

JOINT PRE-FILED REBUTTAL TESTIMONY

OF

STEPHANIE A. BRIGGS

AND

BETHANY L. JOHNSON

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1 **I. Introduction and Qualifications**

2 **Stephanie A. Briggs**

3 **Q. Ms. Briggs, please state your full name and business address.**

4 A. My name is Stephanie A. Briggs, and my business address is 280 Melrose Street,
5 Providence, Rhode Island 02907.

6

7 **Q. Are you the same Stephanie A. Briggs who submitted pre-filed direct testimony in
8 this docket?**

9 A. Yes.

10

11 **Q. Are you still the Senior Manager of Revenue and Rates for PPL Services
12 Corporation?**

13 A. Yes.

14

15 **Bethany L. Johnson**

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

17 A. My name is Bethany L. Johnson, and my business address is 827 Hausman Road,
18 Allentown, Pennsylvania 18104.

19

20 **Q. Are you the same Bethany L. Johnson who submitted pre-filed direct testimony in
21 this docket?**

22 A. Yes.

1 **Q. Are you still the Director of Regulatory Affairs for PPL Services Corporation?**

2 A. Yes.

3

4 **II. Purpose and Structure of Testimony**

5 **Q. What is the purpose of your joint rebuttal testimony in this docket?**

6 A. The purpose of our joint rebuttal testimony is to respond to issues raised in the direct
7 testimony of the intervenors in this docket. Specifically, our rebuttal testimony responds
8 to the direct testimony of the Rhode Island Division of Public Utilities and Carriers (the
9 "Division") regarding the Company's proposed cost recovery mechanism, the AMF
10 Factor.

11

12 **Q. How is your testimony structured?**

13 A. Section I is the Introduction. Section II presents the purpose and structure of our
14 testimony. Section III presents the Company's proposed cost recovery mechanism and
15 responds to comments from intervenors in this docket on the issue of cost recovery.
16 Section IV is the conclusion.

17

18 **Q. Has the Company included any schedules to this testimony?**

19 A. Yes, the Company has included the following schedule:

20 Schedule SAB/BLJ-R1 Illustrative AMF by Customer Charge Summary

21

1 **III. Cost-Recovery Mechanism**

2 **Q. Can you briefly summarize what the Company has proposed for cost recovery?**

3 A. Yes. The Company has proposed to recover the incremental costs associated with the
4 implementation and deployment of the proposed AMF investments through a separate
5 factor outside of base distribution rates. We refer to this as the "AMF Factor."

6
7 **Q. Please recap at a high level how the Company proposes the AMF Factor would
8 work.**

9 A. The AMF Factor would recover the revenue requirement associated with the actual
10 incremental costs of capital investments placed in service and the actual incremental
11 operation and maintenance costs incurred. The Company has proposed to update the
12 AMF Factor semi-annually based on historical, actual data for the prior six-month period.
13 The AMF Factor would include only costs for implementation and deployment and is not
14 intended to be an evergreen mechanism to recover ongoing, business as usual costs. The
15 Company could, in its next base distribution rate case, include costs from the AMF Factor
16 in base rates. Depending on the timing of the next base distribution rate case, the
17 Company could, if needed, reset the AMF Factor for remaining implementation and
18 deployment costs, or if deployment is complete, then the Company would sunset the
19 AMF Factor and roll all deployment costs into base rates, eliminating the AMF Factor.
20 The Company provided the revenue requirement and pricing exhibits for approximately
21 20 years to illustrate the total cost to customers over that time period.

22

1 In terms of logistics, the Company has proposed that the AMF Factor be included in the
2 Distribution Energy Charge on the customer's bill. The proposed AMF Factor would be a
3 per-kWh volumetric charge for all rate classes applied on a non-bypassable basis to all
4 customers who receive electric distribution service from the Company. The Company
5 would apply the distribution revenue allocators approved by the Commission in the
6 Company's compliance filing in Docket No. 4770 to allocate the incremental AMF
7 revenue requirements among the rate classes, and the projected kWh per rate class for the
8 upcoming six-month recovery period would be used to determine a per-kWh-per-rate-
9 class rate adjustment.

