

February 3, 2023

VIA HAND DELIVERY AND HAND DELIVERY

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

**RE: Docket No. 22-54-NG – The Narragansett Electric Company
Proposed FY 2024 Gas Infrastructure, Safety, and Reliability Plan
Supplemental Revenue Requirement, Rate, and Bill Impacts For April 1, 2023 through
March 31, 2024**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the “Company”), I have enclosed 10 copies of the Company’s supplemental fiscal year (“FY”) 2024 Gas Infrastructure, Safety, and Reliability Plan (“Gas ISR Plan”) revenue requirement, rate design and bill impact for the period April 1, 2023 through March 31, 2024. This filing is being made in compliance with the Rhode Island Public Utilities Commission’s (“PUC”) ruling during an Open Meeting that occurred on January 20, 2023.

This supplemental filing consists of the following documents:

- Section 3 Supplemental: Attachment 1
- Section 3 Supplemental: Attachment 2
- Section 4 Supplemental: Attachment 1
- Section 4 Supplemental: Attachment 2

The Company’s net revenue requirement for this supplemental filing is \$60.3 million (which is an incremental \$17,844,669 over the amount in FY 2023), as reflected in Section 3 Supplemental: Attachment 1. For the average Residential Heating customer, using 845 therms annually, implementation of the proposed Gas ISR factors for April 1, 2023 through March 31, 2024 will result in an estimated annual increase of \$51.23, or 3.0%, as reflected in Section 4 Supplemental: Attachment 2.

Please note that the energy efficiency charge that took effect on January 1, 2023 is not reflected in the bill impact analysis in Section 4 Supplemental: Attachment 2.

Luly E. Massaro, Commission Clerk
Docket No. 22-54-NG – Supplemental Revenue Requirement, Rate, and Bill Impacts
February 3, 2023
Page 2 of 2

Thank you for your attention to this matter. If you have any questions, please contact me at 401-316-7429.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jennifer Brooks Hutchinson", with a long horizontal flourish extending to the right.

Jennifer Brooks Hutchinson

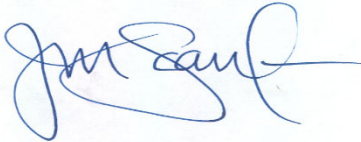
Enclosure

cc: Docket 22-54-NG Service List
Leo Wold, Esq.
Al Mancini, Division
John Bell, Division
Rod Walker, Division

Certificate of Service

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

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



Joanne M. Scanlon

February 3, 2023
Date

**No. 22-54-NG- RI Energy's Gas Infrastructure, Safety and Reliability (ISR)
Plan 2024 - Service List 1/10/2023**

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**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Annual Revenue Requirement Summary**

Line No.		12 months Approved Fiscal Year <u>2023-NG</u> (a)	PPL Plan Year 4/1/23 - 3/31/24 <u>2024</u> (b)
	<u>Operation and Maintenance Expenses</u>		
1	FY 2023 Operation and Maintenance Expense	\$0	\$0
	<u>Capital Investment:</u>		
2	Actual Revenue Requirement on FY 2018 Incremental Capital Included in ISR Rate Base	\$705,341	\$362,365
3	Actual Revenue Requirement on FY 2019 Incremental Capital Included in ISR Rate Base	\$290,803	\$405,676
4	Actual Revenue Requirement on FY 2020 Incremental Capital Included in ISR Rate Base	\$8,490,363	\$9,422,592
5	Actual Revenue Requirement on FY 2021 Incremental Capital Included in ISR Rate Base	\$8,578,571	\$8,907,970
6	Actual Revenue Requirement on FY 2022 Incremental Capital Included in ISR Rate Base	\$11,111,100	\$14,293,737
7	Forecasted Revenue Requirement on FY 2023-NG Capital included in ISR Rate Base	\$6,439,207	\$12,827,683
8	Forecasted Revenue Requirement on Plan Year 2024 Capital included in ISR Rate Base		\$7,182,996
9	Total Capital Investment Revenue Requirement	<u>\$35,615,386</u>	<u>\$53,403,019</u>
10	FY 2023-NG Property Tax Recovery Adjustment	\$6,821,584	
11	Plan Year 2024 Property Tax Recovery Adjustment (Mar-24)		\$11,378,583
12	Total Capital Investment Component of Revenue Requirement	<u>\$42,436,970</u>	<u>\$64,781,602</u>
13	Total Revenue Requirement	<u>\$42,436,970</u>	<u>\$64,781,602</u>
14	Per Tax Hold Harmless Adjustment Section 3 - Supplemental, Attachment 2, Pages 1, Line 23		(\$4,499,963)
15	Total Net Capital Investment Component of Revenue Requirement	<u>\$42,436,970</u>	<u>\$60,281,639</u>
16	Incremental Rate Adjustment		\$17,844,669

Column Notes:

(a) RIPUC Docket No. 5210, Section 3, Attachment 1, Page 1 of 28, Column (b)

Line Notes for Columns (b) only:

- 2 Page 2 of 32, Line 35, Col. (h)
- 3 Page 5 of 32, Line 30, Col. (g)
- 4 Page 8 of 32, Line 35, Col. (f)
- 5 Page 12 of 32, Line 35, Col. (e)
- 6 Page 15 of 32, Line 35, Col. (d)
- 7 Page 18 of 32, Line 35, Col. (c)
- 8 Page 21 of 32, Line 31, Col. (a)
- 9 Sum of Lines 2 through 8
- 11 Page 30 of 32, Line 87, Col. (g) & × 1,000
- 12 Sum of Line 9 through Line 11
- 13 Line 1 + Line 12
- 14 RIPUC Docket No. 22-54-NG, Section 3 - Supplemental, Attachment 2, Pages 1, Line 23
- 15 Line 13 + Line 14
- 16 Line 15 Col (b) - Line 15 Col (a)

The Narragansett Electric Company
RIPUC Docket No. 22-54-NG
Proposed FY 2024 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3 Supplemental: Attachment 1
Page 2 of 32

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on FY 2018 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	Fiscal Year 2021 (d)	Fiscal Year 2022 (e)	NG 4/1/22 - 5/24/2022 (f)	PPL 5/25/22 - 3/31/23 (g)	PPL Plan Year 4/1/23 - 3/31/24 (h)
1	Depreciable Net Capital Included in ISR Rate Base								
2	Total Allowed Capital Included in ISR Rate Base in Current Year	\$4,632,718							
3	Retirements	\$12,059,428							
	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)
	Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1	\$4,632,718	\$0	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718
7	Cost of Removal	Page 24 of 32, Line 6, Col (a)	\$1,941,168						
8	Net Plant Amount	Year 1 = Line 6 + Line 7; Then = Prior Year	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886
	Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	1/	3.38%	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days	2/					54	311	
11	Proration Percentage	2/					14.79%	85.21%	
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1=Page 3 of 32, Line 30, Col (a); then = Page 3 of 32, Col (c)	\$7,820,728	\$21,720	\$20,089	\$18,585	\$17,189	\$2,353	\$213,427
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$7,820,728	\$7,842,448	\$7,862,538	\$7,881,123	\$7,898,312	\$7,900,664	\$410,861
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12						\$213,427	\$624,288
14	Book Depreciation	Year 1= Line 3 x Line 9 x 50%; then = Line 3 x Line 9	(\$125,511)	(\$234,127)	(\$222,059)	(\$222,059)	(\$222,059)	(\$32,853)	(\$189,206)
15	Cumulative Book Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	(\$125,511)	(\$359,638)	(\$581,697)	(\$803,756)	(\$1,025,814)	(\$1,058,667)	(\$1,247,873)
16	Cumulative Book / Tax Timer	Columns (a) through (e): Line 13 - Line 15, Then Line 14 - Line 15	\$7,946,239	\$8,202,087	\$8,444,235	\$8,684,878	\$8,924,126	\$8,959,331	\$1,461,300
17	Less: Cumulative Book Depreciation at Acquisition	Line 15 Column (f)							(\$1,058,667)
18	Cumulative Book / Tax Timer - PPL	Line 16 + Line 17							\$402,633
19	Effective Tax Rate	Columns (a) through (f): Line 16 * Line 19, Then Line 18 * Line 19	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
20	Deferred Tax Reserve	19	\$1,668,710	\$1,722,438	\$1,773,289	\$1,823,824	\$1,874,066	\$1,881,459	\$84,553
21	Less: FY 2018 Federal NOL	-Page 25 of 32, Line 12, Col (g)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	\$0
22	Excess Deferred Tax	(Line 16 x 31.55% blended FY18 tax rate) - Line 20; then = Prior Year Line 22	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328
23	Net Deferred Tax Reserve before Proration Adjustment	Line 20 + Line 21 + Line 22	(\$3,544,817)	(\$3,491,089)	(\$3,440,238)	(\$3,389,703)	(\$3,339,461)	(\$3,332,068)	\$922,881
	ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886
25	Accumulated Depreciation	- Line 15	\$125,511	\$359,638	\$581,697	\$803,756	\$1,025,814	\$1,058,667	\$1,247,873
26	Deferred Tax Reserve	- Line 23	\$3,544,817	\$3,491,089	\$3,440,238	\$3,389,703	\$3,339,461	\$3,332,068	(\$922,881)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$10,244,214	\$10,424,613	\$10,595,821	\$10,767,344	\$10,939,161	\$10,964,620	\$6,898,878
	Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = 0; then Average of (Prior + Current Year Line 27)					\$10,853,253	\$8,919,019	\$8,919,019
29	Proration Adjustment	Page 4 of 32, Line 41					\$2,157	\$3,947	\$5,705
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29					\$10,855,409	\$8,922,966	\$8,922,966
31	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e)					8.41%	8.41%	8.41%
32	Proration Percentage	Line 11					14.79%	85.21%	
33	Return and Taxes	Cols (e) and (h): L 30 * L 31; Cols (f) and (g): L 30 * L 31 * L 32					\$912,940	\$111,021	\$639,400
34	Book Depreciation	Year 1 = N/A; then = Line 14					(\$222,059)	(\$32,853)	(\$189,206)
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	N/A	N/A	N/A	\$690,881	\$78,169	\$450,194

1/ 3.38% Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018

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

FY 19 Composite Book Depreciation Rate = 3.38% x 5 / 12 + 2.99% x 7 / 12

2/ Columns (d) and (g) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

5/ Columns (f) and (g) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (e) and the end of the fiscal year on Line 32, Column (g). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2018 Incremental Capital Investment

Line No.			Fiscal Year 2018 (a)	(b)	(c)	(d)	(e)	(f)
	Capital Repairs Deduction							
1	Plant Additions	Page 2 of 32, Line 1	\$4,632,718					
2	Capital Repairs Deduction Rate	Per Tax Department	85.43%					
3	Capital Repairs Deduction	Line 1 × Line 2	\$3,957,731					
6	Bonus Depreciation							
7	Plant Additions	Line 1	\$4,632,718					
8	Less Capital Repairs Deduction	Line 3	\$3,957,731					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$674,987					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$674,987					
12	Bonus depreciation 100% category	100% × 15.86%	2/ 15.86%					
13	Bonus depreciation 50% category	50% × 58.05%	2/ 29.03%					
14	Bonus depreciation 40% category	40% × 26.35%	2/ 10.54%					
15	Bonus Depreciation Rate (October 2017 - March 2018)	1 × 50% × 0%	2/ 0.00%					
16	Total Bonus Depreciation Rate	Line 12 + Line 13 + Line 14 + Line 15	55.43%					
17	Bonus Depreciation	Line 11 × Line 16	\$374,112					
19	Remaining Tax Depreciation							
20	Plant Additions	Line 1	\$4,632,718					
21	Less Capital Repairs Deduction	Line 3	\$3,957,731					
22	Less Bonus Depreciation	Line 17	\$374,112					
	Remaining Plant Additions Subject to 20 YR MACRS Tax							
23	Depreciation	Line 20 - Line 21 - Line 22	\$300,875					
24	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%					
25	Remaining Tax Depreciation	Line 23 × Line 24	\$11,283					
27	FY18 tax (gain)/loss on retirements	Per Tax Department	3/ \$1,536,434					
28	Cost of Removal	Page 2 of 32, Line 7	\$1,941,168					
30	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 17, 25, 27 & 28	\$7,820,728					

20 Year MACRS Depreciation			
MACRS basis:	Line 23, Column (a)	\$300,875	
Fiscal Year	Prorated	Annual	Cumulative
FY Mar-2018	3.750%	\$11,283	\$7,820,728
FY Mar-2019	7.219%	\$21,720	\$7,842,448
FY Mar-2020	6.677%	\$20,089	\$7,862,538
FY Mar-2021	6.177%	\$18,585	\$7,881,123
FY Mar-2022	5.713%	\$17,189	\$7,898,312
FY Mar-2023 (Apr-May 2022)	5.285%	\$2,353	\$7,900,664
Book Cost	Line 1, Column (a)	\$4,632,718	
Cumulative Book Depreciation	- Page 2 of 32, Line 15, Col (f)	\$1,058,667	
PPL MACRS basis:	Line 13 + Line 14	\$5,691,385	
FY Mar-2023 (Jun-Mar 2023)	3.750%	\$213,427	\$213,427
Mar-2024	7.219%	\$410,861	\$624,288
Mar-2025	6.677%	\$380,014	\$1,004,302
Mar-2026	6.177%	\$351,557	\$1,355,859
Mar-2027	5.713%	\$325,149	\$1,681,007
Mar-2028	5.285%	\$300,790	\$1,981,797
Mar-2029	4.888%	\$278,195	\$2,259,992
Mar-2030	4.522%	\$257,364	\$2,517,356
Mar-2031	4.462%	\$253,950	\$2,771,306
Mar-2032	4.461%	\$253,893	\$3,025,199
Mar-2033	4.462%	\$253,950	\$3,279,148
Mar-2034	4.461%	\$253,893	\$3,533,041
Mar-2035	4.462%	\$253,950	\$3,786,991
Mar-2036	4.461%	\$253,893	\$4,040,883
Mar-2037	4.462%	\$253,950	\$4,294,833
Mar-2038	4.461%	\$253,893	\$4,548,725
Mar-2039	4.462%	\$253,950	\$4,802,675
Mar-2040	4.461%	\$253,893	\$5,056,568
Mar-2041	4.462%	\$253,950	\$5,310,517
Mar-2042	4.461%	\$253,893	\$5,564,410
Mar-2043	2.231%	\$126,975	\$5,691,385
	100.000%	\$5,691,385	

1/ Capital Repairs percentage is based on the actual results of the FY 2018 tax return.
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2018 tax return
3/ Actual Loss for FY2018
11 (d) 5.285% / 365 x 54

