

KEEGAN WERLIN LLP

ATTORNEYS AT LAW

99 HIGH STREET, Suite 2900

BOSTON, MASSACHUSETTS 02110

(617) 951-1400

TELECOPIER:

(617) 951- 1354

December 13, 2021

VIA HAND DELIVERY & ELECTRONIC MAIL

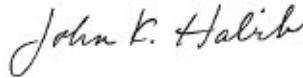
Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket 4770-B – National Grid Electric Transportation Initiative Annual Report

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (“the Company”), enclosed are the Company’s responses to the First Set of Data Requests issued by the Public Utilities Commission regarding the Company’s Electric Transportation Initiative Annual Report.

Sincerely,



John K. Habib
Bar # :7431

Cc: Dkt. 4770 Service List
Bonnie Raffetto, Esq.

National Grid Docket No. 4770 (Rate Application) & Docket No. 4780 (PST)
Combined Service list updated 11/29/2021

Docket No. 4770 Name/Address	E-mail Distribution List	Phone
National Grid Jennifer Hutchinson, Esq. Celia O'Brien, Esq. National Grid 280 Melrose St. Providence, RI 02907 Electric Transportation: Bonnie Crowley Raffetto, Esq. Nancy Israel, Esq. National Grid 40 Sylvan Road Waltham, MA 02451	Jennifer.hutchinson@nationalgrid.com ;	781-907-2153 401-784-7288
	Andrew.marcaccio@nationalgrid.com ;	
	Celia.obrien@nationalgrid.com ;	
	Najat.coye@nationalgrid.com ;	
	Joanne.scanlon@nationalgrid.com ;	
	Bill.Malee@nationalgrid.com ;	
	Theresa.burns@nationalgrid.com ;	
	Ann.leary@nationalgrid.com ;	
	Scott.mccabe@nationalgrid.com ;	
	kate.grant2@nationalgrid.com ;	
	Timothy.roughan@nationalgrid.com ;	
	Jason.Small@nationalgrid.com ;	
	bonnie.raffetto@nationalgrid.com ;	
	nancy.israel@nationalgrid.com ;	
Adam Ramos, Esq. Hinckley Allen 100 Westminster Street, Suite 1500 Providence, RI 02903-2319	aramos@hinckleyallen.com ;	401-457-5164
John Habib, Esq. Keegan Werlin LLP 99 High Street, Suite 2900 Boston, MA 02110	jhabib@keeganwerlin.com ;	617-951-1400
Division of Public Utilities (Division) Leo Wold, Esq. Christy Hetherington, Esq. Division of Public Utilities and Carriers 89 Jefferson Blvd. Warwick, RI 02888	Leo.Wold@dpuc.ri.gov ;	401-780-2140
	Christy.Hetherington@dpuc.ri.gov ;	
	Margaret.L.Hogan@dpuc.ri.gov ;	
	John.bell@dpuc.ri.gov ;	
	Linda.George@dpuc.ri.gov ;	
	Al.mancini@dpuc.ri.gov ;	
	Thomas.kogut@dpuc.ri.gov ;	
Tim Woolf Jennifer Kallay Synapse Energy Economics 22 Pearl Street Cambridge, MA 02139	twoolf@synapse-energy.com ;	617-661-3248
	jkallay@synapse-energy.com ;	
	mwhited@synapse-energy.com ;	
David Effron Berkshire Consulting 12 Pond Path North Hampton, NH 03862-2243	Djeffron@aol.com ;	603-964-6526

Gregory L. Booth, PLLC 14460 Falls of Neuse Rd. Suite 149-110 Raleigh, N. C. 27614 Linda Kushner L. Kushner Consulting, LLC 514 Daniels St. #254 Raleigh, NC 27605	gboothpe@gmail.com ;	919-441-6440
		919-810-1616
Office of Energy Resources (OER) Albert Vitali, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908	Albert.Vitali@doa.ri.gov ;	401-222-8880
	nancy.russolino@doa.ri.gov ;	
	Christopher.Kearns@energy.ri.gov ;	
	Nicholas.Ucci@energy.ri.gov ;	
	Carrie.Gill@energy.ri.gov ;	
Conservation Law Foundation (CLF) Max Greene, Esq. Conservation Law Foundation 235 Promenade Street Suite 560, Mailbox 28 Providence, RI 02908		401-228-1904
	mgreene@clf.org ;	
Dept. of Navy (DON) Kelsey A. Harrer, Esq. Office of Counsel NAVFAC Atlantic, Department of the Navy 6506 Hampton Blvd. Norfolk, VA 23508-1278	kelsey.a.harrer@navy.mil ;	757-322-4119
Kay Davoodi, Director Larry R. Allen, Public Utilities Specialist Utilities Rates and Studies Office NAVFAC HQ, Department of the Navy 1322 Patterson Avenue SE Suite 1000 Washington Navy Yard, D.C. 20374	khojasteh.davoodi@navy.mil ;	
	larry.r.allen@navy.mil ;	
Ali Al-Jabir Maurice Brubaker Brubaker and Associates	aaljabir@consultbai.com ;	
New Energy Rhode Island (NERI) Seth H. Handy, Esq. Handy Law, LLC 42 Weybosset St. Providence, RI 02903	seth@handylawllc.com ;	401-626-4839
	helen@handylawllc.com ;	

The RI League of Cities and Towns c/o Jordan Day and Jennifer Slatterly	jday@rileague.org ;	401 272-3434
	jslattery@rileague.org ;	
PRISM & WCRPC c/o Jeff Broadhead, Executive Director	jb@wcrpc.org ;	401-792-9900
Newport Solar c/o Doug Sabetti	doug@newportsolarri.com ;	401.787.5682
Green Development, LLC c/o Hannah Morini	hm@green-ri.com ;	
Clean Economy Development, LLC c/o Julian Dash	jdash@cleaneconomydevelopment.com ;	
ISM Solar Development, LLC c/o Michael Lucini	mlucini@ismgroup.com ;	401.435.7900
Heartwood Group, Inc. c/o Fred Unger	unger@hrtwd.com ;	401.861.1650
Energy Consumers Alliance of NE James Rhodes Rhodes Consulting 860 West Shore Rd. Warwick, RI 02889	jamie.rhodes@gmail.com ;	401-225-3441
	larry@massenergy.org ;	
Acadia Center Amy Boyd, Esq. Acadia Center 31 Milk St., Suite 501 Boston MA 02109-5128	aboyd@acadiacenter.org ;	
Hank Webster Policy Advocate & Staff Attorney Acadia Center 144 Westminster Street, Suite 203 Providence, RI 02903-2216	hwebster@acadiacenter.org ;	
Northeast Clean Energy Council Jeremy McDiarmid, NECEC		401-724-3600

Dan Bosley, NECEC Sean Burke	jmcdiarmid@necec.org ;	
	dbosley@necec.org ;	
	sburke@necec.org ;	
The George Wiley Center Jennifer Wood Rhode Island Center for Justice 1 Empire Plaza, Suite 410 Providence, RI 02903 Camilo Viveiros, Wiley Center	jwood@centerforjustice.org ;	401-491-1101
	georgewileycenterri@gmail.com ;	
	Camiloviveiros@gmail.com ;	
	chloechassaing@hotmail.com ;	
Wal-Mart Stores East & Sam's East, Inc. Melissa M. Horne, Esq. Higgins, Cavanagh & Cooney, LLC 10 Dorrance St., Suite 400 Providence, RI 20903 Gregory W. Tillman, Sr. Mgr./ERA Walmart	mhorne@hcc-law.com ;	401-272-3500
	Greg.tillman@walmart.com ;	479-204-1594
AMTRAK Clint D. Watts, Esq. Paul E. Dwyer, Esq. McElroy, Deutsch, Mulvaney & Carpenter 10 Dorrance St., Suite 700 Providence, RI 02903 Robert A. Weishaar, Jr., Esq. Kenneth R. Stark, Esq.	CWatts@mdmc-law.com ;	401-519-3848
	PDwyer@mdmc-law.com ;	
	BWeishaar@mcneeslaw.com ;	
	KStark@mcneeslaw.com ;	
Original & 9 copies file w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	Cynthia.WilsonFrias@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	
	Todd.bianco@puc.ri.gov ;	
	Emma.rodvien@puc.ri.gov ;	
	John.harrington@puc.ri.gov ;	
DOCKET NO. 4780		
ChargePoint, Inc. Edward D. Pare, Jr., Esq. Brown Rudnick LLP One Financial Center Boston, MA 02111	EPare@brownrudnick.com ;	617-856-8338
	Anne.Smart@chargepoint.com ;	

Anne Smart, Charge Point, Inc.	Kevin.Miller@chargepoint.com ;	
Direct Energy Craig R. Waksler, Esq. Eckert Seamans Cherin & Mellott, LLC Two International Place, 16 th Floor Boston, MA 02110	cwaksler@eckertseamans.com ;	617-342-6800
	dclearfield@eckertseamans.com ;	413-642-3575
Marc Hanks, Sr. Mgr./GRA Direct Energy Services,	Marc.hanks@directenergy.com ;	
INTERESTED PERSONS		
EERMC Marisa Desautel, Esq	marisa@desautelesq.com ;	401-477-0023
	guerard@optenergy.com ;	
Hank Webster Policy Advocate & Staff Attorney Acadia Center 144 Westminster Street, Suite 203 Providence, RI 02903-2216	hwebster@acadiacenter.org ;	
Frank Epps, EDP	Frank@edp-energy.com ;	
Matt Davey	mdavey@ssni.com ;	
Nathan Phelps	nathan@votesolar.org ;	
Radina Valova, Pace Energy & Climate Ctr.	rvalova@law.pace.edu ;	
Lisa Fontanella	Lisa.Fontanella@spglobal.com ;	
Janet Gail Besser, SEPA (Smart Electric Power Alliance)	jbesser@sepapower.org ;	
Frank Lacey, EAC Power	frank@eacpower.com ;	
PPL Electric Utilities Ronald Reybitz	rjreybitz@pplweb.com ;	
Stephen Breininger	skbreininger@pplweb.com ;	

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770B
Distribution Rate Filing – Review of Deferral Balance Related to
Special Sector Program (Amended Settlement Agreement Section 20)
Responses to Commission’s First Set of Data Requests
Issued on November 29, 2021

PUC 1-1

Request:

In order to be eligible for the DCFC rebate, Tariff RIPUC No. 2247 requires accounts to apply and complete enrollment by August 31, 2021.

[http://www.ripuc.ri.gov/eventsactions/docket/4770-NGrid-DCFC%20Provision%20Combined%20Filing%20\(7-30-21\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/4770-NGrid-DCFC%20Provision%20Combined%20Filing%20(7-30-21).pdf)

In Docket No. 4770A, the Company’s response to PUC 1-9 seemed to suggest that enrollment in the DCFC rebate occurs after the facility is energized. The Company stated, “It is the Company’s understanding that RIPTA is planning to install two groups of stations: the first group of DCFC stations in December 2021 and would enroll these stations in the DCFC Discount Pilot shortly after they are energized; and the second group of DCFC stations is planned to be installed in Spring 2022 and be enrolled in the DCFC Discount Pilot shortly after they are energized”

The testimony and report submitted in this docket seems to suggest that the Company will apply the rebate to accounts that have submitted applications but have not completed enrollments by August 31, 2021 (Test. at 27-29; attached report).

- a. Please reconcile these statements.

Response:

The Company intends to apply rebates only to accounts that submitted DCFC Discount Pilot applications prior to August 31, 2021. Five DCFC Discount Pilot applications were submitted by customers by this date. These five customers are enrolled in the DCFC Discount Pilot. The issuance of rebates, however, requires the following conditions be met: installation of the stations, energization of the power supply to the stations, placement of the stations on to either the G-02 or G-32 electric rate and issuance of the first electric bill.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770B
Distribution Rate Filing – Review of Deferral Balance Related to
Special Sector Program (Amended Settlement Agreement Section 20)
Responses to Commission’s First Set of Data Requests
Issued on November 29, 2021

PUC 1-2

Request:

In the Carloni and Little testimony, on pages 37-38, the expected deferral amount through August 31, 2022 is \$1,340,474. The witnesses explain that this deferral does not include an expected rebate level of \$363,394 through August 31, 2025 (“RY7”).

- (a) Absent a rate case, does the Company expect to continue to include in the revenue requirement and associated collections, the annual ETI funding allowed in the Amended Settlement? If so, how much (itemize)? If not, please explain.
- (b) If the answer to 1-2.a is in the affirmative, does the Company expect to continue the various ETI offerings (other than the DCFC rebate) or to wind them down by the end of RY4 (August 31, 2022)? If so, please indicate which offerings would be continued and which would be discontinued.
- (c) Based on the responses to 1-2.a and 1-2.b., please provide a projected deferral level at August 31, 2023, August 31, 2024, and August 31, 2025, assuming no rate case is filed.