10
11 **Q. What is the benefit to customers of using the proposed AMF Factor?**

12 A. The Company sees at least two primary benefits to customers of using the proposed AMF
13 Factor. First, the proposed AMF Factor is based entirely on actual costs incurred. It is a
14 look-back mechanism. Under this proposal, the Company does not receive any cost
15 recovery until capital investments are placed into service or the Company incurs actual
16 operation and maintenance expenses. Because the proposed AMF Factor is entirely
17 backward-looking, it removes the need to forecast projected costs to develop a factor
18 based on estimate, and therefore eliminates the possibility that customers will be
19 temporarily overcharged for AMF-related costs.

20

1 Second, the AMF Factor provides for incremental cost recovery adjusted every six
2 months. As we discuss further below, adjusting the AMF Factor every six months should
3 result in smaller rate changes for customers.

4
5 **Q. Does the Company propose to use the AMF Factor for the entire life of the AMF**
6 **meters, estimated at approximately 20 years?**

7 A. No. The Company proposes to use the AMF Factor for cost recovery only during the
8 implementation and deployment phase. Currently, the implementation and deployment is
9 forecasted to take approximately four years. After implementation and deployment
10 concludes, no new costs, either plant-in-service or operations and maintenance costs,
11 would be added to the AMF Factor. Accordingly, once implementation and deployment
12 concludes, the AMF Factor charged to customers would decrease as the plant-in-service
13 continues to depreciate. When the Company files its next base rate case, any remaining
14 portion of the assets that has not been depreciated, along with operations and
15 maintenance costs on a go-forward basis, would be rolled into base distribution rates.

16
17 **Q. The Division has stated that using a separate AMF Factor is unnecessary because**
18 **the Company may recover capital costs through the annual ISR plan proceedings.**
19 **How does the Company respond to the Division's position?**

20 A. The annual ISR plan proceedings are a possible cost recovery option for some, but not
21 all, of the AMF-related capital costs. The ISR plan currently has a category and allows
22 recovery for the capital cost of meters; however, there is not a defined category in the

1 ISR for the AMF-related software and network capital costs. For the reasons we just
2 mentioned and as we will elaborate, the AMF Factor is the most beneficial and least
3 disruptive method of cost recovery for customers.

4
5 First, if the Company uses the annual ISR plan proceedings to recover AMF costs,
6 customers will be asked to pay for one year's worth of projected costs. In contrast, using
7 the separate AMF Factor will allow customers to pay only for actual AMF costs incurred
8 over the preceding six-month period. This ensures that customers pay only for benefits
9 they have actually received, and it eliminates the likelihood that they will be temporarily
10 overcharged for any AMF-related costs.

11
12 Second, adjusting rates to account for the AMF Factor every six months presents the
13 ability to implement smaller rate changes, while under the current ISR plan mechanism,
14 rates are adjusted annually and could result in larger rate changes and, possibly, rate
15 shock to customers.

16
17 **Q. Will the Company's proposed AMF Factor allow the Division and Commission to**
18 **review costs for reasonableness in a transparent manner?**

19 **A.** Absolutely. Although ISR plan proceedings are one way to recover capital costs,
20 implementing an AMF Factor is an equally principled method of cost recovery. Using the
21 AMF Factor for all AMF-related costs provides for the greatest transparency and
22 completeness during the deployment phase. Under the Company's proposal, the

1 Commission can review the Company's request for cost recovery every six months. The
2 Company has proposed to make transparent filings with each request for cost recovery
3 that include all costs incurred. The Company has proposed to make the filings in advance
4 of the effective date of the rate change to allow the Division and the Commission
5 sufficient time to review and approve the rate change.

6
7 Additionally, the AMF Factor has the advantage over the ISR plan process of
8 consolidating all costs in a single mechanism. Because the ISR plan process allows for
9 review and approval only of certain capital investments, the Company would have to seek
10 recovery of operations and maintenance costs and other capital investments not included
11 in the ISR plan through a different mechanism. The proposed AMF Factor would include
12 all capital costs, operations and maintenance costs, and the benefits that offset the cost
13 recovery, providing the Commission and Division with a clear picture of the actual costs
14 and revenue requirement of the AMF implementation. The filing that the Company
15 proposes to provide for the AMF Factor rate changes would include the revenue
16 requirement calculation in a similar format to the revenue requirement included in ISR
17 plan filings, which would breakout the costs by capital and operation and maintenance as
18 well as offsetting reductions to the revenue requirement such as benefits.