Column (d), Line 11 = MACRS Rate 5.285% / 365 days x 54 days

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration		FY22 (a)	FY23-NG (b)	Plan Year 2024 (c)	
		Col (a): Page 2 of 32, Line 14, column (e); Col (b): Page 2 of 32, Line 14, columns (f) through (h); Col (c): Page 2 of 32, Line 14, column (i)				
1	Book Depreciation		(\$222,059)	(\$222,059)	(\$222,059)	
2	Bonus Depreciation		\$0	\$0	\$0	
		Col (a): - Page 3 of 32, Line 10, column (e); Col (b): - Page 3 of 32, Sum of Lines 11,17,18, column, (e); Col (c): - Page 3 of 32, Line 19, column, (e)				
3	Remaining MACRS Tax Depreciation		(\$17,189)	(\$215,779)	(\$410,861)	
4	FY18 tax (gain)/loss on retirements		\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$239,248)	(\$437,838)	(\$632,920)	
6	Effective Tax Rate		21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$50,242)	(\$91,946)	(\$132,913)	
	Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction					
9	Cost of Removal					
10	Book/Tax Depreciation Timing Difference at 3/31/2017					
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10				
12	Effective Tax Rate					
13	Deferred Tax Reserve	Line 11 × Line 12				
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$50,242)	(\$91,946)	(\$132,913)	
15	Net Operating Loss		\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$50,242)	(\$91,946)	(\$132,913)	
	Allocation of FY 2018 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$239,248)	(\$437,838)	(\$632,920)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$239,248)	(\$437,838)	(\$632,920)	
20	Total FY 2018 Federal NOL		\$0	\$0	\$0	
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0	\$0	\$0	
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0	\$0	\$0	
23	Effective Tax Rate		21%	21%	21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$50,242)	(\$91,946)	(\$132,913)	
		(d)	(e)	(f)	(g)	
	Proration Calculation	Number of Days in Month	Proration Percentage	FY22	FY23-NG	Plan Year 2024
26	April	30	91.78%	(\$3,843)	(\$7,032)	(\$10,166)
27	May	31	83.29%	(\$3,487)	(\$6,382)	(\$9,225)
28	June	30	75.07%	(\$3,143)	(\$5,752)	(\$8,315)
29	July	31	66.58%	(\$2,787)	(\$5,101)	(\$7,374)
30	August	31	58.08%	(\$2,432)	(\$4,450)	(\$6,433)
31	September	30	49.86%	(\$2,088)	(\$3,821)	(\$5,523)
32	October	31	41.37%	(\$1,732)	(\$3,170)	(\$4,582)
33	November	30	33.15%	(\$1,388)	(\$2,540)	(\$3,672)
34	December	31	24.66%	(\$1,032)	(\$1,889)	(\$2,731)
35	January	31	16.16%	(\$677)	(\$1,239)	(\$1,790)
36	February	28	8.49%	(\$356)	(\$651)	(\$941)
37	March	31	0.00%	\$0	\$0	\$0
38	Total	365		(\$22,964)	(\$42,026)	(\$60,752)
39	Deferred Tax Without Proration	Line 25	(\$50,242)	(\$91,946)	(\$132,913)	
40	Average Deferred Tax without Proration	Line 39 × 50%	(\$25,121)	(\$45,973)	(\$66,457)	
41	Proration Adjustment	Line 38 - Line 40	\$2,157	\$3,947	\$5,705	

Column Notes:

- (e) Sum of remaining days in the year (Col (d)) ÷ 365
- (f), (g) & (h) Current Year Line 25 ÷ 12 × Current Month Col (e)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on FY 2019 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2021 (c)	Fiscal Year 2022 (d)	NG 4/1/22 - 5/24/2022 2023 (e)	PPL 5/25/22 - 3/31/23 2023 (f)	PPL Plan Year 4/1/23 - 3/31/24 2024 (g)
Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 24 of 32, Line 3, Col (b) (\$914,000)						
2	Retirements	Page 24 of 32, Line 9, Col (b) (\$1,368,021)						
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021
Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1	(\$914,000)	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense		\$0	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)
7	Cost of Removal	Page 24 of 32, Line 6, Col (b)	\$5,626,564					
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	As Approved in RIPUC Docket No. 4323 & 4770	1/ 3.15%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/			54	311	
11	Proration Percentage		2/			14.79%	85.21%	
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 6 of 32, Line 28, Col (a); then = Page 6 of 32, Col (c)	\$5,200,130	(\$8,390)	(\$7,760)	(\$7,179)	(\$982)	(\$36,146)
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$5,200,130	\$5,191,739	\$5,183,979	\$5,176,799	\$5,175,817	
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12						(\$36,146)
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	2/ \$7,157	\$13,575	\$13,575	\$13,575	\$2,008	\$11,567
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$7,157	\$20,732	\$34,307	\$47,883	\$49,891	\$61,458
17	Cumulative Book / Tax Timer	Columns (a) through (e); Line 13 - Line 16, Then Line 14 - Line 16	\$5,192,973	\$5,171,007	\$5,149,671	\$5,128,917	\$5,125,926	(\$97,604)
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (c)						\$49,891
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18						(\$47,713)
20	Effective Tax Rate	Columns (a) through (e); Line 17 * Line 20, Then Line 19 *	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 20	\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	\$1,076,444	(\$10,020)
22	Add: FY 2019 Federal NOL incremental utilization	Page 24 of 32, Line 12, Col (b)	\$286,350	\$286,350	\$286,350	\$286,350	\$286,350	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$1,376,874	\$1,372,261	\$1,367,781	\$1,363,422	\$1,362,794	(\$10,020)
ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
25	Accumulated Depreciation	- Line 16	(\$7,157)	(\$20,732)	(\$34,307)	(\$47,883)	(\$49,891)	(\$61,458)
26	Deferred Tax Reserve	- Line 23	(\$1,376,874)	(\$1,372,261)	(\$1,367,781)	(\$1,363,422)	(\$1,362,794)	\$10,020
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$3,328,533	\$3,319,570	\$3,310,475	\$3,301,259	\$3,299,878	\$4,661,125
Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2				\$3,305,867	\$3,981,192	\$3,981,192
29	Proration Adjustment	Page 7 of 32, Line 41				(\$187)	(\$457)	(\$457)
25	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29				\$3,305,680	\$3,980,735	\$3,980,735
26	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e)				8.41%	8.41%	8.41%
27	Proration Percentage	Line 11					14.79%	85.21%
28	Return and Taxes	Cols (d) and (g); L 25 * L 26; Cols (e) and (f); L 25 * L 26 *				\$278,008	\$49,529	\$285,251
29	Book Depreciation	Line 15				\$13,575	\$2,008	\$11,567
30	Annual Revenue Requirement	Sum of Lines 28 through 29	N/A	N/A	N/A	\$291,583	\$51,537	\$296,818

1/ 3.38%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 / 12 + 2.99% × 7 / 12
2/ Columns (e) and (f) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.
3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.
4/ Columns (e) and (f) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 31, Column (d) and the end of the fiscal year on Line 27, Column (f). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2019 Incremental Capital Investment

Line No.			Fiscal Year 2019 (a)	(b)	(c)	(d)	(e)	(f)
	Capital Repairs Deduction							
1	Plant Additions	Page 5 of 32, Line 1	(\$914,000)					
2	Capital Repairs Deduction Rate	Per Tax Department 1/	85.18%					
3	Capital Repairs Deduction	Line 1 × Line 2	(\$778,545)					
4								
5								
6	Bonus Depreciation							
7	Plant Additions	Line 1	(\$914,000)					
8	Less Capital Repairs Deduction	Line 3	(\$778,545)					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	(\$135,455)					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	(\$135,455)					
12	Bonus Depreciation Rate (30% Eligible)	1 × 30% × 11.65%	3.50%					
13	Bonus Depreciation Rate (40% Eligible)	1 × 40% × 26.75%	10.70%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	14.20%					
15	Bonus Depreciation	Line 11 × Line 14	(\$19,228)					
16								
17	Remaining Tax Depreciation							
18	Plant Additions	Line 1	(\$914,000)					
19	Less Capital Repairs Deduction	Line 3	(\$778,545)					
20	Less Bonus Depreciation	Line 15	(\$19,228)					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	(\$116,227)					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	(\$4,359)					
24								
25	FY19 tax (gain)/loss on retirements	Per Tax Department 3/	\$375,698					
26	Cost of Removal	Page 5 of 32, Line 7	\$5,626,564					
27								
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$5,200,130					

20 Year MACRS Depreciation			
MACRS basis:	Line 21, Column (a)	Annual	Cumulative
Fiscal Year	Prorated		
FY Mar-2019	3.750%	(\$4,359)	\$5,200,130
FY Mar-2020	7.219%	(\$8,390)	\$5,191,739
FY Mar-2021	6.677%	(\$7,760)	\$5,183,979
FY Mar-2022	6.177%	(\$7,179)	\$5,176,799
FY Mar-2023 (Apr-May 2022)	5.713% 0.845%	(\$982)	\$5,175,817
Book Cost	Line 1, Column (a)	(\$914,000)	
Cumulative Book Depreciation	- Page 5 of 32, Line 16, Col (e)	(\$49,891)	
PPL MACRS basis:	Line 12 + Line 13	(\$963,891)	
FY Mar-2023 (Jun-Mar 2023)	3.750%	(\$36,146)	(\$36,146)
Mar-2024	7.219%	(\$69,583)	(\$105,729)
Mar-2025	6.677%	(\$64,359)	(\$170,088)
Mar-2026	6.177%	(\$59,540)	(\$229,628)
Mar-2027	5.713%	(\$55,067)	(\$284,695)
Mar-2028	5.285%	(\$50,942)	(\$335,637)
Mar-2029	4.888%	(\$47,115)	(\$382,751)
Mar-2030	4.522%	(\$43,587)	(\$426,339)
Mar-2031	4.462%	(\$43,009)	(\$469,347)
Mar-2032	4.461%	(\$42,999)	(\$512,347)
Mar-2033	4.462%	(\$43,009)	(\$555,355)
Mar-2034	4.461%	(\$42,999)	(\$598,355)
Mar-2035	4.462%	(\$43,009)	(\$641,363)
Mar-2036	4.461%	(\$42,999)	(\$684,363)
Mar-2037	4.462%	(\$43,009)	(\$727,371)
Mar-2038	4.461%	(\$42,999)	(\$770,371)
Mar-2039	4.462%	(\$43,009)	(\$813,379)
Mar-2040	4.461%	(\$42,999)	(\$856,379)
Mar-2041	4.462%	(\$43,009)	(\$899,387)
Mar-2042	4.461%	(\$42,999)	(\$942,387)
Mar-2043	2.231%	(\$21,504)	(\$963,891)
	100.000%	(\$963,891)	

Column (d), Line 10 = MACRS Rate 5.713% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2019 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2019 tax return
3/ Actual Loss the actual result of FY2019 tax return
10 (d) 5.713% / 365 x 54
17 (d) 7.219% / 365 x 90
18 (d) 7.219% / 365 x 275

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration	FY22 (a)	FY23-NG (b)	Plan Year 2024 (c)
				Col (a): Page 5 of 32, Line 15, column (d); Col (b): Page 5 of 32, Line 15, columns (e) and (f); Col (c): Page 5 of 32, Line 15, column (g)
1	Book Depreciation	\$13,575	\$13,575	\$13,575
2	Bonus Depreciation	\$0	\$0	\$0
				Col (a): - Page 6 of 32, Line 9, column (e); Col (b): - Page 6 of 32, Sum of Lines 10 and 16, column, (e); Col (c): - Page 6 of 32, Line 17, column, (e)
3	Remaining MACRS Tax Depreciation	\$7,179	\$37,128	\$69,583
4	FY19 tax (gain)/loss on retirements	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4		
6	Effective Tax Rate	21%	21%	21%
7	Deferred Tax Reserve	\$4,358	\$10,648	\$17,463
				Line 5 × Line 6
	Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction			
9	Cost of Removal			
10	Book/Tax Depreciation Timing Difference at 3/31/2019			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10		
12	Effective Tax Rate	21%	21%	21%
13	Deferred Tax Reserve	Line 11 × Line 12		
14	Total Deferred Tax Reserve	\$4,358	\$10,648	\$17,463
15	Net Operating Loss	\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15		
17	Cumulative Book/Tax Timer Subject to Proration	\$20,755	\$50,703	\$83,159
18	Cumulative Book/Tax Timer Not Subject to Proration	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18		
20	Total FY 2019 Federal NOL	\$0	\$0	\$0
21	Allocated FY 2019 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20		
22	Allocated FY 2019 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20		
23	Effective Tax Rate	21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23		
25	Net Deferred Tax Reserve subject to proration	\$4,358	\$10,648	\$17,463
		(d)	(e)	(f)
		Number of Days in	Proration Percentage	FY22
		Month		FY23-NG
				Plan Year 2024
26	April	30	91.78%	\$333
27	May	31	83.29%	\$739
28	June	30	75.07%	\$666
29	July	31	66.58%	\$591
30	August	31	58.08%	\$515
31	September	30	49.86%	\$442
32	October	31	41.37%	\$367
33	November	30	33.15%	\$294
34	December	31	24.66%	\$219
35	January	31	16.16%	\$143
36	February	28	8.49%	\$75
37	March	31	0.00%	\$0
38	Total	365		\$1,992
				\$4,867
39	Deferred Tax Without Proration	Line 25		
40	Average Deferred Tax without Proration	Line 39 × 50%		
41	Proration Adjustment	Line 38 - Line 40		

Column Notes:

- (e) Sum of remaining days in the year (Col (d)) ÷ 365
- (f), (g) & (h) Current Year Line 25 ÷ 12 × Current Month Col (e)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on FY 2020 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2020 (a)	Fiscal Year 2021 (b)	Fiscal Year 2022 (c)	NG 4/1/22 - 5/24/2022 2023 (d)	PPL 5/25/22 - 3/31/23 2023 (e)	PPL Plan Year 4/1/23 - 3/31/24 2024 (f)
Depreciable Net Capital Included in ISR Rate Base							
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 24 of 32, Line 3, Col (c)	\$105,296,046				
2	Retirements	Page 24 of 32, Line 9, Col (c)	\$4,276,135				
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911
Change in Net Capital Included in ISR Rate Base							
4	Capital Included in ISR Rate Base	Line 1	\$105,296,046	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 28 of 32, Line 72(c)	\$23,534,853	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193
7	Cost of Removal	Page 24 of 32, Line 6, Col (c)	\$7,055,630				
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823
Deferred Tax Calculation:							
9	Composite Book Depreciation Rate	Page 26 of 32, Line 86(e)	1/ 2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/		54	311	
11	Proration Percentage		2/		14.79%	85.21%	
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 9 of 32, Line 28, Col (a); then = Page 9 of 32, Col (e)	\$89,531,414	\$1,753,362	\$1,621,720	\$221,959	\$3,648,673
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$89,531,414	\$91,284,775	\$92,906,495	\$93,128,454	
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12				\$3,648,673	\$10,672,611
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	2/ \$1,510,248	\$3,020,495	\$3,020,495	\$446,868	\$2,573,628
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$1,510,248	\$4,530,743	\$7,551,238	\$7,998,106	\$10,571,734
17	Cumulative Book / Tax Timer	Columns (a) through (d): Line 13 - Line 16, Then Line 14 - Line 16	\$88,021,166	\$86,754,032	\$85,355,257	\$85,130,348	(\$6,923,061)
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (d)				\$7,998,106	\$7,998,106
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18				\$1,075,045	\$5,078,488
20	Effective Tax Rate	Columns (a) through (d): Line 17 * Line 20, Then Line 19 *	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 20	\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$225,759
22	Add: FY 2020 Federal NOL utilization	Page 24 of 32, Line 12, Col (c)	3/ (\$3,063,059)	(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$15,421,386	\$15,155,288	\$14,861,545	\$14,814,315	\$225,759
ISR Rate Base Calculation:							
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823
25	Accumulated Depreciation	- Line 16	(\$1,510,248)	(\$4,530,743)	(\$7,551,238)	(\$7,998,106)	(\$10,571,734)
26	Deferred Tax Reserve	- Line 23	(\$15,421,386)	(\$15,155,288)	(\$14,861,545)	(\$14,814,315)	(\$225,759)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$71,885,189	\$69,130,792	\$66,404,039	\$66,004,402	\$74,158,111
Revenue Requirement Calculation:							
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Line 27 × Page 11 of 32, Line 16; then = Average of (Prior Year Line 27 + Current Year Line 27/2)			\$67,767,415	\$72,211,684	\$76,088,721
29	Proration Adjustment	Page 10 of 32, Line 41			(\$12,608)	\$7,663	\$36,086
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29			\$67,754,807	\$72,219,347	\$76,124,806
31	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e)			8.41%	8.41%	8.41%
32	Proration Percentage	Line 11			14.79%	85.21%	
33	Return and Taxes	Cols (c) and (f): L 30 * L 31; Cols (d) and (e): L 30 * L 31 * L 32			\$5,698,179	\$898,567	\$5,175,080
34	Book Depreciation	Line 15			\$3,020,495	\$446,868	\$2,573,628
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	N/A	\$8,718,675	\$1,345,435	\$7,748,708
							\$9,422,592

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

2/ Columns (d) and (e) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the net timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (d) and (e) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (c) and the end of the fiscal year on Line 31, Column (e). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2020 Incremental Capital Investments