Response:

- (a) Absent a rate case, the Company expects to continue to include the annual ETI funding in the revenue requirement and associated collections as provided for in the Amended Settlement Agreement. The Company expects to include funding for the following programs at the same levels established for RY3 of \$2.15 million annually
 - a. Charging Demonstration program: \$1,013,114 annually in operating expense recovery and \$516,607 annually in recovery of capital investment for a total of \$1,529,721 annually.
 - b. Fleet Advisory program: \$100,000 annually Electric Transportation Initiative Evaluation: \$30,000 annually
 - c. Offpeak Charging Rebate: \$227,567 annually
 - d. DCFC Discount pilot: \$264,488 annually
- (b) The Company expects to continue the ETI offering (i.e. Charging Demonstration program, the Fleet Advisory program, and Electric Transportation Initiative Evaluation) but is currently assessing whether to continue the Off-Peak Charging Rebate Pilot to evaluate additional off-peak program concepts (e.g. addressing timer peaks, use of APIs in place of C2 devices) or wind that program down as the end of August 31, 2022. As stated, the Company will no longer offer the DCFC rebate program.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770B
Distribution Rate Filing – Review of Deferral Balance Related to
Special Sector Program (Amended Settlement Agreement Section 20)
Responses to Commission’s First Set of Data Requests
Issued on November 29, 2021

For the DCFC rebate program, the Company is setting the RY 5 through RY 7 funding levels based on the following rebate projections for the five sites for which the Company received applications prior to the August 31, 2021 deadline for this program: \$141,872 for RY5, \$141,872 for RY6, and \$79,649 for RY7.

- (c) Based on the Company’s responses to 1-2.a and 1-2.b. above, the Company has projected deferral levels at August 31, 2023, August 31, 2024, and August 31, 2025, of (\$985,775), (\$163,779), and \$1,087,135, respectively, with negative amounts representing a regulatory liability to customers and positive amounts representing a regulatory asset. Under Section 20(g.) of the Amended Settlement Agreement, the Company is not currently authorized to record a regulatory asset related to its ETI program; however the Company has included a hypothetical regulatory asset in its response to part c for illustrative purposes. Please refer to the Company’s supporting deferral calculations as provided in Attachment PUC 1-2.

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Electric Transportation Initiative
Deferral Summary by Category RV3 through RV7

Line No.		Actual Revenue Requirements					Base Rate Allowance					Cumulative Deferral at Rate Years Ending				
		Total RV1.3 (a)	Total RV1.4 (b)	Total RV1.5 (c)	Total RV1.6 (d)	Total RV1.7 (e)	Total RV1.3 (f)	Total RV1.4 (g)	Total RV1.5 (h)	Total RV1.6 (i)	Total RV1.7 (j)	August 31, 2021 (RV3) (k)=(a)-(f)	August 31, 2022 (RV4) (l)=(b)-(g)	August 31, 2023 (RV5) (m)=(c)-(h)	August 31, 2024 (RV6) (n)=(d)-(i)	August 31, 2025 (RV7) (o)=(e)-(j)
1	Operation and Maintenance (O&M) Expenses:															
2	Offpeak Charging Rebate	\$612,327	\$878,463	\$878,463	\$878,463	\$878,463	\$538,232	\$765,799	\$993,366	\$1,220,933	\$1,448,500	\$74,095	\$112,664	\$114,903	\$342,470	(\$70,037)
3	Discount Pilot for DC Fast Charging	\$59,195	\$121,418	\$263,290	\$405,163	\$484,812	\$538,760	\$803,248	\$1,067,736	\$1,332,224	\$1,596,712	(\$479,565)	(\$681,830)	(\$804,446)	(\$927,061)	(\$1,111,900)
4	Customer Fleet Advisory Services	\$259,330	\$403,936	\$539,559	\$675,182	\$810,805	\$210,000	\$310,000	\$410,000	\$510,000	\$510,000	\$49,330	\$93,936	\$129,559	\$165,182	\$200,805
5	Charging Demonstration Program	\$887,334	\$2,088,120	\$3,068,191	\$4,038,262	\$5,008,333	\$1,842,327	\$2,855,441	\$3,868,555	\$4,881,669	\$5,894,783	(\$954,993)	(\$757,321)	(\$800,364)	(\$843,077)	(\$864,450)
6	Initiative Evaluation	\$156,796	\$239,292	\$274,292	\$309,292	\$344,292	\$90,000	\$120,000	\$150,000	\$180,000	\$210,000	\$66,796	\$119,292	\$124,292	\$129,292	\$134,292
	Total O&M component of Revenue Requirement	\$1,974,982	\$3,741,229	\$5,023,794	\$6,306,361	\$7,526,704	\$3,219,319	\$4,854,488	\$6,489,657	\$8,124,826	\$9,759,995	(\$1,244,337)	(\$1,113,259)	(\$1,465,862)	(\$1,818,464)	(\$2,233,290)
Capital Investment:																
7	Charging Demonstration Program	\$469,219	\$1,139,276	\$2,357,861	\$3,975,433	\$5,974,106	\$765,508	\$1,282,115	\$1,798,722	\$2,315,329	\$2,831,936	(\$296,289)	(\$142,839)	\$559,139	\$1,660,104	\$3,142,170
8	Total Capital Investment Component of Revenue Requirement	\$469,219	\$1,139,276	\$2,357,861	\$3,975,433	\$5,974,106	\$765,508	\$1,282,115	\$1,798,722	\$2,315,329	\$2,831,936	(\$296,289)	(\$142,839)	\$559,139	\$1,660,104	\$3,142,170
9	Total Revenue Requirement: Electric Transportation	\$2,444,201	\$4,880,505	\$7,381,656	\$10,281,794	\$13,500,810	\$3,984,827	\$6,136,603	\$8,288,379	\$10,440,155	\$12,591,931	(\$1,540,626)	(\$1,256,098)	(\$906,722)	(\$158,360)	\$908,880
10	Accumulated Interest on Deferral Balance (O&M)											(\$24,282)	(\$34,989)	(\$46,777)	(\$61,809)	(\$80,389)
11	Accumulated Interest on Deferral Balance (Capital)											(\$25,488)	(\$45,650)	(\$32,276)	\$56,350	\$258,644
12	Total EIT deferral with interest at the end of Rate Year											(\$1,590,391)	(\$1,336,737)	(\$985,775)	(\$163,779)	\$1,087,135

1-7 Cols (a), (f), and (k) - Per Page 2 of 27
1-7 Cols (b), (g), and (l) - Per Page 3 of 27
1-7 Cols (c), (d), (e), (h), (i), (j), (m), (n), and - Per Page 4 of 27
6 Sum of Lines 1 through 5
8 Line 7
9 Line 6 + Line 8
10 Cols (k) through (o) - Per Page 5 of 27
11 Cols (k) through (o) - Per Page 5 of 27
12 Sum of Lines 9 through 11

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Electric Transportation Initiative
Deferral Summary by Category RY1 through RY3

Line No.		Rate Year Ended August 31, 2019		Rate Year Ended August 31, 2020		Rate Year Ending August 31, 2021		Cumulative Deferral at Rate Years Ending		
		Actual	Allowance	Actual	Allowance	Actual	Allowance	2019 (RY1)	2020 (RY2)	2021 (RY3)
	Operation and Maintenance (O&M) Expenses:							(j)=(c)	(k)=(j)+(f)	(l)=(k)+(i)
1	Offpeak Charging Rebate	\$182,176	\$133,745	\$188,826	\$176,920	\$241,325	\$227,567	\$48,431	\$60,337	\$74,095
2	Discount Pilot for DC Fast Charging	\$13,408	\$103,622	\$21,694	\$170,650	\$24,093	\$264,488	(\$90,214)	(\$239,170)	(\$479,565)
3	Customer Fleet Advisory Services	\$21,879	\$40,000	\$153,687	\$70,000	\$83,764	\$100,000	(\$18,121)	\$65,566	\$49,330
4	Charging Demonstration Program	\$80,205	\$326,831	\$552,044	\$502,382	\$255,085	\$1,013,114	(\$246,626)	(\$196,964)	(\$954,993)
5	Initiative Evaluation	\$5,846	\$30,000	\$64,797	\$30,000	\$86,153	\$30,000	(\$24,154)	\$10,643	\$66,796
6	Total O&M component of Revenue Requirement	\$303,514	\$634,198	\$981,048	\$949,952	\$690,420	\$1,635,169	(\$330,684)	(\$299,588)	(\$1,244,337)
Capital Investment:										
7	Charging Demonstration	\$8,894	\$47,102	\$126,241	\$201,799	\$334,084	\$516,607	(\$38,208)	(\$113,766)	(\$296,289)
8	Total Capital Investment Component of Revenue Requirement	\$8,894	\$47,102	\$126,241	\$201,799	\$334,084	\$516,607	(\$38,208)	(\$113,766)	(\$296,289)
9	Total Revenue Requirement: Electric Transportation	\$312,408	\$681,300	\$1,107,289	\$1,151,751	\$1,024,504	\$2,151,776	(\$368,892)	(\$413,354)	(\$1,540,626)

1-7 Cols (a), (d), (g), - Per Page 6 of 27
1-7 Cols (b),(e), (h) - per RIPUC Docket 4770 Aug 16, 2018 Compliance filing, Compliance Attachment 5.1, Page 1
6 Sum of Lines 1 through 5
8 Line 7
9 Line 6 + Line 8

The Narragansett Electric Company
d/b/a National Grid
Electric Transportation Initiative
Deferral Summary by Category (continued) RY4

Line No.		Rate Year Ending		Cumulative Deferral at Rate Years Ending				
		Forecast	August 31, 2022 Allowance	Delta	August 31, 2019 (RY1)	August 31, 2020 (RY2)	August 31, 2021 (RY3)	August 31, 2022 (RY4)
	Operation and Maintenance (O&M) Expenses:	(a)	(b)	(c)=(a)-(b)	(d)= Page 1 Col (j)	(e)=Page 1 Col (k)	(f)=Page 1 Col (l)	(g)=(f)+(c)
1	Offpeak Charging Rebate	\$266,136	\$227,567	\$38,569	\$48,431	\$60,337	\$74,095	\$112,664
2	Discount Pilot for DC Fast Charging	\$62,223	\$264,488	(\$202,265)	(\$90,214)	(\$239,170)	(\$479,565)	(\$681,830)
3	Customer Fleet Advisory Services	\$144,606	\$100,000	\$44,606	(\$18,121)	\$65,566	\$49,330	\$93,936
4	Charging Demonstration Program	\$1,210,786	\$1,013,114	\$197,672	(\$246,626)	(\$196,964)	(\$954,993)	(\$757,321)
5	Initiative Evaluation	\$82,496	\$30,000	\$52,496	(\$24,154)	\$10,643	\$66,796	\$119,292
6	Total O&M component of Revenue Requirement	\$1,766,247	\$1,635,169	\$131,078	(\$330,684)	(\$299,588)	(\$1,244,337)	(\$1,113,259)
7	Capital Investment:							
8	Charging Demonstration	\$670,057	\$516,607	\$153,450	(\$38,208)	(\$113,766)	(\$296,289)	(\$142,839)
	Total Capital Investment Component of Revenue Requirement	\$670,057	\$516,607	\$153,450	(\$38,208)	(\$113,766)	(\$296,289)	(\$142,839)
9	Total Revenue Requirement: Electric Transportation	\$2,436,304	\$2,151,776	\$284,528	(\$368,892)	(\$413,354)	(\$1,540,626)	(\$1,256,098)

Cols (a) - Per Page 6 of 27
Col (b)- per RIPUC Docket 4770 Aug 16, 2018 Compliance filing, Compliance Attachment 5.1
Sum of Lines 1 through 5
Line 7
Line 6 + Line 8

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Electric Transportation Initiative
Deferral Summary by Category (continued) RY5 through RY7