19
20 Lastly, having all of the AMF deployment and implementation costs recovered through
21 the AMF Factor will allow the Commission to more clearly monitor the Company's
22 spending as the work it is associated with is being completed, especially when coupled

1 with the Company's proposed annual reporting. When coupled together, the Commission
2 should be able to understand not only the work completed, but also the actual costs
3 incurred for that specific work. It could then compare back to the Company's AMF
4 Business Case as an ongoing status check.

5
6 In contrast, separating the components of AMF deployment and implementation costs
7 into separate recovery mechanisms (e.g., ISR proceedings for certain capital costs and
8 base distribution rate case for other costs) may not provide a complete view of the costs
9 and recovery because the Commission and Division will not have the opportunity to
10 consider all costs simultaneously. If only meters and/or other capital costs were recovered
11 through the ISR plan process, the Commission and Division would not have a complete,
12 *comprehensive* view of the Company's AMF spending until a distribution base rate case.
13 At the earliest, the Company could file a base distribution rate case in 2025 and, without
14 the AMF Recovery Factor, only then could the Commission understand the potential
15 impact to customers.

16
17 Lastly, the Division has the opportunity through this proceeding to thoroughly examine
18 the Company's AMF plan and associated costs.

19
20 **Q. In addition to the Division's position that capital costs could be recovered through**
21 **the ISR plans, the Division stated that using a separate AMF Factor is unnecessary**
22 **because the Company may recover operation and maintenance costs and IT costs**

1 **through base distribution rate proceedings. Why does the Company consider the**
2 **AMF Factor proposal better for customers than deferring some or all of the AMF-**
3 **related costs until the next base distribution rate case?**

4 A. A deferral of all or a portion of AMF-related capital and operations and maintenance
5 costs to the next base distribution rate case may sound like the best way to mitigate
6 customer costs and shift the risk to the Company. Typically, however, such deferrals
7 accumulate an Allowance for Funds Used During Construction (AFUDC) on the costs
8 until recovery occurs. Thus, while a deferral means less costs for customers now and until
9 the next base distribution rate case, the size of the investment contemplated here means
10 that customers could pay more overall due to the interest accruing until the next base rate
11 case. If the Commission approves a mechanism other than the AMF Factor that delays
12 recovery, the Company's position is that interest accrue on the deferral of any
13 unrecovered costs, including expenses, until costs are recovered.

14
15 Further, deferring AMF costs to be included only when the Company does file for a base
16 distribution rate case, currently anticipated for 2025, could result in a large one-time rate
17 increase related to the AMF costs, causing rate shock and other hardships to customers.

18 In addition, this deferral would be in addition to non-AMF investments the Company
19 includes for proposed cost recovery in the base rate case. Combining the AMF deferral
20 with the non-AMF investments could result in high rate volatility for customers at the
21 next rate case due to "saving" all the costs for one base distribution rate proposal. The
22 separate AMF Factor seeks recovery as the AMF implementation progresses, reducing or

1 eliminating rate shock to customers. Adjusting the AMF Factor every six months allows
2 for not only incorporating new plant-in-service in the AMF Factor but also adjusting the
3 rate for the depreciated value of prior plant-in-service. From a customer perspective, this
4 provides for some mitigation of increases at every rate change. Also, to the extent that
5 actual incurred operation and maintenance costs are less in one six-month period versus
6 the next, the Company will adjust the AMF Factor accordingly, recovering only costs that
7 the Company has actually incurred.

8
9 **Q. Does cost recovery using an AMF Factor expose the Company to any risks?**

10 A. Yes, the proposed AMF Factor is not without some risk to the Company. As proposed,
11 the Company must first incur AMF-related costs before making any requests for cost
12 recovery. When the Company makes a request for cost recovery through the AMF Factor,
13 the Company will submit a record of actual costs incurred on its books and records
14 classified by FERC account to capital (after being placed in-service) or expense. The
15 Commission may review the Company's requests and approve or disallow the rate
16 change based on prudence. Only costs approved by the Commission will flow to
17 customers through rates. Thus, because the Company will already have incurred the cost
18 but not yet received approval for cost recovery, the Company, not customers, will have to
19 bear any costs the Commission subsequently disallows. Because the Company will have
20 already made the investment, however, customers will still receive any realized benefits
21 of the disallowed costs.

1 **Q. Why is the Company willing to take on this risk?**

2 A. The Company considers investment in AMF of paramount importance to the future of the
3 electric distribution system in Rhode Island. Nevertheless, the Company recognizes the
4 significance of the investment required and wants to insulate Rhode Island customers to
5 the extent feasible from the risks of that investment. Basing cost recovery on actual costs
6 should insulate customers from the risks of price increases while ensuring that they retain
7 the benefit of any price decreases, and should reduce the size of the changes customers
8 see in rates by providing frequent updates, to avoid imposing any billing hardships.

9
10 **Q. How does the AMF Factor benefit the Company?**

11 A. Certainty of cost recovery is an important consideration for the Company when
12 undertaking a significant, multi-year investment such as AMF. Although the AMF Factor
13 carries some risk to the Company as discussed above, provided the costs incurred in the
14 prior six-month period are consistent with the Commission's approval of AMF, the
15 Company will be entitled to recover those costs. Because the AMF Factor is based on
16 actual and not forecasted costs, the Company is confident in its ability to track and record
17 the costs incurred on its books in support of recovery through the AMF Factor. Although
18 the AMF Factor benefits the Company in this way, it does not unreasonably shift risk to
19 customers and benefits them in the ways discussed above. Additionally, the AMF Factor
20 provides for timely cost recovery, reducing regulatory lag to a six-to-twelve month
21 period. This ultimately provides the Company with cash flow it can use to reduce its
22 financing costs. Lastly, as previously discussed, by using the AMF Factor, the Company

1 also can more easily provide a clear picture of the total costs that are being recovered
2 compared to actual costs instead of comparing actual costs and having to identify the
3 amount collected through base distribution rates, the ISR mechanism, or other
4 combinations of cost recovery. Approving use of the AMF Factor provides a more
5 transparent and less administratively burdensome link of costs to recovery.

6
7 For these reasons, the Company considers that the AMF Factor strikes the right balance
8 between ensuring appropriate cost recovery for the Company and ensuring customers
9 receive what they pay for.

10
11 **Q. You said that the AMF Factor will insulate customers from large price increases**
12 **while allowing them to benefit from price decreases. How does using the AMF**
13 **Factor do this?**

14 A. As we described previously, the Company proposes to use the AMF Factor for cost
15 recovery only during the implementation and deployment phase. Once the Company
16 completes deployment, the AMF Factor will decrease as no new capital or costs are
17 added to it and the assets continue to depreciate. Consequently, customers will see the
18 result of decreased AMF spending in the subsequent six-month price period.

19
20 By contrast, when requesting recovery through base rates, the Company must forecast the
21 level of rate base and operations and maintenance during the rate years. That price
22 remains fixed until the Company comes in for another base distribution rate case.

1 Depending on when that occurs, it could take years, as opposed to approximately six
2 months, before customers begin to see the benefit of decreased AMF spending. In
3 addition, the Company has proposed to reduce the revenue requirement for cost recovery
4 in the AMF Factor by 80 percent of the Non-Outage Management System avoided
5 operation and maintenance costs, providing a benefit to customers that would not be
6 traditionally passed back until a future base distribution rate case. Traditionally, any
7 avoided costs that are included in current base rates would not be passed back to
8 customers until new base rates are established. The Company is preemptively crediting
9 the customers with 80 percent of the actual benefits in the AMF Factor, mitigating cost
10 recovery and lowering the customer bill impacts. For this reason, the Company considers
11 that the AMF Factor strikes an appropriate balance between providing the Company with
12 an opportunity to seek reasonable and timely recovery for prudent investments and
13 mitigating cost impacts to customers.

14
15 **Q. The Division also has stated that it is improper to use the rate class allocation**
16 **factors from the Allocated Cost of Service Study (“ACOSS”) in the last distribution**
17 **rate case from approximately six years ago to allocate the AMF revenue**
18 **requirement between rate classes. Do you agree?**

19 A. No. The Company’s reliance on the ACOSS from the last distribution rate case in setting
20 its AMF Factor is consistent with other cost recovery mechanisms currently approved by
21 the Commission, which do not rely on a uniform factor and require an allocation among
22 rate classes, including the annual ISR plan and Renewable Energy Growth proceedings.

1 Additionally, the Division has proposed the Company use ISR plan proceedings, rather
2 than the AMF Factor, to recover certain capital costs, which uses the same rate class
3 allocation factors from the same ACOSS. Thus, the Company maintains that the proposed
4 cost allocation among rate classes using the last ACOSS is consistent with current
5 practice and with the Division's own recommendation to use the ISR plan mechanism to
6 recover certain costs.

