

The Narragansett Electric Company
d/b/a National Grid

Distribution Adjustment Charge Filing

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

August 1, 2019

Submitted to:
Rhode Island Public Utilities Commission
R.I.P.U.C. Docket No. 4955

Submitted by:

nationalgrid

August 1, 2019

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4955 - 2019 Distribution Adjustment Charge (DAC)

Dear Ms. Massaro:

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

The 2019 DAC includes rate-specific Infrastructure, Safety, and Reliability (ISR) reconciliation factors based on the reconciliation of the fiscal year (FY) 2019 revenue requirement contained in National Grid's FY 2019 Gas ISR Plan Reconciliation filing submitted today under separate cover in Docket No. 4678, and revenue billed through the ISR Plan factors

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

² The DAC includes a System Pressure factor; an Advanced Gas Technology factor; an Environmental Response Cost factor; a Pension Adjustment Factor; a Service Quality Performance factor; a Revenue Decoupling Adjustment factor; rate class specific Infrastructure, Safety, and Reliability factors; two Reconciliation factors; a Firm Revenue Credit factor; an Earnings Sharing Mechanism factor; a Low Income Discount Recovery Factor; and an Arrearage Management Adjustment Factor. The Company is also proposing three new DAC factors in this filing: an Excess Accumulated Deferred Income Tax Credit factor; a Storm Net Revenue factor; and a Low Income Assistance Program Base Rate Funding Reconciliation factor.

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during the same period. Additionally, the proposed 2019 DAC includes a Revenue Decoupling Adjustment (RDA) factor to reconcile actual revenue-per-customer by rate class with the target revenue-per-customer as set forth in National Grid's annual Revenue Decoupling Mechanism filing that National Grid submitted on June 28, 2019, pursuant to the RDA factor approved by the Public Utilities Commission (PUC) in Docket No. 4206.

This filing consists of: (1) the pre-filed joint direct testimony and schedules of Ryan M. Scheib and Ann E. Leary, (2) the pre-filed joint direct testimony and schedule of Jeffrey D. Oliveira and James H. Allen, and (3) the pre-filed direct testimony and schedule of Melissa A. Little. The joint testimony of Mr. Scheib and Ms. Leary provides the reconciliation of the various components of the DAC in support of the proposed factors to be effective November 1, 2019. The joint testimony of Mr. Oliveira and Mr. Allen provides the calculation of the Pension and Postretirement Benefits Other than Pensions costs to be reconciled in the Pension Adjustment Factor. Ms. Little's testimony describes the Company's gas earning subject to the Company's earning sharing mechanism.

As the underlying data for certain components of the DAC become available only after August 1, National Grid will supplement this filing on or around September 1, 2019. The supplemental filing will provide proposed DAC rates for effect November 1, 2019, which incorporate factors for all updated DAC components and will include a bill impact analysis. Also, National Grid is not including information concerning the Low Income Discount Recovery factor in this filing. National Grid will submit this component, if applicable, as part of its supplemental filing on or around September 1.

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

Sincerely,



Leticia C. Pimentel

Enclosure

cc: John Bell, Division
Leo Wold, Esq.

**Testimony of
Ryan M. Scheib & Ann E. Leary**

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET NO. 4955
DISTRIBUTION ADJUSTMENT CHARGE FILING
WITNESS: RYAN M. SCHEIB & ANN E. LEARY
AUGUST 1, 2019**

JOINT PRE-FILED DIRECT TESTIMONY

OF

RYAN M. SCHEIB

AND

ANN E. LEARY

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

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

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

5

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

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

12

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

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

15

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

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

19

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

21 A. No.

1 **II. Introduction and Qualifications of Ann E. Leary**

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

3 A. My name is Ann E. Leary and my business address is Reservoir Woods, 40 Sylvan Road,
4 Waltham, Massachusetts 02451.

5

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

7 A. I am the Manager of New England Gas Pricing employed by the Service Company. In
8 this position, I am responsible for the preparation and submission of various regulatory
9 filings with the PUC on behalf of the Company, and with the Massachusetts Department
10 of Public Utilities (DPU) on behalf of Boston Gas Company and Colonial Gas Company,
11 each d/b/a National Grid.

12

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

14 A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in
15 1983.

16

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

18 A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I
19 became a planning analyst and later accepted the position of Manager of Rates at Essex.
20 Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing
21 for Boston Gas Company (Boston). After Boston merged with KeySpan Energy

1 Delivery, subsequently National Grid, I became the Manager of New England Gas
2 Pricing, the position I hold today.

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

5 A. Yes, I have testified before the PUC on numerous occasions, most recently in the
6 Company's Distribution Adjustment Charge filing and Gas Cost Recovery (GCR) filing
7 in 2018, RIPUC Docket Nos. 4846, and 4872 respectively. In addition, I have testified
8 extensively in several ratemaking and regulatory proceedings before the Massachusetts
9 Department of Public Utilities.

10
11 **III. Purpose of Testimony**

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

13 A. The purpose of our testimony is to describe the reconciliation of the various components
14 of the Distribution Adjustment Clause (DAC) and to propose new factors to become
15 effective November 1, 2019. This filing is submitted pursuant to the Company's
16 currently effective tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A (DAC
17 Provision).

18
19 **Q. Are you sponsoring any schedules with your testimony?**

20 A. Yes. we are sponsoring the following schedules that accompany our testimony:
21

1	•	Schedule RMS/AEL-1	Summary of DAC Factors
2	•	Schedule RMS/AEL-2	System Pressure Factor
3	•	Schedule RMS/AEL-3	Advanced Gas Technology Factor
4	•	Schedule RMS/AEL-4	Environmental Response Cost Factor
5	•	Schedule RMS/AEL-5	Pensions and Postretirement Benefits Other than
6			Pension Adjustment Factor
7	•	Schedule RMS/AEL-6	Arrearage Management Adjustment Factor
8	•	Schedule RMS/AEL-7	Revenue Decoupling Adjustment Factor
9	•	Schedule RMS/AEL-8	Infrastructure, Safety, and Reliability Reconciliation
10			Factors
11	•	Schedule RMS/AEL-9	Firm Revenue Credit Factor
12	•	Schedule RMS/AEL-10	Reconciliation Factors
13	•	Schedule RMS/AEL-11	Reconciliations for FY 19
14	•	Schedule RMS/AEL-12	Earnings Sharing Mechanism Factor
15	•	Schedule RMS/AEL-13	Low Income Discount Recovery Factor
16	•	Schedule RMS/AEL-14	Service Quality Performance Factor
17	•	Schedule RMS/AEL-15	Excess Accumulated Deferred Income Tax Credit
18			Factor
19			
20	•	Schedule RMS/AEL-16	Storm Net Revenue Factor
21	•	Schedule RMS/AEL-17	Low Income Assistance Program Base Rate
22			Funding Reconciliation Factor

23

24

1 **IV. DAC Summary**

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

3 A. The DAC was established in RIPUC Docket No. 3401 to provide for the recovery and
4 reconciliation of the costs of identifiable special programs. As described in the
5 Company's DAC Provision, the DAC includes the following components: an annual
6 System Pressure factor; an Advanced Gas Technology (AGT) factor; an Environmental
7 Response Cost factor; a Pension Adjustment Factor; an Arrearage Management
8 Adjustment Factor; a Service Quality Performance factor; a Revenue Decoupling
9 Adjustment (RDA) factor; rate class specific Infrastructure, Safety, and Reliability (ISR)
10 factors; an Earnings Sharing Mechanism factor; a Firm Revenue Credit factor; a Low
11 Income Discount Recovery Factor; and two Reconciliation factors for last year's DAC
12 factors. The Company is also proposing three new DAC factors in this filing: an Excess
13 Accumulated Deferred Income Tax (ADIT) Credit factor; a Storm Net Revenue factor;
14 and a Low Income Assistance Program (LIAP) Base Rate Funding Reconciliation factor,¹
15 which we will explain later in our testimony.

16
17 **Q. What is the Company proposing for its DAC factors?**

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

¹ These three components of the DAC result from provisions of the Amended Settlement Agreement in RIPUC Docket No. 4770 approved by the PUC on August 24, 2018 (Amended Settlement Agreement).

1 yet available. Based upon the data that is available, the preliminary rates (including ISR
2 rates that became effective April 1, 2019) are shown in Schedule RMS/AEL-1.

3
4 As discussed later in our testimony, the Company will supplement this filing with
5 updated information in a supplemental DAC filing on or around September 1, 2019. The
6 supplemental DAC filing will incorporate all proposed DAC factors and include a bill
7 impact analysis to reflect the final proposed DAC factors. Consistent with the
8 Company's DAC Provision, the proposed DAC factors are to become effective with
9 consumption beginning November 1, 2019.

10
11 **V. DAC Component Details**

12 **1. System Pressure**

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

14 **A.** Maintaining proper operating pressure of the Company's distribution system requires the
15 occasional use of various Company facilities. Historically, the Company had relied on
16 the use of its liquefied natural gas (LNG) facilities to maintain system pressure.

17
18 **Q. During last year's DAC proceeding (RIPUC Docket No. 4846), the PUC approved a**
19 **measure whereby the Company would maintain the System Pressure component of**
20 **the DAC and determine each year whether it is necessary to recover any costs**

1 **through the System Pressure component. Has the Company determined whether**
2 **any LNG-related costs should be recovered through the System Pressure factor?**

3 A. Yes, the Company has conducted an engineering study and determined that 32,505
4 dekatherms (dth) of LNG from the Company's Exeter LNG facility are needed to
5 maintain pressure in the Company's distribution system. As a result, the Company is
6 proposing to allocate \$163,175 from the Company's Gas Cost Recovery (GCR)
7 mechanism to be recovered through the DAC.

8
9 **Q. What is the Company proposing for the System Pressure factor effective November**
10 **1, 2019?**

11 A. The Company is proposing a System Pressure factor for November 1, 2019 of \$0.0003
12 per therm, as shown in Schedule RMS/AEL-2.

13
14 **2. AGT Program**

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

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

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

3
4 **Q. Please provide an update with respect to the AGT Program's rebate activity over**
5 **the past year and any known potential future rebates.**

6 A. In 2013, the PUC approved a \$1.8 million AGT Program rebate to Toray Plastics
7 (America), Inc. (Toray) associated with a large co-generation system to be paid out over
8 four years, with three annual installments of \$500,000 and a final installment of
9 \$300,000. The fourth and final payment of \$300,000 was made in August 2018.
10 Furthermore, a rebate of \$50,000 was also made in August 2018 to a second customer.

11
12 **Q. What level of funds is available for new AGT Program projects in 2019-20?**

13 A. As shown on Schedule RMS/AEL-3, Page 2, at the end of March 2019, the AGT
14 Program had a balance of \$713,409. In addition, consistent with the DAC Settlement in
15 RIPUC Docket No. 4339, the balance does not include interest earned of \$25,777
16 calculated for the 12-month period April 2018 through March 2019, because interest on
17 the balance is to be credited to customers through the DAC's reconciliation factor. See
18 Schedule RMS/AEL-3, Page 2, for the calculation of interest and Schedule RMS/AEL-
19 10, Page 1, Line (12), for the credit of this amount to customers.

20

21

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

2 A. For 2019-20, the Company is proposing to keep the AGT factor in the DAC at zero, as
3 shown on Schedule RMS/AEL-3, Page 1. In addition, the Company eliminated annual
4 funding through base distribution rates of \$300,000 pursuant to the Amended Settlement
5 Agreement effective September 1, 2018. The Amended Settlement Agreement provides
6 that any funding for the AGT Program be through the AGT factor of the DAC.
7

8 **3. Environmental Response Costs**

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

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

18 **Q. Please describe the proposed Environmental Response Costs factor.**

19 A. Consistent with the Company's DAC Provision at Item 3.5, the Environmental Response
20 Costs factor reflects recovery of the 10-year amortization of annual environmental
21 response costs in excess of the annual amount recovered in base distribution rates. As

1 shown on Schedule RMS/AEL-4, Page 1, the proposed Environmental Response Costs
2 factor reflects annual amortization of \$2,395,051 for the period April 2019 through
3 March 2020 that would be recovered over the 12 months beginning November 2019. A
4 yearly breakdown of this amortization is provided on Pages 2 and 3 of Schedule
5 RMS/AEL-4. Environmental project-specific expenses for the 12 months ending March
6 31, 2019 are provided on Page 4 of Schedule RMS/AEL-4. In-depth descriptions of the
7 environmental projects and fiscal year (FY) 2019 activities can be found in the annual
8 Environmental Report filed with the PUC on July 31, 2019. The Company currently
9 recovers \$1,310,000 annually for the recovery of environmental costs in base distribution
10 rates. Netting the annual base rate allowance of \$1,310,000 against the amortization
11 expenses of \$2,395,051 results in environmental costs of \$1,085,051 to be recovered
12 from customers over the period November 2019 through October 2020 through the DAC.
13 This amount is divided by forecasted throughput of 42,163,808 dth for the 12-month
14 period and divided by 10 to derive a factor of \$0.0025 per therm.

15
16 **4. Pension and PBOP Costs**

17 **Q. What do the Pension and Postretirement Benefits Other than Pensions (PBOP)**
18 **reconciliation entail?**

19 A. In accordance with the Company's DAC Provision at Item 3.6, the Pension Adjustment
20 Factor is designed to recover from or credit to customers the prior year's reconciliation
21 balance that results from the comparison of the Company's actual Pension and PBOP

1 expenses to the Company's Pension and PBOP allowances included in base distribution
2 rates, plus carrying charges. The adjustment factor is based on this difference.

3
4 **Q. Is the Company providing Pension and PBOP costs in this filing?**

5 A. Yes. The schedules that present the reconciliation of the Company's actual Pension and
6 PBOP expenses and the base rate allowances for the 12-month period ending March 31,
7 2019 are set forth in the direct pre-filed testimony and schedules of Company witnesses
8 Jeffrey D. Oliveira and James H Allen included in this filing. Mr. Oliveira and Mr. Allen
9 support the derivation of such amounts. Based on the amounts determined by Mr.
10 Oliveira and Mr. Allen, the Pension Adjustment Factor is a credit of \$0.0022 per therm
11 and is calculated by dividing the net over-recovery of actual Pension and PBOP expenses
12 by the forecasted throughput of 42,163,808 dth for the 12 months beginning November 1,
13 2019. This result is then divided by 10 to derive a per-therm factor, as shown on
14 Schedule RMS/AEL-5, Page 1.

15
16 **5. Arrearage Management Program Costs**

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

18 A. The proposed AMAF is designed to recover the arrears forgiven associated with
19 Arrearage Management Program (AMP) participants who have not satisfied the
20 conditions of R.I. Gen. Laws § 39-2-1(d)(2) in the calendar year, as well as the amount of
21 arrearages of customers who have successfully satisfied the conditions of R.I. Gen. Laws

1 § 39-2-1(d)(2), which is subject to the bad debt test prescribed in the AMP Provision in
2 the Company's tariff, RIPUC NG-GAS No. 101, Section 7, Schedule C, Sheets 6-11 (the
3 AMP Provision).

4
5 **Q. Please describe the Company's calculation of the amount of recoverable arrearage**
6 **forgiveness.**

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

14
15 **Q. Has the Company prepared such a calculation for calendar year 2018?**

16 A. Yes, the calendar year (CY) 2018 calculation of recoverable arrearage forgiveness is
17 presented in Schedule RMS/AEL-6.

18
19
20

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

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

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

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

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

10 d. An AMP participant who moves out of the Company service territory prior to the
11 conclusion of the payment plan.

12

13 **Q. What is the ratemaking treatment for amounts forgiven for unsuccessful AMP**
14 **participants?**

15 A. Section XII (Cost Recovery), subsection i., of the AMP Provision provides as follows: “If
16 a customer does not satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), the amount
17 of arrearage forgiven by the Company to that point shall remain forgiven and be written
18 off by the Company. However, the amount of arrearage forgiven by the Company is
19 recoverable in full.”

20

21

1 **Q. How much arrearage did the Company forgive for unsuccessful AMP participants**
2 **in CY 2018?**

3 A. As shown on Schedule RMS/AEL-6, Page 2, Lines (11) and (12), the Company forgave a
4 total of \$362,595 in arrearages during CY 2018 for unsuccessful participants. Of that
5 amount, \$300,476 was due to participants who defaulted from the AMP, and an
6 additional \$62,119 was due to customers who voluntarily opted out of the AMP prior to
7 successful completion.

8
9 **Q. What constitutes a successful participant under the AMP?**

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

13
14 **Q. What is the ratemaking treatment for amounts of arrearage forgiven for successful**
15 **AMP participants?**

16 A. Section XII (Cost Recovery), subsection ii., of the AMP Provision currently provides as
17 follows: "If a customer does satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), all
18 arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year,
19 the Company will perform a test to determine if the amount of bad debt for the year
20 exceeds the adjusted allowable bad debt from the Company's most recent general rate
21 case. This adjusted allowable bad debt will be calculated using the distribution

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

11
12 **Q. How much arrearage was forgiven in CY 2018 for successful AMP participants?**

13 A. Schedule RMS/AEL-6 at Page 2, Line (9) shows that a total of \$100,691 of arrearage was
14 forgiven for successful participants in CY 2018.

15
16 **Q. How much of the arrearage forgiven for successful AMP participants is for
17 allowable recovery after performing the bad debt test?**

18 A. Schedule RMS/AEL-6 at Page 2, Line (8) demonstrates that the Company experienced
19 \$6,995,240 less bad debt in CY 2018 than the adjusted allowable bad debt of \$11,979,260
20 shown on Line (6). Therefore, none of the arrearage forgiven for successful participants
21 is recoverable.

1 **Q. How was the CY 2018 AMAF calculated?**

2 A. As demonstrated on Schedule RMS/AEL-6 at Page 1, the Company divided the total
3 amount of recoverable arrearage forgiveness for CY 2018 of \$362,595, plus an
4 adjustment to the CY 2017 arrearage forgiveness amount of \$13,614,² by the forecasted
5 dekatherms for November 2019 through October 2020, and then divided by 10, resulting
6 in the proposed AMAF of \$0.0008 per therm.

7

8 **6. Service Quality Plan**

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

11 A. Pursuant to the Company's Service Quality Plan, RIPUC Docket No. 3476, the Company
12 will report the results of the service quality metrics on a quarterly basis, and will credit
13 any resulting penalty to customers through the DAC. The Company's FY 2019 second
14 quarter report filed on March 12, 2019³ indicates that the Company incurred a penalty of
15 \$75,000 for its performance for Meter Testing during calendar year 2018. The FY 2019
16 second quarter report also serves as the calendar year annual report for the Meter Testing
17 metric. Because of the timing of this report, the Company had not reflected this penalty
18 in the 2018 DAC; therefore, the Company has proposed a Service Quality Performance

² In RIPUC No. Docket 4846, the Company calculated a total recoverable arrearage forgiveness amount for CY2017 of \$80,079 associated with unsuccessful participants. After further review, the Company determined that the actual recoverable arrearage forgiveness associated with unsuccessful participants for CY2017 was \$93,693. The Company has included an adjustment of \$13,614 (\$96,693 - \$80,079) in this filing to recover the additional amount of arrears forgiven for unsuccessful participants, since all amounts forgiven in this category are eligible for recovery.

³ The fiscal year for the Gas Service Quality Plan in RIPUC Docket No. 3476 runs from July 1 through June 30.

1 factor of \$0.0001 per therm to be credited to customers effective November 1, 2019 as
2 seen in Schedule RMS/AEL-14.

3
4 **7. Revenue Decoupling Adjustment**

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

6 A. Pursuant to its DAC Provision, the Company operates under a Revenue Decoupling
7 Mechanism (RDM). The RDM provides for an annual reconciliation of actual base
8 revenue-per-customer by rate class against a benchmark revenue-per-customer. The
9 Company filed the FY 2019 RDM reconciliation with the PUC on June 28, 2019. As
10 shown on Schedule RMS/AEL-7, Page 1, the RDA identifies an over-recovery of
11 \$10,271,482 and a credit RDA factor of \$0.0351 per therm, calculated by dividing the
12 over-recovery by the throughput associated with the Residential and Small and Medium
13 Commercial and Industrial (C&I) rate classes of 29,231,836 dth and then dividing the
14 result by 10.

15
16 **8. Earnings Sharing Mechanism**

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

19 A. No, the Company is not proposing an ESM factor this year, as shown in Schedule
20 RMS/AEL-12. The Company's Gas Earnings Report for the 12 months ending

1 December 31, 2018, which the Company submitted on May 1, 2019 in Docket RIPUC
2 No. 4770, reflects a return on equity below the earnings sharing threshold.

3
4 **9. ISR Plan Reconciliation**

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

6 A. The reconciliation associated with the ISR Plan factors is designed to reconcile the actual
7 FY 2019 revenue requirement on actual cumulative capital investment and actual
8 operation and maintenance (O&M) expense covered by the ISR Plan with the revenue
9 billed through the ISR Plan factors. The Company submitted its FY 2019 ISR Plan
10 reconciliation filing for the Company's gas business in RIPUC Docket No. 4781 on
11 August 1, 2019. In that filing, Company witness Melissa A. Little presented the actual
12 FY 2019 revenue requirement on actual cumulative capital investment plus O&M
13 expense. In addition, the ISR Plan reconciliation includes a final balance of the recovery
14 of FY 2018 reconciliation balance to capture any over- or under-billing of that amount.

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

17 A. The ISR Plan reconciliation set forth in Schedule RMS/AEL-8 results in an under-
18 recovery of \$2,377,053. To derive the ISR reconciliation factor per rate class, the
19 Company allocated the FY 2019 revenue requirement on actual cumulative capital
20 investment and O&M to rate classes based on the rate base allocation from the
21 Company's 2017 rate case. This was then compared to billed revenue from the billing of

1 the ISR Plan factors by rate class to arrive at the over- or under-recovery of ISR Plan
2 capital investment and O&M expense by rate class in accordance with the Company's
3 DAC Provision. The Company then divided the total under-recovery for each rate class
4 by the forecasted throughput for each rate class. Schedule RMS/AEL-8 shows the ISR
5 reconciliation factors per rate class.

6
7 **10. Revenue Credit**

8 **Q. Please explain the revenue credit included in this filing originating from the**
9 **settlement agreement in the Company's 2012 Rate Case in RIPUC Docket No. 4323**
10 **(2012 Rate Case Settlement Agreement).**

11 A. The Company is including the revenue credit associated with a large C&I customer, as
12 specified in Article III, Section A.4 of the 2012 Rate Case Settlement Agreement.
13 Pursuant to the 2012 Rate Case Settlement Agreement, 50 percent of any incremental
14 distribution revenue billed to this customer is to be credited back to all customers through
15 the reconciliation of the DAC until the Company's next general rate case. In Schedule
16 RMS/AEL-9, the Company details the distribution revenue that will be credited back to
17 customers for the period April 2018 through August 2018.⁴ The Company included this
18 revenue credit as part of its Reconciliation factor, as shown on RMS/AEL-10, Page 1,
19 Line (13).

20

⁴ This provision of the DAC is no longer applicable as of September 1, 2018, with the implementation of new base distribution rates in RIPUC Docket No. 4770

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

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

4 A. No. In order to estimate the 25% total bill discounts eligible to low income customers,
5 the Company multiplies forecasted volumes for low income customers by base
6 distribution rates, DAC factors, and GCR factors proposed to be in effect. However, the
7 annual GCR factors will not be proposed until September 1, 2019 for effect on November
8 1, 2019. Therefore, the Low Income Discount Recovery Factor will be calculated and
9 proposed in the supplemental DAC filing to be submitted on or around September 1,
10 2019. Schedule RMS/AEL-13 in this filing is a placeholder for the Low Income
11 Discount Recovery Factor calculation, if applicable, on or around September 1.

12
13 **12. Tax Cut Benefit & Excess ADIT Tax Credit**

14 **Q. What is the purpose of the Excess ADIT Tax Credit factor?**

15 A. Pursuant to the Excess Deferred Income Tax True-up Second Compliance Filing filed on
16 May 30, 2019 in RIPUC Docket No. 4770, as well as the settlement agreement filed on
17 January 24, 2019 in RIPUC Docket No. 4808 in light of the Tax Cuts & Jobs Act, the
18 Company will credit back to customers any benefits resulting from the Tax Cuts & Jobs
19 Act through the ADIT Tax Credit factor.

20

1 **Q. Please describe the proposed ADIT Tax Credit factor as it relates to the Excess**
2 **Deferred Income Tax True-up Second Compliance Filing filed on May 30, 2019 in**
3 **RIPUC Docket No. 4770.**

4 A. As approved by the PUC in the Excess Deferred Income Tax True-up Second
5 Compliance Filing in RIPUC Docket No. 4770, the Company reduced the revenue
6 requirement for Rate Years 1, 2, and 3, and updated base distribution rates for Rate Years
7 2 and 3 to reflect the true-up of the excess accumulated deferred income tax. Due to the
8 timing of this filing, the Company did not update Rate Year 1 base distributions rates
9 billed to customers from September 1, 2018 through August 31, 2019, but instead agreed
10 to flow back the reduction in the Rate Year 1 revenue requirement through the ADIT Tax
11 Credit factor in the DAC. As shown in Schedule RMS/AEL-15, Page 1, Line (2), the
12 Company is crediting customers \$198,427 associated with the reduction in revenue
13 requirement for Rate Year 1.

14
15 **Q. Please describe how the Company computed the \$198,427 credit.**

16 A. As shown in Schedule RMS/AEL-15, Page 2, the Company multiplied the Rate Year 1
17 volumes (actual volumes for the period September 2018 through May 2019 and the
18 forecasted volumes for June through August 2019) by the difference in the approved Rate
19 Year 1 base distribution rates and the rates which would have been billed based on the
20 reduced Rate Year 1 revenue requirement resulting from the Excess ADIT true-up.

21

1 **Q. Please describe the proposed ADIT Tax Credit factor as it relates to the settlement**
2 **agreement filed on January 24, 2019 in RIPUC Docket No. 4808 in light of the Tax**
3 **Cuts & Jobs Act.**

4 A. Pursuant to the settlement agreement in RIPUC Docket No. 4808, the Company and the
5 Division of Public Utilities and Carriers (Division) agreed that the Company had realized
6 \$3,064,228 in benefits from the reduction in federal corporate income tax rate as a result
7 of the Tax Cuts & Jobs Act for the period January 2018 through August 2018. The
8 Company and the Division also agreed that the Company will credit the \$3,064,228 in
9 benefits to customers through the ADIT Tax Credit factor to be reflected in the DAC
10 factor effective November 1, 2019.

11

12 **Q. Please explain the calculation of the proposed ADIT Tax Credit factor.**

13 A. As seen in Schedule RMS/AEL-15, the ADIT Tax Credit factor is a credit of \$0.0077 per
14 therm, calculated by dividing the total Tax Credit of \$3,262,655⁵ by the total throughput
15 of 42,163,808 dth, and dividing by 10.

16

17 **13. Storm Net Revenue Credit**

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

19 A. The Storm Net Revenue Factor is designed to credit back to customers for the value of
20 services performed by the Company's employees in other jurisdictions, including those

⁵ The total proposed to be credited to customers consists of \$3,064,228 from the reduction in the federal corporate tax rate plus \$198,427 associated with the lower revenue requirement for Rate Year 1.

1 outside of National Grid USA operating companies' service territories, in accordance
2 with the provisions Compliance Attachment 23 of the Amended Settlement Agreement in
3 RIPUC Docket No. 4770.

4
5 **Q. Please describe the Company's calculation of the Storm Fund Net Revenue amount**
6 **on Schedule RMS/AEL-16, Line (3).**

7 **A.** Pursuant to the Amended Settlement Agreement, Storm Net Revenue is defined as the
8 proceeds received or cost reductions achieved for base labor and non-incremental labor
9 overhead costs on all labor (i.e., not just base labor) charged for storm restoration
10 services provided to other utilities, whether affiliated or non-affiliated, less an amount
11 equal to percentage, which is the labor capitalization rate set in the Company's general
12 rate case. As seen on Line (1) in Schedule RMS/AEL-16, the Net Revenue received by
13 the Company for performing storm response services in other jurisdictions is \$754,809.

14
15 **Q. Please describe the proposed Storm Net Revenue Factor.**

16 **A.** In accordance with the Amended Settlement Agreement, the Company will credit
17 customers 75 percent of the Net Revenue received by the Company. The Storm Net
18 Revenue factor is a credit of \$0.0013 per therm and is calculated by multiplying the total
19 Storm Net Revenue amount by 75 percent and dividing the result by the forecasted
20 throughput of 42,163,808 dth, and dividing by 10, for the 12 months beginning
21 November 1, 2019.

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14. LIAP Base Rate Funding Reconciliation

Q. What is the purpose of the LIAP Base Rate Funding Reconciliation factor?

A. In accordance with the Amended Settlement Agreement, the Company has eliminated the Company matching LIAP and no longer includes funding for this program through base distribution rates. At the conclusion of the program, the Company had a balance of \$1,228,172 remaining in the LIAP Base Rate Funding account and is proposing to return this amount to customers via a credit in the DAC.

Q. Please describe the proposed LIAP Base Rate Funding Reconciliation factor.

A. The proposed LIAP Base Rate Funding Reconciliation factor is a one-time credit to customers through the DAC designed to disburse the Company's remaining LIAP fund balance. As seen in Schedule RMS/AEL-17, the LIAP Base Rate Funding Reconciliation factor is calculated by dividing the remaining LIAP fund balance of \$1,228,172 by the forecasted throughput of 42,163,808 dth for the 12 months beginning November 1, 2019, dividing by 10 to derive a LIAP Base Rate Funding Reconciliation credit factor of \$0.0029 per therm.

1 **VI. DAC Reconciliation**

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

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

13

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

16

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

18 A. The items applicable to all rate classes include those that are being reconciled on the
19 basis of the gas year, from November 2018 through October 2019. They include the

1 following components: (1) System Pressure reconciliation,⁶ (2) AGT reconciliation, (3)
2 Environmental Response Cost reconciliation, (4) Arrearage Management Program
3 reconciliation, (5) Pension reconciliation, (6) PBOP reconciliation, (7) Low Income
4 Discount Recovery reconciliation, and (8) prior reconciliation factors. Each component
5 reconciles the amounts approved for recovery or refund and actual revenue billed through
6 June 2019 and forecasted revenue through October 2019.⁷ In addition, a true-up amount
7 representing the difference between the forecasted balance and the actual balance as of
8 October 31, 2018 is reflected in the Reconciliation factor, as well as the interest on the
9 AGT fund balance and revenue credit as described earlier in this testimony.

10
11 The Company derives the Reconciliation factor applicable to all rate classes by adding up
12 the 12-month balance ending October 2019 of these components, which represents a net
13 amount due from customers of \$976,660, plus the net 2018 true up surcharge of
14 \$253,412, the AGT interest credit of \$25,777, and the revenue credit amount of
15 \$135,581, for a total surcharge of \$1,068,714 to customers. The total is divided by the
16 forecasted throughput for the period November 1, 2019 through October 31, 2020, or
17 42,163,808 dth. This result is then divided by 10 to derive a per-therm credit of \$0.0025
18 per therm for the 12-month period beginning November 1, 2019. A summary of the

⁶ The System Pressure reconciliation has been calculated in accordance with the Company's and Division's agreement in last year's DAC proceeding, RIPUC Docket No. 4846, to eliminate the costs associated with LNG and Crary Street Gate Station from the System Pressure factor.

⁷ Factors reconciled based on the gas year can also include the Earnings Sharing Mechanism factor and Service Quality factor, when applicable.

1 various items being reconciled that are applicable to all rate classes is shown on Schedule
2 RMS/AEL-10, Page 1, Section 1, while the details are set forth on Pages 2, 3, and 8. The
3 Reconciliation factor applicable to all rate classes will be added to the factor applicable to
4 the Large and Extra-Large rate class customers' reconciliation to derive two distinct
5 Reconciliation factors among the two groups of customers.

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

9 A. The reconciliation of the RDA balance through the RDA factors that are only applicable
10 to Residential and Small and Medium C&I customers results in a separate Reconciliation
11 factor for this group of customers. This factor was derived by taking the RDM
12 reconciliation ending balance as of October 31, 2019, which represents an over-recovery
13 of the amount to be refunded through the RDA factor, and RDA reconciliation factor of
14 \$292,475, as shown on Schedule RMS/AEL-10, Page 1, Line (20), and dividing that total
15 by the forecasted throughput of 29,231,836 dth for the Residential and Small and
16 Medium C&I rate classes. This factor is then divided by 10 to derive a per-therm credit.
17 The summary of this derivation is shown on Schedule RMS/AEL-10, Page 1, Section 2.

18
19
20

1 **Q. What reconciliation components are applicable to the Large and Extra-Large Rate**
2 **classes?**

3 A. The Large and Extra-Large Reconciliation factor includes the following components: (1)
4 the prior reconciliation factor applicable to the Large and Extra-Large rate classes; and
5 (2) the reconciliation of the base rate allowances for the AGT Program, Environmental
6 Response Costs, and low income programs for the April 2018 through March 2019
7 period, which are subject to reconciliation in the DAC. For Residential and Small and
8 Medium C&I customers, the reconciliation of these base rate allowances to billed
9 revenue is completed as part of the RDM reconciliation, where actual revenue is
10 reconciled to targets that include these base rate allowances. Therefore, the recoveries
11 for the base rate components for these DAC components need be separately reconciled
12 only for the Large and Extra-Large rate classes, which are excluded from the Company's
13 RDM.

14
15 The base rate reconciliation factors for these programs are calculated by dividing the total
16 annual base rate allowances approved by the PUC for each program by the total annual
17 forecasted firm throughput from the Company's 2012 rate case for the months April
18 through August, and the total annual forecasted firm throughput from the Company's
19 2017 rate case for the months September through March. The Company then multiplies
20 the base rate reconciliation factors by the forecasted throughput for Large and Extra-
21 Large rate classes from the Company's respective rate cases, to obtain the forecasted

1 monthly revenues. The forecasted monthly revenues are then compared to the actual
2 revenues to derive the annual over- or under-recoveries for the 12 months ending March
3 31, 2019 for each component.