Line No.			Fiscal Year 2020 (a)	(b)	(c)	(d)	(e)	(f)	
	Capital Repairs Deduction								
1	Plant Additions	Page 8 of 32, Line 1	\$105,296,046		20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department	76.14%	1/					
3	Capital Repairs Deduction	Line 1 × Line 2	\$80,172,409		MACRS basis:	Line 21, Column (a)	\$24,288,150		
4							Annual	Cumulative	
5					Fiscal Year	Prorated			
6	Bonus Depreciation				FY Mar-2020	3.750%	\$910,806	\$89,531,414	
7	Plant Additions	Line 1	\$105,296,046		FY Mar-2021	7.219%	\$1,753,362	\$91,284,775	
8	Less Capital Repairs Deduction	Line 3	\$80,172,409		FY Mar-2022	6.677%	\$1,621,720	\$92,906,495	
9	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$25,123,637		FY Mar-2023 (Apr-May 2022)	6.177%	0.914%	\$221,959	\$93,128,454
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%						
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$25,123,637		Book Cost	Line 1, Column (a)	\$105,296,046		
12	Bonus Depreciation Rate 30%, up to December 31, 2019	14.78% × 30% × 75%	3.33%	2/	Cumulative Book Depreciation	- Page 8 of 32, Line 16, Col (d)	(\$7,998,106)		
13	Bonus Depreciation Rate 0%, after December 31, 2019		0.00%		PPL MACRS basis:	Line 11 + Line 12	\$97,297,940		
14	Total Bonus Depreciation Rate	Line 12 + Line 13	3.33%						
15	Bonus Depreciation	Line 11 × Line 14	\$835,487		FY Mar-2023 (Jun-Mar 2023)	3.750%	\$3,648,673	\$3,648,673	
16					Mar-2024	7.219%	\$7,023,938	\$10,672,611	
17	Remaining Tax Depreciation				Mar-2025	6.677%	\$6,496,583	\$17,169,194	
18	Plant Additions	Line 1	\$105,296,046		Mar-2026	6.177%	\$6,010,094	\$23,179,288	
19	Less Capital Repairs Deduction	Line 3	\$80,172,409		Mar-2027	5.713%	\$5,558,631	\$28,737,919	
20	Less Bonus Depreciation	Line 15	\$835,487		Mar-2028	5.285%	\$5,142,196	\$33,880,116	
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$24,288,150		Mar-2029	4.888%	\$4,755,923	\$38,636,039	
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%		Mar-2030	4.522%	\$4,399,813	\$43,035,852	
23	Remaining Tax Depreciation	Line 21 × Line 22	\$910,806		Mar-2031	4.462%	\$4,341,434	\$47,377,286	
24					Mar-2032	4.461%	\$4,340,461	\$51,717,747	
25	FY20 tax (gain)/loss on retirements	Per Tax Department	\$557,081	3/	Mar-2033	4.462%	\$4,341,434	\$56,059,181	
26	Cost of Removal	Page 8 of 32, Line 7	\$7,055,630		Mar-2034	4.461%	\$4,340,461	\$60,399,642	
27					Mar-2035	4.462%	\$4,341,434	\$64,741,076	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$89,531,414		Mar-2036	4.461%	\$4,340,461	\$69,081,537	
29					Mar-2037	4.462%	\$4,341,434	\$73,422,971	
30					Mar-2038	4.461%	\$4,340,461	\$77,763,432	
31					Mar-2039	4.462%	\$4,341,434	\$82,104,866	
32					Mar-2040	4.461%	\$4,340,461	\$86,445,327	
33					Mar-2041	4.462%	\$4,341,434	\$90,786,762	
34					Mar-2042	4.461%	\$4,340,461	\$95,127,223	
35					Mar-2043	2.231%	\$2,170,717	\$97,297,940	
36						100.000%	\$97,297,940		
37									

Column (d), Line 9 = MACRS Rate 6.177% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2020 tax return

2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2020 tax return

3/ Actual Loss based on FY2020 tax return

9 (d) 6.177% / 365 x 54

16 (d) 7.219% / 365 x 90

17 (d) 7.219% / 365 x 275

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
ISR Additions April 2019 through March 2020

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

Column (a)=Page 24 of 32 , Line 1 ,Col (c)
Column (b)=Page 24 of 32 , Line 2 ,Col (c)
Column (d) = (12.5 - Month No.) ÷ 12
Line 14 = Page 24 of 32 Line 1 Col (c)
Line 15 = Sum of Lines 7(c) through 13(c)
Line 16 = Line 14(e)/Line 14(c)

The Narragansett Electric Company
RIPUC Docket No. 22-54-NG
Proposed FY 2024 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3 Supplemental: Attachment 1
Page 12 of 32

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on FY 2021 Actual Incremental Gas Capital Investment

Line No.			Fiscal Year	Fiscal Year	NG	PPL	PPL Plan Year
			2021	2022	4/1/22 - 5/24/2022	5/25/22 - 3/31/23	4/1/23 - 3/31/24
			(a)	(b)	(c)	(d)	(e)
Depreciable Net Capital Included in ISR Rate Base							
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 24 of 32 , Line 3 ,Col (d)	\$110,177,659				
2	Retirements	Page 24 of 32 , Line 9 ,Col (d)	\$3,860,987				
3	Net Depreciable Capital Included in ISR Rate Base						
	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672
Change in Net Capital Included in ISR Rate Base							
4	Capital Included in ISR Rate Base	Line 1	\$110,177,659	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 28 of 32, Line 78(c)	\$40,700,586	\$0	\$0	\$0	\$0
6	Incremental Capital Amount						
	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072
7	Cost of Removal	Page 24 of 32 , Line 6 ,Col (d)	\$8,861,636				
8	Net Plant Amount	Line 6 + Line 7	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
Deferred Tax Calculation:							
9	Composite Book Depreciation Rate	Page 26 of 32, Line 86(e)	1/ 2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/		54	311	
11	Proration Percentage		2/		14.79%	85.21%	
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 =Page 13 of 32, Line 28, Col (a); then = Page 13 of 32, Col (e)	\$63,538,144	\$4,232,177	\$579,121	\$3,935,215	\$7,575,551
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	3/ \$63,538,144	\$67,770,322	\$68,349,442		
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12	3/			\$3,935,215	\$11,510,765
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9	2/ \$1,589,434	\$3,178,868	\$470,298	\$2,708,570	\$3,178,868
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$1,589,434	\$4,768,303	\$5,238,601	\$7,947,171	\$11,126,040
17	Cumulative Book / Tax Timer	Columns (a) through (c): Line 13 - Line 16, Then Line 14 - Line 16	\$61,948,710	\$63,002,019	\$63,110,841	(\$4,011,957)	\$384,726
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (c)				\$5,238,601	\$5,238,601
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18				\$1,226,645	\$5,623,327
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Columns (a) through (c): Line 17 * Line 20, Then Line 19 * Line 20	\$13,009,229	\$13,230,424	\$13,253,277	\$257,595	\$1,180,899
22	Add: FY 2021 Federal NOL utilization	Page 24 of 32, Line 12, Col (d)	3/ (\$5,525,796)	(\$5,525,796)	(\$5,525,796)	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$7,483,434	\$7,704,628	\$7,727,481	\$257,595	\$1,180,899
ISR Rate Base Calculation:							
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
25	Accumulated Depreciation	- Line 16	(\$1,589,434)	(\$4,768,303)	(\$5,238,601)	(\$7,947,171)	(\$11,126,040)
26	Deferred Tax Reserve	- Line 23	(\$7,483,434)	(\$7,704,628)	(\$7,727,481)	(\$257,595)	(\$1,180,899)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$69,265,841	\$65,865,777	\$65,372,626	\$70,133,942	\$66,031,770
Revenue Requirement Calculation:							
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/	\$67,565,809	\$67,999,860	\$67,999,860	\$68,082,856
29	Proration Adjustment	Page 14 of 32, Line 41		\$9,494	\$12,037	\$12,037	\$39,630
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29		\$67,575,303	\$68,011,897	\$68,011,897	\$68,122,487
31	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e)		8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11			14.79%	85.21%	
33	Return and Taxes	Cols (b) and (e): L 30 * L 31; Cols (c) and (d): L 30 * L 31 * L 32	2/	\$5,683,083	\$846,217	\$4,873,583	\$5,729,101
34	Book Depreciation	Line 15		\$3,178,868	\$470,298	\$2,708,570	\$3,178,868
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	\$8,861,951	\$1,316,515	\$7,582,154	\$8,907,970

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

2/ Columns (c) and (d) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (c) and (d) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (b) and the end of the fiscal year on Line 27, Column (d). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2021 Incremental Capital Investments

Line No.			Fiscal Year 2021 (a)	(b)	(c)	(d)	(e)	(f)	
1	Capital Repairs Deduction								
1	Plant Additions	Page 12 of 32, Line 1	\$110,177,659		20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department	46.79%	1/					
3	Capital Repairs Deduction	Line 1 × Line 2	\$51,552,126		MACRS basis:	Line 21, Column (a)	\$58,625,533		
4							Annual	Cumulative	
5					Fiscal Year	Prorated			
6	Bonus Depreciation				FY Mar-2021	3.750%	\$2,198,457	\$63,538,144	
7	Plant Additions	Line 1	\$110,177,659		FY Mar-2022	7.219%	\$4,232,177	\$67,770,322	
8	Less Capital Repairs Deduction	Line 3	\$51,552,126		FY Mar-2023 (Apr-May 2022)	6.677%	0.988%	\$579,121	\$68,349,442
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$58,625,533						
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%		PPL Acquisition - May 25, 2022				
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0		Book Cost	Line 1, Column (a)	\$110,177,659		
12	Bonus Depreciation Rate ()	Per Tax Department	0.00%		Cumulative Book Depreciation	- Page 12 of 32, Line 16, Col (c)	(\$5,238,601)		
13	Bonus Depreciation Rate ()	Per Tax Department	0.00%		PPL MACRS basis:	Line 11 + Line 12	\$104,939,057		
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%						
15	Bonus Depreciation	Line 11 × Line 14	\$0		FY Mar-2023 (Jun-Mar 2023)	3.750%	\$3,935,215	\$3,935,215	
16					Mar-2024	7.219%	\$7,575,551	\$11,510,765	
17	Remaining Tax Depreciation				Mar-2025	6.677%	\$7,006,781	\$18,517,546	
18	Plant Additions	Line 1	\$110,177,659		Mar-2026	6.177%	\$6,482,086	\$24,999,632	
19	Less Capital Repairs Deduction	Line 3	\$51,552,126		Mar-2027	5.713%	\$5,995,168	\$30,994,800	
20	Less Bonus Depreciation	Line 15	\$0		Mar-2028	5.285%	\$5,546,029	\$36,540,829	
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$58,625,533		Mar-2029	4.888%	\$5,129,421	\$41,670,250	
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%		Mar-2030	4.522%	\$4,745,344	\$46,415,595	
23	Remaining Tax Depreciation	Line 21 × Line 22	\$2,198,457		Mar-2031	4.462%	\$4,682,381	\$51,097,975	
24					Mar-2032	4.461%	\$4,681,331	\$55,779,307	
25	FY21 tax (gain)/loss on retirements	Per Tax Department	925,925	2/	Mar-2033	4.462%	\$4,682,381	\$60,461,687	
26	Cost of Removal	Page 12 of 32, Line 7	\$8,861,636		Mar-2034	4.461%	\$4,681,331	\$65,143,019	
27					Mar-2035	4.462%	\$4,682,381	\$69,825,399	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$63,538,144		Mar-2036	4.461%	\$4,681,331	\$74,506,731	
29					Mar-2037	4.462%	\$4,682,381	\$79,189,112	
30					Mar-2038	4.461%	\$4,681,331	\$83,870,443	
31					Mar-2039	4.462%	\$4,682,381	\$88,552,824	
32					Mar-2040	4.461%	\$4,681,331	\$93,234,155	
33					Mar-2041	4.462%	\$4,682,381	\$97,916,536	
34					Mar-2042	4.461%	\$4,681,331	\$102,597,867	
35					Mar-2043	2.231%	\$2,341,190	\$104,939,057	
36						100.000%	\$104,939,057		
37									

Column (d), Line 8 = MACRS Rate 6.677% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2021 tax return

2/ Actual Loss based on FY2021 tax return

8 (d) 6.677% / 365 x 54

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2021 Incremental Capital Investments

Line No.	Deferred Tax Subject to Proration		FY22	FY23-NG	Plan Year
			(a)	(b)	2024 (c)
1	Book Depreciation	Col (a): Page 12 of 32, Line 15, column (b); Col (b): Page 12 of 32, Line 15, columns (c) and (d); Col (c): Page 12 of 32, Line 15, column (e)	\$3,178,868	\$3,178,868	\$3,178,868
2	Bonus Depreciation				
3	Remaining MACRS Tax Depreciation	Col (a): - Page 13 of 32, Line 7, column (e); Col (b): - Page 13 of 32, Sum of Lines 8 and 15, column, (e); Col (c): - Page 13 of 32, Line 16, column, (e)	(\$4,232,177)	(\$4,514,335)	(\$7,575,551)
4	FY21 tax (gain)/loss on retirements	Page 13 of 32, Line 25, Col (a)	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$221,195)	(\$280,448)	(\$923,303)
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
9	Cost of Removal	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
10	Book/Tax Depreciation Timing Difference at 3/31/2021				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10			
12	Effective Tax Rate				
13	Deferred Tax Reserve	Line 11 × Line 12			
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$221,195)	(\$280,448)	(\$923,303)
15	Net Operating Loss	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$221,195)	(\$280,448)	(\$923,303)
Allocation of FY 2021 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)
20	Total FY 2021 Federal NOL	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20			
23	Effective Tax Rate				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$221,195)	(\$280,448)	(\$923,303)
			(d)	(e)	(f)
			(g)	(h)	
Proration Calculation					
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>FY22</u>	<u>FY23-NG</u>
				<u>2024</u>	
26	April	30	91.78%	(\$16,918)	(\$21,450)
27	May	31	83.29%	(\$15,352)	(\$19,465)
28	June	30	75.07%	(\$13,837)	(\$17,544)
29	July	31	66.58%	(\$12,272)	(\$15,559)
30	August	31	58.08%	(\$10,706)	(\$13,574)
31	September	30	49.86%	(\$9,191)	(\$11,653)
32	October	31	41.37%	(\$7,626)	(\$9,668)
33	November	30	33.15%	(\$6,111)	(\$7,748)
34	December	31	24.66%	(\$4,545)	(\$5,763)
35	January	31	16.16%	(\$2,980)	(\$3,778)
36	February	28	8.49%	(\$1,566)	(\$1,985)
37	March	31	0.00%	\$0	\$0
38	Total	365		(\$101,103)	(\$128,187)
39	Deferred Tax Without Proration	Line 25		(\$221,195)	(\$280,448)
40	Average Deferred Tax without Proration				
		Line 39 × 0.5		(\$110,597)	(\$140,224)
41	Proration Adjustment	Line 38 - Line 40		\$9,494	\$12,037

Column Notes:
(e) Sum of remaining days in the year (Col (d)) ÷ 365
(f), (g) & (h) Current Year Line 25 ÷ 12 × Current Month Col (e)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on FY 2022 Forecasted Incremental Gas Capital Investment**

Line No.	Fiscal Year	NG	PPL	PPL Plan Year
	2022	4/1/22 - 5/24/2022	5/25/22 - 3/31/23	4/1/23 - 3/31/24
	(a)	(b)	(c)	(d)
<u>Depreciable Net Capital Included in ISR Rate Base</u>				
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 24 of 32 , Line 3 ,Col (e)	\$156,694,227	
2	Retirements	Page 24 of 32 , Line 9 ,Col (e)	\$6,258,509	
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$150,435,718	\$150,435,718
<u>Change in Net Capital Included in ISR Rate Base</u>				
4	Capital Included in ISR Rate Base	Line 1	\$156,694,227	\$0
5	Depreciation Expense	Page 28 of 32, Line 77(c)	\$40,954,246	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$115,739,981	\$115,739,981
7	Cost of Removal	Page 24 of 32 , Line 6 ,Col (e)	\$10,773,005	
8	Net Plant Amount	Line 6 + Line 7	\$126,512,985	\$126,512,985
<u>Deferred Tax Calculation:</u>				
9	Composite Book Depreciation Rate	Page 26 of 32, Line 86(e)	1/ 2.99%	2.99%
10	Number of days		2/ 54	311
11	Proration Percentage		2/ 14.79%	85.21%
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 =Page 16 of 32, Line 28, Col (a); then = Page 16 of 32, Col (e)	\$140,549,763	\$304,865
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	3/ \$140,549,763	\$140,854,628
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12	3/	\$5,766,741
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	2/ \$2,249,014	\$665,462
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$2,249,014	\$2,914,476
17	Cumulative Book / Tax Timer	Columns (a) and (b): Line 13 - Line 16, Then Line 14 - Line 16	\$138,300,749	\$137,940,153
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (b)	3/	(\$980,301)
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18		\$2,914,476
20	Effective Tax Rate		21.00%	21.00%
21	Deferred Tax Reserve	Columns (a) through (b): Line 17 * Line 20, Then Line 19 * Line 20	\$29,043,157	\$28,967,432
22	Add: FY 2022 Federal NOL utilization	Page 24 of 32 , Line 12 ,Col (e)	3/ \$6,564,587	\$6,564,587
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$35,607,744	\$35,532,019
<u>ISR Rate Base Calculation:</u>				
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$126,512,985	\$126,512,985
25	Accumulated Depreciation	- Line 16	(\$2,249,014)	(\$2,914,476)
26	Deferred Tax Reserve	- Line 23	(\$35,607,744)	(\$35,532,019)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$88,656,227	\$88,066,491
<u>Revenue Requirement Calculation:</u>				
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/ \$44,328,114	\$104,007,997
29	Proration Adjustment	Page 17 of 32, Line 41	(\$10,623)	\$14,184
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$44,317,491	\$104,022,181
31	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e)	8.41%	8.41%
32	Proration Percentage	Line 11	2/ 14.79%	85.21%
33	Return and Taxes	Cols (a) and (d): L 30 * L 31; Cols (b) and (c): L 30 * L 31 * L 32	2/ \$3,727,101	\$1,294,264
34	Book Depreciation	Line 15	\$2,249,014	\$665,462
35	Annual Revenue Requirement	Sum of Lines 33 through 34	\$5,976,115	\$1,959,726

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

2/ Columns (b) and (c) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (b) and (c) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (a) and the end of the fiscal year on Line 27, Column (c). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2022 Incremental Capital Investments

Line No.			Fiscal Year		(b)	(c)	(d)	(e)	(f)
			2022	(a)					
	Capital Repairs Deduction								
1	Plant Additions	Page 15 of 32, Line 1	\$156,694,227			20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	81.78%	1/					
3	Capital Repairs Deduction	Line 1 × Line 2	\$128,149,240			MACRS basis:	Line 21, Column (a)	\$28,544,987	
4								Annual	Cumulative
5						Fiscal Year	Prorated		
6	Bonus Depreciation					FY Mar-2022	3.750%	\$1,070,437	\$140,549,763
7	Plant Additions	Line 1	\$156,694,227			FY Mar-2023 (Apr-May 2022)	7.219%	1.068%	\$304,865
8	Less Capital Repairs Deduction	Line 3	\$128,149,240						\$140,854,628
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$28,544,987			PPL Acquisition - May 25, 2022			
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%			Book Cost	Line 1, Column (a)	\$156,694,227	
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0			Cumulative Book Depreciation	- Page 15 of 32, Line 16, Col (b)	(\$2,914,476)	
12	Bonus Depreciation Rate 30%	Per Tax Department	0.00%			PPL MACRS basis:	Line 10 + Line 11	\$153,779,751	
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%			FY Mar-2023 (Jun-Mar 2023)	3.750%	\$5,766,741	\$5,766,741
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%			Mar-2024	7.219%	\$11,101,360	\$16,868,101
15	Bonus Depreciation	Line 11 × Line 14	\$0			Mar-2025	6.677%	\$10,267,874	\$27,135,975
16						Mar-2026	6.177%	\$9,498,975	\$36,634,950
17	Remaining Tax Depreciation					Mar-2027	5.713%	\$8,785,437	\$45,420,387
18	Plant Additions	Line 1	\$156,694,227			Mar-2028	5.285%	\$8,127,260	\$53,547,647
19	Less Capital Repairs Deduction	Line 3	\$128,149,240			Mar-2029	4.888%	\$7,516,754	\$61,064,401
20	Less Bonus Depreciation	Line 15	\$0			Mar-2030	4.522%	\$6,953,920	\$68,018,322
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$28,544,987			Mar-2031	4.462%	\$6,861,653	\$74,879,974
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%			Mar-2032	4.461%	\$6,860,115	\$81,740,089
23	Remaining Tax Depreciation	Line 21 × Line 22	\$1,070,437			Mar-2033	4.462%	\$6,861,653	\$88,601,742
24						Mar-2034	4.461%	\$6,860,115	\$95,461,856
25	FY22 tax (gain)/loss on retirements	Per Tax Department	557,081	2/		Mar-2035	4.462%	\$6,861,653	\$102,323,509
26	Cost of Removal	Page 15 of 32, Line 7	\$10,773,005			Mar-2036	4.461%	\$6,860,115	\$109,183,623
27						Mar-2037	4.462%	\$6,861,653	\$116,045,276
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$140,549,763			Mar-2038	4.461%	\$6,860,115	\$122,905,391
29						Mar-2039	4.462%	\$6,861,653	\$129,767,043
30						Mar-2040	4.461%	\$6,860,115	\$136,627,158
31						Mar-2041	4.462%	\$6,861,653	\$143,488,810
32						Mar-2042	4.461%	\$6,860,115	\$150,348,925
33						Mar-2043	2.231%	\$3,430,826	\$153,779,751
34									
35							100.000%	\$153,779,751	
36									

Column (d), Line 7 = MACRS Rate 7.219% / 365 days x 54 days

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2022 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		FY22 (a)	FY23-NG (b)	Plan Year 2024 (c)
		Col (a): Page 15 of 32, Line 15, column (a); Col (b): Page 15 of 32, Line 15, columns (b) and (c); Col (c): Page 15 of 32, Line 15, column (d)			
1	Book Depreciation		\$2,249,014	\$4,498,028	\$4,498,028
2	Bonus Depreciation				
		Col (a): - Page 16 of 32, Line 6, column (e); Col (b): - Page 16 of 32, Sum of Lines 7 and 14, column (e); Col (c): - Page 16 of 32, Line 15, column, (e)			
3	Remaining MACRS Tax Depreciation		(\$1,070,437)	(\$6,071,606)	(\$11,101,360)
4	FY22 tax (gain)/loss on retirements	(c) - Page 16 of 32, Line 15, column, (e)	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	- Page 16 of 32, Line 25, Col (a) Sum of Lines 1 through 4	\$1,178,577	(\$1,573,578)	(\$6,603,332)
6	Effective Tax Rate		21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$247,501	(\$330,451)	(\$1,386,700)
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction				
9	Cost of Removal				
10	Book/Tax Depreciation Timing Difference at 3/31/2022				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10			
12	Effective Tax Rate				
13	Deferred Tax Reserve	Line 11 × Line 12			
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$247,501	(\$330,451)	(\$1,386,700)
15	Net Operating Loss	- Page 15 of 32, Line 22, Col (a)			
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$247,501	(\$330,451)	(\$1,386,700)
	Allocation of FY 2022 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5			
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11			
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18			
20	Total FY 2022 Federal NOL	- Page 15 of 32, Line 22, Col (a)÷21%			
21	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20			
22	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20			
23	Effective Tax Rate				
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23			
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$247,501	(\$330,451)	(\$1,386,700)
		(d)	(f)	(g)	(h)
	Proration Calculation	<u>Number of Days in Month</u> <u>Proration Percentage</u>	<u>FY22</u>	<u>FY23-NG</u>	<u>Plan Year 2024</u>
26	April	30	\$18,930	(\$25,274)	(\$106,060)
27	May	31	\$17,178	(\$22,935)	(\$96,246)
28	June	30	\$15,483	(\$20,672)	(\$86,748)
29	July	31	\$13,731	(\$18,333)	(\$76,933)
30	August	31	\$11,980	(\$15,994)	(\$67,119)
31	September	30	\$10,284	(\$13,731)	(\$57,621)
32	October	31	\$8,533	(\$11,392)	(\$47,806)
33	November	30	\$6,837	(\$9,129)	(\$38,308)
34	December	31	\$5,086	(\$6,790)	(\$28,494)
35	January	31	\$3,334	(\$4,451)	(\$18,679)
36	February	28	\$1,752	(\$2,339)	(\$9,815)
37	March	31	\$0	\$0	\$0
38	Total	365	\$113,127	(\$151,042)	(\$633,829)
39	Deferred Tax Without Proration	Line 25	\$247,501	(\$330,451)	(\$1,386,700)
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$123,751	(\$165,226)	(\$693,350)
41	Proration Adjustment	Line 38 - Line 40	(\$10,623)	\$14,184	\$59,520

Column Notes:

- (e) Sum of remaining days in the year (Col (d)) ÷ 365
- (f), (g) & (h) Current Year Line 25 ÷ 12 × Current Month Col (e)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on FY 2023-NG Forecasted Incremental Gas Capital Investment**

Line No.			NG	PPL	PPL Plan Year
			4/1/22 - 5/24/2022 2023 (a)	5/25/22 - 12/31/22 2023 (b)	4/1/23 - 3/31/24 2024 (c)
<u>Depreciable Net Capital Included in ISR Rate Base</u>					
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 24 of 32, Line 3, Col (f)	2/ \$24,103,825	\$138,820,175	
2	Retirements	Page 24 of 32, Line 9, Col (f)	2/ 1,426,106	8,213,316	
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$22,677,718	\$130,606,859	\$153,284,578
<u>Change in Net Capital Included in ISR Rate Base</u>					
4	Capital Included in ISR Rate Base	Line 1	\$24,103,825	\$138,820,175	
5	Depreciation Expense	Page 28 of 32, Line 77(c)	2/ 6,058,984	34,895,262	
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$18,044,840	\$103,924,913	\$121,969,754
7	Cost of Removal	Page 24 of 32, Line 6, Col (f)	2/ \$649,627	\$3,741,373	
8	Net Plant Amount	Line 6 + Line 7	\$18,694,468	\$107,666,286	\$126,360,754
<u>Deferred Tax Calculation:</u>					
9	Composite Book Depreciation Rate	Page 26 of 32, Line 86(e)	1/ 2.99%	2.99%	2.99%
10	Proration Percentage				
11	Tax Depreciation and Year 1 Basis Adjustments	Col (a) = Page 19 of 32, Column (a), Line 28; Col (b) = Page 19 of 32, Col (b), Lines 19,25,26 + Col (f), Line 15, Then remaining years from Page 19 of 32, Col (f)	\$18,262,218	\$106,068,027	\$4,578,703
12	Cumulative Tax Depreciation-NG	Col (a) = Line 11; then = zero	3/ \$18,262,218		
13	Cumulative Tax Depreciation-PPL	Col (b) = Line 11; then = Prior Year Line 13 + Current Year Line 11		\$106,068,027	\$110,646,730
14	Book Depreciation	Year 1 (Columns (a) and (b)) = Line 3 x Line 9 x 50%; then = Line 3 x Line 9	\$339,032	\$1,952,573	\$4,583,209
15	Cumulative Book Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	\$339,032	\$2,291,604	\$6,874,813
16	Book / Tax Timer	Line 11 - Line 14	\$17,923,186	\$104,115,455	(\$4,506)
17	Cumulative Book / Tax Timer -NG	Line 16, Column (a), then = zero	3/ \$17,923,186		
18	Cumulative Book / Tax Timer - PPL	Col (a) = zero; Col (b) = Line 16, Column (b); then = Prior Year Line 18 + Current Year Line 16		\$104,115,455	\$104,110,948
19	Cumulative Book / Tax Timer - Total	Line 17 + Line 18	\$17,923,186	\$104,115,455	\$104,110,948
20	Effective Tax Rate		21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 19 x Line 20	\$3,763,869	\$21,864,245	\$21,863,299
22	Add: FY 2023-NG Federal NOL utilization	Page 24 of 32, Line 12, Col (f)	3/ \$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$3,763,869	\$21,864,245	\$21,863,299
<u>ISR Rate Base Calculation:</u>					
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$18,694,468	\$107,666,286	\$126,360,754
25	Accumulated Depreciation	Year 1 (Cols (a) and (b)) = -Line 14; Then = -Line 15	(\$339,032)	(\$1,952,573)	(\$6,874,813)
26	Deferred Tax Reserve	- Line 23	(\$3,763,869)	(\$21,864,245)	(\$21,863,299)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$14,591,567	\$83,849,468	\$97,622,641
<u>Revenue Requirement Calculation:</u>					
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 (Cols (a) and (b)) = Current Year, Line 27 * 50%; Then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/ \$7,295,783	\$41,924,734	\$98,031,838
29	Proration Adjustment	Page 20 of 32, Line 41	2/ (\$9,557)	\$21,962	(\$41)
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$7,286,226	\$41,946,696	\$98,031,797
31	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e)	8.41%	8.41%	8.41%
32	Proration	Line 10			
33	Return and Taxes	Line 30 x Line 31	\$612,772	\$3,527,717	\$8,244,474
34	Book Depreciation	Line 14	\$339,032	\$1,952,573	\$4,583,209
35	Annual Revenue Requirement	Sum of Lines 33 through 34	\$951,803	\$5,480,290	\$12,827,683

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

2/ Columns (a) and (b) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Column (c) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Columns (a) and (b) and the end of the fiscal year on Line 27, Column (c). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas IRSE Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2023-NG Incremental Capital Investments

Line No.			PPL		(c)	(d)	(e)	(f)	(g)
			Apr 1-May 24, 2022 2023-NG (a)	May 25-Mar 31, 2023 FY 2023 (b)					
1	Capital Repairs Deduction								
2	Plant Additions	Page 18 of 32, Line 1	\$24,103,825	\$138,820,175					
3	Capital Repairs Deduction Rate	Per Tax Department	71.43%	71.43%					
4	Capital Repairs Deduction	Line 1 × Line 2	\$17,217,362	\$99,159,251					
5									
6	Bonus Depreciation								
7	Plant Additions	Line 1	\$24,103,825	\$138,820,175					
8	Less Capital Repairs Deduction	Line 3	\$17,217,362	\$99,159,251					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$6,886,463	\$39,660,924					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	0.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	\$0					
12	Bonus Depreciation Rate 1	Per Tax Department	0.00%	0.00%					
13	Bonus Depreciation Rate 2	Per Tax Department	0.00%	0.00%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	0.00%					
15	Bonus Depreciation	Line 11 × Line 14	\$0	\$0					
16									
17	Remaining Tax Depreciation								
18	Plant Additions	Line 1	\$24,103,825	\$138,820,175					
19	Less Capital Repairs Deduction	Line 3	\$17,217,362	\$99,159,251					
20	Less Bonus Depreciation	Line 15	\$0	\$0					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$6,886,463	\$39,660,924					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	\$258,242	\$1,487,285					
24									
25	FY23 tax (gain)/loss on retirements	Per Tax Department	136,986	788,939					
26	Cost of Removal	Page 18 of 32, Line 7	\$649,627	\$3,741,373					
27									
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$18,262,218	\$105,176,848					
29									
30	Reconciliation of MACRS Tax Depreciation:								
31	Apr 1 -May 24, 2022 Plant Additions	Line 1, Column		\$24,103,825					
32	Cumulative Book Depreciaiton through May 24, 2022	, Line 19, Col		(\$339,032)					
33	2022 Plant Additions (Net Book) through Acquisition	Line 31 + Line 32		\$23,764,793					
34	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%					
35	Tax Depreciation	Line 33 * Line 34		\$891,180					
36									
37	MACRS Basis in May 25-Mar 2023 Plant Additions	Line 20, Column (a)		\$39,660,924					
38	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%					
39	Tax Depreciation	Line 37 * Line 38		\$1,487,285					
40									
41	Total MACRS Tax Depreciation	Sum of Lines 35, 39, Column (b)		\$2,378,464					

20 Year MACRS Depreciation				
MACRS basis:	Line 21, Column (a)		\$6,886,463	
Fiscal Year	Prorated	MACRS	Annual	Cumulative
FY Mar-2023 (Apr-May 2022)	3.750%	0.555%	\$38,206	\$18,262,218
PPL Acquisition - May 25, 2022				
Book Cost	Line 1, Column (a)		\$24,103,825	
Cumulative Book Depreciation	- Page 18 of 32, Line 14, Col (a)		(\$339,032)	
MACRS basis from Acquisition:	Line 9(f) + Line 10(f)		\$23,764,793	
MACRS basis (Jun-Mar 2023)	Line 21, Column (b)		\$39,660,924	
Total MACRS Basis thru 3/2023	Line 11(f) + Line 12(f)		\$63,425,717	
FY Mar-2023 (Jun-Mar 2023)	3.750%		\$2,378,464	\$106,068,027
Mar-2024	7.219%		\$4,578,703	\$110,646,730
Mar-2025	6.677%		\$4,234,935	\$114,881,665
Mar-2026	6.177%		\$3,917,807	\$118,799,471
Mar-2027	5.713%		\$3,623,511	\$122,422,983
Mar-2028	5.285%		\$3,352,049	\$125,775,032
Mar-2029	4.888%		\$3,100,249	\$128,875,281
Mar-2030	4.522%		\$2,868,111	\$131,743,392
Mar-2031	4.462%		\$2,830,055	\$134,573,447
Mar-2032	4.461%		\$2,829,421	\$137,402,868
Mar-2033	4.462%		\$2,830,055	\$140,232,924
Mar-2034	4.461%		\$2,829,421	\$143,062,345
Mar-2035	4.462%		\$2,830,055	\$145,892,401
Mar-2036	4.461%		\$2,829,421	\$148,721,822
Mar-2037	4.462%		\$2,830,055	\$151,551,877
Mar-2038	4.461%		\$2,829,421	\$154,381,299
Mar-2039	4.462%		\$2,830,055	\$157,211,354
Mar-2040	4.461%		\$2,829,421	\$160,040,775
Mar-2041	4.462%		\$2,830,055	\$162,870,831
Mar-2042	4.461%		\$2,829,421	\$165,700,252
Mar-2043	2.231%		\$1,415,028	\$167,115,280
	100.00%		\$63,425,717	

Column (d), Line 7 = MACRS Rate 7.219% / 365 days x 54 days

1/ Capital Repairs percentage is based on a five-year average of FYs 2017 through 2021 capital repairs rates.
2/ FY 2023 estimated tax loss on retirements is based on most recent actual loss on retirement

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2023-NG Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration	4/1/22 - 5/24/2022	5/25/22 - 3/31/23	4/1/23 - 3/31/24
		<u>FY Mar-2023</u>	<u>FY Mar-2023</u>	<u>Plan Year 2024</u>
		(a)	(b)	(c)
1	Book Depreciation	Page 18 of 32, Line 14, columns (a) through (c)	\$339,032	\$1,952,573
2	Bonus Depreciation	- Page 19 of 32 , Line 15 ,Col (a)	\$0	\$0
3	Remaining MACRS Tax Depreciation	- Page 19 of 32 ,column (f), Lines 6,15,16	(\$38,206)	(\$2,378,464)
4	FY23-NG tax (gain)/loss on retirements	- Page 19 of 32 , Line 25 ,Col (a)	(\$136,986)	(\$788,939)
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$163,840	(\$1,214,831)
6	Effective Tax Rate	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$34,406	(\$255,115)
Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	- Page 19 of 32 , Line 3 ,Col (a)	(\$17,217,362)	(\$99,159,251)
9	Cost of Removal	- Page 18 of 32 , Line 7 ,Col (a)	(\$649,627)	(\$3,741,373)
10	Book/Tax Depreciation Timing Difference at 3/31/2022			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$17,866,989)	(\$102,900,624)
12	Effective Tax Rate	21%	21%	21%
13	Deferred Tax Reserve	Line 11 × Line 12	(\$3,752,068)	(\$21,609,131)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$3,717,661)	(\$21,864,245)
15	Net Operating Loss	- Page 18 of 32 , Line 22 ,Col (a)	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$3,717,661)	(\$21,864,245)
Allocation of FY 2023-NG Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$163,840	(\$1,214,831)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$17,866,989)	(\$102,900,624)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$17,703,149)	(\$104,115,455)
20	Total FY 2023-NG Federal NOL	- Page 18 of 32 , Line 22 ,Col (a)+21%	\$0	\$0
21	Allocated FY 2023-NG Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0	\$0
22	Allocated FY 2023-NG Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0	\$0
23	Effective Tax Rate	21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$34,406	(\$255,115)
(e) (f) (g) (h) (i)				
Proration Calculation				
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	4/1/22 -
26	April	30	91.78%	5/24/2022
27	May	31	83.29%	5/25/22 - 3/31/23
28	June	30	75.07%	4/1/23 - 3/31/24
29	July	31	66.58%	\$72
30	August	31	58.08%	\$66
31	September	30	49.86%	(\$20,358)
32	October	31	41.37%	(\$18,121)
33	November	30	33.15%	(\$15,809)
34	December	31	24.66%	(\$13,498)
35	January	31	16.16%	(\$11,261)
36	February	28	8.49%	(\$8,949)
37	March	31	0.00%	(\$6,712)
38	Total	365		(\$4,400)
				\$7
				\$0
				\$0
39	Deferred Tax Without Proration	Line 25	\$34,406	(\$255,115)
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$17,203	(\$127,557)
41	Proration Adjustment	Line 38 - Line 40	(\$9,557)	\$21,962

Column Notes:

- (f) Sum of remaining days in the year (Col (e)) ÷ 365
- (g), (h), (i) & (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Plan Year 2024 Revenue Requirement on Plan Year 2024 Forecasted Incremental Gas Capital Investment**

Line No.		PPL Plan Year 4/1/23 - 3/31/24 <u>2024</u> (a)
	<u>Depreciable Net Capital Included in ISR Rate Base</u>	
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Section 2, Table 1 \$177,325,000
2	Retirements	Line 1 x 3-year average actual retirement rate FY20 - FY20 \$8,903,481
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3 \$168,421,519
	<u>Change in Net Capital Included in ISR Rate Base</u>	
4	Capital Included in ISR Rate Base	Line 1 \$177,325,000
5	Depreciation Expense	Page 28 of 32, Line 77(c) \$40,954,246
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6 \$136,370,754
7	Cost of Removal	Section 2, Page 2 \$9,231,000
8	Net Plant Amount	Line 6 + Line 7 \$145,601,754
	<u>Deferred Tax Calculation:</u>	
9	Composite Book Depreciation Rate	Page 26 of 32, Line 86(e) 1/ 2.99%
10	Proration Percentage	
11	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 22 of 32, Line 28, Col (a); then = Page 22 of 32, Col (d) \$155,464,079
12	Cumulative Tax Depreciation-PPL	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10 \$155,464,079
13	Book Depreciation	Year 1 = Line 3 x Line 9 x 50% x Line 10; then = Line 3 x Line 9 \$2,517,902
14	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12 \$2,517,902
15	Cumulative Book / Tax Timer	Line 11 - Line 13 \$152,946,177
16	Effective Tax Rate	21.00%
17	Deferred Tax Reserve	Line 15 x Line 16 \$32,118,697
18	Add: CY 2023 Federal NOL utilization	Page 24 of 32, Line 12, Col (e) \$0
19	Net Deferred Tax Reserve before Proration Adjustment	Line 17 + Line 18 \$32,118,697
	<u>ISR Rate Base Calculation:</u>	
20	Cumulative Incremental Capital Included in ISR Rate Base	Line 8 \$145,601,754
21	Accumulated Depreciation	- Line 14 (\$2,517,902)
22	Deferred Tax Reserve	- Line 19 (\$32,118,697)
23	Year End Rate Base before Deferred Tax Proration	Sum of Lines 20 through 22 \$110,965,155
	<u>Revenue Requirement Calculation:</u>	
24	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 23 ÷ 2; then = (Prior Year Line 23 + Current Year Line 23) ÷ 2 \$55,482,577
25	Proration Adjustment	Page 23 of 32 & Page do not print of 32 (\$11,777)
26	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24 \$55,470,801
27	Pre-Tax ROR	Page 32 of 32, Line 30, Column (e) 8.41%
28	Proration Percentage	Line 10
29	Return and Taxes	Line 26 x Line 27 \$4,665,094
30	Book Depreciation	Line 13 \$2,517,902
31	Annual Revenue Requirement	Sum of Lines 29 through 30 \$7,182,996

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on Plan Year 2024 Incremental Capital Investments

Line No.			Fiscal Year 2024 (a)	(b)	(c)	(d)	(e)
	Capital Repairs Deduction						
1	Plant Additions	Page 21 of 32, Line 1	\$177,325,000	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department 1/	81.78%				
3	Capital Repairs Deduction	Line 1 × Line 2	\$145,021,705	MACRS basis:	\$32,303,295		
4					Annual	Cumulative	
5				Calendar Year			
6	Bonus Depreciation			Mar-2024	3.75%	\$1,211,374	\$155,464,079
7	Plant Additions	Line 1	\$177,325,000	Mar-2025	7.22%	\$2,331,975	\$157,796,054
8	Less Capital Repairs Deduction	Line 3	\$145,021,705	Mar-2026	6.68%	\$2,156,891	\$159,952,945
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$32,303,295	Mar-2027	6.18%	\$1,995,375	\$161,948,319
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Mar-2028	5.71%	\$1,845,487	\$163,793,807
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	Mar-2029	5.29%	\$1,707,229	\$165,501,036
12	Bonus Depreciation Rate 30%	Per Tax Department	0.00%	Mar-2030	4.89%	\$1,578,985	\$167,080,021
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%	Mar-2031	4.52%	\$1,460,755	\$168,540,776
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	Mar-2032	4.46%	\$1,441,373	\$169,982,149
15	Bonus Depreciation	Line 11 × Line 15	\$0	Mar-2033	4.46%	\$1,441,050	\$171,423,199
16				Mar-2034	4.46%	\$1,441,373	\$172,864,572
17	Remaining Tax Depreciation			Mar-2035	4.46%	\$1,441,050	\$174,305,622
18	Plant Additions	Line 1	\$177,325,000	Mar-2036	4.46%	\$1,441,373	\$175,746,995
19	Less Capital Repairs Deduction	Line 3	\$145,021,705	Mar-2037	4.46%	\$1,441,050	\$177,188,045
20	Less Bonus Depreciation	Line 15	\$0	Mar-2038	4.46%	\$1,441,373	\$178,629,418
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$32,303,295	Mar-2039	4.46%	\$1,441,050	\$180,070,468
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2040	4.46%	\$1,441,373	\$181,511,841
23	Remaining Tax Depreciation	Line 21 × Line 22	\$1,211,374	Mar-2041	4.46%	\$1,441,050	\$182,952,891
24				Mar-2042	4.46%	\$1,441,373	\$184,394,264
25	CY23 tax (gain)/loss on retirements	Per Tax Department 2/	-	Mar-2043	4.46%	\$1,441,050	\$185,835,314
26	Cost of Removal	Page 21 of 32, Line 7	\$9,231,000	Mar-2044	2.23%	\$720,687	\$186,556,000
27					100.00%	\$32,303,295	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$155,464,079				

1/ Capital Repairs percentage is based on a three-year average of FYs 2018, 2019 and 2020 capital repairs rates.

2/ CY 2023 estimated tax loss on retirements is tax department estimate

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on Plan Year 2024 Incremental Capital Investments Pre CY 2024

Line No.	Deferred Tax Subject to Proration	Plan Year 2024 (a)	
1	Book Depreciation	Page 21 of 32 , Line 15 \$2,517,902	
2	Bonus Depreciation	- Page 22 of 32 , Line 15 ,Col (a)	
3	Remaining MACRS Tax Depreciation	- Page 22 of 32 , Col (d) (\$1,211,374)	
4	CY23 tax (gain)/loss on retirements	- Page 22 of 32 , Line 25 ,Col (a)	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 \$1,306,528	
6	Effective Tax Rate	21%	
7	Deferred Tax Reserve	Line 5 × Line 6 \$274,371	
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 22 of 32 , Line 3 ,Col (a)	
9	Cost of Removal	- Page 21 of 32 , Line 7 ,Col (a)	
10	Book/Tax Depreciation Timing Difference at 3/31/2022		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0	
12	Effective Tax Rate	21%	
13	Deferred Tax Reserve	Line 11 × Line 12 \$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13 \$274,371	
15	Net Operating Loss	- Page 21 of 32 , Line 18 ,Col (a)	
16	Net Deferred Tax Reserve	Line 14 + Line 15 \$274,371	
Allocation of CY 2023 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5 \$1,306,528	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11 \$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 \$1,306,528	
20	Total CY 2023 Federal NOL	- Page 21 of 32 , Line 18 ,Col (a)÷21% \$0	
21	Allocated CY 2023 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20 \$0	
22	Allocated CY 2023 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20 \$0	
23	Effective Tax Rate	21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23 \$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24 \$274,371	
(b) Number of Days in			
	Proration Calculation	(c) Proration Percentage	(d) Plan Year2024
26	April	30 91.78%	\$20,985
27	May	31 83.29%	\$19,043
28	June	30 75.07%	\$17,164
29	July	31 66.58%	\$15,222
30	August	31 58.08%	\$13,280
31	September	30 49.86%	\$11,401
32	October	31 41.37%	\$9,459
33	November	30 33.15%	\$7,580
34	December	31 24.66%	\$5,638
35	January	31 16.16%	\$3,696
36	February	28 8.49%	\$1,942
37	March	31 0.00%	\$0
38	Total	<u>365</u>	<u>\$125,409</u>
39	Deferred Tax Without Proration	Line 25	\$274,371
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$137,185
41	Proration Adjustment	Line 38 - Line 40	(\$11,777)

Column Notes:

- (c) Sum of remaining days in the year (Col (b)) ÷ 365
- (d) Current Year Line 25 ÷ 12 × Current Month Col (c)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
FY 2018 - FY 2023-NG Incremental Capital Investment Summary

Line No.		Actual Fiscal Year 2018 (a)	Actual Fiscal Year 2019 (b)	Actual Fiscal Year 2020 (c)	Actual Fiscal Year 2021 (d)	Plan Fiscal Year 2022 (e)	Plan Fiscal Year 2023-NG (f)
<u>Capital Investment</u>							
1	ISR-eligible Capital Investment	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing					
		\$97,809,718	\$92,263,000	\$144,119,796	\$110,177,659	\$156,694,227	\$162,924,000
2	ISR-eligible Capital Additions included in Rate Base per RIPUC Docket No. 4770	Docket No. 4770 Schedule MAL-11-Gas Page 5, Col (a)=Lines 1(a) + 1(b); Col(b)=Lines 1(c) + 1(d); Col(c)= Line 1(e); Col(d) = Line 1(h) + 1(j)					
		\$93,177,000	\$93,177,000	\$38,823,750	\$0	\$0	\$0
3	Incremental ISR Capital Investment	Line 1 - Line 2					
		\$4,632,718	(\$914,000)	\$105,296,046	\$110,177,659	\$156,694,227	\$162,924,000
<u>Cost of Removal</u>							
4	ISR-eligible Cost of Removal	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing					
		\$8,603,224	\$11,583,085	\$10,161,508	\$9,975,152	\$11,244,351	\$4,391,000
5	ISR-eligible Cost of Removal in Rate Base per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L23+L42×7÷12+Docket 4678 Page 2, Line 7×3÷12; Col(b)=[P1]L42×5÷12+[P2]L18×7÷12; Col (c)=[P2]L18×5÷12+L39×7÷12; Col (d) = [P2] L39×5÷12+L60×7÷12; Col (e)=[P2] L60×5÷12					
		\$6,662,056	\$5,956,522	\$3,105,878	\$1,113,515	\$471,346	\$0
6	Incremental Cost of Removal	Line 4 - Line 5					
		\$1,941,168	\$5,626,564	\$7,055,630	\$8,861,636	\$10,773,005	\$4,391,000
<u>Retirements</u>							
7	ISR-eligible Retirements	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing;					
		\$24,056,661	\$6,531,844	\$8,395,321	\$5,337,792	\$6,883,634	\$19,586,882
8	ISR-eligible Retirements per RIPUC Docket No. 4770	Docket 4678 Page 2, Line 2×3÷12; Col(b)=[P1]L43×5÷12+[P2]L19×7÷12 Col (c)=[P2]L19×5÷12+L40×7÷12; Col (d) = [P2]L40×5÷12+L61×7÷12; Col (e)= L61×5÷12					
		\$11,997,233	\$7,899,865	\$4,119,186	\$1,476,805	\$625,125	\$0
9	Incremental Retirements	Line 7 - Line 8					
		\$12,059,428	(\$1,368,021)	\$4,276,135	\$3,860,987	\$6,258,509	\$19,586,882
<u>(NOL)/NOL Utilization</u>							
10	ISR (NOL)/NOL Utilization Per ISR	Page 25 of 32, Line 12					
		(\$6,051,855)	\$1,091,119	\$0	\$2,072,387	\$10,722,358	\$0
11	ISR NOL Utilization Per Docket 4770	Schedule 11-Gas Page 11, Docket No. 4770: Col (a)= L40×5÷12; Col (b) = L40×5÷12+L48×7÷12; Col (c) = P11,L48×5÷12+P12,L39×7÷12; Col (d) = P12,L39×5÷12+P12,L49×7÷12; Col (e)= P12,L49×5÷12					
		\$0	\$804,769	\$3,063,059	\$7,598,182	\$4,157,771	\$0
12	Incremental (NOL)/NOL Utilization	Line 10 - Line 11					
		(\$6,051,855)	\$286,350	(\$3,063,059)	(\$5,525,796)	\$6,564,587	\$0

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
		Test Year July 2016 - June 2017					Jul & Aug 2017	12 Mths Aug 31 2018	12 Mths Aug 31 2019	12 Mths Aug 31 2020	12 Mths Aug 31 2021	12 Mths Aug 31 2022
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023-NG	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
1	Total Base Rate Plant DIT Provision						\$5,223,437	\$20,453,237	\$16,078,372	\$5,085,206	\$7,746,916	\$0
2	Excess DIT amortization						\$0	\$0	(\$1,470,238)	(\$1,470,238)	(\$1,470,238)	\$0
3	Total Base Rate Plant DIT Provision	\$2,507,039	\$2,560,766	\$2,611,618	\$2,662,153	\$2,712,395	\$2,719,788	\$2,507,039	\$53,728	\$50,851	\$50,535	\$50,242
4	Incremental FY 18		\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	\$1,076,444	\$0	\$1,090,524	(\$4,613)	(\$4,480)	(\$4,358)
5	Incremental FY 19			\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$0	\$0	\$18,484,445	(\$266,098)	(\$293,743)
6	Incremental FY 20				\$13,009,229	\$13,230,424	\$13,253,277			\$0	\$13,009,229	\$221,195
7	Incremental FY 21					\$29,043,157	\$28,967,432					\$29,043,157
8	Incremental FY 22						\$3,763,869					\$3,763,869
9	Incremental FY 23											
10	TOTAL Plant DIT Provision	\$2,507,039	\$3,651,291	\$22,181,974	\$34,971,160	\$63,987,652	\$67,658,183	\$27,021,386	\$18,187,846	\$26,726,137	\$17,956,818	\$31,631,775
11	NOL (Utilization)						\$6,051,855	(\$1,091,119)	\$0	(\$2,072,387)	(\$10,722,358)	\$0
12	Lesser of NOL or DIT Provision						\$6,051,855	(\$1,091,119)	\$0	(\$2,072,387)	(\$10,722,358)	\$0

Line Notes:

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Depreciation Expense per Rate Case RIPUC Docket No. 4770

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

Non ISR Assets \$77,133,057

The Narragansett Electric Company
RIPUC Docket No. 22-54-NG
Proposed FY 2024 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3 Supplemental: Attachment 1
Page 27 of 32

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket Nos. 4770/4780
Compliance Attachment 2
Schedule 6-GAS
Page 1 of 5

The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Gas
For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019

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

Line No	Description	Reference	Amount	Less non-ISR eligible	
				Plant	ISR Amount
			(a)	(b)	(c)
1	Total Company Rate Year Depreciation	Sum of Page 2, Line 16 and Line 17	\$39,136,909		
2	Total Company Test Year Depreciation	Per Company Books	\$33,311,851		
3	Less: Reserve adjustments	Page 4, Line 29, Col (b) + Col (c)	(\$15,649)		
4	Adjusted Total Company Test Year Depreciation Expense	Line 2 + Line 3	\$33,296,202		
5	Depreciation Expense Adjustment	Line 1 - Line 4	\$5,840,707		
6					
7			Per Book		
8	Test Year Depreciation Expense 12 Months Ended 06/30/17:		Amount		
9	Total Gas Utility Plant 06/30/17	Page 4, Line 27, Col (d) Sum of Page 3, Line 5, Col (d) and Page 4, Line 25,	\$1,405,994,678	(\$77,133,057)	\$1,328,861,622
10	Less Non Depreciable Plant	Col (e)	(\$308,514,725)		(\$308,514,725)
11	Depreciable Utility Plant 06/30/17	Line 9 + Line 10	\$1,097,479,953	(\$77,133,057)	\$1,020,346,897
12					
13	Plus: Added Plant 2 Mos Ended 08/31/17	Schedule 11-GAS, Page 3, Line 4	\$19,592,266		\$19,592,266
14	Less: Retired Plant 2 Months Ended 08/31/17	1/ Line 13 x Retirement Rate	(\$1,345,989)		(\$1,345,989)
15	Depreciable Utility Plant 08/31/17	Line 11 + Line 13 + Line 14	\$1,115,726,231	(\$77,133,057)	\$1,020,346,897
16					
17	Average Depreciable Plant for Year Ended 08/31/17	(Line 11 + Line 15)/2	\$1,106,603,092		\$1,106,603,092
18					
19	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.38%		
20					
21	Book Depreciation Reserve 06/30/17	Page 5, Line 72, Col (d)	\$357,576,825		\$357,576,825
22	Plus: Book Depreciation Expense	Line 17 x Line 19	\$6,233,864		\$6,233,864
23	Less: Net Cost of Removal/(Salvage)	2/ Line 13 x Cost of Removal Rate	(\$1,014,879)		(\$1,014,879)
24	Less: Retired Plant	Line 14	(\$1,345,989)		(\$1,345,989)
25	Book Depreciation Reserve 08/31/17	Sum of Line 21 through Line 24	\$361,449,821		
26					
27	Depreciation Expense 12 Months Ended 08/31/18				
28	Total Utility Plant 08/31/17	Line 9 + Line 13 + Line 14	\$1,424,240,956	(\$77,133,057)	\$1,347,107,900
29	Less Non Depreciable Plant	Line 10	(\$308,514,725)		(\$308,514,725)
30	Depreciable Utility Plant 08/31/17	Line 28 + Line 29	\$1,115,726,231		\$1,038,593,175
31					
32	Plus: Plant Added in 12 Months Ended 08/31/18	Schedule 11-GAS, Page 3, Line 11	\$115,710,016		\$115,710,016
33	Less: Plant Retired in 12 Months Ended 08/31/18	Line 32 x Retirement rate	(\$7,949,278)		(\$7,949,278)
34	Depreciable Utility Plant 08/31/18	Sum of Line 30 through Line 33	\$1,223,486,969		\$1,146,353,912
35					
36	Average Depreciable Plant for 12 Months Ended 08/31/18	(Line 30 + Line 34)/2	\$1,169,606,600		\$1,092,473,543
37					
38	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.38%		3.38%
39					
40	Book Depreciation Reserve 08/31/17	Line 25	\$361,449,821		
41	Plus: Book Depreciation 08/31/18	Line 36 x Line 38	\$39,532,703		\$36,925,606
42	Less: Net Cost of Removal/(Salvage)	Line 32 x Cost of Removal Rate	(\$5,993,779)		
43	Less: Retired Plant	Line 33	(\$7,949,278)		
44	Book Depreciation Reserve 08/31/18	Sum of Line 40 through Line 43	\$387,039,467		
1/	3 year average retirement over plant addition in service FY 15 ~ FY17		6.87%	Retirements	
2/	3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		5.18%	COR	

The Narragansett Electric Company
RIPUC Docket No. 22-54-NG
Proposed FY 2024 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3 Supplemental: Attachment 1
Page 28 of 32

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket Nos. 4770/4780
Compliance Attachment 2
Schedule 6-GAS
Page 2 of 5

The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Gas
For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2021

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

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Forecasted Plan Year 2024 Property Tax Recovery Adjustment
Forecasted Plan Year 2024 ISR Property Tax Recovery Adjustment (Continued) 1

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Cumulative Increm. ISR Prop. Tax for FY2020				Cumulative Increm. ISR Prop. Tax for FY2021				Cumulative Increm. ISR Prop. Tax for FY2022		
48	Incremental ISR Additions		\$105,296				\$110,178				\$156,694
49	Book Depreciation: base allowance on ISR eligible plant		\$0				\$0				(\$23,890)
50	Book Depreciation: current year ISR additions		(\$1,510)				(\$1,589)				(\$2,249)
51	COR		\$7,056				\$8,862				\$10,773
52	Net Plant Additions		\$110,841				\$117,450				\$141,328
53	RY Effective Tax Rate		2.96%				3.02%				3.05%
54	Property Tax Recovery on Growth and non-ISR										
55	ISR Year Effective Tax Rate		2.60%				2.45%				2.54%
56	RY Effective Tax Rate		2.96%				3.02%				3.05%
57	RY Effective Tax Rate 7 mos for FY 2019		-0.36%				-0.57%				-0.51%
58	RY Net Plant times Rate Difference	7 month	\$908,586	(\$3,246)			\$889,353	(\$5,080)			* -0.51% (\$4,486)
59	Growth and non-ISR Incremental times rate difference		(\$20,407)	\$73			(\$41,336)	\$236			* -0.51% \$263
60	FY 2018 Net Incremental times rate difference		\$7,156	\$186			\$7,378	\$181			* 2.45% \$193
61	FY 2019 Net Incremental times rate difference		\$4,692	\$122			\$4,678	\$115			* 2.54% \$118
62	FY 2020 Net Incremental times rate difference		\$110,841	\$2,882			\$107,821	\$2,642			* 2.54% \$2,662
63	FY 2021 Net Incremental times rate difference						\$117,450	\$2,878			* 2.54% \$2,902
64	FY 2022 Net Adds times rate difference										* 2.54% \$3,590
65	Total ISR Property Tax Recovery		\$17				\$970				\$5,242

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Cumulative Increm. ISR Prop. Tax for FY2023-NG				Cumulative Increm. ISR Prop. Tax for Plan Year 2024			
67	Incremental ISR Additions		\$162,924				\$177,325	
68	Book Depreciation: base allowance on ISR eligible plant		(\$40,954)				(\$40,954)	
69	Book Depreciation: current year ISR additions		(\$2,292)				(\$2,518)	
70	COR		\$4,391				\$9,231	
71	Net Plant Additions		\$124,069				\$143,084	
72	RY Effective Tax Rate		3.05%				3.05%	
73	Property Tax Recovery on Growth and non-ISR							
74	ISR Year Effective Tax Rate		2.45%				2.54%	
75	RY Effective Tax Rate		3.05%				3.05%	
76	RY Effective Tax Rate 7 mos for FY 2019		-0.60%				-0.51%	
77	RY Net Plant times Rate Difference		\$881,383	(\$5,279)			\$881,383	(\$4,486)
78	Growth and non-ISR Incremental times rate difference		(\$51,615)	\$309			(\$51,615)	\$263
79	FY 2018 Net Incremental times rate difference		\$7,822	\$192			\$8,044	\$204
80	FY 2019 Net Incremental times rate difference		\$4,651.11	\$114			\$4,638	\$118
81	FY 2020 Net Incremental times rate difference		\$101,780	\$2,494			\$98,759	\$2,508
82	FY 2021 Net Incremental times rate difference		\$111,092	\$2,722			\$107,913	\$2,741
83	FY 2022 Net Adds times rate difference		\$136,830	\$3,352			\$132,332	\$3,361
84	FY 2023-NG Net Adds times rate difference		\$124,069	\$3,040			\$119,486	\$3,035
85	CY 2023 Net Adds times rate difference						\$143,084	\$3,634
86	Total ISR Property Tax Recovery		\$6,943				\$11,379	

The Narragansett Electric Company
d/b/a Rhode Island Energy
Forecasted Plan Year 2024 ISR Property Tax Recovery Adjustment
Forecasted Plan Year 2024 ISR Property Tax Recovery Adjustment (Continued) 2

Line	Notes
1(a) - 5(i)	Docket No. 4781 Attachment MAL-2, Page 10 of 13, 1(a) to 5(h)
6(i) - 10(i)	Docket No. 4916 Attachment MAL-1, Page 17 of 20, 6(a) to 10(h)
11(a) - 15(i)	Docket No. 4996 Attachment MAL-1, Page 20 of 22, 11(a) to 15(i)
16(a) - 20(a)	11(i) - 15(i)
16(b)	Page 24 of 32, Line 1, Col (c)-1000
16(c)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (c)
16(d)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (d)
16(f)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (f)
16(i)	Line 16(a) + (d) + (f)
17(e)	$P25, (L58+L59)+(P2, L3 (a))+P5, L3 (a)+P8, L3 (a)+P12, L3 (a))=1000 \times 3.05\% + Inc$ $(L1(c)+L6(c)+L11(c)) \times 0.0416 + P15, L3 (a) \times 0.5 \times 3.05\% + 1000 \times L16(c) \times 0.5 \times 0.0416$ $=16(f)$
17(f)	
17(g)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 17 (g)
17(i)	Line 17(a) + (c) + (f) + (g)
18(i)	Line 16(i) + 17(i)
19(i)	Line 18(h) + 20(h)
20(i)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 20 (h)
21(a) - 25(a)	16(i) - 20(i)
21(b)	Page 18 of 32, Line 1, Col (d)-1000
21(c)	Line 6(c)
21(d)	Line 16(b) + 16(c)
21(f)	- Page 18 of 32, Line 2, Col (d)-1000
21(i)	Line 21 (a) + (d) + (f)
22(c)	Page 28, (Line 58 + Line 59) + (Page 2, Line 3, Col (a) + Page 5, Line 3, Col (a) + Page 8, Line 3, Col (a) + Page 12, Line 3, Col (a) + Page 15, Line 3, Col (a)) = $1000 \times 3.05\% +$ Incremental (L1(c)+L6(c)+L11(c)+L16(c)) $\times 3.05\% +$ Page 18, Line 3, Col (a) = $L21(c)) \times 0.5 \times 3.05\% + 1000$ $=21(f)$
22(f)	
22(g)	- Page 18 of 32, Line 7, Col (d)-1000
22(i)	Line 22 (a) + (c) + (f) + (g)
23(i)	Line 21(i) + 22(i)
24(i)	Line 23(i) + 25(i)
25(i)	=20(a) most recent actual property tax rate
26(a) - 30(a)	21(i) - 25(i)
26(b)	Page 21 of 32, Line 1, Col (a)-1000
26(c)	Line 16(c)
26(d)	Line 26(b) + 26(c)
26(f)	- Page 21 of 32, Line 2, Col (a)-1000
26(i)	Line 26 (a) + (d) + (f)
27(c)	Page 28, (Line 58 + Line 59) + (Page 2, Line 3, Col (a) + Page 5, Line 3, Col (a) + Page 8, Line 3, Col (a) + Page 12, Line 3, Col (a) + Page 15, Line 3, Col (a)) = $1000 \times 3.05\% +$ Incremental (L1(c)+L6(c)+L11(c)+L16(c)) $\times 3.05\% +$ Page 18, Line 3, Col (a) = $L21(c)) \times 0.5 \times 3.05\% + 1000$ $=26(f)$
27(f)	
27(g)	- Page 21 of 32, Line 7, Col (a)-1000
27(i)	Line 27 (a) + (c) + (f) + (g)
28(i)	Line 26(i) + 27(i)
29(i)	Line 28(i) + 30(i)
30(i)	=20(i) most recent actual property tax rate

Line	Notes
31(a) - 47(h)	Docket No. 4781 Rec, Attachment MAL-1, Page 29 of 35, 82(c) to 107(k)
48(a)-66 (c)	Docket No. 4781 Rec, Attachment MAL-2, Page 10 of 13, 31(a) to 50 (c)
48(e) -66(g)	Docket No. 4916 Rec, Attachment MAL-1, Page 18 of 20, 28(e) to 48 (g)
48(i)	Page 15 of 32, Line 4(a)-1000
49(i)	(Page 28 of 32, Line 77(c) <7-12)=1000
50(i)	- Page 15 of 32, Line 15(a)-1000
51(i)	Page 15 of 32, Line 7(a)=1000
52(i)	Sum of Lines 48(i) through 51(i)
54(i)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal. Att. 1, Sch 1-G, P3, L15, Col (e) = 59(j)
56(i)	=20(i)
57(i)	=54(j)
57(i)	56(i)-57(i)
58(i)	=57(j)
59(i)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal, Att. 1: $59(a) \times 5 + 12 + (Sch\ 6-G, P2, L30 - L41 + P3, L5(d) - P5, L4(d) -$ $Sch\ 5-G, P1, L1(e) - L1(g)) \times 7 - 12000$
59(k)	$59(i) \times 58(j)$
60(i)	= - Rate Case, Docket 4770, Compliance, Revised Rebuttal Att. 1: Sch 11-G, P5, L3(e)+L3(f)+L7(e)+L7(f)+L3(i)+L7(i)*)
60(k)	$60(i) \times 58(j)$
61(i)	Line 61(c) - Page 2 of 32, Line 14(e)=1000
61(k)	=61(i)+56(i)
62(i)	Line 62(c) - Page 5 of 32, Line 15(d)=1000
62(k)	=62(i)+56(i)
63(i)	Line 63(c) - Page 8 of 32, Line 15(c)=1000
63(k)	=63(i)+56(i)
64(i)	Line 64(c) - Page 12 of 32, Line 15(c)-1000
64(k)	=64(i)+56(i)

Line	Notes
65(i)	52(j)
65(k)	=65(i)+56(i)
66(k)	sum of 59(k) through 65(k)
67(b)	Page 18 of 32, Line 4(a)-1000
68(b)	- Page 18 of 32, Line 5(a)-1000
69(b)	- Page 18 of 32, Line 14(a)=1000
70(b)	Page 18 of 32, Line 7(a)=1000
71(b)	Sum of Lines 67(b) through 70(b)
73(b)	54(j)
75(a)	25(i)
76(a)	73(b)
76(b)	75(a)-76(a)
77(b)	76(b)
78(a)	59(i)
78(c)	78(a)+77(b)
79(a)	60(i)
79(c)	79(a)+77(b)
80(a)	Line 61(i) - (Page 2 of 32, Line 14(f) through (h))=1000
80(c)	=80(a)+75(a)
81(a)	Line 62(i) - (Page 5 of 32, Line 15(e) through (g))=1000
81(c)	=81(a)+75(a)
82(a)	Line 63(i) - (Page 8 of 32, Line 15(d) through (f))=1000
82(c)	=82(a)+75(a)
83(a)	Line 64(i) - (Page 12 of 32, Line 15(c) through (e))=1000
83(c)	=83(a)+75(a)
84(a)	(Line 65(i) - (Page 15 of 32, Line 15(b) through (d))=1000
84(c)	=84(a)+75(a)
85(a)	=71(b)
85(c)	=85(a)+75(a)
87(c)	sum of 78(c) through 85(c)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Plan Year 2024 Gas ISR Revenue Requirement Plan
Calculation of Weighted Average Cost of Capital

Line No.

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

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

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

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

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

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

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

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

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

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Impact of Elimination of ADIT and Hold Harmless Commitment for the 12-Month Gas Plan
Plan Year 2024 - April 2023 - March 2024

Inputs				
1	Tax Rate			21.00%
Gas and Distribution				
2	Long Term Debt			48.350%
3	Short Term Debt			0.600%
4	Preferred Stock			0.100%
5	Debt Weighting	Lines 2+3+4		49.050%
6	Equity Weighting	1 - Line 5		50.950%
7	Long Term Debt Rate			4.980%
8	Short Term Debt Rate			1.760%
9	Cost of Debt	Line 2 / Line 5 * Line 7 + Line 3 /		
10	Cost of Equity	Line 5 * Line 8		4.941%
				9.275%
11	Revenue WACC (pre-tax)	Line 9 * Line 5 + (Line 10/(1-Line 1))*Line 6		8.4100%
12	WACC (after-tax)	(Line 9 * Line 5) + (Line 10 * Line 6)		7.149%
13	Rate Base - PPL (after purchase)	Page 2, Line 8, Column (c)	\$370,367,488	12-Month Plan Year 2024
14	Rate Base - NG (before sale)	Page 2, Line 8, Column (f)	\$316,860,205	12-Month Plan Year 2024
15	Deferred Taxes / Hold Harmless	Lines 13 - 14	\$53,507,283	Elimination of Deferred Taxes

Distribution ROE Mechanics

Notes:

- The sale of the business is treated as a sale of assets for income tax purposes causing the reversal of cumulative timing differences and a payment to the government of the amounts that had been recorded as deferred tax liabilities by National Grid ("NG").
- PPL does not assume the interest-free liability of ADIT from NG because NG paid this tax liability to the government as a result of the sales transaction. As such, PPL has to replace the no-cost capital with other capital. This calculation assumes that the substitute for the eliminated DTL is debt and equity in the same proportion as stated in Lines 5 and 6.
- The revenue credit for hold harmless is reflected on Line 23.
- Line 28 reflects the goodwill tax deduction needed to hold customers harmless from the increased revenue requirement due to the rate base increase from the elimination of deferred taxes. Any tax deduction lower than the amount reflected on this line will not provide enough of a tax benefit to share with customers.
- Line 29 reflects the cash tax benefit of the goodwill tax deduction and is recorded for GAAP reporting (not reflected for FERC reporting). There is not an income statement tax benefit since the goodwill tax deduction is a flip between current and deferred taxes. This amount grossed up for tax shown on Line 30 is the revenue credit reflected on Line 23.

12-Month April to March 2024 (Plan Year 2024)					
		Post-Acquisition Results for ISR Capital Adjustments through the Date of Acquisition	Results for ISR Capital Adjustments through the Date of Acquisition as if the Acquisition did not occur	Difference	
		(a)	(b)	(c) = (a) - (b)	
16	Rate Base after Acquisition	Line 13	370,367,488	370,367,488	-
17	ADIT Adjustment	- Line 15	-	(53,507,283)	53,507,283
18	Adjusted Rate Base	Lines 16 + 17	370,367,488	316,860,205	53,507,283
19	Debt Return (4.576%)	Lines 18 * 5 * 9	8,975,228	7,678,570	1,296,658
20	Equity Return (9.275%)	Lines 18 * 6 * 10	17,502,132	14,973,585	2,528,547
21	Taxes on Equity (21%)	(Line 20 / (1 - Line 1)) * Line 1	4,652,466	3,980,320	672,145
22	Total Unadjusted Revenue	Sum of Lines 19 , 20, 21	31,129,826	26,632,475	4,497,351
23	Revenue Adjustment for 12 Month CY 2024	- Line 15 * Line 11	(4,499,963)	-	(4,499,963) Note 1
24	Total Revenue	Lines 22 + 23	26,629,863	26,632,475	(2,612)
25	Interest Expense	Lines 18, Col (b) * 5 * 9	7,678,570	7,678,570	-
26	Tax Expense	(Lines 24 - 25) * Line 1	3,979,772	3,980,320	(549)
27	Net Income	Lines 24 - 25 - 26	14,971,522	14,973,585	(2,063)
Impact of Transaction					
28	Transaction-related Tax Deduction	- Line 23 * (1-Line 1) / Line 1	16,928,430		
29	Cash Tax Benefit at 21%	Line 28 * Line 1	3,554,970		
30	Cash Tax Benefit Grossed Up	Line 29 / (1-Line 1)	4,499,963		

Note 1: There is a slight variation in the calculated hold harmless amount in the ISR filing due to the roundings that are used to calculate the WACC in the ISR files.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Average ISR Rate Base after Deferred Tax Proration

	Post-Acquisition (a)	Prorated (b)	Post-Acquisition After Proration (c)	No Acquisition (d)	Prorated (e)	No Acquisition After Proration (f)
1 Plan Year 2024						
2 FY 2018	6,949,155	100%	6,949,155	11,199,551	100%	11,199,551
3 FY 2019	4,662,320	100%	4,662,320	3,287,034	100%	3,287,034
4 FY 2020	76,124,806	100%	76,124,806	62,349,279	100%	62,349,279
5 FY 2021	68,122,487	100%	68,122,487	60,900,540	100%	60,900,540
6 FY 2022	116,476,923	100%	116,476,923	82,669,836	100%	82,669,836
7 FY 2023	98,031,797	100%	98,031,797	96,453,965	100%	96,453,965
8 Total	<u>370,367,488</u>		<u>370,367,488</u>	<u>316,860,205</u>		<u>316,860,205</u>

Page 1, Line 13

Page 1, Line 14

Plan Year 2024 (12-Month) Revenue Requirement (a)	Rate Class (b)	Rate Base Allocator (%) (c)	Allocation to Rate Class (\$) (d)	Throughput (dth) (e)	ISR Factor (dth) (f)	ISR Factor (therm) (g)	Uncollectible % (h)	ISR Factor (therm) (i)
\$60,281,639	Residential Total	66.59%	\$40,141,544	20,669,404	\$1.9420	\$0.1942	1.91%	\$0.1979
	Small	8.04%	\$4,846,644	2,527,337	\$1.9176	\$0.1917	1.91%	\$0.1954
	Medium	12.23%	\$7,372,444	5,855,957	\$1.2589	\$0.1258	1.91%	\$0.1282
	Large LL	5.57%	\$3,357,687	2,925,154	\$1.1478	\$0.1147	1.91%	\$0.1169
	Large HL	2.25%	\$1,356,337	1,382,567	\$0.9810	\$0.0981	1.91%	\$0.1000
	XL-LL	0.97%	\$584,732	1,292,083	\$0.4525	\$0.0452	1.91%	\$0.0460
	XL-HL	4.35%	\$2,622,251	5,860,658	\$0.4474	\$0.0447	1.91%	\$0.0455
	Total	100.00%	\$60,281,639	40,513,161				

- (1)
- (2)
- (3)
- (4)
- (5)
- (6)
- (7)
- (8)
- (9)

(a) Line 1: Plan Year 2024 Revenue Requirement (Section 3: Attachment 1, Page 1, Line 13, Column (b) plus Line 14, Column (b)):
Total Capital Investment Component of Revenue Requirement: \$ 64,781,602
Tax Hold Harmless Adjustment: \$ (4,499,963)
Total Net Capital Component of Revenue Requirement \$ 60,281,639

(c) Docket 4770, RI 2017 Rate Case, Compliance Attachment 14 (August 16, 2018), Schedule 2, Page 1 & 2, Line 15 (Rate Class divided by Total Company)
(d) Column (a) Line 1 * Column (c)
(e) Page 2, Column (m)
(f) Column (d) / Column (e), truncated to 4 decimal places
(g) Column (d) / (Column (e)*10), truncated to 4 decimal places
(h) Docket 4770, RI 2017 Rate Case, Compliance Attachment 2 (August 16, 2018), Schedule 22, Page 7, Line 15
(i) Column (g) / (1- Column (h)), truncated to 4 decimal places

Forecasted Throughput April 2023 - March 2024

	Apr-23 (a)	May-23 (b)	Jun-23 (c)	Jul-23 (d)	Aug-23 (e)	Sep-23 (f)	Oct-23 (g)	Nov-23 (h)	Dec-23 (i)	Jan-24 (j)	Feb-24 (k)	Mar-24 (l)	Total (m)
(1) Res-NH	32,722	17,627	14,729	12,134	11,633	11,842	14,932	23,404	34,731	43,448	47,295	38,266	302,762
(2) Res-H	2,317,355	851,793	573,936	453,690	433,319	446,697	598,069	1,470,815	2,633,843	3,549,689	3,971,935	3,065,501	20,366,642
(3) Small	285,844	124,997	64,421	54,187	43,242	41,803	54,616	147,547	313,165	449,257	540,931	407,327	2,527,337
(4) Medium	667,083	324,894	238,769	169,312	160,551	164,298	206,272	436,093	711,633	913,591	1,030,866	832,596	5,855,957
(5) Large LL	341,713	146,391	78,951	43,570	40,707	44,919	84,532	243,208	400,299	512,504	555,075	433,286	2,925,154
(6) Large HL	130,842	106,321	90,157	86,340	80,386	86,450	87,945	108,040	131,565	154,028	167,116	153,378	1,382,567
(7) X-Large LL	132,000	52,699	28,048	23,460	24,151	28,280	68,293	150,950	184,851	222,248	205,311	171,792	1,292,083
(8) X-Large HL	506,318	459,948	423,059	419,512	430,465	433,813	445,403	494,428	545,481	577,956	579,793	544,481	5,860,658
(9)	4,413,877	2,084,669	1,512,071	1,262,205	1,224,455	1,258,101	1,560,062	3,074,485	4,955,567	6,422,720	7,098,322	5,646,626	40,513,161

Source: Company Forecast

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

Residential Heating:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	Difference due to:				
															Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg
		548	\$1,216.95	\$1,183.75	\$33.20	2.8%	\$0.00	\$0.00	\$32.20	\$0.00	\$0.00	\$0.00	\$0.00	\$1.00					
		608	\$1,330.17	\$1,293.32	\$36.85	2.8%	\$0.00	\$0.00	\$35.74	\$0.00	\$0.00	\$0.00	\$0.00	\$1.11					
		667	\$1,441.53	\$1,401.08	\$40.44	2.9%	\$0.00	\$0.00	\$39.23	\$0.00	\$0.00	\$0.00	\$0.00	\$1.21					
		726	\$1,552.86	\$1,508.85	\$44.01	2.9%	\$0.00	\$0.00	\$42.69	\$0.00	\$0.00	\$0.00	\$0.00	\$1.32					
		785	\$1,664.12	\$1,616.53	\$47.59	2.9%	\$0.00	\$0.00	\$46.16	\$0.00	\$0.00	\$0.00	\$0.00	\$1.43					
		845	\$1,777.33	\$1,726.11	\$51.23	3.0%	\$0.00	\$0.00	\$49.69	\$0.00	\$0.00	\$0.00	\$0.00	\$1.54					
		905	\$1,890.60	\$1,835.72	\$54.88	3.0%	\$0.00	\$0.00	\$53.23	\$0.00	\$0.00	\$0.00	\$0.00	\$1.65					
		964	\$2,001.85	\$1,943.42	\$58.43	3.0%	\$0.00	\$0.00	\$56.68	\$0.00	\$0.00	\$0.00	\$0.00	\$1.75					
		1,023	\$2,113.15	\$2,051.14	\$62.01	3.0%	\$0.00	\$0.00	\$60.15	\$0.00	\$0.00	\$0.00	\$0.00	\$1.86					
		1,082	\$2,224.50	\$2,158.92	\$65.58	3.0%	\$0.00	\$0.00	\$63.61	\$0.00	\$0.00	\$0.00	\$0.00	\$1.97					
		1,142	\$2,337.74	\$2,268.53	\$69.21	3.1%	\$0.00	\$0.00	\$67.13	\$0.00	\$0.00	\$0.00	\$0.00	\$2.08					

Residential Heating Low Income:

(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	Difference due to:				
															Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg
		548	\$902.61	\$877.72	\$24.90	2.8%	\$0.00	(\$8.05)	\$0.00	\$0.00	\$32.20	\$0.00	\$0.00	\$0.75					
		608	\$986.43	\$958.80	\$27.63	2.9%	\$0.00	(\$8.93)	\$0.00	\$0.00	\$35.74	\$0.00	\$0.00	\$0.83					
		667	\$1,068.87	\$1,038.53	\$30.33	2.9%	\$0.00	(\$9.81)	\$0.00	\$0.00	\$39.23	\$0.00	\$0.00	\$0.91					
		726	\$1,151.27	\$1,118.26	\$33.01	3.0%	\$0.00	(\$10.67)	\$0.00	\$0.00	\$42.69	\$0.00	\$0.00	\$0.99					
		785	\$1,233.64	\$1,197.94	\$35.69	3.0%	\$0.00	(\$11.54)	\$0.00	\$0.00	\$46.16	\$0.00	\$0.00	\$1.07					
		845	\$1,317.47	\$1,279.05	\$38.42	3.0%	\$0.00	(\$12.42)	\$0.00	\$0.00	\$49.69	\$0.00	\$0.00	\$1.15					
		905	\$1,401.30	\$1,360.15	\$41.16	3.0%	\$0.00	(\$13.31)	\$0.00	\$0.00	\$53.23	\$0.00	\$0.00	\$1.23					
		964	\$1,483.64	\$1,439.81	\$43.82	3.0%	\$0.00	(\$14.17)	\$0.00	\$0.00	\$56.68	\$0.00	\$0.00	\$1.31					
		1,023	\$1,566.04	\$1,519.54	\$46.51	3.1%	\$0.00	(\$15.04)	\$0.00	\$0.00	\$60.15	\$0.00	\$0.00	\$1.40					
		1,082	\$1,648.47	\$1,599.29	\$49.18	3.1%	\$0.00	(\$15.90)	\$0.00	\$0.00	\$63.61	\$0.00	\$0.00	\$1.48					
		1,142	\$1,732.30	\$1,680.40	\$51.90	3.1%	\$0.00	(\$16.78)	\$0.00	\$0.00	\$67.13	\$0.00	\$0.00	\$1.56					

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2022

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

C & I Small:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:				LIHEAP	GET	
						GCR	Base DAC	DAC	ISR			EE
(61)												
(62)												
(63)												
(64)												
(65)	830	\$1,788.04	\$1,743.52	\$44.52	2.6%	\$0.00	\$0.00	\$0.00	\$43.18	\$0.00	\$0.00	\$1.34
(66)	919	\$1,945.47	\$1,896.18	\$49.29	2.6%	\$0.00	\$0.00	\$0.00	\$47.81	\$0.00	\$0.00	\$1.48
(67)	1,010	\$2,106.55	\$2,052.40	\$54.14	2.6%	\$0.00	\$0.00	\$0.00	\$52.52	\$0.00	\$0.00	\$1.62
(68)	1,099	\$2,264.10	\$2,205.18	\$58.92	2.7%	\$0.00	\$0.00	\$0.00	\$57.15	\$0.00	\$0.00	\$1.77
(69)	1,187	\$2,419.90	\$2,356.25	\$63.65	2.7%	\$0.00	\$0.00	\$0.00	\$61.74	\$0.00	\$0.00	\$1.91
(70)	1,277	\$2,579.16	\$2,510.67	\$68.49	2.7%	\$0.00	\$0.00	\$0.00	\$66.44	\$0.00	\$0.00	\$2.05
(71)	1,367	\$2,738.35	\$2,665.09	\$73.27	2.7%	\$0.00	\$0.00	\$0.00	\$71.07	\$0.00	\$0.00	\$2.20
(72)	1,456	\$2,895.88	\$2,817.81	\$78.07	2.8%	\$0.00	\$0.00	\$0.00	\$75.73	\$0.00	\$0.00	\$2.34
(73)	1,544	\$3,051.70	\$2,968.92	\$82.78	2.8%	\$0.00	\$0.00	\$0.00	\$80.30	\$0.00	\$0.00	\$2.48
(74)	1,635	\$3,212.75	\$3,125.11	\$87.64	2.8%	\$0.00	\$0.00	\$0.00	\$85.01	\$0.00	\$0.00	\$2.63
(75)	1,725	\$3,372.03	\$3,279.57	\$92.46	2.8%	\$0.00	\$0.00	\$0.00	\$89.69	\$0.00	\$0.00	\$2.77

C & I Medium:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:				LIHEAP	GET	
						GCR	Base DAC	DAC	ISR			EE
(76)												
(77)												
(78)												
(79)												
(80)	6,907	\$11,816.37	\$11,496.65	\$319.72	2.8%	\$0.00	\$0.00	\$0.00	\$310.13	\$0.00	\$0.00	\$9.59
(81)	7,650	\$12,973.43	\$12,619.30	\$354.12	2.8%	\$0.00	\$0.00	\$0.00	\$343.50	\$0.00	\$0.00	\$10.62
(82)	8,391	\$14,126.95	\$13,738.53	\$388.42	2.8%	\$0.00	\$0.00	\$0.00	\$376.77	\$0.00	\$0.00	\$11.65
(83)	9,136	\$15,286.97	\$14,864.07	\$422.91	2.8%	\$0.00	\$0.00	\$0.00	\$410.22	\$0.00	\$0.00	\$12.69
(84)	9,880	\$16,445.54	\$15,988.21	\$457.33	2.9%	\$0.00	\$0.00	\$0.00	\$443.61	\$0.00	\$0.00	\$13.72
(85)	10,623	\$17,602.58	\$17,110.86	\$491.72	2.9%	\$0.00	\$0.00	\$0.00	\$476.97	\$0.00	\$0.00	\$14.75
(86)	11,366	\$18,759.64	\$18,233.53	\$526.11	2.9%	\$0.00	\$0.00	\$0.00	\$510.33	\$0.00	\$0.00	\$15.78
(87)	12,111	\$19,919.69	\$19,359.09	\$560.61	2.9%	\$0.00	\$0.00	\$0.00	\$543.79	\$0.00	\$0.00	\$16.82
(88)	12,855	\$21,078.21	\$20,483.15	\$595.06	2.9%	\$0.00	\$0.00	\$0.00	\$577.21	\$0.00	\$0.00	\$17.85
(89)	13,596	\$22,231.75	\$21,602.41	\$629.34	2.9%	\$0.00	\$0.00	\$0.00	\$610.46	\$0.00	\$0.00	\$18.88
(90)	14,340	\$23,390.29	\$22,726.53	\$663.76	2.9%	\$0.00	\$0.00	\$0.00	\$643.85	\$0.00	\$0.00	\$19.91

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2022

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

C & I L L F Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:								
						GCR	Base DAC	DAC	ISR	EE	LIHEAP	GET		
(91)														
(92)														
(93)														
(94)														
(95)	37,587	\$59,613.59	\$58,423.97	\$1,189.62	2.0%	\$0.00	\$0.00	\$0.00	\$1,153.93	\$0.00	\$0.00	\$0.00	\$35.69	
(96)	41,634	\$65,764.37	\$64,446.70	\$1,317.67	2.0%	\$0.00	\$0.00	\$0.00	\$1,278.14	\$0.00	\$0.00	\$0.00	\$39.53	
(97)	45,683	\$71,918.62	\$70,472.80	\$1,445.82	2.1%	\$0.00	\$0.00	\$0.00	\$1,402.45	\$0.00	\$0.00	\$0.00	\$43.37	
(98)	49,731	\$78,071.51	\$76,497.58	\$1,573.94	2.1%	\$0.00	\$0.00	\$0.00	\$1,526.72	\$0.00	\$0.00	\$0.00	\$47.22	
(99)	53,777	\$84,220.92	\$82,518.90	\$1,702.02	2.1%	\$0.00	\$0.00	\$0.00	\$1,650.96	\$0.00	\$0.00	\$0.00	\$51.06	
(100)	57,825	\$90,373.78	\$88,543.67	\$1,830.11	2.1%	\$0.00	\$0.00	\$0.00	\$1,775.21	\$0.00	\$0.00	\$0.00	\$54.90	
(101)	61,873	\$96,526.67	\$94,568.41	\$1,958.26	2.1%	\$0.00	\$0.00	\$0.00	\$1,899.51	\$0.00	\$0.00	\$0.00	\$58.75	
(102)	65,920	\$102,677.43	\$100,591.09	\$2,086.34	2.1%	\$0.00	\$0.00	\$0.00	\$2,023.75	\$0.00	\$0.00	\$0.00	\$62.59	
(103)	69,967	\$108,828.89	\$106,614.49	\$2,214.40	2.1%	\$0.00	\$0.00	\$0.00	\$2,147.97	\$0.00	\$0.00	\$0.00	\$66.43	
(104)	74,016	\$114,983.18	\$112,640.62	\$2,342.57	2.1%	\$0.00	\$0.00	\$0.00	\$2,272.29	\$0.00	\$0.00	\$0.00	\$70.28	
(105)	78,063	\$121,133.99	\$118,663.32	\$2,470.67	2.1%	\$0.00	\$0.00	\$0.00	\$2,396.55	\$0.00	\$0.00	\$0.00	\$74.12	

C & I H L F Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:								
						GCR	Base DAC	DAC	ISR	EE	LIHEAP	GET		
(106)														
(107)														
(108)														
(109)														
(110)	41,956	\$57,616.34	\$56,751.27	\$865.07	1.5%	\$0.00	\$0.00	\$0.00	\$839.12	\$0.00	\$0.00	\$0.00	\$25.95	
(111)	46,471	\$63,549.49	\$62,591.32	\$958.16	1.5%	\$0.00	\$0.00	\$0.00	\$929.42	\$0.00	\$0.00	\$0.00	\$28.74	
(112)	50,991	\$69,488.69	\$68,437.33	\$1,051.36	1.5%	\$0.00	\$0.00	\$0.00	\$1,019.82	\$0.00	\$0.00	\$0.00	\$31.54	
(113)	55,507	\$75,423.04	\$74,278.56	\$1,144.47	1.5%	\$0.00	\$0.00	\$0.00	\$1,110.14	\$0.00	\$0.00	\$0.00	\$34.33	
(114)	60,028	\$81,363.49	\$80,125.80	\$1,237.69	1.5%	\$0.00	\$0.00	\$0.00	\$1,200.56	\$0.00	\$0.00	\$0.00	\$37.13	
(115)	64,545	\$87,299.00	\$85,968.17	\$1,330.82	1.5%	\$0.00	\$0.00	\$0.00	\$1,290.90	\$0.00	\$0.00	\$0.00	\$39.92	
(116)	69,062	\$93,234.63	\$91,810.67	\$1,423.96	1.6%	\$0.00	\$0.00	\$0.00	\$1,381.24	\$0.00	\$0.00	\$0.00	\$42.72	
(117)	73,583	\$99,175.07	\$97,657.89	\$1,517.18	1.6%	\$0.00	\$0.00	\$0.00	\$1,471.66	\$0.00	\$0.00	\$0.00	\$45.52	
(118)	78,099	\$105,109.39	\$103,499.10	\$1,610.29	1.6%	\$0.00	\$0.00	\$0.00	\$1,561.98	\$0.00	\$0.00	\$0.00	\$48.31	
(119)	82,619	\$111,048.60	\$109,345.11	\$1,703.48	1.6%	\$0.00	\$0.00	\$0.00	\$1,652.38	\$0.00	\$0.00	\$0.00	\$51.10	
(120)	87,137	\$116,986.26	\$115,189.63	\$1,796.64	1.6%	\$0.00	\$0.00	\$0.00	\$1,742.74	\$0.00	\$0.00	\$0.00	\$53.90	

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2022

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

C & I LLLF Extra-Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:								
						GCR	Base DAC	DAC	ISR	EE	LIHEAP	GET		
(121)														
(122)														
(123)														
(124)														
(125)	233,835	\$292,401.80	\$291,702.70	\$699.10	0.2%	\$0.00	\$0.00	\$0.00	\$678.13	\$0.00	\$0.00	\$0.00	\$20.97	
(126)	259,019	\$323,225.93	\$322,451.54	\$774.39	0.2%	\$0.00	\$0.00	\$0.00	\$751.16	\$0.00	\$0.00	\$0.00	\$23.23	
(127)	284,197	\$354,043.38	\$353,193.72	\$849.66	0.2%	\$0.00	\$0.00	\$0.00	\$824.17	\$0.00	\$0.00	\$0.00	\$25.49	
(128)	309,381	\$384,867.50	\$383,942.56	\$924.94	0.2%	\$0.00	\$0.00	\$0.00	\$897.19	\$0.00	\$0.00	\$0.00	\$27.75	
(129)	334,562	\$415,688.31	\$414,688.07	\$1,000.24	0.2%	\$0.00	\$0.00	\$0.00	\$970.23	\$0.00	\$0.00	\$0.00	\$30.01	
(130)	359,745	\$446,511.35	\$445,435.79	\$1,075.56	0.2%	\$0.00	\$0.00	\$0.00	\$1,043.29	\$0.00	\$0.00	\$0.00	\$32.27	
(131)	384,928	\$477,334.34	\$476,183.54	\$1,150.80	0.2%	\$0.00	\$0.00	\$0.00	\$1,116.28	\$0.00	\$0.00	\$0.00	\$34.52	
(132)	410,110	\$508,156.26	\$506,930.16	\$1,226.09	0.2%	\$0.00	\$0.00	\$0.00	\$1,189.31	\$0.00	\$0.00	\$0.00	\$36.78	
(133)	435,293	\$538,979.31	\$537,677.93	\$1,301.38	0.2%	\$0.00	\$0.00	\$0.00	\$1,262.34	\$0.00	\$0.00	\$0.00	\$39.04	
(134)	460,471	\$569,796.72	\$568,420.05	\$1,376.67	0.2%	\$0.00	\$0.00	\$0.00	\$1,335.37	\$0.00	\$0.00	\$0.00	\$41.30	
(135)	485,655	\$600,620.88	\$599,168.93	\$1,451.95	0.2%	\$0.00	\$0.00	\$0.00	\$1,408.39	\$0.00	\$0.00	\$0.00	\$43.56	

C & I HLF Extra-Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Difference due to:								
						GCR	Base DAC	DAC	ISR	EE	LIHEAP	GET		
(136)														
(137)														
(138)														
(139)														
(140)	486,528	\$545,680.45	\$538,106.64	\$7,573.81	1.4%	\$0.00	\$0.00	\$0.00	\$7,346.60	\$0.00	\$0.00	\$0.00	\$227.21	
(141)	538,924	\$603,779.86	\$595,390.42	\$8,389.43	1.4%	\$0.00	\$0.00	\$0.00	\$8,137.75	\$0.00	\$0.00	\$0.00	\$251.68	
(142)	591,320	\$661,878.46	\$652,673.41	\$9,205.05	1.4%	\$0.00	\$0.00	\$0.00	\$8,928.90	\$0.00	\$0.00	\$0.00	\$276.15	
(143)	643,718	\$719,979.92	\$709,959.16	\$10,020.75	1.4%	\$0.00	\$0.00	\$0.00	\$9,720.13	\$0.00	\$0.00	\$0.00	\$300.62	
(144)	696,109	\$778,073.40	\$767,237.06	\$10,836.34	1.4%	\$0.00	\$0.00	\$0.00	\$10,511.25	\$0.00	\$0.00	\$0.00	\$325.09	
(145)	748,506	\$836,173.87	\$824,521.86	\$11,652.01	1.4%	\$0.00	\$0.00	\$0.00	\$11,302.45	\$0.00	\$0.00	\$0.00	\$349.56	
(146)	800,903	\$894,274.28	\$881,806.60	\$12,467.68	1.4%	\$0.00	\$0.00	\$0.00	\$12,093.65	\$0.00	\$0.00	\$0.00	\$374.03	
(147)	853,294	\$952,367.72	\$939,084.49	\$13,283.23	1.4%	\$0.00	\$0.00	\$0.00	\$12,884.73	\$0.00	\$0.00	\$0.00	\$398.50	
(148)	905,692	\$1,010,469.19	\$996,370.29	\$14,098.91	1.4%	\$0.00	\$0.00	\$0.00	\$13,675.94	\$0.00	\$0.00	\$0.00	\$422.97	
(149)	958,088	\$1,068,567.84	\$1,053,653.25	\$14,914.59	1.4%	\$0.00	\$0.00	\$0.00	\$14,467.15	\$0.00	\$0.00	\$0.00	\$447.44	
(150)	1,010,485	\$1,126,668.25	\$1,110,937.99	\$15,730.26	1.4%	\$0.00	\$0.00	\$0.00	\$15,258.35	\$0.00	\$0.00	\$0.00	\$471.91	

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2022.