

The Narragansett Electric Company d/b/a Rhode Island Energy

Distribution Adjustment Charge Filing

Joint Pre-Filed Testimony and Schedules of
Peter R. Blazunas, Tyler G. Shields,
Jeffrey D. Oliveira and Stephanie A. Briggs

August 1, 2023

Submitted to:
Rhode Island Public Utilities Commission
RIPUC Docket No. 23-23-NG

Submitted by:



Rhode Island Energy™
a PPL company

August 1, 2023

VIA ELECTRONIC MAIL

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

Dear Ms. Massaro:

**RE: The Narragansett Electric Company d/b/a Rhode Island Energy
2023 Distribution Adjustment Charge Filing
Docket No. 23-23-NG**

Dear Ms. Massaro:

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

¹ The Narragansett Electric Company d/b/a Rhode Island Energy ("Rhode Island Energy" or the "Company").

² The DAC includes an annual System Pressure factor; an Environmental Response Cost factor; a Pension Adjustment Factor; an Arrearage Management Adjustment Factor; a Revenue Decoupling Adjustment factor; rate class specific Infrastructure, Safety, and Reliability factors; a Service Quality Performance factor; two Reconciliation factors for last year's DAC factors; an Earnings Sharing Mechanism factor; and a Low Income Discount Recovery Factor. In addition, the DAC also includes a Storm Net Revenue factor pursuant to Compliance Attachment 23 to the Amended Settlement Agreement in Docket No. 4770. Additionally, in its supplemental DAC filing to be made on September 1, 2023 the Company will propose a mechanism for recovery of the regulatory asset resulting from the deferral of the low income customer charge for the months of January, February and March 2023. Per a discussion with the Commission's counsel, the Company will be including the calculation of its proposed

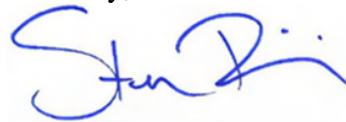
August 1, 2023

Page 2

The 2023 DAC includes rate-specific Infrastructure, Safety, and Reliability (“ISR”) reconciliation factors based on the reconciliation of the fiscal year (“FY”) 2023 revenue requirement contained in Rhode Island Energy’s FY 2023 Gas ISR Plan Reconciliation filing submitted on August 1, 2023 under separate cover in Docket No. 5210, and revenue billed through the ISR Plan factors during the same period.

Please contact me if you have any questions. Thank you for your attention to this matter.

Sincerely,



Steven J. Boyajian

cc: Docket 23-23-NG Service List
Leo Wold, Esq.
John Bell, Division
Al Mancini, Division

Pension Adjustment Factor, and supporting testimony, with its September 1, 2023 supplemental DAC filing. There is no Earnings Sharing Mechanism factor proposed in this filing because the Company’s earnings did not reach the threshold for the sharing of earnings with the Company’s customers.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate were 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.



Heidi J. Seddon

August 1, 2023

Date

**Docket No. 23-23-NG – Narragansett Electric Co. d/b/a Rhode Island Energy
2023 Gas Cost Recovery Filing (GCR)
2023 Distribution Adjustment Clause (DAC)
Service List as of 08/01/2023**

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**Joint Pre-Filed Testimony of
Peter R. Blazunas and
Tyler G. Shields**

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
RIPUC DOCKET NO. 23-23-NG
DISTRIBUTION ADJUSTMENT CHARGE FILING
WITNESS: PETER R. BLAZUNAS AND TYLER G. SHIELDS
AUGUST 1, 2023**

JOINT PRE-FILED DIRECT TESTIMONY

OF

PETER R. BLAZUNAS

AND

TYLER G. SHIELDS

Table of Contents

I.	Introduction and Qualifications of Peter R. Blazunas.....	1
II.	Introduction and Qualifications of Tyler G. Shields.....	2
III.	Purpose of Testimony.....	4
IV.	DAC Summary	5
V.	DAC Component Details	7
VI.	DAC Reconciliation.....	22
VII.	Bill Impacts	27

1 **I. Introduction and Qualifications of Peter R. Blazunas**

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

3 A. My name is Peter R. Blazunas and my business address is 293 Boston Post Road West,
4 Suite 500, Marlborough, Massachusetts 01752.