4
5 The ending balances of the base rate allowances at the end of March 2019 is a credit
6 balance of \$75,896, and the balance of the Reconciliation factor associated with the
7 previous reconciliation for these rate classes is an under-recovery of \$68,958 resulting in
8 a net amount due to Large and Extra-Large customers of \$6,938, an amount too small to
9 derive a factor. A summary of these items is shown in Schedule RMS/AEL-10, Page 1,
10 Section 3, while the details are set forth on Schedule RMS/AEL-10, Page 3, Line (42)
11 and Page 4.

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

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

19 A. Yes. In Schedule RMS/AEL-11, the Non-Base Rate components, the RDM, and the ISR
20 Plan reconciliations are provided for the fiscal year ending March 31, 2019. Although

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

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

5 A. The preliminary DAC factors are based on the current projected throughput of
6 42,163,808 dth for the period November 1, 2019 to October 31, 2020. This forecast will
7 also be used in the Company's GCR filing on or around September 1 and will be
8 supported in that filing.

9
10 **VII. Bill Impacts**

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

12 A. No, the Company is not presenting bill impacts at this time. As the Low Income
13 Discount Recovery Factor is not reflected in this filing, a bill impact analysis at this time
14 would provide limited information as to the overall impact of the change in the DAC
15 factors. Rather, the Company will submit bill impacts for the cumulative impact of all of
16 its proposed DAC factors with its supplemental DAC filing submitted on or around
17 September 1, 2019.

18
19 **Q. Does this conclude your testimony?**

20 A. Yes.

**Schedules of
Ryan M. Scheib & Ann E. Leary**

Schedules of Ryan M. Scheib and Ann E. Leary

Schedule RMS/AEL-1	Summary of DAC Factors
Schedule RMS/AEL-2	System Pressure Factor
Schedule RMS/AEL-3	Advanced Gas Technology Program Factor
Schedule RMS/AEL-4	Environmental Response Cost Factor
Schedule RMS/AEL-5	Pensions and Postretirement Benefits Other than Pensions Factor
Schedule RMS/AEL-6	Arrearage Management Adjustment Factor
Schedule RMS/AEL-7	Revenue Decoupling Adjustment Factor
Schedule RMS/AEL-8	ISR Reconciliation Factors
Schedule RMS/AEL-9	Firm Revenue Credit Factor
Schedule RMS/AEL-10	Reconciliation Factors
Schedule RMS/AEL-11	Reconciliations for FY 19
Schedule RMS/AEL-12	Earnings Sharing Mechanism Factor
Schedule RMS/AEL-13	Low Income Discount Recovery Factor
Schedule RMS/AEL-14	Service Quality Factor
Schedule RMS/AEL-15	Tax Credit Factor
Schedule RMS/AEL-16	Storm Net Revenue Factor
Schedule RMS/AEL-17	LIAP Base Rate Fund Reconciliation Factor

Schedule RMS/AEL-1
Summary of DAC Factors

**National Grid - RI Gas
Summary of DAC Factors
Effective November 1, 2019**

Section 1: DAC factor (not including annual ISR component) November 1, 2019 - October 31, 2020

Description	Reference	Amount	Factor		
			Residential/ Small/ Medium C&I	Large/ X-Large	Residential Low Income
			(a)	(b)	(c)
(1) System Pressure (SP)	RMS/AEL-2	\$163,175	\$0.0003	\$0.0003	\$0.0003
(2) Advanced Gas Technology Program (AGT)	RMS/AEL-3	\$0	\$0.0000	\$0.0000	\$0.0000
(3) Environmental Response Cost Factor (ERCF)	RMS/AEL-4	\$1,085,051	\$0.0025	\$0.0025	\$0.0025
(4) Pension Adjustment Factor (PAF)	RMS/AEL-5	(\$916,227)	(\$0.0022)	(\$0.0022)	(\$0.0022)
(5) Arrearage Management Adjustment Factor (AMAF)	RMS/AEL-6	\$376,209	\$0.0008	\$0.0008	\$0.0008
(6) Reconciliation Factor (R)	RMS/AEL-10	\$1,061,775	\$0.0025	\$0.0025	\$0.0025
(7) Earnings Sharing Mechanism (ESM)	RMS/AEL-12	\$0	\$0.0000	\$0.0000	\$0.0000
(8) Low Income Discount Recovery Factor (LIDRF)	RMS/AEL-13	n/a	n/a	n/a	n/a
(9) Service Quality Factor (SQP)	RMS/AEL-14	(\$75,000)	(\$0.0001)	(\$0.0001)	(\$0.0001)
(10) Tax Credit Factor	RMS/AEL-15	(\$3,262,655)	(\$0.0077)	(\$0.0077)	(\$0.0077)
(11) Storm Net Revenue Factor	RMS/AEL-16	(\$566,107)	(\$0.0013)	(\$0.0013)	(\$0.0013)
(12) LIAP Base Rate Fund Reconciliation Factor	RMS/AEL-17	<u>(\$1,228,172)</u>	<u>(\$0.0029)</u>	<u>(\$0.0029)</u>	<u>(\$0.0029)</u>
(13) Subtotal	Sum [(1):(12)]	(\$3,361,950)	(\$0.0081)	(\$0.0081)	(\$0.0081)
(14) Uncollectible Percentage	Dkt 4770	<u>1.91%</u>	<u>1.91%</u>	<u>1.91%</u>	<u>1.91%</u>
(15) DAC factors grossed up for uncollectible	(13) ÷ [1-(14)]	(\$3,427,413)	(\$0.0082)	(\$0.0082)	(\$0.0082)
(16) Revenue Decoupling Adjustment (RDA)	RMS/AEL-7	(\$10,271,482)	(\$0.0351)	\$0.0000	(\$0.0351)
(17) Revenue Decoupling Adjustment Reconciliation	RMS/AEL-10	<u>(\$292,475)</u>	<u>(\$0.0010)</u>	<u>\$0.0000</u>	<u>(\$0.0010)</u>
(18) DAC factor	(15)+(16)+(17)	(\$13,991,369)	(\$0.0443)	(\$0.0082)	(\$0.0443)

Section 2: DAC factors including annual ISR component

	ISR Reconciliation w/o uncollectible (therms) (a)	Uncollectible Percentage (b)	ISR Reconciliation* (therms) (c) = (a) x [1+(b)]	Base DAC Component* (therms) (d)	DAC Component Subtotal Rates* (therms) (e) = (c) + (d)	ISR Component (therms)* (f)	November 1, 2019 DAC Rates* (therms) (g)
(19) Res-NH	\$0.0480	1.91%	\$0.0489	(\$0.0443)	\$0.0046	\$0.0510	\$0.0556
(20) Res-NH-LI	\$0.0480	1.91%	\$0.0489	(\$0.0443)	\$0.0046	\$0.0510	\$0.0556
(21) Res-H	\$0.0096	1.91%	\$0.0098	(\$0.0443)	(\$0.0345)	\$0.0213	(\$0.0132)
(22) Res-H-LI	\$0.0096	1.91%	\$0.0098	(\$0.0443)	(\$0.0345)	\$0.0213	(\$0.0132)
(23) Small	\$0.0095	1.91%	\$0.0097	(\$0.0443)	(\$0.0346)	\$0.0210	(\$0.0136)
(24) Medium	(\$0.0002)	1.91%	(\$0.0002)	(\$0.0443)	(\$0.0445)	\$0.0138	(\$0.0307)
(25) Large LL	\$0.0032	1.91%	\$0.0033	(\$0.0082)	(\$0.0049)	\$0.0132	\$0.0083
(26) Large HL	(\$0.0037)	1.91%	(\$0.0038)	(\$0.0082)	(\$0.0120)	\$0.0127	\$0.0007
(27) XL-LL	\$0.0048	1.91%	\$0.0049	(\$0.0082)	(\$0.0033)	\$0.0051	\$0.0018
(28) XL-HL	(\$0.0007)	1.91%	(\$0.0007)	(\$0.0082)	(\$0.0089)	\$0.0044	(\$0.0045)

*Factors Include Uncollectible Allowance

- (a) RMS/AEL-8
- (b) Per Docket 4770
- (d) Section 1, Line (18)
- (f) FY20 ISR component per Docket 4916, Revised Section 4, Attachment 1R, Page 1

Schedule RMS/AEL-2
System Pressure Factor

**National Grid - RI Gas
System Pressure Factor
Effective November 1, 2019**

(1)	Nov-18	\$13,598
(2)	Dec-18	\$13,598
(3)	Jan-19	\$13,598
(4)	Feb-19	\$13,598
(5)	Mar-19	\$13,598
(6)	Apr-19	\$13,598
(7)	May-19	\$13,598
(8)	Jun-19	\$13,598
(9)	Jul-19	\$13,598
(10)	Aug-19	\$13,598
(11)	Sep-19	\$13,598
(12)	Oct-19	<u>\$13,598</u>
(13)	Total	\$163,175
(14)	System Balancing Factor	100.00%
(15)	LNG GCR Costs allocated to DAC	\$163,175
(16)	Firm Throughput	42,163,808 dths
(17)	System Pressure Factor per dekatherm	\$0.0030 per dth
(18)	System Pressure Factor per therm	\$0.0003 per therm
(13)	Sum of Lines (1) to (12)	
(15)	Line (13) x Line (14)	
(16)	Company Forecast	
(17)	Line (15) ÷ Line (16)	
(18)	Line (17) ÷ 10, truncated to 4 decimal places	

Schedule RMS/AEL-3
Advanced Gas Technology Program Factor

**National Grid - RI Gas
AGT Factor
Effective November 1, 2019**

(1)	AGT collected through DAC	\$0
(2)	Firm Throughput	42,163,808 dths
(3)	AGT Factor per dekatherm	\$0.0000 per dth
(4)	AGT Factor per therm	\$0.0000 per therm

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

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

	Apr-18 30	May-18 31	Jun-18 30	Jul-18 31	Aug-18 31	Sep-18 30	Oct-18 31	Nov-18 30	Dec-18 31	Jan-19 31	Feb-19 28	Mar-19 31	Total (m)
(1) Beginning Balance	\$974,131	\$1,006,305	\$1,025,825	\$1,038,485	\$1,048,828	\$707,767	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409
(2) Rebate Disbursements	\$0	\$0	\$0	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000
(3) Other Disbursements	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Sub-total Disbursements	\$0	\$0	\$0	\$0	\$350,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$350,000
(5) Forecasted Throughput from Docket 4323 (dth)	3,826,443	2,321,424	1,505,558	1,230,159	1,063,069	1,258,071	0	0	0	0	0	0	11,204,723
L/XL Classes	992,288	720,015	553,276	530,577	477,149	610,323	0	0	0	0	0	0	3,883,627
Res H, NH, Small & Medium C&I Classes	2,834,155	1,601,409	952,282	699,582	585,919	647,748	0	0	0	0	0	0	7,321,096
(6) Base Rates Revenue	\$8,344	\$6,054	\$4,652	\$4,461	\$4,012	\$2,737	\$0	\$0	\$0	\$0	\$0	\$0	\$30,260
(7) L/XL Classes	\$23,831	\$13,465	\$8,007	\$5,882	\$4,927	\$2,905	\$0	\$0	\$0	\$0	\$0	\$0	\$59,018
(8) Res H, NH, Small & Medium C&I Classes	\$32,175	\$19,520	\$12,660	\$10,344	\$8,939	\$5,641	\$0	\$0	\$0	\$0	\$0	\$0	\$89,278
(9) Sub-total Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(10) AGT Balance Refund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) AGT Balance Reconciliation	\$1,006,305	\$1,025,825	\$1,038,485	\$1,048,828	\$707,767	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$0
(12) Ending Balance	\$990,218	\$1,016,065	\$1,032,155	\$1,043,657	\$878,298	\$710,588	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409	\$713,409
Interest Calculation													
(13) Month's Average Balance	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%
(14) Bk America Rate less 200 Basis Points													
(15) Calculated Interest (not applied to balance)	\$2,238	\$2,373	\$2,439	\$2,659	\$2,238	\$1,770	\$1,969	\$1,906	\$2,028	\$2,121	\$1,915	\$2,121	\$25,777

(1) Column (a) Ending Balance per Docket 4846, AEL-3, Page 2 of 2
(2) Column (e), Rebate to Toray Plastics of America and Crowne Plaza
(4) Line (2) + Line (3)
(5) Rate year forecast as presented in Docket 4323
(7) Apr-Aug: Large and Extra Large C&I throughput from Line (5) x [\$0.0084 (AGT base rate) - Actual revenue for these rate classes are reconciled through the Reconciliation Factor for Large and Extra Large C&I].
Sept: Large and Extra Large C&I throughput from Line (5) x [(\$0.0084 x 53%) + (\$0.0000 x 47%)].
Oct-Mar: AGT base rate eliminated per Docket No. 4770
(8) Apr-Aug: Res H, NH, Small & Medium throughput from Line (5) x \$0.0084 (AGT base rate). Actual revenue for these rate classes are reconciled through the Revenue Decoupling Mechanism (RDM).
Sept: Res H, NH, Small & Medium throughput from Line (5) x [(\$0.0084 x 53%) + (\$0.0000 x 47%)]. Actual revenue for these rate classes are reconciled through the Revenue Decoupling Mechanism (RDM).
Oct-Mar: AGT base rate eliminated per Docket No. 4770
(9) Line (7) + Line (8)
(12) Lines (1) - (4) + (9) + (10)
(13) Lines [(1)+(12)] + 2
(14) Per RIPUC NG-Gas No. 101, Section 3, Schedule A
(15) Column (m), total interest refunded to customers at RMS/AEL-10, Page 1, line 12 per Docket 4339 Settlement of Issues

Schedule RMS/AEL-4
Environmental Response Cost Factor

**National Grid - RI Gas
Environmental Response Cost (ERC) Factor
Effective November 1, 2019**

<u>Description</u>	<u>Reference</u>	<u>Amount</u>
(1) Amortization of Pre-FY2010 expenses	Page 3, Col K, Ln (2)	\$0
(2) Amortization of FY2010 expenses - year 10 of 10	Page 3, Col K, Ln (4)	\$208,826
(3) Amortization of FY2011 expenses - year 9 of 10	Page 3, Col K, Ln (6)	\$452,295
(4) Amortization of FY2012 expenses - year 8 of 10	Page 3, Col K, Ln (8)	\$558,394
(5) Amortization of FY2013 expenses - year 7 of 10	Page 3, Col K, Ln (10)	\$136,852
(6) Amortization of FY2014 expenses - year 6 of 10	Page 3, Col K, Ln (12)	\$300,824
(7) Amortization of FY2015 expenses - year 5 of 10	Page 3, Col K, Ln (14)	\$112,908
(8) Amortization of FY2016 expenses - year 4 of 10	Page 3, Col K, Ln (16)	\$111,792
(9) Amortization of FY2017 expenses - year 3 of 10	Page 3, Col K, Ln (18)	\$303,756
(10) Amortization of FY2018 expenses - year 2 of 10	Page 3, Col K, Ln (20)	\$114,380
(11) Amortization of FY2019 expenses - year 1 of 10	Page 3, Col K, Ln (22)	<u>\$95,024</u>
(12) Subtotal		\$2,395,051
(13) Base Rate Environmental Cost Allowance		\$1,310,000
(14) Cost in excess of Allowance		\$1,085,051
(15) Firm Throughput		42,163,808 dths
(16) Environmental Response Cost Factor per dekatherm		\$0.0250 per dth
(17) Environmental Response Cost Factor per therm		\$0.0025 per therm
(12) Sum of Lines (1) to (11)		
(13) Docket 4770		
(14) Line (12) - Line (13)		
(15) Company Forecast		
(16) Line (14) ÷ Line (15)		
(17) Line (16) ÷ 10, truncated to 4 decimal places		

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

	FY2010 (a)	FY2011 (b)	FY2012 (c)	FY2013 (d)	FY2014 (e)	FY2015 (f)	FY2016 (g)	FY2017 (h)	FY2018 (i)	FY2019 (j)
ENVIRONMENTAL AMORTIZATION										
(1) FY 2002-FY 2009 NET ERC Costs Net of Insurance	\$6,759,054									
(2) Amortization Period (years)	10	\$675,906	\$675,908	(\$575,122)	\$26,148	\$73,441	\$59,773	\$16,170	\$91,995	\$96,579
(3) FY 2010 NET ERC Costs Net of Insurance	\$2,088,264									
(4) Amortization Period (years)	10	\$208,826	\$208,826	\$208,826	\$208,826	\$208,826	\$208,826	\$208,826	\$208,826	\$208,826
(5) FY 2011 NET ERC Costs Net of Insurance	\$4,522,947									
(6) Amortization Period (years)	10	\$452,295	\$452,295	\$452,295	\$452,295	\$452,295	\$452,295	\$452,295	\$452,295	\$452,295
(7) FY 2012 NET ERC Costs Net of Insurance	\$5,583,936									
(8) Amortization Period (years)	10	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394	\$558,394
(9) FY 2013 NET ERC Costs Net of Insurance	\$1,368,521									
(10) Amortization Period (years)	10	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852
(11) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237									
(12) Amortization Period (years)	10	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824
(13) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080									
(14) Amortization Period (years)	10	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908
(15) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923									
(16) Amortization Period (years)	10	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792
(17) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565									
(18) Amortization Period (years)	10	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756
(19) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802									
(20) Amortization Period (years)	10	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380
(21) FY 2019 NET ERC Costs Net of Insurance	\$950,236									
(22) Amortization Period (years)	10	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024
(23) Amortization Expense sub-total		\$884,732	\$1,337,029	\$644,393	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606
(24) ENVIRONMENTAL REMEDIATION COSTS										
(25) Beginning Balance	\$4,942,350	\$8,847,318	\$13,370,265	\$18,954,201	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329
(26) Environmental Expenditures, net of Insurance	\$2,088,264	\$4,522,947	\$5,583,936	\$1,368,521	\$3,008,237	\$1,129,080	\$1,117,923	\$3,037,565	\$1,143,802	\$950,236
(27) Ending Balance	\$8,847,318	\$13,370,265	\$18,954,201	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565
(28) ACCUMULATED ENVIRONMENTAL REMEDIATION										
(29) Beginning Balance	\$4,942,350	\$5,618,256	\$6,502,988	\$7,840,018	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135
(30) Amortization Expense (1)	\$675,906	\$884,732	\$1,337,029	\$644,393	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606
(31) Ending Balance	\$5,618,256	\$6,502,988	\$7,840,018	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742
(32) NET ENVIRONMENTAL REMEDIATION COSTS	\$3,229,062	\$6,867,276	\$11,114,183	\$11,838,310	\$13,464,032	\$12,862,480	\$12,150,531	\$13,290,034	\$12,156,193	\$10,709,823

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

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

	FY2020 (k)	FY2021 (l)	FY2022 (m)	FY2023 (n)	FY2024 (o)	FY2025 (p)	FY2026 (q)	FY2027 (r)	FY2028 (s)	FY2029 (t)
<u>ENVIRONMENTAL AMORTIZATION</u>										
(1) FY 2002-FY 2009 NET ERC Costs Net of Insurance			\$6,759,054							
(2) Amortization Period (years)			10							
(3) FY 2010 NET ERC Costs Net of Insurance		\$0								
(4) Amortization Period (years)			10							
(5) FY 2011 NET ERC Costs Net of Insurance		\$452,292	\$0							
(6) Amortization Period (years)			10							
(7) FY 2012 NET ERC Costs Net of Insurance		\$558,394	\$558,390	\$0						
(8) Amortization Period (years)			10							
(9) FY 2013 NET ERC Costs Net of Insurance		\$136,852	\$136,852	\$136,853	\$0					
(10) Amortization Period (years)			10							
(11) FY 2014 NET ERC Costs Net of Insurance		\$300,824	\$300,824	\$300,824	\$300,821	\$0				
(12) Amortization Period (years)			10							
(13) FY 2015 NET ERC Costs Net of Insurance		\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$0			
(14) Amortization Period (years)			10							
(15) FY 2016 NET ERC Costs Net of Insurance		\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,795	\$0		
(16) Amortization Period (years)			10							
(17) FY 2017 NET ERC Costs Net of Insurance		\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,761	\$0	
(18) Amortization Period (years)			10							
(19) FY 2018 NET ERC Costs Net of Insurance		\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,382	\$0
(20) Amortization Period (years)			10							
(21) FY 2019 NET ERC Costs Net of Insurance		\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,024	\$95,020
(22) Amortization Period (years)			10							
(23) Amortization Expense sub-total	\$2,395,051	\$2,186,222	\$1,733,926	\$1,175,537	\$1,038,681	\$737,860	\$624,955	\$513,165	\$209,406	\$95,020
<u>ENVIRONMENTAL REMEDIATION COSTS</u>										
(24) ENVIRONMENTAL REMEDIATION COSTS										
(25) Beginning Balance	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565
(26) Environmental Expenditures, net of Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Ending Balance	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565	\$30,709,565
<u>ACCUMULATED ENVIRONMENTAL REMEDIATION</u>										
(28) ACCUMULATED ENVIRONMENTAL REMEDIATION										
(29) Beginning Balance	\$19,999,742	\$22,394,793	\$24,581,015	\$26,314,941	\$27,490,478	\$28,529,159	\$29,267,019	\$29,891,974	\$30,405,138	\$30,614,544
(30) Amortization Expense (1)	\$2,395,051	\$2,186,222	\$1,733,926	\$1,175,537	\$1,038,681	\$737,860	\$624,955	\$513,165	\$209,406	\$95,020
(31) Ending Balance	\$22,394,793	\$24,581,015	\$26,314,941	\$27,490,478	\$28,529,159	\$29,267,019	\$29,891,974	\$30,405,138	\$30,614,544	\$30,709,564
(32) NET ENVIRONMENTAL REMEDIATION COSTS	\$8,314,772	\$6,128,550	\$4,394,624	\$3,219,087	\$2,180,406	\$1,442,546	\$817,591	\$304,426	\$95,020	\$0

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

**National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC FY 2019 Detail**

	Total Costs at <u>3/31/2018</u>	<u>FY 2019 Costs</u>	Total Costs at <u>3/31/2019</u>
	(a)	(b)	(c) = (a) + (b)
<u>Environmental Expenses</u>			
(1) 907 & 908 Allens Avenue	\$23,075,260	\$161,133	\$23,236,393
(2) 307 PCB Reg Pipe Abandon.	\$1,951,433	\$382,707	\$2,334,140
(3) 379 Petroleum Site	\$8,115,301	\$164,279	\$8,279,580
(4) 700 18 & 21 Holders COR	\$2,776,743	\$0	\$2,776,743
(5) 161 Canal Street, Westerly	\$29,133	\$0	\$29,133
(6) 178 Site Inv Connell Hwy Newp	\$44,092	\$0	\$44,092
(7) 144 Westerly Soil Investigation	\$82,184	\$0	\$82,184
(8) 171 Contaminated Regulators	\$3,104,734	\$6,760	\$3,111,494
(9) 781 Mendon Road	\$121,355	\$0	\$121,355
(10) 782 Tidewater	\$1,811,599	\$80,124	\$1,891,723
(11) 783 Hamlet	\$176,075	\$27,743	\$203,818
(12) -- Thames & Wellington	\$6,181,801	\$60,807	\$6,242,608
(13) -- Misc MGP (NEG)	\$462,210	\$51,266	\$513,476
(14) -- Insurance Recovery	\$1,365,552	\$5,260	\$1,370,812
(15) -- East Providence (First Ave) Holder	\$362,802	\$10,157	\$372,959
(16) -- 560 Thames Street Newp	<u>\$164,201</u>	<u>\$0</u>	<u>\$164,201</u>
(17) Sub-Total	\$49,824,477	\$950,236	\$50,774,713
(18) Insurance Recovery/Settlement			
(19) 910 Environmental Insurance Recovery Settlement		\$0	
(20) Net FY 2018 Environmental Response Costs		<u><u>\$950,236</u></u>	

(1)-(16) Col (a): Docket 4846, AEL-4, Page 4, Col (c)

(1)-(16) Col (b): Annual Environmental Report for Gas Service, Period of April 1, 2018 - March 31, 2019

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

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

**National Grid - RI Gas
Pension Adjustment Factors
Effective November 1, 2019**

<u>Pension Factor</u>		
(1)	Pension Reconciliation	\$362,972
(2)	Carrying Charges	<u>(\$27,258)</u>
(3)	Total Pension Cost	\$335,714
(4)	Firm Throughput	42,163,808 dths
(5)	Pension Factor per dth	\$0.0070 per dth
(6)	Pension Factor per therm	\$0.0007 per therm
<u>PBOP Factor</u>		
(7)	PBOP Reconciliation	(\$1,251,941)
(8)	Carrying Charges	<u>\$0</u>
(9)	Total PBOP Cost	(\$1,251,941)
(10)	Firm Throughput	42,163,808 dths
(11)	PBOP Factor per dth	(\$0.0290) per dth
(12)	PBOP Factor per therm	(\$0.0029) per therm
<u>Pension & PBOP Factor Combined</u>		
(13)	Pension & PBOP Factor per dth	(\$0.0220) per dth
(14)	Pension & PBOP Factor per therm	(\$0.0022) per therm

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

Schedule RMS/AEL-6
Arrearage Management Adjustment Factor

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

(1) CY18 Recoverable Arrearage Forgiveness Amount	\$362,595
(2) CY17 Recoverable Arrearage Forgiveness Adjustment	<u>\$13,614</u>
(3) Total Recoverable Arrearage Forgiveness Amount	\$376,209
(4) Firm Throughput	42,163,808 dths
(5) Arrearage Management Adjustment Factor per dekatherm	\$0.0089 per dth
(6) Arrearage Management Adjustment Factor per therm	\$0.0008 per therm

- (1) Page 2, Line (13)
- (2) Adjustment to true-up actual CY17 Arrearage Forgiveness amount associated with unsuccessful participants
- (3) Line (1) + Line (2)
- (4) Company forecast
- (5) Line (3) ÷ Line (4)
- (6) Line (5) ÷ 10, truncated to 4 decimal places

**National Grid - RI Gas
Calculation of Recoverable Arrearage Forgiveness Amount
Calendar Year 2018**

<u>Uncollectible Recovery from:</u>	
(1) Rate Year Base Distribution Rates (Docket 4323 - 8 Months)	\$3,409,359
(2) Rate Year Base Distribution Rates (Docket 4770 - 4 Months)	\$1,169,250
(3) Calendar Year Commodity Rates	\$5,286,559
(4) Calendar Year DAC	\$1,180,407
(5) Calendar Year Energy Efficiency (EE)	<u>\$933,685</u>
(6) Total Allowable Bad Debt	\$11,979,260
(7) Total Actual Net Charge Offs	<u>\$4,984,020</u>
(8) Actual Above / (Below) Allowable Bad Debt	(\$6,995,240)
(9) Amount of AMP Successful Participants Arrearage Forgiveness	<u>\$100,691</u>
(10) Recoverable Arrearage Forgiveness Due to AMP Successful Participants	\$0
(11) Recoverable Arrearage Forgiveness Due to AMP Unsuccessful Participants (Cancelled)	\$62,119
(12) Recoverable Arrearage Forgiveness Due to AMP Unsuccessful Participants (Default)	<u>\$300,476</u>
(13) Total Recoverable Arrearage Forgiveness Amount	\$362,595

- (1) RIPUC Docket No. 4323, Compliance (Book 1) Compliance Attachment 6 (Schedule MDL-3-GAS), Page 6, Line (8), Col (e) + Page 7, Line (29), Col (e) ÷ 12 x 8
- (2) RIPUC Docket No. 4770, August 16, 2018 Compliance Filing, [Compliance Attachment 2, Schedule MAL-3, Page (11), Column (i) of \$3,396,670, plus Schedule 1-GAS, Page 1, Line (7), Column (f) of \$111,079] ÷ 12 x 4
- (3) Page 3, Section 1, Line (3)
- (4) Page 3, Section 2, Line (3)
- (5) Page 3, Section 3, Line (3)
- (6) Sum of Lines (1) to (5)
- (7) Page 4, Column (d), Line (1)
- (8) Line (7) - Line (6)
- (9) Page 5, Line (6)
- (10) If Line (8) > 0 then Min of Line (8) or Line (9), Else 0
- (11) Page 5, Line (4)
- (12) Page 5, Line (2)
- (13) Sum of Lines (10) to (12)

National Grid - RI Gas
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2018

<u>Section 1: Gas Cost Recovery</u>	<u>Jan - Aug</u> (a)	<u>Sep - Dec</u> (b)	<u>Total</u> (c)
(1) Gas Cost Recovery Billings	\$135,384,778	\$51,378,164	
(2) Uncollectible Percentage	3.18%	1.91%	
(3) Commodity Rate Allowable Bad Debt	\$4,305,236	\$981,323	\$5,286,559

- (1) Per Company Revenue Reports for calendar year 2018
(2) Uncollectible percentage approved in RIPUC Docket No. 4323 and 4770, respectively
(3) Line (1) x Line (2)

Section 2: Distribution Adjustment Clause

(1) Distribution Adjustment Clause Billings	\$37,059,395	\$100,441	
(2) Uncollectible Percentage	3.18%	1.91%	
(3) DAC Rate Allowable Bad Debt	\$1,178,489	\$1,918	\$1,180,407

- (1) Per Company Revenue Reports for calendar year 2018
(2) Uncollectible percentage approved in RIPUC Docket No. 4323 and 4770, respectively
(3) Line (1) x Line (2)

Section 3: Energy Efficiency

(1) Energy Efficiency Billings	\$24,208,084	\$8,579,464	
(2) Uncollectible Percentage	3.18%	1.91%	
(3) Energy Efficiency Allowable Bad Debt	\$769,817	\$163,868	\$933,685

- (1) Per Company Revenue Reports for calendar year 2018
(2) Uncollectible percentage approved in RIPUC Docket No. 4323 and 4770, respectively
(3) Line (1) x Line (2)

National Grid - RI Gas
Calculation of Recoverable Arrearangement Foregiveness Amount
Calendar Year 2018 Net Charge - Offs

	Beginning Balance <u>FERC 144</u> (a)	Adjustments to Reserve <u>FERC 904</u> (b)	Ending Balance <u>FERC 144</u> (c)	Net <u>Charge Offs</u> (d)
(1)	\$10,672,306	\$6,355,723	\$12,044,010	\$4,984,020

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

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

	<u>Unsuccessful Accounts (Default)</u>	
(1)	Number of accounts not successful as of 12/31/2018	891
(2)	Amount forgiven prior to defaulting	\$300,476
	<u>Unsuccessful Accounts (Cancelled)</u>	
(3)	Number of accounts not successful as of 12/31/2018	135
(4)	Amount forgiven prior to defaulting	\$62,119
	<u>Successful Accounts</u>	
(5)	Number of accounts successfully completing the first year of the program	112
(6)	Amount forgiven during 2018	\$100,691
	<u>Enrolled Accounts</u>	
(7)	Number of accounts enrolled as of 12/31/2018	903
(8)	Amount forgiven during 2018	\$364,439
	<u>Total Enrolled Accounts</u>	
(9)	Number of accounts enrolled as of 12/31/2018	2,041
(10)	Amount forgiven during 2018	\$827,725
(1)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2018	
(2)	Per Company Records	
(3)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2018	
(4)	Per Company Records	
(5)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2018	
(6)	Per Company Records	
(7)	Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2018	
(8)	Per Company Records	
(9)	Sum of Lines (1), (3), (5), and (7)	
(10)	Sum of Lines (2), (4), (6), and (8)	

Schedule RMS/AEL-7
Revenue Decoupling Adjustment Factor

**The Narragansett Electric Company
Annual Gas RDM Reconciliation Balance**

(1)	Residential Non-Heat (incl Low Income)	\$122,788
(2)	Residential Heat (incl Low Income)	(\$8,681,155)
(3)	Small C&I	(\$857,589)
(4)	Medium C&I	(\$855,526)
(5)	Net Over Recovery of Target Recovery	<u>(\$10,271,482)</u>
(6)	Firm Therm Throughput Forecast for RDM Rate Classes (Nov 2019-Oct 2020)	29,231,836 dths
(7)	Proposed RDA Factor per dth	(\$0.3514) per dth
(8)	Proposed RDA Factor per therm	(\$0.0351) per therm

- (1) Schedule RMS/AEL-7, Page 17, Line (1)
- (2) Schedule RMS/AEL-7, Page 17, Line (2)
- (3) Schedule RMS/AEL-7, Page 17, Line (3)
- (4) Schedule RMS/AEL-7, Page 17, Line (4)
- (5) Sum [Lines (1):(4)]
- (6) Firm throughput (in therms) forecast for Residential Heat and Non-Heat, Small and Medium C&I rate classes.
- (7) Line (5) ÷ Line (6)
- (8) Line (7) ÷ 10, truncated to 4 decimal places.



LETICIA C. PIMENTEL

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June 28, 2019

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: National Grid's Gas Revenue Decoupling Mechanism Reconciliation Filing
For April 1, 2018 to March 31, 2019
Docket No. 4955**

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed please find ten copies of the Company's annual Revenue Decoupling Mechanism (RDM) reconciliation filing for the period April 1, 2018 to March 31, 2019. National Grid submits this filing pursuant to the provisions of the Distribution Adjustment Clause of National Grid's gas tariff, RIPUC NG-Gas No. 101, at Section 3, Schedule A, which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment (RDA) factor to be included in National Grid's annual Distribution Adjustment Charge (DAC) filing.

This filing consists of the pre-filed direct testimony and schedules of Ryan M. Scheib, and Ann E. Leary. In their testimony, Mr. Scheib and Ms. Leary provide an overview of National Grid's RDM reconciliation, and describes the actual RDM results for the period April 1, 2018 to March 31, 2019.

As a result of National Grid's RDM reconciliation, National Grid over-recovered revenue of \$10,271,482 under its RDM during the period April 1, 2018 to March 31, 2019. National Grid is not presenting a proposed RDA factor at this time because the RDA factor is just one of several factors included in the DAC. Rather, National Grid will submit the RDA factor in its August 1, 2019 annual DAC filing.