Line No.		Rate Year Ended August 31, 2023		Rate Year Ended August 31, 2024		Rate Year Ending August 31, 2025	
		Actual (a)	Delta (c)=(a)-(b)	Actual (d)	Delta (f)=(d)-(e)	Actual (g)	Delta (i)=(g)-(h)
		(b)	(c)=(a)-(b)	(e)	(f)=(d)-(e)	(h)	(i)=(g)-(h)
1	Operation and Maintenance (O&M) Expenses:						
2	Offpeak Charging Rebate	\$0	(\$227,567)	\$0	(\$227,567)	\$0	(\$227,567)
3	Discount Pilot for DC Fast Charging	\$141,872	(\$122,616)	\$141,872	(\$122,616)	\$79,649	(\$64,488)
4	Customer Fleet Advisory Services	\$135,623	\$35,623	\$135,623	\$35,623	\$135,623	\$0
5	Charging Demonstration Program	\$970,071	(\$43,043)	\$970,071	(\$43,043)	\$970,071	\$1,013,114
6	Initiative Evaluation	\$35,000	\$5,000	\$35,000	\$5,000	\$35,000	\$30,000
	Total O&M component of Revenue Requirement	\$1,282,566	(\$352,603)	\$1,282,566	(\$352,603)	\$1,220,343	\$1,635,169
	Capital Investment:						
7	Charging Demonstration	\$1,218,586	\$701,979	\$1,617,572	\$516,607	\$1,998,672	\$516,607
8	Total Capital Investment Component of Revenue Requirement	\$1,218,586	\$701,979	\$1,617,572	\$516,607	\$1,998,672	\$1,482,065
9	Total Revenue Requirement: Electric Transportation	\$2,501,152	\$349,376	\$2,900,138	\$748,362	\$3,219,016	\$1,067,240
	Cumulative Deferral at Rate Years Ending						
	August 31, 2019 (RY1)	August 31, 2020 (RY2)	August 31, 2021 (RY3)	August 31, 2022 (RY4)	August 31, 2023 (RY5)	August 31, 2024 (RY6)	August 31, 2025 (RY7)
	(o)= Page 1 Col	(p)=Page 1 Col	(q)=Page 1 Col (l)	(r)=Page 2 Col (g)	(s)=(r)+(c)	(t)=(s)+(f)	(u)=(t)+(i)
10	Operation and Maintenance (O&M) Expenses:						
11	Offpeak Charging Rebate	\$48,431	\$60,337	\$74,095	\$112,664	(\$342,470)	(\$570,037)
12	Discount Pilot for DC Fast Charging	(\$90,214)	(\$239,170)	(\$479,565)	(\$681,830)	(\$804,446)	(\$1,111,900)
13	Customer Fleet Advisory Services	(\$18,121)	\$65,566	\$49,330	\$93,936	\$129,559	\$200,805
14	Charging Demonstration Program	(\$246,626)	(\$196,964)	(\$954,993)	(\$757,321)	(\$800,364)	(\$886,450)
15	Initiative Evaluation	(\$24,154)	\$10,643	\$66,796	\$119,292	\$129,292	\$134,292
	Total O&M component of Revenue Requirement	(\$330,684)	(\$299,588)	(\$1,244,337)	(\$1,465,862)	(\$1,818,464)	(\$2,233,290)
	Capital Investment:						
16	Charging Demonstration	(\$38,208)	(\$113,766)	(\$296,289)	(\$142,839)	\$559,139	\$3,142,170
17	Total Capital Investment Component of Revenue Requirement	(\$38,208)	(\$113,766)	(\$296,289)	(\$142,839)	\$559,139	\$3,142,170
18	Total Revenue Requirement: Electric Transportation	(\$368,892)	(\$413,354)	(\$1,540,626)	(\$906,722)	(\$158,360)	\$908,880

1-7 Cols (a),(d), (g) - Per Page 6 of 27 Cols (e), (f), (g)
 1-7 Cols (b),(e), (h) - per RIPUC Docket 4770 Aug 16, 2018 Compliance filing, Compliance Attachment 5.1, Page 1
 6 Sum of Lines 1 through 5
 8 Line 7
 9 Line 6 + Line 8
 15 Sum of Lines 10 through 14
 17 Line 16
 18 Line 15 + Line 17

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770B
Re: ELECTRIC TRANSPORTATION INITIATIVE
PUC RELATED TO SPECIAL SECTOR PROGRAM
Attachment PUC 1-2
Page 5 of 27

Line No.	Rate Year	(a)=(h)		(b) Actual	(c)		(d)=Sum (a) -(c)		(e)=(a)+(d)/2		(f)		(g)=(e)*(f)		(h)=(d)+(g)	
		Beginning Balance			Allowance	Ending Balance	Average Balance	Interest Rate	Interest	Balance	Interest	Balance				
EV Deferral: Operating & Maintenance expense																
1	RY1	\$0		\$303,514	(\$634,198)		(\$330,684)		(\$165,342)		2.620%		(\$4,332)		(\$335,016)	
2	RY2	(\$335,016)		\$981,048	(\$949,952)		(\$303,920)		(\$319,468)		2.525%		(\$8,067)		(\$311,987)	
3	RY3	(\$311,987)		\$690,420	(\$1,635,169)		(\$1,256,736)		(\$784,362)		1.515%		(\$11,883)		(\$1,268,619)	
4	RY4	(\$1,268,619)		\$1,766,247	(\$1,635,169)		(\$1,137,541)		(\$1,203,080)		0.890%		(\$10,707)		(\$1,148,248)	
5	RY5	(\$1,148,248)		\$1,282,566	(\$1,635,169)		(\$1,500,851)		(\$1,324,549)		0.890%		(\$11,788)		(\$1,512,639)	
6	RY6	(\$1,512,639)		\$1,282,566	(\$1,635,169)		(\$1,865,241)		(\$1,688,940)		0.890%		(\$15,032)		(\$1,880,273)	
7	RY7	(\$1,880,273)		\$1,220,343	(\$1,635,169)		(\$2,295,099)		(\$2,087,686)		0.890%		(\$18,580)		(\$2,313,679)	

EV Deferral : Capital Investment

8	RY1	\$0	\$8,894	(\$47,102)	(\$38,208)	(\$19,104)	8.230%	(\$1,572)	(\$39,780)
9	RY2	(\$39,780)	\$126,241	(\$201,799)	(\$115,338)	(\$77,559)	8.230%	(\$6,383)	(\$121,721)
10	RY3	(\$121,721)	\$334,084	(\$516,607)	(\$304,244)	(\$212,983)	8.230%	(\$17,528)	(\$321,772)
11	RY4	(\$321,772)	\$670,057	(\$516,607)	(\$168,322)	(\$245,047)	8.230%	(\$20,167)	(\$188,489)
12	RY5	(\$188,489)	\$1,218,586	(\$516,607)	\$513,489	\$162,500	8.230%	\$13,374	\$526,863
13	RY6	\$526,863	\$1,617,572	(\$516,607)	\$1,627,828	\$1,077,346	8.230%	\$88,666	\$1,716,494
14	RY7	\$1,716,494	\$1,998,672	(\$516,607)	\$3,198,560	\$2,457,527	8.230%	\$202,254	\$3,400,814
15	Total Forecasted E/TI deferral with interest at the end of Rate Year 3						Line 3 + Line 10		(\$1,590,391)
16	Total Forecasted E/TI deferral with interest at the end of Rate Year 4						Line 4 + Line 11		(\$1,336,737)
17	Total Forecasted E/TI deferral with interest at the end of Rate Year 5						Line 5 + Line 12		(\$985,775)
18	Total Forecasted E/TI deferral with interest at the end of Rate Year 6						Line 6 + Line 13		(\$163,779)
19	Total Forecasted E/TI deferral with interest at the end of Rate Year 7						Line 7 + Line 14		\$1,087,135

Col (b & c)	Lines 1~3 and Lines 8~10 - Per Page 2 of 27
Col (b & c)	Lines 4 and 11 - Per Page 3 of 27
Col (b & c)	Lines 5~7 and Lines 12~14 - Per Page 4 of 27
Col (f)	Lines 1 - 4: Customer deposit rate effective each March 1, 2018 through 2022 respectively of 2.33%, 2.91%, 2.14% and 0.89%.
Col (f)	Lines 5 - 7: Forecasted Customer deposit rate of 0.89% based on actual rate effective March 1, 2021.
Col (f)	Lines 8 - 14: Company's approved pre-tax weighted average cost of capital of 8.23%.

The Narragansett Electric Company
d/b/a National Grid
Electric Transportation Initiative
Annual Revenue Requirement Summary

Line No.		Rate Years Ending August 31,						
		2019 (a)	2020 (b)	2021 (c)	2022 (d)	2023 (e)	2024 (f)	2025 (g)
	Operation and Maintenance (O&M) Expenses:							
1	Offpeak Charging Rebate	\$182,176	\$188,826	\$241,325	\$266,136	\$0	\$0	\$0
2	Discount Pilot for DC Fast Charging	\$13,408	\$21,694	\$24,093	\$62,223	\$141,872	\$141,872	\$79,649
3	Customer Fleet Advisory Services	\$21,879	\$153,687	\$83,764	\$144,606	\$135,623	\$135,623	\$135,623
4	Charging Demonstration Program	\$80,205	\$552,044	\$255,085	\$1,210,786	\$970,071	\$970,071	\$970,071
5	Initiative Evaluation	\$5,846	\$64,797	\$86,153	\$82,496	\$35,000	\$35,000	\$35,000
6	Total O&M costs	\$303,514	\$981,048	\$690,420	\$1,766,246	\$1,282,566	\$1,282,566	\$1,220,343
	Sum of Lines 1 through 5							
7	Other O&M Expenses and Program Administration Costs:							
8	Program Administration Costs - NG Heavy Duty Fleet Lease and O&M							
9	Program Administration Costs - Off-Peak Rebate							
10	Program Administration Costs - Commercial Rate Discount							
11	Program Administration Costs - Evaluation							
12	Total Other O&M Expenses and Program Administration Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Sum of Lines 8 through 11							
13	Total O&M Costs, Other O&M Costs and Program Administration Costs	\$303,514	\$981,048	\$690,420	\$1,766,246	\$1,282,566	\$1,282,566	\$1,220,343
14	Participation Payment Offset							
15	Total Net O&M Expense Component of Revenue Requirement	\$303,514	\$981,048	\$690,420	\$1,766,246	\$1,282,566	\$1,282,566	\$1,220,343
	Capital Investment:							
17	Estimated Revenue Requirement on Rate Year 1 Capital investment			\$20,314	\$19,280	\$18,348	\$17,482	\$16,759
18	Estimated Revenue Requirement on Rate Year 2 Capital investment	\$8,894	\$21,607	\$254,180	\$238,961	\$226,785	\$215,822	\$205,626
19	Estimated Revenue Requirement on Rate Year 3 Capital investment		\$104,634	\$59,590	\$144,997	\$136,355	\$129,458	\$123,258
20	Estimated Revenue Requirement on Rate Year 4 Capital investment				\$266,819	\$649,257	\$610,560	\$579,685
21	Estimated Revenue Requirement on Rate Year 5 Capital investment					\$187,841	\$456,408	\$429,096
22	Estimated Revenue Requirement on Rate Year 6 Capital investment						\$187,841	\$456,408
23	Estimated Revenue Requirement on Rate Year 7 Capital investment							\$187,841
24	Total Capital Investment Component of Revenue Requirement	\$8,894	\$126,241	\$334,084	\$670,057	\$1,218,586	\$1,617,572	\$1,998,672
25	Total Revenue Requirement	\$312,408	\$1,107,289	\$1,024,505	\$2,436,302	\$2,501,152	\$2,900,138	\$3,219,016

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

Line No.			Rate Years Ending August 31,						
			2019 (a)	2020 (b)	2021 (c)	2022 (d)	2023 (e)	2024 (f)	2025 (g)
1	<u>Estimated Capital Investment</u>								
2	EDC Costs (Make-Ready)		\$1,434	\$0	\$0	\$0	\$0	\$0	\$0
3	Premise Work Costs (Make-Ready)		\$123,870	\$0	\$0	\$0	\$0	\$0	\$0
4	EVSE Costs (Utility-Operated Charging Program Sites, and Company Fleet EVSE)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Total Capitalized Labor & Tool Costs		\$17,891	\$0	\$0	\$0	\$0	\$0	\$0
	Total Estimated Capital Investment	Sum of Lines 1 through 4	\$143,195	\$0	\$0	\$0	\$0	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>								
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$143,195	\$0	\$0	\$0	\$0	\$0	\$0
7	Retirements	Line 6 * 0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195
	<u>Change in Net Capital Included in Rate Base</u>								
9	Capital Included in Rate Base	Line 5	\$143,195	\$0	\$0	\$0	\$0	\$0	\$0
10	Cost of Removal		\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195
	<u>Tax Depreciation</u>								
12	Vintage Year Tax Depreciation:								
13	2020 Spend	Page 8 of 27, Line 21	\$28,639	\$45,822	\$27,493	\$16,496	\$16,496	\$8,248	\$0
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$28,639	\$74,461	\$101,954	\$118,450	\$134,946	\$143,194	\$143,194
	<u>Book Depreciation</u>								
15	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50%; Col (b) = Line 1 * Line 15	\$18	\$36	\$36	\$36	\$36	\$36	\$36
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$18	\$54	\$90	\$125	\$161	\$197	\$233
18	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50%; Col (b) = Line 2 * Line 18	\$3,097	\$6,194	\$6,194	\$6,194	\$6,194	\$6,194	\$6,194
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$3,097	\$9,290	\$15,484	\$21,677	\$27,871	\$34,064	\$40,258
21	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50%; Col (b) = Line 3 * Line 21	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
25	Book Depreciation	Col (a) = Line 4 * Line 24 * 50%; Col (b) = Line 4 * Line 24	\$224	\$447	\$447	\$447	\$447	\$447	\$447
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$224	\$671	\$1,118	\$1,565	\$2,013	\$2,460	\$2,907
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$3,338	\$10,015	\$16,692	\$23,368	\$30,045	\$36,721	\$43,398
	<u>Deferred Tax Calculation:</u>								
28	Cumulative Book / Tax Timer	Line 14 - Line 27	\$25,301	\$64,446	\$85,262	\$95,082	\$104,901	\$106,473	\$99,796
29	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$5,313	\$13,534	\$17,905	\$19,967	\$22,029	\$22,359	\$20,957
31	Less: FY 2020 Federal NOL		\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Net Deferred Tax Reserve	Sum of Lines 30 through 31	\$5,313	\$13,534	\$17,905	\$19,967	\$22,029	\$22,359	\$20,957
	<u>Rate Base Calculation:</u>								
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195
34	Accumulated Depreciation	- Line 27	(\$3,338)	(\$10,015)	(\$16,692)	(\$23,368)	(\$30,045)	(\$36,721)	(\$43,398)
35	Deferred Tax Reserve	- Line 32	(\$5,313)	(\$13,534)	(\$17,905)	(\$19,967)	(\$22,029)	(\$22,359)	(\$20,957)
36	Year End Rate Base	Sum of Lines 33 through 35	\$134,543	\$119,646	\$108,598	\$99,859	\$91,120	\$84,114	\$78,839
	<u>Revenue Requirement Calculation:</u>								
37	Average Rate Base	Col (a) = Current Year Line 37 ÷ 2; Col (b & c) = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$67,272	\$127,094	\$114,122	\$104,229	\$95,490	\$87,617	\$81,477
38	Proration Adjustment	Page 9 of 27	\$228	\$353	\$188	\$89	\$89	\$14	(\$60)
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$67,500	\$127,447	\$114,310	\$104,317	\$95,578	\$87,631	\$81,416
40	Pre-Tax ROR	1/	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
41	Return and Taxes	Line 39 * Line 40	\$5,555	\$10,489	\$9,408	\$8,585	\$7,866	\$7,212	\$6,701
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$3,338	\$6,677	\$6,677	\$6,677	\$6,677	\$6,677	\$6,677
43	Property Taxes	Yr 1 = 0, Yr 2 forward = Prior Yr (Line 8 + Line 34) * 3.176% 2/	\$0	\$4,442	\$4,230	\$4,018	\$3,806	\$3,594	\$3,382
44	Annual Revenue Requirement	Sum of Line 41 through Line 43	\$8,894	\$21,607	\$20,314	\$19,280	\$18,348	\$17,482	\$16,759