5

6 **Q. Please state your position.**

7 A. I am a Senior Project Manager for Concentric Energy Advisors, Inc. (“Concentric”), a
8 management consulting firm. I am testifying on behalf of The Narragansett Electric
9 Company d/b/a Rhode Island Energy (“Rhode Island Energy” or the “Company”).

10

11 **Q. Please describe your educational background.**

12 A. I received a Bachelor of Arts degree in Economics from the University of Dayton and a
13 Master of Arts degree in Economics from the University of Akron.

14

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

16 A. I began my career with FirstEnergy Corp. in 2012 as a State Regulatory Analyst in the
17 Ohio Rates and Regulatory Affairs Department. In July 2017, I joined the Potomac
18 Electric Power Company (“Pepco”) Regulatory Strategy and Revenue Policy team of the
19 Regulatory Affairs Department of Pepco Holdings Inc. as a Senior Rate Analyst. In
20 November 2018, I assumed the position of Manager of Rate Administration for Pepco. In
21 that role, I was responsible for the development of electric rates, including tariff

1 surcharges, for Pepco’s Maryland and District of Columbia jurisdictions, and also
2 participated in the development of Pepco’s policies and practices with respect to rate
3 design and assisted with regulatory compliance matters, including tariff administration
4 and periodic filings. I left Pepco in January 2021 and joined Concentric in October 2021
5 as a Project Manager. I assumed my current position at Concentric in January 2023.

6
7 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
8 **(“PUC”)?**

9 A. Yes, I have submitted pre-filed testimony before the PUC in support of the Company’s
10 Renewable Energy Growth Program Factor in Docket Nos. 22-04-REG and 23-24-REG,
11 the Company’s Gas Revenue Decoupling Mechanism in Docket No. 22-13-NG, the
12 Company’s Distribution Adjustment Charge (“DAC”) filing in Docket No. 22-13-NG,
13 the Company’s Electric Infrastructure, Safety, and Reliability (“ISR”) Plan Annual
14 Reconciliation filing in Docket No. 5098, the Company’s Gas Cost Recovery (“GCR”)
15 filing in Docket No. 22-20-NG, the Company’s Gas and Electric ISR plan filings in
16 Docket Nos. 22-54-NG and 22-53-EL, respectively, and the Company’s Annual Retail
17 Rate Filing in Docket No. 23-03-EL.

18
19 **II. Introduction and Qualifications of Tyler G. Shields**

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

21 A. My name is Tyler G. Shields, and my business address is 280 Melrose Street, Providence,
22 Rhode Island 02907.

1 **Q. Please state your position.**

2 A. I am employed by the PPL Services Corporation (“Services Corporation”) as a Rates and
3 Regulatory Specialist. My current duties primarily pertain to revenue requirement and
4 pricing support for the Company.

5

6 **Q. Please describe your educational background.**

7 A. I received a Bachelor of Arts degree in Economics from the University of Connecticut in
8 2013.

9

10 **Q. Please describe your professional background.**

11 A. In March 2015, I began my career as a pricing analyst at Granite Telecommunications in
12 Quincy, Massachusetts. In February 2017, I was promoted to product pricing team
13 lead. My responsibilities included auditing customer accounts and maintaining the
14 pricing and billing databases to ensure accuracy. In January 2021, I was hired by Charles
15 Stark Draper Laboratory as a Program Analyst where my duties included the creation of
16 pricing proposals for prospective clients and the validation of financial data for key
17 stakeholders on a weekly basis. In November 2022, I joined the Services Corporation in
18 my current role.

19

20

21

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

2 A. Yes, I provided pre-filed direct testimony in the Company’s Fiscal Year 2023 Electric
3 Revenue Decoupling Mechanism Reconciliation Filing, Docket No. 23-16-EL, and the
4 Company’s Fiscal Year 2023 Gas Revenue Decoupling Mechanism Reconciliation,
5 Docket No. 23-23-NG.