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

Robinson+Cole

Luly E. Massaro, Commission Clerk
Gas RDM Reconciliation Filing
June 28, 2019
Page 2 of 2

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

Sincerely,



Leticia C. Pimentel

Enclosures

cc: Leo Wold, Esq.
John Bell, Division
Al Mancini, Division

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET NO. 4955
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESSES: RYAN M. SCHEIB AND ANN E. LEARY
JUNE 28, 2019**

JOINT PRE-FILED DIRECT TESTIMONY

OF

RYAN M. SCHEIB

AND

ANN E. LEARY

**THE NARRAGANSETT ELECTRIC COMPANY
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1 **I. Introduction and Qualifications of Ryan M. Scheib**

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

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

5

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

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

11

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

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

14

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

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

18

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

20 A. No.

21

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1 **II. Introduction and Qualifications of Ann E. Leary**

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

3 A. My name is Ann E. Leary. My business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

5
6 **Q. What is your position at National Grid and responsibilities within that position?**

7 A. I am the Manager of New England Gas Pricing for National Grid USA Service Company,
8 Inc. In this position, I am responsible for preparing and submitting various regulatory
9 filings with the PUC on behalf of the Company, and with the Massachusetts Department
10 of Public Utilities on behalf of Boston Gas Company and Colonial Gas Company, each
11 d/b/a National Grid.

12
13 **Q. Please provide your educational background.**

14 A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in
15 1983.

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

18 A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I
19 became a planning analyst and later accepted the position of Manager of Rates at Essex.
20 Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing
21 for Boston Gas Company (Boston). After Boston merged with KeySpan Energy

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1 Delivery, subsequently National Grid, I became the Manager of New England Gas
2 Pricing, the position I hold today.

3

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

5 A. Yes. I have testified before the PUC on numerous occasions, most recently in the
6 Company's annual Gas Cost Recovery (GCR) filing in Docket No. 4872 and annual
7 Distribution Adjustment Charge (DAC) filing in Docket No. 4846. In addition, I have
8 testified extensively in several ratemaking and regulatory proceedings before the
9 Massachusetts Department of Public Utilities and the New Hampshire Public Utilities
10 Commission.

11

12 **III. Purpose of Testimony**

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

14 A. The purpose of our testimony is to present the Company's March 31, 2019 Revenue
15 Decoupling Mechanism (RDM) reconciliation balance, which will be used to compute
16 the proposed Revenue Decoupling Adjustment (RDA) factor to be incorporated in the
17 Company's upcoming August 1, 2019 annual Distribution Adjustment Charge (DAC)
18 filing. Specifically, we provide an overview of the Company's gas RDM reconciliation
19 and explain the RDM results for the reconciliation period April 1, 2018 through
20 March 31, 2019.

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1 This filing is submitted pursuant to the Company's Distribution Adjustment Clause
2 provision contained in its tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A,
3 Sheet 7, subpart 3.7 (Revenue Decoupling Adjustment Factor).
4

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

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

7	Schedule RMS/AEL-1	Annual Gas RDM Reconciliation Balance
8	Schedule RMS/AEL-2	Monthly RDM Reconciliation by Rate Class for the
9		Period April 1, 2018 through March 31, 2019
10	Schedule RMS/AEL-3	Actual vs. Normal Billing Heating Degree Day
11		Comparison for April 2018 through March 2019
12	Schedule RMS/AEL-4	Target Revenue-Per-Customer by Rate Class
13	Schedule RMS/AEL-5	Calculation of the Credit to Customers Associated
14		with the Excess Accumulated Deferred Income Tax
15		(ADIT) True-up

16

17 **IV. RDM Reconciliation**

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

19 A. In RIPUC Docket 4206, the PUC approved a Revenue-Per-Customer RDM that provides
20 for an annual reconciliation, by rate class, between a target level of base distribution rate
21 revenue and actual base distribution rate revenue billed during the reconciliation period.

22 The reconciliation is driven by the comparison of the Actual Revenue-Per-Customer
23 during the reconciliation period and the Target Revenue-Per-Customer. The

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1 reconciliation is performed on a monthly basis and covers the Company's fiscal year (the
2 period April 1 through March 31 of the following year) for all Residential and Small and
3 Medium Commercial and Industrial (C&I) firm rate classes. Under the RDM, customers
4 subject to the RDM receive any net over-recovery of target revenue and are surcharged
5 for any net under-recovery of target revenue through the RDA factor, which is one of
6 several components of the DAC, effective November 1 each year.

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

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

16
17 **Q. What is the result of the RDM reconciliation presented in this filing?**

18 A. The RDM reconciliation results in a net over-recovery balance of \$10,271,482 for the
19 period April 1, 2018 through March 31, 2019, as shown in Schedule RMS/AEL-1.

20

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-
- 1 **Q. How did the Company determine the RDM reconciliation balance at the end of**
2 **March 2019?**
- 3 A. On a monthly basis and for each rate class, the Company calculated the difference
4 between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the
5 Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company
6 has over-recovered its RDM target revenue and must credit customers the excess amount.
7 If the Actual Revenue-Per-Customer is less than the Target Revenue-Per-Customer, the
8 Company has under-recovered its RDM target revenue and must surcharge customers the
9 deficiency. Each month's difference between the Actual and Target Revenue-Per-
10 Customers is multiplied by the number of customers billed in the respective month to
11 derive the amount of revenue the Company has either over-recovered or under-recovered
12 for the month. For each month, the monthly revenue over-recovered or under-recovered
13 accumulates and the balance accrues interest, which is also reflected in the final monthly
14 balance.¹ The Company presents this annual reconciliation in Schedule RMS/AEL-2.
15

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

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

2 A. Yes. As a result of the implementation of new base distribution rates approved by the
3 PUC in RIPUC Docket 4770, the Company has revised its Target Revenue-Per-Customer
4 benchmarks beginning in September 2018.²

5
6 **Q. Has the Company made any other adjustments to the RDM reconciliation as a**
7 **result of the PUC's approval of the Company's May 30, 2019 Second Compliance**
8 **Filing in RIPUC Docket 4770?**

9 A. Yes. The PUC approved new revenue requirements for Rate Years 1, 2, and 3 and new
10 base distribution rates for Rate Years 2 and 3 as contained in the May 30, 2019 Second
11 Compliance Filing. Since the Company is not updating its Rate Year 1 base distribution
12 rates, the Company will instead flow back the reduction in Rate Year 1 revenue
13 requirement by crediting customers through the DAC. In the RDM reconciliation in
14 Schedule RMS/AEL-2, the Company is reflecting the updated Target Revenue-Per-
15 Customer benchmarks, which are lower as a result of the Second Compliance Filing.
16 Therefore, to avoid providing a second credit associated with the excess ADIT true up,
17 the Company must reduce the actual billed revenue in the RDM reconciliation to reflect
18 the revenue that it would have billed to customers assuming the illustrative Rate Year 1

² The Target Revenue-Per-Customer benchmarks are from the May 30, 2019 compliance filing, Second Compliance Attachment 16, Page 10 (Bates Stamp 33) in RIPUC Docket 4770. The new Target Revenue-Per-Customer benchmarks reflect the updated revenue requirement resulting from the true-up of excess accumulated deferred income tax (ADIT) as specified in Article II, Section C.22.a of the Amended Settlement Agreement approved by the PUC on August 24, 2018.

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1 base distribution rates included in the Second Compliance Filing, Revised Supplemental
2 Compliance Attachment 16, Page 11, were in effect. The adjustment reducing billed
3 revenue in the RDM reconciliation for the rate classes in the RDM is included in the
4 amount to be credited to customers through its 2019-2020 DAC. Unlike the ratemaking
5 treatment for the Company's electric business, the Company is crediting the difference in
6 base distribution rates for the period September 1, 2018 through August 30, 2019 through
7 its DAC and not its RDM because the gas RDM excludes certain commercial and
8 industrial rate classes, specifically the Large and Extra-Large C&I rate classes. Since the
9 Company is crediting this difference through its DAC, it needed to make a corresponding
10 adjustment to the actual revenue reflected in its RDM reconciliation to avoid crediting
11 this difference to its customers twice (once in the DAC and again in the RDM for RDM
12 rate classes).

13
14 **Q. Please explain how the Company calculated the reduction to revenue for the**
15 **Residential and C&I rate classifications.**

16 A. The Company calculated the reduction by multiplying the actual volumes used by the
17 various rate classes for the period of September 2018 through March 2019 by the
18 difference between the currently approved distribution rates and the illustrative rates for
19 Rate Year 1 as shown in the Company's Second Compliance Attachment 16, page 11.
20 The calculation by month and rate class is provided in Schedule RMS/AEL-5.

21

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1 **Q. What impact did the Company’s excess ADIT adjustment to the Target Revenue-**
2 **Per-Customer and actual billed revenue have on the RDM reconciliation balance at**
3 **the end of March 2019?**

4 A. If the Company prepared the RDM reconciliation using the Target Revenue-Per-
5 Customer benchmarks approved in the August 24, 2018 Compliance Filing and excluding
6 the adjustment reducing billed distribution revenue discussed above, the balance at the
7 end of March 2019 would have been a net over-recovery of \$10,280,009. This over-
8 recovery would be \$8,527 more than the over-recovery that the Company is proposing to
9 credit customers.

10

11 **Q. Does the Company anticipate updating the Target Revenue-Per-Customer for any**
12 **of its RDM groups in future filings?**

13 A. Yes. The Company anticipates future updates to the Target Revenue-Per-Customer to
14 reflect the change in base distribution rates for Rate Year 2 and Rate Year 3 as agreed
15 upon in the Amended Settlement Agreement in RIPUC Docket 4770 for actual capital
16 and actual number of customers for Rate Year 1 (Article II, Section C.22.c). In addition,
17 the Company will also recompute Rate Year 1 Target Revenue-Per-Customer
18 benchmarks to reflect actual rate year capital expenditures in accordance with the
19 approved Settlement Agreement in Docket RIPUC No. 4770 Article II. Section C.22.c.

20

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1 **V. Results of the RDM Reconciliation**

2 **Q. What are the results of the RDM reconciliation for the year ending March 31, 2019?**

3 A. For the reconciliation period April 1, 2018 through March 31, 2019, the Company has
4 calculated a net over-recovery of target revenue of \$10,271,482, as summarized in
5 Schedule RMS/AEL-1. This over-recovery will be credited to customers through the
6 RDA factor, which goes into effect November 1, 2019 with the other DAC factors.

7

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

9 A. As shown in Schedule RMS/AEL-1, the Company's net over-recovery of \$10,271,482
10 was driven by a \$8.6 million combined over-recovery for the Residential RDM groups
11 and a \$1.7 million combined over-recovery for the Small and Medium C&I RDM groups.
12 The over-recovery for the Residential and C&I RDM groups was driven by an increase in
13 actual revenue due to colder than normal weather.³ Schedule RMS/AEL-3 shows the
14 billing heating degree day comparison for this reconciliation period.

15

16 **VI. Bill Impacts**

17 **Q. Does the Company include bill impacts resulting from the RDM reconciliation in**
18 **this filing?**

³ Overall Fiscal Year 2019 weather was approximately 4.1 percent colder than normal, and 8.0 percent colder than in Fiscal Year 2018.

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1 A. No, the Company is not presenting bill impact information at this time. Because the
2 RDA factor will be proposed in the DAC filing along with several other factors, the bill
3 impact of a RDA factor on a stand-alone basis provides limited information as to the
4 cumulative impact of the change in the overall DAC factors. Rather, the Company will
5 submit bill impacts for the cumulative impact of all of its proposed DAC factors,
6 including the RDA factor, with its August 1, 2019 DAC filing.

7

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

9 A. Yes.

**The Narragansett Electric Company
Annual Gas RDM Reconciliation Balance**

(1)	Residential Non-Heat (incl Low Income)	\$122,788
(2)	Residential Heat (incl Low Income)	(\$8,681,155)
(3)	Small C&I	(\$857,589)
(4)	Medium C&I	(\$855,526)
(5)	Net Over Recovery of Target Recovery	(\$10,271,482)

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

RDM Reconciliation by Rate Class by Month

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Non-Heat												
(1) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.68	\$19.58	\$21.82	\$25.87	\$28.79	\$28.29	\$33.83
(2) Beginning Balance Under/(Over) Recovery	\$0	\$39,222	\$52,455	\$103,079	\$131,002	\$170,850	\$182,196	\$186,065	\$168,236	\$149,918	\$125,677	\$71,739
(3) Actual Number of Customers	18,369	18,236	18,153	17,900	17,899	17,873	17,929	17,971	18,003	17,959	17,909	17,866
(4) Actual Base Revenue	\$422,200	\$387,254	\$315,951	\$319,466	\$293,964	\$322,975	\$347,887	\$410,744	\$484,493	\$542,261	\$561,465	\$528,021
(5) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$83)	(\$198)	(\$315)	(\$486)	(\$572)	(\$617)	(\$539)
(6) Adjusted Base Revenue	\$422,200	\$387,254	\$315,951	\$319,466	\$293,964	\$322,892	\$347,689	\$410,429	\$484,007	\$541,689	\$560,848	\$527,482
(7) Actual Base Revenue Per Customer	\$22.98	\$21.24	\$17.40	\$17.85	\$16.42	\$18.07	\$19.39	\$22.84	\$26.91	\$30.16	\$31.32	\$29.52
(8) RPC Variance (Benchmark- Actual)	\$2.13	\$0.72	\$2.78	\$1.54	\$2.20	\$0.61	\$0.19	(\$1.02)	(\$1.04)	(\$1.37)	(\$3.03)	\$4.31
(9) Monthly Under/(Over) Recovery of RPC	\$39,178	\$13,126	\$50,440	\$27,625	\$39,464	\$10,906	\$3,361	(\$18,302)	(\$24,650)	(\$54,203)	\$76,925	\$76,925
(10) Preliminary Ending Balance	\$39,178	\$52,348	\$102,896	\$130,704	\$170,466	\$181,757	\$185,557	\$167,763	\$149,466	\$125,268	\$71,474	\$148,664
(11) Average Balance	\$19,589	\$45,785	\$77,676	\$116,892	\$150,734	\$176,304	\$183,877	\$176,914	\$158,851	\$137,593	\$98,576	\$110,201
(12) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(13) Interest Applied	\$44	\$107	\$184	\$298	\$384	\$440	\$508	\$473	\$452	\$409	\$265	\$328
(14) Ending Balance Under/(Over) Recovery	\$39,222	\$52,455	\$103,079	\$131,002	\$170,850	\$182,196	\$186,065	\$168,236	\$149,918	\$125,677	\$71,739	\$148,991
Residential Non-Heat Low Income												
(15) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.68	\$19.58	\$21.82	\$25.87	\$28.79	\$28.29	\$33.83
(16) Beginning Balance Under/(Over) Recovery	\$0	(\$1,620)	(\$3,089)	(\$2,677)	(\$3,198)	(\$2,922)	(\$2,852)	(\$3,663)	(\$5,837)	(\$10,176)	(\$15,276)	(\$21,560)
(17) Actual Number of Customers	276	328	309	309	323	329	329	348	348	399	440	468
(18) Actual Base Revenue	\$8,551	\$8,665	\$6,423	\$6,505	\$5,733	\$6,069	\$7,347	\$9,765	\$13,673	\$16,571	\$18,708	\$20,433
(19) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$2)	(\$5)	(\$18)	(\$22)	(\$22)	(\$26)	(\$28)
(20) Adjusted Base Revenue	\$8,551	\$8,665	\$6,423	\$6,505	\$5,733	\$6,067	\$7,342	\$9,755	\$13,655	\$16,549	\$18,682	\$20,405
(21) Actual Base Revenue Per Customer	\$30.98	\$26.42	\$18.95	\$21.05	\$17.75	\$18.44	\$21.98	\$28.03	\$37.83	\$41.48	\$42.46	\$43.60
(22) RPC Variance (Benchmark- Actual)	(\$5.86)	(\$4.46)	(\$1.24)	(\$1.66)	\$0.88	\$0.24	(\$2.40)	(\$6.21)	(\$11.96)	(\$12.69)	(\$14.17)	(\$9.77)
(23) Monthly Under/(Over) Recovery of RPC	(\$1,619)	(\$1,463)	\$419	(\$514)	\$284	\$78	(\$802)	(\$2,162)	(\$4,316)	(\$5,062)	(\$6,234)	(\$4,572)
(24) Preliminary Ending Balance	(\$1,619)	(\$3,084)	(\$2,677)	(\$3,191)	(\$2,915)	(\$2,845)	(\$3,654)	(\$5,825)	(\$10,154)	(\$15,238)	(\$21,510)	(\$26,132)
(25) Average Balance	(\$809)	(\$2,352)	(\$2,880)	(\$2,934)	(\$3,056)	(\$2,883)	(\$3,253)	(\$4,744)	(\$7,995)	(\$12,707)	(\$18,393)	(\$23,846)
(26) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(27) Interest Applied	(\$2)	(\$5)	(\$7)	(\$7)	(\$8)	(\$7)	(\$9)	(\$13)	(\$23)	(\$38)	(\$49)	(\$71)
(28) Ending Balance Under/(Over) Recovery	(\$1,620)	(\$3,089)	(\$2,677)	(\$3,198)	(\$2,922)	(\$2,852)	(\$3,663)	(\$5,837)	(\$10,176)	(\$15,276)	(\$21,560)	(\$26,203)
Residential Non-Heat (incl Low Income)												
(29) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.68	\$19.58	\$21.82	\$25.87	\$28.79	\$28.29	\$33.83
(30) Beginning Balance Under/(Over) Recovery	\$0	\$37,602	\$49,366	\$100,402	\$127,803	\$167,928	\$179,345	\$182,402	\$162,398	\$139,741	\$110,401	\$50,179
(31) Actual Number of Customers	18,645	18,564	18,492	18,209	18,222	18,202	18,263	18,319	18,364	18,358	18,349	18,334
(32) Adjusted Base Revenue	\$430,751	\$395,919	\$322,374	\$325,972	\$299,697	\$328,959	\$355,031	\$420,184	\$498,162	\$558,239	\$579,530	\$547,887
(33) Actual Base Revenue Per Customer	\$23.10	\$21.33	\$17.43	\$17.90	\$16.45	\$18.07	\$19.44	\$22.94	\$27.13	\$30.41	\$31.58	\$29.88
(34) RPC Variance (Benchmark- Actual)	\$2.01	\$0.63	\$2.75	\$1.49	\$2.18	\$0.60	\$0.14	(\$1.12)	(\$1.26)	(\$1.62)	(\$3.29)	\$3.95
(35) Monthly Under/(Over) Recovery of RPC	\$37,559	\$11,663	\$50,859	\$27,111	\$39,748	\$10,984	\$2,559	(\$20,463)	(\$23,086)	(\$29,712)	(\$60,437)	\$72,352
(36) Preliminary Ending Balance	\$37,559	\$49,265	\$100,225	\$127,513	\$167,552	\$178,912	\$181,903	\$161,939	\$139,313	\$110,030	\$49,964	\$122,531
(37) Average Balance	\$18,780	\$43,433	\$74,796	\$113,958	\$147,678	\$173,420	\$180,624	\$172,170	\$150,856	\$124,886	\$80,182	\$86,355
(38) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(39) Interest Applied	\$42	\$101	\$177	\$290	\$376	\$432	\$499	\$460	\$429	\$371	\$215	\$257
(40) Ending Balance Under/(Over) Recovery	\$37,602	\$49,366	\$100,402	\$127,803	\$167,928	\$179,345	\$182,402	\$162,398	\$139,741	\$110,401	\$50,179	\$122,788
(1) RMS/AEL-4, Line (4); Col (f) Prorated												
(2) Line (14)												
(3) Company's billing system												
(4) Company's billing system												
(5) RMS/AEL-5, Line (41)												
(6) Line (4) + Line (5)												
(7) Line (6) / Line (3)												
(8) Line (1) - Line (7)												
(9) Line (3) * Line (8)												
(10) Line (2) + Line (9)												
(11) [Line (2) + Line (10)] / 2												
(13) [Line (11) * Line (12)] / 365 * # days												
(14) Line (10) + Line (13)												
(15) RMS/AEL-4, Line (4); Col (f) Prorated												
(16) Line (6) / Line (3)												
(17) Company's billing system												
(18) Company's billing system												
(19) RMS/AEL-5, Line (42)												
(20) Line (18) + Line (19)												
(21) Line (20) / Line (17)												
(22) Line (15) - Line (21)												
(23) Line (17) * Line (22)												
(24) Line (16) + Line (23)												
(25) [Line (16) + Line (24)] / 2												
(27) [Line (25) * Line (26)] / 365 * # days												
(28) Line (24) + Line (27)												
(30) RMS/AEL-4, Line (4)												
(31) Line (3) + Line (17)												
(32) Line (6) + Line (20)												
(33) Line (32) / Line (31)												
(34) Line (29) - Line (33)												
(35) Line (31) * Line (34)												
(36) Line (30) + Line (35)												
(37) [Line (30) + Line (36)] / 2												
(39) [Line (37) * Line (38)] / 365 * # days												
(40) Line (36) + Line (39)												

RDM Reconciliation by Rate Class by Month

	Apr-18	May-18	June-18	July-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Heating												
(41) Benchmark Revenue Per Customer (RPC)	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$21.95	\$26.12	\$44.44	\$70.56	\$92.98	\$100.01	\$88.56
(42) Beginning Balance Under/(Over) Recovery	\$0	(\$2,260,342)	(\$3,772,593)	(\$3,420,641)	(\$3,574,320)	(\$3,507,518)	(\$3,274,053)	(\$3,192,658)	(\$4,147,517)	(\$6,102,410)	(\$6,617,844)	(\$7,172,750)
(43) Actual Number of Customers	208,054	205,437	204,477	204,502	204,248	204,741	207,181	209,045	209,993	210,235	209,770	209,425
(44) Actual Base Revenue	\$13,271,080	\$8,557,565	\$4,623,754	\$4,561,618	\$4,085,635	\$4,251,777	\$5,322,253	\$10,244,834	\$16,775,130	\$20,065,751	\$21,538,987	\$19,390,370
(45) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$259)	(\$993)	(\$9,806)	(\$17,678)	(\$21,544)	(\$23,472)	(\$20,815)
(46) Adjusted Base Revenue	\$13,271,080	\$8,557,565	\$4,623,754	\$4,561,618	\$4,085,635	\$4,251,518	\$5,321,260	\$10,235,028	\$16,757,452	\$20,044,207	\$21,515,515	\$19,369,555
(47) Actual Base Revenue Per Customer	\$63.79	\$41.66	\$22.61	\$22.31	\$20.00	\$20.77	\$25.68	\$48.96	\$79.80	\$95.34	\$102.57	\$92.49
(48) RPC Variance (Benchmark - Actual)	(\$10.85)	(\$7.33)	\$1.76	(\$0.71)	\$0.37	\$1.18	\$0.44	(\$4.52)	(\$9.24)	(\$2.36)	(\$2.56)	(\$3.93)
(49) Monthly Under/(Over) Recovery of RPC	(\$2,257,790)	(\$1,505,214)	\$360,440	(\$144,779)	\$75,813	\$241,908	\$90,308	(\$945,068)	(\$1,940,346)	(\$496,557)	(\$536,417)	(\$822,877)
(50) Preliminary Ending Balance	(\$1,128,895)	(\$3,765,556)	(\$3,412,153)	(\$3,565,420)	(\$3,498,507)	(\$3,265,610)	(\$3,183,746)	(\$4,137,726)	(\$6,087,863)	(\$6,598,966)	(\$7,154,261)	(\$7,995,027)
(51) Average Balance	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.25%	3.50%	3.50%	3.50%
(52) Bk America Rate less 200 Basis Points	(\$2,552)	(\$7,037)	(\$8,489)	(\$8,900)	(\$9,011)	(\$8,443)	(\$8,913)	(\$9,791)	(\$14,547)	(\$18,878)	(\$18,489)	(\$22,545)
(53) Interest Applied	(\$2,260,342)	(\$3,772,593)	(\$3,420,641)	(\$3,574,320)	(\$3,507,518)	(\$3,274,053)	(\$3,192,658)	(\$4,147,517)	(\$6,102,410)	(\$6,617,844)	(\$7,172,750)	(\$8,018,172)
(54) Ending Balance Under/(Over) Recovery												
Residential Heating - Low Income												
(55) Benchmark Revenue Per Customer (RPC)	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$21.95	\$26.12	\$44.44	\$70.56	\$92.98	\$100.01	\$88.56
(56) Beginning Balance Under/(Over) Recovery	\$0	(\$127,348)	(\$236,591)	(\$219,603)	(\$242,049)	(\$244,247)	(\$239,592)	(\$267,224)	(\$363,755)	(\$585,824)	(\$601,593)	(\$601,593)
(57) Actual Number of Customers	17,844	19,543	19,646	19,650	19,929	19,768	18,483	18,033	17,984	18,259	18,912	19,446
(58) Actual Base Revenue	\$1,071,825	\$779,701	\$461,350	\$446,260	\$407,622	\$428,625	\$509,807	\$897,932	\$1,491,245	\$1,697,106	\$1,908,334	\$1,783,571
(59) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$36)	(\$98)	(\$857)	(\$1,819)	(\$2,069)	(\$1,920)	(\$1,920)
(60) Adjusted Base Revenue	\$1,071,825	\$779,701	\$461,350	\$446,260	\$407,622	\$428,589	\$509,709	\$897,075	\$1,489,672	\$1,695,287	\$1,906,765	\$1,781,651
(61) Actual Base Revenue Per Customer	\$60.06	\$39.90	\$23.48	\$22.71	\$20.45	\$21.68	\$27.58	\$49.75	\$82.83	\$92.85	\$100.80	\$91.62
(62) RPC Variance (Benchmark - Actual)	(\$7.13)	(\$5.57)	\$0.89	(\$1.11)	(\$0.08)	\$0.27	(\$1.46)	(\$5.31)	(\$12.27)	\$0.13	(\$0.79)	(\$3.06)
(63) Monthly Under/(Over) Recovery of RPC	(\$127,205)	(\$108,819)	\$17,527	(\$21,859)	(\$1,579)	\$5,257	(\$26,933)	(\$95,689)	(\$220,721)	\$2,435	(\$14,876)	(\$59,513)
(64) Preliminary Ending Balance	(\$63,602)	(\$181,758)	(\$227,828)	(\$230,532)	(\$242,838)	(\$241,618)	(\$253,059)	(\$315,069)	(\$474,115)	(\$584,606)	(\$592,564)	(\$631,350)
(65) Average Balance	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.25%	3.50%	3.50%	3.50%
(66) Bk America Rate less 200 Basis Points	(\$144)	(\$425)	(\$538)	(\$587)	(\$619)	(\$602)	(\$699)	(\$842)	(\$1,348)	(\$1,738)	(\$1,591)	(\$1,877)
(67) Interest Applied	(\$127,348)	(\$236,591)	(\$219,603)	(\$242,049)	(\$244,247)	(\$239,592)	(\$267,224)	(\$363,755)	(\$585,824)	(\$601,593)	(\$601,593)	(\$662,982)
(68) Ending Balance Under/(Over) Recovery												
Residential Heat (incl Low Income)												
(69) Benchmark Revenue Per Customer (RPC)	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$21.95	\$26.12	\$44.44	\$70.56	\$92.98	\$100.01	\$88.56
(70) Beginning Balance Under/(Over) Recovery	\$0	(\$2,387,690)	(\$4,009,184)	(\$3,640,244)	(\$3,816,369)	(\$3,751,764)	(\$3,513,646)	(\$3,459,883)	(\$4,511,272)	(\$6,688,233)	(\$7,202,970)	(\$7,774,343)
(71) Actual Number of Customers	225,899	224,986	224,123	224,152	224,177	224,509	225,664	227,078	227,977	228,494	228,682	228,871
(72) Adjusted Base Revenue	\$14,342,905	\$9,337,266	\$5,085,104	\$5,007,878	\$4,493,258	\$4,680,108	\$5,830,970	\$11,132,103	\$18,247,124	\$21,739,493	\$23,421,779	\$21,151,206
(73) Actual Base Revenue Per Customer	\$63.49	\$41.50	\$22.69	\$22.34	\$20.04	\$20.85	\$25.84	\$49.02	\$80.04	\$95.14	\$102.42	\$92.42
(74) RPC Variance (Benchmark - Actual)	(\$10.56)	(\$7.17)	\$1.69	(\$0.74)	\$0.33	\$1.10	\$0.28	(\$4.58)	(\$9.48)	(\$2.16)	(\$2.41)	(\$3.86)
(75) Monthly Under/(Over) Recovery of RPC	(\$2,384,995)	(\$1,614,033)	\$377,967	(\$166,638)	\$74,234	\$247,164	\$63,374	(\$1,040,757)	(\$2,161,067)	(\$494,121)	(\$551,293)	(\$882,391)
(76) Preliminary Ending Balance	(\$2,384,995)	(\$4,001,723)	(\$3,631,217)	(\$3,806,882)	(\$3,742,135)	(\$3,504,600)	(\$3,450,271)	(\$4,500,639)	(\$6,672,339)	(\$7,182,355)	(\$7,754,263)	(\$8,656,733)
(77) Average Balance	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.25%	3.50%	3.50%	3.50%
(78) Bk America Rate less 200 Basis Points	(\$2,695)	(\$7,462)	(\$9,227)	(\$9,487)	(\$9,629)	(\$9,046)	(\$9,611)	(\$10,632)	(\$15,895)	(\$20,616)	(\$20,080)	(\$24,422)
(79) Interest Applied	(\$2,387,690)	(\$4,009,184)	(\$3,640,244)	(\$3,816,369)	(\$3,751,764)	(\$3,513,646)	(\$3,459,883)	(\$4,511,272)	(\$6,688,233)	(\$7,202,970)	(\$7,774,343)	(\$8,681,155)
(80) Ending Balance Under/(Over) Recovery												
(41) RMS/AEL-4, Line (8); Col (f) Prorated				(58) Company's billing system			(67) [Line (65) * Line (66)] / 365 * # days				(75) Line (74) * Line (71)	
(42) Line (54)				(59) RMS/AEL-5, Line (44); Col (f) Prorated			(68) Line (64) + Line (67)				(76) Line (70) + Line (75)	
(43) Company's billing system				(60) Line (58) + Line (59)			(69) RMS/AEL-4, Line (8); Col (f) Prorated				(77) [Line (70) + Line (76)] / 2	
(44) Company's billing system				(61) Line (60) / Line (57)			(70) Line (80)				(79) [Line (77) * Line (78)] / 365 * # days	
(45) RMS/AEL-5, Line (43); Col (f) Prorated				(62) Line (55) - Line (61)			(71) Line (43) + Line (57)				(80) Line (76) + Line (79)	
(46) Line (44) + Line (45)				(63) Line (57) * Line (62)			(72) Line (46) + Line (60)					
(47) Line (46) / Line (43)				(64) Line (56) + Line (63)			(73) Line (72) / Line (71)					
(48) Line (41) - Line (47)				(65) [Line (56) + Line (64)] / 2			(74) Line (69) - Line (73)					

RDM Reconciliation by Rate Class by Month

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Small C&I												
(81) Benchmark Revenue Per Customer (RPC)	\$77.93	\$50.14	\$33.47	\$31.72	\$29.56	\$32.82	\$39.49	\$59.34	\$105.05	\$135.07	\$139.39	\$127.94
(82) Beginning Balance Under/(Over) Recovery	\$0	(\$218,890)	(\$359,583)	(\$289,584)	(\$292,721)	(\$285,803)	(\$263,087)	(\$205,276)	(\$308,459)	(\$438,585)	(\$468,199)	(\$717,079)
(83) Actual Number of Customers	19,202	18,985	18,840	18,744	18,581	18,529	18,687	18,958	19,127	19,187	19,210	19,224
(84) Actual Base Revenue	\$1,715,116	\$1,091,985	\$559,886	\$597,049	\$541,540	\$584,750	\$679,792	\$1,228,461	\$2,140,438	\$2,622,438	\$2,927,991	\$2,600,312
(85) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$113)	(\$299)	(\$996)	(\$2,081)	(\$2,581)	(\$3,018)	(\$2,621)
(86) Adjusted Base Revenue	\$1,715,116	\$1,091,985	\$559,886	\$597,049	\$541,540	\$584,637	\$679,493	\$1,227,465	\$2,138,357	\$2,619,857	\$2,924,973	\$2,597,691
(87) Actual Base Revenue Per Customer	\$89.32	\$57.52	\$29.72	\$31.85	\$29.14	\$31.55	\$36.36	\$64.75	\$111.80	\$136.54	\$152.26	\$135.13
(88) RPC Variance (Benchmark- Actual)	(\$11.39)	(\$7.38)	\$3.76	(\$0.13)	\$0.41	\$1.26	\$3.13	(\$5.41)	(\$6.75)	(\$1.47)	(\$12.87)	(\$7.19)
(89) Monthly Under/(Over) Recovery of RPC	(\$218,643)	(\$140,018)	\$70,764	(\$2,396)	\$7,654	\$23,399	\$58,457	(\$102,497)	(\$129,066)	(\$28,269)	(\$247,291)	(\$138,173)
(90) Preliminary Ending Balance	(\$218,643)	(\$358,908)	(\$288,818)	(\$291,980)	(\$285,067)	(\$262,404)	(\$204,631)	(\$307,773)	(\$437,524)	(\$466,854)	(\$715,490)	(\$855,252)
(91) Average Balance	(\$109,321)	(\$288,899)	(\$324,200)	(\$290,782)	(\$288,894)	(\$274,104)	(\$233,859)	(\$256,525)	(\$372,991)	(\$452,719)	(\$591,845)	(\$786,166)
(92) BK America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(93) Interest Applied	(\$247)	(\$675)	(\$766)	(\$741)	(\$736)	(\$683)	(\$646)	(\$685)	(\$1,060)	(\$1,346)	(\$1,589)	(\$2,337)
(94) Ending Balance Under/(Over) Recovery	(\$218,890)	(\$359,583)	(\$289,584)	(\$292,721)	(\$285,803)	(\$263,087)	(\$205,276)	(\$308,459)	(\$438,585)	(\$468,199)	(\$717,079)	(\$857,589)
Medium C&I												
(95) Benchmark Revenue Per Customer (RPC)	\$390.91	\$306.74	\$258.99	\$228.10	\$215.25	\$246.99	\$312.51	\$368.05	\$499.02	\$592.69	\$572.68	\$557.09
(96) Beginning Balance Under/(Over) Recovery	\$0	(\$127,621)	(\$113,602)	\$133,937	\$208,819	\$295,658	\$404,614	\$586,350	\$410,800	\$78,399	(\$89,807)	(\$583,445)
(97) Actual Number of Customers	5,144	5,141	5,127	5,122	5,200	5,221	5,252	5,258	5,270	5,273	5,277	5,280
(98) Actual Base Revenue	\$2,138,317	\$1,562,631	\$1,080,311	\$1,093,900	\$1,033,128	\$1,181,783	\$1,461,804	\$2,113,888	\$2,966,095	\$3,297,124	\$3,518,797	\$3,214,944
(99) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	(\$323)	(\$872)	(\$1,801)	(\$3,165)	(\$3,680)	(\$4,029)	(\$3,563)
(100) Adjusted Base Revenue	\$2,138,317	\$1,562,631	\$1,080,311	\$1,093,900	\$1,033,128	\$1,181,460	\$1,460,932	\$2,112,087	\$2,962,930	\$3,293,444	\$3,514,768	\$3,211,381
(101) Actual Base Revenue Per Customer	\$415.69	\$303.95	\$210.71	\$213.57	\$198.68	\$226.29	\$278.17	\$401.69	\$562.23	\$624.59	\$666.05	\$608.22
(102) RPC Variance (Benchmark- Actual)	(\$24.78)	(\$2.78)	\$48.28	\$14.53	\$16.58	\$20.70	\$34.34	(\$33.64)	(\$63.21)	(\$31.90)	(\$93.37)	(\$51.13)
(103) Monthly Under/(Over) Recovery of RPC	(\$127,477)	\$14,301	\$247,515	\$74,446	\$86,197	\$108,084	\$180,371	(\$176,880)	(\$333,094)	(\$168,190)	(\$492,736)	(\$269,945)
(104) Preliminary Ending Balance	(\$127,477)	(\$113,321)	\$133,913	\$208,383	\$295,016	\$403,742	\$584,984	\$409,470	\$77,705	(\$89,790)	(\$582,543)	(\$853,391)
(105) Average Balance	(\$63,739)	(\$120,471)	\$10,156	\$171,160	\$251,918	\$349,700	\$494,799	\$497,910	\$244,252	(\$5,695)	(\$336,175)	(\$718,418)
(106) BK America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(107) Interest Applied	(\$144)	(\$281)	\$24	\$436	\$642	\$872	\$1,366	\$1,330	\$694	(\$17)	(\$903)	(\$2,136)
(108) Ending Balance Under/(Over) Recovery	(\$127,621)	(\$113,602)	\$133,937	\$208,819	\$295,658	\$404,614	\$586,350	\$410,800	\$78,399	(\$89,807)	(\$583,445)	(\$855,526)
(81) RMS/AEL-4, Line (12); Col (f) Prorated												
(82) Line (94)												
(83) Company's billing system												
(84) Company's billing system												
(85) RMS/AEL-5, Line (45); Col (f) Prorated												
(86) Line (84) + Line (85)												
(87) Line (86) / Line (83)												
(88) Line (81) - Line (87)												
(89) Line (83) * Line (88)												
(90) Line (82) + Line (89)												
(91) [Line (82) + Line (90)] / 2												
(93) [Line (91) * Line (92)] / 365 * # days												
(94) Line (90) + Line (93)												
(95) RMS/AEL-4, Line (16); Col (f) Prorated												
(96) Line (108)												
(97) Company's billing system												
(107) [Line (105) * Line (106)] / 365 * # days												
(108) Line (104) + Line (107)												

Actual vs. Normal Billing Degree Day Comparison for April 2018 - March 2019

	<u>Month/Year</u>	<u>Actual Billing Degree Days</u>	<u>Normal Billing Degree Days</u>
		(a)	(b)
(1)	Apr-18	725	640
(2)	May-18	328	351
(3)	Jun-18	100	126
(4)	Jul-18	11	15
(5)	Aug-18	0	0
(6)	Sep-18	11	20
(7)	Oct-18	136	154
(8)	Nov-18	510	426
(9)	Dec-18	863	751
(10)	Jan-19	991	1,029
(11)	Feb-19	1,034	1,028
(12)	Mar-19	956	898
(13)	Total	5,664	5,439
(14)	Degree Day Difference		226
(15)	Degree Day Difference (%)		4.1%

Source: Normal Heating Degree Day Report

Line (13): Sum [Lines (1):(12)]

Line (14): Abs [Column (b), Line (13) - Column (a), Line (13)]

Line (15): [Column (a), Line (13) / Column (b), Line (13)] - 1

Gas Revenue Decoupling Targets Approved in Docket No. 4708 & 4770

	<u>Apr-18</u> (a)	<u>May-18</u> (b)	<u>Jun-18</u> (c)	<u>Jul-18</u> (d)	<u>Aug-18</u> (e)	<u>Sep-18</u> (f)	<u>Oct-18</u> (g)	<u>Nov-18</u> (h)	<u>Dec-18</u> (i)	<u>Jan-19</u> (j)	<u>Feb-19</u> (k)	<u>Mar-19</u> (l)	<u>Total</u> (m)
(1) Residential Non-Heat (incl Low-Income)													
(2) Number of Customers	21,943	21,886	21,831	21,761	21,710	17,323	17,314	17,273	17,225	17,144	17,034	16,952	
(3) Final Revenue Requirement	\$51,147	\$480,518	\$440,626	\$421,958	\$404,421	\$324,590	\$339,111	\$376,935	\$445,616	\$493,739	\$481,893	\$573,555	\$5,334,109
(4) RPC	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.73	\$19.58	\$21.82	\$25.87	\$28.79	\$28.29	\$33.83	
(5) Residential Heating (incl Low-Income)													
(6) Number of Customers	210,780	209,814	209,107	208,472	207,967	223,841	224,029	224,567	225,660	227,181	228,469	229,303	
(7) Final Revenue Requirement	\$11,157,590	\$7,202,607	\$5,097,052	\$4,502,584	\$4,237,221	\$5,311,322	\$5,853,289	\$9,979,868	\$15,924,226	\$21,125,214	\$22,850,126	\$20,309,306	\$133,550,405
(8) RPC	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$23.72	\$26.12	\$44.44	\$70.56	\$92.98	\$100.01	\$88.56	
(9) Small													
(10) Number of Customers	18,697	18,524	18,381	18,270	18,221	19,003	18,915	18,966	19,086	19,289	19,487	19,601	
(11) Final Revenue Requirement	\$1,457,117	\$928,852	\$615,286	\$579,616	\$538,554	\$693,580	\$747,002	\$1,125,542	\$2,005,001	\$2,605,556	\$2,716,468	\$2,507,944	\$16,520,517
(12) RPC	\$77.93	\$50.14	\$33.47	\$31.72	\$29.56	\$36.49	\$39.49	\$59.34	\$105.05	\$135.07	\$139.39	\$127.94	
(13) Medium C&I													
(14) Number of Customers	4,702	4,691	4,694	4,684	4,665	5,146	5,153	5,162	5,173	5,188	5,201	5,211	
(15) Final Revenue Requirement	\$1,838,057	\$1,438,900	\$1,215,685	\$1,068,436	\$1,004,164	\$1,455,196	\$1,610,397	\$1,899,911	\$2,581,450	\$3,074,905	\$2,978,538	\$2,903,016	\$23,068,655
(16) RPC	\$390.91	\$306.74	\$258.99	\$228.10	\$215.25	\$282.78	\$312.51	\$368.05	\$499.02	\$592.69	\$572.68	\$557.09	

Footnotes:

- Line (4), Col (a) - Col (e) RIPUC Docket 4708, RDM Filing
- Line (4), Col (f) - Col (l) RIPUC Docket 4770, Second Compliance, Attachment 16, Page 10, Line (3) filed May 30, 2019
- Line (8), Col (a) - Col (e) RIPUC Docket 4708, RDM Filing
- Line (8), Col (f) - Col (l) RIPUC Docket 4770, Second Compliance, Attachment 16, Page 10, Line (6) filed May 30, 2019
- Line (12), Col (a) - Col (e) RIPUC Docket 4708, RDM Filing
- Line (12), Col (f) - Col (l) RIPUC Docket 4770, Second Compliance, Attachment 16, Page 10, Line (9) filed May 30, 2019
- Line (16), Col (a) - Col (e) RIPUC Docket 4708, RDM Filing
- Line (16), Col (f) - Col (l) RIPUC Docket 4770, Second Compliance, Attachment 16, Page 10, Line (12) filed May 30, 2019

Schedule RMS/AEL-8
ISR Reconciliation Factors

National Grid - RI Gas
FY 18 ISR Reconciliation Factors
Effective November 1, 2019

(1)	Revenue Requirement (a)	Rate Class (b)	Rate Base Allocator % (c)	Allocation to Rate Class (d)	Actual Revenue (e)	Under/(Over) Recovery (f)	ISR Recon. Under/(Over) Recovery (g)	Total Under/(Over) Recovery by Rate Class (h)	Forecasted Throughput (dth) (i)	ISR Recon (dth) (i)	ISR Recon (therm) (k)
(2)	\$15,405,282										
(3)		Res-NH	2.55%	\$392,835	\$213,549	\$179,285	(\$6,249)	\$173,037	359,772	\$0.4809	\$0.0480
(4)		Res-H	64.04%	\$9,865,542	\$7,674,798	\$2,190,744	(\$267,188)	\$1,923,556	19,953,599	\$0.0964	\$0.0096
(5)		Small	8.04%	\$1,238,585	\$937,798	\$300,787	(\$51,289)	\$249,498	2,602,320	\$0.0958	\$0.0095
(6)		Medium	12.23%	\$1,884,066	\$1,820,167	\$63,899	(\$77,193)	(\$13,294)	6,316,145	(\$0.0021)	(\$0.0002)
(7)		Large LL	5.57%	\$858,074	\$727,712	\$130,362	(\$33,533)	\$96,830	2,937,870	\$0.0329	\$0.0032
(8)		Large HL	2.25%	\$346,619	\$404,760	(\$58,141)	(\$11,881)	(\$70,022)	1,850,363	(\$0.0378)	(\$0.0037)
(9)		XL-LL	0.97%	\$149,431	\$78,936	\$70,495	(\$2,102)	\$68,393	1,402,197	\$0.0487	\$0.0048
(10)		XL-HL	4.35%	\$670,130	\$709,958	(\$39,828)	(\$11,116)	(\$50,944)	6,741,543	(\$0.0075)	(\$0.0007)
(11)		Total	100.00%	\$15,405,282	\$12,567,678	\$2,837,604	(\$460,551)	\$2,377,053	42,163,808		

(a) Docket 4781, FY 19 ISR Cumulative Revenue Requirement filed August 2019.

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

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

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

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

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

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

(i) Per Company Forecast

(j) Column (h) ÷ Column (i)

(k) Column (j) ÷ 10

National Grid - RI Gas
FY 2019 Gas ISR

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Prorated	Actual	Actual	Actual	Actual	Prorated	Actual	Actual	Actual	Actual	Actual	Actual	(n)
(1) Res-NH	\$1,7239	\$1,4540	\$1,4540	\$1,4540	\$1,4540	\$0,8869	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(2) Res-H	\$1,2684	\$1,4540	\$1,4540	\$1,4540	\$1,4540	\$0,8869	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(3) Small	\$1,3357	\$1,4540	\$1,4540	\$1,4460	\$1,4460	\$0,8821	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(4) Medium	\$0,9304	\$1,0790	\$1,0790	\$1,0790	\$1,0790	\$0,6582	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(5) Large LL	\$0,8761	\$0,9980	\$0,9980	\$0,9980	\$0,9980	\$0,6088	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(6) Large HL	\$0,7934	\$0,8160	\$0,8160	\$0,8160	\$0,8160	\$0,4978	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(7) XL-LL	\$0,2474	\$0,2810	\$0,2810	\$0,2810	\$0,2810	\$0,1714	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
(8) XL-HL	\$0,2223	\$0,2470	\$0,2470	\$0,2470	\$0,2470	\$0,1507	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000	\$0,0000
RI Firm Throughput (dth)													
(9) Res-NH	42,785	31,770	21,426	17,726	14,759	16,449	0	0	0	0	0	0	144,915
(10) Res-H	2,640,658	1,423,779	552,038	439,244	360,921	314,253	0	0	0	0	0	0	5,730,893
(11) Small	338,241	164,875	45,400	43,980	40,166	0	0	0	0	0	0	0	688,004
(12) Medium	738,673	417,514	186,669	172,119	150,299	171,666	0	0	0	0	0	0	1,836,940
(13) Large LL	430,928	220,237	7,632	44,319	64,425	(8,728)	0	0	0	0	0	0	758,813
(14) Large HL	132,531	94,591	76,764	67,686	81,310	81,310	0	0	0	0	0	0	521,422
(15) XL-LL	203,878	89,426	(32,888)	4,877	18,482	21,793	0	0	0	0	0	0	305,566
(16) XL-HL	648,733	489,666	422,105	453,956	481,806	431,738	0	0	0	0	0	0	2,928,004
Total	5,176,426	2,931,856	1,289,087	1,245,327	1,203,214	1,068,647	0	0	0	0	0	0	12,914,557
ISR Revenue													
(18) Res-NH	\$73,757	\$46,193	\$31,153	\$25,773	\$21,460	\$14,589	\$0	\$0	\$0	\$0	\$0	\$0	\$212,926
(19) Res-H	\$3,349,318	\$2,070,175	\$802,663	\$638,660	\$524,780	\$278,724	\$0	\$0	\$0	\$0	\$0	\$0	\$7,664,320
(20) Small	\$451,794	\$238,409	\$80,026	\$65,648	\$63,595	\$35,429	\$0	\$0	\$0	\$0	\$0	\$0	\$934,900
(21) Medium	\$687,228	\$450,497	\$201,416	\$185,717	\$162,172	\$112,989	\$0	\$0	\$0	\$0	\$0	\$0	\$1,800,019
(22) Large LL	\$377,523	\$219,797	\$7,616	\$44,230	\$64,296	(\$5,313)	\$0	\$0	\$0	\$0	\$0	\$0	\$708,149
(23) Large HL	\$105,149	\$77,186	\$62,639	\$55,232	\$55,929	\$40,473	\$0	\$0	\$0	\$0	\$0	\$0	\$396,608
(24) XL-LL	\$50,447	\$25,129	(\$9,242)	\$1,370	\$5,193	\$3,735	\$0	\$0	\$0	\$0	\$0	\$0	\$76,633
(25) XL-HL	\$144,239	\$120,947	\$104,260	\$112,127	\$119,006	\$65,050	\$0	\$0	\$0	\$0	\$0	\$0	\$665,630
Total	\$5,239,455	\$3,248,333	\$1,280,531	\$1,128,758	\$1,016,433	\$545,675	\$0	\$0	\$0	\$0	\$0	\$0	\$12,459,185
Billing Adjustment													
(27) Res-NH	(\$24)	\$798	\$35	\$141	\$51	(\$1,062)	\$392	(\$87)	\$384	\$31	\$34	(\$72)	\$624
(28) Res-H	(\$1,072)	\$35,785	\$917	\$3,503	\$1,239	(\$47,306)	\$10,656	\$2,623	\$1,900	\$1,315	\$299	\$619	\$10,478
(29) Small	(\$144)	\$4,121	\$92	\$360	\$150	(\$2,225)	(\$457)	\$549	\$57	\$1,203	(\$407)	(\$399)	\$2,897
(30) Medium	(\$220)	\$7,787	\$230	\$1,019	\$382	\$8,317	\$7,572	(\$6,053)	(\$1,149)	(\$1,289)	\$1,310	\$2,242	\$20,148
(31) Large LL	(\$121)	\$3,800	\$8	\$243	\$151	\$18,286	\$2,398	\$63	(\$5,858)	\$592	\$0	\$0	\$19,563
(32) Large HL	(\$34)	\$1,334	\$72	\$303	\$132	\$6,148	\$198	(\$2)	\$0	\$0	\$0	\$0	\$8,151
(33) XL-LL	(\$16)	\$435	(\$11)	\$7	\$12	\$1,875	\$2	\$0	\$0	\$0	\$0	\$0	\$2,303
(34) XL-HL	(\$46)	\$2,090	\$119	\$615	\$281	\$36,117	\$5,153	\$0	\$0	\$0	\$0	\$0	\$44,328
Total	(\$1,676)	\$56,151	\$1,462	\$6,190	\$2,398	\$20,149	\$25,914	(\$2,907)	(\$4,667)	\$1,852	\$1,237	\$2,390	\$108,493
ISR Actual Revenue													
(36) Res-NH	\$73,733	\$46,991	\$31,189	\$25,914	\$21,511	\$13,527	\$392	(\$87)	\$384	\$31	\$34	(\$72)	\$213,549
(37) Res-H	\$3,348,246	\$2,105,960	\$803,579	\$642,163	\$526,019	\$231,417	\$10,656	\$2,623	\$1,900	\$1,315	\$299	\$619	\$7,674,798
(38) Small	\$451,649	\$242,530	\$80,170	\$66,008	\$63,745	\$33,203	(\$457)	\$549	\$57	\$1,203	(\$407)	(\$399)	\$937,798
(39) Medium	\$687,008	\$458,284	\$201,646	\$186,736	\$162,555	\$121,306	\$7,572	(\$6,053)	(\$1,149)	(\$1,289)	\$1,310	\$2,242	\$1,820,167
(40) Large LL	\$377,402	\$223,596	\$7,625	\$44,473	\$64,448	\$12,973	\$2,398	\$63	(\$5,858)	\$592	\$0	\$0	\$727,712
(41) Large HL	\$105,115	\$78,520	\$62,711	\$55,535	\$56,061	\$46,621	\$198	(\$2)	\$0	\$0	\$0	\$0	\$404,760
(42) XL-LL	\$50,431	\$25,563	(\$9,253)	\$1,378	\$5,205	\$3,735	\$2	\$0	\$0	\$0	\$0	\$0	\$78,936
(43) XL-HL	\$144,193	\$123,038	\$104,379	\$112,742	\$119,287	\$101,167	\$5,153	\$0	\$0	\$0	\$0	\$0	\$709,958
Total	\$5,237,779	\$3,304,484	\$1,281,993	\$1,134,948	\$1,018,830	\$565,824	\$25,914	(\$2,907)	(\$4,667)	\$1,852	\$1,237	\$2,390	\$12,567,678

(1)-(8) FY 19 ISR Component per Docket 4781
 Col (a): Prorated for FY18 & FY19 ISR Component
 Col (b): Prorated for Docket 4781 & 4770 ISR Component
 Per Company Records
 Line (1) x Line (9)
 Line (2) x Line (10)
 Billing adjustments due to cancellations and rebills
 Line (18) + Line (27)
 Line (19) + Line (28)
 Line (20) + Line (29)
 Line (21) + Line (30)
 Line (22) + Line (31)
 Line (23) + Line (32)
 Line (24) + Line (33)
 Line (25) + Line (34)

Schedule RMS/AEL-9
Firm Revenue Credit Factor

**Revenue Credit per Docket 4323
FY 2019**

Month Bill	Distribution Charges				Total	50% Credit
	Applies	Therms	Customer Charge	Distribution Charge		
(a)	(b)	(c)	(d)	(e)	(f)	(g)
(1) Mar-2019		\$0	\$0	\$0	\$0	\$0
(2) Feb-2019		\$0	\$0	\$0	\$0	\$0
(3) Jan-2019		\$0	\$0	\$0	\$0	\$0
(4) Dec-2018		\$0	\$0	\$0	\$0	\$0
(5) Nov-2018		\$0	\$0	\$0	\$0	\$0
(6) Oct-2018		\$0	\$0	\$0	\$0	\$0
(7) Sep-2018		\$0	\$0	\$0	\$0	\$0
(8) Aug-2018	710,511	\$425	\$18,189	\$36,677	\$55,291	\$27,646
(9) Jul-2018	690,002	\$425	\$17,664	\$36,677	\$54,766	\$27,383
(10) Jun-2018	650,135	\$425	\$16,643	\$36,677	\$53,746	\$26,873
(11) May-2018	677,790	\$425	\$17,351	\$36,677	\$54,454	\$27,227
(12) Apr-2018	<u>617,313</u>	<u>\$425</u>	<u>\$15,803</u>	<u>\$36,677</u>	<u>\$52,905</u>	<u>\$26,453</u>
(13) Total	3,345,752	\$2,125	\$85,651	\$183,386	\$271,163	\$135,581

Lines (1)-(12) Columns (a) through (e): Data provided from the Company's billing system.

Col (g) As noted in the Settlement Agreement in Docket 4323, Article III, Section A.4,
50% of distribution revenue will be credited back to customers.

Schedule RMS/AEL-10
Reconciliation Factors

**National Grid - RI Gas
Reconciliation Factor effective November 1, 2019**

<u>Description</u>	<u>Schedule</u>	<u>Page #</u>	<u>Ending Balance</u>	<u>Period</u>
Section 1: Reconciliation of Prior Year DAC Factors (All Rate Classes)				
(1) System Pressure		Page 2, line (9)	(\$189,523)	Nov 18-Oct 19
(2) AGT Factor		Page 2, line (17)	\$6	Apr 18 - Mar 19
(3) Environmental - DAC		Page 2, line (25)	(\$326)	Nov 18-Oct 19
(4) Arrearage Management		Page 2, line (33)	\$4,266	Nov 18-Oct 19
(5) On-System Margin Credits		Page 3, line (57)	(\$1)	Nov 18-Oct 19
(6) Pension		Page 3, line (65)	\$13,571	Nov 18-Oct 19
(7) PBOP		Page 3, line (73)	\$18,023	Nov 18-Oct 19
(8) Previous Reconciliation Factor		Page 2, line (41)	(\$76,344)	Nov 18-Oct 19
(9) Earnings Sharing Mechanism		Page 3, line (81)	\$3	Nov 18-Oct 19
(10) Low Income Discount Recovery		Page 3, line (90)	\$1,206,984	Nov 18-Oct 19
(11) True-up October 18		Page 8, line (25)	\$253,412	Actual Oct 18 vs. Oct 18 Forecast
(12) AGT Interest on Fund balance	RMS/AEL-3, page 2, line (15), col (m)		(\$25,777)	Based on Apr 18 - Mar 19
(13) Revenue Credit per Docket 4323	RMS/AEL-9, line (13), col (g)		<u>(\$135,581)</u>	
(14) Sub Total		Sum [(1):(13)]	\$1,068,714	
(15) Firm Throughput		Nov 2019 - Oct 2020	42,163,808	dth
(16) Reconciliation Factor		Line (14) ÷ Line (15)	\$0.0253	per dth
(17) Reconciliation Factor		Line (16) ÷ 10, truncated to 4 decimal places	\$0.0025	per therm

Section 2: Revenue Decoupling Mechanism Reconciliation

(18) RDA Reconciliation		Page 5, line (13)	(\$319,232)	Nov 18-Oct 19
(19) RDM Recon Reconciliation		Page 5, line (27)	\$26,757	Nov 18-Oct 19
(20) Sub Total		Line (18) + Line (19)	(\$292,475)	
(21) Firm Throughput, Residential, Small & Medium C&I		Nov 2019 - Oct 2020	29,231,836	dth
(22) RDA Reconciliation Factor		Line (20) ÷ Line (21)	(\$0.0100)	per dth
(23) RDA Reconciliation Factor		Line (22) ÷ 10, truncated to 4 decimal places	(\$0.0010)	per therm

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

(24) AGT Factor - Base Rates		Page 4, line (18)	(\$6,096)	Apr 18 - Mar 19
(25) LIAP Factor - Base Rates		Page 4, line (30)	(\$36,745)	Apr 18 - Mar 19
(26) Environmental - Base Rates		Page 4, line (41)	(\$33,055)	Apr 18 - Mar 19
(27) Previous Reconciliation Factor		Page 3, line (49)	<u>\$68,958</u>	Nov 18-Oct 19
(28) Sub Total		Sum [(24):(27)]	(\$6,938)	
(29) Firm Throughput, Large and Extra Large C&I		Nov 2019 - Oct 2020	12,931,973	dth
(30) L / XL Reconciliation Factor		Line (28) ÷ Line (29)	(\$0.0005)	per dth
(31) L / XL Reconciliation Factor		Line (30) ÷ 10, truncated to 4 decimal places	\$0.0000	per therm

(31) Combined with the Reconciliation factor of \$0.0025 per therm on Line (17) for an overall Large and Extra Large Reconciliation factor of \$0.0025 per therm

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

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	12 month End
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	(l)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(l)
(1) System Pressure Recon Adjust.													
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	\$0	(\$177,811)	(\$183,209)	(\$184,096)	(\$184,657)	(\$185,490)	(\$186,131)	(\$186,707)	(\$187,304)	(\$187,860)	(\$188,419)	(\$188,961)	\$0
(3) Actual Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(4) Actual Revenue	\$177,574	\$4,885	\$342	\$67	\$284	\$107	\$23	\$59	\$0	\$0	\$0	\$0	\$183,341
(5) Ending Balance Under/(Over) Recovery	(\$177,574)	(\$182,696)	(\$183,551)	(\$184,163)	(\$184,941)	(\$185,597)	(\$186,154)	(\$186,766)	(\$187,304)	(\$187,860)	(\$188,419)	(\$188,961)	(\$188,341)
(6) Average Monthly Balance Under/(Over) Recovery	(\$180,254)	(\$180,254)	(\$183,380)	(\$184,129)	(\$184,799)	(\$185,544)	(\$186,143)	(\$186,737)	(\$187,304)	(\$187,860)	(\$188,419)	(\$188,961)	(\$188,341)
(7) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(8) Interest Applied	(\$237)	(\$512)	(\$545)	(\$494)	(\$549)	(\$534)	(\$553)	(\$537)	(\$557)	(\$558)	(\$542)	(\$562)	(\$6,182)
(9) Sys Pressure End Balance Under/(Over) Recovery	(\$177,811)	(\$183,209)	(\$184,096)	(\$184,657)	(\$185,490)	(\$186,131)	(\$186,707)	(\$187,304)	(\$187,860)	(\$188,419)	(\$188,961)	(\$189,523)	(\$189,523)
(10) Advanced Gas Technology													
(11) AGT Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$1	\$5	\$5	\$5	\$5	\$6	\$6	\$6	\$6	\$6	\$0
(12) Actual AGT Revenue	(\$1)	(\$1)	(\$4)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$6)
(13) Ending AGT Balance	\$0	\$1	\$5	\$5	\$5	\$5	\$6	\$6	\$6	\$6	\$6	\$6	\$6
(14) Average Monthly Balance Under/(Over) Recovery	\$0	\$1	\$3	\$5	\$5	\$5	\$6	\$6	\$6	\$6	\$6	\$6	\$6
(15) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(16) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(17) AGT End Balance Under/(Over) Recovery	\$0	\$1	\$5	\$5	\$5	\$5	\$6	\$6	\$6	\$6	\$6	\$6	\$6
(18) Environmental Recon. Adjust - DAC													
(19) Environmental Acct Beg. Balance Under/(Over) Recovery	\$1,086,606	\$1,004,251	\$849,591	\$684,753	\$502,199	\$341,331	\$226,458	\$194,957	\$145,960	\$111,203	\$76,976	\$42,168	\$1,086,606
(20) Actual Environmental Revenue	\$85,144	\$157,291	\$167,115	\$184,145	\$162,120	\$115,689	\$32,126	\$49,487	\$53,138	\$34,507	\$34,979	\$42,556	\$1,100,297
(21) Ending Environmental Balance Under/(Over) Recovery	\$1,001,462	\$846,960	\$682,476	\$500,608	\$340,079	\$225,642	\$194,332	\$145,470	\$110,822	\$76,696	\$41,997	\$20,890	(\$13,691)
(22) Average Monthly Balance Under/(Over) Recovery	\$1,044,034	\$925,605	\$766,033	\$592,680	\$421,139	\$283,487	\$210,395	\$170,214	\$128,391	\$93,950	\$59,486	\$20,890	(\$13,691)
(23) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(24) Interest Applied	\$2,789	\$2,631	\$2,277	\$1,591	\$1,252	\$816	\$625	\$490	\$382	\$279	\$171	\$62	\$13,365
(25) Environmental Recon End Balance Under/(Over) Recovery	\$1,004,251	\$849,591	\$684,753	\$502,199	\$341,331	\$226,458	\$194,957	\$145,960	\$111,203	\$76,976	\$42,168	(\$326)	(\$326)
(26) AMAF Adjustment - DAC													
(27) AMAF Acct Beg. Balance	\$80,079	\$78,111	\$66,800	\$54,630	\$41,141	\$29,264	\$20,800	\$18,496	\$15,052	\$12,490	\$9,967	\$7,401	\$80,079
(28) Actual AMAF Revenue	\$2,179	\$11,516	\$12,350	\$13,618	\$11,981	\$8,536	\$2,363	\$3,492	\$2,603	\$2,556	\$2,591	\$3,152	\$76,937
(29) Ending AMAF Balance	\$77,900	\$66,595	\$54,450	\$41,012	\$29,160	\$20,728	\$18,437	\$15,004	\$12,449	\$9,934	\$7,376	\$4,249	\$3,142
(30) Average Monthly Balance	\$78,989	\$72,353	\$60,625	\$47,821	\$35,150	\$24,996	\$19,619	\$16,750	\$13,750	\$11,212	\$8,671	\$5,825	\$3,142
(31) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(32) Interest Applied	\$211	\$206	\$180	\$128	\$104	\$72	\$58	\$48	\$41	\$33	\$25	\$17	\$1,125
(33) AMAF Recon End Balance	\$78,111	\$66,800	\$54,630	\$41,141	\$29,264	\$20,800	\$18,496	\$15,052	\$12,490	\$9,967	\$7,401	\$4,266	\$4,266
(34) Reconciliation Factor (Applicable to all) - DAC													
(35) Recon Factor Acct Beg. Balance Under/(Over) Recovery	(\$284,751)	(\$278,381)	(\$248,415)	(\$215,450)	(\$179,101)	(\$147,131)	(\$125,954)	(\$120,672)	(\$113,376)	(\$104,589)	(\$95,941)	(\$87,135)	(\$284,751)
(36) Actual Recon Revenue	(\$71,121)	(\$30,714)	(\$33,653)	(\$36,878)	(\$32,454)	(\$21,570)	(\$5,648)	(\$7,632)	(\$9,110)	(\$8,946)	(\$9,069)	(\$11,033)	(\$213,828)
(37) Ending Recon Balance Under/(Over) Recovery	(\$277,630)	(\$247,667)	(\$214,762)	(\$178,572)	(\$146,647)	(\$125,561)	(\$120,306)	(\$113,040)	(\$104,266)	(\$95,643)	(\$86,872)	(\$76,102)	(\$70,923)
(38) Average Monthly Balance Under/(Over) Recovery	(\$281,191)	(\$263,024)	(\$231,588)	(\$197,011)	(\$162,874)	(\$136,346)	(\$123,130)	(\$116,856)	(\$108,821)	(\$100,116)	(\$91,406)	(\$81,618)	(\$70,923)
(39) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(40) Interest Applied	(\$751)	(\$748)	(\$688)	(\$529)	(\$484)	(\$392)	(\$366)	(\$336)	(\$323)	(\$298)	(\$263)	(\$243)	(\$5,421)
(41) Reconciliation End Balance Under/(Over) Recovery	(\$278,381)	(\$248,415)	(\$215,450)	(\$179,101)	(\$147,131)	(\$125,954)	(\$120,672)	(\$113,376)	(\$104,589)	(\$95,941)	(\$87,135)	(\$76,344)	(\$76,344)

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

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	12 month End
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	(l)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
(42) Reconciliation Factor (L & XL)- DAC													
(43) Recon Factor Acct Beg. Balance Under/(Over) Recovery	(\$180,274)	(\$167,856)	(\$137,225)	(\$106,705)	(\$72,320)	(\$42,075)	(\$15,343)	(\$6,828)	\$9,802	\$23,751	\$38,329	\$51,947	(\$180,274)
(44) Actual Recon Revenue (L & XL)	(\$12,883)	(\$31,064)	(\$30,882)	(\$34,625)	(\$30,414)	(\$26,815)	(\$8,548)	(\$16,625)	(\$13,900)	(\$14,485)	(\$13,489)	(\$16,831)	(\$250,561)
(45) Ending Recon Balance Under/(Over) Recovery	(\$167,391)	(\$136,792)	(\$106,343)	(\$72,080)	(\$41,906)	(\$15,260)	(\$6,797)	\$9,797	\$23,702	\$38,236	\$51,818	\$68,778	\$70,287
(46) Average Monthly Balance Under/(Over) Recovery	(\$173,833)	(\$152,324)	(\$121,784)	(\$89,392)	(\$57,113)	(\$28,668)	(\$11,069)	\$1,485	\$16,752	\$30,994	\$45,073	\$60,363	\$118,273
(47) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(48) Interest Applied	(\$464)	(\$433)	(\$362)	(\$240)	(\$170)	(\$82)	(\$33)	\$4	\$0	\$92	\$130	\$179	(\$1,329)
(49) Reconciliation End Balance Under/(Over) Recovery	(\$167,856)	(\$137,225)	(\$106,705)	(\$72,320)	(\$42,075)	(\$15,343)	(\$6,828)	\$9,802	\$23,751	\$38,329	\$51,947	\$68,958	\$68,958
(50) On-system Credits Recon. Adjust. - DAC													
(51) On-system Credit Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	\$0
(52) Actual On-system Revenue	\$0	\$0	\$1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
(53) Ending On-system Balance Under/(Over) Recovery	\$0	\$0	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
(54) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
(55) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(56) Interest Applied	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
(57) On-system Credit End Balance Under/(Over) Recovery	\$0	\$0	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
(58) Pension Adjustment													
(59) Pen Acct Beg. Balance Under/(Over) Recovery	(\$2,822,587)	(\$2,627,832)	(\$2,221,711)	(\$1,788,262)	(\$1,308,207)	(\$885,193)	(\$583,128)	(\$500,248)	(\$371,258)	(\$279,823)	(\$189,780)	(\$98,212)	(\$2,822,587)
(60) Actual Pension Revenue	(\$202,025)	(\$413,004)	(\$439,400)	(\$484,206)	(\$426,269)	(\$304,174)	(\$84,488)	(\$130,242)	(\$92,401)	(\$90,740)	(\$91,982)	(\$111,908)	(\$2,870,839)
(61) Ending Pension Balance Under/(Over) Recovery	(\$2,620,562)	(\$2,214,828)	(\$1,782,311)	(\$1,304,056)	(\$881,938)	(\$581,019)	(\$498,640)	(\$370,006)	(\$278,857)	(\$189,083)	(\$97,798)	(\$13,696)	\$48,252
(62) Average Monthly Balance Under/(Over) Recovery	(\$2,721,575)	(\$2,421,330)	(\$2,002,011)	(\$1,546,159)	(\$1,095,073)	(\$733,106)	(\$540,884)	(\$435,127)	(\$325,057)	(\$234,453)	(\$143,789)	(\$42,258)	\$48,252
(63) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(64) Interest Applied	(\$7,270)	(\$6,883)	(\$5,951)	(\$4,151)	(\$3,252)	(\$2,109)	(\$1,608)	(\$1,252)	(\$966)	(\$697)	(\$414)	(\$126)	(\$34,681)
(65) Pension Adjustment End Balance Under/(Over) Recovery	(\$2,627,832)	(\$2,221,711)	(\$1,788,262)	(\$1,308,207)	(\$885,193)	(\$583,128)	(\$500,248)	(\$371,258)	(\$279,823)	(\$189,780)	(\$98,212)	(\$13,571)	\$13,571
(66) PBOP Adjustment													
(67) PBOP Acct Beg. Balance Under/(Over) Recovery	(\$3,417,375)	(\$3,181,470)	(\$2,689,544)	(\$2,164,517)	(\$1,583,038)	(\$1,070,651)	(\$704,765)	(\$604,370)	(\$448,124)	(\$337,368)	(\$228,298)	(\$117,379)	(\$3,417,375)
(68) Actual PBOP Revenue	(\$244,707)	(\$500,258)	(\$532,231)	(\$586,503)	(\$516,326)	(\$368,436)	(\$102,338)	(\$157,757)	(\$111,922)	(\$109,910)	(\$111,415)	(\$135,550)	(\$3,477,353)
(69) Ending PBOP Balance Under/(Over) Recovery	(\$3,172,668)	(\$2,681,212)	(\$2,157,313)	(\$1,578,014)	(\$1,066,712)	(\$702,215)	(\$446,613)	(\$336,202)	(\$266,192)	(\$227,458)	(\$172,883)	(\$18,171)	\$59,978
(70) Average Monthly Balance Under/(Over) Recovery	(\$3,295,022)	(\$2,931,341)	(\$2,423,429)	(\$1,871,266)	(\$1,324,875)	(\$886,433)	(\$653,596)	(\$525,491)	(\$392,163)	(\$282,413)	(\$172,590)	(\$49,604)	\$59,978
(71) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(72) Interest Applied	(\$8,802)	(\$8,325)	(\$7,204)	(\$5,024)	(\$3,938)	(\$2,550)	(\$1,943)	(\$1,512)	(\$1,166)	(\$840)	(\$496)	(\$147)	(\$41,954)
(73) PBOP Adjustment End Balance Under/(Over) Recovery	(\$3,181,470)	(\$2,689,544)	(\$2,164,517)	(\$1,583,038)	(\$1,070,651)	(\$704,765)	(\$604,370)	(\$448,124)	(\$337,368)	(\$228,298)	(\$117,379)	(\$18,023)	\$18,023
(74) Earnings Sharing Mechanism													
(75) ESM Acct Beg. Balance Under/(Over) Recovery	\$0	(\$1)	(\$0)	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$0
(76) Actual ESM Revenue	\$1	(\$1)	(\$3)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3)
(77) Ending ESM Balance Under/(Over) Recovery	(\$1)	(\$0)	(\$3)	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
(78) Average Monthly Balance Under/(Over) Recovery	(\$1)	(\$1)	(\$1)	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1
(79) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(80) Interest Applied	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
(81) ESM Adjustment End Balance Under/(Over) Recovery	(\$1)	(\$0)	(\$3)	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3
(82) Low Income Discount Recovery Adjustment													
(83) LIDRF Acct Beg. Balance	\$0	\$73,342	\$123,016	\$241,313	\$393,673	\$588,130	\$716,201	\$1,027,997	\$1,085,412	\$1,120,022	\$1,145,209	\$1,184,703	\$0
(84) Actual Discount Credits Applied (cost)	\$483,500	\$818,690	\$935,415	\$1,051,120	\$983,319	\$691,723	\$466,605	\$298,025	\$206,307	\$194,028	\$210,265	\$230,869	\$6,569,866
(85) Actual LIDRF Revenue	\$410,256	\$769,295	\$817,658	\$899,612	\$790,319	\$565,525	\$157,397	\$243,646	\$336,202	\$336,202	\$336,202	\$336,202	\$5,387,135
(86) Ending LIDRF Balance	\$73,244	\$122,737	\$240,773	\$392,821	\$586,673	\$714,327	\$1,025,408	\$1,083,376	\$1,116,749	\$1,141,848	\$1,181,356	\$1,203,435	\$1,182,731
(87) Average Monthly Balance	\$36,622	\$98,039	\$181,899	\$392,821	\$586,673	\$714,327	\$1,025,408	\$1,083,376	\$1,116,749	\$1,141,848	\$1,181,356	\$1,194,000	\$1,194,000
(88) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(89) Interest Applied	\$98	\$279	\$541	\$851	\$1,457	\$1,873	\$2,589	\$3,035	\$3,273	\$3,362	\$3,346	\$3,549	\$24,254
(90) LIDRF Adjustment End Balance	\$73,342	\$123,016	\$241,313	\$393,673	\$588,130	\$716,201	\$1,027,997	\$1,085,412	\$1,120,022	\$1,145,209	\$1,184,703	\$1,206,984	\$1,206,984

Column (a), Line (11), per Docket 4846, AEL-1S, Page 1, Line (2).
 Column (a), Line (19), per Docket 4846, AEL-1S, Page 1, Line (3).
 Column (a), Line (27), per Docket 4846, AEL-1S, Page 1, Line (5).
 Column (a), Line (35), per Docket 4846, AEL-1S, Page 1, Line (12).

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

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	12 month End
	30	31	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	31
DAG FACTORS: \$/dth													
(1) AGT Factor - Base Rates	\$0.0084	\$0.0084	\$0.0084	\$0.0084	\$0.0084	\$0.0084	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(2) LIAP Factor - Base Rates	\$0.0500	\$0.0500	\$0.0500	\$0.0500	\$0.0500	\$0.0500	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(3) LIHEAP Factor - Base Rates	\$0.0444	\$0.0444	\$0.0444	\$0.0444	\$0.0444	\$0.0444	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(4) Low Income Weatherization Factor - Base Rates	\$0.0056	\$0.0056	\$0.0056	\$0.0056	\$0.0056	\$0.0056	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
(5) Environmental - Base Rates	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0367	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330	\$0.0330
RI Firm Forecasted Throughput (dth) Sept. 18 - Aug. 19 (Rate Year)	3,826,443	2,321,424	1,505,558	1,230,159	1,063,069	1,351,911	1,662,439	2,794,434	4,705,829	6,088,459	6,246,495	5,691,000	38,487,220
(6) RI Firm L-XL Forecasted Throughput (dth)	992,288	720,015	553,276	530,577	477,149	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	11,292,864
(7) Actual RI Firm L-XL Firm through-put (dth)	1,416,069	893,919	473,612	570,838	633,254	526,113	715,286	1,093,477	1,414,860	1,496,187	1,696,911	1,262,292	12,192,816

AGT Reconc. Adjustment - Base Rates L-XL

	Actual	Target Collection L-XL	(\$)
(8) AGT Reconc. Acct Beg. Balance Under/(Over) Recovery	\$0	(\$6,078)	(\$6,078)
(9) Fest Firm Through-put L-XL	992,288	1,354,961	1,315,266
(10) Fest L-XL AGT Collections	\$8,344	\$0	\$0
(11) Actual Firm Through-put L-XL	1,416,069	1,696,911	1,262,292
(12) Actual AGT Collections	\$11,907	\$0	\$0
(13) Collection Variance	(\$3,563)	(\$6,078)	(\$6,078)
(14) Ending Balance Under/(Over) Recovery	(\$3,563)	(\$3,039)	(\$3,039)
(15) Average Balance Under/(Over) Recovery	(\$1,782)	(\$3,039)	(\$3,039)
(16) BK America Rate less 200 Basis Points	2.75%	3.50%	3.50%
(17) Interest Applied	(\$4)	(\$8)	(\$8)
(18) AGT End Balance Under/(Over) Recovery	(\$3,567)	(\$6,086)	(\$6,086)

LIAP Reconc. Adjustment - Base Rates L-XL

	Actual	Target Collection L-XL	(\$)
(19) LIAP Reconc. Acct Beg. Balance Under/(Over) Recovery	\$0	(\$36,337)	(\$36,337)
(20) Fest Firm Through-put L-XL	992,288	1,361,885	1,315,266
(21) Fest LIAP Collections	\$49,645	\$0	\$0
(22) Actual Firm Through-put L-XL	1,416,069	1,496,187	1,262,292
(23) Actual LIAP Collections No EE	\$62,909	\$0	\$0
(24) Actual LIAP Collections EE Only	\$7,938	\$0	\$0
(25) Collection Variance	(\$21,202)	(\$36,337)	(\$36,337)
(26) Ending Balance Under/(Over) Recovery	(\$21,202)	(\$36,337)	(\$36,337)
(27) Average Balance Under/(Over) Recovery	(\$10,601)	(\$36,337)	(\$36,337)
(28) BK America Rate less 200 Basis Points	2.75%	3.50%	3.50%
(29) Interest Applied	(\$24)	(\$98)	(\$98)
(30) LIAP End Balance Under/(Over) Recovery	(\$21,226)	(\$36,745)	(\$36,745)

Environmental Reconc. Adjust - Base Rates L-XL

	Actual	Target Collection L-XL	(\$)
(31) Environmental Reconc. Acct Beg. Balance Under/(Over) Recovery	\$0	(\$23,335)	(\$23,335)
(32) Fest Firm Through-put L-XL	992,288	1,485,789	1,315,266
(33) Fest Environmental Collections	\$36,434	\$44,741	\$43,431
(34) Actual Firm Through-put L-XL	1,416,069	1,696,911	1,262,292
(35) Actual Environmental Collections	\$51,994	\$49,405	\$41,681
(36) Collection Variance	(\$15,560)	(\$36,627)	(\$36,627)
(37) Ending Environmental Balance Under/(Over) Recovery	(\$15,560)	(\$36,627)	(\$36,627)
(38) Average Balance Under/(Over) Recovery	(\$7,780)	(\$36,627)	(\$36,627)
(39) BK America Rate less 200 Basis Points	2.75%	3.50%	3.50%
(40) Interest Applied	(\$18)	(\$78)	(\$78)
(41) Environmental End Balance Under/(Over) Recovery	(\$15,578)	(\$36,705)	(\$36,705)

Lines (1)-(6): Docket 4323/4770
Line (7): Company's Classified Sales Report

**National Grid - RI Gas
RDA Reconciliation**

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	(m)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
(1) Actual Firm Throughput - decaatherms													
(2) Res-NH	29,538	45,813	53,975	58,469	51,538	40,445	30,945	23,475	16,823	16,284	17,571	16,077	400,951
(3) Res-H	1,523,288	2,750,126	3,337,589	3,648,686	3,247,799	2,109,996	1,299,627	694,563	435,361	397,039	439,559	532,719	20,416,352
(4) Small	165,956	346,898	430,101	503,080	436,916	258,912	145,241	71,282	43,801	38,912	51,344	59,002	2,551,445
(5) Medium	450,232	791,304	920,070	1,007,210	890,636	651,128	405,015	243,655	173,618	167,358	173,900	203,345	6,077,472
(6) Total	2,169,014	3,934,141	4,741,735	5,217,445	4,622,689	3,060,482	1,880,828	1,032,974	669,603	619,593	682,374	811,143	29,446,219
(7) RDM Acct Beg. Balance	(\$5,759,829)	(\$5,592,707)	(\$4,738,451)	(\$3,796,990)	(\$2,758,949)	(\$1,843,868)	(\$1,237,071)	(\$1,080,735)	(\$868,624)	(\$737,087)	(\$615,175)	(\$480,274)	
(8) Actual RDM Revenue	(\$182,265)	(\$868,918)	(\$954,129)	(\$1,046,830)	(\$921,912)	(\$611,222)	(\$159,776)	(\$214,911)	(\$133,921)	(\$123,919)	(\$136,475)	(\$162,229)	
(9) Ending RDM Balance Under/(Over) Recovery	(\$5,577,565)	(\$4,723,789)	(\$3,784,322)	(\$2,750,160)	(\$1,837,037)	(\$1,232,646)	(\$1,077,295)	(\$865,824)	(\$734,704)	(\$613,168)	(\$478,700)	(\$318,045)	
(10) Average Monthly Balance	(\$5,668,697)	(\$5,158,248)	(\$4,261,386)	(\$3,273,575)	(\$2,297,993)	(\$1,538,257)	(\$1,157,183)	(\$973,280)	(\$801,664)	(\$675,127)	(\$546,938)	(\$399,159)	
(11) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(12) Interest Applied	(\$15,142)	(\$14,662)	(\$12,667)	(\$8,789)	(\$6,831)	(\$4,425)	(\$3,440)	(\$2,800)	(\$2,383)	(\$2,007)	(\$1,573)	(\$1,187)	(\$174,620)
(13) RDM Recon End Balance Under/(Over) Recovery	(\$5,592,707)	(\$4,738,451)	(\$3,796,990)	(\$2,758,949)	(\$1,843,868)	(\$1,237,071)	(\$1,080,735)	(\$868,624)	(\$737,087)	(\$615,175)	(\$480,274)	(\$319,232)	
(14) RDM Revenue per rate class													
(15) Res-NH	(\$2,482)	(\$10,118)	(\$10,861)	(\$11,731)	(\$10,269)	(\$8,077)	(\$2,629)	(\$4,884)	(\$3,365)	(\$3,257)	(\$3,514)	(\$3,215)	(\$74,402)
(16) Res-H	(\$128,004)	(\$607,409)	(\$671,588)	(\$732,073)	(\$647,127)	(\$421,397)	(\$110,403)	(\$144,504)	(\$87,072)	(\$79,408)	(\$87,912)	(\$106,544)	(\$3,823,440)
(17) Small	(\$13,945)	(\$76,618)	(\$86,545)	(\$100,938)	(\$87,056)	(\$51,708)	(\$12,338)	(\$14,830)	(\$8,760)	(\$7,782)	(\$10,269)	(\$11,800)	(\$482,591)
(18) Medium	(\$37,834)	(\$174,772)	(\$185,136)	(\$202,087)	(\$177,460)	(\$130,040)	(\$34,406)	(\$50,692)	(\$34,724)	(\$33,472)	(\$34,780)	(\$40,669)	(\$1,136,071)
(19) Total	(\$182,265)	(\$868,918)	(\$954,129)	(\$1,046,830)	(\$921,912)	(\$611,222)	(\$159,776)	(\$214,911)	(\$133,921)	(\$123,919)	(\$136,475)	(\$162,229)	(\$5,516,505)
(20) RDM Recon Adjustment													
(21) RDM Recon Acct Beg. Balance Under/(Over) Recovery	\$107,619	\$105,169	\$92,415	\$78,357	\$62,844	\$49,181	\$40,142	\$37,860	\$34,741	\$32,832	\$31,068	\$29,107	\$107,619
(22) Actual RDM Recon Revenue	\$2,734	\$13,034	\$14,312	\$15,702	\$13,829	\$9,168	\$2,397	\$3,224	\$2,009	\$1,859	\$2,047	\$2,433	\$82,748
(23) Ending RDM Recon Balance Under/(Over) Recovery	\$104,885	\$92,135	\$78,103	\$62,655	\$49,015	\$40,013	\$37,745	\$34,636	\$32,732	\$30,973	\$29,021	\$26,674	\$24,871
(24) Average Monthly Balance Under/(Over) Recovery	\$106,252	\$98,652	\$85,259	\$70,506	\$55,929	\$44,597	\$38,943	\$36,248	\$33,736	\$31,902	\$30,044	\$27,891	
(25) Bk America Rate less 200 Basis Points	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(26) Interest Applied	\$284	\$280	\$253	\$189	\$166	\$128	\$116	\$104	\$100	\$95	\$86	\$83	\$1,886
(27) RDM Recon Adjustment End Balance Under/(Over) Recovery	\$105,169	\$92,415	\$78,357	\$62,844	\$49,181	\$40,142	\$37,860	\$34,741	\$32,832	\$31,068	\$29,107	\$26,757	\$26,757
(28) RDM Recon and Recon Adj End Balance Under/(Over) Recovery													(\$292,475)

(6) Sum Lines (2) through (5).
(7) (a) Beginning balance, Docket 4846, Schedule AEL-1S, Line (13) + monthly interest calculated from April - October at Bk America rate less 200 basis points.
(19) Sum Lines (15) through (18).
(21) (a) Beginning balance, Docket 4846, AEL-1S, Line (14).
(28) Line (13) + Line (27).

National Grid - RI Gas
ISR Reconciliation for FY 18

	Nov-18 30 Actual (a)	Dec-18 31 Actual (b)	Jan-19 31 Actual (c)	Feb-19 28 Actual (d)	Mar-19 31 Actual (e)	Apr-19 30 Actual (f)	May-19 31 Actual (g)	Jun-19 30 Actual (h)	Jul-19 31 Forecast (i)	Aug-19 31 Forecast (j)	Sep-19 30 Forecast (k)	Oct-19 31 Forecast (l)	Total
ISR Recon Rates \$/decatherm													
(1) Res-NH	\$0.2376	\$0.1379	\$0.1333	\$0.1333	\$0.1376	\$0.1325	\$0.0554	\$0.1365	\$0.1330	\$0.1330	\$0.1330	\$0.1330	\$0.1330
(2) Res-H	\$0.0957	\$0.0593	\$0.0563	\$0.0563	\$0.0555	\$0.0558	\$0.0234	\$0.0575	\$0.0560	\$0.0560	\$0.0560	\$0.0560	\$0.0560
(3) Small	\$0.1111	\$0.1524	\$0.1427	\$0.1411	\$0.1398	\$0.1398	\$0.0582	\$0.1408	\$0.1400	\$0.1400	\$0.1400	\$0.1400	\$0.1400
(4) Medium	\$0.1077	\$0.0536	\$0.0520	\$0.0521	\$0.0521	\$0.0521	\$0.0235	\$0.0566	\$0.0520	\$0.0520	\$0.0520	\$0.0520	\$0.0520
(5) Large LL	\$0.0684	\$0.0811	\$0.0766	\$0.0761	\$0.0845	\$0.0810	\$0.0450	\$0.0810	\$0.0810	\$0.0810	\$0.0810	\$0.0810	\$0.0810
(6) Large HL	\$0.0793	\$0.0702	\$0.0647	\$0.0630	\$0.0688	\$0.0668	\$0.0303	\$0.0703	\$0.0660	\$0.0660	\$0.0660	\$0.0660	\$0.0660
(7) XL-LL	\$0.0138	\$0.0079	\$0.0089	\$0.0086	\$0.0117	\$0.0105	\$0.0182	\$0.0181	\$0.0100	\$0.0100	\$0.0100	\$0.0100	\$0.0100
(8) XL-HL	\$0.0056	\$0.0063	\$0.0056	\$0.0056	\$0.0068	\$0.0058	\$0.0028	\$0.0065	\$0.0060	\$0.0060	\$0.0060	\$0.0060	\$0.0060
Actual Firm Throughput - decatherms													
(9) Res-NH	29,538	45,813	53,975	58,469	51,538	40,445	30,945	23,475	16,823	16,284	17,571	16,077	400,951
(10) Res-H	1,523,288	2,750,126	3,337,589	3,648,686	3,247,799	2,109,996	1,299,627	694,563	435,361	397,039	439,559	532,719	20,416,352
(11) Small	165,956	346,898	430,101	503,080	436,916	258,912	145,241	71,282	43,801	38,912	51,344	59,002	2,551,445
(12) Medium	450,232	791,304	920,070	1,007,210	890,636	651,128	405,015	243,655	173,618	167,358	173,900	203,345	6,077,472
(13) Large LL	249,677	438,599	482,958	563,130	443,668	334,345	148,545	65,167	45,599	41,998	57,635	100,837	2,972,158
(14) Large HL	116,198	142,717	151,212	174,715	145,008	126,840	100,044	87,462	64,738	71,967	74,820	75,997	1,331,717
(15) XL-LL	149,537	243,419	223,594	278,624	176,280	181,890	24,264	40,251	22,053	20,999	29,362	81,753	1,472,025
(16) XL-HL	578,065	590,125	638,423	680,442	497,337	581,742	458,892	405,212	499,423	523,465	451,331	506,436	6,462,893
(17) Total	3,262,490	5,349,001	6,237,922	6,914,355	5,889,180	4,285,298	2,612,572	1,683,067	1,301,416	1,278,022	1,295,522	1,576,166	41,685,012
sum([8]-[15])													
(18) ISR Res-NH Act Beg. Balance Under/(Over-Recovery)													
(19) FY 2017 Recon	(\$56,411)	(\$53,056)	(\$46,880)	(\$39,816)	(\$32,116)	(\$25,112)	(\$19,816)	(\$18,158)	(\$15,002)	(\$12,806)	(\$10,675)	(\$8,365)	(\$8,365)
(20) Actual Res-NH Revenue	\$10,520												
(21) Ending Res-NH Balance Under/(Over) Recovery	\$7,019	(\$6,318)	(\$7,193)	(\$7,796)	(\$7,089)	(\$5,360)	(\$1,715)	(\$3,204)	(\$2,237)	(\$2,166)	(\$2,337)	(\$2,138)	(\$2,138)
(22) Average Monthly Balance Under/(Over) Recovery	(\$1,272,062)	(\$1,191,831)	(\$927,351)	(\$725,056)	(\$546,943)	(\$431,165)	(\$402,125)	(\$363,398)	(\$340,120)	(\$318,933)	(\$295,299)	(\$266,352)	(\$266,352)
(23) Bk America Rate less 200 Basis Points	3.25%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(24) Interest Applied	(\$146)	(\$142)	(\$129)	(\$96)	(\$85)	(\$65)	(\$56)	(\$48)	(\$41)	(\$35)	(\$27)	(\$22)	(\$22)
(25) ISR Res-NH Recon End Balance Under/(Over) Recovery	(\$53,056)	(\$46,880)	(\$39,816)	(\$32,116)	(\$25,112)	(\$19,816)	(\$18,158)	(\$15,002)	(\$12,806)	(\$10,675)	(\$8,365)	(\$6,249)	(\$6,249)
(26) ISR Res-H Act Beg. Balance Under/(Over) Recovery													
(27) FY 2017 Recon	(\$214,192)	(\$912,154)	(\$1,115,223)	(\$930,387)	(\$727,279)	(\$548,836)	(\$432,574)	(\$403,365)	(\$364,500)	(\$341,167)	(\$319,914)	(\$296,184)	(\$296,184)
(28) Actual Res-H Revenue	\$145,716												
(29) Ending Res-H Balance Under/(Over) Recovery	(\$1,272,062)	(\$1,111,831)	(\$927,351)	(\$725,056)	(\$546,943)	(\$431,165)	(\$402,125)	(\$363,398)	(\$340,120)	(\$318,933)	(\$295,299)	(\$266,352)	(\$266,352)
(30) Average Monthly Balance Under/(Over) Recovery	(\$1,092,108)	(\$1,193,405)	(\$1,021,287)	(\$827,722)	(\$637,111)	(\$490,001)	(\$417,350)	(\$383,381)	(\$352,310)	(\$330,050)	(\$307,607)	(\$281,268)	(\$281,268)
(31) Bk America Rate less 200 Basis Points	3.25%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(32) Interest Applied	(\$2,917)	(\$3,392)	(\$3,036)	(\$2,222)	(\$1,894)	(\$1,410)	(\$1,241)	(\$1,103)	(\$1,047)	(\$981)	(\$885)	(\$836)	(\$836)
(33) ISR Res-H Recon End Balance Under/(Over) Recovery	(\$1,274,980)	(\$1,115,223)	(\$930,387)	(\$727,279)	(\$548,836)	(\$432,574)	(\$403,365)	(\$364,500)	(\$341,167)	(\$319,914)	(\$296,184)	(\$267,188)	(\$267,188)
(34) ISR Small C&I Act Beg. Balance Under/(Over) Recovery													
(35) FY 2017 Recon	(\$33,181)	(\$374,728)	(\$322,844)	(\$262,346)	(\$191,982)	(\$131,390)	(\$95,524)	(\$87,342)	(\$77,546)	(\$71,635)	(\$66,392)	(\$59,385)	(\$59,385)
(36) Actual Small C&I Revenue	\$18,437	(\$52,874)	(\$61,366)	(\$70,973)	(\$61,072)	(\$36,192)	(\$8,454)	(\$10,033)	(\$6,132)	(\$5,448)	(\$7,188)	(\$8,260)	(\$8,260)
(37) Ending Small C&I Balance Under/(Over) Recovery	(\$373,799)	(\$321,854)	(\$261,478)	(\$191,373)	(\$130,911)	(\$95,199)	(\$87,071)	(\$73,309)	(\$71,414)	(\$66,187)	(\$59,204)	(\$51,124)	(\$51,124)
(38) Average Monthly Balance Under/(Over) Recovery	(\$347,990)	(\$348,291)	(\$292,161)	(\$226,860)	(\$161,446)	(\$113,295)	(\$91,298)	(\$82,326)	(\$74,480)	(\$68,911)	(\$62,798)	(\$55,255)	(\$55,255)
(39) Bk America Rate less 200 Basis Points	3.25%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(40) Interest Applied	(\$930)	(\$900)	(\$868)	(\$609)	(\$480)	(\$326)	(\$271)	(\$237)	(\$221)	(\$205)	(\$181)	(\$164)	(\$164)
(41) ISR Small C&I Recon End Balance Under/(Over) Recovery	(\$374,728)	(\$322,844)	(\$262,346)	(\$191,982)	(\$131,390)	(\$95,524)	(\$87,342)	(\$77,546)	(\$71,635)	(\$66,392)	(\$59,385)	(\$51,289)	(\$51,289)
(42) ISR Medium Act Beg. Balance Under/(Over) Recovery													
(43) FY 2017 Recon	(\$229,415)	(\$355,988)	(\$314,504)	(\$267,548)	(\$215,770)	(\$169,904)	(\$136,002)	(\$126,859)	(\$113,410)	(\$104,706)	(\$96,302)	(\$87,523)	(\$87,523)
(44) Actual Medium Revenue	\$77,321												
(45) Ending Medium Balance Under/(Over) Recovery	\$48,471	(\$42,435)	(\$47,820)	(\$52,426)	(\$46,438)	(\$34,342)	(\$9,534)	(\$13,793)	(\$9,028)	(\$8,703)	(\$9,043)	(\$10,574)	(\$10,574)
(46) Average Monthly Balance Under/(Over) Recovery	(\$292,311)	(\$315,552)	(\$266,684)	(\$215,122)	(\$169,332)	(\$135,563)	(\$126,469)	(\$119,065)	(\$104,836)	(\$96,003)	(\$87,259)	(\$76,949)	(\$76,949)
(47) Bk America Rate less 200 Basis Points	3.25%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
(48) Interest Applied	(\$781)	(\$952)	(\$864)	(\$648)	(\$572)	(\$439)	(\$390)	(\$345)	(\$324)	(\$298)	(\$264)	(\$244)	(\$244)
(49) ISR Medium Recon End Balance Under/(Over) Recovery	(\$355,988)	(\$314,504)	(\$267,548)	(\$215,770)	(\$169,904)	(\$136,002)	(\$126,859)	(\$113,410)	(\$104,706)	(\$96,302)	(\$87,523)	(\$77,193)	(\$77,193)

National Grid – RI Gas
ISR Reconciliation for FY 18

	Nov-18 30 Actual (a)	Dec-18 31 Actual (b)	Jan-19 31 Actual (c)	Feb-19 28 Actual (d)	Mar-19 31 Actual (e)	Apr-19 30 Actual (f)	May-19 31 Actual (g)	Jun-19 30 Actual (h)	Jul-19 31 Forecast (i)	Aug-19 31 Forecast (j)	Sep-19 30 Forecast (k)	Oct-19 31 Forecast (l)	Total
(50) ISR Large LL Act Beg. Balance Under/(Over) Recovery	(\$179,160)	(\$244,829)	(\$209,921)	(\$173,494)	(\$131,031)	(\$93,880)	(\$67,035)	(\$60,538)	(\$52,933)	(\$49,392)	(\$46,131)	(\$41,589)	
(51) FY 2017 Recon	(\$48,023)	(\$34,553)	(\$36,996)	(\$42,872)	(\$37,484)	(\$27,076)	(\$6,686)	(\$7,768)	(\$3,694)	(\$3,402)	(\$4,668)	(\$8,168)	
(52) Actual Large LL Revenue	\$17,081	(\$209,276)	(\$172,925)	(\$130,622)	(\$93,546)	(\$66,804)	(\$60,349)	(\$52,770)	(\$9,240)	(\$45,990)	(\$41,463)	(\$33,421)	
(53) Ending Large LL Balance Under/(Over) Recovery	(\$244,829)	(\$227,053)	(\$191,423)	(\$152,058)	(\$112,289)	(\$80,342)	(\$63,692)	(\$56,654)	(\$51,086)	(\$47,691)	(\$43,797)	(\$37,505)	
(54) Average Monthly Balance Under/(Over) Recovery	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(55) Bk America Rate less 200 Basis Points	(\$566)	(\$645)	(\$569)	(\$408)	(\$334)	(\$231)	(\$189)	(\$163)	(\$152)	(\$142)	(\$126)	(\$111)	
(56) Interest Applied	(\$244,829)	(\$209,921)	(\$173,494)	(\$131,031)	(\$93,880)	(\$67,035)	(\$60,538)	(\$52,933)	(\$49,392)	(\$46,131)	(\$41,589)	(\$33,533)	
(57) ISR Large LL Recon End Balance Under/(Over) Recovery	(\$79,017)	(\$87,938)	(\$78,162)	(\$68,590)	(\$57,745)	(\$47,922)	(\$39,569)	(\$36,653)	(\$30,603)	(\$26,415)	(\$21,737)	(\$16,854)	
(58) ISR Large HL Act Beg. Balance Under/(Over) Recovery	\$516	(\$10,012)	(\$9,790)	(\$11,014)	(\$9,980)	(\$8,479)	(\$3,029)	(\$6,147)	(\$4,273)	(\$4,750)	(\$4,938)	(\$5,016)	
(59) FY 2017 Recon	\$9,215	(\$77,926)	(\$68,372)	(\$57,576)	(\$47,765)	(\$39,443)	(\$36,540)	(\$30,507)	(\$26,331)	(\$21,666)	(\$16,799)	(\$11,838)	
(60) Actual Large HL Revenue	(\$87,715)	(\$82,932)	(\$73,267)	(\$63,083)	(\$52,755)	(\$43,683)	(\$38,055)	(\$33,580)	(\$28,467)	(\$24,040)	(\$19,268)	(\$14,346)	
(61) Ending Large HL Balance Under/(Over) Recovery	(\$83,366)	3.25%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(62) Average Monthly Balance Under/(Over) Recovery	(\$223)	(\$236)	(\$218)	(\$169)	(\$157)	(\$126)	(\$113)	(\$97)	(\$85)	(\$71)	(\$55)	(\$43)	
(63) Bk America Rate less 200 Basis Points	(\$87,938)	(\$78,162)	(\$68,590)	(\$57,745)	(\$47,922)	(\$39,569)	(\$36,653)	(\$30,603)	(\$26,415)	(\$21,737)	(\$16,854)	(\$11,881)	
(64) Interest Applied	(\$13,397)	(\$14,922)	(\$13,029)	(\$11,067)	(\$8,688)	(\$6,649)	(\$4,753)	(\$4,326)	(\$3,608)	(\$3,397)	(\$3,197)	(\$2,912)	
(65) ISR Large HL Recon End Balance Under/(Over) Recovery	\$572	(\$1,933)	(\$1,998)	(\$2,405)	(\$2,063)	(\$1,912)	(\$440)	(\$730)	(\$221)	(\$210)	(\$294)	(\$818)	
(66) ISR XL LL Act Beg. Balance Under/(Over) Recovery	\$2,059	(\$12,989)	(\$11,031)	(\$8,662)	(\$6,626)	(\$4,737)	(\$4,313)	(\$3,596)	(\$3,387)	(\$3,187)	(\$2,904)	(\$2,095)	
(67) FY 2017 Recon	(\$14,141)	(\$13,956)	(\$12,030)	(\$9,864)	(\$7,657)	(\$5,693)	(\$4,533)	(\$3,961)	(\$3,497)	(\$3,292)	(\$3,050)	(\$2,504)	
(68) Actual XL LL Revenue	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(69) Ending XL LL Balance Under/(Over) Recovery	(\$38)	(\$40)	(\$36)	(\$26)	(\$23)	(\$16)	(\$13)	(\$11)	(\$10)	(\$10)	(\$9)	(\$7)	
(70) Average Monthly Balance Under/(Over) Recovery	(\$14,922)	(\$13,029)	(\$11,067)	(\$8,688)	(\$6,649)	(\$4,753)	(\$4,326)	(\$3,608)	(\$3,397)	(\$3,197)	(\$2,912)	(\$2,102)	
(71) Bk America Rate less 200 Basis Points	(\$45,718)	(\$44,296)	(\$40,674)	(\$37,215)	(\$33,486)	(\$30,209)	(\$26,910)	(\$25,693)	(\$22,800)	(\$19,867)	(\$16,781)	(\$14,117)	
(72) Interest Applied	\$4,775	(\$3,743)	(\$3,574)	(\$3,823)	(\$3,372)	(\$3,381)	(\$1,296)	(\$2,962)	(\$2,997)	(\$3,141)	(\$2,708)	(\$3,039)	
(73) ISR XL LL Recon End Balance Under/(Over) Recovery	\$3,234	(\$40,553)	(\$37,099)	(\$33,392)	(\$30,114)	(\$26,828)	(\$25,615)	(\$22,731)	(\$19,804)	(\$16,726)	(\$14,073)	(\$11,079)	
(74) ISR XL HL Act Beg. Balance Under/(Over) Recovery	(\$44,947)	(\$42,425)	(\$38,886)	(\$35,303)	(\$31,800)	(\$28,518)	(\$26,262)	(\$24,212)	(\$21,302)	(\$18,297)	(\$15,427)	(\$12,598)	
(75) FY 2017 Recon	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(76) Actual XL HL Revenue	(\$120)	(\$121)	(\$116)	(\$95)	(\$95)	(\$82)	(\$78)	(\$70)	(\$63)	(\$54)	(\$44)	(\$37)	
(77) Ending XL HL Balance Under/(Over) Recovery	(\$44,947)	(\$40,674)	(\$37,215)	(\$33,486)	(\$30,209)	(\$26,910)	(\$25,693)	(\$22,800)	(\$19,867)	(\$16,781)	(\$14,117)	(\$11,116)	
(78) Average Monthly Balance Under/(Over) Recovery	3.25%	3.35%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
(79) Bk America Rate less 200 Basis Points	(\$120)	(\$121)	(\$116)	(\$95)	(\$95)	(\$82)	(\$78)	(\$70)	(\$63)	(\$54)	(\$44)	(\$37)	
(80) Interest Applied	(\$44,296)	(\$40,674)	(\$37,215)	(\$33,486)	(\$30,209)	(\$26,910)	(\$25,693)	(\$22,800)	(\$19,867)	(\$16,781)	(\$14,117)	(\$11,116)	
(81) ISR XL HL Recon End Balance Under/(Over) Recovery													

Approved Amount to be Recovered¹
Under/ (Over) Recovery
(\$1,805,962)
(\$460,551)

¹Docket 4846, AEL-AS, Page 1 of 2

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

October 31, 2018 Ending Deferred Balances

Description		Forecast ¹	Actual	Variance
		(a)	(b)	(c) = (b) - (a)
(1)	System Pressure	(\$59,894)	\$8,991	\$68,885
(2)	Advanced Gas Technology	\$0	\$1	\$1
(3)	Environmental - DAC	\$285	\$21,506	\$21,221
(4)	Previous Reconciliation Factor - Applicable to All	\$45,336	\$45,420	\$84
(5)	Previous Reconciliation Factor - Large & Extra Large	(\$2,703)	(\$8,000)	(\$5,298)
(6)	On-System Margin Credits	\$1,399	\$1,395	(\$5)
(7)	Pension	(\$4,701)	(\$50,933)	(\$46,232)
(8)	PBOP	\$62,278	\$5,596	(\$56,682)
(9)	Earnings Sharing Mechanism	\$0	\$1	\$1
(10)	Low Income Discount Recovery	\$0	\$164,134	\$164,134
(11)	RDM			
(12)	RDA Reconciliation	\$22,054	\$24,432	\$2,378
(13)	RDM Recon Reconciliation	<u>\$85,565</u>	<u>\$89,540</u>	<u>\$3,976</u>
(14)	Sub-Total RDM	\$107,619	\$113,973	\$6,354
(15)	ISR Recon			
(16)	Residential Non-Heating	\$10,520	\$11,625	\$1,105
(17)	Residential Heating	(\$214,192)	(\$156,049)	\$58,144
(18)	Small C&I	(\$33,181)	(\$22,013)	\$11,168
(19)	Medium C&I	(\$77,321)	(\$62,093)	\$15,228
(20)	Large Low Load C&I	(\$48,023)	(\$39,486)	\$8,537
(21)	Large High Load C&I	\$516	\$3,940	\$3,424
(22)	Extra Large Low Load C&I	\$572	\$1,887	\$1,314
(23)	Extra Large High Load C&I	<u>\$4,775</u>	<u>\$6,804</u>	<u>\$2,029</u>
(24)	Sub-Total ISR	(\$356,334)	(\$255,385)	\$100,948
(25)	Total	(\$206,714)	\$46,698	\$253,412

¹Docket 4846, AEL-10S, Pages 2-3, 5-7 filed on August 31, 2018.

- (1) See AEL-11, Page 1, Col (g), Line (9)
- (2) See AEL-11, Page 1, Col (g), Line (20)
- (3) See AEL-11, Page 1, Col (g), Line (32)
- (4) See AEL-11, Page 2, Col (g), Line (44)
- (5) See AEL-11, Page 2, Col (g), Line (56)
- (6) See AEL-11, Page 2, Col (g), Line (68)
- (7) See AEL-11, Page 3, Col (g), Line (80)
- (8) See AEL-11, Page 3, Col (g), Line (92)
- (9) See AEL-11, Page 3, Col (g), Lines (104)
- (11) See AEL-11, Page 4, Col (g), Lines (18) and (36)
- (15) See AEL-11, Pages 5-8, Col (g), Lines (12), (24), (36), (48), (60), (72), (84), (96)
- (25) Net owed to Company, sum[Lines[(1):(10)] + Line (14) + Line (24)

Schedule RMS/AEL-11
Reconciliations for FY 19

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2018 - March 2019)

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) System Pressure Recon Adjust.												
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	(\$705,514)	(\$853,281)	(\$828,063)	(\$668,984)	(\$506,601)	(\$340,156)	(\$162,417)	\$0	(\$177,811)	(\$183,209)	(\$184,096)	(\$184,657)
(3) Actual Costs	\$262,800	\$262,800	\$262,800	\$262,800	\$262,800	\$262,800	\$262,800	\$0	\$0	\$0	\$0	\$0
(4) Actual Revenue	\$408,807	\$235,621	\$101,954	\$98,921	\$95,278	\$84,435	\$91,181	\$177,574	\$4,885	\$342	\$67	\$284
(5) Ending Balance Under/(Over) Recovery	(\$851,521)	(\$826,102)	(\$667,217)	(\$505,105)	(\$339,079)	(\$161,791)	\$9,202	(\$177,574)	(\$182,696)	(\$183,551)	(\$184,163)	(\$184,941)
(6) Average Monthly Balance Under/(Over) Recovery	(\$778,518)	(\$839,692)	(\$747,640)	(\$587,044)	(\$422,840)	(\$250,974)	(\$76,607)	(\$88,787)	(\$180,254)	(\$183,380)	(\$184,129)	(\$184,799)
(7) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(8) Interest Applied	(\$1,760)	(\$1,961)	(\$1,762)	(\$1,496)	(\$1,072)	(\$626)	(\$211)	(\$237)	(\$512)	(\$545)	(\$494)	(\$549)
(9) Sys Pressure End Balance Under/(Over) Recovery	(\$853,281)	(\$828,063)	(\$668,984)	(\$506,601)	(\$340,156)	(\$162,417)	\$8,991	(\$177,811)	(\$183,209)	(\$184,096)	(\$184,657)	(\$185,490)
(10) Advanced Gas Technology												
(11) AGT Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0	\$1	\$5	\$5
(12) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) AGT DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Actual AGT Revenue	\$0	\$0	\$0	\$0	\$0	(\$1)	\$0	\$0	(\$1)	(\$4)	\$0	\$0
(16) Ending AGT Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$5	\$5	\$5
(17) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0	\$1	\$3	\$5	\$5
(18) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(19) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) AGT End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$1	\$1	\$0	\$1	\$5	\$5	\$5
(21) Environmental Recon. Adjust - DAC												
(22) Environmental Acct Beg. Balance Under/(Over) Recovery	\$358,067	\$234,542	\$163,425	\$132,801	\$103,049	\$74,330	\$49,019	\$21,506	\$1,004,251	\$849,591	\$684,753	\$502,199
(23) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$285)	\$0	\$0	\$0	\$0
(24) Environmental DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(25) Environmental Response Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,086,606	\$0	\$0	\$0	\$0
(26) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,086,606	\$0	\$0	\$0	\$0
(27) Actual Environmental Revenue	\$124,194	\$71,581	\$30,973	\$30,052	\$28,945	\$25,465	\$27,610	\$85,144	\$157,291	\$167,115	\$184,145	\$162,120
(28) Ending Environmental Balance Under/(Over) Recovery	\$233,873	\$162,961	\$132,452	\$102,749	\$74,104	\$48,865	\$21,409	\$1,001,462	\$846,960	\$682,476	\$500,608	\$340,079
(29) Average Monthly Balance Under/(Over) Recovery	\$295,970	\$198,751	\$147,938	\$117,775	\$88,577	\$61,598	\$35,214	\$1,044,034	\$925,605	\$766,033	\$592,680	\$421,139
(30) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(31) Interest Applied	\$669	\$464	\$350	\$300	\$226	\$154	\$97	\$2,789	\$2,631	\$2,277	\$1,591	\$1,252
(32) Environmental Recon End Balance Under/(Over) Recovery	\$234,542	\$163,425	\$132,801	\$103,049	\$74,330	\$49,019	\$21,506	\$1,004,251	\$849,591	\$684,753	\$502,199	\$341,331
(33) AMAF Adjustment - DAC												
(34) AMAF Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,079	\$78,111	\$66,800	\$54,630	\$41,141
(35) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(36) AMAF DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(37) AMAF Response Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$80,079	\$0	\$0	\$0	\$0
(38) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$160,157	\$0	\$0	\$0	\$0
(39) Actual AMAF Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,179	\$11,516	\$12,350	\$13,618	\$11,981
(40) Ending AMAF Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$77,900	\$66,595	\$54,450	\$41,012	\$29,160
(41) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78,989	\$72,353	\$60,625	\$47,821	\$35,150
(42) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(43) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$211	\$206	\$180	\$128	\$104
(44) AMAF Recon End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$78,111	\$66,800	\$54,630	\$41,141	\$29,264
(12) Docket 4846, AEL-10S, Page 1, Ln (2)												
(13) RMS/AEL-10S, Page 8, Ln (2)												
(14) Col (h); Sum Lines [(1);(13)]												
(23) Docket 4846, AEL-10S, Page 1, Ln (3)												
(24) RMS/AEL-10S, Page 8, Ln (3)												
(25) Col (h) per Docket 4846, AEL-1S, Pg 1, Ln (3)												
(26) Col (h); Sum Lines[(22);(25)]												
(37) Col (h) per Docket 4846, AEL-1S, Pg 1, Ln (5)												
(38) Col (h); Sum Lines[(34);(37)]												

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2018 - March 2019)

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(33) Reconciliation Factor (Applicable to all) - DAC												
(34) Recon Factor Act Beg. Balance Under/(Over) Recovery	\$44,570	\$44,671	\$44,775	\$44,881	\$44,995	\$45,110	\$45,262	\$45,420	\$278,381	(\$248,415)	(\$215,450)	(\$179,101)
(35) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$45,336)	\$0	\$0	\$0	\$0
(36) Reconciliation (All) DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$84)	\$0	\$0	\$0	\$0
(37) Reconciliation (All) Factor Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$284,751)	\$0	\$0	\$0	\$0
(38) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	(\$33)	(\$7,121)	(\$30,714)	(\$33,653)	(\$36,878)	(\$32,454)
(39) Actual Recon Revenue	\$0	\$0	\$0	\$0	\$0	\$0	(\$33)	(\$7,121)	(\$30,714)	(\$33,653)	(\$36,878)	(\$32,454)
(40) Ending Recon Balance Under/(Over) Recovery	\$44,570	\$44,671	\$44,775	\$44,881	\$44,995	\$45,150	\$45,295	\$45,420	\$247,667	(\$214,762)	(\$178,572)	(\$146,647)
(41) Average Monthly Balance Under/(Over) Recovery	\$44,570	\$44,671	\$44,775	\$44,881	\$44,995	\$45,130	\$45,279	\$45,420	\$263,024	(\$231,588)	(\$197,011)	(\$162,874)
(42) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(43) Interest Applied	\$101	\$104	\$106	\$114	\$115	\$113	\$125	(\$751)	(\$748)	(\$688)	(\$529)	(\$484)
(44) Reconciliation End Balance Under/(Over) Recovery	\$44,671	\$44,775	\$44,881	\$44,995	\$45,110	\$45,262	\$45,420	\$45,420	\$248,415	(\$215,450)	(\$179,101)	(\$147,131)
(45) Reconciliation Factor (L & XL) - DAC												
(46) Recon Factor Act Beg. Balance Under/(Over) Recovery	(\$63,139)	(\$47,692)	(\$37,789)	(\$32,656)	(\$26,418)	(\$19,494)	(\$13,601)	(\$8,000)	(\$167,856)	(\$137,225)	(\$106,705)	(\$72,320)
(47) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,703	\$0	\$0	\$0	\$0
(48) Reconciliation (L & XL) DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,298	\$0	\$0	\$0	\$0
(49) Reconciliation (L & XL) Factor Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$180,274)	\$0	\$0	\$0	\$0
(50) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$180,274)	\$0	\$0	\$0	\$0
(51) Actual Recon Revenue (L & XL)	(\$15,572)	(\$10,003)	(\$5,216)	(\$6,313)	(\$6,982)	(\$5,935)	(\$5,630)	(\$12,883)	(\$31,064)	(\$30,882)	(\$34,625)	(\$30,414)
(52) Ending Recon Balance Under/(Over) Recovery	(\$47,567)	(\$37,689)	(\$32,573)	(\$26,343)	(\$19,436)	(\$13,559)	(\$7,971)	(\$167,391)	(\$136,792)	(\$106,343)	(\$72,080)	(\$41,906)
(53) Average Monthly Balance Under/(Over) Recovery	(\$55,353)	(\$42,690)	(\$35,181)	(\$29,499)	(\$22,927)	(\$16,527)	(\$10,786)	(\$173,833)	(\$152,324)	(\$121,784)	(\$89,392)	(\$57,113)
(54) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(55) Interest Applied	(\$125)	(\$99)	(\$83)	(\$75)	(\$58)	(\$41)	(\$30)	(\$464)	(\$433)	(\$362)	(\$240)	(\$170)
(56) Reconciliation End Balance Under/(Over) Recovery	(\$47,692)	(\$37,788)	(\$32,656)	(\$26,418)	(\$19,494)	(\$13,600)	(\$8,000)	(\$167,856)	(\$137,225)	(\$106,705)	(\$72,320)	(\$42,075)
(57) On-system Credits Recon. Adjust. - DAC												
(58) On-system Credit Act Beg. Balance Under/(Over) Recovery	\$1,376	\$1,379	\$1,382	\$1,385	\$1,389	\$1,392	\$1,388	\$1,395	\$0	\$0	(\$1)	(\$1)
(59) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,399)	\$0	\$0	\$0	\$0
(60) On-system DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5	\$0	\$0	\$0	\$0
(61) On-system Credit Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(62) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(63) Actual On-system Revenue	\$0	\$0	\$0	\$0	\$0	\$8	(\$3)	\$0	\$0	\$1	\$0	\$0
(64) Ending On-system Balance Under/(Over) Recovery	\$1,376	\$1,379	\$1,382	\$1,385	\$1,389	\$1,382	\$1,391	\$1,391	\$0	(\$1)	(\$1)	(\$1)
(65) Average Monthly Balance Under/(Over) Recovery	\$1,376	\$1,379	\$1,382	\$1,385	\$1,389	\$1,388	\$1,389	\$1,389	\$0	(\$1)	(\$1)	(\$1)
(66) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(67) Interest Applied	\$3	\$3	\$3	\$4	\$4	\$3	\$4	\$4	\$0	(\$0)	(\$0)	(\$0)
(68) On-system Credit End Balance Under/(Over) Recovery	\$1,379	\$1,382	\$1,385	\$1,389	\$1,392	\$1,388	\$1,395	\$1,395	\$0	(\$1)	(\$1)	(\$1)

(35) Docket 4846, AEL-10S, Page 1, Ln (7)
(36) RMS/AEL-10S, Page 8, Ln (4)
(37) Col (h) per Docket 4846, AEL-10S, Pg 1, Ln (12)
(38) Col (h) Sum Lines (34) (37)
(47) Docket 4846, AEL-10S, Page 1, Ln (25)
(48) RMS/AEL-10S, Page 8, Ln (5)
(49) Col (h) per Docket 4846, AEL-10S, Pg 1, Ln (26)
(50) Col (h) Sum Lines [(46); (49)]
(59) Docket 4846, AEL-10S, Page 1, Ln (4)
(60) RMS/AEL-10S, Page 8, Ln (6)
(62) Col (h) Sum Lines [(58); (61)]

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2018 - March 2019)

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Pension Adjustment												
(70) Pen Acct Beg. Balance Under/(Over) Recovery	(\$794,735)	(\$521,958)	(\$364,918)	(\$297,300)	(\$231,609)	(\$168,197)	(\$111,884)	(\$50,933)	(\$2,627,832)	(\$2,221,711)	(\$1,788,262)	(\$1,308,207)
(71) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,701	\$0	\$0	\$0	\$0
(72) Pension DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$46,232	\$0	\$0	\$0	\$0
(73) Pension Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,822,587)	\$0	\$0	\$0	\$0
(74) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,822,587)	\$0	\$0	\$0	\$0
(75) Actual Pension Revenue	(\$274,263)	(\$158,074)	(\$68,400)	(\$66,364)	(\$63,921)	(\$56,661)	(\$61,176)	(\$202,025)	(\$413,004)	(\$439,400)	(\$484,206)	(\$426,269)
(76) Ending Pension Balance Under/(Over) Recovery	(\$520,472)	(\$363,884)	(\$296,518)	(\$230,936)	(\$167,688)	(\$111,536)	(\$50,708)	(\$2,620,562)	(\$2,214,828)	(\$1,782,311)	(\$1,304,056)	(\$881,938)
(77) Average Monthly Balance Under/(Over) Recovery	(\$657,603)	(\$442,921)	(\$330,718)	(\$264,118)	(\$199,648)	(\$139,866)	(\$81,296)	(\$2,721,575)	(\$2,421,330)	(\$2,002,011)	(\$1,546,159)	(\$1,095,073)
(78) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(79) Interest Applied	(\$1,486)	(\$1,034)	(\$781)	(\$673)	(\$509)	(\$342)	(\$224)	(\$7,270)	(\$6,883)	(\$5,951)	(\$4,151)	(\$3,255)
(80) Pension Adjustment End Balance Under/(Over) Recovery	(\$521,958)	(\$364,918)	(\$297,300)	(\$231,609)	(\$168,197)	(\$111,884)	(\$50,933)	(\$2,627,832)	(\$2,221,711)	(\$1,788,262)	(\$1,308,207)	(\$885,193)
PBOP Adjustment												
(81) PBOP Acct Beg. Balance Under/(Over) Recovery	(\$907,781)	(\$573,093)	(\$380,340)	(\$297,253)	(\$216,516)	(\$138,574)	(\$69,343)	\$5,596	(\$3,181,470)	(\$2,689,544)	(\$2,164,517)	(\$1,583,038)
(82) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$62,278)	\$0	\$0	\$0	\$0
(83) PBOP DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$56,682	\$0	\$0	\$0	\$0
(84) PBOP Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,417,375)	\$0	\$0	\$0	\$0
(85) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,417,375)	\$0	\$0	\$0	\$0
(86) Actual PBOP Revenue	(\$336,360)	(\$193,865)	(\$83,887)	(\$81,390)	(\$78,394)	(\$69,490)	(\$75,027)	(\$244,707)	(\$500,258)	(\$532,231)	(\$586,503)	(\$516,326)
(87) Ending PBOP Balance Under/(Over) Recovery	(\$571,421)	(\$379,228)	(\$296,453)	(\$215,863)	(\$138,122)	(\$69,084)	\$5,684	(\$3,172,668)	(\$2,681,212)	(\$2,157,313)	(\$1,578,014)	(\$1,066,712)
(88) Average Monthly Balance Under/(Over) Recovery	(\$739,601)	(\$476,160)	(\$338,397)	(\$256,558)	(\$177,319)	(\$103,829)	(\$31,830)	(\$3,295,022)	(\$2,931,341)	(\$2,423,429)	(\$1,871,266)	(\$1,324,875)
(89) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(90) Interest Applied	(\$1,672)	(\$1,112)	(\$800)	(\$654)	(\$452)	(\$259)	(\$88)	(\$8,802)	(\$8,332)	(\$7,204)	(\$5,024)	(\$3,938)
(91) PBOP Adjustment End Balance Under/(Over) Recovery	(\$573,093)	(\$380,340)	(\$297,253)	(\$216,516)	(\$138,574)	(\$69,343)	\$5,596	(\$3,181,470)	(\$2,689,544)	(\$2,164,517)	(\$1,583,038)	(\$1,070,651)
Earnings Sharing Mechanism												
(93) ESM Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1	(\$1)	(\$0)	\$3	\$3
(94) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(95) ESM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1)	\$0	\$0	\$0	\$0
(96) ESM Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(97) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(98) Actual ESM Revenue	\$0	\$0	\$0	\$0	\$0	\$0	(\$1)	\$1	(\$1)	(\$3)	\$0	\$0
(99) Ending ESM Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$1	(\$1)	(\$0)	\$3	\$3	\$3
(100) Average Monthly Balance Under/(Over) Recovery	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(101) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)
(102) ESM Adjustment End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$1	(\$1)	(\$0)	\$3	\$3	\$3
Low Income Discount Recovery Adjustment												
(105) LIDRF Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$52,859	0	\$73,342	\$123,016	\$241,313	\$393,673
(106) Actual Discount Credits Applied (cost)	\$0	\$0	\$0	\$0	\$0	\$83,102	\$239,194	\$483,500	\$818,690	\$935,415	\$1,051,120	\$983,319
(107) Ending LIDRF Balance	\$0	\$0	\$0	\$0	\$0	\$30,308	\$128,219	\$769,295	\$122,737	\$240,773	\$899,612	\$790,319
(108) Average Monthly Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$52,794	\$163,835	\$73,244	\$122,737	\$240,773	\$392,821	\$586,672
(109) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(110) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$66	\$299	\$98	\$279	\$541	\$851	\$1,457
(111) LIDRF End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$52,859	\$164,134	\$73,342	\$123,016	\$241,313	\$393,673	\$588,130

(71) Docket 4846, AEL-10S, Page 1, Ln (5)
(72) AEL-10S, Page 8, Ln (7)
(73) Col (h) per Docket 4846, AEL-5S, Pg 1, Ln (3)
(74) Col (h); Sum Lines [(70);(73)]
(83) Docket 4846, AEL-10S, Page 1, Ln (6)
(84) AEL-10S, Page 8, Ln (8)
(85) Col (h) per Docket 4846, AEL-5S, Pg 1, Ln (9)
(86) Col (h); Sum Lines [(82);(85)]
(95) Col (h) per Docket 4846, AEL-10S, Pg 1, Ln (8)

National Grid - RI Gas
RDA Reconciliation (April 2018 - March 2019)

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Total
	30	31	30	31	31	30	31	30	31	31	28	31	(m)
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	(m)
Actual Firm Throughput - dekatherms													
(1) Res-NH	42,785	31,770	21,426	17,726	14,759	16,449	18,494	29,538	45,813	53,975	58,469	51,538	402,740
(2) Res-H	2,640,658	1,423,779	552,038	439,244	360,921	314,253	545,360	1,523,288	2,750,126	3,337,589	3,648,686	3,247,799	20,783,742
(3) Small	338,241	164,875	55,343	45,400	43,980	40,166	49,772	165,956	346,898	430,101	503,080	436,916	2,620,727
(4) Medium	738,673	417,514	186,669	172,119	150,299	171,666	218,111	450,232	791,304	920,070	1,007,210	904,897	6,128,764
(5) Total	3,760,357	2,037,937	815,476	674,489	569,960	542,534	831,737	2,169,014	3,934,141	4,741,735	5,217,445	4,641,150	29,935,973
(6) RDM Reconciliation													
(7) RDM Acct Beg. Balance Under/(Over) Recovery	\$78,139	\$55,735	\$43,411	\$38,609	\$34,633	\$31,289	\$28,204	\$24,432	(\$5,592,707)	(\$4,738,451)	(\$3,796,990)	(\$2,758,949)	
(8) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$22,054)	\$0	\$0	\$0	\$0	\$0
(9) RDM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,378)	\$0	\$0	\$0	\$0	\$0
(10) RDM Balance November 2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,661,116)	\$0	\$0	\$0	\$0	\$0
(11) Interest on RDM Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$98,713)	\$0	\$0	\$0	\$0	\$0
(12) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,759,829)	\$0	\$0	\$0	\$0	\$0
(13) Actual RDM Revenue	\$22,555	\$12,439	\$4,899	\$4,069	\$3,428	\$3,159	\$3,845	(\$182,265)	(\$868,918)	(\$954,129)	(\$1,046,830)	(\$921,912)	\$0
(14) Ending RDM Balance Under/(Over) Recovery	\$55,584	\$43,296	\$38,513	\$34,540	\$31,205	\$28,130	\$24,360	(\$5,577,565)	(\$4,723,789)	(\$3,784,322)	(\$2,750,160)	(\$1,837,037)	
(15) Average Monthly Balance Under/(Over) Recovery	\$66,861	\$49,515	\$40,962	\$36,575	\$32,919	\$29,710	\$26,282	(\$5,668,697)	(\$5,158,248)	(\$4,261,386)	(\$3,273,575)	(\$2,297,993)	
(16) BK America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%	
(17) Interest Applied	\$151	\$116	\$97	\$93	\$84	\$74	\$73	(\$15,142)	(\$14,662)	(\$12,667)	(\$8,789)	(\$6,831)	(\$57,405)
(18) RDM Recon End Balance Under/(Over) Recovery	\$55,735	\$43,411	\$38,609	\$34,633	\$31,289	\$28,204	\$24,432	(\$5,592,707)	(\$4,738,451)	(\$3,796,990)	(\$2,758,949)	(\$1,843,868)	
(19) RDM Revenue per rate class													
(20) Res-NH	\$257	\$194	\$129	\$107	\$89	\$96	\$85	(\$2,482)	(\$10,118)	(\$10,861)	(\$11,731)	(\$10,237)	(\$44,474)
(21) Res-H	\$15,839	\$8,691	\$3,316	\$2,650	\$2,171	\$1,830	\$2,521	(\$128,004)	(\$607,409)	(\$671,588)	(\$732,073)	(\$645,139)	(\$2,747,196)
(22) Small	\$2,029	\$1,006	\$332	\$274	\$265	\$234	\$230	(\$13,945)	(\$76,618)	(\$86,545)	(\$100,938)	(\$86,788)	(\$360,465)
(23) Medium	\$4,431	\$2,548	\$1,121	\$1,038	\$904	\$1,000	\$1,008	(\$37,834)	(\$174,772)	(\$185,136)	(\$202,087)	(\$179,747)	(\$767,526)
(24) Total	\$22,555	\$12,439	\$4,899	\$4,069	\$3,428	\$3,159	\$3,845	(\$182,265)	(\$868,918)	(\$954,129)	(\$1,046,830)	(\$921,912)	(\$3,919,660)
(25) RDM Recon Adjustment													
(26) RDM Recon Acct Beg. Balance Under/(Over) Recovery	\$178,213	\$140,982	\$120,556	\$112,667	\$106,163	\$100,714	\$95,693	\$89,540	\$105,169	\$92,415	\$78,357	\$62,844	
(27) Transfer to 2018-2019 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$85,565)	\$0	\$0	\$0	\$0	\$0
(28) RDM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,976)	\$0	\$0	\$0	\$0	\$0
(29) RDM Balance November 2018	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$107,619	\$0	\$0	\$0	\$0	\$0
(30) Subtotal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$107,619	\$0	\$0	\$0	\$0	\$0
(31) Actual RDM Recon Revenue	\$37,592	\$20,731	\$8,164	\$6,782	\$5,713	\$5,265	\$6,408	\$2,734	\$13,034	\$14,312	\$15,702	\$13,829	
(32) Ending RDM Recon Balance Under/(Over) Recovery	\$140,621	\$120,251	\$112,392	\$105,885	\$100,450	\$95,449	\$89,285	\$104,885	\$92,135	\$78,103	\$62,655	\$49,015	
(33) Average Monthly Balance Under/(Over) Recovery	\$159,417	\$130,616	\$116,474	\$109,276	\$103,307	\$98,081	\$92,489	\$106,252	\$98,652	\$85,259	\$70,506	\$55,929	
(34) BK America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%	
(35) Interest Applied	\$360	\$305	\$275	\$278	\$263	\$245	\$255	\$284	\$280	\$253	\$189	\$166	
(36) RDM Recon Adjustment End Balance Under/(Over) Recovery	\$140,982	\$120,556	\$112,667	\$106,163	\$100,714	\$95,693	\$89,540	\$105,169	\$92,415	\$78,357	\$62,844	\$49,181	

(8) Docket 4846, AEL-10S, Page 1, Line (16)
(9) RMS/AEL-10S, Page 8, Line (12)
(10) Docket 4846, AEL-1S, Page 1, Line (13)
(11) Beginning balance, Docket 4846, Schedule AEL-1S, Line (13) + monthly interest calculated from April - October at BK America rate less 200 basis points
(12) Col (b); Sum Lines [(7):(11)]
(17) Docket 4846, AEL-10S, Page 1, Line (17)
(28) RMS/AEL-10S, Page 8, Line (13)
(29) Docket 4846, AEL-10S, Page 1, Line (18)
(30) Col (b); Sum Lines [(26):(29)]

**National Grid - RI Gas
ISR Reconciliation (April 2018 - March 2019)**

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) ISR Res-NH Acct Beg. Balance Under/(Over) Recovery	\$84,910	\$65,191	\$50,297	\$40,430	\$32,235	\$25,430	\$18,239	\$11,625	(\$53,056)	(\$46,880)	(\$39,816)	(\$32,116)
(2) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,105)	\$0	\$0	\$0	\$0
(3) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,520	\$0	\$0	\$0	\$0
(4) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$55,444)	\$0	\$0	\$0	\$0
(5) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$967)	\$0	\$0	\$0	\$0
(6) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$56,411)	\$0	\$0	\$0	\$0
(7) Actual Res-NH Revenue	\$19,889	\$15,028	\$9,974	\$8,287	\$6,879	\$7,245	\$6,656	\$7,019	(\$6,318)	(\$7,193)	(\$7,796)	(\$7,089)
(8) Ending Res-NH Balance Under/(Over) Recovery	\$65,022	\$50,163	\$40,323	\$32,143	\$25,356	\$18,185	\$11,584	(\$52,910)	(\$46,738)	(\$39,687)	(\$32,020)	(\$25,027)
(9) Average Monthly Balance Under/(Over) Recovery	\$74,966	\$57,677	\$45,310	\$36,287	\$28,796	\$21,807	\$14,911	(\$54,660)	(\$49,897)	(\$43,283)	(\$35,918)	(\$28,572)
(10) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(11) Interest Applied	\$169	\$135	\$107	\$92	\$73	\$54	\$41	(\$146)	(\$142)	(\$129)	(\$96)	(\$85)
(12) ISR Res-NH Recon End Balance Under/(Over) Recovery	\$65,191	\$50,297	\$40,430	\$32,235	\$25,430	\$18,239	\$11,625	(\$53,056)	(\$46,880)	(\$39,816)	(\$32,116)	(\$25,112)
(13) ISR Res-H Acct Beg. Balance Under/(Over) Recovery	\$1,085,555	\$554,163	\$262,541	\$151,391	\$62,449	(\$10,563)	(\$70,349)	(\$156,049)	(\$1,274,980)	(\$1,115,223)	(\$930,387)	(\$727,279)
(14) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$58,144)	\$0	\$0	\$0	\$0
(15) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$214,192)	\$0	\$0	\$0	\$0
(16) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$896,521)	\$0	\$0	\$0	\$0
(17) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$15,633)	\$0	\$0	\$0	\$0
(18) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$912,154)	\$0	\$0	\$0	\$0
(19) Actual Res-H Revenue	\$533,242	\$292,575	\$111,639	\$89,214	\$73,078	\$59,685	\$85,387	\$145,716	(\$163,149)	(\$187,872)	(\$205,331)	(\$180,336)
(20) Ending Res-H Balance Under/(Over) Recovery	\$552,312	\$261,589	\$150,902	\$62,177	(\$10,629)	(\$70,248)	(\$155,737)	(\$1,272,062)	(\$1,111,831)	(\$927,351)	(\$725,056)	(\$546,943)
(21) Average Monthly Balance Under/(Over) Recovery	\$818,934	\$407,876	\$206,722	\$106,784	\$25,910	(\$40,406)	(\$113,043)	(\$1,092,108)	(\$1,193,405)	(\$1,021,287)	(\$827,722)	(\$637,111)
(22) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(23) Interest Applied	\$1,851	\$953	\$488	\$272	\$66	(\$101)	(\$312)	(\$2,917)	(\$3,392)	(\$3,036)	(\$2,222)	(\$1,894)
(24) ISR Res-H Recon End Balance Under/(Over) Recovery	\$554,163	\$262,541	\$151,391	\$62,449	(\$10,563)	(\$70,349)	(\$156,049)	(\$312,917)	(\$1,115,223)	(\$930,387)	(\$727,279)	(\$548,836)

- (2) RMS/AEL-10S, Pg 8, Line (16)
- (3) Dkt 4846, AEL-8S, Pg 1, Line (3), Col (g)
- (4) Dkt 4846, AEL-8S, Pg 1, Line (3), Col (f)
- (5) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (6) Line (4) + Line (5)
- (14) RMS/AEL-10S, Pg 8, Line (17)
- (15) Dkt 4846, AEL-8S, Pg 1, Line (4), Col (g)
- (16) Dkt 4846, AEL-8S, Pg 1, Line (4), Col (f)
- (17) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (18) Line (16) + Line (17)

**National Grid - RI Gas
ISR Reconciliation (April 2018 - March 2019)**

	Apr-18 30 Actual	May-18 31 Actual	Jun-18 30 Actual	Jul-18 31 Actual	Aug-18 31 Actual	Sep-18 30 Actual	Oct-18 31 Actual	Nov-18 30 Actual	Dec-18 31 Actual	Jan-19 31 Actual	Feb-19 28 Actual	Mar-19 31 Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(25) ISR Small C&I Act Beg. Balance Under/(Over) Recovery	\$195,481	\$94,707	\$44,720	\$28,239	\$14,644	\$1,483	(\$10,006)	(\$22,013)	(\$374,728)	(\$322,844)	(\$262,346)	(\$191,982)
(26) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$11,168)	\$0	\$0	\$0	\$0
(27) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$33,181)	\$0	\$0	\$0	\$0
(28) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$316,659)	\$0	\$0	\$0	\$0
(29) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,522)	\$0	\$0	\$0	\$0
(30) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$322,181)	\$0	\$0	\$0	\$0
(31) Actual Small C&I Revenue	\$101,102	\$50,150	\$16,567	\$13,649	\$13,181	\$11,479	\$11,963	\$18,437	(\$52,874)	(\$61,366)	(\$70,973)	(\$61,072)
(32) Ending Small C&I Balance Under/(Over) Recovery	\$94,380	\$44,557	\$28,153	\$14,589	\$1,463	(\$9,996)	(\$21,969)	(\$373,799)	(\$321,854)	(\$261,478)	(\$191,373)	(\$130,911)
(33) Average Monthly Balance Under/(Over) Recovery	\$144,930	\$69,632	\$36,436	\$21,414	\$8,053	(\$4,256)	(\$15,988)	(\$347,990)	(\$348,291)	(\$292,161)	(\$226,860)	(\$161,446)
(34) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(35) Interest Applied	\$328	\$163	\$86	\$55	\$21	(\$11)	(\$44)	(\$930)	(\$990)	(\$868)	(\$609)	(\$480)
(36) ISR Small C&I Recon End Balance Under/(Over) Recovery	\$94,707	\$44,720	\$28,239	\$14,644	\$1,483	(\$10,006)	(\$22,013)	(\$374,728)	(\$322,844)	(\$262,346)	(\$191,982)	(\$131,390)
(37) ISR Medium Act Beg. Balance Under/(Over) Recovery	\$327,586	\$184,168	\$101,679	\$65,435	\$31,812	\$2,478	(\$29,303)	(\$62,093)	(\$355,988)	(\$314,504)	(\$267,548)	(\$215,770)
(38) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$15,228)	\$0	\$0	\$0	\$0
(39) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$77,321)	\$0	\$0	\$0	\$0
(40) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$225,483)	\$0	\$0	\$0	\$0
(41) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,932)	\$0	\$0	\$0	\$0
(42) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$229,415)	\$0	\$0	\$0	\$0
(43) Actual Medium Revenue	\$143,995	\$82,822	\$36,442	\$33,747	\$29,377	\$31,748	\$32,664	\$48,471	(\$42,435)	(\$47,820)	(\$52,426)	(\$46,438)
(44) Ending Medium Balance Under/(Over) Recovery	\$183,591	\$101,346	\$65,238	\$31,688	\$2,435	(\$29,270)	(\$61,967)	(\$355,207)	(\$313,552)	(\$266,684)	(\$215,122)	(\$169,332)
(45) Average Monthly Balance Under/(Over) Recovery	\$255,588	\$142,757	\$83,459	\$48,562	\$17,123	(\$13,396)	(\$45,635)	(\$292,311)	(\$334,770)	(\$290,594)	(\$241,335)	(\$192,551)
(46) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(47) Interest Applied	\$578	\$333	\$197	\$124	\$44	(\$33)	(\$126)	(\$781)	(\$952)	(\$864)	(\$648)	(\$572)
(48) ISR Medium Recon End Balance Under/(Over) Recovery	\$184,168	\$101,679	\$65,435	\$31,812	\$2,478	(\$29,303)	(\$62,093)	(\$355,988)	(\$314,504)	(\$267,548)	(\$215,770)	(\$169,904)

- (26) RMS/AEL-10S, Pg 8, Line (18)
- (27) Dkt 4846, AEL-8S, Pg 1, Line (5), Col (g)
- (28) Dkt 4846, AEL-8S, Pg 1, Line (5), Col (f)
- (29) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (30) Line (28) + Line (29)
- (38) RMS/AEL-10S, Pg 8, Line (19)
- (39) Dkt 4846, AEL-8S, Pg 1, Line (6), Col (g)
- (40) Dkt 4846, AEL-8S, Pg 1, Line (6), Col (f)
- (41) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (42) Line (40) + Line (41)

**National Grid - RI Gas
ISR Reconciliation (April 2018 - March 2019)**

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(49) ISR Large LL Acct Beg. Balance Under/(Over) Recovery	\$96,684	\$27,468	(\$8,581)	(\$9,833)	(\$17,042)	(\$27,495)	(\$31,504)	(\$39,486)	(\$244,829)	(\$209,921)	(\$173,494)	(\$131,031)
(50) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,537)	\$0	\$0	\$0	\$0
(51) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$48,023)	\$0	\$0	\$0	\$0
(52) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$176,090)	\$0	\$0	\$0	\$0
(53) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,070)	\$0	\$0	\$0	\$0
(54) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$179,160)	\$0	\$0	\$0	\$0
(55) Actual Large LL Revenue	\$69,357	\$36,071	\$1,230	\$7,174	\$10,396	\$3,936	\$7,884	\$17,081	(\$35,553)	(\$36,996)	(\$42,872)	(\$37,484)
(56) Ending Large LL Balance Under/(Over) Recovery	\$27,328	(\$8,603)	(\$9,812)	(\$17,007)	(\$27,438)	(\$31,431)	(\$39,388)	(\$244,263)	(\$209,276)	(\$172,925)	(\$130,622)	(\$93,546)
(57) Average Monthly Balance Under/(Over) Recovery	\$62,006	\$9,432	(\$9,196)	(\$13,420)	(\$22,240)	(\$29,463)	(\$35,446)	(\$211,712)	(\$227,053)	(\$191,423)	(\$152,058)	(\$112,289)
(58) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(59) Interest Applied	\$140	\$22	(\$22)	(\$34)	(\$57)	(\$73)	(\$98)	(\$566)	(\$645)	(\$569)	(\$408)	(\$334)
(60) ISR Large LL Recon End Balance Under/(Over) Recovery	\$27,468	(\$8,581)	(\$9,833)	(\$17,042)	(\$27,495)	(\$31,504)	(\$39,486)	(\$244,829)	(\$209,921)	(\$173,494)	(\$131,031)	(\$93,880)
(61) ISR Large HL Acct Beg. Balance Under/(Over) Recovery	\$73,460	\$57,709	\$46,283	\$37,159	\$29,077	\$20,896	\$12,081	\$3,940	(\$87,938)	(\$78,162)	(\$68,590)	(\$57,745)
(62) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,424)	\$0	\$0	\$0	\$0
(63) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$516	\$0	\$0	\$0	\$0
(64) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$77,663)	\$0	\$0	\$0	\$0
(65) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,354)	\$0	\$0	\$0	\$0
(66) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$79,017)	\$0	\$0	\$0	\$0
(67) Actual Large HL Revenue	\$15,899	\$11,547	\$9,223	\$8,167	\$8,244	\$8,856	\$8,163	\$9,215	(\$10,012)	(\$9,790)	(\$11,014)	(\$9,980)
(68) Ending Large HL Balance Under/(Over) Recovery	\$57,561	\$46,162	\$37,061	\$28,993	\$20,832	\$12,040	\$3,918	(\$87,715)	(\$77,926)	(\$68,372)	(\$57,576)	(\$47,765)
(69) Average Monthly Balance Under/(Over) Recovery	\$65,510	\$51,935	\$41,672	\$33,076	\$24,955	\$16,468	\$8,000	(\$83,366)	(\$82,932)	(\$73,267)	(\$63,083)	(\$52,755)
(70) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(71) Interest Applied	\$148	\$121	\$98	\$84	\$64	\$41	\$22	(\$223)	(\$236)	(\$218)	(\$169)	(\$157)
(72) ISR Large HL Recon End Balance Under/(Over) Recovery	\$57,709	\$46,283	\$37,159	\$29,077	\$20,896	\$12,081	\$3,940	(\$87,938)	(\$78,162)	(\$68,590)	(\$57,745)	(\$47,922)

- (50) RMS/AEL-10S, Pg 8, Line (20)
- (51) Dkt 4846, AEL-8S, Pg 1, Line (7), Col (g)
- (52) Dkt 4846, AEL-8S, Pg 1, Line (7), Col (f)
- (53) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (54) Line (52) + Line (53)
- (62) RMS/AEL-10S, Pg 8, Line (21)
- (63) Dkt 4846, AEL-8S, Pg 1, Line (8), Col (g)
- (64) Dkt 4846, AEL-8S, Pg 1, Line (8), Col (f)
- (65) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (66) Line (64) + Line (65)

**National Grid - RI Gas
ISR Reconciliation (April 2018 - March 2019)**

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(73) ISR XL LL Acct Beg. Balance Under/(Over) Recovery	\$8,694	\$4,429	\$2,526	\$3,225	\$3,131	\$2,749	\$2,334	\$1,887	(\$14,922)	(\$13,029)	(\$11,067)	(\$8,688)
(74) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,314)	\$0	\$0	\$0	\$0
(75) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$572	\$0	\$0	\$0	\$0
(76) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,168)	\$0	\$0	\$0	\$0
(77) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$230)	\$0	\$0	\$0	\$0
(78) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$13,397)	\$0	\$0	\$0	\$0
(79) Actual XL LL Revenue	\$4,280	\$1,910	(\$692)	\$103	\$389	\$422	\$453	\$2,059	(\$1,933)	(\$1,998)	(\$2,405)	(\$2,063)
(80) Ending XL LL Balance Under/(Over) Recovery	\$4,414	\$2,518	\$3,218	\$3,122	\$2,742	\$2,327	\$1,881	(\$14,885)	(\$12,989)	(\$11,031)	(\$8,662)	(\$6,626)
(81) Average Monthly Balance Under/(Over) Recovery	\$6,554	\$3,474	\$2,872	\$3,174	\$2,936	\$2,538	\$2,107	(\$14,141)	(\$13,956)	(\$12,030)	(\$9,864)	(\$7,657)
(82) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(83) Interest Applied	\$15	\$8	\$7	\$8	\$7	\$6	\$6	(\$38)	(\$40)	(\$36)	(\$26)	(\$23)
(84) ISR XL LL Recon End Balance Under/(Over) Recovery	\$4,429	\$2,526	\$3,225	\$3,131	\$2,749	\$2,334	\$1,887	(\$14,922)	(\$13,029)	(\$11,067)	(\$8,688)	(\$6,649)
(85) ISR XL HL Acct Beg. Balance Under/(Over) Recovery	\$26,351	\$22,516	\$19,576	\$17,083	\$14,384	\$11,520	\$9,038	\$6,804	(\$44,296)	(\$40,674)	(\$37,215)	(\$33,486)
(86) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,029)	\$0	\$0	\$0	\$0
(87) FY 2017 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,775	\$0	\$0	\$0	\$0
(88) FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$44,935)	\$0	\$0	\$0	\$0
(89) Interest Applied on FY18 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$784)	\$0	\$0	\$0	\$0
(90) Total FY 2018 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$45,718)	\$0	\$0	\$0	\$0
(91) Actual XL HL Revenue	\$3,891	\$2,989	\$2,536	\$2,739	\$2,898	\$2,507	\$2,256	\$3,234	(\$3,743)	(\$3,574)	(\$3,823)	(\$3,372)
(92) Ending XL HL Balance Under/(Over) Recovery	\$22,460	\$19,527	\$17,040	\$14,344	\$11,487	\$9,012	\$6,782	(\$44,176)	(\$40,553)	(\$37,099)	(\$33,392)	(\$30,114)
(93) Average Monthly Balance Under/(Over) Recovery	\$24,406	\$21,021	\$18,308	\$15,714	\$12,936	\$10,266	\$7,910	(\$44,947)	(\$42,425)	(\$38,886)	(\$35,303)	(\$31,800)
(94) Bk America Rate less 200 Basis Points	2.75%	2.75%	2.88%	3.00%	3.00%	3.03%	3.25%	3.25%	3.35%	3.50%	3.50%	3.50%
(95) Interest Applied	\$55	\$49	\$43	\$40	\$33	\$26	\$22	(\$120)	(\$121)	(\$116)	(\$95)	(\$95)
(96) ISR XL HL Recon End Balance Under/(Over) Recovery	\$22,516	\$19,576	\$17,083	\$14,384	\$11,520	\$9,038	\$6,804	(\$44,296)	(\$40,674)	(\$37,215)	(\$33,486)	(\$30,209)

- (74) RMS/AEL-10S, Pg 8, Line (22)
- (75) Dkt 4846, AEL-8S, Pg 1, Line (9), Col (g)
- (76) Dkt 4846, AEL-8S, Pg 1, Line (9), Col (f)
- (77) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (78) Line (76) + Line (77)
- (86) RMS/AEL-10S, Pg 8, Line (23)
- (87) Dkt 4846, AEL-8S, Pg 1, Line (10), Col (g)
- (88) Dkt 4846, AEL-8S, Pg 1, Line (10), Col (f)
- (89) Apr18-Oct18 @ BOA Rate less 200 Basis Points
- (90) Line (88) + Line (89)

Schedule RMS/AEL-12
Earnings Sharing Mechanism Factor

**National Grid - RI Gas
ESM Factor
Effective November 1, 2019**

(1)	Total Earnings Credited to DAC	\$0
(2)	Firm Throughput	42,163,808 dth
(3)	ESM Factor	\$0.0000 per dth
(4)	ESM Factor	\$0.0000 per therm

- (1) Earnings Sharing Report for the twelve months ending December 31, 2018 in Docket 4770 filed on May 1, 2019.
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

Schedule RMS/AEL-13
Low Income Discount Recovery Factor

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Schedule RMS/AEL-14
Service Quality Factor

**National Grid - RI Gas
Service Quality Performance Factor
Effective November 1, 2019**

(1)	SQP Penalty Amount	(\$75,000)
(2)	Firm Throughput	42,163,808 dths
(3)	SQP Factor per dth	(\$0.0010) per dth
(4)	SQP Factor per therm	(\$0.0001) per therm

- (1) Docket 3476, FY2019 Annual Report on Service Quality Plan, filed on July 31, 2019
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

Schedule RMS/AEL-15
Tax Credit Factor

**National Grid - RI Gas
Tax Credit Factor
Effective November 1, 2019**

(1)	Tax Benefit from Reduction in Federal Tax Rate	(\$3,064,228)
(2)	Excess Accumulated Deferred Income Tax	<u>(\$198,427)</u>
(3)	Total Tax Credit	(\$3,262,655)
(4)	Firm Throughput	42,163,808 dths
(5)	Tax Credit Factor per dth	(\$0.0770) per dth
(6)	Tax Credit Factor per therm	(\$0.0077) per therm

- (1) RIPUC NG-GAS No. 101, Section 3, Schedule A, Sheet 10, Section 3.10
- (2) Page 2, Col (o), Line (52)
- (3) Line (1) + Line (2)
- (4) Company Forecast
- (5) Line (3) ÷ Line (4)
- (6) Line (5) ÷ 10, truncated to 4 decimal places

Schedule RMS/AEL-16
Storm Net Revenue Factor

**National Grid - RI Gas
Storm Net Revenue Factor
Effective November 1, 2019**

(1)	Storm Net Revenue	(\$754,809)
(2)	Customer Share Percentage	75.00%
(3)	Customer Share	(\$566,107)
(4)	Firm Throughput	42,163,808 dths
(5)	Storm Contingency Fund Factor per dth	(\$0.0130) per dth
(6)	Storm Contingency Fund Factor per therm	(\$0.0013) per therm

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

Schedule RMS/AEL-17
LIAP Base Rate Fund Reconciliation Factor

National Grid - RI Gas
LIAP Base Rate Funding Reconciliation Factor
Effective November 1, 2019

(1)	LIAP Base Rate Fund Balance Total	(\$1,228,172)
(2)	Firm Throughput	42,163,808 dths
(3)	LIAP Base Rate Fund Reconciliation Factor per dth	(\$0.0290) per dth
(4)	LIAP Base Rate Fund Reconciliation Factor per therm	(\$0.0029) per therm

- (1) Remaining LIAP Base Rate Fund Balance as of June 30, 2019
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

**Testimony of
Jeffrey D. Oliveira & James H. Allen**

DIRECT TESTIMONY

OF

JEFFREY D. OLIVEIRA

AND

JAMES H. ALLEN

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1 **I. Introduction and Qualifications**

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

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

5

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

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

14

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

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

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

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

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

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

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

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

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

3

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

5 A. In 1991, I earned a Bachelor of Science in Accounting from the University of Rhode Island.

6 I began my career as a staff auditor at Carl Weinberg and Co. CPA's located in Warwick,

7 Rhode Island. In 1994, I joined Cayer Prescott CPA's where I worked as a senior auditor.

8 During this time, I earned my certified public accountant's license in the State of Rhode

9 Island. In 1996, I joined Brown and Sharpe Manufacturing Company as a senior

10 accountant. In February 1997, I was promoted to lead financial analyst supporting US

11 GAAP and SEC reporting. In 1999, I joined Textron Financial Company as a senior

12 financial analyst working in the financial reporting group. In 2001, I joined NSTAR as a

13 senior financial analyst. I continued as a senior financial analyst with increasing

14 responsibilities until my departure in 2003 when I joined the Service Company as a senior

15 accounting analyst. Since that time, I have held various positions within the Service

16 Company. In 2011, I was promoted to my current position.

17

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

19 A. No.

20

21

1 **II. Purpose of Testimony**

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

3 A. Our testimony describes the origin of the Company's Pension and Postretirement Benefits
4 Other than Pensions (PBOP) expense reconciliation, and provides the calculation of the
5 reconciliation of Pension and PBOP costs to the allowance for recovery in base distribution
6 rates, as provided for in the Pension Adjustment Factor (PAF) provision in the Company's
7 tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Item 3.6.

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

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

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

12

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

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

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

1 In the Company’s 2012 Rate Case, the rate allowances for both Pension and PBOP were
2 established at then-current levels. In the Company’s general rate case filed in 2017 in
3 Docket No. 4770 (2017 Rate Case), the rate allowances for both Pension and PBOP were
4 established for each of the three years commencing September 1, 2018. The PAF is
5 based on the difference between the Company’s actual Pension and PBOP expense for
6 the prior 12-month period ended March 31, 2019 and the allowance included in base
7 distribution rates. The base rate allowance used to calculate this difference for the
8 reconciliation period presented in this filing reflects five months (April 2018 to August
9 2018) of Pension and PBOP recoveries pursuant to the 2012 Rate Case, and seven
10 months (September 2018 to March 2019) of Rate Year 1 Pension and PBOP recoveries
11 pursuant to the 2017 Rate Case.

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

1 and amounts the Company contributes to the Pension and PBOP plans, plus amounts paid
2 to the Service Company for allocated Pension and PBOP costs.

3

4 **Q. Has the Company performed this reconciliation for the 12-month period ending**
5 **March 2019?**

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

7

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

9 A. The Company's reconciliation indicates that it has under-recovered Pension expenses in
10 the amount of \$362,972 and over-recovered PBOP expenses in the amount of \$1,251,941
11 for the 12 months ending March 2019 (FY 2019). In addition, the Minimum Funding
12 Obligation was slightly under-funded on a cumulative basis, resulting in a carrying
13 charge of \$27,258.

14

15 **IV. Conclusion**

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

17 A. Yes.

**Schedule
JDO/JHA-1**

**Narragansett Electric - Gas Operations
Pension/Post-Retirement Benefits Other Than Pension (PBOP) Costs
12 Months Ended March 31, 2019**

		April 2018 - March 2019		
		Pension	PBOP	Total
		(a)	(b)	(c)
(1)	<u>Rate Allowance:</u>			
(2)	National Grid - RI Gas Pension/PBOP Costs Allowance	\$2,539,976	(53,484)	2,486,492
(3)	National Grid - Service Company/Other Affiliates Pension/PBOP Costs Allowance	\$2,569,416	1,140,055	3,709,472
(4)	Total Pension/PBOP Costs in Base Rates	\$5,109,393	1,086,571	6,195,964
(5)	<u>Expense Reconciliation:</u>			
(6)	Current Year actual Pension/PBOP Expense Direct	\$2,214,515	(\$651,645)	1,562,870
(7)	Current Year actual Service Company Pension/PBOP Expense	\$2,938,997	\$356,023	3,295,020
(8)	Current Year actual Affiliated Pension/PBOP Expense	\$318,853	\$130,251	449,104
(9)	Total Current Year Pension/PBOP Expense Including Service Company/Other Affiliates Expense	\$5,472,365	(\$165,370)	\$5,306,994
(10)	Current Year Pension/PBOP Expense Reconciliation	\$362,972	(\$1,251,941)	(\$888,969)
(11)	Funding Carrying Charge			(\$27,258)

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

Narragansett Electric - Gas Operations
Pension Funding Carrying Charges
12 Months Ended March 31, 2019

	(a) Annual Recovery Amount	(b) Mar-2018	(c) Jun-2018	(d) Sep-2018	(e) Dec-2018	(f) Mar-2019
<u>Customer Funding</u>						
(1) Base Rate Recovery:						
(2) Direct - Docket No. 4323 (4/2018 - 8/2018)	\$4,702,324		\$1,175,581	\$783,721		
(3) Servco/Other Affiliates - Docket No. 4323 (4/2018 - 8/2018)	\$2,977,528		\$744,382	\$496,255		
(4) Direct - Docket No. 4770 (9/2018 - 3/2019)	\$995,442			\$82,954	\$248,861	\$248,861
(5) Servco/Other Affiliates - Docket No. 4770 (9/2018 - 3/2019)	\$2,277,908			\$189,826	\$569,477	\$569,477
(6) PAF Surcharge Recovery:						
(7) Docket No. 4708	(\$1,707,068)		(\$426,767)	(\$426,767)	(\$142,256)	
(8) Docket No. 4846	(\$2,811,656)				(\$468,609)	(\$702,914)
(9) Pension Capitalized Amount:						
(10) Direct			\$555,238	\$460,481	\$645,736	\$346,313
(11) Servco/Other Affiliates			\$177,486	\$131,492	\$88,333	\$131,851
(12) Total Customer Funding:			\$2,225,919	\$1,717,961	\$941,541	\$593,588
<u>Company Contributions¹</u>						
(13) Pension			\$192,000	\$192,000	\$192,000	\$369,000
(15) Service Company Allocated Costs			\$921,868	\$817,572	\$657,810	\$701,328
(16) Total Contributions			\$1,113,868	\$1,009,572	\$849,810	\$1,070,328
(17) Under/(Over) Funding			\$1,112,052	\$708,388	\$91,731	(\$476,740)
(18) Cumulative Under/(Over) Funding - Pension		\$674,363	\$1,786,415	\$2,494,803	\$2,586,534	\$2,109,794
(19) Cumulative Under/(Over) Funding - PBOP		(\$801,110)	(\$730,648)	(\$1,031,591)	(\$2,122,024)	(\$3,375,141)
(20) Cumulative Under/(Over) Funding - Total		(\$126,747)	\$1,055,767	\$1,463,212	\$464,510	(\$1,265,347)
(21) Five Quarter Average						\$318,279
(22) Base for Carrying Charge (greater of line 22 or zero)						\$318,279
(23) Pre-tax WACC						8.56%
(24) Carrying Charge						\$27,258

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

- (2) (a) Page 4 of 5, Line (2) (b)
- (2) (b) - (2) (c) Line (2) (a) ÷ 12 x 3
- (2) (d) Line (2) (a) ÷ 12 x 2
- (3) (a) Page 4 of 5, Line (5) (b)
- (3) (b) - (3) (c) Line (3) (a) ÷ 12 x 3
- (3) (d) Line (3) (a) ÷ 12 x 2
- (4) (a) Page 4 of 5, Line (3) (b)
- (4) (d) Line (4) (a) ÷ 12 x 1
- (4) (e) - (4) (f) Line (4) (a) ÷ 12 x 3
- (5) (a) Page 4 of 5, Line (6) (b)
- (5) (d) Line (5) (a) ÷ 12 x 1
- (5) (e) - (5) (f) Line (5) (a) ÷ 12 x 3
- (7) (a) Docket No. 4708 Schedule WRR-1, page 1 of 4, Line 11
- (7) (b) - (7) (d) Line (7) (a) ÷ 12 x 3
- (7) (e) Line (7) (a) ÷ 12 x 1
- (8) (a) Docket No. 4846 Schedule JDO-1, page 1 of 4, Line 11
- (8) (e) Line (8) (a) ÷ 12 x 2
- (8) (f) Line (8) (a) ÷ 12 x 3
- (10) (b) - (10) (f) Per Company Books
- (11) (b) - (11) (f) Per Company Books
- (12) (b) - (12) (f) Sum of Line (2) through Line (11)
- (14) Per Company Books
- (15) Line (3) + Line (5) + Line (11)
- (16) Line (14) + Line (15)
- (17) Line (12) - Line (17)
- (18) Line (17) + prior qtr Line (18)
- (19) Page 3 of 3, Line (18)
- (20) Line (18) + Line (19)
- (21) (f) Average of column (b) through column (f)
- (22) (f) If Line 21 is greater than zero, Line 21 if not, zero
- (23) Page 5 of 5, Line (34)
- (24) Line (22) x Line (23)

Narragansett Electric - Gas Operations
PBOP Funding - Carrying Charges
12 Months Ended March 31, 2019

	(a) Annual Recovery Amount	(b) Mar-2018	(c) Jun-2018	(d) Sep-2018	(e) Dec-2018	(f) Mar-2019
<u>Customer Funding</u>						
(1) Base Rate Recovery:						
(2) Direct - Docket No. 4323 (4/2018 - 8/2018)	\$2,470,365		\$617,591	\$411,728		
(3) Servco/Other Affiliates - Docket No. 4323 (4/2018 - 8/2018)	\$1,852,439		\$463,110	\$308,740		
(4) Direct - Docket No. 4770 (9/2018 - 3/2019)	(\$1,856,234)			(\$154,686)	(\$464,059)	(\$464,059)
(5) Servco/Other Affiliates - Docket No. 4770 (9/2018 - 3/2019)	\$631,210			\$52,601	\$157,803	\$157,803
(6) PAF Surcharge Recovery:						
(7) Docket No. 4708	(\$2,565,382)		(\$641,346)	(\$641,346)	(\$213,782)	
(8) Docket No. 4846	(\$3,417,375)				(\$569,563)	(\$854,344)
(9) PBOP Capitalized Amount:						
(10) Direct			\$94,295	\$83,400	\$157,007	\$65,310
(11) Servco/Other Affiliates			\$56,294	\$45,183	\$27,258	\$42,541
(12) Total Customer Funding:			\$589,944	\$105,619	(\$905,335)	(\$1,052,749)
(13) <u>Company Contributions¹</u>			Sep-2018	Dec-2018	Mar-2019	Jun-2019
(14) PBOP			\$78	\$39	\$37	\$25
(15) Service Company Allocated Costs			\$519,404	\$406,524	\$185,060	\$200,343
(16)			\$519,482	\$406,563	\$185,098	\$200,368
(17) Under/(Over) Funding			\$70,462	(\$300,943)	(\$1,090,433)	(\$1,253,117)
(18) Cumulative Funding Under/(Over) Funding		(\$801,110)	(\$730,648)	(\$1,031,591)	(\$2,122,024)	(\$3,375,141)

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

- (2) (a) Page 4 of 5, Line (2) (c)
- (2) (b) - (2) (c) Line (2) (a) ÷ 12 x 3
- (2) (d) Line (2) (a) ÷ 12 x 2
- (3) (a) Page 4 of 5, Line (5) (c)
- (3) (b) - (3) (c) Line (3) (a) ÷ 12 x 3
- (3) (d) Line (3) (a) ÷ 12 x 2
- (4) (a) Page 4 of 5, Line (3) (c)
- (4) (d) Line (4) (a) ÷ 12 x 1
- (4) (e) - (4) (f) Line (4) (a) ÷ 12 x 3
- (5) (a) Page 4 of 5, Line (6) (c)
- (5) (d) Line (5) (a) ÷ 12 x 1
- (5) (e) - (5) (f) Line (5) (a) ÷ 12 x 3
- (7) (a) Docket No. 4708 Schedule WRR-1, page 2 of 4, Line 11
- (7) (b) - (7) (d) Line (7) (a) ÷ 12 x 3
- (7) (e) Line (7) (a) ÷ 12 x 1
- (8) (a) Docket No. 4846 Schedule JDO-1, page 2 of 4, Line 11
- (8) (e) Line (8) (a) ÷ 12 x 2
- (8) (f) Line (8) (a) ÷ 12 x 3
- (10) (b) - (10) (f) Per Company Books
- (11) (b) - (11) (f) Per Company Books
- (12) (b) - (12) (f) Sum of Line (2) through Line (11)
- (14) Per Company Books
- (15) Line (3) + Line (5) + Line (11)
- (16) Line (14) + Line (15)
- (17) Line (12) - Line (16)
- (18) Line (17) + prior qtr Line (18)

Narragansett Electric - Gas Operations
Pension/PBOP Rate Allowance
12 Months Ended March 31, 2019

	(a) Docket No.	(b) Total Rate Allowance		(d) # of Months	(e) Fiscal Year 2019 Rate Allowance		(f)
		Pension	PBOP		Pension	PBOP	
(1) Base Rate Recovery:							
(2) Direct	4323	\$4,702,324	\$2,470,365	5	\$1,959,302	\$1,029,319	
(3) Direct	4770 Rate Yr 1	\$995,442	(\$1,856,234)	7	\$580,675	(\$1,082,803)	
(4) Direct Total					\$2,539,976	(\$53,484)	
(5) Servco/Other Affiliates	4323	\$2,977,528	\$1,852,439	5	\$1,240,637	\$771,850	
(6) Servco/Other Affiliates	4770 Rate Yr 1	\$2,277,908	\$631,210	7	\$1,328,780	\$368,206	
(7) Servco/Other Affiliates - Total					\$2,569,416	\$1,140,055	
(8) Total Docket No. 4323	4323	\$7,679,852	\$4,322,804				
(9) Total Docket No. 4770-Rate Year 1	4770 Rate Yr 1	\$3,273,350	(\$1,225,024)				

- (2) (b) Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 Line 1 (e)
- (2) (c) Docket No. 4323 Attachment MDL-3-GAS page 35 of 65 Line 1 (e)
- (2) (e) Line (2) (b) ÷ 12 x Line (2) (d)
- (2) (f) Line (2) (c) ÷ 12 x Line (2) (d)
- (3) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line 1 (a)
- (3) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line 1 (a)
- (3) (e) Line (3) (b) ÷ 12 x Line (3) (d)
- (3) (f) Line (3) (c) ÷ 12 x Line (3) (d)
- (4) Line (2) + Line (3)
- (5) (b) Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of Line 2 (e) through Line 5 (e)
- (5) (c) Docket No. 4323 Attachment MDL-3-GAS page 35 of 65 sum of Lines 2 (e) through Line 5 (e)
- (5) (e) Line (5) (b) ÷ 12 x Line (5) (d)
- (5) (f) Line (5) (c) ÷ 12 x Line (5) (d)
- (6) (b) Docket No. 4770 Compliance Attachment 2 Schedule 28 page 4 of 7 Line 2 (a) plus Line 3 (a)
- (6) (c) Docket No. 4770 Compliance Attachment 2 Schedule 27 page 4 of 7 Line 2 (a) plus Line 3 (a)
- (6) (e) Line (6) (b) ÷ 12 x Line (6) (d)
- (6) (f) Line (6) (c) ÷ 12 x Line (6) (d)
- (7) Line (6) + Line (7)
- (8) Line (2) + Line (5)
- (9) Line (3) + Line (6)

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

(1) Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323 at 35% income tax rate

	(a)	(b)	(c)	(d)	(e)
	Ratio	Rate	Rate	Taxes	Return
(4) Long Term Debt	49.95%	5.70%	2.85%		2.85%
(5) Short Term Debt	0.76%	0.80%	0.01%		0.01%
(6) Preferred Stock	0.15%	4.50%	0.01%		0.01%
(7) Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
(8)	<u>100.00%</u>		<u>7.54%</u>	<u>2.51%</u>	<u>10.05%</u>

(9)

(10) (d) - Column (c) x 35% ÷ (1 - 35%)

(11)

(12) Weighted Average Cost of Capital as approved in R.I.P.U.C. Docket No. 4323 at 21% income tax rate

	(a)	(b)	(c)	(d)	(e)
	Ratio	Rate	Rate	Taxes	Return
(15) Long Term Debt	49.95%	5.70%	2.85%		2.85%
(16) Short Term Debt	0.76%	0.80%	0.01%		0.01%
(17) Preferred Stock	0.15%	4.50%	0.01%		0.01%
(18) Common Equity	49.14%	9.50%	4.67%	1.24%	5.91%
(19)	<u>100.00%</u>		<u>7.54%</u>	<u>1.24%</u>	<u>8.78%</u>

(20)

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

(22)

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

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

(31)

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

(33)

(34) FY19 Blended Rate 8.56%

(35) Line 19 (e) ÷ 12 x 5 + Line 30 (e) ÷ 12 x 7

**Testimony of
Melissa A. Little**

DIRECT TESTIMONY

OF

MELISSA A. LITTLE

August 1, 2019

Table of Contents

I. Introduction 1
II. Purpose of Testimony 2
III. Earnings Sharing Mechanism Results 3

1 **I. Introduction**

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

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

5
6 **Q. By whom are you employed and in what capacity?**

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

14
15 **Q. Please describe your educational background and professional experience.**

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

1 Analyst in the Regulatory Accounting function and also supported the Revenue
2 Requirement team for the Company's upstate New York affiliate, Niagara Mohawk
3 Power Corporation. In 2011, I joined the New England Revenue Requirement team and
4 was promoted to Lead Specialist in the Regulation and Pricing department where my
5 duties included revenue requirement responsibilities for National Grid's electric and gas
6 distribution activities in New England, including the Company. In August 2017, I was
7 promoted to my current position.
8

9 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
10 **(the PUC)?**

11 A. Yes. I testified in support of the revenue requirement for the Company's Application to
12 Change Electric and Gas Base Distribution Rates in Docket No. 4770 and the Proposed
13 Power Sector Transformation (PST) Vision and Implementation Plan in Docket No. 4780
14 (2017 Rate Case). In addition, I have testified as the revenue requirement witness in
15 numerous Gas and Electric Infrastructure, Safety, and Reliability proceedings, and in
16 other matters before the PUC.
17

18 **II. Purpose of Testimony**

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

20 A. Pursuant to the Distribution Adjustment Clause provision of the Company's gas tariff,
21 RIPUC NG-GAS No. 101, Section 3, Schedule A, if there are any excess earnings to be

1 shared with customers, as I describe in more detail below, then any customer share of
2 those earnings will flow back to customers through the Distribution Adjustment Charge
3 (DAC). My testimony describes the Company's gas earnings subject to the Company's
4 earnings sharing mechanism (ESM) for the 12-month period ending December 31, 2018
5 in accordance with Article II, Section 10 of the Docket No. 4770 Amended Settlement
6 Agreement approved by the Rhode Island Public Utilities Commission (PUC) on August
7 24, 2018.

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

10 A. Yes, I am sponsoring the following schedule that accompanies my testimony:

11 Schedule MAL-1 Calendar Year (CY) 2018 Gas Earnings Report

12 This schedule was originally submitted to the PUC on May 1, 2019 as part of Docket No.
13 4770.

14
15 **III. Earnings Sharing Mechanism Results**

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

17 A. In the Company's general rate case filed in 2006 in Docket No. 3401, Order No. 17381,
18 the PUC approved a settlement agreement between the Division of Public Utilities and
19 Carriers, The Energy Council of RI, and the Company (Docket No. 3401 Settlement
20 Agreement) that required the former New England Gas Company to file an earnings
21 sharing calculation, based on a 12-month period ending June 30, by September 1 of each

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

11
12 **Q. Has the Company prepared the current ESM in the same fashion as it has for prior**
13 **year ESM filings?**

14 A. Yes, it has. However, prior ESM filings were submitted to the PUC on September 1 and
15 covered earnings for the Company's fiscal year ending March 31. In accordance with the
16 Docket No. 4770 Amended Settlement Agreement, the current ESM filing was submitted
17 to the PUC on May 1, 2019 and covered earnings for the calendar year ending December
18 31, 2018. The impact of the Docket No. 4770 Amended Settlement Agreement on other
19 aspects of the filing are discussed in more detail below.

¹ The Company's gas annual report for the 12 months ending December 31, 2018 was filed with the PUC on April 26, 2019.

1 **Q. Has the Company calculated the earned return on equity for CY 2018?**

2 A. Yes. The Company's tariff, RIPUC NG-GAS No. 101, Section 3, Schedule A, Sheet 10,
3 sub-part 5.0, requires earnings to be calculated each year based on financial results for the
4 12-month period ending December 31. The determination of earnings subject to the ESM
5 is based on a benchmark return on equity of 9.275 percent as established in the Docket
6 No. 4770 Amended Settlement Agreement. The earnings sharing formula requires that
7 any annual earnings over a 9.275 percent return on equity, up to and including 100 basis
8 points (10.275 percent), will be shared with customers, with 50 percent to be credited to
9 customers and 50 percent to be retained by the Company. Any earnings in excess of a
10 10.275 percent return on equity will also be shared with customers, with 75 percent to be
11 credited to customers and 25 percent to be retained by the Company. As discussed later
12 in my testimony, the Company calculated a return on equity for CY 2018 of 8.99 percent.
13 As reflected on Schedule MAL-1, Page 1, Line 17, the CY 2018 return is below the 9.275
14 percent threshold, so it does not trigger an earnings sharing calculation.

15

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

17 A. In accordance with the Docket No. 3401 Settlement Agreement, the return on equity is
18 calculated by dividing the net income available for common equity by the common
19 equity applicable to rate base. *See* Docket No. 3401 Settlement Agreement at Section
20 II.F.1. In accordance with the Docket No. 4770 Amended Settlement Agreement, the
21 Company will show the calculation of the regulatory earned return on distribution rate

1 base and the earned return on distribution common equity, in two ways (*See* Docket No.
2 4770 Amended Settlement Agreement at Section II.C.10.):

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

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

11 Performance Incentives refers to each of the following incentives:

- 12 (1) Energy Efficiency Program incentive;
- 13 (2) The Company's share of any incentive earned pursuant to the Natural Gas
14 Portfolio Management Plan recorded during the calendar year;
- 15 (3) The Company's share of any incentive earned or penalties incurred
16 pursuant to the Gas Procurement Incentive Plan recorded during the
17 calendar year; and
- 18 (4) Any other performance incentive that may be approved by the PUC in a
19 future proceeding that was earned and recorded by the Company for
20 performance applicable to the calendar year, unless the PUC determines at

1 the time of approval that any such future incentive should be included in
2 the calculation of Base Earnings.

3
4 **Q. Please explain the calculation of net income available for common equity for**
5 **purposes of the ESM.**

6 A. The Company calculated net income available for common equity based on operating
7 income for CY 2018, less applicable interest, and adjusted to reflect established PUC
8 ratemaking principles. The Company's calculation of net income available for common
9 equity is set forth in Schedule MAL-1, Page 2. As shown on Line 46 of that page, for CY
10 2018, the Company calculated net income available for common equity of \$35,317,547.

11 **Q. Did the Company make any adjustments to operating revenues, expenses, and/or**
12 **interest charges?**

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

16 *Operating Revenue Adjustments:*

17 (1) Energy Efficiency Shareholder Incentives: The Company is allowed to keep
18 shareholder incentives related to achieving approved energy efficiency targets.
19 This resulted in a decrease to total firm gas operating revenues of \$1,627,345 on
20 Page 2, Line 2. (Schedule MAL-1, Page 14, Line 3)

- 1 (2) Unbilled Revenue Margins: The Company excluded unbilled revenue and the
2 associated cost of gas from the determination of earnings, which is consistent with
3 the methodology applied in Docket No. 3401. This resulted in a decrease to
4 operating revenues of \$122,078, comprised of a \$6,765,216 increase to total firm
5 gas revenues on Page 2, Line 2, a \$42,747 decrease to transportation revenues on
6 Page 2, Line 3, and a \$6,844,547 decrease to other revenues on Page 2, Line 4.
7 (Schedule MAL-1, Page 14, Sum of Lines 4, 5, 9, 18, and 19)
- 8 (3) Off-System Gas Sales: The Company makes certain adjustments to its revenues
9 to eliminate the incentive provided to the Company to generate off-system gas
10 revenue and excess pipeline capacity revenue. The Company accomplishes this
11 by eliminating, or reversing, all revenues associated with off-system sales, as well
12 as the credits the Company provides to customers associated with those sales.
13 These adjustments net to a \$620,636 decrease to other revenues on Page 2, Line 4.
14 (Schedule MAL-1, Page 14, Sum of Lines 15, 16, and 17)
- 15 (4) Miscellaneous Service Revenues: The Company removes miscellaneous service
16 revenues from its other revenues and shows them as non-operating
17 income/expense. The miscellaneous service revenues largely consist of credits to
18 customers for gas bill disputes. This is reflected as a \$376 increase to other
19 revenues on Page 2, Line 4. (Schedule MAL-1, Page 14, Line 20)
- 20 (5) Interest on Customer Arrears: The Company removes interest accrued on
21 customer arrearage accounts from Account 419 – interest and dividend income –

1 and instead adds such interest to other revenues on Page 2, Line 4, resulting in an
2 increase to other revenues of \$319,761. (Schedule MAL-1, Page 14, Line 21)

- 3 (6) Inventory Financing: The Company has removed stored gas inventory from rate
4 base and eliminated carrying costs on stored gas inventory from revenues. This
5 resulted in a decrease to operating revenues of \$929,960, representing the amount
6 of stored gas inventory carrying costs recorded as revenue during CY 2018, as
7 shown on Page 2, Line 8. (Schedule MAL-1, Page 14, Line 24)

8
9 *Expense Adjustments:*

- 10 (1) Bad Debt Write-Offs: Bad debt expense is recorded in the Company's general
11 ledger based on the Company's best estimate during the year of amounts billed to
12 customers that will eventually become uncollectible. The Company recovers bad
13 debt expense from customers based on actual bad debt write-offs rather than
14 based on the Company's recorded estimates of bad debt expense. Accordingly,
15 the Customer Accounts on Page 2, Line 16 includes bad debt expense and was
16 decreased by \$3,106,787 to reflect actual bad debt net write-offs during the year.
17 (Schedule MAL-1, Page 14, Sum of Lines 41 and 42)

- 18 (2) Advertising Expense: The Company has removed \$233,054 of sales and
19 advertising expenses, as shown on Page 2, Line 17. (Schedule MAL-1, Page 14,
20 Line 46)

- 1 (3) Donations: Charitable donations are recorded “below-the-line” in Other
2 Income/Expenses. However, such costs were treated as “above-the-line”
3 operating expenses for ratemaking purposes in Docket No. 4323, and below-the-
4 line in the Docket No. 4770 Amended Settlement Agreement. Consequently, the
5 Company moved donations from January 2018 to August 2018, from below-the-
6 line Account 426.1 to Administrative and General expense, resulting in a
7 \$324,271 increase on Page 2, Line 18. (Schedule MAL-1, Page 14, Line 50)
- 8 (4) Variable Pay: The Company has reduced Administrative and General expense on
9 Page 2, Line 18 by \$260,147 to remove a portion of variable pay consistent with
10 the way this cost is excluded for ratemaking. (Schedule MAL-1, Page 14, Line
11 51)
- 12 (5) A&G Overhead Study: As the Company explained in more detail in its response
13 to Docket No. 4770, Data Request Division 21-10 (Supplemental), the Company
14 recorded an entry in March 2018 to reclassify a portion of its fiscal year ended
15 March 31, 2018 administrative and general costs from expense to capital.
16 Whereas many of these costs occurred in CY 2017, the Company reversed 75
17 percent of the entry, resulting in a \$1,543,836 increase to Page 2, Line 18.
18 (Schedule MAL-1, Page 14, Line 52)
- 19 (6) Savings Imputed in Base Rates: In accordance with Order No. 19563 in Docket
20 No. 3943, and with the Company’s gas tariff, the Company included investors’
21 share of eight months net merger savings (from January through August 2018), or

1 \$1,633,333, in operating expenses (*see* Docket No. Order No. 19563 at Section
2 II.F.3; and RIPUC NG-GAS No. 101, Section 3, Schedule A, Sheet 11, sub-part
3 5.0), as shown on Page 2, Line 22.

4
5 **Q. What was the federal income tax rate used by the Company to calculate operating**
6 **income before interest expense?**

7 A. The Company applied a federal income tax rate of 21 percent for CY 2018, as shown on
8 Schedule MAL-1, Page 3, Line 18. The Tax Cuts and Jobs Act reduced the federal
9 income tax rate from 35 percent to 21 percent, effective January 1, 2018.

10
11 **Q. How did the Company calculate long-term debt interest, short-term debt interest,**
12 **and preferred stock dividends?**

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

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

15
16 Further, the Docket No. 3401 Settlement Agreement requires the Company to use the
17 actual cost of long-term debt and the most recent 12-month average cost of short-term

1 debt in its earnings calculation. Therefore, as shown on Schedule MAL-1, Page 4, the
2 Company computed the cost of long-term debt by multiplying rate base applicable to
3 long-term debt by the Company's actual long-term debt rate for CY 2018, or 4.94
4 percent, as calculated on Page 10. Likewise, the Company computed the cost of short-
5 term debt by multiplying rate base applicable to short-term debt by the 12-month average
6 cost of short-term debt, or 2.10 percent, as calculated on Page 11. This short-term debt
7 rate assumes average monthly National Grid money pool rates as applied to the
8 Company's monthly outstanding short-term debt balances for CY 2018. Finally, the
9 Company computed the cost of preferred stock by multiplying rate base applicable to
10 preferred stock by the cost rate of 4.50 percent established in the Docket No. 4770
11 Amended Settlement Agreement.

12
13 **Q. Did the Company make any other calculations to derive the total net income**
14 **available for common equity?**

15 A. Yes. In accordance with the Docket No. 3401 Settlement Agreement, the Company
16 included its allowance for funds used during construction in calculating operating income
17 (see Docket No. 3401 Settlement Agreement at Section II.F.1), as shown on Schedule
18 MAL-1, Page 2, Line 39.

19

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

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

14

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

16 A. Effective December 31, 2017, the Company restated its deferred tax balances based on
17 the new 21 percent federal income tax rate because the Company will be paying income
18 taxes as the book/tax timing differences reverse at that 21 percent federal income tax rate.
19 However, because deferred taxes are an offset to rate base, reducing the deferred tax
20 balances based on the 21 percent federal income tax rate has the effect of artificially
21 increasing rate base. To counteract this artificial increase to rate base, a new line item

1 called Excess Deferred Income Taxes has been included in the rate base calculation
2 reflecting the value of the decrease to accumulated deferred income taxes as of December
3 31, 2017. These excess deferred income taxes represent the net benefit as of December
4 31, 2017 that will eventually be earned by the Company through reduced future income
5 taxes, and ultimately returned to customers through base distribution rates, pursuant to
6 the Docket No. 4770 Amended Settlement Agreement.

7
8 **Q. What is the “hold harmless” adjustment the Company has made to its rate base**
9 **calculation?**

10 A. As a result of National Grid’s purchase of the regulated gas assets in Rhode Island from
11 Southern Union in 2006, the Company realized a tax basis step-up for the assets acquired.
12 This step-up in tax basis resulted in a total tax basis for the assets acquired, which
13 equaled the net book basis for those same assets. Consequently, at the time of
14 acquisition, the Company’s book/tax timing difference, which gives rise to deferred tax
15 liabilities, was equal to zero. Therefore, the Company recorded no accumulated deferred
16 taxes on its balance sheet. Effective with Southern Union ownership in 2000, all deferred
17 tax provisions associated with New England Gas Company operations were recorded on
18 the books of the parent company and not on the balance sheet of New England Gas
19 Company. However, commencing with the National Grid acquisition of New England
20 Gas Company from Southern Union on August 24, 2006, the Company began recording
21 deferred tax liabilities, due primarily to the difference in book versus tax depreciation

1 rates. The Company will continue to record deferred tax provisions related to the assets
2 acquired, as well as on investments in Company assets post-acquisition. Therefore, the
3 Company's CY 2018 general ledger reflects actual deferred tax provisions recorded by
4 the Company through December 31, 2018, as reflected on Schedule MAL-1, Page 5, Line
5 16.

6 Consequently, the hold harmless adjustment, reflected on Schedule MAL-1, Page 5, Line
7 18, is associated with National Grid's purchase of the regulated gas assets in Rhode
8 Island from Southern Union. This hold harmless adjustment provides customers an
9 economically equivalent rate base credit to offset the rate base increase that resulted from
10 National Grid's asset purchase, as agreed to and approved by the PUC in the 2007
11 Earnings Report in Docket No. 3859. Schedule MAL-1, Page 13 demonstrates the annual
12 values of the hold harmless rate base adjustment, as approved in Docket No. 3859.

13
14 **Q. How did the Company determine common equity applicable to rate base?**

15 A. In accordance with the capital structures approved in Docket No. 4323 and in the Docket
16 No. 4770 Amended Settlement Agreement, the Company multiplied the five-quarter
17 average rate base at December 31, 2018, as I discussed earlier, by 50.95 percent to
18 determine common equity applicable to rate base of \$392,731,598, as shown on Schedule
19 MAL-1, Page 4.

20
21 **Q. Please summarize the earnings sharing calculation on Schedule MAL-1.**

1 A. Schedule MAL-1, Page 1, calculates the earnings to be shared with customers based on
2 the sharing percentages required in the Company's gas tariff. Lines 1 through 3
3 summarize the calculation of average common equity. Line 5 is the Actual Total
4 Earnings as described above, and Line 6 is the return on common equity including all
5 performance incentives for CY 2018, or 9.58 percent. Lines 9 through 11 show the dollar
6 value and earnings impact of each of the Company's incentives. Line 14 is the Base
7 Earnings as described above, and Line 15 is the return on common equity excluding
8 performance incentives for CY 2018, or 8.99 percent. Because Line 15 is less than 9.275
9 percent, the earned return on common equity for CY 2018 does not exceed the threshold
10 above which the Company's regulated earnings are shared with customers. Therefore,
11 there are no earnings available to be shared with customers associated with CY 2018.

12

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

14 A. Yes.

Schedule MAL-1
CY 2018 Gas Earnings Report

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
Schedule MAL-1
August 1, 2019**

**The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770
Gas Earnings Sharing Mechanism**

**National Grid - RI Gas
Earnings Sharing Mechanism
For the Twelve Months ended December 31, 2018**

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The Narragansett Electric Company
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RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
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August 1, 2019
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The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770
Gas Earnings Sharing Mechanism
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National Grid - RI Gas
Earnings Sharing Calculation
For the Twelve Months ended December 31, 2018

1	Average Rate Base	\$770,817,662	
2	Equity Component of Rate Base	50.95%	
3	Average Common Equity	<u>\$392,731,598</u>	
4			
5	Actual Total Earnings	\$37,620,144	
6	Return on Common Equity before Incentives	9.58%	
7			
8	Less incentives:		
9	Energy Efficiency shareholder incentive	\$1,627,345	0.41%
10	Natural Gas Portfolio Management Plan	\$620,636	0.16%
11	Gas Procurement Incentive Plan	<u>\$54,616</u>	0.01%
12		\$2,302,597	
13			
14	Base Earnings	\$35,317,547	
15	Return on Common Equity after Incentives	<u>8.99%</u>	
16			
17	Return on Equity > 9.275% and < 10.275%	0.00%	
18	Earnings to be Shared	<u>\$0</u>	
19	Earnings to Customers - 50%	<u>\$0</u>	
20			
21	Return on Equity > 10.275%	0.00%	
22	Earnings to be Shared	<u>\$0</u>	
23	Earnings to Customers - 75%	<u>\$0</u>	
24			
25	Total After tax Earnings Credited to Customers	<u><u>\$0</u></u>	
26			
27	Total Earnings Credited to DAC	<u><u>\$0</u></u>	

Notes:

- 1 From Page 5 of 14 line 24(f)
- 2 From Page 4 of 14 line 8(a)
- 3 Line 1 times line 2
- 5 Line 12 plus line 14
- 6 Line 5 divided by line 3
- 9 Line 9 divided by line 3
- 10 Line 10 divided by line 3
- 11 Line 11 divided by line 3
- 14 From Page 2 of 14 line 46
- 15 Line 14 divided by line 3
- 17 Smaller of 10.275% or Line 15 minus 9.275%.
- 18 Line 3 times line 17
- 19 Line 18 times 50%
- 21 If Line 15 is greater than 10.275%
- 22 Line 3 times line 21
- 23 Line 22 times 75%
- 25 Line 19 plus line 23
- 27 Line 25 divided by 79%

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
Schedule MAL-1
August 1, 2019
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The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770
Gas Earnings Sharing Mechanism
Page 2 of 14

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

	<u>2018</u>
1 Operating Revenues	
2 Total Firm Gas	\$399,470,253
3 Transportation	\$45,239,575
4 Other Revenues	(\$10,714,584)
5 Total Operating Revenues	<u>\$433,995,243</u>
6	
7 <i>Adjustment to Operating Revenue:</i>	
8 Inventory Financing	(\$929,960)
9 Total Adjusted Operating Revenues	<u>\$433,065,283</u>
10	
11 Operating Expenses	
12 Production (Gas Costs)	\$180,027,225
13 Storage	\$5,917,311
14 Transmission	\$1,140,245
15 Distribution	\$29,303,308
16 Customer Accounts	\$40,559,678
17 Sales	\$0
18 Administrative and General	\$39,242,635
19 Total Operating Expenses	<u>\$296,190,401</u>
20	
21 <i>Adjustments to Operating Expense:</i>	
22 Savings Imputed in Base Rates	\$1,633,333
23 Total Adjusted Operating Expenses	<u>\$297,823,735</u>
24	
25 Other Expenses	
26 Depreciation and Amortization	\$35,164,510
27 Local and Other Taxes	\$25,648,707
28 Revenue Related Taxes (Gross Earnings Tax - GET)	\$12,651,187
29 Federal Income Taxes @ 21%	\$9,397,429
30 Total Other Expenses	<u>\$82,861,833</u>
31	
32 Income Before Interest Expense	<u>\$52,379,715</u>
33	
34 Interest Expense	
35 Other Income/Expenses	\$0
36 Short-Term Debt	\$97,123
37 Long-Term Debt	\$18,410,903
38 Other Interest Expense	\$42,195
39 AFUDC	(\$1,522,739)
40 Total Interest Expense	<u>\$17,027,482</u>
41	
42 Net Income / (Loss)	<u>\$35,352,233</u>
43	
44 Preferred Dividends	\$34,687
45	
46 Net Income / (Loss) Applicable to Common Equity	<u>\$35,317,547</u>
47	
48	

Notes:

- 4 From Page 7 of 14 line 10
- 22 Docket No. 3943 (4/4/2008) Attachment NG-MDL-4 Page 1 of 6 Line 7 (8 months)
- 27 From Page 6 of 14 sum of line 3 through line 5
- 29 From Page 3 of 14 line 20
- 36 From Page 4 of 14 line 25(b)
- 37 From Page 4 of 14 line 17(b)
- 38 From Page 8 of 14 line 3
- 44 From Page 4 of 14 line 34(b)

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
Schedule MAL-1
August 1, 2019
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The Narragansett Electric Company
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RIPUC Docket No. 4770
Gas Earnings Sharing Mechanism
Page 3 of 14

National Grid - RI Gas
Federal Income Tax Calculation
For the Twelve Months ended December 31, 2018

1	Operating Revenues	\$433,065,283
2		
3	Less:	
4		
5	Operating Expenses	\$297,823,735
6	Depreciation and Amortization	\$35,164,510
7	Local and Other Taxes	\$25,648,707
8	Revenue Related Taxes (GET)	\$12,651,187
9	Interest - Short-Term Debt	\$97,123
10	Interest - Long-Term Debt	\$18,410,903
11	Other Interest	\$42,195
12	AFUDC	<u>(\$1,522,739)</u>
13		
14	Total Deductions	<u>\$388,315,620</u>
15		
16	Taxable Income	\$44,749,663
17		
18	Federal Income Tax Rate	<u>21.00%</u>
19		
20	Federal Income Tax Expense	<u><u>\$9,397,429</u></u>

Notes:

- 1 From Page 2 of 14 line 9
- 5 From Page 2 of 14 line 23
- 6 From Page 2 of 14 line 26
- 7 From Page 2 of 14 line 27
- 8 From Page 2 of 14 line 28
- 9 From Page 2 of 14 line 36
- 10 From Page 2 of 14 line 37
- 11 From Page 2 of 14 line 38
- 12 From Page 2 of 14 line 39
- 14 Sum of Line 5 through line 12
- 16 Line 1 minus line 14
- 18 Federal income Tax Rate: rate of 21%
- 20 Line 16 times Line 18

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
Schedule MAL-1
August 1, 2019
Page 4 of 14

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4770
Gas Earnings Sharing Mechanism
Page 4 of 14

National Grid - RI Gas
Applicable Capital Structure, Interest Expense and Preferred Dividends
For the Twelve Months ended December 31, 2018

	%	\$
	(a)	(b)
1 Rate Base		\$770,817,662
2		
3 Capital Structure		
4	<u>Docket 4770</u>	
5 Short-Term Debt	0.60%	\$4,624,906
6 Long-Term Debt	48.35%	\$372,690,339
7 Preferred Stock	0.10%	\$770,818
8 Common Equity	50.95%	\$392,731,599
9	<u>100.00%</u>	<u>\$770,817,662</u>
10 Interest Expense		
11		
12		
13 Long-Term Debt Portion	48.35%	\$372,690,339
14		
15 Cost of Long-Term Debt December 2018		4.94%
16		
17 Proforma Long-Term Debt Interest		<u>\$18,410,903</u>
18		
19		
20		
21 Short-Term Debt Portion	0.60%	\$4,624,906
22		
23 Cost of Short-Term Debt December 2018		2.10%
24		
25 Proforma Short-Term Debt Interest		<u>\$97,123</u>
26		
27 Preferred Dividends		
28		
29		
30 Preferred Stock Portion	0.10%	\$770,818
31		
32 Cost of Preferred Stock		4.50%
33		
34 Proforma Preferred Stock		<u>\$34,687</u>

Notes:

- 1(b) From Page 5 of 14 line 24(f)
- 5(a)-8(a) Docket 4770, Compliance Filing Attachment 2, Schedule 1-GAS, Page 4 of 4
- 5(b)-8(b) Line 1(b) times Line 5(a) through Line 8(a)
 - 13 Line 1(b) times Line 13(a)
 - 15 From Page 10 of 14 line 12(g)
 - 17 Line 13(b) times line 15(b)
 - 21 Line 1(b) times Line 21(a)
 - 23 From Page 11 Line 14(b)
 - 25 Line 21(b) times line 23(b)
 - 30 Line 1(b) times Line 30(a)
 - 32 Cost rate per Docket No. 4770, Compliance Attachment 2, Schedule 1-GAS, Page 4
 - 34 Line 30(b) times line 32(b)

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

	December 2017 (a)	March 2018 (b)	June 2018 (c)	September 2018 (d)	December 2018 (e)	5 Quarter Average December 2018 (f)
1 Gas Plant In Service	\$1,153,416,688	\$1,196,039,463	\$1,216,320,455	\$1,244,302,519	\$1,270,410,017	\$1,216,097,828
2 CWIP	\$76,022,283	\$52,548,788	\$62,799,396	\$69,056,353	\$75,391,908	\$67,163,746
3 Less: Accumulated Depreciation	\$381,913,835	\$388,566,984	\$392,205,142	\$395,245,923	\$399,108,875	\$391,408,152
4 Less: Contribution in Aid of Construction	\$38	\$38	\$38	\$38	\$38	\$38
5						
6 Net Plant	\$847,525,098	\$860,021,229	\$886,914,671	\$918,112,911	\$946,693,012	\$891,853,384
7						
8 Materials and Supplies	\$3,580,099	\$3,981,153	\$4,425,685	\$4,593,747	\$4,724,404	\$4,261,017
9 Prepaid Expenses, Excluding Taxes	\$864,353	\$1,811,623	\$128,359	\$267,841	\$4,774	\$615,390
10 Deferred Debits	\$0	\$0	\$0	\$1,793,454	\$1,686,909	\$696,073
11 Unamortized debt expense and Interest Rate Lock	\$1,727,831	\$1,697,996	\$1,668,162	\$2,113,277	\$2,071,368	\$1,855,727
12 Cash Working Capital	\$19,692,717	\$23,203,552	\$23,203,552	\$23,203,552	\$23,203,552	\$22,501,385
13						
14 Subtotal	\$25,865,000	\$30,694,324	\$29,425,757	\$31,971,871	\$31,691,007	\$29,929,592
15						
16 Accumulated Deferred FIT	\$87,805,880	\$69,153,777	\$74,302,956	\$77,337,699	\$79,976,277	\$77,715,318
17 Excess Deferred Tax	\$51,547,315	\$48,219,314	\$48,219,314	\$48,219,314	\$58,151,908	\$50,871,433
18 Hold Harmless	\$20,773,882	\$20,335,534	\$19,897,186	\$19,458,837	\$19,020,489	\$19,897,186
19 Customer Deposits	\$1,840,627	\$1,857,003	\$1,830,117	\$1,875,748	\$1,982,743	\$1,877,248
20 Injuries and Damages Reserve	\$1,065,107	\$1,007,021	\$948,521	\$0	\$0	\$604,130
21						
22 Subtotal	\$163,032,811	\$140,572,649	\$145,198,094	\$146,891,599	\$159,131,417	\$150,965,314
23						
24 Rate Base	\$710,357,287	\$750,142,903	\$771,142,334	\$803,193,183	\$819,252,602	\$770,817,662

Notes:

- 1(a)-4(e) From Company Financial Statements
- 1(f)-4(f) Average of Column (a) through Column (e)
- 6(a)-6(e) Line 1 plus line 2 minus line 3 minus line 4
- 6(f) Average of Column (a) through Column (e)
- 8(a)-11(e) From Company Financial Statements
- 8(f)-11(f) Average of Column (a) through Column (e)
- 12(b)-12(e) From Page 6 of 14 Line 13
- 14 Sum of Line 8 through Line 12
- 16(a)-20(e) From Company Financial Statements
- 16(f)-20(f) Average of Column (a) through Column (e)
- 17 Excess Deferred Tax for change in tax rate from 35% to 21%
- 18 Hold Harmless rate base credit per Docket No. 3859
- 22 Sum of Line 16 through Line 20
- 24 Line 6 + Line14 - Line 22

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
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August 1, 2019
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National Grid - RI Gas
Cash Working Capital Calculation
For the Twelve Months ended December 31, 2018

1	Gas Costs	\$180,027,225	
2	Operating Expenses	\$116,163,176	
3	Payroll Taxes	\$2,502,790	
4	Property Taxes	\$23,065,094	
5	State Taxes Other	\$80,823	
6	Revenue Related Taxes (GET)	\$12,651,187	
7	Total	\$334,490,295	
8			
9	Daily Cash Requirement	\$916,412	
10			
11	Net Lag Days	32.95	
12			
13	Total Working Capital	\$23,203,552	

Notes:

- 1 From Page 2 of 14 line 12
- 2 From Page 2 of 14 lines 13-18
- 3-5 From Company Financial Statements
- 6 From Page 2 of 14 line 28
- 7 Sum of Lines 1 through line 6
- 9 Line 7 divided by 365 days
- 11 Per Docket No. 4770, Schedule MAL-42-GAS,
(Page 3 of 29, Line 18 - Page 2 of 29, Line 1)
- 13 Line 9 times line 11

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The Narragansett Electric Company
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National Grid - RI Gas
Detail Other Revenue/(Expense)
For the Twelve Months ended December 31, 2018

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

Notes:

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

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

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

Notes:

- 1 From Company Financial Statements
- 3 Line 1

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

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

Notes:

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

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Series	Percent	Due	Amount	Annual Interest	Annual Amortization of DD&E	Total Expense	Cost of Debt
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
Total			\$983,803,500	\$47,458,452	\$1,103,085	\$48,561,537	4.94%

Notes:

1-11 From Financial Statements

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

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

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

Notes:

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

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

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

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

Line Notes

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

**The Narragansett Electric Company
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RIPUC Docket No. 4955
Gas Earnings Sharing Mechanism
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**The Narragansett Electric Company
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Gas Earnings Sharing Mechanism
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Schedule DJE-2
Revised

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

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

National Grid - RI Gas
Reconciliation of Gas Earnings Sharing Mechanism to Annual Report
For the Twelve Months ended December 31, 2018

1	Operating Revenues	
2	Gas Operating Revenues shown on Page 301, Line 1(f) of the Annual Report	\$394,332,382
3	1 Remove Energy Efficiency Incentives	(\$1,627,345)
4	2 Unbilled Revenue Net Margin	\$7,726,911
5	3 Unbilled Energy Efficiency	(\$961,695)
6	Gas Earnings Sharing Mechanism, Page 2, Total Firm Gas Revenues	\$399,470,253
7		
8	Revenues from Transportation shown on Page 301, Line 7(f) of the Annual Report	\$45,282,322
9	1 Unbilled Transportation	(\$42,747)
10	Gas Earnings Sharing Mechanism, Page 2, Transportation Revenues	\$45,239,575
11		
12	Miscellaneous Service Revenues shown on Page 301, Line 4(f) of the Annual Report	(\$376)
13	Rent from Gas Property shown on Page 301, Line 12(f) of the Annual Report	\$675,018
14	Other Gas Revenues shown on Page 301, Line 14(f) of the Annual Report	(\$4,244,179)
15	1 Excess Sharing	\$4,482,546
16	2 Off System Gas Sales	(\$5,248,914)
17	3 Contract Sharing	\$145,732
18	4 Unbilled DAC	(\$6,103,929)
19	5 Unbilled RDM	(\$740,618)
20	6 Miscellaneous Service Revenues	\$376
21	7 CSS Revenue - Customer Arrears	\$319,761
22	Gas Earnings Sharing Mechanism, Page 2, Other Revenues	(\$10,714,583)
23		
24	Inventory Financing	(\$929,960)
25		
26		
27	Operating Expenses	
28	Production expenses shown on Page 320 of the Annual Report	\$180,027,225
29	Gas Earnings Sharing Mechanism, Page 2, Production (Gas Costs)	\$180,027,225
30		
31	Natural Gas Storage expenses shown on Page 322 of the Annual Report	\$5,917,312
32	Gas Earnings Sharing Mechanism, Page 2, Storage	\$5,917,312
33		
34	Transmission expenses shown on Page 323 of the Annual Report	\$1,140,244
35	Gas Earnings Sharing Mechanism, Page 2, Transmission	\$1,140,244
36		
37	Distribution expenses shown on Page 324 of the Annual Report	\$29,303,308
38	Gas Earnings Sharing Mechanism, Page 2, Distribution	\$29,303,308
39		
40	Customer Accounts expenses shown on Pages 324-325 of the Annual Report	\$43,666,463
41	1 Zero out Uncollectible Accounts per books	(\$8,721,968)
42	2 Add Bad Debt Write-Offs	\$5,615,181
43	Gas Earnings Sharing Mechanism, Page 2, Customer Accounts	\$40,559,676
44		
45	Sales expenses shown on Page 325 of the Annual Report	\$233,055
46	1 Remove Sales expenses	(\$233,055)
47	Gas Earnings Sharing Mechanism, Page 2, Sales	\$0
48		
49	Administrative and General expenses shown on Page 325 of the Annual Report	\$37,634,675
50	1 Reclassify Donations to A&G expense from Account 426.1	\$324,271
51	2 Exclude Executive Variable Compensation not charged to customers	(\$260,147)
52	3 Normalize out of period adjustment for A&G OH Study reclassification to capital	\$1,543,836
53	Gas Earnings Sharing Mechanism, Page 2, Administrative and General	\$39,242,635