1/ Weighted Average Cost of Capital as filed 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%	9.2750%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

2/ Composite Mill Rate of 3.176% per Compliance Attachment 2, Schedule 7-ELEC

Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2019 Capital Investments Electric Transportation Initiative

Line No.		RY1 2019 (a)	RY2 2020 (b)	RY3 2021 (c)	RY4 2022 (d)	RY5 2023 (e)	RY6 2024 (f)	RY7 2025 (g)
	<u>Capital Repairs Deduction</u>							
1	Plant Additions	\$143,195						
2	Capital Repairs Deduction Rate	0.00%						
3	Capital Repairs Deduction	\$0						
	<u>Bonus Depreciation</u>							
4	Plant Additions	\$143,195						
5	Less Capital Repairs Deduction	\$0						
6	Plant Additions Net of Capital Repairs Deduction	\$143,195						
7	Percent of Plant Eligible for Bonus Depreciation	100.00%						
8	Plant Eligible for Bonus Depreciation	\$143,195						
9	Bonus Depreciation Rate (April 2019 - December 2019)	0.00%						
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	0.00%						
11	Total Bonus Depreciation Rate	0.00%						
12	Bonus Depreciation	\$0						
	<u>Remaining Tax Depreciation</u>							
13	Plant Additions	\$143,195						
14	Less Capital Repairs Deduction	\$0						
15	Less Bonus Depreciation	\$0						
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195	\$143,195
17	5 YR MACRS Tax Depreciation Rates	20.00%	32.00%	19.20%	11.52%	11.52%	5.76%	0.00%
18	Remaining Tax Depreciation	\$28,639	\$45,822	\$27,493	\$16,496	\$16,496	\$8,248	\$0
19	FY20 Loss incurred due to retirements	\$0						
20	Cost of Removal	\$0						
21	Total Tax Depreciation and Repairs Deduction	\$28,639	\$45,822	\$27,493	\$16,496	\$16,496	\$8,248	\$0

The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2019 Net Deferred Tax Reserve Proration
Electric Transportation Initiative

Line No.	Deferred Tax Subject to Proration	(a)=Sum of (b) through (h)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		Total	2019	2020	2021	2022	2023	2024	2025
1	Book Depreciation	Page 7 of 27, Line 27	\$23,368	\$3,338	\$6,677	\$6,677	\$6,677	\$6,677	\$6,677
2	Bonus Depreciation	Page 8 of 27, Line 12	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Remaining MACRS Tax Depreciation	Page 8 of 27, Line 18	(\$118,450)	(\$28,639)	(\$45,822)	(\$27,493)	(\$16,496)	(\$16,496)	(\$8,248)
4	FY20 tax (gain)/loss on retirements	Page 8 of 27, Line 19	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$95,082)	(\$25,301)	(\$39,145)	(\$20,816)	(\$9,819)	(\$9,819)	(\$1,571)
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$19,967)	(\$5,313)	(\$8,221)	(\$4,371)	(\$2,062)	(\$2,062)	(\$330)
Deferred Tax Not Subject to Proration									
8	Capital Repairs Deduction	Page 8 of 27, Line 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Cost of Removal	Page 8 of 27, Line 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$19,967)	(\$5,313)	(\$8,221)	(\$4,371)	(\$2,062)	(\$2,062)	(\$330)
15	Net Operating Loss	Page 7 of 27, Line 31	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$19,967)	(\$5,313)	(\$8,221)	(\$4,371)	(\$2,062)	(\$2,062)	(\$330)
Allocation of FY 2020 Estimated Federal NOL									
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$64,446)	(\$25,301)	(\$39,145)	(\$20,816)	(\$9,819)	(\$9,819)	(\$1,571)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$64,446)	(\$25,301)	(\$39,145)	(\$20,816)	(\$9,819)	(\$9,819)	(\$1,571)
20	Total FY 2020 Federal NOL	(Page 7 of 27, Line 31) / 21%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$19,967)	(\$5,313)	(\$8,221)	(\$4,371)	(\$2,062)	(\$2,062)	(\$330)
		(i)	(j)						
		Number of Days in		(k)= Sum of (l)					
		Month	Proration Percentage	through (o)	(l)	(m)	(n)	(o)	(p)
26	April 2019	30	91.78%	(\$1,527)	(\$406)	(\$629)	(\$334)	(\$158)	(\$158)
27	May 2019	31	83.29%	(\$1,386)	(\$369)	(\$571)	(\$303)	(\$143)	(\$143)
28	June 2019	30	75.07%	(\$1,249)	(\$332)	(\$514)	(\$273)	(\$129)	(\$129)
29	July 2019	31	66.58%	(\$1,108)	(\$295)	(\$456)	(\$243)	(\$114)	(\$114)
30	August 2019	31	58.08%	(\$966)	(\$257)	(\$398)	(\$212)	(\$100)	(\$100)
31	September 2019	30	49.86%	(\$830)	(\$221)	(\$342)	(\$182)	(\$86)	(\$86)
32	October 2019	31	41.37%	(\$688)	(\$183)	(\$283)	(\$151)	(\$71)	(\$71)
33	November 2019	30	33.15%	(\$552)	(\$147)	(\$227)	(\$121)	(\$57)	(\$57)
34	December 2019	31	24.66%	(\$410)	(\$109)	(\$169)	(\$90)	(\$42)	(\$42)
35	January 2020	31	16.16%	(\$269)	(\$72)	(\$111)	(\$59)	(\$28)	(\$28)
36	February 2020	28	8.49%	(\$141)	(\$38)	(\$58)	(\$31)	(\$15)	(\$15)
37	March 2020	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
38	Total	365		(\$9,127)	(\$2,429)	(\$3,757)	(\$1,998)	(\$943)	(\$943)
39	Deferred Tax Without Proration	Line 25		(\$19,967)	(\$5,313)	(\$8,221)	(\$4,371)	(\$2,062)	(\$2,062)
40	Average Deferred Tax Without Proration	Line 39 * 50%		(\$9,984)	(\$2,657)	(\$4,110)	(\$2,186)	(\$1,031)	(\$1,031)
41	Proration Adjustment	Line 38 - Line 40		\$857	\$228	\$353	\$188	\$89	\$89

Column Notes:

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

(l) through (r) = Current Year Line 25 ÷ 12 * Current Month Col (j)

The Narragansett Electric Company
d/b/a National Grid
Revenue Requirement on Capital Investment 12 months ending August 31, 2020
Electric Transportation Initiative

Line No.			Rate Years Ending August 31,					
			RY2 2020 (a)	RY3 2021 (b)	RY4 2022 (c)	RY5 2023 (d)	RY6 2024 (e)	RY7 2025 (f)
1	<u>Estimated Capital Investment</u>							
2	EDC Costs (Make-Ready)		\$106,765					
3	Premise Work Costs (Make-Ready)		\$1,461,801					
4	EVSE Costs (Utility-Operated Only)		\$0					
5	Total Capitalized Labor & Tool Costs		\$115,101					
	Sum of Line 1 through Line 4		\$1,683,666	\$0	\$0	\$0	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>							
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$1,683,666	\$0	\$0	\$0	\$0	\$0
7	Retirements	Line 6 * 0%	\$0	\$0	\$0	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666
	<u>Change in Net Capital Included in Rate Base</u>							
9	Capital Included in Rate Base	Line 5	\$1,683,666	\$0	\$0	\$0	\$0	\$0
10	Cost of Removal		\$0	\$0	\$0	\$0	\$0	\$0
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666
	<u>Tax Depreciation</u>							
12	Vintage Year Tax Depreciation:							
13	2021 Spend	Page 11 of 27, Line 21	\$336,733	\$538,773	\$323,264	\$193,958	\$193,958	\$96,979
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$336,733	\$875,506	\$1,198,770	\$1,392,728	\$1,586,686	\$1,683,665
	<u>Book Depreciation</u>							
15	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50%; Col (b) = Line 1 * Line 15	\$1,335	\$2,669	\$2,669	\$2,669	\$2,669	\$2,669
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$1,335	\$4,004	\$6,673	\$9,342	\$12,011	\$14,680
18	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50%; Col (b) = Line 2 * Line 18	\$36,545	\$73,090	\$73,090	\$73,090	\$73,090	\$73,090
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$36,545	\$109,635	\$182,725	\$255,815	\$328,905	\$401,995
21	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50%; Col (b) = Line 3 * Line 21	\$0	\$0	\$0	\$0	\$0	\$0
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0	\$0	\$0	\$0	\$0	\$0
24	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
25	Book Depreciation	Col (a) = Line 4 * Line 26 * 50%; Col (b) = Line 4 * Line 26	\$1,439	\$2,878	\$2,878	\$2,878	\$2,878	\$2,878
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$1,439	\$4,316	\$7,194	\$10,071	\$12,949	\$15,826
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$39,318	\$117,955	\$196,592	\$275,228	\$353,865	\$432,502
	<u>Deferred Tax Calculation:</u>							
28	Cumulative Book / Tax Timer	Line 14 - Line 17	\$297,415	\$757,551	\$1,002,178	\$1,117,500	\$1,232,821	\$1,251,163
29	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$62,457	\$159,086	\$210,457	\$234,675	\$258,892	\$262,744
31	Less: FY 2021 Federal NOL		\$0	\$0	\$0	\$0	\$0	\$0
32	Net Deferred Tax Reserve	Sum of Lines 30 through 38	\$62,457	\$159,086	\$210,457	\$234,675	\$258,892	\$262,744
	<u>Rate Base Calculation:</u>							
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666	\$1,683,666
34	Accumulated Depreciation	- Line 27	(\$39,318)	(\$117,955)	(\$196,592)	(\$275,228)	(\$353,865)	(\$432,502)
35	Deferred Tax Reserve	- Line 32	(\$62,457)	(\$159,086)	(\$210,457)	(\$234,675)	(\$258,892)	(\$262,744)
36	Year End Rate Base	Sum of Lines 33 through 35	\$1,581,891	\$1,406,626	\$1,276,617	\$1,173,763	\$1,070,909	\$988,420
	<u>Revenue Requirement Calculation:</u>							
37	Average Rate Base	Col (a) = Current Year Line 37 ÷ 2; Col (b) = (Prior Year Line 37 + Current Year Line 37) ÷ 2	\$790,946	\$1,494,258	\$1,341,622	\$1,225,190	\$1,122,336	\$1,029,665
38	Proration Adjustment	Page 12 of 27	\$2,681	\$4,148	\$2,205	\$1,039	\$1,039	\$165
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$793,626	\$1,498,406	\$1,343,827	\$1,226,230	\$1,123,376	\$1,029,830
40	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
41	Return and Taxes	Line 39 * Line 40	\$65,315	\$123,319	\$110,597	\$100,919	\$92,454	\$84,755
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$39,318	\$78,637	\$78,637	\$78,637	\$78,637	\$78,637
43	Property Taxes	Yr 1 = 0, Yr 2 forward = Prior Yr (Line 8 + Line 34) * 3.176%	\$0	\$52,224	\$49,727	\$47,229	\$44,732	\$42,234
44	Annual Revenue Requirement	Line 37 through Line 43	\$104,634	\$254,180	\$238,961	\$226,785	\$215,822	\$205,626

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%	9.2750%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

2/ Composite Mill Rate of 3.176% per Compliance Attachment 2, Schedule 7-ELEC

Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2020 Capital Investments

Line No.

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2020 Net Deferred Tax Reserve Proration
Electric Transportation Initiative**

		(a)=Sum of (b) through (g)	(b)	(c)	(d)	(e)	(f)	(g)			
			Rate Years Ending August 31,								
Line No.		Total	2020	2021	2022	2023	2024	2025			
Deferred Tax Subject to Proration											
1	Book Depreciation	Page 10 of 27, Line 27	\$196,592	\$39,318	\$78,637	\$78,637	\$78,637	\$78,637			
2	Bonus Depreciation	Page 11 of 27, Line 12	\$0	\$0	\$0	\$0	\$0	\$0			
3	Remaining MACRS Tax Depreciation	Page 11 of 27, Line 18	(\$1,198,770)	(\$336,733)	(\$538,773)	(\$323,264)	(\$193,958)	(\$96,979)			
4	FY21 tax (gain)/loss on retirements	Page 11 of 27, Line 19	\$0	\$0	\$0	\$0	\$0	\$0			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,002,178)	(\$297,415)	(\$460,136)	(\$244,627)	(\$115,321)	(\$115,321)			
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%			
7	Deferred Tax Reserve	Line 5 * Line 6	(\$210,457)	(\$62,457)	(\$96,629)	(\$51,372)	(\$24,217)	(\$3,852)			
Deferred Tax Not Subject to Proration											
8	Capital Repairs Deduction	Page 11 of 27, Line 3	\$0	\$0	\$0	\$0	\$0	\$0			
9	Cost of Removal	Page 11 of 27, Line 20	\$0	\$0	\$0	\$0	\$0	\$0			
10	Book/Tax Depreciation Timing Difference at 3/31/2021		\$0	\$0	\$0	\$0	\$0	\$0			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	\$0	\$0			
12	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%			
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0	\$0	\$0	\$0			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$210,457)	(\$62,457)	(\$96,629)	(\$51,372)	(\$24,217)	(\$3,852)			
15	Net Operating Loss		\$0	\$0	\$0	\$0	\$0	\$0			
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$210,457)	(\$62,457)	(\$96,629)	(\$51,372)	(\$24,217)	(\$3,852)			
Allocation of FY 2021 Estimated Federal NOL											
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,002,178)	(\$297,415)	(\$460,136)	(\$244,627)	(\$115,321)	(\$115,321)			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	\$0	\$0			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,002,178)	(\$297,415)	(\$460,136)	(\$244,627)	(\$115,321)	(\$18,342)			
20	Total FY 2021 Federal NOL		\$0	\$0	\$0	\$0	\$0	\$0			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0	\$0			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0	\$0			
23	Effective Tax Rate		21.00%	21.00%	121.00%	221.00%	221.00%	221.00%			
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	\$0	\$0			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$210,457)	(\$62,457)	(\$96,629)	(\$51,372)	(\$24,217)	(\$3,852)			
			(i)	(j)							
Proration Calculation			Number of Days in Month	Proration Percentage	(k)= Sum of (l) through (n)	(l)	(m)	(n)	(o)	(p)	(q)
26	April 2020	30	91.78%	(\$16,097)	(\$4,777)	(\$7,391)	(\$3,929)	(\$1,852)	(\$1,852)	(\$295)	
27	May 2020	31	83.29%	(\$14,607)	(\$4,335)	(\$6,707)	(\$3,566)	(\$1,681)	(\$1,681)	(\$267)	
28	June 2020	30	75.07%	(\$13,166)	(\$3,907)	(\$6,045)	(\$3,214)	(\$1,515)	(\$1,515)	(\$241)	
29	July 2020	31	66.58%	(\$11,676)	(\$3,465)	(\$5,361)	(\$2,850)	(\$1,344)	(\$1,344)	(\$214)	
30	August 2020	31	58.08%	(\$10,187)	(\$3,023)	(\$4,677)	(\$2,486)	(\$1,172)	(\$1,172)	(\$186)	
31	September 2020	30	49.86%	(\$8,745)	(\$2,595)	(\$4,015)	(\$2,135)	(\$1,006)	(\$1,006)	(\$160)	
32	October 2020	31	41.37%	(\$7,255)	(\$2,153)	(\$3,331)	(\$1,771)	(\$835)	(\$835)	(\$133)	
33	November 2020	30	33.15%	(\$5,814)	(\$1,725)	(\$2,669)	(\$1,419)	(\$669)	(\$669)	(\$106)	
34	December 2020	31	24.66%	(\$4,324)	(\$1,283)	(\$1,986)	(\$1,056)	(\$498)	(\$498)	(\$79)	
35	January 2021	31	16.16%	(\$2,835)	(\$841)	(\$1,302)	(\$692)	(\$326)	(\$326)	(\$52)	
36	February 2021	28	8.49%	(\$1,490)	(\$442)	(\$684)	(\$364)	(\$171)	(\$171)	(\$27)	
37	March 2021	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
38	Total	365		(\$96,195)	(\$28,548)	(\$44,167)	(\$23,481)	(\$11,069)	(\$11,069)	(\$1,761)	
39	Deferred Tax Without Proration	Line 25		(\$210,457)	(\$62,457)	(\$96,629)	(\$51,372)	(\$24,217)	(\$24,217)	(\$3,852)	
40	Average Deferred Tax Without Proration	Line 39 * 50%		(\$105,229)	(\$31,229)	(\$48,314)	(\$25,686)	(\$12,109)	(\$12,109)	(\$1,926)	
41	Proration Adjustment	Line 38 - Line 40		\$9,033	\$2,681	\$4,148	\$2,205	\$1,039	\$1,039	\$165	

Column Notes:

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

(l) through (q) = Current Year Line 25 ÷ 12 * Current Month Col (j)

**The Narragansett Electric Company
d/b/a National Grid
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 2021
Electric Transportation Initiative**

Line No.			RY3		RY4		RY5		RY6		RY7	
			Rate Years Ending August 31,									
			2021	2022	2023	2024	2025					
			(a)	(b)	(c)	(d)	(e)					
1	EDC Costs (Make-Ready)		\$55,745									
2	Premise Work Costs (Make-Ready)		\$801,468									
3	EVSE Costs (Utility-Operated Only)		\$0									
4	Total Capitalized Labor & Tool Costs		\$108,918									
5	Total Estimated Capital Investment	Sum of Line 1 through Line 4	\$966,131	\$0	\$0	\$0	\$0	\$0				
Depreciable Net Capital Included in Rate Base												
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$966,131	\$0	\$0	\$0	\$0	\$0				
7	Retirements	Line 6 * 0%	\$0	\$0	\$0	\$0	\$0	\$0				
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$966,131	\$0	\$0	\$0	\$0	\$0				
Change in Net Capital Included in Rate Base												
9	Capital Included in Rate Base	Line 5	\$966,131	\$0	\$0	\$0	\$0	\$0				
10	Cost of Removal		\$0	\$0	\$0	\$0	\$0	\$0				
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$966,131	\$966,131	\$966,131	\$966,131	\$966,131	\$966,131				
Tax Depreciation												
12	Vintage Year Tax Depreciation:											
13	2022 Spend	Page 14 of 27, Line 21	\$193,226	\$309,162	\$185,497	\$111,298	\$111,298					
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$193,226	\$502,388	\$687,885	\$799,183	\$910,481					
Book Depreciation												
15	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%	2.50%					
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50%	\$697	\$1,394	\$1,394	\$1,394	\$1,394					
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$697	\$2,090	\$3,484	\$4,878	\$6,271					
18	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	5.00%	5.00%	5.00%	5.00%	5.00%					
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50%	\$20,037	\$40,073	\$40,073	\$40,073	\$40,073					
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$20,037	\$60,110	\$100,184	\$140,257	\$180,330					
21	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	10.00%	10.00%	10.00%	10.00%	10.00%					
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50%	\$0	\$0	\$0	\$0	\$0					
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0	\$0	\$0	\$0	\$0					
24	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%	2.50%					
25	Book Depreciation	Col (a) = Line 4 * Line 24 * 50%	\$1,361	\$2,723	\$2,723	\$2,723	\$2,723					
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$1,361	\$4,084	\$6,807	\$9,530	\$12,253					
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$22,095	\$66,285	\$110,475	\$154,665	\$198,855					
Deferred Tax Calculation:												
28	Cumulative Book / Tax Timer	Line 14 - Line 27	\$171,131	\$436,103	\$577,410	\$644,518	\$711,626					
29	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%					
30	Deferred Tax Reserve	Line 28 * Line 29	\$35,938	\$91,582	\$121,256	\$135,349	\$149,441					
31	Less: FY 2022 Federal NOL		-	-	-	-	-					
32	Net Deferred Tax Reserve	Sum of Lines 30 through 38	\$35,938	\$91,582	\$121,256	\$135,349	\$149,441					
Rate Base Calculation:												
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$966,131	\$966,131	\$966,131	\$966,131	\$966,131					
34	Accumulated Depreciation	- Line 27	(\$22,095)	(\$66,285)	(\$110,475)	(\$154,665)	(\$198,855)					
35	Deferred Tax Reserve	- Line 32	(\$35,938)	(\$91,582)	(\$121,256)	(\$135,349)	(\$149,441)					
36	Year End Rate Base	Sum of Lines 33 through 35	\$908,098	\$808,264	\$734,400	\$676,117	\$617,834					
Revenue Requirement Calculation:												
37	Average Rate Base	Col (a) = Current Year Line 27 ÷ 2	\$454,049	\$858,181	\$771,332	\$705,258	\$646,976					
38	Proration Adjustment	Page 15 of 27	\$1,543	\$2,388	\$1,274	\$605	\$605					
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$455,592	\$860,570	\$772,606	\$705,863	\$647,581					
40	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%	8.23%					
41	Return and Taxes	Line 39 * Line 40	\$37,495	\$70,825	\$63,585	\$58,093	\$53,296					
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$22,095	\$44,190	\$44,190	\$44,190	\$44,190					
43	Property Taxes	Yr 1 = 0, Yr 2 forward = Prior Yr (Line 8 + Line 34) * 3.176%	\$0	\$29,983	\$28,579	\$27,176	\$25,772					
44	Annual Revenue Requirement	Line 41 through Line 43	\$59,590	\$144,997	\$136,355	\$129,458	\$123,258					

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%	9.28%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

2/ Composite Mill Rate of 3.176% per Compliance Attachment 2, Schedule 7-ELEC

The Narragansett Electric Company
d/b/a National Grid

Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2021 Capital Investments

Electric Transportation Initiative

		RY3	RY4	RY5	RY6	RY7
		2021	2022	Rate Years Ending August 31,	2024	2025
		(a)	(b)	(c)	(d)	(e)
<u>Capital Repairs Deduction</u>						
1	Plant Additions	\$966,131				
2	Capital Repairs Deduction Rate	0.00%				
3	Capital Repairs Deduction	\$0				
<u>Bonus Depreciation</u>						
4	Plant Additions	\$966,131				
5	Less Capital Repairs Deduction	\$0				
6	Plant Additions Net of Capital Repairs Deduction	\$966,131				
7	Percent of Plant Eligible for Bonus Depreciation	100.00%				
8	Plant Eligible for Bonus Depreciation	\$966,131				
9	Bonus Depreciation Rate (April 2021 - December 2021)	0%				
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%				
11	Total Bonus Depreciation Rate	0.00%				
12	Bonus Depreciation	\$0				
<u>Remaining Tax Depreciation</u>						
13	Plant Additions	\$966,131				
14	Less Capital Repairs Deduction	\$0				
15	Less Bonus Depreciation	\$0				
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	\$966,131	\$966,131	\$966,131	\$966,131	\$966,131
17	5 YR MACRS Tax Depreciation Rates	20.000%	32.000%	19.200%	11.520%	11.520%
18	Remaining Tax Depreciation	\$193,226	\$309,162	\$185,497	\$111,298	\$111,298
19	FY22 Loss incurred due to retirements	\$0				
20	Cost of Removal	\$0				
21	Total Tax Depreciation and Repairs Deduction	\$193,226	\$309,162	\$185,497	\$111,298	\$111,298

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2021 Net Deferred Tax Reserve Proration
Electric Transportation Initiative**

			(a)=Sum of (b) through (f)	(b) Rate Years Ending August 31, 2021	(c) 2022	(d) 2023	(e) 2024	(f) 2025		
Line No.			Total	2021	2022	2023	2024	2025		
Deferred Tax Subject to Proration										
1	Book Depreciation	Page 13 of 27, Line 27	\$66,285	\$22,095	\$44,190	\$44,190	\$44,190	\$44,190		
2	Bonus Depreciation	Page 14 of 27, Line 12	\$0	\$0	\$0	\$0	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Page 14 of 27, Line 18	(\$502,388)	(\$193,226)	(\$309,162)	(\$185,497)	(\$111,298)	(\$111,298)		
4	FY22 tax (gain)/loss on retirements	Page 14 of 27, Line 19	\$0	\$0	\$0	\$0	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$436,103)	(\$171,131)	(\$264,972)	(\$141,307)	(\$67,108)	(\$67,108)		
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
7	Deferred Tax Reserve	Line 5 * Line 6	(\$91,582)	(\$35,938)	(\$55,644)	(\$29,674)	(\$14,093)	(\$14,093)		
Deferred Tax Not Subject to Proration										
8	Capital Repairs Deduction	Page 14 of 27, Line 3	\$0	\$0	\$0	\$0	\$0	\$0		
9	Cost of Removal	Page 14 of 27, Line 20	\$0	\$0	\$0	\$0	\$0	\$0		
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0	\$0	\$0	\$0	\$0		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	\$0	\$0		
12	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0	\$0	\$0	\$0		
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$91,582)	(\$35,938)	(\$55,644)	(\$29,674)	(\$14,093)	(\$14,093)		
15	Net Operating Loss		\$0	-	-	-	-	-		
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$91,582)	(\$35,938)	(\$55,644)	(\$29,674)	(\$14,093)	(\$14,093)		
Allocation of FY 2022 Estimated Federal NOL										
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$436,103)	(\$171,131)	(\$264,972)	(\$141,307)	(\$67,108)	(\$67,108)		
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	\$0	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$436,103)	(\$171,131)	(\$264,972)	(\$141,307)	(\$67,108)	(\$67,108)		
20	Total FY 2022 Federal NOL		\$0	\$0	\$0	\$0	\$0	\$0		
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0	\$0		
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0	\$0		
23	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	\$0	\$0		
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$135,349)	(\$35,938)	(\$55,644)	(\$29,674)	(\$14,093)	(\$14,093)		
			(i)	(j)						
Proration Calculation			Number of Days in Month	Proration Percentage	(k) = Sum of (l) through (p)	(l)	(m)	(n)	(o)	(p)
26	April 2021	30	91.78%		(\$7,005)	(\$2,749)	(\$4,256)	(\$2,270)	(\$1,078)	(\$1,078)
27	May 2021	31	83.29%		(\$6,356)	(\$2,494)	(\$3,862)	(\$2,060)	(\$978)	(\$978)
28	June 2021	30	75.07%		(\$5,729)	(\$2,248)	(\$3,481)	(\$1,856)	(\$882)	(\$882)
29	July 2021	31	66.58%		(\$5,081)	(\$1,994)	(\$3,087)	(\$1,646)	(\$782)	(\$782)
30	August 2021	31	58.08%		(\$4,433)	(\$1,739)	(\$2,693)	(\$1,436)	(\$682)	(\$682)
31	September 2021	30	49.86%		(\$3,805)	(\$1,493)	(\$2,312)	(\$1,233)	(\$586)	(\$586)
32	October 2021	31	41.37%		(\$3,157)	(\$1,239)	(\$1,918)	(\$1,023)	(\$486)	(\$486)
33	November 2021	30	33.15%		(\$2,530)	(\$993)	(\$1,537)	(\$820)	(\$389)	(\$389)
34	December 2021	31	24.66%		(\$1,882)	(\$738)	(\$1,143)	(\$610)	(\$290)	(\$290)
35	January 2022	31	16.16%		(\$1,234)	(\$484)	(\$750)	(\$400)	(\$190)	(\$190)
36	February 2022	28	8.49%		(\$648)	(\$254)	(\$394)	(\$210)	(\$100)	(\$100)
37	March 2022	31	0.00%		\$0	\$0	\$0	\$0	\$0	\$0
38	Total	365			(\$41,860)	(\$16,426)	(\$25,434)	(\$13,564)	(\$6,441)	(\$6,441)
39	Deferred Tax Without Proration	Line 25			(\$135,349)	(\$35,938)	(\$55,644)	(\$29,674)	(\$14,093)	(\$14,093)
40	Average Deferred Tax without Proration	Line 39 * 50%			(\$67,674)	(\$17,969)	(\$27,822)	(\$14,837)	(\$7,046)	(\$7,046)
41	Proration Adjustment	Line 38 - Line 40			\$5,809	\$1,543	\$2,388	\$1,274	\$605	\$605

Column Notes:

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

(l) through (p) = Current Year Line 25 ÷ 12 * Current Month Col (j)

**The Narragansett Electric Company
d/b/a National Grid
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 2022
Electric Transportation Initiative**

Line No.	Estimated Capital Investment		RY4 Rate Year Ending August 31,			
			2022 (a)	2023 (b)	2024 (c)	2025 (d)
1	EDC Costs (Make-Ready)		\$631,873			
2	Premise Work Costs (Make-Ready)		\$3,585,787			
3	EVSE Costs (Utility-Operated Only)		\$0			
4	Total Capitalized Labor & Tool Costs		\$108,918			
5	Total Estimated Capital Investment	Sum of Line 1 through Line 4	\$4,326,578	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base						
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$4,326,578	\$0	\$0	\$0
7	Retirements	Line 6 * 0%	\$0	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$4,326,578	\$0	\$0	\$0
Change in Net Capital Included in Rate Base						
9	Capital Included in Rate Base	Line 5	\$4,326,578	\$0	\$0	\$0
10	Cost of Removal		\$0	\$0	\$0	\$0
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$4,326,578	\$4,326,578	\$4,326,578	\$4,326,578
Tax Depreciation						
12	Vintage Year Tax Depreciation:					
13	2022 Spend	Page 17 of 27, Line 21	\$865,316	\$1,384,505	\$830,703	\$498,422
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$865,316	\$2,249,821	\$3,080,524	\$3,578,946
Book Depreciation						
15	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50%	\$7,898	\$15,797	\$15,797	\$15,797
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$7,898	\$23,695	\$39,492	\$55,289
18	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	5.00%	5.00%	5.00%	5.00%
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50%	\$89,645	\$179,289	\$179,289	\$179,289
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$89,645	\$268,934	\$448,223	\$627,513
21	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	10.00%	10.00%	10.00%	10.00%
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50%	\$0	\$0	\$0	\$0
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0	\$0	\$0	\$0
24	Composite Book Depreciation Rate	As approved per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%	2.50%
25	Book Depreciation	Col (a) = Line 4 * Line 24 * 50%	\$1,361	\$2,723	\$2,723	\$2,723
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$1,361	\$4,084	\$6,807	\$9,530
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$98,905	\$296,714	\$494,523	\$692,332
Deferred Tax Calculation:						
28	Cumulative Book / Tax Timer	Line 14 - Line 27	\$766,411	\$1,953,107	\$2,586,001	\$2,886,614
29	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$160,946	\$410,153	\$543,060	\$606,189
31	Less: FY 2022 Federal NOL		-	-	-	-
32	Net Deferred Tax Reserve	Sum of Lines 30 through 38	\$160,946	\$410,153	\$543,060	\$606,189
Rate Base Calculation:						
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$4,326,578	\$4,326,578	\$4,326,578	\$4,326,578
34	Accumulated Depreciation	- Line 27	(\$98,905)	(\$296,714)	(\$494,523)	(\$692,332)
35	Deferred Tax Reserve	- Line 32	(\$160,946)	(\$410,153)	(\$543,060)	(\$606,189)
36	Year End Rate Base	Sum of Lines 33 through 35	\$4,066,727	\$3,619,712	\$3,288,995	\$3,028,057
Revenue Requirement Calculation:						
37	Average Rate Base	Col (a) = Current Year Line 27 ÷ 2	\$2,033,364	\$3,843,220	\$3,454,354	\$3,158,526
38	Proration Adjustment	Page 18 of 27	\$6,908	\$10,697	\$5,705	\$2,710
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$2,040,272	\$3,853,916	\$3,460,058	\$3,161,236
40	Pre-Tax ROR		8.23%	8.23%	8.23%	8.23%
41	Return and Taxes	Line 39 * Line 40	\$167,914	\$317,177	\$284,763	\$260,170
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$98,905	\$197,809	\$197,809	\$197,809
43	Property Taxes	Yr 1 = 0	\$0	\$134,271	\$127,988	\$121,706
44	Annual Revenue Requirement	Line 41 through Line 43	\$266,819	\$649,257	\$610,560	\$579,685

1/ Assumes all capital investment associated with RIPTA is placed into service by the end of RY4.

2/ 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%	9.28%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

The Narragansett Electric Company
d/b/a National Grid
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2022 Capital Investments
Electric Transportation Initiative

Line No.		RY4			
		Rate Year Ending August 31,			
		2022	2023	2024	2025
		(a)	(b)	(c)	(d)
<u>Capital Repairs Deduction</u>					
1	Plant Additions				
2	Capital Repairs Deduction Rate	\$4,326,578			
3	Capital Repairs Deduction	0.00%			
	Line 1 * Line 2	\$0			
<u>Bonus Depreciation</u>					
4	Plant Additions				
5	Less Capital Repairs Deduction	Line 1	\$4,326,578		
6	Plant Additions Net of Capital Repairs Deduction	Line 3	\$0		
7	Percent of Plant Eligible for Bonus Depreciation	Line 4 - Line 5	\$4,326,578		
8	Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%		
9	Bonus Depreciation Rate (April 2021 - December 2021)	Line 6 * Line 7	\$4,326,578		
10	Bonus Depreciation Rate (January 2022 - Mar 2022)	0%	0.00%		
11	Total Bonus Depreciation Rate	0%	0.00%		
12	Bonus Depreciation	Line 9 + Line 10	0.00%		
	Line 8 * Line 11	\$0			
<u>Remaining Tax Depreciation</u>					
13	Plant Additions				
14	Less Capital Repairs Deduction	Line 1	\$4,326,578		
15	Less Bonus Depreciation	Line 3	\$0		
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 12	\$0		
17	5 YR MACRS Tax Depreciation Rates	Line 13 - Line 14 - Line 15	\$4,326,578	\$4,326,578	\$4,326,578
18	Remaining Tax Depreciation	Per IRS Publication 946	20.000%	19.200%	11.520%
		Line 16 * Line 17	\$865,316	\$830,703	\$498,422
19	FY22 Loss incurred due to retirements				
20	Cost of Removal	Per Tax Department	\$0		
			\$0		
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$865,316	\$830,703	\$498,422

The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2022 Net Deferred Tax Reserve Proration
Electric Transportation Initiative

			(a)=Sum of (b)	(b)	(c)	(d)	(e)
Line			through (e)		Rate Year Ending August 31,		
No.			Total	2022	2023	2024	2025
Deferred Tax Subject to Proration							
1	Book Depreciation	Page 16 of 27, Line 27	\$692,332	\$98,905	\$197,809	\$197,809	\$197,809
2	Bonus Depreciation	Page 17 of 27, Line 12	\$0	\$0	\$0	\$0	\$0
3	Remaining MACRS Tax Depreciation	Page 17 of 27, Line 18	(\$3,578,946)	(\$865,316)	(\$1,384,505)	(\$830,703)	(\$498,422)
4	FY22 tax (gain)/loss on retirements	Page 17 of 27, Line 19	\$0	\$0	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$2,886,614)	(\$766,411)	(\$1,186,696)	(\$632,894)	(\$300,613)
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$606,189)	(\$160,946)	(\$249,206)	(\$132,908)	(\$63,129)
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 17 of 27, Line 3	\$0	\$0	\$0	\$0	\$0
9	Cost of Removal	Page 17 of 27, Line 20	\$0	\$0	\$0	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2022		\$0	\$0	\$0	\$0	\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$606,189)	(\$160,946)	(\$249,206)	(\$132,908)	(\$63,129)
15	Net Operating Loss		\$0	-	-	-	-
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$606,189)	(\$160,946)	(\$249,206)	(\$132,908)	(\$63,129)
Allocation of FY 2022 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$2,886,614)	(\$766,411)	(\$1,186,696)	(\$632,894)	(\$300,613)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$2,886,614)	(\$766,411)	(\$1,186,696)	(\$632,894)	(\$300,613)
20	Total FY 2022 Federal NOL		\$0	\$0	\$0	\$0	\$0
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	\$0
23	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$606,189)	(\$160,946)	(\$249,206)	(\$132,908)	(\$63,129)
			(i)	(j)			
			Number of Days in	(k) = Sum of (l)			
			Month	through (o)	(l)	(m)	(n)
			Proration Percentage		(o)		
26	April 2021	30	91.78%	(\$46,364)	(\$12,310)	(\$19,060)	(\$10,165)
27	May 2021	31	83.29%	(\$42,073)	(\$11,171)	(\$17,296)	(\$9,225)
28	June 2021	30	75.07%	(\$37,921)	(\$10,068)	(\$15,590)	(\$8,314)
29	July 2021	31	66.58%	(\$33,631)	(\$8,929)	(\$13,826)	(\$7,374)
30	August 2021	31	58.08%	(\$29,341)	(\$7,790)	(\$12,062)	(\$6,433)
31	September 2021	30	49.86%	(\$25,189)	(\$6,688)	(\$10,355)	(\$5,523)
32	October 2021	31	41.37%	(\$20,898)	(\$5,549)	(\$8,591)	(\$4,582)
33	November 2021	30	33.15%	(\$16,746)	(\$4,446)	(\$6,884)	(\$3,672)
34	December 2021	31	24.66%	(\$12,456)	(\$3,307)	(\$5,121)	(\$2,731)
35	January 2022	31	16.16%	(\$8,166)	(\$2,168)	(\$3,357)	(\$1,790)
36	February 2022	28	8.49%	(\$4,290)	(\$1,139)	(\$1,764)	(\$941)
37	March 2022	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$277,075)	(\$73,565)	(\$113,907)	(\$60,749)
39	Deferred Tax Without Proration	Line 25	(\$606,189)	(\$160,946)	(\$249,206)	(\$132,908)	(\$63,129)
40	Average Deferred Tax without Proration	Line 39 * 50%	(\$303,094)	(\$80,473)	(\$124,603)	(\$66,454)	(\$31,564)
41	Proration Adjustment	Line 38 - Line 40	\$26,019	\$6,908	\$10,697	\$5,705	\$2,711

Column Notes:

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

(l) through (o) = Current Year Line 25 ÷ 12 * Current Month Col (j)

**The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 2023
Electric Transportation Initiative**

Line No.			RY5	RY6	RY7
			Rate Years Ending August 31, 2023	2024	2025
			(a)	(b)	(c)
1	<u>Estimated Capital Investment</u>				
1	EDC Costs (Make-Ready)		\$305,180	\$0	\$0
2	Premise Work Costs (Make-Ready)		\$2,611,451	\$0	\$0
3	EVSE Costs (Utility-Operated Charging Program Sites, and Company Fleet EVSE)		\$0	\$0	\$0
4	Total Capitalized Labor & Tool Costs		\$108,918	\$0	\$0
5	Total Estimated Capital Investment	Sum of Lines 1 through 4	\$3,025,549	\$0	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>				
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$3,025,549	\$0	\$0
7	Retirements	Line 6 * 0%	\$0	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$3,025,549	\$3,025,549	\$3,025,549
	<u>Change in Net Capital Included in Rate Base</u>				
9	Capital Included in Rate Base	Line 5	\$3,025,549	\$0	\$0
10	Cost of Removal		\$0	\$0	\$0
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$3,025,549	\$3,025,549	\$3,025,549
	<u>Tax Depreciation</u>				
12	Vintage Year Tax Depreciation:				
13	2020 Spend	Page 20 of 27, Line 21	\$605,110	\$968,176	\$580,905
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$605,110	\$1,573,286	\$2,154,191
	<u>Book Depreciation</u>				
15	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50% ; Col (b) = Line 1 * Line 15	\$3,815	\$7,630	\$7,630
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$3,815	\$11,444	\$19,074
18	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	5.00%	5.00%	5.00%
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50% ; Col (b) = Line 2 * Line 18	\$65,286	\$130,573	\$130,573
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$65,286	\$195,859	\$326,431
21	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	10.00%	10.00%	10.00%
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50% ; Col (b) = Line 3 * Line 21	\$0	\$0	\$0
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0	\$0	\$0
24	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%	2.50%
25	Book Depreciation	Col (a) = Line 4 * Line 24 * 50% ; Col (b) = Line 4 * Line 24	\$1,361	\$2,723	\$2,723
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$1,361	\$4,084	\$6,807
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$70,462	\$211,387	\$352,312
	<u>Deferred Tax Calculation:</u>				
28	Cumulative Book / Tax Timer	Line 14 - Line 27	\$534,648	\$1,361,899	\$1,801,879
29	Effective Tax Rate		21.00%	21.00%	21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$112,276	\$285,999	\$378,394
31	Less: FY 2020 Federal NOL		\$0	\$0	\$0
32	Net Deferred Tax Reserve	Sum of Lines 30 through 31	\$112,276	\$285,999	\$378,394
	<u>Rate Base Calculation:</u>				
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$3,025,549	\$3,025,549	\$3,025,549
34	Accumulated Depreciation	- Line 27	(\$70,462)	(\$211,387)	(\$352,312)
35	Deferred Tax Reserve	- Line 32	(\$112,276)	(\$285,999)	(\$378,394)
36	Year End Rate Base	Sum of Lines 33 through 35	\$2,842,810	\$2,528,163	\$2,294,842
	<u>Revenue Requirement Calculation:</u>				
37	Average Rate Base	Col (a) = Current Year Line 37 ÷ 2; Col (b & c) = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$1,421,405	\$2,685,486	\$2,411,502
38	Proration Adjustment	Page 21 of 27	\$4,819	\$7,457	\$3,966
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$1,426,224	\$2,692,943	\$2,415,468
40	Pre-Tax ROR	1/ 8.23%	8.23%	8.23%	8.23%
41	Return and Taxes	Line 39 * Line 40	\$117,378	\$221,629	\$198,793
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$70,462	\$140,925	\$140,925
43	Property Taxes	Yr 1 = 0, Yr 2 forward = Prior Yr (Line 8 + Line 34) * 3.176% 2/	\$0	\$93,854	\$89,378
44	Annual Revenue Requirement	Sum of Line 41 through Line 43	\$187,841	\$456,408	\$429,096

1/ Weighted Average Cost of Capital as filed 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%	9.2750%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

2/ Composite Mill Rate of 3.176% per Compliance Attachment 2, Schedule 7-ELEC

The Narragansett Electric Company
d/b/a National Grid

Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2023 Capital Investments
Electric Transportation Initiative

Line No.		Rate Years Ending August 31,		
		RY5	RY6	RY7
		2023	2024	2025
		(a)	(b)	(c)
<u>Capital Repairs Deduction</u>				
1	Plant Additions		Page 19 of 27, Line 5	
2	Capital Repairs Deduction Rate	\$3,025,549	Per Tax Department	
3	Capital Repairs Deduction	0.00%	Line 1 * Line 2	
		\$0		
<u>Bonus Depreciation</u>				
4	Plant Additions	\$3,025,549	Line 1	
5	Less Capital Repairs Deduction	\$0	Line 3	
6	Plant Additions Net of Capital Repairs Deduction	\$3,025,549	Line 4 - Line 5	
7	Percent of Plant Eligible for Bonus Depreciation	100.00%	Per Tax Department	
8	Plant Eligible for Bonus Depreciation	\$3,025,549	Line 6 * Line 7	
9	Bonus Depreciation Rate (April 2019 - December 2019)	0.00%	1 * 75% * 0%	
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	0.00%	1 * 25% * 0%	
11	Total Bonus Depreciation Rate	0.00%	Line 9 + Line 10	
12	Bonus Depreciation	\$0	Line 8 * Line 11	
<u>Remaining Tax Depreciation</u>				
13	Plant Additions	\$3,025,549	Line 1	
14	Less Capital Repairs Deduction	\$0	Line 3	
15	Less Bonus Depreciation	\$0	Line 12	
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	\$3,025,549	Line 13 - Line 14 - Line 15	\$3,025,549
17	5 YR MACRS Tax Depreciation Rates	20.00%	Per IRS Publication 946	32.00%
18	Remaining Tax Depreciation	\$605,110	Line 16 * Line 17	\$968,176
19	FY20 Loss incurred due to retirements	\$0	Per Tax Department	\$580,000
20	Cost of Removal	\$0	Page 19 of 27, Line 10	
21	Total Tax Depreciation and Repairs Deduction	\$605,110	Sum of Lines 3, 12, 18, 19, and 20	\$968,176
				\$580,000

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2023 Net Deferred Tax Reserve Proration
Electric Transportation Initiative**

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (d) Total	(b) Rate 2023	(c) Rate Years Ending August 31, 2024	(d) Rate Years Ending August 31, 2025	
1	Book Depreciation	Page 19 of 27, Line 27	\$352,312	\$70,462	\$140,925	\$140,925	
2	Bonus Depreciation	Page 20 of 27, Line 12	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 20 of 27, Line 18	(\$2,154,191)	(\$605,110)	(\$968,176)	(\$580,905)	
4	FY20 tax (gain)/loss on retirements	Page 20 of 27, Line 19	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,801,879)	(\$534,648)	(\$827,251)	(\$439,980)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$378,394)	(\$112,276)	(\$173,723)	(\$92,396)	
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	Page 20 of 27, Line 3	\$0	\$0	\$0	\$0	
9	Cost of Removal	Page 20 of 27, Line 20	\$0	\$0	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$378,394)	(\$112,276)	(\$173,723)	(\$92,396)	
15	Net Operating Loss	Page 19 of 27, Line 31	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$378,394)	(\$112,276)	(\$173,723)	(\$92,396)	
Allocation of FY 2020 Estimated Federal NOL							
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,361,899)	(\$534,648)	(\$827,251)	(\$439,980)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,361,899)	(\$534,648)	(\$827,251)	(\$439,980)	
20	Total FY 2020 Federal NOL	(Page 19 of 27, Line 31) / 21%	\$0	\$0	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$378,394)	(\$112,276)	(\$173,723)	(\$92,396)	
(i) (j)							
Proration Calculation		Number of Days in Month	Proration Percentage	(k)= Sum of (l) through (o)	(l)	(m)	(n)
26	April 2019	30	91.78%	(\$28,941)	(\$8,587)	(\$13,287)	(\$7,067)
27	May 2019	31	83.29%	(\$26,263)	(\$7,793)	(\$12,057)	(\$6,413)
28	June 2019	30	75.07%	(\$23,671)	(\$7,024)	(\$10,868)	(\$5,780)
29	July 2019	31	66.58%	(\$20,993)	(\$6,229)	(\$9,638)	(\$5,126)
30	August 2019	31	58.08%	(\$18,315)	(\$5,434)	(\$8,408)	(\$4,472)
31	September 2019	30	49.86%	(\$15,723)	(\$4,665)	(\$7,219)	(\$3,839)
32	October 2019	31	41.37%	(\$13,045)	(\$3,871)	(\$5,989)	(\$3,185)
33	November 2019	30	33.15%	(\$10,453)	(\$3,102)	(\$4,799)	(\$2,552)
34	December 2019	31	24.66%	(\$7,775)	(\$2,307)	(\$3,570)	(\$1,899)
35	January 2020	31	16.16%	(\$5,097)	(\$1,512)	(\$2,340)	(\$1,245)
36	February 2020	28	8.49%	(\$2,678)	(\$795)	(\$1,230)	(\$654)
37	March 2020	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$172,956)	(\$51,319)	(\$79,405)	(\$42,232)
39	Deferred Tax Without Proration	Line 25		(\$378,394)	(\$112,276)	(\$173,723)	(\$92,396)
40	Average Deferred Tax Without Proration	Line 39 * 50%		(\$189,197)	(\$56,138)	(\$86,861)	(\$46,198)
41	Proration Adjustment	Line 38 - Line 40		\$16,242	\$4,819	\$7,457	\$3,966

Column Notes:

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

**The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 2024
Electric Transportation Initiative**

Line No.			RY6	RY7
			Rate Years Ending August 31, 2024	2025
			(a)	(b)
1	<u>Estimated Capital Investment</u>			
1	EDC Costs (Make-Ready)		\$305,180	\$0
2	Premise Work Costs (Make-Ready)		\$2,611,451	\$0
3	EVSE Costs (Utility-Operated Charging Program Sites, and Company Fleet EVSE)		\$0	\$0
4	Total Capitalized Labor & Tool Costs		\$108,918	\$0
5	Total Estimated Capital Investment	Sum of Lines 1 through 4	\$3,025,549	\$0
	<u>Depreciable Net Capital Included in Rate Base</u>			
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$3,025,549	\$0
7	Retirements	Line 6 * 0%	\$0	\$0
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$3,025,549	\$3,025,549
	<u>Change in Net Capital Included in Rate Base</u>			
9	Capital Included in Rate Base	Line 5	\$3,025,549	\$0
10	Cost of Removal		\$0	\$0
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$3,025,549	\$3,025,549
	<u>Tax Depreciation</u>			
12	Vintage Year Tax Depreciation:			
13	2020 Spend	Page 23 of 27, Line 21	\$605,110	\$968,176
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$605,110	\$1,573,286
	<u>Book Depreciation</u>			
15	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%	2.50%
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50% ; Col (b) = Line 1 * Line 15	\$3,815	\$7,630
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$3,815	\$11,444
18	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	5.00%	5.00%
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50% ; Col (b) = Line 2 * Line 18	\$65,286	\$130,573
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$65,286	\$195,859
21	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	10.00%	10.00%
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50% ; Col (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	Col (a) = Line 4 * Line 24 * 50% ; Col (b) = Line 4 * Line 24	\$1,361	\$2,723
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$1,361	\$4,084
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$70,462	\$211,387
	<u>Deferred Tax Calculation:</u>			
28	Cumulative Book / Tax Timer	Line 14 - Line 27	\$534,648	\$1,361,899
29	Effective Tax Rate		21.00%	21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$112,276	\$285,999
31	Less: FY 2020 Federal NOL		\$0	\$0
32	Net Deferred Tax Reserve	Sum of Lines 30 through 31	\$112,276	\$285,999
	<u>Rate Base Calculation:</u>			
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$3,025,549	\$3,025,549
34	Accumulated Depreciation	- Line 27	(\$70,462)	(\$211,387)
35	Deferred Tax Reserve	- Line 32	(\$112,276)	(\$285,999)
36	Year End Rate Base	Sum of Lines 33 through 35	\$2,842,810	\$2,528,163
	<u>Revenue Requirement Calculation:</u>			
37	Average Rate Base	Col (a) = Current Year Line 37 ÷ 2; Col (b & c) = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$1,421,405	\$2,685,486
38	Proration Adjustment	Page 24 of 27	\$4,819	\$7,457
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$1,426,224	\$2,692,943
40	Pre-Tax ROR	1/ 8.23%		8.23%
41	Return and Taxes	Line 39 * Line 40	\$117,378	\$221,629
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$70,462	\$140,925
43	Property Taxes	Yr 1 = 0, Yr 2 forward = Prior Yr (Line 8 + Line 34) * 3.176% 2/	\$0	\$93,854
44	Annual Revenue Requirement	Sum of Line 41 through Line 43	\$187,841	\$456,408

1/ Weighted Average Cost of Capital as filed 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%	9.2750%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

2/ Composite Mill Rate of 3.176% per Compliance Attachment 2, Schedule 7-ELEC

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2024 Capital Investments
Electric Transportation Initiative**

Line No.			Rate Years Ending August 31,	
			<u>2024</u>	<u>2025</u>
			(a)	(b)
	<u>Capital Repairs Deduction</u>			
1	Plant Additions	Page 22 of 27, Line 5	\$3,025,549	
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	\$3,025,549	
5	Less Capital Repairs Deduction	Line 3	\$0	
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,025,549	
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,025,549	
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	\$3,025,549	
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	\$3,025,549	\$3,025,549
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%	32.00%
18	Remaining Tax Depreciation	Line 16 * Line 17	\$605,110	\$968,176
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0	
20	Cost of Removal	Page 22 of 27, Line 10	\$0	
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	\$605,110	\$968,176

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2024 Net Deferred Tax Reserve Proration
Electric Transportation Initiative**

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (c) Total	(b) Rate Years Ending August 31, 2024	(c) 2025	
1	Book Depreciation	Page 22 of 27, Line 27	\$211,387	\$70,462	\$140,925	
2	Bonus Depreciation	Page 23 of 27, Line 12	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	Page 23 of 27, Line 18	(\$1,573,286)	(\$605,110)	(\$968,176)	
4	FY20 tax (gain)/loss on retirements	Page 23 of 27, Line 19	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,361,899)	(\$534,648)	(\$827,251)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$285,999)	(\$112,276)	(\$173,723)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	Page 23 of 27, Line 3	\$0	\$0	\$0	
9	Cost of Removal	Page 23 of 27, Line 20	\$0	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0	\$0	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	
12	Effective Tax Rate		21.00%	21.00%	21.00%	
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$285,999)	(\$112,276)	(\$173,723)	
15	Net Operating Loss	Page 22 of 27, Line 31	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$285,999)	(\$112,276)	(\$173,723)	
Allocation of FY 2020 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,361,899)	(\$534,648)	(\$827,251)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,361,899)	(\$534,648)	(\$827,251)	
20	Total FY 2020 Federal NOL	(Page 22 of 27, Line 31) / 21%	\$0	\$0	\$0	
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0	
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21.00%	21.00%	21.00%	
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$285,999)	(\$112,276)	(\$173,723)	
		(i)	(j)	(k)= Sum of (l) through (o)	(l)	(m)
Proration Calculation		Number of Days in				
		Month	Proration Percentage			
26	April 2019	30	91.78%	(\$21,874)	(\$8,587)	(\$13,287)
27	May 2019	31	83.29%	(\$19,850)	(\$7,793)	(\$12,057)
28	June 2019	30	75.07%	(\$17,891)	(\$7,024)	(\$10,868)
29	July 2019	31	66.58%	(\$15,867)	(\$6,229)	(\$9,638)
30	August 2019	31	58.08%	(\$13,843)	(\$5,434)	(\$8,408)
31	September 2019	30	49.86%	(\$11,884)	(\$4,665)	(\$7,219)
32	October 2019	31	41.37%	(\$9,860)	(\$3,871)	(\$5,989)
33	November 2019	30	33.15%	(\$7,901)	(\$3,102)	(\$4,799)
34	December 2019	31	24.66%	(\$5,877)	(\$2,307)	(\$3,570)
35	January 2020	31	16.16%	(\$3,852)	(\$1,512)	(\$2,340)
36	February 2020	28	8.49%	(\$2,024)	(\$795)	(\$1,230)
37	March 2020	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$130,724)	(\$51,319)	(\$79,405)
39	Deferred Tax Without Proration	Line 25	(\$285,999)	(\$112,276)	(\$173,723)	
40	Average Deferred Tax Without Proration	Line 39 * 50%	(\$142,999)	(\$56,138)	(\$86,861)	
41	Proration Adjustment	Line 38 - Line 40	\$12,276	\$4,819	\$7,457	

Column Notes:

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

The Narragansett Electric Company
d/b/a National Grid
Power Sector Transformation (PST)
Revenue Requirement on Estimated Capital Investment 12 months ending August 31, 2025
Electric Transportation Initiative

Line No.			RY7 Rate Year Ending August 31, 2025
	<u>Estimated Capital Investment</u>		(a)
1	EDC Costs (Make-Ready)		\$305,180
2	Premise Work Costs (Make-Ready)		\$2,611,451
3	EVSE Costs (Utility-Operated Charging Program Sites, and Company Fleet EVSE)		\$0
4	Total Capitalized Labor & Tool Costs		\$108,918
5	Total Estimated Capital Investment	Sum of Lines 1 through 4	\$3,025,549
	<u>Depreciable Net Capital Included in Rate Base</u>		
6	Total Allowed Capital Included in Rate Base in Current Year	Line 5	\$3,025,549
7	Retirements	Line 6 * 0%	\$0
8	Net Depreciable Capital Included in Rate Base	Col (a) = Line 6 - Line 7; Col (b) = Prior Year Line 8	\$3,025,549
	<u>Change in Net Capital Included in Rate Base</u>		
9	Capital Included in Rate Base	Line 5	\$3,025,549
10	Cost of Removal		\$0
11	Total Net Plant in Service Including Cost of Removal	Line 9 + Line 10	\$3,025,549
	<u>Tax Depreciation</u>		
12	Vintage Year Tax Depreciation:		
13	2020 Spend	Page 26 of 27, Line 21	\$605,110
14	Cumulative Tax Depreciation	Previous Year Line 14 + Current Year Line 13	\$605,110
	<u>Book Depreciation</u>		
15	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%
16	Book Depreciation	Col (a) = Line 1 * Line 15 * 50%; Col (b) = Line 1 * Line 15	\$3,815
17	Cumulative Book Depreciation	Previous Year Line 17 + Current Year Line 16	\$3,815
18	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	5.00%
19	Book Depreciation	Col (a) = Line 2 * Line 18 * 50%; Col (b) = Line 2 * Line 18	\$65,286
20	Cumulative Book Depreciation	Previous Year Line 20 + Current Year Line 19	\$65,286
21	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	10.00%
22	Book Depreciation	Col (a) = Line 3 * Line 21 * 50%; Col (b) = Line 3 * Line 21	\$0
23	Cumulative Book Depreciation	Previous Year Line 23 + Current Year Line 22	\$0
24	Composite Book Depreciation Rate	As filed per R.I.P.U.C. Docket No. 4770	2.50%
25	Book Depreciation	Col (a) = Line 4 * Line 24 * 50%; Col (b) = Line 4 * Line 24	\$1,361
26	Cumulative Book Depreciation	Previous Year Line 26 + Current Year Line 25	\$1,361
27	Total Cumulative Book Depreciation	Line 17 + Line 20 + Line 23 + Line 26	\$70,462
	<u>Deferred Tax Calculation:</u>		
28	Cumulative Book / Tax Timer	Line 14 - Line 27	\$534,648
29	Effective Tax Rate		21.00%
30	Deferred Tax Reserve	Line 28 * Line 29	\$112,276
31	Less: FY 2020 Federal NOL		\$0
32	Net Deferred Tax Reserve	Sum of Lines 30 through 31	\$112,276
	<u>Rate Base Calculation:</u>		
33	Cumulative Incremental Capital Included in Rate Base	Line 11	\$3,025,549
34	Accumulated Depreciation	- Line 27	(\$70,462)
35	Deferred Tax Reserve	- Line 32	(\$112,276)
36	Year End Rate Base	Sum of Lines 33 through 35	\$2,842,810
	<u>Revenue Requirement Calculation:</u>		
37	Average Rate Base	Col (a) = Current Year Line 37 ÷ 2; Col (b & c) = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$1,421,405
38	Proration Adjustment	Page 27 of 27	\$4,819
39	Average Rate Base adjusted for proration	Line 37 + Line 38	\$1,426,224
40	Pre-Tax ROR		1/ 8.23%
41	Return and Taxes	Line 39 * Line 40	\$117,378
42	Book Depreciation	Line 16 + Line 19 + Line 22 + Line 25	\$70,462
43	Property Taxes	Yr 1 = 0, Yr 2 forward = Prior Yr (Line 8 + Line 34) * 3.176%	2/ \$0
44	Annual Revenue Requirement	Sum of Line 41 through Line 43	\$187,841

1/ Weighted Average Cost of Capital as filed 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%	9.2750%	4.73%	1.26%	5.99%
	100.00%		6.97%	1.26%	8.23%

2/ Composite Mill Rate of 3.176% per Compliance Attachment 2, Schedule 7-ELEC

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Tax Depreciation and Repairs Deduction on Rate Year 2025 Capital Investments
Electric Transportation Initiative**

Line No.			RY7 Rate Year Ending August 31, <u>2025</u> (a)
	<u>Capital Repairs Deduction</u>		
1	Plant Additions	Page 25 of 27, Line 5	\$3,025,549
2	Capital Repairs Deduction Rate	Per Tax Department	0.00%
3	Capital Repairs Deduction	Line 1 * Line 2	<u>\$0</u>
	<u>Bonus Depreciation</u>		
4	Plant Additions	Line 1	\$3,025,549
5	Less Capital Repairs Deduction	Line 3	<u>\$0</u>
6	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$3,025,549
7	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%
8	Plant Eligible for Bonus Depreciation	Line 6 * Line 7	\$3,025,549
9	Bonus Depreciation Rate (April 2019 - December 2019)	1 * 75% * 0%	0.00%
10	Bonus Depreciation Rate (January 2020 - Mar 2020)	1 * 25% * 0%	<u>0.00%</u>
11	Total Bonus Depreciation Rate	Line 9 + Line 10	0.00%
12	Bonus Depreciation	Line 8 * Line 11	<u>\$0</u>
	<u>Remaining Tax Depreciation</u>		
13	Plant Additions	Line 1	\$3,025,549
14	Less Capital Repairs Deduction	Line 3	\$0
15	Less Bonus Depreciation	Line 12	<u>\$0</u>
16	Remaining Plant Additions Subject to 5 YR MACRS Tax Depreciation	Line 13 - Line 14 - Line 15	\$3,025,549
17	5 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	20.00%
18	Remaining Tax Depreciation	Line 16 * Line 17	<u>\$605,110</u>
19	FY20 Loss incurred due to retirements	Per Tax Department	\$0
20	Cost of Removal	Page 25 of 27, Line 10	<u>\$0</u>
21	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 12, 18, 19, and 20	<u><u>\$605,110</u></u>

**The Narragansett Electric Company
d/b/a National Grid
Calculation of Rate Year 2025 Net Deferred Tax Reserve Proration
Electric Transportation Initiative**

Line No.	Deferred Tax Subject to Proration		(a)=Sum of (b) through (be) <u>Total</u>	(b) Rate Year Ending August 31, <u>2025</u>
1	Book Depreciation	Page 25 of 27, Line 27	\$70,462	\$70,462
2	Bonus Depreciation	Page 26 of 27, Line 12	\$0	\$0
3	Remaining MACRS Tax Depreciation	Page 26 of 27, Line 18	(\$605,110)	(\$605,110)
4	FY20 tax (gain)/loss on retirements	Page 26 of 27, Line 19	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$534,648)	(\$534,648)
6	Effective Tax Rate		21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$112,276)	(\$112,276)
Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	Page 26 of 27, Line 3	\$0	\$0
9	Cost of Removal	Page 26 of 27, Line 20	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2020		\$0	\$0
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$112,276)	(\$112,276)
15	Net Operating Loss	Page 25 of 27, Line 31	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$112,276)	(\$112,276)
Allocation of FY 2020 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$534,648)	(\$534,648)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$534,648)	(\$534,648)
20	Total FY 2020 Federal NOL	(Page 25 of 27, Line 31) / 21%	\$0	\$0
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0
23	Effective Tax Rate		21.00%	21.00%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$112,276)	(\$112,276)

		(i) Number of Days in <u>Month</u>	(j) <u>Proration Percentage</u>	(k)= Sum of (l) through (o)	(l)
Proration Calculation					
26	April 2019	30	91.78%	(\$8,587)	(\$8,587)
27	May 2019	31	83.29%	(\$7,793)	(\$7,793)
28	June 2019	30	75.07%	(\$7,024)	(\$7,024)
29	July 2019	31	66.58%	(\$6,229)	(\$6,229)
30	August 2019	31	58.08%	(\$5,434)	(\$5,434)
31	September 2019	30	49.86%	(\$4,665)	(\$4,665)
32	October 2019	31	41.37%	(\$3,871)	(\$3,871)
33	November 2019	30	33.15%	(\$3,102)	(\$3,102)
34	December 2019	31	24.66%	(\$2,307)	(\$2,307)
35	January 2020	31	16.16%	(\$1,512)	(\$1,512)
36	February 2020	28	8.49%	(\$795)	(\$795)
37	March 2020	31	0.00%	\$0	\$0
38	Total	365		(\$51,319)	(\$51,319)
39	Deferred Tax Without Proration	Line 25		(\$112,276)	(\$112,276)
40	Average Deferred Tax Without Proration	Line 39 * 50%		(\$56,138)	(\$56,138)
41	Proration Adjustment	Line 38 - Line 40		\$4,819	\$4,819

Column Notes:

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

(l) through (l) = Current Year Line 25 ÷ 12 * Current Month Col (j)