6
7 **III. Purpose of Testimony**

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

9 A. The purpose of our testimony is to describe the reconciliation of the various components
10 of the DAC and to propose new factors to become effective November 1, 2023. This
11 filing is submitted pursuant to the Company’s currently effective tariff, R.I.P.U.C. NG-
12 GAS No. 101, at Section 3, Schedule A (“DAC Provision”).

13
14 **Q. Are you sponsoring any schedules with your testimony?**

15 A. Yes. We are sponsoring the following schedules with our testimony:

- 16 • Schedule PRB/TGS-1 Summary of DAC Factors
- 17 • Schedule PRB/TGS-2 System Pressure Factor
- 18 • Schedule PRB/TGS-3 Environmental Response Cost Factor
- 19 • Schedule PRB/TGS-4 Pensions and Postretirement Benefits Other than
20 Pension Adjustment Factor
- 21 • Schedule PRB/TGS-5 Arrearage Management Adjustment Factor

- 1 • Schedule PRB/TGS-6 Revenue Decoupling Adjustment Factor
- 2 • Schedule PRB/TGS-7 Infrastructure, Safety, and Reliability Reconciliation
- 3 Factors
- 4 • Schedule PRB/TGS-8 Service Quality Performance Factor
- 5 • Schedule PRB/TGS-9 Reconciliation Factors
- 6 • Schedule PRB/TGS-10 Reconciliations for FY 22
- 7 • Schedule PRB/TGS-11 Earnings Sharing Mechanism Factor
- 8 • Schedule PRB/TGS-12 Low Income Discount Recovery Factor
- 9 • Schedule PRB/TGS-13 Storm Net Revenue Factor

10

11 **IV. DAC Summary**

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

13 A. The DAC was established in Docket No. 3401 to provide for the recovery and
14 reconciliation of the costs of special programs. As described in the Company's DAC
15 Provision, the DAC includes the following components: an annual System Pressure
16 factor; an Environmental Response Cost factor; a Pension Adjustment Factor; an
17 Arrearage Management Adjustment Factor; a Revenue Decoupling Adjustment ("RDA")
18 factor; rate class specific Infrastructure, Safety, and Reliability factors; a Service Quality
19 Performance factor; two Reconciliation factors for last year's DAC factors; an Earnings
20 Sharing Mechanism factor; and a Low Income Discount Recovery Factor. In addition,
21 the DAC also includes a Storm Net Revenue factor pursuant to Compliance Attachment

1 23 to the Amended Settlement Agreement in Docket No. 4770. As discussed in greater
2 detail below, the Company also addresses the return to customers of the remaining credit
3 balance associated with the bill credits for gas customers as well as the recovery of the
4 reduction to zero of the customer charge for low-income rate classes Rate 11 and Rate 13
5 for the months of January, February, and March of 2023. Furthermore, the Company may
6 include a proposal to recover waived payment processing fees pursuant to Order No.
7 24424 in Docket No. 5022 in its supplemental DAC filing to be made on September 1,
8 2023.

9
10 **Q. What is the Company proposing for its DAC factors?**

11 A. As in prior years, the proposed DAC factors are not final at the time of the initial filing
12 because certain underlying data for the development of all of the component factors is not
13 yet available. Based upon the data that is available, the preliminary rates (including ISR
14 factors that became effective on April 1, 2023) are shown in Schedule PRB/TGS-1.
15 As discussed later in my testimony, the Company will supplement this filing with
16 updated information in a supplemental DAC filing on or around September 1, 2023. The
17 supplemental DAC filing will incorporate all proposed DAC factors and include a bill
18 impact analysis to reflect the final proposed DAC factors. Consistent with the
19 Company's DAC Provision, the proposed DAC factors, if approved, will take effect and
20 be applicable to gas consumption beginning November 1, 2023.

21

1 **V. DAC Component Details**

2 **1. System Pressure**

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

4 A. Maintaining proper operating pressure of the Company’s distribution system requires the
5 occasional use of various Company facilities. Historically, the Company relied on the
6 use of its liquefied natural gas (“LNG”) facilities to maintain system pressure. Pursuant
7 to Docket No. 4846, the Company will determine on an annual basis whether any LNG-
8 related costs should be recovered through the System Pressure factor. Additionally,
9 pursuant to Docket No. 5066, the Company will also determine on an annual basis
10 whether any costs incurred to meet hourly peaking requirements should be recovered
11 from all customers through the System Pressure component of the DAC as opposed to
12 recovering those costs through the GCR factor.

13

14 **Q. Is the Company providing a System Pressure factor in this filing?**

15 A. No. The Company will file its System Pressure cost and proposed factor as a part of its
16 September 1 supplemental DAC filing concurrent with the Company’s GCR Factor filing
17 when hourly peaking asset costs are known. Therefore, Schedule PRB/TGS-2 in this
18 filing is a placeholder for the System Pressure factor.

19

20

21

1 **2. Environmental Response Costs**

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

3 A. The Environmental Response Cost factor is designed to provide the Company with
4 recovery of its reasonable and prudently incurred costs for evaluation, remediation, and
5 clean-up of sites associated with the Company’s ownership and/or operation of
6 manufactured gas plants (“MGP”), manufactured gas storage facilities, and MGP-related
7 off-site waste disposal locations. In addition, the Environmental Response Cost factor
8 includes recovery of environmental costs for removing and replacing mercury regulators
9 and addressing meter disposal issues, among other work.

10
11 **Q. Please describe the proposed Environmental Response Cost factor.**

12 A. Consistent with the Company’s DAC Provision at Item 3.3, the Environmental Response
13 Cost factor reflects recovery of the 10-year amortization of annual environmental
14 response costs in excess of the annual amount recovered in base distribution rates. As
15 shown on Schedule PRB/TGS-3, Page 1, the proposed Environmental Response Cost
16 factor reflects annual amortization of \$1,794,956 for the period April 2023 through
17 March 2024 to be recovered over the 12 months beginning November 2023. A yearly
18 breakdown of this amortization is provided on Pages 2 and 3 of Schedule PRB/TGS-3.
19 Environmental project-specific expenses for the 12 months ending March 31, 2023, are
20 provided on Page 4 of Schedule PRB/TGS-3. In-depth descriptions of the environmental
21 projects and FY 2023 activities are included in the annual Environmental Report filed

1 with the PUC on July 31, 2023. The Company currently recovers \$1,310,000 annually
2 for environmental costs in base distribution rates. Netting the annual base rate allowance
3 of \$1,310,000 against the amortization expenses of \$1,794,956 results in environmental
4 costs of \$484,956 to be recovered from customers over the period November 2023
5 through October 2024 via the DAC. This amount is divided by forecasted throughput of
6 39,576,910 dekatherms for the 12-month period and divided by 10 to derive a factor of
7 \$0.0012 per therm.

8
9 **3. Pension and PBOP Costs**

10 **Q. Please describe the Pension Adjustment Factor and what it is intended to recover.**

11 A. In accordance with the Company's DAC Provision at Item 3.4, the Pension Adjustment
12 Factor is designed to recover from or credit to customers the prior year's reconciliation
13 balance that results from the comparison of the Company's actual Pension and
14 Postretirement Benefits Other than Pensions ("PBOP") expenses to the Company's
15 Pension and PBOP allowances included in base distribution rates, plus carrying
16 charges. The adjustment factor is based on this difference.

17
18 **Q. Is the Company providing Pension and PBOP costs in this filing?**

19 A. No. The Company's reconciliation of its actual Pension and PBOP expenses and the base
20 rate allowances for the 12-month period ending March 31, 2023, will be included in its

1 September 1 supplemental DAC filing. Therefore, Schedule PRB/TGS-4 in this filing is a
2 placeholder for the Pension Adjustment Factor.

3
4 **4. Arrearage Management Program Costs**

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

6 A. The proposed AMAF is designed to recover the forgiven arrears associated with
7 Arrearage Management Program (“AMP”) participants who have not satisfied the
8 conditions of R.I. Gen. Laws § 39-2-1(d)(2) in the calendar year. The AMAF also
9 recovers arrears for customers who have successfully satisfied the conditions of R.I. Gen.
10 Laws § 39-2-1(d)(2), subject to the bad debt test prescribed in the AMP Provision in the
11 Company’s tariff, R.I.P.U.C. NG-GAS No. 101, Section 7, Schedule C, Sheets 6-10 (the
12 “AMP Provision”).

13
14 **Q. Please describe the Company’s calculation of the amount of arrearage forgiveness
15 recoverable through the AMAF.**

16 A. Pursuant to Section XII of the AMP Provision, at the end of each calendar year ending
17 December 31, the Company is required to perform the calculation of the amount of
18 arrearage forgiveness eligible for recovery for that year. The arrearage amounts eligible
19 for recovery consist of the following two components: (1) amounts forgiven for AMP
20 participants who did not successfully complete the AMP; and (2) amounts forgiven for

1 AMP participants who successfully completed the AMP, which is subject to a bad debt
2 test discussed in more detail below.

3

4 **Q. Has the Company prepared such a calculation for calendar year 2022?**

5 A. Yes, the calendar year (“CY”) 2022 calculation of recoverable arrearage forgiveness is
6 presented in Schedule PRB/TGS-5.

7

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

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

12 a. An AMP participant who misses more than two payments during a 12-month
13 payment plan.

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

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

17 d. An AMP participant who moves out of the Company’s service territory prior to
18 the conclusion of the payment plan.

19

20

1 **Q. What is the ratemaking treatment for amounts forgiven for unsuccessful AMP**
2 **participants?**

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

8
9 **Q. How much arrearage did the Company forgive for unsuccessful AMP participants**
10 **in CY 2022?**

11 A. As shown in Schedule PRB/TGS-5, Page 2, Lines (10) and (11), the Company forgave a
12 total of \$245,419 in arrearages during CY 2022 for unsuccessful participants. Of that
13 amount, \$94,095 was due to participants who defaulted from the AMP, and an additional
14 \$151,324 was due to customers who voluntarily opted out of the AMP prior to successful
15 completion.

16
17 **Q. What constitutes a successful participant under the AMP?**

18 A. A successful AMP participant is a participating customer who pays the full balance of his
19 or her payment plan within the 12-month plan period, or within the period of any plan
20 extension beyond the initial 12-month period.

1 **Q. What is the ratemaking treatment for amounts of arrearage forgiven for successful**
2 **AMP participants?**

3 A. Section XI (Cost Recovery), subsection ii., of the AMP Provision currently provides as
4 follows: “If a customer does satisfy the conditions of R.I.G.L. § 39-2-1(d)(2), all
5 arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year,
6 the Company will perform a test to determine if the amount of bad debt for the year
7 exceeds the adjusted allowable bad debt from the Company’s most recent general rate
8 case. This adjusted allowable bad debt will be calculated using the distribution
9 uncollectible amount determined in the last general rate case, updated for the current
10 calendar year Gas Cost Recovery, DAC, and energy efficiency-related bad debt. Should
11 the actual amount of bad debt incurred by the Company for the year exceed this adjusted
12 allowable bad debt amount, the Company will be entitled to recover, in the following
13 year, all amounts of arrearage forgiven under R.I. Gen. Laws § 39-2-1(d)(2)(xiv) in the
14 prior year in excess of the allowable bad debt. If, however, the amount of the arrearage
15 forgiven under § 39-2-1(d)(2)(xiv) in excess of the adjusted allowable bad debt for a
16 given year is not significant enough to calculate an annual reconciling factor for that year,
17 the Company may reflect such amount in its next Revenue Decoupling Mechanism
18 reconciliation filing.”

1 **Q. How much arrearage was forgiven in CY 2022 for successful AMP participants?**

2 A. Schedule PRB/TGS-5 at Page 2, Line (8) shows that a total of \$181,444 of arrears was
3 forgiven for successful AMP participants in CY 2022.

4
5 **Q. How much of the arrearage forgiven for successful AMP participants is eligible for
6 recovery after performing the bad debt test?**

7 A. Schedule PRB/TGS-5 at Page 2, Line (7) demonstrates that the Company experienced
8 \$458,731 more bad debt in CY 2022 than the adjusted allowable bad debt of \$8,667,939
9 shown on Line (6). Therefore, the full amount of the arrears forgiven for successful
10 participants is recoverable.

11

12 **Q. How was the proposed AMAF calculated?**

13 A. As demonstrated in Schedule PRB/TGS-5 at Page 1, the Company divided the total
14 amount of recoverable arrearage forgiveness for CY 2022 of \$426,862 by the forecasted
15 dekatherms for November 2023 through October 2024, and then divided that total by 10,
16 resulting in the proposed AMAF of \$0.0010 per therm.

17

18 **5. Revenue Decoupling Adjustment**

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

20 A. Pursuant to its DAC Provision, the Company operates under a Revenue Decoupling
21 Mechanism (“RDM”). The RDM provides for an annual reconciliation of actual base

1 revenue-per-customer by rate class against a benchmark revenue-per-customer. The
2 Company filed the FY 2023 RDM reconciliation with the PUC on June 30, 2023. As
3 shown on Schedule PRB/TGS-6, Page 1, the RDA identifies a net under-recovery of
4 target revenue of approximately \$15.8M. This net under-recovery will be recovered from
5 customers included in the RDM through the RDA factor, which the Company will
6 propose to go into effect November 1, 2023.

7
8 **6. ISR Plan Reconciliation**

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

10 A. The reconciliation associated with the ISR Plan factors is designed to reconcile the actual
11 FY 2023 revenue requirement on actual cumulative capital investment placed in service
12 with the revenue billed through the ISR Plan factors. The Company submitted its FY
13 2023 ISR Plan reconciliation filing for the Company's gas business in Docket No. 5210
14 on August 1, 2023. In that filing, Company witnesses Stephanie A. Briggs and Jeffrey D.
15 Oliveira presented the actual FY 2023 revenue requirement on actual cumulative capital
16 investment placed in service. In addition, the ISR Plan reconciliation includes a final
17 balance of the recovery of FY 2022 reconciliation balance to capture any over- or under-
18 recovery of that amount.

19
20
21

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

2 A. The ISR Plan reconciliation set forth in Schedule PRB/TGS-7 results in a net under-
3 recovery of \$7,105,090. To derive the ISR reconciliation factor per rate class, the
4 Company allocated the FY 2023 revenue requirement on actual cumulative capital
5 investment placed in service to rate classes based on the rate base allocation from the
6 Company's 2017 rate case (Docket No. 4770).¹ This was then compared to billed revenue
7 from the billing of the ISR Plan factors by rate class to arrive at the over- or under-
8 recovery by rate class in accordance with the Company's DAC Provision. The Company
9 netted this amount against the balance at October 31, 2023, of the reconciliation balance
10 currently being recovered from customers through the ISR reconciliation factors. The
11 Company then divided the net amount for each rate class by the forecasted throughput for
12 each rate class. Schedule PRB/TGS-7 shows the ISR reconciliation factors per rate class.

13

14 **7. Service Quality Plan**

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

17 A. Pursuant to the Company's Service Quality Plan, Docket No. 3476, the Company reports
18 the results of the service quality metrics on a quarterly basis and credits any resulting
19 penalty to customers through the DAC. The Company's FY 2023 second quarter report

¹ In Docket No. 5099, the Commission approved the Company's proposal to combine the allocated revenue requirements for the Residential Heating and Residential Non-Heating rate classes, thereby deriving one ISR factor applicable to all residential customers, until the Company's next rate case filing.

1 filed on February 1, 2023² indicates that the Company incurred a penalty of \$75,000 for
2 its performance for Meter Testing during CY 2022.³ Furthermore, the Company's FY
3 2023 annual report filed on July 26, 2023, indicates that the Company incurred a penalty
4 of \$75,000 for its performance with respect to on-cycle meter reads. Consequently, the
5 total service quality plan penalty amount included in the calculation of the Service
6 Quality Performance Factor is \$150,000.

7
8 **Q. Is the Company reflecting an additional credit amount to be returned to customers**
9 **via the Service Quality Performance Factor?**

10 A. Yes. The Company proposes, pursuant to its July 28, 2023 letter in Docket No. 22-07-
11 GE, to credit the remaining \$415.84 gas bill credit balance to gas customers via the DAC
12 effective November 1, 2023. In particular, the Company proposes that this remaining
13 \$415.84 gas bill credit balance be returned to gas customers via the Service Quality
14 Performance Factor through its inclusion in the total balance to be credited to customers
15 via the factor. This remaining gas bill credit balance is shown on Schedule PRB/TGS-8,
16 Line (4). The total service quality plan penalty amount plus the remaining gas bill credit
17 balance results in a total Service Quality Performance Factor credit amount of \$150,416.
18 Therefore, the Company has proposed a Service Quality Performance credit factor of

² The fiscal year for the Gas Service Quality Plan in Docket No. 3476 runs from July 1 through June 30.

³ The fiscal year 2023 second quarter report also serves as the calendar year 2022 annual report for the Meter Testing metric.

1 \$0.0003 per therm to be credited to customers effective November 1, 2023, as shown in
2 Schedule PRB/TGS-8.

3
4 **8. Earnings Sharing Mechanism**

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

7 A. No, the Company is not proposing an ESM factor this year, as shown in Schedule
8 PRB/TGS-11. The joint pre-filed direct testimony of Company Witnesses Jeffrey D.
9 Oliveira and Stephanie A. Briggs presents the Company's Gas Earnings Report for the 12
10 months ending December 31, 2022, which reflects a return on equity below the earnings
11 sharing threshold.

12
13 **9. Low-Income Discount Recovery Factor**

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

16 A. No, not at this time. To estimate the total bill discounts eligible to low income
17 customers, the Company multiplies forecasted volumes for low income customers by
18 base distribution rates, DAC factors, and GCR factors proposed to be in effect. However,
19 the annual GCR factors will not be proposed until September 1, 2023, for effect on
20 November 1, 2023. Therefore, the Low-Income Discount Recovery Factor ("LIDRF")

1 will be calculated and proposed in the Company's supplemental DAC filing. Schedule
2 PRB/TGS-12 in this filing is a placeholder for the LIDRF calculation.

3
4 **10. Storm Net Revenue Factor**

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

6 A. The Storm Net Revenue Factor is designed to credit back to customers the value of
7 services performed by the Company's employees in other jurisdictions, including those
8 outside of Rhode Island Energy operating company's service territory, in accordance with
9 the provisions of Compliance Attachment 23 of the Amended Settlement Agreement.

10
11 **Q. Please describe the Company's calculation of the Storm Fund Net Revenue
12 customer share amount on Schedule PRB/TGS-13, Line (3).**

13 A. Pursuant to the Amended Settlement Agreement, Storm Net Revenue is defined as the
14 proceeds received or cost reductions achieved for base labor and non-incremental labor
15 overhead costs on all labor (i.e., not just base labor) charged for storm restoration
16 services provided to other utilities, whether affiliated or non-affiliated, less an amount
17 equal to 55.18 percent, which is the labor capitalization rate set in the Company's most
18 recent general rate case. In accordance with the Amended Settlement Agreement, the
19 Company will credit customers 75 percent of the Storm Net Revenue received by the
20 Company.

21

1 **Q. Please describe the Company's calculation of the Storm Net Revenue Factor on**
2 **Schedule PRB/TGS-13, Line (6).**

3 A. As seen on Line (1) in Schedule PRB/TGS-13, the Net Revenue the Company received
4 for performing storm response services in other jurisdictions for the period April 1, 2022
5 through December 31, 2022 is \$7,569 of which 75 percent, or \$5,676, is proposed to be
6 credited to customers. This amount is then divided by the forecasted throughput of
7 39,576,910 dth, and divided by 10, resulting in a Storm Net Revenue credit factor of
8 \$0.0000 for the 12 months beginning November 1, 2023. As the amount to be credited to
9 customers is presently too small to generate a billable factor, it will be carried forward to
10 a subsequent year. The Company will update the proposed Storm Net Revenue Factor to
11 include the Net Revenue amount for the period January 1, 2023, through March 31, 2023
12 in its supplemental DAC filing on September 1, 2023.

13

14 **11. Other**

15 **Q. Is the Company proposing the recovery via the DAC of waived processing fees**
16 **pursuant to Commission Order No. 24424 in Docket No. 5022?**

17 A. No, not at this time. In Order No. 24424 in Docket No. 5022, the Commission ordered
18 that the utilities subject to the Order, including Rhode Island Energy, may seek recovery

1 of the waived processing fees in a separate petition. Rhode Island Energy is presently
2 evaluating inclusion of these waived processing fees in its supplemental DAC filing.

3
4 **Q. Is the Company proposing to return the remaining \$415.84 gas bill credit balance to**
5 **gas customers via the DAC effective November 1, 2023?**

6 A. Yes. The Company proposes, pursuant to its July 28, 2023 letter in Docket No. 22-07-
7 GE, to credit the remaining \$415.84 gas bill credit balance to gas customers via the DAC
8 effective November 1, 2023. As discussed in greater detail above, the Company proposes
9 that this remaining \$415.84 gas bill credit balance be returned to gas customers via the
10 Service Quality Performance Factor through its inclusion in the total balance to be
11 credited to customers via that factor.

12
13 **Q. Is the Company including in this DAC filing a proposal to recover the regulatory**
14 **asset associated with the reduction to zero of the customer charge for low-income**
15 **rate classes Rate 11 and Rate 13 for the months of January, February, and March of**
16 **2023?**

17 A. No, not at this time. In Order No. 24562 in Docket Nos. 22-20-NG and 22-13-NG, the
18 Commission ordered the Company to reduce the \$14.00 customer charge to zero on each
19 bill for the low-income rate classes Rate 11 and Rate 13 for the months of January,
20 February, and March of 2023, and authorized the Company to record a regulatory asset to
21 recover the amount of the credit in its 2023 DAC filing, in a manner to be determined by

1 the Commission. The Company will include its proposal to recover the amount of the
2 credit in its supplemental DAC filing.

3

4 **Q. Did the Company include in the filing a schedule with a line item comparison of the**
5 **combined DAC and GCR amounts proposed for 2023/24 as compared to the**
6 **amounts approved in Docket Nos. 22-13-NG and 22-20-NG for 2022/23?**

7 A. No, not at this time. Similar to Docket No. 22-13-NG, the Company will include this
8 schedule in its supplemental DAC filing, at which point the proposed DAC and GCR
9 amounts for 2023/24 are known in their entirety.

10

11 **VI. DAC Reconciliation**

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

13 A. The reconciliation component of the DAC allows for the reconciliation of the actual
14 amounts approved to be reflected in the DAC factors from the prior year and revenue
15 billed through the DAC, along with a true-up for those items requiring a forecast of their
16 balances at October 31 in order to incorporate them in the calculation of the DAC factors
17 for November 1. In this filing, the individual items that are being reconciled fall into one
18 of the following three general groupings, which are rate class specific: (1) those
19 associated with the reconciliation of factors that are related to all rate classes; (2) those
20 associated with the reconciliation of factors that are specific to the Residential and Small

1 and Medium C&I rate classes; and (3) those associated with the reconciliation of factors
2 related solely to the Large and Extra Large rate classes.

3
4 A summary of the various items being reconciled is shown on Schedule PRB/TGS-9,
5 Page 1, Sections 1, 2, and 3.

6
7 **Q. What reconciliation components are applicable to all rate classes?**

8 A. The items applicable to all rate classes include those that are being reconciled on the
9 basis of the gas year, from November 2022 through October 2023. They include the
10 following components: (1) System Pressure reconciliation, (2) AGT Factor
11 reconciliation, (3) