)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$65,013)		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$13,653)	(\$20,407)	(\$9,370)
	<b>Proration Calculation</b>				
		(h) <u>Number of Days in</u>	(i) <u>Proration Percentage</u>	(j) RY21	(k) RY22
		<u>Month</u>			(k) RY23
26	September	30	91.78%	(\$1,044)	(\$1,561)
27	October	31	83.29%	(\$948)	(\$1,416)
28	November	30	75.07%	(\$854)	(\$1,277)
29	December	31	66.58%	(\$757)	(\$1,132)
30	January	31	58.08%	(\$661)	(\$988)
31	February	28	50.41%	(\$574)	(\$857)
32	March	31	41.92%	(\$477)	(\$713)
33	April	30	33.70%	(\$383)	(\$573)
34	May	31	25.21%	(\$287)	(\$429)
35	June	30	16.99%	(\$193)	(\$289)
36	July	31	8.49%	(\$97)	(\$144)
37	August	31	0.00%	\$0	\$0
38	Total	365		(\$6,275)	(\$9,379)
39	Deferred Tax Without Proration	Line 25	(\$13,653)	(\$20,407)	(\$9,370)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$6,826)	(\$10,203)	(\$4,685)
41	Proration Adjustment	Line 38 - Line 40	\$552	\$825	\$379

**Column Notes:**

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

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

Line No.			Rate Year Ending August 31, 2022 (a)	Rate Year Ending August 31, 2023 (b)
<u>Estimated Capital Investment</u>				
1	Energy Storage		\$ 1,825,335	\$0
2	Total Estimated Capital Investment	Sum Line 1	\$1,825,335	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$1,825,335	\$0
4	Retirements	Line 3 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$1,825,335	\$1,825,335
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$1,825,335	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 5 + Line 7</b>	<b>\$1,825,335</b>	<b>\$1,825,335</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	2022 Spend	Page 12 of 13, Line 21	\$365,067	\$584,107
11	Cumulative Tax Depreciation	Current Year Line 10	\$365,067	\$949,174
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	8.33%	8.33%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$76,056	\$152,111
14	Cumulative Book Depreciation	Current Year Line 13	\$76,056	\$228,167
15	Total Cumulative Book Depreciation	Line 14	\$76,056	\$228,167
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$289,011	\$721,007
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$60,692	\$151,411
19	Less: FY 2022 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$60,692	\$151,411
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$1,825,335	\$1,825,335
22	Accumulated Depreciation	- Line 15	(\$76,056)	(\$228,167)
23	Deferred Tax Reserve	- Line 20	(\$60,692)	(\$151,411)
24	Year End Rate Base	Sum of Lines 21 through 23	\$1,688,587	\$1,445,757
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$844,293	\$1,567,172
26	Proration Adjustment	Page 13 of 13, Line , Col (j) through Col. (k)	\$2,453	\$3,666
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$846,746	\$1,570,838
26	Pre-Tax ROR	1/ 8.23%	8.23%	8.23%
27	Return and Taxes	Line 25 * Line 26	\$69,687	\$129,280
28	Book Depreciation	Line 13	\$76,056	\$152,111
29	Property Taxes	Tax Rate 3.176% MAL-7	\$0	\$55,557
30	<b>Annual Revenue Requirement</b>	<b>Line 27 + Line 28 + Line 29</b>	<b>\$145,743</b>	<b>\$336,948</b>

1/ Weighted Average Cost of Capital per Docket No. 4770, Schedule 1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

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

Line No.		Rate Year Ending August 31, 2021 (a)			
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 11 of 13, Line 2	\$1,825,335		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$1,825,335		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$1,825,335		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$1,825,335		
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%	0.00%		
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$1,825,335		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$1,825,335	\$1,825,335	\$1,825,335
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%	19.20%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$365,067	\$584,107	\$350,464
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 11 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$365,067	\$584,107	\$350,464



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

Line No.			(a) RY22	(b) RY23	(c) RY24	
Deferred Tax Subject to Proration						
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$76,056	\$152,111	\$152,111	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0			
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$365,067)	(\$584,107)	(\$350,464)	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$289,011)	(\$431,996)	(\$198,353)	
6	Effective Tax Rate		21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$60,692)	(\$90,719)	(\$41,654)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0			
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$60,692)	(\$90,719)	(\$41,654)	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$60,692)	(\$90,719)	(\$41,654)	
Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$289,011)			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$289,011)			
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)+21%	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20				
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$60,692)	(\$90,719)	(\$41,654)	
		(h)	(i)	(j)	(k)	
		Number of Days in				
	Proration Calculation	Month	Proration Percentage	RY22	RY23	RY24
26	September	30	91.78%	(\$4,642)	(\$6,939)	(\$3,186)
27	October	31	83.29%	(\$4,212)	(\$6,296)	(\$2,891)
28	November	30	75.07%	(\$3,797)	(\$5,675)	(\$2,606)
29	December	31	66.58%	(\$3,367)	(\$5,033)	(\$2,311)
30	January	31	58.08%	(\$2,938)	(\$4,391)	(\$2,016)
31	February	28	50.41%	(\$2,550)	(\$3,811)	(\$1,750)
32	March	31	41.92%	(\$2,120)	(\$3,169)	(\$1,455)
33	April	30	33.70%	(\$1,704)	(\$2,548)	(\$1,170)
34	May	31	25.21%	(\$1,275)	(\$1,906)	(\$875)
35	June	30	16.99%	(\$859)	(\$1,284)	(\$590)
36	July	31	8.49%	(\$430)	(\$642)	(\$295)
37	August	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$27,894)	(\$41,694)	(\$19,144)
39	Deferred Tax Without Proration	Line 25	(\$60,692)	(\$90,719)	(\$41,654)	
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$30,346)	(\$45,360)	(\$20,827)	
41	Proration Adjustment	Line 38 - Line 40	\$2,453	\$3,666	\$1,683	

**Column Notes:**

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

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

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
1	Operation and Maintenance (O&M) Expenses:					
2	Offpeak Charging Rebate		\$218,763	\$178,209	\$173,879	\$227,567
3	Discount Pilot for DC Fast Charging		\$13,413	\$21,694	\$32,118	\$264,488
4	Customer Fleet Advisory Services		\$51,050	\$88,659	\$64,075	\$100,000
5	Charging Demonstration		\$66,118	\$597,437	\$624,187	\$1,074,425
6	Marketing		\$21,077	\$6,834	\$18,000	\$18,750
7	Initiative Evaluation		\$6,775	\$63,461	\$80,000	\$30,000
8	Total O&M costs	Sum of Lines 1 through 5	\$377,195	\$956,294	\$992,259	\$1,715,230
9	Other O&M Expenses and Program Administration Costs:					
10	Program Administration Costs - NG Heavy Duty Fleet Lease and O&M					
11	Program Administration Costs - Off-Peak Rebate					
12	Program Administration Costs - Commercial Rate Discount					
13	Program Administration Costs - Evaluation					
14	Total Other O&M Expenses and Program Administration Costs	Sum of Lines 8 through 11	\$0	\$0	\$0	\$0
15	<b>Total O&amp;M Costs, Other O&amp;M Costs and Program Administration Costs</b>	Line 6 + Line 12	<b>\$377,195</b>	<b>\$956,294</b>	<b>\$992,259</b>	<b>\$1,715,230</b>
16	Participation Payment Offset					
17	<b>Total Net O&amp;M Expense Component of Revenue Requirement</b>	Line 13 + Line 14	<b>\$377,195</b>	<b>\$956,294</b>	<b>\$992,259</b>	<b>\$1,715,230</b>
18	Capital Investment:					
19	Actual Revenue Requirement on Rate Year 1 Capital investment		\$4,150	\$10,358	\$9,784	\$9,345
20	Actual Revenue Requirement on Rate Year 2 Capital investment			\$107,269	\$260,095	\$244,448
21	Estimated Revenue Requirement on Rate Year 3 Capital investment				\$143,608	\$354,257
22	Estimated Revenue Requirement on Rate Year 4 Capital investment					\$197,392
23	<b>Total Capital Investment Component of Revenue Requirement</b>	Sum of Lines 17 through 19	<b>\$4,150</b>	<b>\$117,628</b>	<b>\$413,487</b>	<b>\$805,442</b>
24	<b>Total Revenue Requirement</b>	Line 15 + Line 21	<b>\$381,345</b>	<b>\$1,073,921</b>	<b>\$1,405,746</b>	<b>\$2,520,672</b>

The Narragansett Electric Company,  
d/b/a National Grid  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 201  
Electric Transportation Initiative

Line No.		Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (c)
<b>Estimated Capital Investment</b>					
1	EDC Costs (Make-Ready & Utility-Operated)	\$0	\$0	\$0	\$0
2	Premise Work Costs (Make-Ready & Utility-Operated)	\$22,000	\$0	\$0	\$0
3	EVSE Costs (Utility-Operated Charging Program Sites, and Company Fleet EVSE)	\$0	\$0	\$0	\$0
4	Total Capitalized Labor & Tool Costs	\$53,204	\$0	\$0	\$0
5	Total Estimated Capital Investment	\$75,204	\$0	\$0	\$0
Sum of Lines 1 through 4					
<b>Depreciable Net Capital Included in Rate Base</b>					
6	Total Allowed Capital Included in Rate Base in Current Year	\$75,204	\$0	\$0	\$0
7	Retirements	\$0	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	\$75,204	\$75,204	\$75,204	\$75,204
Column (a) = Line 6 - Line 7; Column (b) = Prior Year Line 6					
<b>Change in Net Capital Included in Rate Base</b>					
9	Capital Included in Rate Base	\$75,204	\$0	\$0	\$0
10	Cost of Removal	\$0	\$0	\$0	\$0
11	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$75,204</b>	<b>\$75,204</b>	<b>\$75,204</b>	<b>\$75,204</b>
<b>Tax Depreciation</b>					
12	Vintage Year Tax Depreciation:				
13	2020 Spend	\$15,041	\$24,065	\$14,439	\$8,664
14	Cumulative Tax Depreciation	\$15,041	\$39,106	\$53,545	\$62,209
Page 3 of 13, Line 21 Previous Year Line 14 + Current Year Line 13					
<b>Book Depreciation</b>					
15	Composite Book Depreciation Rate	2.50%	2.50%	2.50%	2.50%
16	Book Depreciation	\$0	\$0	\$0	\$0
17	Cumulative Book Depreciation	\$0	\$0	\$0	\$0
As filed per R.I.P.U.C. Docket No. 4770 Column (a) = Line 1 * Line 15 * 50%; Column (b) = Line 1 * Line 15 Previous Year Line 17 + Current Year Line 16					
18	Composite Book Depreciation Rate	5.00%	5.00%	5.00%	5.00%
19	Book Depreciation	\$550	\$1,100	\$1,100	\$1,100
20	Cumulative Book Depreciation	\$550	\$1,650	\$2,750	\$3,850
As filed per R.I.P.U.C. Docket No. 4770 Column (a) = Line 2 * Line 18 * 50%; Column (b) = Line 2 * Line 18 Previous Year Line 20 + Current Year Line 19					
21	Composite Book Depreciation Rate	10.00%	10.00%	10.00%	10.00%
22	Book Depreciation	\$0	\$0	\$0	\$0
23	Cumulative Book Depreciation	\$0	\$0	\$0	\$0
As filed per R.I.P.U.C. Docket No. 4770 Column (a) = Line 3 * Line 21 * 50%; Column (b) = Line 3 * Line 21 Previous Year Line 23 + Current Year Line 22					
24	Composite Book Depreciation Rate	2.50%	2.50%	2.50%	2.50%
25	Book Depreciation	\$665	\$1,330	\$1,330	\$1,330
26	Cumulative Book Depreciation	\$665	\$1,995	\$3,325	\$4,655
As filed per R.I.P.U.C. Docket No. 4770 Column (a) = Line 4 * Line 24 * 50%; Column (b) = Line 4 * Line 24 Previous Year Line 26 + Current Year Line 25					
27	Total Cumulative Book Depreciation	\$1,215	\$3,645	\$6,075	\$8,505
Line 17 + Line 20 + Line 23 + Line 26					
<b>Deferred Tax Calculation:</b>					
28	Cumulative Book / Tax Timer	\$13,826	\$35,461	\$47,470	\$53,704
29	Effective Tax Rate	21.00%	21.00%	21.00%	21.00%
30	Deferred Tax Reserve	\$2,903	\$7,447	\$9,969	\$11,278
31	Less: FY 2020 Federal NOL	\$0	\$0	\$0	\$0
32	Net Deferred Tax Reserve	\$2,903	\$7,447	\$9,969	\$11,278
Sum of Lines 30 through 31					
<b>Rate Base Calculation:</b>					
33	Cumulative Incremental Capital Included in Rate Base	\$75,204	\$75,204	\$75,204	\$75,204
34	Accumulated Depreciation	(\$1,215)	(\$3,645)	(\$6,075)	(\$8,505)
35	Deferred Tax Reserve	(\$2,903)	(\$7,447)	(\$9,969)	(\$11,278)
36	Year End Rate Base	\$71,086	\$64,112	\$59,160	\$55,421
Sum of Lines 33 through 35					
<b>Revenue Requirement Calculation:</b>					
37	Average Rate Base before Deferred Tax Proration Adjustment	\$35,543	\$67,599	\$61,636	\$57,290
38	Proration Adjustment	\$117	\$184	\$102	\$53
39	Average Rate Base after Deferred Tax Proration	\$35,660	\$67,782	\$61,738	\$57,343
40	Pre-Tax ROR	8.23%	8.23%	8.23%	8.23%
41	Return and Taxes	\$2,935	\$5,578	\$5,081	\$4,719
42	Book Depreciation	\$1,215	\$2,430	\$2,430	\$2,430
43	Property Taxes	\$0	\$2,350	\$2,273	\$2,196
Line 16 + Line 19 + Line 22 + Line 25 Tax Rate 3.176% per Dkt 4770 Sch-7 - PY (Line 33 + Line 34)* 3.176%					
44	<b>Annual Revenue Requirement</b>	<b>\$4,150</b>	<b>\$10,358</b>	<b>\$9,784</b>	<b>\$9,345</b>
Line 41 through Line 43					

1/ Weighted Average Cost of Capital per R.I.P.U.C. Docket No. 4770, Schedule 1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 Capital Investment  
Electric Transportation Initiative

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 5	\$75,204			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$75,204			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$75,204			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$75,204			
9	Bonus Depreciation Rate	1 * 75% * 0%	0.00%			
10	Bonus Depreciation Rate	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$75,204			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$75,204	\$75,204	\$75,204	\$75,204
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%	19.20%	11.52%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$15,041	\$24,065	\$14,439	\$8,664
19	FY20 Loss incurred due to retirement	Per Tax Department	\$0			
20	Cost of Removal	Page 2 of 13, Line 10	\$0			
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$15,041	\$24,065	\$14,439	\$8,664

**The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration**

**Electric Transportation Initiative**

Line No.			(a) RY19	(b) RY20	(c) RY21	(d) RY22	
Deferred Tax Subject to Proration							
1	Book Depreciation	Page 2 of 13, Line 16, 19, 22,25	\$1,215	\$2,430	\$2,430	\$2,430	
2	Bonus Depreciation	- Page 3 of 13, Line 12, Col (a)	\$0				
3	Remaining MACRS Tax Depreciation	- Page 3 of 16, Line 18, Col (a)	(\$15,041)	(\$24,065)	(\$14,439)	(\$8,664)	
4	FY22 tax (gain)/loss on retirements	- Page 3 of 16, Line 19, Col (a)	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$13,826)	(\$21,635)	(\$12,009)	(\$6,234)	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$2,903)	(\$4,543)	(\$2,522)	(\$1,309)	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	- Page 3 of 16, Line 3, Col (a)	\$0				
9	Cost of Removal	- Page 3 of 16, Line 20, Col (a)	\$0				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	\$0				
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$2,903)	(\$4,543)	(\$2,522)	(\$1,309)	
15	Net Operating Loss	Page 2 of 13, Line 31	\$0				
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$2,903)	(\$4,543)	(\$2,522)	(\$1,309)	
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$13,826)				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 15	\$0				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$13,826)				
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)=21%	\$0				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20					
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20					
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$2,903)	(\$4,543)	(\$2,522)	(\$1,309)	
Proration Calculation							
		(h) Number of Days in Month	(i) Proration Percentage	(j) RY19	(k) RY20	(k) RY21	(k) RY22
26	September	30	91.78%	(\$222)	(\$347)	(\$193)	(\$100)
27	October	31	83.29%	(\$202)	(\$315)	(\$175)	(\$91)
28	November	30	75.07%	(\$182)	(\$284)	(\$158)	(\$82)
29	December	31	66.58%	(\$161)	(\$252)	(\$140)	(\$73)
30	January	31	58.08%	(\$141)	(\$220)	(\$122)	(\$63)
31	February	28	50.41%	(\$122)	(\$191)	(\$106)	(\$55)
32	March	31	41.92%	(\$101)	(\$159)	(\$88)	(\$46)
33	April	30	33.70%	(\$82)	(\$128)	(\$71)	(\$37)
34	May	31	25.21%	(\$61)	(\$95)	(\$53)	(\$27)
35	June	30	16.99%	(\$41)	(\$64)	(\$36)	(\$19)
36	July	31	8.49%	(\$21)	(\$32)	(\$18)	(\$9)
37	August	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$1,334)	(\$2,088)	(\$1,159)	(\$602)
39	Deferred Tax Without Proration	Line 25	(\$2,903)	(\$4,543)	(\$2,522)	(\$1,309)	
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$1,452)	(\$2,272)	(\$1,261)	(\$655)	
41	Proration Adjustment	Line 38 - Line 40	\$117	\$184	\$102	\$53	

**Column Notes:**

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

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

Line No.		Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (b)
<b>Estimated Capital Investment</b>				
1	EDC Costs (Make-Ready & Utility-Operated)	\$54,407		
2	Premise Work Costs (Make-Ready & Utility-Operated)	\$1,563,671		
3	EVSE Costs (Utility-Operated Only)	\$0		
4	Total Capitalized Labor & Tool Cost	\$93,032		
5	Total Estimated Capital Investment	Line 1 + Line 4	\$0	\$0
<b>Depreciable Net Capital Included in Rate Base</b>				
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$0	\$0
7	Retirements	Line 4 * 0%	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Column (a) = Line 4 - Line 5; Column (b) = Prior Year Line 6	\$1,711,110	\$1,711,110
<b>Change in Net Capital Included in Rate Base</b>				
9	Capital Included in Rate Base	Line 5	\$0	\$0
10	Cost of Removal	Section 2, Page 27 of 27, Chart 11	\$0	\$0
11	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 8 + Line 10</b>	<b>\$1,711,110</b>	<b>\$1,711,110</b>
<b>Tax Depreciation</b>				
12	Vintage Year Tax Depreciation:			
13	2021 Spend	Page 6 of 13, Line 21	\$547,555	\$328,533
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$889,777	\$1,218,310
<b>Book Depreciation</b>				
15	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%
16	Book Depreciation	Column (a) = Line 1 * Line 15 * 50%; Column (b) = Line 1 * Line 15	\$680	\$1,360
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$2,040	\$3,400
18	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	5.00%	5.00%
19	Book Depreciation	Column (a) = Line 2 * Line 18 * 50%; Column (b) = Line 2 * Line 18	\$39,092	\$78,184
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$117,275	\$195,459
21	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	10.00%	10.00%
22	Book Depreciation	Column (a) = Line 3 * Line 21 * 50%; Column (b) = Line 3 * Line 21	\$0	\$0
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0	\$0
24	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%
25	Book Depreciation	Column (a) = Line 4 * Line 26 * 50%; Column (b) = Line 4 * Line 26	\$1,163	\$2,326
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$3,489	\$5,815
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$122,804	\$204,674
<b>Deferred Tax Calculation:</b>				
28	Cumulative Book / Tax Timer	Line 14 - Line 17	\$301,287	\$1,013,636
29	Effective Tax Rate		21.00%	21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$63,270	\$212,864
31	Less: FY 2021 Federal NOL		\$0	\$0
32	Net Deferred Tax Reserve	Sum of Lines 30 through 31	\$63,270	\$212,864
<b>Rate Base Calculation:</b>				
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$1,711,110	\$1,711,110
34	Accumulated Depreciation	- Line 27	(\$40,935)	(\$204,674)
35	Deferred Tax Reserve	- Line 32	(\$63,270)	(\$212,864)
36	Year End Rate Base	Sum of Lines 33 through 35	\$1,606,905	\$1,293,573
<b>Revenue Requirement Calculation:</b>				
37	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 37 ÷ 2; Column (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2	\$803,452.46	\$1,517,073
38	Proration Adjustment	Page 7 of 13, Line 41	\$2,557	\$2,093
39	Average Rate Base after Deferred Tax Proration	Line 37 + Line 38	\$806,009	\$1,521,025
40	Pre-Tax ROR	1/	8.23%	8.23%
41	Return and Taxes	Line 39 * Line 40	\$66,335	\$125,180
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$40,935	\$81,870
43	Property Taxes	Tax Rate 3.176% MAL-7 - PY (Line 33 + Line 34) * 3.176%	\$0	\$50,445
44	<b>Annual Revenue Requirement</b>	<b>Line 37 through Line 43</b>	<b>\$107,269</b>	<b>\$244,448</b>

1/ Weighted Average Cost of Capital per R.I.P.U.C. Docket No. 4770, Schedule 1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

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

Line No.			Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (b)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 5	\$1,711,110		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$1,711,110		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$1,711,110		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$1,711,110		
9	Bonus Depreciation Rate	0%	0.00%		
10	Bonus Depreciation Rate	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$1,711,110		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$1,711,110	\$1,711,110	\$1,711,110
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%	19.20%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$342,222	\$547,555	\$328,533
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 10	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$342,222	\$547,555	\$328,533

**The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration**

**Electric Transportation Initiative**

Line No.		(a) RY20	(b) RY21	(c) RY22
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation			
2	Bonus Depreciation			
3	Remaining MACRS Tax Depreciation			
4	FY22 tax (gain)/loss on retirements			
5	Cumulative Book / Tax Timer			
6	Effective Tax Rate			
7	Deferred Tax Reserve			
8	Capital Repairs Deduction			
9	Cost of Removal			
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer			
12	Effective Tax Rate			
13	Deferred Tax Reserve			
14	Total Deferred Tax Reserve			
15	Net Operating Loss			
16	Net Deferred Tax Reserve			
17	Allocation of FY 2022 Estimated Federal NOL			
18	Cumulative Book/Tax Timer Subject to Proration			
19	Cumulative Book/Tax Timer Not Subject to Proration			
20	Total Cumulative Book/Tax Timer			
21	Allocated FY 2021 Federal NOL Not Subject to Proration			
22	Allocated FY 2021 Federal NOL Subject to Proration			
23	Effective Tax Rate			
24	Deferred Tax Benefit subject to proration			
25	Net Deferred Tax Reserve subject to proration			
		(h) Number of Days in	(i) Proration Percentage	(j) RY20
	<b>Proration Calculation</b>	Month		(k) RY21
26	September	30	91.78%	(k) RY22
27	October	31	83.29%	
28	November	30	75.07%	
29	December	31	66.58%	
30	January	31	58.08%	
31	February	28	50.41%	
32	March	31	41.92%	
33	April	30	33.70%	
34	May	31	25.21%	
35	June	30	16.99%	
36	July	31	8.49%	
37	August	31	0.00%	
38	Total	365		
39	Deferred Tax Without Proration			
40	Average Deferred Tax without Proration			
41	Proration Adjustment			

**Column Notes:**

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



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

Line No.		Rate Year Ending August 31, 2021 (a)	Rate Year Ending August 31, 2022 (a)
<u>Estimated Capital Investment</u>			
1	EDC Costs (Make-Ready & Utility-Operated)	\$323,035	
2	Premise Work Costs (Make-Ready & Utility-Operated)	\$1,835,133	
3	EVSE Costs (Utility-Operated Only)	\$0	
4	Total Capitalized Labor & Tool Costs	\$193,032	
5	Total Estimated Capital Investment	\$2,351,200	\$2,351,200
<u>Depreciable Net Capital Included in Rate Base</u>			
6	Total Allowed Capital Included in Rate Base in Current Year	\$2,351,200	\$2,351,200
7	Retirements	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	\$2,351,200	\$2,351,200
<u>Change in Net Capital Included in Rate Base</u>			
9	Capital Included in Rate Base	\$2,351,200	\$2,351,200
10	Cost of Removal	\$0	\$0
11	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$2,351,200</b>	<b>\$2,351,200</b>
<u>Tax Depreciation</u>			
12	Vintage Year Tax Depreciation:		
13	2022 Spend	\$470,240	\$752,384
14	Cumulative Tax Depreciation	\$470,240	\$752,384
<u>Book Depreciation</u>			
15	Composite Book Depreciation Rate	2.50%	2.50%
16	Book Depreciation	\$4,038	\$8,076
17	Cumulative Book Depreciation	\$4,038	\$12,114
18	Composite Book Depreciation Rate	5.00%	5.00%
19	Book Depreciation	\$45,878	\$91,757
20	Cumulative Book Depreciation	\$45,878	\$137,635
21	Composite Book Depreciation Rate	10.00%	10.00%
22	Book Depreciation	\$0	\$0
23	Cumulative Book Depreciation	\$0	\$0
24	Composite Book Depreciation Rate	2.50%	2.50%
25	Book Depreciation	\$2,413	\$4,826
26	Cumulative Book Depreciation	\$2,413	\$7,239
27	Total Cumulative Book Depreciation	\$52,329	\$156,987
<u>Deferred Tax Calculation:</u>			
28	Cumulative Book / Tax Timer	\$417,911	\$595,397
29	Effective Tax Rate	21.00%	21.00%
30	Deferred Tax Reserve	\$87,761	\$125,033
31	Less: FY 2022 Federal NOL	-	-
32	Net Deferred Tax Reserve	\$87,761	\$125,033
<u>Rate Base Calculation:</u>			
33	Cumulative Incremental Capital Included in Rate Base	\$2,351,200	\$2,351,200
34	Accumulated Depreciation	(\$52,329)	(\$156,987)
35	Deferred Tax Reserve	(\$87,761)	(\$125,033)
36	Year End Rate Base	\$2,211,110	\$2,069,179
<u>Revenue Requirement Calculation:</u>			
37	Average Rate Base before Deferred Tax Proration Adjustment	\$1,105,555	\$2,140,144
38	Proration Adjustment	\$3,547	\$5,497
39	Average Rate Base after Deferred Tax Proration	\$1,109,101	\$2,145,641
40	Pre-Tax ROR	8.23%	8.23%
41	Return and Taxes	\$91,279	\$176,586
42	Book Depreciation	\$52,329	\$104,658
43	Property Taxes	\$0	\$73,012
44	<b>Annual Revenue Requirement</b>	<b>\$143,608</b>	<b>\$354,257</b>

1/ Weighted Average Cost of Capital per R.I.P.U.C. Docket No. 4770, Schedule 1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%	0.00%	2.23%
Short Term Debt	0.60%	1.76%	0.01%	0.00%	0.01%
Preferred Stock	0.10%	4.50%	0.00%	0.00%	0.00%
Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 Capital Investments  
Electric Transportation Initiative

Line No.			Rate Year Ending August 31, 2021 (a)	
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 5	\$2,351,200	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$2,351,200	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$2,351,200	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$2,351,200	
9	Bonus Depreciation Rate	0%	0.00%	
10	Bonus Depreciation Rate	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$2,351,200	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$2,351,200	\$2,351,200
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.000%	32.000%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$470,240	\$752,384
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 10	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$470,240	\$752,384

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
RIPUC Docket No. 4770  
Attachment PUC 3-10-4  
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The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Rate Year 2021 Net Deferred Tax Reserve Proration

Electric Transportation Initiative

Line No.			(a) RY21	(b) RY22	
	<b>Deferred Tax Subject to Proration</b>				
1	Book Depreciation	, Line 16, 19, 22,25	\$52,329	\$104,658	
2	Bonus Depreciation	- Page 9 of 13, Line 3, Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 9 of 16, Line 18, Col (a)	(\$470,240)	(\$752,384)	
4	FY22 tax (gain)/loss on retirements	- Page 9. of 16, Line 19, Col (a)	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$417,911)	(\$647,726)	
6	Effective Tax Rate		21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$87,761)	(\$136,022)	
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 9 of 16, Line 3, Col (a)	\$0		
9	Cost of Removal	- Page 9 of 16, Line 20, Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$87,761)	(\$136,022)	
15	Net Operating Loss	, Line 31	-		
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$87,761)	(\$136,022)	
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$417,911)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 15	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$417,911)		
20	Total FY 2022 Federal NOL	, Line 31	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$87,761)	(\$136,022)	
		(h)	(i)	(j)	(k)
		<u>Number of Days in</u>			
	<b>Proration Calculation</b>	<u>Month</u>	<u>Proration Percentage</u>	RY21	RY22
26	September	30	91.78%	(\$6,712)	(\$10,404)
27	October	31	83.29%	(\$6,091)	(\$9,441)
28	November	30	75.07%	(\$5,490)	(\$8,509)
29	December	31	66.58%	(\$4,869)	(\$7,546)
30	January	31	58.08%	(\$4,248)	(\$6,584)
31	February	28	50.41%	(\$3,687)	(\$5,714)
32	March	31	41.92%	(\$3,066)	(\$4,751)
33	April	30	33.70%	(\$2,465)	(\$3,820)
34	May	31	25.21%	(\$1,843)	(\$2,857)
35	June	30	16.99%	(\$1,242)	(\$1,925)
36	July	31	8.49%	(\$621)	(\$963)
37	August	31	0.00%	\$0	\$0
38	Total	365		(\$40,334)	(\$62,514)
39	Deferred Tax Without Proration	Line 25		(\$87,761)	(\$136,022)
40	Average Deferred Tax without Proration				
		Line 39 × 0.5		(\$43,881)	(\$68,011)
41	Proration Adjustment	Line 38 - Line 40		\$3,547	\$5,497

**Column Notes:**

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

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

Line No.		Rate Year Ending August 31, 2022 (a)	Rate Year Ending August 31, 2023 (a)
<u>Estimated Capital Investment</u>			
1	EDC Costs (Make-Ready & Utility-Operated)	\$334,480	
2	Premise Work Costs (Make-Ready & Utility-Operated)	\$2,715,390	
3	EVSE Costs (Utility-Operated Only)	\$0	
4	Total Capitalized Labor & Tool Costs	\$136,745	
5	Total Estimated Capital Investment	\$3,186,615	\$3,186,615
<u>Depreciable Net Capital Included in Rate Base</u>			
6	Total Allowed Capital Included in Rate Base in Current Year	\$3,186,615	\$3,186,615
7	Retirements	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	\$3,186,615	\$3,186,615
<u>Change in Net Capital Included in Rate Base</u>			
9	Capital Included in Rate Base	\$3,186,615	\$3,186,615
10	Cost of Removal	\$0	\$0
11	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$3,186,615</b>	<b>\$3,186,615</b>
<u>Tax Depreciation</u>			
12	Vintage Year Tax Depreciation:		
13	2022 Spend	\$637,323	\$1,019,717
14	Cumulative Tax Depreciation	\$637,323	\$1,019,717
<u>Book Depreciation</u>			
15	Composite Book Depreciation Rate	2.50%	2.50%
16	Book Depreciation	\$4,181	\$8,362
17	Cumulative Book Depreciation	\$4,181	\$12,543
18	Composite Book Depreciation Rate	5.00%	5.00%
19	Book Depreciation	\$67,885	\$135,770
20	Cumulative Book Depreciation	\$67,885	\$203,654
21	Composite Book Depreciation Rate	10.00%	10.00%
22	Book Depreciation	\$0	\$0
23	Cumulative Book Depreciation	\$0	\$0
24	Composite Book Depreciation Rate	2.50%	2.50%
25	Book Depreciation	\$1,709	\$3,419
26	Cumulative Book Depreciation	\$1,709	\$5,128
27	Total Cumulative Book Depreciation	\$73,775	\$221,325
<u>Deferred Tax Calculation:</u>			
28	Cumulative Book / Tax Timer	\$563,548	\$798,392
29	Effective Tax Rate	21.00%	21.00%
30	Deferred Tax Reserve	\$118,345	\$167,662
31	Less: FY 2022 Federal NOL	-	-
32	Net Deferred Tax Reserve	\$118,345	\$167,662
<u>Rate Base Calculation:</u>			
33	Cumulative Incremental Capital Included in Rate Base	\$3,186,615	\$3,186,615
34	Accumulated Depreciation	(\$73,775)	(\$221,325)
35	Deferred Tax Reserve	(\$118,345)	(\$167,662)
36	Year End Rate Base	\$2,994,495	\$2,797,628
<u>Revenue Requirement Calculation:</u>			
37	Average Rate Base before Deferred Tax Proration Adjustment	\$1,497,247	\$2,896,061
38	Proration Adjustment	\$4,782	\$7,401
39	Average Rate Base after Deferred Tax Proration	\$1,502,030	\$2,903,463
40	Pre-Tax ROR	8.23%	8.23%
41	Return and Taxes	\$123,617	\$238,955
42	Book Depreciation	\$73,775	\$147,550
43	Property Taxes	\$0	\$98,864
44	<b>Annual Revenue Requirement</b>	<b>\$197,392</b>	<b>\$485,369</b>

1/ Weighted Average Cost of Capital per R.I.P.U.C. Docket No. 4770, Schedule 1-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%	0.00%	2.23%
Short Term Debt	0.60%	1.76%	0.01%	0.00%	0.01%
Preferred Stock	0.10%	4.50%	0.00%	0.00%	0.00%
Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 Capital Investments  
Electric Transportation Initiative

Line No.			Rate Year Ending August 31, 2022 (a)	
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 5	\$3,186,615	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$3,186,615	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,186,615	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,186,615	
9	Bonus Depreciation Rate	0%	0.00%	
10	Bonus Depreciation Rate	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$3,186,615	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$3,186,615	\$3,186,615
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.000%	32.000%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$637,323	\$1,019,717
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 10	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$637,323	\$1,019,717

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**RIPUC Docket No. 4770**  
**Attachment PUC 3-10-4**  
**Page 13 of 13**

**The Narragansett Electric Company**  
**d/b/a National Grid**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 2022 Net Deferred Tax Reserve Proration**

**Electric Transportation Initiative**

Line No.	Deferred Tax Subject to Proration	(a) RY22
1	Book Depreciation	, Line 16, 19, 22,25 \$73,775
2	Bonus Depreciation	- Page 9 of 13, Line 3, Col (a) \$0
3	Remaining MACRS Tax Depreciation	- Page 9 of 16, Line 18, Col (a) (\$637,323)
4	FY22 tax (gain)/loss on retirements	- Page 9. of 16, Line 19, Col (a) \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 (\$563,548)
6	Effective Tax Rate	21%
7	Deferred Tax Reserve	Line 5 × Line 6 (\$118,345)
	Deferred Tax Not Subject to Proration	
8	Capital Repairs Deduction	- Page 9 of 16, Line 3, Col (a) \$0
9	Cost of Removal	- Page 9 of 16, Line 20, Col (a) \$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0
12	Effective Tax Rate	21%
13	Deferred Tax Reserve	Line 11 × Line 12 \$0
14	Total Deferred Tax Reserve	Line 7 + Line 13 (\$118,345)
15	Net Operating Loss	, Line 31 -
16	Net Deferred Tax Reserve	Line 14 + Line 15 (\$118,345)
	Allocation of FY 2022 Estimated Federal NOL	
17	Cumulative Book/Tax Timer Subject to Proration	Line 5 (\$563,548)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 15 \$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 (\$563,548)
20	Total FY 2022 Federal NOL	, Line 31 \$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20
23	Effective Tax Rate	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23 \$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24 (\$118,345)
	<b>Proration Calculation</b>	
		(h) (i) (j)
		Number of Days in
		Month Proration Percentage RY22
26	September	30 91.78% (\$9,052)
27	October	31 83.29% (\$8,214)
28	November	30 75.07% (\$7,403)
29	December	31 66.58% (\$6,566)
30	January	31 58.08% (\$5,728)
31	February	28 50.41% (\$4,972)
32	March	31 41.92% (\$4,134)
33	April	30 33.70% (\$3,323)
34	May	31 25.21% (\$2,486)
35	June	30 16.99% (\$1,675)
36	July	31 8.49% (\$838)
37	August	31 0.00% \$0
38	Total	365 (\$54,390)
39	Deferred Tax Without Proration	Line 25 (\$118,345)
40	Average Deferred Tax without Proration	Line 39 × 0.5 (\$59,173)
41	Proration Adjustment	Line 38 - Line 40 \$4,782

**Column Notes:**

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

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Grid Mod Synergy - System Data Portal  
Annual Revenue Requirement Summary

Line No.		Rate Year 1 (a)	Rate Year 2 (b)	Rate Year 3 (c )	Rate Year 4 (d )
	Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$0	\$0	\$0	\$700,000
2	Total O&M costs	\$0	\$0	\$0	\$700,000
	Sum of Line 1	\$0			
3	Total Revenue Requirement	\$0	\$0	\$0	\$700,000

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
II p  
Grid Mod Synergy - GIS Data Enhancement  
Rate Year Annual Revenue Requirement Summary - Electric Only

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:					
1	System Data Portal		\$0	\$0	\$0	\$0
2	Feeder Monitoring Sensors		\$0	\$0	\$0	\$0
3	RTU Separation		\$0	\$0	\$0	\$0
4	GIS Data Enhancement		\$33,789	\$33,872	\$209,985	\$160,000
5	DSCADA & ADMS		\$0	\$0	\$0	\$0
6	GIS Data Enhancement		\$0	\$0	\$0	\$0
7	Enterprise Service Bus		\$0	\$0	\$0	\$0
8	Data Lake		\$0	\$0	\$0	\$0
9	PI Historian		\$0	\$0	\$0	\$0
10	Advanced Analytics		\$0	\$0	\$0	\$0
11	Telecommunications		\$0	\$0	\$0	\$0
12	Cybersecurity		\$0	\$0	\$0	\$0
13	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$33,789	\$33,872	\$209,985	\$160,000
	Gas Operation and Maintenance (O&M) Expenses:					
14	DSCADA & ADMS		\$0	\$0	\$0	\$0
15	GIS Data Enhancement		\$0	\$0	\$0	\$0
16	Enterprise Service Bus		\$0	\$0	\$0	\$0
17	Data Lake		\$0	\$0	\$0	\$0
18	PI Historian		\$0	\$0	\$0	\$0
19	Advanced Analytics		\$0	\$0	\$0	\$0
20	Telecommunications		\$0	\$0	\$0	\$0
21	Cybersecurity		\$0	\$0	\$0	\$0
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	<b>\$33,789</b>	<b>\$33,872</b>	<b>\$209,985</b>	<b>\$160,000</b>
	Electric Capital Investment:					
24	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment		\$0	\$0	\$0	\$0
25	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment			\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment				\$56,346	\$108,161
27	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment					\$0
28						
29	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through Line 28	<b>\$0</b>	<b>\$0</b>	<b>\$56,346</b>	<b>\$108,161</b>
	Gas Capital Investment:					
30	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment		\$0	\$0	\$0	\$0
31	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment			\$0	\$0	\$0
32	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment				\$0	\$0
33	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment					\$0
34						
35	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 31 through Line 34	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	<b>\$33,789</b>	<b>\$33,872</b>	<b>\$266,331</b>	<b>\$268,161</b>
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	<b>\$33,789</b>	<b>\$33,872</b>	<b>\$266,331</b>	<b>\$268,161</b>

Column (a) - no recovery in Rate Year 1 per PUC Decision



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
<u>Estimated Capital Investment</u>						
1	GIS Data Enhancement		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	FY 2020 Spend	Page 3 of 13, Line 21	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 IS Capital Investments  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	0.00%			
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$0			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - GIS Enhancement Data**

Line No.			(a) Rate Year 1	(b) Rate Year 2	(c) Rate Year 3	(c) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>					
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0			
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0			
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0			
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20				
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0
	<b>Proration Calculation</b>					
		(h) (i) (j) (k) (l) (m)				
		<u>Number of Days in</u>				
		<u>Month</u> <u>Proration Percentage</u>				
26	April	30 91.78%	\$0	\$0	\$0	\$0
27	May	31 83.29%	\$0	\$0	\$0	\$0
28	June	30 75.07%	\$0	\$0	\$0	\$0
29	July	31 66.58%	\$0	\$0	\$0	\$0
30	August	31 58.08%	\$0	\$0	\$0	\$0
31	September	30 49.86%	\$0	\$0	\$0	\$0
32	October	31 41.37%	\$0	\$0	\$0	\$0
33	November	30 33.15%	\$0	\$0	\$0	\$0
34	December	31 24.66%	\$0	\$0	\$0	\$0
35	January	31 16.16%	\$0	\$0	\$0	\$0
36	February	28 8.49%	\$0	\$0	\$0	\$0
37	March	31 0.00%	\$0	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
<u>Estimated Capital Investment</u>					
1	GIS Data Enhancement		\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line 41, Col (j) through Col. (l)	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	8.23%	8.23%	8.23%
29	Return and Taxes	Worksheet MAL-6	\$0	\$0	\$0
30	Book Depreciation	Line 27 * Line 28	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2020 IS Capital Investments  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 2 Ending <u>8/31/2020</u> (a)	Rate Year 2 Ending <u>8/31/2021</u> (b)	Rate Year 3 Ending <u>8/31/2022</u> (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%		
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - GIS Enhancement Data

Line No.			(a) Rate Year	(b) Rate Year	(c) Rate Year
	<b>Deferred Tax Subject to Proration</b>				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)=21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
	<b>Proration Calculation</b>				
		(h) Number of Days in	(i) Proration Percentage	(j) Rate Year	(k) Rate Year
		Month			(l) Rate Year
26	April	30	91.78%	\$0	\$0
27	May	31	83.29%	\$0	\$0
28	June	30	75.07%	\$0	\$0
29	July	31	66.58%	\$0	\$0
30	August	31	58.08%	\$0	\$0
31	September	30	49.86%	\$0	\$0
32	October	31	41.37%	\$0	\$0
33	November	30	33.15%	\$0	\$0
34	December	31	24.66%	\$0	\$0
35	January	31	16.16%	\$0	\$0
36	February	28	8.49%	\$0	\$0
37	March	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
<u>Estimated Capital Investment</u>				
1	GIS Data Enhancement		\$523,804	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$523,804	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$523,804	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4, then = Column (a)	\$523,804	\$523,804
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$523,804	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$523,804</b>	<b>\$523,804</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2022 Spend	Page 9 of 13, Line 21	\$174,584	\$232,831
11	Cumulative Tax Depreciation	Current Year Line 10	\$174,584	\$407,415
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b) = Line 5 * Line 12	\$37,415	\$74,829
14	Cumulative Book Depreciation	Current Year Line 13	\$37,415	\$112,244
15	Total Cumulative Book Depreciation	Line 14	\$37,415	\$112,244
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$137,169	\$295,171
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$28,806	\$61,986
19	Less: FY 2022 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$28,806	\$61,986
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$523,804	\$523,804
22	Accumulated Depreciation	- Line 15	(\$37,415)	(\$112,244)
23	Deferred Tax Reserve	- Line 20	(\$28,806)	(\$61,986)
24	Year End Rate Base	Sum of Lines 21 through 23	\$457,584	\$349,574
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$228,791.92	\$403,579.08
26	Proration Adjustment	, Line 41, Col (j) through Col. (k)	\$1,236	\$1,424
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$230,028	\$405,003
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$18,931	\$33,332
30	Book Depreciation	Line 13	\$37,415	\$74,829
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$56,346</b>	<b>\$108,161</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 IS Capital Investments  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$523,804	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$523,804	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$523,804	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$523,804	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$523,804	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$523,804	\$523,804
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$174,584	\$232,831
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$174,584	\$232,831



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

Line No.			(a) Rate Year	(b) Rate Year
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$37,415	\$74,829
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$174,584)	(\$232,831)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$137,169)	(\$158,002)
6	Effective Tax Rate	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$28,806)	(\$33,180)
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate	21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$28,806)	(\$33,180)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$28,806)	(\$33,180)
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$137,169)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$137,169)	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate	21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$28,806)	(\$33,180)
		(h) (i) (j) (k)		
		<u>Number of Days in</u>		
	<b>Proration Calculation</b>	<u>Month</u> <u>Proration Percentage</u>	<u>Rate Year</u>	<u>Rate Year</u>
26	April	30 91.78%	(\$2,203)	(\$2,538)
27	May	31 83.29%	(\$1,999)	(\$2,303)
28	June	30 75.07%	(\$1,802)	(\$2,076)
29	July	31 66.58%	(\$1,598)	(\$1,841)
30	August	31 58.08%	(\$1,394)	(\$1,606)
31	September	30 49.86%	(\$1,197)	(\$1,379)
32	October	31 41.37%	(\$993)	(\$1,144)
33	November	30 33.15%	(\$796)	(\$917)
34	December	31 24.66%	(\$592)	(\$682)
35	January	31 16.16%	(\$388)	(\$447)
36	February	28 8.49%	(\$204)	(\$235)
37	March	31 0.00%	\$0	\$0
38	Total	365	(\$13,166)	(\$15,166)
39	Deferred Tax Without Proration	Line 25	(\$28,806)	(\$33,180)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$14,403)	(\$16,590)
41	Proration Adjustment	Line 38 - Line 40	\$1,236	\$1,424

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - GIS Enhancement Data

Line No.		Rate Year 3 Ending 31-Aug-22 (a)
<u>Estimated Capital Investment</u>		
1	GIS Data Enhancement	
2	Total Estimated Capital Investment	Sum of Line 1
		\$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2
4	Retirements	Line 4 * 0%
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4
		\$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2
		\$0
7	Cost of Removal	
		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>
		<b>\$0</b>
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2023 Spend	Page 12 of 13, Line 21
		\$0
11	Cumulative Tax Depreciation	Current Year Line 10
		\$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770
		14.29%
13	Book Depreciation	Column (a) = Line 5* Line 12 * 50%
		\$0
14	Cumulative Book Depreciation	Current Year Line 13
		\$0
15	Total Cumulative Book Depreciation	Line 14
		\$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15
		\$0
17	Effective Tax Rate	
		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17
		\$0
19	Less: FY 2023 Federal NOL	
		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19
		\$0
<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8
		\$0
22	Accumulated Depreciation	- Line 15
		\$0
23	Deferred Tax Reserve	- Line 20
		\$0
24	Year End Rate Base	Sum of Lines 21 through 23
		\$0
<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2
		\$0.00
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)
		\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26
		\$0
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6
		8.23%
29	Return and Taxes	Line 25 * Line 28
		\$0
30	Book Depreciation	Line 13
		\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>
		<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2022 IS Capital Investments  
Synergy Grid Mod - GIS Enhancement Data

Line No.			Rate Year 3 Ending 8/31/2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

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

Line No.		(a) Rate Year
	<b>Deferred Tax Subject to Proration</b>	
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b) \$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a) \$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d) \$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a) \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 \$0
6	Effective Tax Rate	21%
7	Deferred Tax Reserve	Line 5 × Line 6 \$0
	Deferred Tax Not Subject to Proration	
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a) \$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a) \$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0
12	Effective Tax Rate	21%
13	Deferred Tax Reserve	Line 11 × Line 12 \$0
14	Total Deferred Tax Reserve	Line 7 + Line 13 \$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a) \$0
16	Net Deferred Tax Reserve	Line 14 + Line 15 \$0
	Allocation of FY 2022 Estimated Federal NOL	
17	Cumulative Book/Tax Timer Subject to Proration	Line 5 \$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11 \$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 \$0
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21% \$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20
23	Effective Tax Rate	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23 \$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24 \$0
	<b>Proration Calculation</b>	
		(h) (i) (j)
		Number of Days in
		Month Proration Percentage
26	April	30 91.78% \$0
27	May	31 83.29% \$0
28	June	30 75.07% \$0
29	July	31 66.58% \$0
30	August	31 58.08% \$0
31	September	30 49.86% \$0
32	October	31 41.37% \$0
33	November	30 33.15% \$0
34	December	31 24.66% \$0
35	January	31 16.16% \$0
36	February	28 8.49% \$0
37	March	31 0.00% \$0
38	Total	365 \$0
39	Deferred Tax Without Proration	Line 25 \$0
40	Average Deferred Tax without Proration	Line 39 × 0.5 \$0
41	Proration Adjustment	Line 38 - Line 40 \$0

**Column Notes:**

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

The Narragansett Electric Company  
d/b/a National Grid  
Power Sector Transformation (PST)  
Grid Mod Synergy - GIS Data Enhancement (BR)  
Rate Year Annual Revenue Requirement Summary

Line No.		Rate Year 1 (a)	Rate Year 2 (b)	Rate Year 3 (c )	Rate Year 4 (d )
	Operation and Maintenance (O&M) Expenses:				
1	GIS Data Enhancement (BR)	\$43,182	\$646,278	\$538,400	\$200,000
2	Total O&M costs	\$43,182	\$646,278	\$538,400	\$200,000
	Sum of Line 1				
3	<b>Total Revenue Requirement</b>	<b>\$43,182</b>	<b>\$646,278</b>	<b>\$538,400</b>	<b>\$200,000</b>

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Grid Mod Synergy - DSCADA & ADMS  
Rate Year Annual Revenue Requirement Summary - Electric Only

No.		Rate Year 1 Ending August 31, 2019	Rate Year 2 Ending August 31, 2020	Rate Year 3 Ending August 31, 2021	Rate Year 4 Ending August 31, 2022	
		(a)	(b)	(c)	(d)	
	Electric Operation and Maintenance (O&M) Expenses:					
1	System Data Portal	\$0	\$0	\$0	\$0	
2	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0	
3	RTU Separation	\$0	\$0	\$0	\$0	
4	GIS Data Enhancement	\$0	\$0	\$0	\$0	
5	DSCADA & ADMS	\$62,171	\$404,650	\$972,035	\$1,143,000	
6	GIS Data Enhancement	\$0	\$0	\$0	\$0	
7	Enterprise Service Bus	\$0	\$0	\$0	\$0	
8	Data Lake	\$0	\$0	\$0	\$0	
9	PI Historian	\$0	\$0	\$0	\$0	
10	Advanced Analytics	\$0	\$0	\$0	\$0	
11	Telecommunications	\$0	\$0	\$0	\$0	
12	Cybersecurity	\$0	\$0	\$0	\$0	
13	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$62,171	\$404,650	\$972,035	\$1,143,000
	Gas Operation and Maintenance (O&M) Expenses:					
14	DSCADA & ADMS	\$0	\$0	\$0	\$0	
15	GIS Data Enhancement	\$0	\$0	\$0	\$0	
16	Enterprise Service Bus	\$0	\$0	\$0	\$0	
17	Data Lake	\$0	\$0	\$0	\$0	
18	PI Historian	\$0	\$0	\$0	\$0	
19	Advanced Analytics	\$0	\$0	\$0	\$0	
20	Telecommunications	\$0	\$0	\$0	\$0	
21	Cybersecurity	\$0	\$0	\$0	\$0	
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	<b>\$62,171</b>	<b>\$404,650</b>	<b>\$972,035</b>	<b>\$1,143,000</b>
	Electric Capital Investment:					
25	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment	\$0	\$0	\$0	\$0	
26	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment		\$0	\$0	\$0	
27	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment			\$0	\$0	
28	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment				\$210,977	
29	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through Line 28	\$0	\$0	\$0	\$210,977
	Gas Capital Investment:					
31	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment	\$0	\$0	\$0	\$0	
32	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment		\$0	\$0	\$0	
33	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment			\$0	\$0	
34	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment				\$0	
35	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 31 through Line 34	\$0	\$0	\$0	\$0
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	<b>\$62,171</b>	<b>\$404,650</b>	<b>\$972,035</b>	<b>\$1,353,977</b>
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	<b>\$62,171</b>	<b>\$404,650</b>	<b>\$972,035</b>	<b>\$1,353,977</b>

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 1 Ending August 31, 2019 (a)	Rate Year 2 Ending August 31, 2020 (b)	Rate Year 3 Ending August 31, 2021 (c)	Rate Year 4 Ending August 31, 2022 (d)
<u>Estimated Capital Investment</u>						
1	DSCADA & ADMS		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	FY 2020 Spend	Page 3 of 13, Line 21	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.89%	2.89%	2.89%	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b, c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 1 IS Capital Investments  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	0.00%			
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$0			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0	\$0
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%	6.677%	6.177%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0	\$0



Line No.		(a) Rate Year 1 Ending	(b) Rate Year 2 Ending	(c) Rate Year 3 Ending	(c) Rate Year 4 Ending
	<b>Deferred Tax Subject to Proration</b>				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0

**Column Notes:**

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

(j) & (k) Current Year Line  $25 \div 12 \times$  Current Month Col (i)

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
<u>Estimated Capital Investment</u>					
1	DSCADA & ADMS		\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>					
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>					
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>					
9	Vintage Year Tax Depreciation:				
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0
<u>Book Depreciation</u>					
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.89%	2.89%	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>					
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0
<u>Rate Base Calculation:</u>					
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>					
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line 41, Col (j) through Col. (l)	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0
		Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,			
28	Pre-Tax ROR	Worksheet MAL-6	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2 IS Capital Investments  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 2 Ending <u>8/31/2020</u> (a)	Rate Year 2 Ending <u>8/31/2021</u> (b)	Rate Year 3 Ending <u>8/31/2022</u> (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%		
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	7.219%	6.677%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - DSCADA & ADMS

Line No.			(a) RY20	(b) RY21	(c) RY22	
	<b>Deferred Tax Subject to Proration</b>					
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0			
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	
6	Effective Tax Rate		21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	
	<b>Deferred Tax Not Subject to Proration</b>					
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0			
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	
	<b>Allocation of FY 2022 Estimated Federal NOL</b>					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0			
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20				
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	
		(h)	(i)	(j)	(k)	(l)
		<u>Number of Days in</u>				
	<b>Proration Calculation</b>	<u>Month</u>	<u>Proration Percentage</u>	RY20	RY21	RY22
26	April	30	91.78%	\$0	\$0	\$0
27	May	31	83.29%	\$0	\$0	\$0
28	June	30	75.07%	\$0	\$0	\$0
29	July	31	66.58%	\$0	\$0	\$0
30	August	31	58.08%	\$0	\$0	\$0
31	September	30	49.86%	\$0	\$0	\$0
32	October	31	41.37%	\$0	\$0	\$0
33	November	30	33.15%	\$0	\$0	\$0
34	December	31	24.66%	\$0	\$0	\$0
35	January	31	16.16%	\$0	\$0	\$0
36	February	28	8.49%	\$0	\$0	\$0
37	March	31	0.00%	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Estimated Capital Investment</u>			
1	DSCADA & ADMS		\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4, then = Column (a)	\$0	\$0
	<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
	<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:			
10	FY 2022 Spend	Page 9 of 13, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0	\$0
	<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.89%	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
	<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2022 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
	<u>Rate Base Calculation:</u>			
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
	<u>Revenue Requirement Calculation:</u>			
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0.00
26	Proration Adjustment	, Line 41, Col (j) through Col. (k)	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 3 IS Capital Investments  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 3 Ending <u>8/31/2021</u> (a)	Rate Year 4 Ending <u>8/31/2022</u> (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.75%	7.22%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 3 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - DSCADA & ADMS

Line No.			(a) RY21	(b) RY22
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	<b>Deferred Tax Not Subject to Proration</b>			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	<b>Allocation of FY 2022 Estimated Federal NOL</b>			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
	<b>Proration Calculation</b>			
		(h) Number of Days in Month	(i) Proration Percentage	(j) RY21
				(k) RY22
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 3 Ending August 31, 2022 (a)
	<u>Estimated Capital Investment</u>		
1	DSCADA & ADMS		\$3,848,318
2	Total Estimated Capital Investment	Sum of Line 1	\$3,848,318
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$3,848,318
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$3,848,318
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$3,848,318
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$3,848,318</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	FY 2023 Spend	Page 12 of 13, Line 21	\$144,312
11	Cumulative Tax Depreciation	Current Year Line 10	\$144,312
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$55,608
14	Cumulative Book Depreciation	Current Year Line 13	\$55,608
15	Total Cumulative Book Depreciation	Line 14	\$55,608
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$88,704
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$18,628
19	Less: FY 2023 Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$18,628
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$3,848,318
22	Accumulated Depreciation	- Line 15	(\$55,608)
23	Deferred Tax Reserve	- Line 20	(\$18,628)
24	Year End Rate Base	Sum of Lines 21 through 23	\$3,774,082
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$1,887,041
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$800
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$1,887,841
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper 6	8.23%
29	Return and Taxes	Line 25 * Line 28	\$155,369
30	Book Depreciation	Line 13	\$55,608
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$210,977</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Wkp 6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 4 IS Capital Investments  
Synergy Grid Mod - DSCADA & ADMS

Line No.			Rate Year 3 Ending 8/31/2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$3,848,318
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$3,848,318
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,848,318
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,848,318
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$3,848,318
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$3,848,318
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.75%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$144,312
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$144,312

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 4 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - DSCADA & ADMS

Line No.			(a) RY22
	<b>Deferred Tax Subject to Proration</b>		
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$55,608
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$144,312)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$88,704)
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$18,628)
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$18,628)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$18,628)
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$88,704)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$88,704)
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20	
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$18,628)
	<b>Proration Calculation</b>		
		(h) Number of Days in Month	(i) Proration Percentage
			(j) RY22
26	April	30	91.78% (\$1,425)
27	May	31	83.29% (\$1,293)
28	June	30	75.07% (\$1,165)
29	July	31	66.58% (\$1,033)
30	August	31	58.08% (\$902)
31	September	30	49.86% (\$774)
32	October	31	41.37% (\$642)
33	November	30	33.15% (\$515)
34	December	31	24.66% (\$383)
35	January	31	16.16% (\$251)
36	February	28	8.49% (\$132)
37	March	31	0.00% \$0
38	Total	365	(\$8,514)
39	Deferred Tax Without Proration	Line 25	(\$18,628)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$9,314)
41	Proration Adjustment	Line 38 - Line 40	\$800

**Column Notes:**

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

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

Line No.		Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
1	Electric Operation and Maintenance (O&M) Expenses:				
2	System Data Portal	\$0	\$0	\$0	\$0
3	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0
4	RTU Separation	\$0	\$41,804	\$60,000	\$60,000
5	GIS Data Enhancement	\$0	\$0	\$0	\$0
6	DSCADA & ADMS	\$0	\$0	\$0	\$0
7	GIS Data Enhancement	\$0	\$0	\$0	\$0
8	Enterprise Service Bus	\$0	\$0	\$0	\$0
9	Data Lake	\$0	\$0	\$0	\$0
10	PI Historian	\$0	\$0	\$0	\$0
11	Advanced Analytics	\$0	\$0	\$0	\$0
12	Telecommunications	\$0	\$0	\$0	\$0
13	Cybersecurity	\$0	\$0	\$0	\$0
	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$0	\$41,804	\$60,000
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$0	\$0	\$0	\$0
15	GIS Data Enhancement	\$0	\$0	\$0	\$0
16	Enterprise Service Bus	\$0	\$0	\$0	\$0
17	Data Lake	\$0	\$0	\$0	\$0
18	PI Historian	\$0	\$0	\$0	\$0
19	Advanced Analytics	\$0	\$0	\$0	\$0
20	Telecommunications	\$0	\$0	\$0	\$0
21	Cybersecurity	\$0	\$0	\$0	\$0
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	\$0	\$41,804	\$60,000
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment	\$0	\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment		\$0	\$0	\$0
27	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment			\$0	\$0
28	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment				\$26,507
29	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through Line 28	\$0	\$0	\$26,507
30	Gas Capital Investment:				
31	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment	\$0	\$0	\$0	\$0
32	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment		\$0	\$0	\$0
33	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment			\$0	\$0
34	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment				\$0
35	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 31 through Line 34	\$0	\$0	\$0
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	\$0	\$41,804	\$86,507
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	\$0	\$0	\$0
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	\$0	\$41,804	\$86,507

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - RTU Separation

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
<u>Estimated Capital Investment</u>						
1	RTU Separation		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	FY 2020 Spend	Page 3 of 13, Line 21	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.89%	2.89%	2.89%	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 IS Capital Investments  
Synergy Grid Mod - RTU Separation

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	0.00%			
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$0			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0	\$0
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.75%	7.22%	6.68%	6.18%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - RTU Separation

Line No.			(a) Rate Year 1 Ending	(b) Rate Year 2 Ending	(c) Rate Year 3 Ending	(c) Rate Year 4 Ending
	<b>Deferred Tax Subject to Proration</b>					
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0			
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0			
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0			
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20				
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0
		(h) (i) (j) (k) (l) (m)				
		Number of Days in				
	<b>Proration Calculation</b>	Month Proration Percentage	Rate Year 1 Ending	Rate Year 2 Ending	Rate Year 3 Ending	Rate Year 4 Ending
26	April	30 91.78%	\$0	\$0	\$0	\$0
27	May	31 83.29%	\$0	\$0	\$0	\$0
28	June	30 75.07%	\$0	\$0	\$0	\$0
29	July	31 66.58%	\$0	\$0	\$0	\$0
30	August	31 58.08%	\$0	\$0	\$0	\$0
31	September	30 49.86%	\$0	\$0	\$0	\$0
32	October	31 41.37%	\$0	\$0	\$0	\$0
33	November	30 33.15%	\$0	\$0	\$0	\$0
34	December	31 24.66%	\$0	\$0	\$0	\$0
35	January	31 16.16%	\$0	\$0	\$0	\$0
36	February	28 8.49%	\$0	\$0	\$0	\$0
37	March	31 0.00%	\$0	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - RTU Separation

Line No.		Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
<u>Estimated Capital Investment</u>				
1	RTU Separation	\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.89%	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line 41, Col (j) through Col. (l)	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,	8.23%	8.23%
29	Return and Taxes	Worksheet MAL-6	\$0	\$0
30	Book Depreciation	Line 27 * Line 28	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2020 IS Capital Investments  
Synergy Grid Mod - RTU Separation

Line No.			Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%		
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.75%	7.22%	6.68%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0	\$0



**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - RTU Separation**

Line No.			(a) RY20	(b) RY21
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
	<b>Proration Calculation</b>			
		(h) Number of Days in Month	(i) Proration Percentage	(j) RY20
				(k) RY21
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - RTU Separation

Line No.		Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Estimated Capital Investment</u>		
1	RTU Separation	\$0	\$0
2	Total Estimated Capital Investment	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	\$0	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	FY 2022 Spend	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	2.89%	2.89%
13	Book Depreciation	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0
15	Total Cumulative Book Depreciation	\$0	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0
19	Less: FY 2022 Federal NOL	\$0	\$0
20	Net Deferred Tax Reserve	\$0	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	\$0	\$0
22	Accumulated Depreciation	\$0	\$0
23	Deferred Tax Reserve	\$0	\$0
24	Year End Rate Base	\$0	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	\$0.00	\$0.00
26	Proration Adjustment	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	\$0	\$0
28	Pre-Tax ROR	8.23%	8.23%
29	Return and Taxes	\$0	\$0
30	Book Depreciation	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 IS Capital Investments  
Synergy Grid Mod - RTU Separation

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	\$0
14	Less Capital Repairs Deduction	Line 3	\$0	\$0
15	Less Bonus Depreciation	Line 12	\$0	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Per IRS Publication 946	3.75%	7.22%
18	20 YR MACRS Tax Depreciation Rates	Line 16 * Line 17	\$0	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

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

Line No.			(a) RY21	(b) RY22
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
	<b>Proration Calculation</b>			
		(h) Number of Days in Month	(i) Proration Percentage	(j) RY21
				(k) RY22
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - RTU Separation

Line No.			Rate Year 3 Ending 31-Aug-22 (a)
	<u>Estimated Capital Investment</u>		
1	RTU Separation		\$483,491
2	Total Estimated Capital Investment	Sum of Line 1	\$483,491
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$483,491
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$483,491
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$483,491
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$483,491</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	FY 2023 Spend	Page 12 of 13, Line 21	\$18,131
11	Cumulative Tax Depreciation	Current Year Line 10	\$18,131
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.89%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$6,986
14	Cumulative Book Depreciation	Current Year Line 13	\$6,986
15	Total Cumulative Book Depreciation	Line 14	\$6,986
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$11,145
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$2,340
19	Less: FY 2023 Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$2,340
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$483,491
22	Accumulated Depreciation	- Line 15	(\$6,986)
23	Deferred Tax Reserve	- Line 20	(\$2,340)
24	Year End Rate Base	Sum of Lines 21 through 23	\$474,164
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$237,082.10
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$100
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$237,183
	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,		
28	Pre-Tax ROR	Worksheet MAL-6	8.23%
29	Return and Taxes	Line 27 * Line 28	\$19,520
30	Book Depreciation	Line 13	\$6,986
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$26,507</b>

1/ Weighted Average Cost of Capital per R.I.P.U.C. Docket No. 4770, Schedule I-ELEC

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2022 IS Capital Investments  
Synergy Grid Mod - RTU Separation

Line No.			Rate Year 4 Ending 8/31/2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$483,491
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$483,491
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$483,491
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$483,491
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$483,491
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$483,491
17	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.75%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$18,131
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$18,131

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
RIPUC Docket No. 4770  
Attachment PUC 3-10-9  
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THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2022 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - RTU Separation

Line No.	Deferred Tax Subject to Proration		(a) RY22
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$6,986
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$18,131)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$11,145)
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$2,340)
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$2,340)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$2,340)
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$11,145)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$11,145)
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20	
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$2,340)
	<b>Proration Calculation</b>	(h) Number of Days in Month	(i) Proration Percentage (j) RY22
26	April	30	91.78% (\$179)
27	May	31	83.29% (\$162)
28	June	30	75.07% (\$146)
29	July	31	66.58% (\$130)
30	August	31	58.08% (\$113)
31	September	30	49.86% (\$97)
32	October	31	41.37% (\$81)
33	November	30	33.15% (\$65)
34	December	31	24.66% (\$48)
35	January	31	16.16% (\$32)
36	February	28	8.49% (\$17)
37	March	31	0.00% \$0
38	Total	365	(\$1,070)
39	Deferred Tax Without Proration	Line 25	(\$2,340)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$1,170)
41	Proration Adjustment	Line 38 - Line 40	\$100

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Grid Mod Synergy - Enterprise Service Bus  
Rate Year Annual Revenue Requirement Summary - Electric Only

Line No.		Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)	
	Electric Operation and Maintenance (O&M) Expenses:					
1	System Data Portal	\$0	\$0	\$0	\$0	
2	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0	
3	RTU Separation	\$0	\$0	\$0	\$0	
4	GIS Data Enhancement	\$0	\$0	\$0	\$0	
5	DSCADA & ADMS	\$0	\$0	\$0	\$0	
6	GIS Data Enhancement	\$0	\$0	\$0	\$0	
7	Enterprise Service Bus	\$0	\$105,286	\$28,066	\$335,000	
8	Data Lake	\$0	\$0	\$0	\$0	
9	PI Historian	\$0	\$0	\$0	\$0	
10	Advanced Analytics	\$0	\$0	\$0	\$0	
11	Telecommunications	\$0	\$0	\$0	\$0	
12	Cybersecurity	\$0	\$0	\$0	\$0	
13	Total Electric O&M costs	Sum of Lines 1 through 12	\$0	\$105,286	\$28,066	\$335,000
	Gas Operation and Maintenance (O&M) Expenses:					
14	DSCADA & ADMS	\$0	\$0	\$0	\$0	
15	GIS Data Enhancement	\$0	\$0	\$0	\$0	
16	Enterprise Service Bus	\$0	\$0	\$0	\$0	
17	Data Lake	\$0	\$0	\$0	\$0	
18	PI Historian	\$0	\$0	\$0	\$0	
19	Advanced Analytics	\$0	\$0	\$0	\$0	
20	Telecommunications	\$0	\$0	\$0	\$0	
21	Cybersecurity	\$0	\$0	\$0	\$0	
22	Total Gas O&M costs	Sum of Lines 14 through 21	\$0	\$0	\$0	\$0
23	Total O&M Expenses	Line 13 + Line 22	\$0	\$105,286	\$28,066	\$335,000
	Electric Capital Investment:					
24	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment	\$0	\$0	\$0	\$0	
25	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment		\$0	\$0	\$0	
26	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment			\$0	\$0	
27	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment				\$60,682	
28						
29	Total Electric Capital Investment Component of Revenue Requirement	Sum of Lines 25 through Line 28	\$0	\$0	\$0	\$60,682
	Gas Capital Investment:					
30	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment	\$0	\$0	\$0	\$0	
31	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment		\$0	\$0	\$0	
32	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment			\$0	\$0	
33	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment				\$0	
34						
35	Total Gas Capital Investment Component of Revenue Requirement	Sum of Lines 31 through Line 34	\$0	\$0	\$0	\$0
36	Total Electric Revenue Requirement	Line 13 + Line 29	\$0	\$105,286	\$28,066	\$395,682
37	Total Gas Revenue Requirement	Line 22 + Line 35	\$0	\$0	\$0	\$0
38	Total Electric & Gas Revenue Requirement	Line 36 + Line 37	\$0	\$105,286	\$28,066	\$395,682

Column (a) - no recovery in Rate Year 1 per PUC Decision



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
<u>Estimated Capital Investment</u>						
1	Enterprise Service Bus		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	FY 2020 Spend	Page 3 of 13, Line 21	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 IS Capital Investments  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	0.00%			
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$0			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Enterprise Service Bus

Line No.			(a) RY19	(b) RY20	(c) RY21	(c) RY22
<b>Deferred Tax Subject to Proration</b>						
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0			
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0			
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0
Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0			
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20				
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0
<b>Proration Calculation</b>						
		(h) Number of Days in Month	(i) Proration Percentage	(j) RY19	(k) RY20	(l) RY21
26	April	30	91.78%	\$0	\$0	\$0
27	May	31	83.29%	\$0	\$0	\$0
28	June	30	75.07%	\$0	\$0	\$0
29	July	31	66.58%	\$0	\$0	\$0
30	August	31	58.08%	\$0	\$0	\$0
31	September	30	49.86%	\$0	\$0	\$0
32	October	31	41.37%	\$0	\$0	\$0
33	November	30	33.15%	\$0	\$0	\$0
34	December	31	24.66%	\$0	\$0	\$0
35	January	31	16.16%	\$0	\$0	\$0
36	February	28	8.49%	\$0	\$0	\$0
37	March	31	0.00%	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - Enterprise Service Bus

Line No.		Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
<u>Estimated Capital Investment</u>				
1	Enterprise Service Bus	\$0	\$0	\$0
2	Total Estimated Capital Investment	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0	\$0
4	Retirements	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	\$0	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	\$0	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	14.29%	14.29%	14.29%
13	Book Depreciation	\$0	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	\$0	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0	\$0
19	Less: FY 2021 Federal NOL	\$0	\$0	\$0
20	Net Deferred Tax Reserve	\$0	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	\$0	\$0	\$0
22	Accumulated Depreciation	\$0	\$0	\$0
23	Deferred Tax Reserve	\$0	\$0	\$0
24	Year End Rate Base	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	\$0	\$0	\$0
26	Proration Adjustment	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	\$0	\$0	\$0
28	Pre-Tax ROR	8.23%	8.23%	8.23%
29	Return and Taxes	\$0	\$0	\$0
30	Book Depreciation	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2020 IS Capital Investments  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%		
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Enterprise Service Bus

Line No.			(a) RY20	(b) RY21	(c) RY22
	Deferred Tax Subject to Proration				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)=21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
		(h) (i) (j) (k) (l)			
		Number of Days in			
	Proration Calculation	Month Proration Percentage	RY20	RY21	RY22
26	April	30 91.78%	\$0	\$0	\$0
27	May	31 83.29%	\$0	\$0	\$0
28	June	30 75.07%	\$0	\$0	\$0
29	July	31 66.58%	\$0	\$0	\$0
30	August	31 58.08%	\$0	\$0	\$0
31	September	30 49.86%	\$0	\$0	\$0
32	October	31 41.37%	\$0	\$0	\$0
33	November	30 33.15%	\$0	\$0	\$0
34	December	31 24.66%	\$0	\$0	\$0
35	January	31 16.16%	\$0	\$0	\$0
36	February	28 8.49%	\$0	\$0	\$0
37	March	31 0.00%	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0
40	Average Deferred Tax without Proration				
		Line 39 × 0.5	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Estimated Capital Investment</u>			
1	Enterprise Service Bus		\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4, then = Column (a)	\$0	\$0
	<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
	<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:			
10	FY 2022 Spend	Page 9 of 13, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0	\$0
	<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
	<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2022 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
	<u>Rate Base Calculation:</u>			
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
	<u>Revenue Requirement Calculation:</u>			
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0.00
26	Proration Adjustment	, Line 41, Col (j) through Col. (k)	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 IS Capital Investments  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	
14	Less Capital Repairs Deduction	Line 3	\$0	
15	Less Bonus Depreciation	Line 12	\$0	
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0



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

Line No.	Deferred Tax Subject to Proration		(a) RY21	(b) RY22
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
	<b>Proration Calculation</b>			
		(h) Number of Days in	(i) Proration Percentage	(j) RY21
		Month		(k) RY22
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 3 Ending 31-Aug-22 (a)
<u>Estimated Capital Investment</u>			
1	Enterprise Service Bus		\$564,109
2	Total Estimated Capital Investment	Sum of Line 1	\$564,109
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$564,109
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$564,109
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	Line 2	\$564,109
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$564,109</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	FY 2023 Spend	Page 12 of 13, Line 21	\$188,018
11	Cumulative Tax Depreciation	Current Year Line 10	\$188,018
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$40,294
14	Cumulative Book Depreciation	Current Year Line 13	\$40,294
15	Total Cumulative Book Depreciation	Line 14	\$40,294
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$147,725
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$31,022
19	Less: FY 2023 Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$31,022
<u>Rate Base Calculation:</u>			
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$564,109
22	Accumulated Depreciation	- Line 15	(\$40,294)
23	Deferred Tax Reserve	- Line 20	(\$31,022)
24	Year End Rate Base	Sum of Lines 21 through 23	\$492,793
<u>Revenue Requirement Calculation:</u>			
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$246,397
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$1,332
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$247,728
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%
29	Return and Taxes	Line 25 * Line 28	\$20,388
30	Book Depreciation	Line 13	\$40,294
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$60,682</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		###
Short Term Debt	0.00%	0.00%	0.00%		###
Preferred Stock	0.00%	0.00%	0.00%		###
Common Equity	50.00%	9.275%	4.64%	1.74%	###
	100.00%		6.49%	1.74%	###

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2022 IS Capital Investments  
Synergy Grid Mod - Enterprise Service Bus

Line No.			Rate Year 4 Ending 8/31/2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$564,109
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$564,109
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$564,109
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$564,109
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$564,109
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$564,109
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$188,018
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$188,018

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

Line No.			(a) RY22
	<b>Deferred Tax Subject to Proration</b>		
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$40,294
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$188,018)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$147,725)
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$31,022)
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$31,022)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$31,022)
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$147,725)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$147,725)
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)+21%	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20	
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$31,022)
	<b>Proration Calculation</b>		
		(h) Number of Days in Month	(i) Proration Percentage
			(j) RY22
26	April	30	91.78% (\$2,373)
27	May	31	83.29% (\$2,153)
28	June	30	75.07% (\$1,941)
29	July	31	66.58% (\$1,721)
30	August	31	58.08% (\$1,502)
31	September	30	49.86% (\$1,289)
32	October	31	41.37% (\$1,069)
33	November	30	33.15% (\$857)
34	December	31	24.66% (\$637)
35	January	31	16.16% (\$418)
36	February	28	8.49% (\$220)
37	March	31	0.00% \$0
38	Total	365	(\$14,180)
39	Deferred Tax Without Proration	Line 25	(\$31,022)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$15,511)
41	Proration Adjustment	Line 38 - Line 40	\$1,332

**Column Notes:**

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

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

Line No.		Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$0	\$0	\$0	\$0
2	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0
3	RTU Separation	\$0	\$0	\$0	\$0
4	GIS Data Enhancement	\$0	\$0	\$0	\$0
5	DSCADA & ADMS	\$0	\$0	\$0	\$0
6	GIS Data Enhancement	\$0	\$0	\$0	\$0
7	Enterprise Service Bus	\$0	\$0	\$0	\$0
8	Data Lake	\$0	\$0	\$0	\$0
9	PI Historian	\$0	\$0	\$0	\$0
10	Advanced Analytics	\$0	\$0	\$0	\$0
11	Telecommunications	\$0	\$0	\$0	\$0
12	Cybersecurity	\$0	\$0	\$0	\$0
13	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$0	\$0	\$0
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$0	\$0	\$0	\$0
15	GIS Data Enhancement	\$0	\$0	\$0	\$0
16	Enterprise Service Bus	\$0	\$0	\$0	\$0
17	Data Lake	\$0	\$0	\$0	\$0
18	PI Historian	\$0	\$0	\$0	\$0
19	Advanced Analytics	\$0	\$0	\$0	\$0
20	Telecommunications	\$0	\$0	\$0	\$0
21	Cybersecurity	\$0	\$0	\$0	\$0
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	\$0	\$0	\$0
	Electric Capital Investment:				
24	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
25	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
28					
29	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through Line 28	\$0	\$0	\$0
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
31	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
32	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$0	\$0
33	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
34					
35	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 31 through Line 34	\$0	\$0	\$0
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	\$0	\$0	\$0
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	\$0	\$0	\$0
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	\$0	\$0	\$0

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - Data Lake IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
<u>Estimated Capital Investment</u>						
1	Data Lake		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	RY1 Spend	Page 3 of 13, Line 19	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2019 IS Capital Investments  
Synergy Grid Mod - Data Lake IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate	0%	0.00%			
10	Bonus Depreciation	Line 8 * Line 9	\$0			
	<u>Remaining Tax Depreciation</u>					
11	Plant Additions	Line 1	\$0			
12	Less Capital Repairs Deduction	Line 3	\$0			
13	Less Bonus Depreciation	Line 10	\$0			
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0	\$0
17	RY1 Loss incurred due to retirements		\$0	\$0	\$0	\$0
18	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, and 18	\$0	\$0	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 1 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Data Lake IS**

Line No.			(a) Rate Year 1	(b) Rate Year 2	(c) Rate Year 3	(c) Rate Year 4	
	Deferred Tax Subject to Proration						
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0				
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0				
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0				
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	\$0				
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0				
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
	Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0				
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20					
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20					
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
		(h)	(i)	(j)	(k)	(l)	(m)
		Number of Days in					
	Proration Calculation	Month	Proration Percentage	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30	91.78%	\$0	\$0	\$0	\$0
27	May	31	83.29%	\$0	\$0	\$0	\$0
28	June	30	75.07%	\$0	\$0	\$0	\$0
29	July	31	66.58%	\$0	\$0	\$0	\$0
30	August	31	58.08%	\$0	\$0	\$0	\$0
31	September	30	49.86%	\$0	\$0	\$0	\$0
32	October	31	41.37%	\$0	\$0	\$0	\$0
33	November	30	33.15%	\$0	\$0	\$0	\$0
34	December	31	24.66%	\$0	\$0	\$0	\$0
35	January	31	16.16%	\$0	\$0	\$0	\$0
36	February	28	8.49%	\$0	\$0	\$0	\$0
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0	\$0	\$0

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



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - Data Lake IS

Line No.		Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Data Lake	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	Rate Year 2 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line 41, Col (j) through Col. (l)	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
		Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,		
28	Pre-Tax ROR	Worksheet MAL-6	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2020 IS Capital Investments  
Synergy Grid Mod - Data Lake IS

Line No.			Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate	0%	0.00%		
10	Bonus Depreciation	Line 8 * Line 9	\$0		
	<u>Remaining Tax Depreciation</u>				
11	Plant Additions	Line 1	\$0		
12	Less Capital Repairs Deduction	Line 3	\$0		
13	Less Bonus Depreciation	Line 10	\$0		
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0
17	RY2 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
18	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Data Lake IS

Line No.			(a) Rate Year 2	(b) Rate Year 3	(c) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)=21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
	<b>Proration Calculation</b>				
		(h) Number of Days in	(i) Proration Percentage	(j) Rate Year 2	(k) Rate Year 3
		Month			(l) Rate Year 4
26	April	30	91.78%	\$0	\$0
27	May	31	83.29%	\$0	\$0
28	June	30	75.07%	\$0	\$0
29	July	31	66.58%	\$0	\$0
30	August	31	58.08%	\$0	\$0
31	September	30	49.86%	\$0	\$0
32	October	31	41.37%	\$0	\$0
33	November	30	33.15%	\$0	\$0
34	December	31	24.66%	\$0	\$0
35	January	31	16.16%	\$0	\$0
36	February	28	8.49%	\$0	\$0
37	March	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - Data Lake IS

Line No.		Rate Year Ending August 31, 2021 (a)	Rate Year Ending August 31, 2022 (b)
	<u>Estimated Capital Investment</u>		
1	Data Lake	\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4, then = Column (a)	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$0
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	Rate Year 3 Spend	Page 9 of 13, Line 19	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0
19	Less: Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0
22	Accumulated Depreciation	- Line 15	\$0
23	Deferred Tax Reserve	- Line 20	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00
26	Proration Adjustment	, Line 41, Col (j) through Col. (k)	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0
28	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0
30	Book Depreciation	Line 13	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year IS ending August 31, 2021 Capital Investments  
Synergy Grid Mod - Data Lake IS

Line No.			Rate Year Ending <u>August 31, 2021</u> (a)	Rate Year Ending <u>August 31, 2022</u> (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Total Bonus Depreciation Rate	0%	0.00%	
10	Bonus Depreciation	Line 8 * Line 9	\$0	
	<u>Remaining Tax Depreciation</u>			
11	Plant Additions	Line 1	\$0	
12	Less Capital Repairs Deduction	Line 3	\$0	
13	Less Bonus Depreciation	Line 10	\$0	
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0
17	RY3 Loss incurred due to retirements	Per Tax Department	\$0	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 3 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Data Lake IS**

Line No.			(a) Rate Year 3	(b) Rate Year 4
	Deferred Tax Subject to Proration			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
		(h) Number of Days in	(j)	(k)
	Proration Calculation	Month	Proration Percentage	Rate Year 3
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - Data Lake IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Estimated Capital Investment</u>		
1	Data Lake		\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$0
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	RY4 Spend	Page 12 of 13, Line 19	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0
19	Less: Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0
22	Accumulated Depreciation	- Line 15	\$0
23	Deferred Tax Reserve	- Line 20	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$0.00
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0
	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,		
28	Pre-Tax ROR	Worksheet MAL-6	8.23%
29	Return and Taxes	Line 25 * Line 28	\$0
30	Book Depreciation	Line 13	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year Ending August 31, 2022 IS Capital Investments  
Synergy Grid Mod - Data Lake IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Total Bonus Depreciation Rate	0%	0.00%
10	Bonus Depreciation	Line 8 * Line 9	\$0
	<u>Remaining Tax Depreciation</u>		
11	Plant Additions	Line 1	\$0
12	Less Capital Repairs Deduction	Line 3	\$0
13	Less Bonus Depreciation	Line 10	\$0
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0
17	RY4 Loss incurred due to retirements	Per Tax Department	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 4 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Data Lake IS

Line No.			(a) RY4
	<b>Deferred Tax Subject to Proration</b>		
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20	
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0
	<b>Proration Calculation</b>		
		(h) Number of Days in Month	(i) Proration Percentage
			(j) RY4
26	April	30	91.78%
27	May	31	83.29%
28	June	30	75.07%
29	July	31	66.58%
30	August	31	58.08%
31	September	30	49.86%
32	October	31	41.37%
33	November	30	33.15%
34	December	31	24.66%
35	January	31	16.16%
36	February	28	8.49%
37	March	31	0.00%
38	Total	365	\$0
39	Deferred Tax Without Proration	Line 25	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0

**Column Notes:**

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

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

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:					
1	System Data Portal		\$0	\$0	\$0	\$0
2	Feeder Monitoring Sensors		\$0	\$0	\$0	\$0
3	RTU Separation		\$0	\$0	\$0	\$0
4	GIS Data Enhancement		\$0	\$0	\$0	\$0
5	DSCADA & ADMS		\$0	\$0	\$0	\$0
6	GIS Data Enhancement		\$0	\$0	\$0	\$0
7	Enterprise Service Bus		\$0	\$0	\$0	\$0
8	Data Lake		\$0	\$0	\$0	\$0
9	PI Historian		\$0	\$0	\$12,170	\$505,000
10	Advanced Analytics		\$0	\$0	\$0	\$0
11	Telecommunications		\$0	\$0	\$0	\$0
12	Cybersecurity		\$0	\$0	\$0	\$0
13	Total Electric O&M costs	Sum of Lines 1 through 12	\$0	\$0	\$12,170	\$505,000
	Gas Operation and Maintenance (O&M) Expenses:					
14	DSCADA & ADMS		\$0	\$0	\$0	\$0
15	GIS Data Enhancement		\$0	\$0	\$0	\$0
16	Enterprise Service Bus		\$0	\$0	\$0	\$0
17	Data Lake		\$0	\$0	\$0	\$0
18	PI Historian		\$0	\$0	\$0	\$0
19	Advanced Analytics		\$0	\$0	\$0	\$0
20	Telecommunications		\$0	\$0	\$0	\$0
21	Cybersecurity		\$0	\$0	\$0	\$0
22	Total Gas O&M costs	Sum of Lines 14 through 21	\$0	\$0	\$0	\$0
23	Total O&M Expenses	Line 13 + Line 22	\$0	\$0	\$12,170	\$505,000
	Electric Capital Investment:					
24	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment		\$0	\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment			\$0	\$0	\$0
27	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment				\$0	\$0
28	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment					\$0
29	Total Electric Capital Investment Component of Revenue Requirement	Sum of Lines 25 through Line 28	\$0	\$0	\$0	\$0
	Gas Capital Investment:					
30	Estimated Revenue Requirement on Rate Year Ending August 31, 2019 Capital Investment		\$0	\$0	\$0	\$0
31	Estimated Revenue Requirement on Rate Year Ending August 31, 2020 Capital Investment			\$0	\$0	\$0
33	Estimated Revenue Requirement on Rate Year Ending August 31, 2021 Capital Investment				\$0	\$0
34	Estimated Revenue Requirement on Rate Year Ending August 31, 2022 Capital Investment					\$0
35	Total Gas Capital Investment Component of Revenue Requirement	Sum of Lines 31 through Line 34	\$0	\$0	\$0	\$0
36	Total Electric Revenue Requirement	Line 13 + Line 29	\$0	\$0	\$12,170	\$505,000
37	Total Gas Revenue Requirement	Line 22 + Line 35	\$0	\$0	\$0	\$0
38	Total Electric & Gas Revenue Requirement	Line 36 + Line 37	\$0	\$0	\$12,170	\$505,000

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - PI Historian Electric

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
<u>Estimated Capital Investment</u>						
1	PI Historian		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	FY 2020 Spend	Page 3 of 13, Line 21	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: FY 2020 Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
26	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
27	Return and Taxes	Line 27 * Line 26	\$0	\$0	\$0	\$0
28	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
29	<b>Annual Revenue Requirement</b>	<b>Line 27 + Line 28</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 IS Capital Investments  
Synergy Grid Mod - PI Historian Electric

Line No.			Rate Year 1 Ending 8/31/2019 (a)	Rate Year 2 Ending 8/31/2020 (b)	Rate Year 3 Ending 8/31/2021 (c)	Rate Year 4 Ending 8/31/2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 100%	75.00%			
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	0.00%			
11	Total Bonus Depreciation Rate	Line 9 + Line 10	75.00%			
12	Bonus Depreciation	Line 8 * Line 11	\$0			
	<u>Remaining Tax Depreciation</u>					
13	Plant Additions	Line 1	\$0			
14	Less Capital Repairs Deduction	Line 3	\$0			
15	Less Bonus Depreciation	Line 12	\$0			
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	FY20 Loss incurred due to retirements		\$0	\$0	\$0	\$0
20	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, and 20	\$0	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - PI Historian Electric

Line No.			(a) Rate Year 1	(b) Rate Year 2	(c) Rate Year 3	(c) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>					
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0			
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0			
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2022					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0			
12	Effective Tax Rate		21%			
13	Deferred Tax Reserve	Line 11 × Line 12	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0			
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20				
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20				
23	Effective Tax Rate		21%			
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0
		(h) (i) (j) (k) (l) (m)				
		<u>Number of Days in</u>				
	<b>Proration Calculation</b>	<u>Month</u> <u>Proration Percentage</u>	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30 91.78%	\$0	\$0	\$0	\$0
27	May	31 83.29%	\$0	\$0	\$0	\$0
28	June	30 75.07%	\$0	\$0	\$0	\$0
29	July	31 66.58%	\$0	\$0	\$0	\$0
30	August	31 58.08%	\$0	\$0	\$0	\$0
31	September	30 49.86%	\$0	\$0	\$0	\$0
32	October	31 41.37%	\$0	\$0	\$0	\$0
33	November	30 33.15%	\$0	\$0	\$0	\$0
34	December	31 24.66%	\$0	\$0	\$0	\$0
35	January	31 16.16%	\$0	\$0	\$0	\$0
36	February	28 8.49%	\$0	\$0	\$0	\$0
37	March	31 0.00%	\$0	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - PI Historian Electric

Line No.		Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
<u>Estimated Capital Investment</u>				
1	PI Historian	\$0	\$0	\$0
2	Total Estimated Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	FY 2021 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2021 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line 41, Col (j) through Col. (l)	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
26	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%	8.23%
27	Return and Taxes	Line 25 * Line 26	\$0	\$0
28	Book Depreciation	Line 13	\$0	\$0
29	<b>Annual Revenue Requirement</b>	<b>Line 27 + Line 28</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2020 IS Capital Investments  
Synergy Grid Mod - PI Historian Electric

Line No.			Rate Year 2 Ending 8/31/2020 (a)	Rate Year 2 Ending 8/31/2021 (b)	Rate Year 3 Ending 8/31/2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%		
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%		
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%		
12	Bonus Depreciation	Line 8 * Line 11	\$0		
	<u>Remaining Tax Depreciation</u>				
13	Plant Additions	Line 1	\$0		
14	Less Capital Repairs Deduction	Line 3	\$0		
15	Less Bonus Depreciation	Line 12	\$0		
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0	\$0
19	FY21 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
20	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - PI Historian Electric

Line No.			(a) Rate Year 2	(b) Rate Year 3	(c) Rate Year 4
<b>Deferred Tax Subject to Proration</b>					
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
<b>Deferred Tax Not Subject to Proration</b>					
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
<b>Allocation of FY 2022 Estimated Federal NOL</b>					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
<b>Proration Calculation</b>					
		(h) Number of Days in	(i) Proration Percentage	(j) Rate Year 2	(k) Rate Year 3
		Month			(l) Rate Year 4
26	April	30	91.78%	\$0	\$0
27	May	31	83.29%	\$0	\$0
28	June	30	75.07%	\$0	\$0
29	July	31	66.58%	\$0	\$0
30	August	31	58.08%	\$0	\$0
31	September	30	49.86%	\$0	\$0
32	October	31	41.37%	\$0	\$0
33	November	30	33.15%	\$0	\$0
34	December	31	24.66%	\$0	\$0
35	January	31	16.16%	\$0	\$0
36	February	28	8.49%	\$0	\$0
37	March	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0

**Column Notes:**

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



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - PI Historian Electric

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Estimated Capital Investment</u>			
1	PI Historian		\$0	\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4, then = Column (a)	\$0	\$0
	<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal		\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
	<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:			
10	FY 2022 Spend	Page 9 of 13, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0	\$0
	<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
	<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: FY 2022 Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
	<u>Rate Base Calculation:</u>			
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
	<u>Revenue Requirement Calculation:</u>			
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0.00
26	Proration Adjustment	, Line 41, Col (j) through Col. (k)	\$0	\$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
26	Pre-Tax ROR	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper MAL-6	8.23%	0.00%
27	Return and Taxes	Line 25 * Line 26	\$0	\$0
28	Book Depreciation	Line 13	\$0	\$0
29	<b>Annual Revenue Requirement</b>	<b>Line 27 + Line 28</b>	<b>\$0</b>	<b>\$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 IS Capital Investments  
Synergy Grid Mod - PI Historian Electric

Line No.			Rate Year 3 Ending 8/31/2021 (a)	Rate Year 4 Ending 8/31/2022 (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%	
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%	
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%	
12	Bonus Depreciation	Line 8 * Line 11	\$0	
	<u>Remaining Tax Depreciation</u>			
13	Plant Additions	Line 1	\$0	\$0
14	Less Capital Repairs Deduction	Line 3	\$0	\$0
15	Less Bonus Depreciation	Line 12	\$0	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0	\$0

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

Line No.			(a) Rate Year 3	(b) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	<b>Deferred Tax Not Subject to Proration</b>			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	<b>Allocation of FY 2022 Estimated Federal NOL</b>			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
	<b>Proration Calculation</b>			
		(h) Number of Days in Month	(i) Proration Percentage	(j) Rate Year 3
				(k) Rate Year 4
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - PI Historian Electric

Line No.		Rate Year 3 Ending 31-Aug-22 (a)
<u>Estimated Capital Investment</u>		
1	PI Historian	\$0
2	Total Estimated Capital Investment	Sum of Line 1 \$0
<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2 \$0
4	Retirements	Line 4 * 0% \$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4 \$0
<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2 \$0
7	Cost of Removal	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7 \$0</b>
<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:	
10	FY 2023 Spend	Page 12 of 13, Line 21 \$0
11	Cumulative Tax Depreciation	Current Year Line 10 \$0
<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770 14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% \$0
14	Cumulative Book Depreciation	Current Year Line 13 \$0
15	Total Cumulative Book Depreciation	Line 14 \$0
<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15 \$0
17	Effective Tax Rate	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17 \$0
19	Less: FY 2023 Federal NOL	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19 \$0
<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8 \$0
22	Accumulated Depreciation	- Line 15 \$0
23	Deferred Tax Reserve	- Line 20 \$0
24	Year End Rate Base	Sum of Lines 21 through 23 \$0
<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2 \$0.00
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k) \$0
27	Average ISR Rate Base after Deferred Tax Proration	Line 25 + Line 26 \$0
Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Workpaper		
28	Pre-Tax ROR	MAL-6 8.23%
29	Return and Taxes	Line 25 * Line 28 \$0
30	Book Depreciation	Line 13 \$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30 \$0</b>

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

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	48.35%	4.62%	2.23%		2.23%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.275%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2022 IS Capital Investments  
Synergy Grid Mod - PI Historian Electric

Line No.			Rate Year 3 Ending 8/31/2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Bonus Depreciation Rate (April 2020 - December 2020)	0%	0.00%
10	Bonus Depreciation Rate (January 2021 - Mar 2021)	0%	0.00%
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	\$0
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$0
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	\$0
16	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$0
17	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$0
19	FY22 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 8 of 13, Line 7	\$0
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$0

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

Line No.	Deferred Tax Subject to Proration		(a)
			Rate Year 4
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)+21%	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20	
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0
	<b>Proration Calculation</b>		
		(h) (i) (j)	
		Number of Days in	
		Month	Proration Percentage
26	April	30	91.78%
27	May	31	83.29%
28	June	30	75.07%
29	July	31	66.58%
30	August	31	58.08%
31	September	30	49.86%
32	October	31	41.37%
33	November	30	33.15%
34	December	31	24.66%
35	January	31	16.16%
36	February	28	8.49%
37	March	31	0.00%
38	Total	365	\$0
39	Deferred Tax Without Proration	Line 25	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0

**Column Notes:**

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

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

Line No.		Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
1	Electric Operation and Maintenance (O&M) Expenses:				
2	System Data Portal	\$0	\$0	\$0	\$0
3	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0
4	RTU Separation	\$0	\$0	\$0	\$0
5	GIS Data Enhancement	\$0	\$0	\$0	\$0
6	DSCADA & ADMS	\$0	\$0	\$0	\$0
7	GIS Data Enhancement	\$0	\$0	\$0	\$0
8	Enterprise Service Bus	\$0	\$0	\$0	\$0
9	Data Lake	\$0	\$0	\$0	\$0
10	PI Historian	\$0	\$0	\$0	\$0
11	Advanced Analytics	\$0	\$111,078	\$72,366	\$305,000
12	Telecommunications	\$0	\$0	\$0	\$0
13	Cybersecurity	\$0	\$0	\$0	\$0
13	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$0	\$111,078	\$72,366
14	Gas Operation and Maintenance (O&M) Expenses:				
15	DSCADA & ADMS	\$0	\$0	\$0	\$0
16	GIS Data Enhancement	\$0	\$0	\$0	\$0
17	Enterprise Service Bus	\$0	\$0	\$0	\$0
18	Data Lake	\$0	\$0	\$0	\$0
19	PI Historian	\$0	\$0	\$0	\$0
20	Advanced Analytics	\$0	\$0	\$0	\$0
21	Telecommunications	\$0	\$0	\$0	\$0
22	Cybersecurity	\$0	\$0	\$0	\$0
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	\$0	\$111,078	\$72,366
24	Electric Capital Investment:				
25	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
27	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$41,265	\$79,212
28	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
29	Total Electric Capital Investment Component of Revenue Requirement	Sum of Lines 25 through Line 28	\$0	\$0	\$41,265
30	Gas Capital Investment:				
31	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
32	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
33	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$0	\$0
34	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
35	Total Gas Capital Investment Component of Revenue Requirement	Sum of Lines 31 through Line 34	\$0	\$0	\$0
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	\$0	\$113,078	\$113,631
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	\$0	\$0	\$0
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	\$0	\$113,078	\$113,631

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - Advanced Analytics IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
<u>Estimated Capital Investment</u>						
1	Advanced Analytics		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	RY1 Spend	Page 3 of 13, Line 19	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2019 IS Capital Investments  
Synergy Grid Mod - Advanced Analytics IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate	0%	0.00%			
10	Bonus Depreciation	Line 8 * Line 9	\$0			
	<u>Remaining Tax Depreciation</u>					
11	Plant Additions	Line 1	\$0			
12	Less Capital Repairs Deduction	Line 3	\$0			
13	Less Bonus Depreciation	Line 10	\$0			
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0	\$0
17	RY1 Loss incurred due to retirements		\$0	\$0	\$0	\$0
18	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, and 18	\$0	\$0	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 1 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Advanced Analytics IS**

Line No.			(a) Rate Year 1	(b) Rate Year 2	(c) Rate Year 3	(c) Rate Year 4	
	<b>Deferred Tax Subject to Proration</b>						
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0				
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0				
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0				
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	\$0				
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0				
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
	Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0				
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20					
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20					
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
		(h)	(i)	(j)	(k)	(l)	(m)
		<u>Number of Days in</u>					
	<b>Proration Calculation</b>	<u>Month</u>	<u>Proration Percentage</u>	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30	91.78%	\$0	\$0	\$0	\$0
27	May	31	83.29%	\$0	\$0	\$0	\$0
28	June	30	75.07%	\$0	\$0	\$0	\$0
29	July	31	66.58%	\$0	\$0	\$0	\$0
30	August	31	58.08%	\$0	\$0	\$0	\$0
31	September	30	49.86%	\$0	\$0	\$0	\$0
32	October	31	41.37%	\$0	\$0	\$0	\$0
33	November	30	33.15%	\$0	\$0	\$0	\$0
34	December	31	24.66%	\$0	\$0	\$0	\$0
35	January	31	16.16%	\$0	\$0	\$0	\$0
36	February	28	8.49%	\$0	\$0	\$0	\$0
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - Advanced Analytics IS

Line No.		Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Advanced Analytics	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Lines 1	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	Line 2	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	Rate Year 2 Spend	Page 16 of 21, Line 21	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%; Column (b and c) = Line 5 * Line 12	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	Line 11 - Line 14	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0
19	Less: Federal NOL		\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b and c) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0	\$0
26	Proration Adjustment	Page 7 of 13, Line 41, Col (j) through Col. (l)	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0
Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,				
28	Pre-Tax ROR	Worksheet MAL-6	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2020 IS Capital Investments  
Synergy Grid Mod - Advanced Analytics IS

Line No.			Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate	0%	0.00%		
10	Bonus Depreciation	Line 8 * Line 9	\$0		
	<u>Remaining Tax Depreciation</u>				
11	Plant Additions	Line 1	\$0		
12	Less Capital Repairs Deduction	Line 3	\$0		
13	Less Bonus Depreciation	Line 10	\$0		
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0
17	RY2 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
18	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 2 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Advanced Analytics IS**

Line No.			(a) Rate Year 2	(b) Rate Year 3	(c) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	<b>Deferred Tax Not Subject to Proration</b>				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	<b>Allocation of FY 2022 Estimated Federal NOL</b>				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)=21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
	<b>Proration Calculation</b>				
		(h) <u>Number of Days in</u>	(i) <u>Proration Percentage</u>	(j) Rate Year 2	(k) Rate Year 3
		Month			(l) Rate Year 4
26	April	30	91.78%	\$0	\$0
27	May	31	83.29%	\$0	\$0
28	June	30	75.07%	\$0	\$0
29	July	31	66.58%	\$0	\$0
30	August	31	58.08%	\$0	\$0
31	September	30	49.86%	\$0	\$0
32	October	31	41.37%	\$0	\$0
33	November	30	33.15%	\$0	\$0
34	December	31	24.66%	\$0	\$0
35	January	31	16.16%	\$0	\$0
36	February	28	8.49%	\$0	\$0
37	March	31	0.00%	\$0	\$0
38	Total	365		\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - Advanced Analytics IS

Line No.		Rate Year Ending August 31, 2021 (a)	Rate Year Ending August 31, 2022 (b)
<u>Estimated Capital Investment</u>			
1	Advanced Analytics	\$383,610	\$0
2	Total Estimated Capital Investment	\$383,610	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	\$383,610	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$383,610	\$383,610
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	\$383,610	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$383,610</b>	<b>\$383,610</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	Rate Year 3 Spend	\$127,857	\$170,515
11	Cumulative Tax Depreciation	\$127,857	\$298,372
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$27,401	\$54,801
14	Cumulative Book Depreciation	\$27,401	\$82,202
15	Total Cumulative Book Depreciation	\$27,401	\$82,202
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	\$100,456	\$216,170
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$21,096	\$45,396
19	Less: Federal NOL	\$0	\$0
20	Net Deferred Tax Reserve	\$21,096	\$45,396
<u>Rate Base Calculation:</u>			
21	Cumulative Incremental Capital Included in Rate Base	\$383,610	\$383,610
22	Accumulated Depreciation	(\$27,401)	(\$82,202)
23	Deferred Tax Reserve	(\$21,096)	(\$45,396)
24	Year End Rate Base	\$335,113	\$256,012
<u>Revenue Requirement Calculation:</u>			
25	Average Rate Base before Deferred Tax Proration Adjustment	\$167,556.73	\$295,562.83
26	Proration Adjustment	\$905	\$1,043
27	Average Rate Base after Deferred Tax Proration	\$168,462	\$296,606
28	Pre-Tax ROR	8.23%	8.23%
29	Return and Taxes	\$13,864	\$24,411
30	Book Depreciation	\$27,401	\$54,801
31	<b>Annual Revenue Requirement</b>	<b>\$41,265</b>	<b>\$79,212</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year IS ending August 31, 2021 Capital Investments  
Synergy Grid Mod - Advanced Analytics IS

Line No.			Rate Year Ending <u>August 31, 2021</u> (a)	Rate Year Ending <u>August 31, 2022</u> (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$383,610	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$383,610	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$383,610	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$383,610	
9	Total Bonus Depreciation Rate	0%	0.00%	
10	Bonus Depreciation	Line 8 * Line 9	\$0	
	<u>Remaining Tax Depreciation</u>			
11	Plant Additions	Line 1	\$383,610	
12	Less Capital Repairs Deduction	Line 3	\$0	
13	Less Bonus Depreciation	Line 10	\$0	
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$383,610	\$383,610
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$127,857	\$170,515
17	RY3 Loss incurred due to retirements	Per Tax Department	\$0	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$127,857	\$170,515

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 3 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Advanced Analytics IS**

Line No.			(a) Rate Year 3	(b) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$27,401	\$54,801
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$127,857)	(\$170,515)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$100,456)	(\$115,714)
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$21,096)	(\$24,300)
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$21,096)	(\$24,300)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$21,096)	(\$24,300)
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$100,456)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$100,456)	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$21,096)	(\$24,300)
	<b>Proration Calculation</b>			
		(h) <u>Number of Days in</u>	(i) <u>Proration Percentage</u>	(j) Rate Year 3
		<u>Month</u>		(k) Rate Year 4
26	April	30	91.78%	(\$1,613)
27	May	31	83.29%	(\$1,464)
28	June	30	75.07%	(\$1,320)
29	July	31	66.58%	(\$1,170)
30	August	31	58.08%	(\$1,021)
31	September	30	49.86%	(\$877)
32	October	31	41.37%	(\$727)
33	November	30	33.15%	(\$583)
34	December	31	24.66%	(\$433)
35	January	31	16.16%	(\$284)
36	February	28	8.49%	(\$149)
37	March	31	0.00%	\$0
38	Total	365		(\$9,642)
39	Deferred Tax Without Proration	Line 25		(\$21,096)
40	Average Deferred Tax without Proration	Line 39 × 0.5		(\$10,548)
41	Proration Adjustment	Line 38 - Line 40		\$905

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



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - Advanced Analytics IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Estimated Capital Investment</u>		
1	Advanced Analytics		\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$0
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	RY4 Spend	Page 12 of 13, Line 19	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0
19	Less: Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0
22	Accumulated Depreciation	- Line 15	\$0
23	Deferred Tax Reserve	- Line 20	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$0.00
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0
	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,		
28	Pre-Tax ROR	Worksheet MAL-6	8.23%
29	Return and Taxes	Line 25 * Line 28	\$0
30	Book Depreciation	Line 13	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year Ending August 31, 2022 IS Capital Investments  
Synergy Grid Mod - Advanced Analytics IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Total Bonus Depreciation Rate	0%	0.00%
10	Bonus Depreciation	Line 8 * Line 9	\$0
	<u>Remaining Tax Depreciation</u>		
11	Plant Additions	Line 1	\$0
12	Less Capital Repairs Deduction	Line 3	\$0
13	Less Bonus Depreciation	Line 10	\$0
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0
17	RY4 Loss incurred due to retirements	Per Tax Department	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 4 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Advanced Analytics IS**

Line No.			(a)
			Rate Year 4
	<b>Deferred Tax Subject to Proration</b>		
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0
	Allocation of FY 2022 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20	
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20	
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0
	<b>Proration Calculation</b>		
		(h) (i) (j)	
		<u>Number of Days in</u>	
		<u>Month</u>	<u>Proration Percentage</u>
26	April	30	91.78%
27	May	31	83.29%
28	June	30	75.07%
29	July	31	66.58%
30	August	31	58.08%
31	September	30	49.86%
32	October	31	41.37%
33	November	30	33.15%
34	December	31	24.66%
35	January	31	16.16%
36	February	28	8.49%
37	March	31	0.00%
38	Total	365	\$0
39	Deferred Tax Without Proration	Line 25	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0

**Column Notes:**

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

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

Line No.		Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$0	\$0	\$0	\$0
2	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0
3	RTU Separation	\$0	\$0	\$0	\$0
4	GIS Data Enhancement	\$0	\$0	\$0	\$0
5	DSCADA & ADMS	\$0	\$0	\$0	\$0
6	GIS Data Enhancement	\$0	\$0	\$0	\$0
7	Enterprise Service Bus	\$0	\$0	\$0	\$0
8	Data Lake	\$0	\$0	\$0	\$0
9	PI Historian	\$0	\$0	\$0	\$0
10	Advanced Analytics	\$0	\$0	\$0	\$0
11	Telecommunications	\$8,025	\$327,349	\$255,136	\$390,000
12	Cybersecurity	\$0	\$0	\$0	\$0
13	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$8,025	\$327,349	\$255,136
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$0	\$0	\$0	\$0
15	GIS Data Enhancement	\$0	\$0	\$0	\$0
16	Enterprise Service Bus	\$0	\$0	\$0	\$0
17	Data Lake	\$0	\$0	\$0	\$0
18	PI Historian	\$0	\$0	\$0	\$0
19	Advanced Analytics	\$0	\$0	\$0	\$0
20	Telecommunications	\$0	\$0	\$0	\$0
21	Cybersecurity	\$0	\$0	\$0	\$0
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	\$8,025	\$327,349	\$255,136
	Electric Capital Investment:				
24	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
25	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$64,307	\$123,443
27	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
28					
29	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through Line 28	\$0	\$0	\$64,307
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
31	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
32	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$0	\$0
33	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
34					
35	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 31 through Line 34	\$0	\$0	\$0
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	\$8,025	\$327,349	\$319,443
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	\$0	\$0	\$0
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	\$8,025	\$327,349	\$319,443

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - Telecommunications IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
<u>Estimated Capital Investment</u>						
1	Telecommunications		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	RY1 Spend	Page 3 of 13, Line 19	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2019 IS Capital Investments  
Synergy Grid Mod - Telecommunications IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate	0%	0.00%			
10	Bonus Depreciation	Line 8 * Line 9	\$0			
	<u>Remaining Tax Depreciation</u>					
11	Plant Additions	Line 1	\$0			
12	Less Capital Repairs Deduction	Line 3	\$0			
13	Less Bonus Depreciation	Line 10	\$0			
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0	\$0
17	RY1 Loss incurred due to retirements		\$0	\$0	\$0	\$0
18	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, and 18	\$0	\$0	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 1 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Telecommunications IS**

Line No.			(a) Rate Year 1	(b) Rate Year 2	(c) Rate Year 3	(c) Rate Year 4	
	<b>Deferred Tax Subject to Proration</b>						
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0				
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0				
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0				
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	\$0				
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0				
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
	Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0				
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20					
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20					
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
		(h)	(i)	(j)	(k)	(l)	(m)
		<u>Number of Days in</u>					
	<b>Proration Calculation</b>	<u>Month</u>	<u>Proration Percentage</u>	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30	91.78%	\$0	\$0	\$0	\$0
27	May	31	83.29%	\$0	\$0	\$0	\$0
28	June	30	75.07%	\$0	\$0	\$0	\$0
29	July	31	66.58%	\$0	\$0	\$0	\$0
30	August	31	58.08%	\$0	\$0	\$0	\$0
31	September	30	49.86%	\$0	\$0	\$0	\$0
32	October	31	41.37%	\$0	\$0	\$0	\$0
33	November	30	33.15%	\$0	\$0	\$0	\$0
34	December	31	24.66%	\$0	\$0	\$0	\$0
35	January	31	16.16%	\$0	\$0	\$0	\$0
36	February	28	8.49%	\$0	\$0	\$0	\$0
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - Telecommunications IS

Line No.		Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Telecommunications	\$0	\$0	\$0
2	Total Actual Capital Investment	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0	\$0
4	Retirements	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	\$0	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	Rate Year 2 Spend	\$0	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	14.29%	14.29%	14.29%
13	Book Depreciation	\$0	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	\$0	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0	\$0
19	Less: Federal NOL	\$0	\$0	\$0
20	Net Deferred Tax Reserve	\$0	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	\$0	\$0	\$0
22	Accumulated Depreciation	\$0	\$0	\$0
23	Deferred Tax Reserve	\$0	\$0	\$0
24	Year End Rate Base	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	\$0	\$0	\$0
26	Proration Adjustment	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	\$0	\$0	\$0
28	Pre-Tax ROR	8.23%	8.23%	8.23%
29	Return and Taxes	\$0	\$0	\$0
30	Book Depreciation	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2020 IS Capital Investments  
Synergy Grid Mod - Telecommunications IS

Line No.			Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate	0%	0.00%		
10	Bonus Depreciation	Line 8 * Line 9	\$0		
	<u>Remaining Tax Depreciation</u>				
11	Plant Additions	Line 1	\$0		
12	Less Capital Repairs Deduction	Line 3	\$0		
13	Less Bonus Depreciation	Line 10	\$0		
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0
17	RY2 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
18	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Telecommunications IS

Line No.			(a) Rate Year 2	(b) Rate Year 3	(c) Rate Year 4
	Deferred Tax Subject to Proration				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
		(h) (i) (j) (k) (l)			
		Number of Days in			
	Proration Calculation	Month Proration Percentage	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30 91.78%	\$0	\$0	\$0
27	May	31 83.29%	\$0	\$0	\$0
28	June	30 75.07%	\$0	\$0	\$0
29	July	31 66.58%	\$0	\$0	\$0
30	August	31 58.08%	\$0	\$0	\$0
31	September	30 49.86%	\$0	\$0	\$0
32	October	31 41.37%	\$0	\$0	\$0
33	November	30 33.15%	\$0	\$0	\$0
34	December	31 24.66%	\$0	\$0	\$0
35	January	31 16.16%	\$0	\$0	\$0
36	February	28 8.49%	\$0	\$0	\$0
37	March	31 0.00%	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - Telecommunications IS

Line No.		Rate Year Ending August 31, 2021 (a)	Rate Year Ending August 31, 2022 (b)
<u>Estimated Capital Investment</u>			
1	Telecommunications	\$597,811	\$0
2	Total Estimated Capital Investment	\$597,811	\$0
<u>Depreciable Net Capital Included in Rate Base</u>			
3	Total Allowed Capital Included in Rate Base in Current Year	\$597,811	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$597,811	\$597,811
<u>Change in Net Capital Included in Rate Base</u>			
6	Capital Included in Rate Base	\$597,811	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$597,811</b>	<b>\$597,811</b>
<u>Tax Depreciation</u>			
9	Vintage Year Tax Depreciation:		
10	Rate Year 3 Spend	\$199,250	\$265,727
11	Cumulative Tax Depreciation	\$199,250	\$464,977
<u>Book Depreciation</u>			
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$42,701	\$85,402
14	Cumulative Book Depreciation	\$42,701	\$128,102
15	Total Cumulative Book Depreciation	\$42,701	\$128,102
<u>Deferred Tax Calculation:</u>			
16	Cumulative Book / Tax Timer	\$156,549	\$336,875
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$32,875	\$70,744
19	Less: Federal NOL	\$0	\$0
20	Net Deferred Tax Reserve	\$32,875	\$70,744
<u>Rate Base Calculation:</u>			
21	Cumulative Incremental Capital Included in Rate Base	\$597,811	\$597,811
22	Accumulated Depreciation	(\$42,701)	(\$128,102)
23	Deferred Tax Reserve	(\$32,875)	(\$70,744)
24	Year End Rate Base	\$522,235	\$398,965
<u>Revenue Requirement Calculation:</u>			
25	Average Rate Base before Deferred Tax Proration Adjustment	\$261,117.44	\$460,599.92
26	Proration Adjustment	\$1,411	\$1,625
27	Average Rate Base after Deferred Tax Proration	\$262,529	\$462,225
28	Pre-Tax ROR	8.23%	8.23%
29	Return and Taxes	\$21,606	\$38,041
30	Book Depreciation	\$42,701	\$85,402
31	<b>Annual Revenue Requirement</b>	<b>\$64,307</b>	<b>\$123,443</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year IS ending August 31, 2021 Capital Investments  
Synergy Grid Mod - Telecommunications IS

Line No.			Rate Year Ending <u>August 31, 2021</u> (a)	Rate Year Ending <u>August 31, 2022</u> (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$597,811	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$597,811	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$597,811	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$597,811	
9	Total Bonus Depreciation Rate	0%	0.00%	
10	Bonus Depreciation	Line 8 * Line 9	\$0	
	<u>Remaining Tax Depreciation</u>			
11	Plant Additions	Line 1	\$597,811	
12	Less Capital Repairs Deduction	Line 3	\$0	
13	Less Bonus Depreciation	Line 10	\$0	
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$597,811	\$597,811
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$199,250	\$265,727
17	RY3 Loss incurred due to retirements	Per Tax Department	\$0	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$199,250	\$265,727

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 3 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Telecommunications IS**

Line No.			(a) Rate Year 3	(b) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$42,701	\$85,402
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	(\$199,250)	(\$265,727)
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$156,549)	(\$180,325)
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$32,875)	(\$37,868)
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$32,875)	(\$37,868)
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$32,875)	(\$37,868)
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$156,549)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$156,549)	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$32,875)	(\$37,868)
	<b>Proration Calculation</b>			
		(h) <u>Number of Days in</u>	(i) <u>Proration Percentage</u>	(j) Rate Year 3
		<u>Month</u>		(k) Rate Year 4
26	April	30	91.78%	(\$2,514)
27	May	31	83.29%	(\$2,282)
28	June	30	75.07%	(\$2,057)
29	July	31	66.58%	(\$1,824)
30	August	31	58.08%	(\$1,591)
31	September	30	49.86%	(\$1,366)
32	October	31	41.37%	(\$1,133)
33	November	30	33.15%	(\$908)
34	December	31	24.66%	(\$676)
35	January	31	16.16%	(\$443)
36	February	28	8.49%	(\$233)
37	March	31	0.00%	\$0
38	Total	365		(\$15,027)
39	Deferred Tax Without Proration	Line 25		(\$32,875)
40	Average Deferred Tax without Proration	Line 39 × 0.5		(\$16,438)
41	Proration Adjustment	Line 38 - Line 40		\$1,411

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - Telecommunications IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Estimated Capital Investment</u>		
1	Telecommunications		\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$0
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	RY4 Spend	Page 12 of 13, Line 19	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0
19	Less: Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0
22	Accumulated Depreciation	- Line 15	\$0
23	Deferred Tax Reserve	- Line 20	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$0.00
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0
	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,		
28	Pre-Tax ROR	Worksheet MAL-6	8.23%
29	Return and Taxes	Line 25 * Line 28	\$0
30	Book Depreciation	Line 13	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year Ending August 31, 2022 IS Capital Investments  
Synergy Grid Mod - Telecommunications IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Total Bonus Depreciation Rate	0%	0.00%
10	Bonus Depreciation	Line 8 * Line 9	\$0
	<u>Remaining Tax Depreciation</u>		
11	Plant Additions	Line 1	\$0
12	Less Capital Repairs Deduction	Line 3	\$0
13	Less Bonus Depreciation	Line 10	\$0
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0
17	RY4 Loss incurred due to retirements	Per Tax Department	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 4 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Telecommunications IS**

Line No.		(a) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>	
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b) \$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a) \$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d) \$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a) \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 \$0
6	Effective Tax Rate	21%
7	Deferred Tax Reserve	Line 5 × Line 6 \$0
	Deferred Tax Not Subject to Proration	
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a) \$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a) \$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0
12	Effective Tax Rate	21%
13	Deferred Tax Reserve	Line 11 × Line 12 \$0
14	Total Deferred Tax Reserve	Line 7 + Line 13 \$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a) \$0
16	Net Deferred Tax Reserve	Line 14 + Line 15 \$0
	Allocation of FY 2022 Estimated Federal NOL	
17	Cumulative Book/Tax Timer Subject to Proration	Line 5 \$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11 \$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 \$0
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21% \$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20
23	Effective Tax Rate	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23 \$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24 \$0
	<b>Proration Calculation</b>	
		(h) (i) (j)
		<u>Number of Days in</u>
		<u>Month</u> <u>Proration Percentage</u> <u>Rate Year 4</u>
26	April	30 91.78% \$0
27	May	31 83.29% \$0
28	June	30 75.07% \$0
29	July	31 66.58% \$0
30	August	31 58.08% \$0
31	September	30 49.86% \$0
32	October	31 41.37% \$0
33	November	30 33.15% \$0
34	December	31 24.66% \$0
35	January	31 16.16% \$0
36	February	28 8.49% \$0
37	March	31 0.00% \$0
38	Total	365 \$0
39	Deferred Tax Without Proration	Line 25 \$0
40	Average Deferred Tax without Proration	Line 39 × 0.5 \$0
41	Proration Adjustment	Line 38 - Line 40 \$0

**Column Notes:**

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



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

Line No.		Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	Electric Operation and Maintenance (O&M) Expenses:				
1	System Data Portal	\$0	\$0	\$0	\$0
2	Feeder Monitoring Sensors	\$0	\$0	\$0	\$0
3	RTU Separation	\$0	\$0	\$0	\$0
4	GIS Data Enhancement	\$0	\$0	\$0	\$0
5	DSCADA & ADMS	\$0	\$0	\$0	\$0
6	GIS Data Enhancement	\$0	\$0	\$0	\$0
7	Enterprise Service Bus	\$0	\$0	\$0	\$0
8	Data Lake	\$0	\$0	\$0	\$0
9	PI Historian	\$0	\$0	\$0	\$0
10	Advanced Analytics	\$0	\$0	\$0	\$0
11	Telecommunications	\$0	\$0	\$0	\$0
12	Cybersecurity	\$696	\$269,999	\$343,784	\$150,000
13	<b>Total Electric O&amp;M costs</b>	Sum of Lines 1 through 12	\$696	\$269,999	\$343,784
	Gas Operation and Maintenance (O&M) Expenses:				
14	DSCADA & ADMS	\$0	\$0	\$0	\$0
15	GIS Data Enhancement	\$0	\$0	\$0	\$0
16	Enterprise Service Bus	\$0	\$0	\$0	\$0
17	Data Lake	\$0	\$0	\$0	\$0
18	PI Historian	\$0	\$0	\$0	\$0
19	Advanced Analytics	\$0	\$0	\$0	\$0
20	Telecommunications	\$0	\$0	\$0	\$0
21	Cybersecurity	\$0	\$0	\$0	\$0
22	<b>Total Gas O&amp;M costs</b>	Sum of Lines 14 through 21	\$0	\$0	\$0
23	<b>Total O&amp;M Expenses</b>	Line 13 + Line 22	\$696	\$269,999	\$343,784
	Electric Capital Investment:				
24	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
25	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
26	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$0	\$0
27	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
28					\$0
29	<b>Total Electric Capital Investment Component of Revenue Requirement</b>	Sum of Lines 25 through Line 28	\$0	\$0	\$0
	Gas Capital Investment:				
30	Estimated Revenue Requirement on Rate Year 1 Capital Investment	\$0	\$0	\$0	\$0
31	Estimated Revenue Requirement on Rate Year 2 Capital Investment		\$0	\$0	\$0
32	Estimated Revenue Requirement on Rate Year 3 Capital Investment			\$0	\$0
33	Estimated Revenue Requirement on Rate Year 4 Capital Investment				\$0
34					\$0
35	<b>Total Gas Capital Investment Component of Revenue Requirement</b>	Sum of Lines 31 through Line 34	\$0	\$0	\$0
36	<b>Total Electric Revenue Requirement</b>	Line 13 + Line 29	\$696	\$269,999	\$343,784
37	<b>Total Gas Revenue Requirement</b>	Line 22 + Line 35	\$0	\$0	\$0
38	<b>Total Electric &amp; Gas Revenue Requirement</b>	Line 36 + Line 37	\$696	\$269,999	\$343,784

Column (a) - no recovery in Rate Year 1 per PUC Decision

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2019  
Synergy Grid Mod - Cybersecurity IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
<u>Estimated Capital Investment</u>						
1	Cybersecurity		\$0	\$0	\$0	\$0
2	Total Actual Capital Investment	Sum of Line 1	\$0	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>						
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0	\$0	\$0	\$0
4	Retirements	Line 4 * 0%	\$0	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4; Column (b and c) = Prior Year Line 5	\$0	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>						
6	Capital Included in Rate Base	Line 2	\$0	\$0	\$0	\$0
7	Cost of Removal		\$0	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>						
9	Vintage Year Tax Depreciation:					
10	RY1 Spend	Page 3 of 13, Line 19	\$0	\$0	\$0	\$0
11	Cumulative Tax Depreciation	Prior Year Line 11 + Current Year Line 10	\$0	\$0	\$0	\$0
<u>Book Depreciation</u>						
12	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	14.29%	14.29%	14.29%	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50% ; Column (b, c, and d) = Line 5 *	\$0	\$0	\$0	\$0
14	Cumulative Book Depreciation	Prior Year Line 14 + Current Year Line 13	\$0	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>						
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0	\$0	\$0	\$0
17	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0	\$0	\$0	\$0
19	Less: Federal NOL		\$0	\$0	\$0	\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0	\$0	\$0	\$0
<u>Rate Base Calculation:</u>						
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0	\$0	\$0	\$0
22	Accumulated Depreciation	- Line 15	\$0	\$0	\$0	\$0
23	Deferred Tax Reserve	- Line 20	\$0	\$0	\$0	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>						
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2; Column (b,c, and d) = (Prior Year Line 25 + Current Year Line 25) ÷ 2	\$0.00	\$0	\$0	\$0
26	Proration Adjustment	Page 4 of 13, Line 41, Col (j) through Col. (m)	\$0	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0	\$0	\$0	\$0
28	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
29	Return and Taxes	Line 27 * Line 28	\$0	\$0	\$0	\$0
30	Book Depreciation	Line 13	\$0	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2019 IS Capital Investments  
Synergy Grid Mod - Cybersecurity IS

Line No.			Rate Year Ending August 31, 2019 (a)	Rate Year Ending August 31, 2020 (b)	Rate Year Ending August 31, 2021 (c)	Rate Year Ending August 31, 2022 (d)
	<u>Capital Repairs Deduction</u>					
1	Plant Additions	Page 2 of 13, Line 2	\$0			
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0			
	<u>Bonus Depreciation</u>					
4	Plant Additions	Line 1	\$0			
5	Less Capital Repairs Deduction	Line 3	\$0			
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0			
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%			
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0			
9	Bonus Depreciation Rate	0%	0.00%			
10	Bonus Depreciation	Line 8 * Line 9	\$0			
	<u>Remaining Tax Depreciation</u>					
11	Plant Additions	Line 1	\$0			
12	Less Capital Repairs Deduction	Line 3	\$0			
13	Less Bonus Depreciation	Line 10	\$0			
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%	7.410%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0	\$0
17	RY1 Loss incurred due to retirements		\$0	\$0	\$0	\$0
18	Cost of Removal	Page 2 of 13, Line 7	\$0	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, and 18	\$0	\$0	\$0	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 1 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Cybersecurity IS**

Line No.			(a) Rate Year 1	(b) Rate Year 2	(c) Rate Year 3	(c) Rate Year 4	
	Deferred Tax Subject to Proration						
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0	\$0	
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0				
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0	\$0	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0				
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0	\$0	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0	\$0	
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0				
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0				
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0				
12	Effective Tax Rate		21%				
13	Deferred Tax Reserve	Line 11 × Line 12	\$0				
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0	\$0	
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0				
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0	\$0	
	Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0				
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0				
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0				
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0				
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20					
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20					
23	Effective Tax Rate		21%				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0				
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0	\$0	
		(h)	(i)	(j)	(k)	(l)	(m)
		Number of Days in					
	Proration Calculation	Month	Proration Percentage	Rate Year 1	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30	91.78%	\$0	\$0	\$0	\$0
27	May	31	83.29%	\$0	\$0	\$0	\$0
28	June	30	75.07%	\$0	\$0	\$0	\$0
29	July	31	66.58%	\$0	\$0	\$0	\$0
30	August	31	58.08%	\$0	\$0	\$0	\$0
31	September	30	49.86%	\$0	\$0	\$0	\$0
32	October	31	41.37%	\$0	\$0	\$0	\$0
33	November	30	33.15%	\$0	\$0	\$0	\$0
34	December	31	24.66%	\$0	\$0	\$0	\$0
35	January	31	16.16%	\$0	\$0	\$0	\$0
36	February	28	8.49%	\$0	\$0	\$0	\$0
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$0	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25		\$0	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$0	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40		\$0	\$0	\$0	\$0

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Actual IS Capital Investment 12 months ending August 31, 2020  
Synergy Grid Mod - Cybersecurity IS

Line No.		Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
<u>Estimated Capital Investment</u>				
1	Cybersecurity	\$0	\$0	\$0
2	Total Actual Capital Investment	\$0	\$0	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0	\$0
4	Retirements	\$0	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0	\$0
<u>Change in Net Capital Included in Rate Base</u>				
6	Capital Included in Rate Base	\$0	\$0	\$0
7	Cost of Removal	\$0	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<u>Tax Depreciation</u>				
9	Vintage Year Tax Depreciation:			
10	Rate Year 2 Spend	\$0	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0	\$0
<u>Book Depreciation</u>				
12	Composite Book Depreciation Rate	14.29%	14.29%	14.29%
13	Book Depreciation	\$0	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0	\$0
15	Total Cumulative Book Depreciation	\$0	\$0	\$0
<u>Deferred Tax Calculation:</u>				
16	Cumulative Book / Tax Timer	\$0	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0	\$0
19	Less: Federal NOL	\$0	\$0	\$0
20	Net Deferred Tax Reserve	\$0	\$0	\$0
<u>Rate Base Calculation:</u>				
21	Cumulative Incremental Capital Included in Rate Base	\$0	\$0	\$0
22	Accumulated Depreciation	\$0	\$0	\$0
23	Deferred Tax Reserve	\$0	\$0	\$0
24	Year End Rate Base	\$0	\$0	\$0
<u>Revenue Requirement Calculation:</u>				
25	Average Rate Base before Deferred Tax Proration Adjustment	\$0	\$0	\$0
26	Proration Adjustment	\$0	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	\$0	\$0	\$0
28	Pre-Tax ROR	8.23%	8.23%	8.23%
29	Return and Taxes	\$0	\$0	\$0
30	Book Depreciation	\$0	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year ending August 31, 2020 IS Capital Investments  
Synergy Grid Mod - Cybersecurity IS

Line No.			Rate Year Ending August 31, 2020 (a)	Rate Year Ending August 31, 2021 (b)	Rate Year Ending August 31, 2022 (c)
	<u>Capital Repairs Deduction</u>				
1	Plant Additions	Page 5 of 13, Line 2	\$0		
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%		
3	Capital Repairs Deduction	Line 1 * Line 2	\$0		
	<u>Bonus Depreciation</u>				
4	Plant Additions	Line 1	\$0		
5	Less Capital Repairs Deduction	Line 3	\$0		
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0		
9	Bonus Depreciation Rate	0%	0.00%		
10	Bonus Depreciation	Line 8 * Line 9	\$0		
	<u>Remaining Tax Depreciation</u>				
11	Plant Additions	Line 1	\$0		
12	Less Capital Repairs Deduction	Line 3	\$0		
13	Less Bonus Depreciation	Line 10	\$0		
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.330%	44.450%	14.810%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0	\$0
17	RY2 Loss incurred due to retirements	Per Tax Department	\$0	\$0	\$0
18	Cost of Removal	Page 5 of 13, Line 7	\$0	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 2 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Cybersecurity IS

Line No.			(a) Rate Year 2	(b) Rate Year 3	(c) Rate Year 4
	Deferred Tax Subject to Proration				
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0		
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0	\$0
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0	\$0
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0		
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0		
12	Effective Tax Rate		21%		
13	Deferred Tax Reserve	Line 11 × Line 12	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0		
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0		
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)=21%	\$0		
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20			
23	Effective Tax Rate		21%		
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0	\$0
		(h) (i) (j) (k) (l)			
		Number of Days in			
	Proration Calculation	Month Proration Percentage	Rate Year 2	Rate Year 3	Rate Year 4
26	April	30 91.78%	\$0	\$0	\$0
27	May	31 83.29%	\$0	\$0	\$0
28	June	30 75.07%	\$0	\$0	\$0
29	July	31 66.58%	\$0	\$0	\$0
30	August	31 58.08%	\$0	\$0	\$0
31	September	30 49.86%	\$0	\$0	\$0
32	October	31 41.37%	\$0	\$0	\$0
33	November	30 33.15%	\$0	\$0	\$0
34	December	31 24.66%	\$0	\$0	\$0
35	January	31 16.16%	\$0	\$0	\$0
36	February	28 8.49%	\$0	\$0	\$0
37	March	31 0.00%	\$0	\$0	\$0
38	Total	365	\$0	\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2021  
Synergy Grid Mod - Cybersecurity IS

Line No.		Rate Year Ending August 31, 2021 (a)	Rate Year Ending August 31, 2022 (b)
	<u>Estimated Capital Investment</u>		
1	Cybersecurity	\$0	\$0
2	Total Estimated Capital Investment	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	\$0	\$0
4	Retirements	\$0	\$0
5	Net Depreciable Capital Included in Rate Base	\$0	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	\$0	\$0
7	Cost of Removal	\$0	\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>\$0</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	Rate Year 3 Spend	\$0	\$0
11	Cumulative Tax Depreciation	\$0	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	14.29%	14.29%
13	Book Depreciation	\$0	\$0
14	Cumulative Book Depreciation	\$0	\$0
15	Total Cumulative Book Depreciation	\$0	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	\$0	\$0
17	Effective Tax Rate	21.00%	21.00%
18	Deferred Tax Reserve	\$0	\$0
19	Less: Federal NOL	\$0	\$0
20	Net Deferred Tax Reserve	\$0	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	\$0	\$0
22	Accumulated Depreciation	\$0	\$0
23	Deferred Tax Reserve	\$0	\$0
24	Year End Rate Base	\$0	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	\$0.00	\$0.00
26	Proration Adjustment	\$0	\$0
27	Average Rate Base after Deferred Tax Proration	\$0	\$0
28	Pre-Tax ROR	8.23%	8.23%
29	Return and Taxes	\$0	\$0
30	Book Depreciation	\$0	\$0
31	<b>Annual Revenue Requirement</b>	<b>\$0</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%



THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year IS ending August 31, 2021 Capital Investments  
Synergy Grid Mod - Cybersecurity IS

Line No.			Rate Year Ending <u>August 31, 2021</u> (a)	Rate Year Ending <u>August 31, 2022</u> (b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 8 of 13, Line 2	\$0	
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%	
3	Capital Repairs Deduction	Line 1 * Line 2	\$0	
	<u>Bonus Depreciation</u>			
4	Plant Additions	Line 1	\$0	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0	
9	Total Bonus Depreciation Rate	0%	0.00%	
10	Bonus Depreciation	Line 8 * Line 9	\$0	
	<u>Remaining Tax Depreciation</u>			
11	Plant Additions	Line 1	\$0	
12	Less Capital Repairs Deduction	Line 3	\$0	
13	Less Bonus Depreciation	Line 10	\$0	
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%	44.45%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0	\$0
17	RY3 Loss incurred due to retirements	Per Tax Department	\$0	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0	\$0

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Rate Year 3 Net Deferred Tax Reserve Proration  
Synergy Grid Mod - Cybersecurity IS

Line No.			(a) Rate Year 3	(b) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>			
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b)	\$0	\$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a)	\$0	
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d)	\$0	\$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a)	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$0	\$0
6	Effective Tax Rate		21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$0	\$0
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a)	\$0	
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a)	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	
12	Effective Tax Rate		21%	
13	Deferred Tax Reserve	Line 11 × Line 12	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$0	\$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$0	\$0
	Allocation of FY 2022 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$0	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$0	
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21%	\$0	
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20		
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20		
23	Effective Tax Rate		21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$0	\$0
	<b>Proration Calculation</b>			
		(h) Number of Days in Month	(i) Proration Percentage	(j) Rate Year 3
				(k) Rate Year 4
26	April	30	91.78%	\$0
27	May	31	83.29%	\$0
28	June	30	75.07%	\$0
29	July	31	66.58%	\$0
30	August	31	58.08%	\$0
31	September	30	49.86%	\$0
32	October	31	41.37%	\$0
33	November	30	33.15%	\$0
34	December	31	24.66%	\$0
35	January	31	16.16%	\$0
36	February	28	8.49%	\$0
37	March	31	0.00%	\$0
38	Total	365		\$0
39	Deferred Tax Without Proration	Line 25	\$0	\$0
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$0	\$0
41	Proration Adjustment	Line 38 - Line 40	\$0	\$0

**Column Notes:**

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

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Revenue Requirement on Estimated IS Capital Investment 12 months ending August 31, 2022  
Synergy Grid Mod - Cybersecurity IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Estimated Capital Investment</u>		
1	Cybersecurity		\$0
2	Total Estimated Capital Investment	Sum of Line 1	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>		
3	Total Allowed Capital Included in Rate Base in Current Year	Line 2	\$0
4	Retirements	Line 4 * 0%	\$0
5	Net Depreciable Capital Included in Rate Base	Column (a) = Line 3 - Line 4	\$0
	<u>Change in Net Capital Included in Rate Base</u>		
6	Capital Included in Rate Base	Line 2	\$0
7	Cost of Removal		\$0
8	<b>Total Net Plant in Service Including Cost of Removal</b>	<b>Line 6 + Line 7</b>	<b>\$0</b>
	<u>Tax Depreciation</u>		
9	Vintage Year Tax Depreciation:		
10	RY4 Spend	Page 12 of 13, Line 19	\$0
11	Cumulative Tax Depreciation	Current Year Line 10	\$0
	<u>Book Depreciation</u>		
12	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	14.29%
13	Book Depreciation	Column (a) = Line 5 * Line 12 * 50%	\$0
14	Cumulative Book Depreciation	Current Year Line 13	\$0
15	Total Cumulative Book Depreciation	Line 14	\$0
	<u>Deferred Tax Calculation:</u>		
16	Cumulative Book / Tax Timer	Line 11 - Line 15	\$0
17	Effective Tax Rate		21.00%
18	Deferred Tax Reserve	Line 16 * Line 17	\$0
19	Less: Federal NOL		\$0
20	Net Deferred Tax Reserve	Sum of Lines 18 through 19	\$0
	<u>Rate Base Calculation:</u>		
21	Cumulative Incremental Capital Included in Rate Base	Line 8	\$0
22	Accumulated Depreciation	- Line 15	\$0
23	Deferred Tax Reserve	- Line 20	\$0
24	Year End Rate Base	Sum of Lines 21 through 23	\$0
	<u>Revenue Requirement Calculation:</u>		
25	Average Rate Base before Deferred Tax Proration Adjustment	Column (a) = Current Year Line 25 ÷ 2	\$0.00
26	Proration Adjustment	Page 13 of 13, Line 41, Col (j) through Col. (k)	\$0
27	Average Rate Base after Deferred Tax Proration	Line 25 + Line 26	\$0
	Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770,		
28	Pre-Tax ROR	Worksheet MAL-6	8.23%
29	Return and Taxes	Line 25 * Line 28	\$0
30	Book Depreciation	Line 13	\$0
31	<b>Annual Revenue Requirement</b>	<b>Line 29 + Line 30</b>	<b>\$0</b>

1/ Weighted Average Cost of Capital as file in R.I.P.U.C. Docket No. 4770, Schedule MAL-6

	Ratio	Rate	Rate	Taxes	Return
Long Term Debt	50.00%	3.70%	1.85%		1.85%
Short Term Debt	0.00%	0.00%	0.00%		0.00%
Preferred Stock	0.00%	0.00%	0.00%		0.00%
Common Equity	50.00%	9.275%	4.64%	1.74%	6.38%
	100.00%		6.49%	1.74%	8.23%

THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID  
Power Sector Transformation (PST)  
Calculation of Tax Depreciation and Repairs Deduction on Rate Year Ending August 31, 2022 IS Capital Investments  
Synergy Grid Mod - Cybersecurity IS

Line No.			Rate Year Ending August 31, 2022 (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 11 of 13, Line 2	\$0
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	\$0
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$0
5	Less Capital Repairs Deduction	Line 3	\$0
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$0
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$0
9	Total Bonus Depreciation Rate	0%	0.00%
10	Bonus Depreciation	Line 8 * Line 9	\$0
	<u>Remaining Tax Depreciation</u>		
11	Plant Additions	Line 1	\$0
12	Less Capital Repairs Deduction	Line 3	\$0
13	Less Bonus Depreciation	Line 10	\$0
14	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation	Line 11 - Line 12 - Line 13	\$0
15	3 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	33.33%
16	Remaining Tax Depreciation	Line 14 * Line 15	\$0
17	RY4 Loss incurred due to retirements	Per Tax Department	\$0
18	Cost of Removal	Page 8 of 13, Line 7	\$0
19	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 10, 16, 17, and 18	\$0

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**Power Sector Transformation (PST)**  
**Calculation of Rate Year 4 Net Deferred Tax Reserve Proration**  
**Synergy Grid Mod - Cybersecurity IS**

Line No.		(a) Rate Year 4
	<b>Deferred Tax Subject to Proration</b>	
1	Book Depreciation	Page 15 of 25 , Line 12 ,Col (a) and Col (b) \$0
2	Bonus Depreciation	- Page 16 of 25 , Line 12 ,Col (a) \$0
3	Remaining MACRS Tax Depreciation	- Page 16 of 25 , Col (d) \$0
4	FY22 tax (gain)/loss on retirements	- Page 16 of 25 , Line 19 ,Col (a) \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 \$0
6	Effective Tax Rate	21%
7	Deferred Tax Reserve	Line 5 × Line 6 \$0
	Deferred Tax Not Subject to Proration	
8	Capital Repairs Deduction	- Page 16 of 25 , Line 3 ,Col (a) \$0
9	Cost of Removal	- Page 15 of 25 , Line 7 ,Col (a) \$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0
12	Effective Tax Rate	21%
13	Deferred Tax Reserve	Line 11 × Line 12 \$0
14	Total Deferred Tax Reserve	Line 7 + Line 13 \$0
15	Net Operating Loss	- Page 15 of 25 , Line 17 ,Col (a) \$0
16	Net Deferred Tax Reserve	Line 14 + Line 15 \$0
	Allocation of FY 2022 Estimated Federal NOL	
17	Cumulative Book/Tax Timer Subject to Proration	Line 5 \$0
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11 \$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 \$0
20	Total FY 2022 Federal NOL	- Page 15 of 25 , Line 17 ,Col (a)÷21% \$0
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19 ) × Line 20
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19 ) × Line 20
23	Effective Tax Rate	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23 \$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24 \$0
	<b>Proration Calculation</b>	
		(h) (i) (j)
		<u>Number of Days in</u> <u>Month</u> <u>Proration Percentage</u> <u>Rate Year 4</u>
26	April	30 91.78% \$0
27	May	31 83.29% \$0
28	June	30 75.07% \$0
29	July	31 66.58% \$0
30	August	31 58.08% \$0
31	September	30 49.86% \$0
32	October	31 41.37% \$0
33	November	30 33.15% \$0
34	December	31 24.66% \$0
35	January	31 16.16% \$0
36	February	28 8.49% \$0
37	March	31 0.00% \$0
38	Total	365 \$0
39	Deferred Tax Without Proration	Line 25 \$0
40	Average Deferred Tax without Proration	Line 39 × 0.5 \$0
41	Proration Adjustment	Line 38 - Line 40 \$0

**Column Notes:**

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