7
8 **Q. The Division states that using a volumetric charge (\$/kWh) in the AMF Factor is**
9 **inappropriate and contrary to basic rate-setting principles because most of the AMF**
10 **costs are related to capital expenditures and will not change based on customer**
11 **usage. Do you agree?**

12 A. No. Similar to the Division's argument regarding the ACOSS, its own suggestion to
13 recover costs through the ISR plan mechanism indicates a level of acceptance for
14 recovering customer-related costs on a volumetric basis. The Company currently recovers
15 certain capital investment for customer-related costs, such as meters, through the ISR
16 plan mechanism. The ISR plan uses a volumetric charge (\$/kWh). When those costs are
17 rolled into base rates, the customer-related costs are assigned to the customer charge. It
18 should be noted that rate design in terms of volumetric, customer, or demand charges,
19 while rooted in the science of a cost-of-service study, often is driven more by precedent
20 and policy, balancing the interests of customers and stakeholders. In this instance, the
21 Company's proposal is consistent with current treatment applied through the ISR plan
22 mechanism and prior proposals put forth before the Commission.

1 **Q. Do you agree with the Division's concerns about using a volumetric charge to**
2 **recover costs of AMF deployment, given that the majority of the costs are customer-**
3 **related expenses?**

4 A. The Company generally agrees that nearly all of costs of the AMF deployment plan are
5 customer-related expenses. In the AMF Business Case, the Company proposed using a
6 volumetric charge until the next base distribution rate case to recover costs associated
7 with AMF deployment. However, the Company is not opposed to recovering the AMF
8 related costs through a customer charge.

9
10 **Q. Is a base distribution rate case necessary to determine the results of using a**
11 **customer charge to recover costs of AMF deployment?**

12 A. No, the Company is submitting in Schedule SAB/BLJ-R1 the illustrative factor of a per
13 customer charge if AMF deployment costs are recovered through a customer charge.

14
15 **Q. The Division objects to the Company's proposal to retain 20 percent of the non-**
16 **outage operation and maintenance benefits to incent efficiency in operation and**
17 **maintenance expenses. How do you respond?**

18 A. The Division has not provided any explanation for its objection. As the Non-Outage
19 Management System avoided operation and maintenance costs that the Company is
20 proposing to pass back a portion of to customers through the AMF Factor are avoided
21 costs that the Company has control over delivering, the Company has an incentive to
22 deliver these benefits as soon as possible by retaining 20 percent of the avoided costs. As

1 described above, traditionally none of these avoided costs would be recognized as a
2 reduction in customer rates until a future base distribution rate case. The Company has
3 proposed to preemptively credit customers with 80 percent of the actual benefits in the
4 AMF Factor to help mitigate customer bill impacts. If it were ordered that the Company
5 could not recover AMF O&M costs until the next base distribution rate case, the
6 Company would not agree that any of the avoided costs described above should be passed
7 back to customers until the next base distribution rate case.

8

9 **IV. Conclusion**

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

11 **A. Yes.**

**The Narragansett Electric Company
Illustrative AMF Factor By Customer Charge
Summary**

<u>Line No.</u>	<u>Source</u>	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)	
AMF Factor								
(1)	Illustrative AMF Factor per customer charge January 2024 - June 2024	Page 2	\$0.082	\$0.135	\$1.227	\$9.360	\$85.702	\$4.797
(2)	Illustrative AMF Factor per customer charge July 2024 - December 2024	Page 3	\$0.251	\$0.413	\$3.764	\$28.772	\$262.657	\$14.940
(3)	Illustrative AMF Factor per customer charge January 2025 - June 2025	Page 4	\$0.250	\$0.411	\$3.753	\$28.736	\$261.744	\$15.176
(4)	Illustrative AMF Factor per customer charge July 2025 - December 2025	Page 5	\$1.288	\$2.117	\$19.323	\$148.286	\$1,346.486	\$79.418
(5)	Illustrative AMF Factor per customer charge January 2026 - June 2026	Page 6	\$1.285	\$2.110	\$19.270	\$148.119	\$1,342.044	\$80.714
(6)	Illustrative AMF Factor per customer charge July 2026 - December 2026	Page 7	\$2.301	\$3.777	\$34.496	\$265.746	\$2,400.579	\$146.886
(7)	Illustrative AMF Factor per customer charge January 2027 - June 2027	Page 8	\$2.296	\$3.768	\$34.419	\$265.559	\$2,393.940	\$149.366
(8)	Illustrative AMF Factor per customer charge July 2027 - December 2027	Page 9	\$2.774	\$4.549	\$41.575	\$321.476	\$2,889.454	\$183.476
(9)	Illustrative AMF Factor per customer charge January 2028 - June 2028	Page 10	\$2.774	\$4.549	\$41.575	\$321.476	\$2,889.454	\$183.476
(10)	Average Illustrative AMF Factor per customer charge January 2024 - June 2028	Average Lines 1 through 9	\$1.478	\$2.425	\$22.156	\$170.837	\$1,541.340	

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period January 1, 2024 through June 30, 2024**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S-05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through September 2023	\$392,628						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$392,628	\$218,440	\$43,423	\$60,439	\$59,036	\$514	\$10,776
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$392,628	\$218,440	\$43,423	\$60,439	\$59,036	\$514	\$10,776
(6) Forecasted Customer Count - January 2024 through June 2024	3,054,091	2,673,585	322,697	49,249	6,307	6	2,246
(7) Illustrative AMF Factor per Customer Charge		<u>\$0.082</u>	<u>\$0.135</u>	<u>\$1.227</u>	<u>\$9.360</u>	<u>\$85.702</u>	<u>\$4.797</u>

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (a)
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customers for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period July 1, 2024 through December 31, 2024**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential</u> <u>A-16 / A60</u> (b)	<u>Small C&I</u> <u>C-06</u> (c)	<u>General</u> <u>C&I</u> <u>G-02</u> (d)	<u>Large</u> <u>Demand</u> <u>B-32 / G-32</u> (e)	<u>Propulsion</u> <u>X-01</u> (f)	<u>Lighting S-</u> <u>05 / S-06</u> <u>S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through March 2024	\$1,203,946						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$1,203,946	\$669,820	\$133,151	\$185,330	\$181,026	\$1,577	\$33,042
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$1,203,946	\$669,820	\$133,151	\$185,330	\$181,026	\$1,577	\$33,042
(6) Forecasted Customer Count - July 2024 through December 2024	3,052,554	2,672,072	322,736	49,237	6,292	6	2,212
(7) Illustrative AMF Factor per Customer Charge		\$0.251	\$0.413	\$3.764	\$28.772	\$262.657	\$14.940

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (b) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period January 1, 2025 through June 30, 2025**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through September 2024	\$1,203,946						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$1,203,946	\$669,820	\$133,151	\$185,330	\$181,026	\$1,577	\$33,042
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$1,203,946	\$669,820	\$133,151	\$185,330	\$181,026	\$1,577	\$33,042
(6) Forecasted Customer Count - January 2025 through June 2025	3,060,563	2,678,960	323,740	49,380	6,300	6	2,177
(7) Illustrative AMF Factor per Customer Charge		<u>\$0.250</u>	<u>\$0.411</u>	<u>\$3.753</u>	<u>\$28.736</u>	<u>\$261.744</u>	<u>\$15.176</u>

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (b) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period July 1, 2025 through December 31, 2025**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through March 2025	\$6,200,115						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$6,200,115	\$3,449,456	\$685,705	\$954,417	\$932,251	\$8,123	\$170,163
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$6,200,115	\$3,449,456	\$685,705	\$954,417	\$932,251	\$8,123	\$170,163
(6) Forecasted Customer Count - July 2025 through December 2025	3,059,985	2,678,205	323,951	49,393	6,287	6	2,143
(7) Illustrative AMF Factor per Customer Charge		<u>\$1.288</u>	<u>\$2.117</u>	<u>\$19.323</u>	<u>\$148.286</u>	<u>\$1,346.486</u>	<u>\$79.418</u>

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (c) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period January 1, 2026 through June 30, 2026**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential</u> <u>A-16 / A60</u> (b)	<u>Small C&I</u> <u>C-06</u> (c)	<u>General</u> <u>C&I</u> <u>G-02</u> (d)	<u>Large Demand</u> <u>B-32 / G-32</u> (e)	<u>Propulsion</u> <u>X-01</u> (f)	<u>Lighting S-</u> <u>05 / S-06</u> <u>S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through September 2025	\$6,200,115						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$6,200,115	\$3,449,456	\$685,705	\$954,417	\$932,251	\$8,123	\$170,163
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$6,200,115	\$3,449,456	\$685,705	\$954,417	\$932,251	\$8,123	\$170,163
(6) Forecasted Customer Count - January 2026 through June 2026	3,067,717	2,684,876	324,904	49,528	6,294	6	2,108
(7) Illustrative AMF Factor per Customer Charge		<u>\$1.285</u>	<u>\$2.110</u>	<u>\$19.270</u>	<u>\$148.119</u>	<u>\$1,342.044</u>	<u>\$80.714</u>

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (c) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period July 1, 2026 through December 31, 2026**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through March 2026	\$11,097,966						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$11,097,966	\$6,174,392	\$1,227,386	\$1,708,370	\$1,668,693	\$14,540	\$304,585
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$11,097,966	\$6,174,392	\$1,227,386	\$1,708,370	\$1,668,693	\$14,540	\$304,585
(6) Forecasted Customer Count - July 2026 through December 2026	3,066,462	2,683,588	324,991	49,523	6,279	6	2,074
(7) Illustrative AMF Factor per Customer Charge		<u>\$2.301</u>	<u>\$3.777</u>	<u>\$34.496</u>	<u>\$265.746</u>	<u>\$2,400.579</u>	<u>\$146.886</u>

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (d) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period January 1, 2027 through June 30, 2027**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through September 2026	\$11,097,966						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$11,097,966	\$6,174,392	\$1,227,386	\$1,708,370	\$1,668,693	\$14,540	\$304,585
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$11,097,966	\$6,174,392	\$1,227,386	\$1,708,370	\$1,668,693	\$14,540	\$304,585
(6) Forecasted customer count - January 2027 through June 2027	3,073,293	2,689,550	325,780	49,634	6,284	6	2,039
(7) Illustrative AMF Factor per Customer Charge		\$2.296	\$3.768	\$34.419	\$265.559	\$2,393.940	\$149.366

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (d) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period July 1, 2027 through December 31, 2027**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through March 2027	\$13,400,843						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$13,400,843	\$7,455,606	\$1,482,074	\$2,062,864	\$2,014,954	\$17,557	\$367,787
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$13,400,843	\$7,455,606	\$1,482,074	\$2,062,864	\$2,014,954	\$17,557	\$367,787
(6) Forecasted customer count - July 2027 through December 2027	3,071,612	2,687,926	325,790	49,617	6,268	6	2,005
(7) Illustrative AMF Factor per Customer Charge		\$2.774	\$4.549	\$41.575	\$321.476	\$2,889.454	\$183.476

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (e) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)

**The Narragansett Electric Company
Illustrative AMF Factor by Customer Charge
For the Period January 1, 2028 through June 30, 2028**

<u>Line No.</u>	<u>Total</u> (a)	<u>Residential A-16 / A60</u> (b)	<u>Small C&I C-06</u> (c)	<u>General C&I G-02</u> (d)	<u>Large Demand B-32 / G-32</u> (e)	<u>Propulsion X-01</u> (f)	<u>Lighting S- 05 / S-06 S-10 / S-14</u> (g)
(1) AMF Revenue Requirement through September 2027	\$13,400,843						
(2) Percentage of Total	100.00%	55.6%	11.1%	15.4%	15.0%	0.1%	2.7%
(3) Allocated AMF Revenue Requirement	\$13,400,843	\$7,455,606	\$1,482,074	\$2,062,864	\$2,014,954	\$17,557	\$367,787
(4) (Over)/Under Recovery for Prior Period	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(5) Total Revenue Requirement and Reconciliation	\$13,400,843	\$7,455,606	\$1,482,074	\$2,062,864	\$2,014,954	\$17,557	\$367,787
(6) Forecasted kWh - January 2027 through June 2027	3,071,612	2,687,926	325,790	49,617	6,268	6	2,005
(7) Illustrative AMF Factor per Customer Charge		\$2.774	\$4.549	\$41.575	\$321.476	\$2,889.454	\$183.476

Line Notes:

- (1) Schedule SAB/BJ-1, Page 1, Line 21, Column (e) divided by 2
- (2) Schedule SAB/BJ-2, Page 1, Line 3
- (3) Line (1) Column (a) x Line (2)
- (4) Calculated (over)/under recovery from difference in forecasted vs. actual customer count for prior periods
- (5) Line (3) + Line (4)
- (6) Per Company Forecasts
- (7) Line (5) divided by Line (6)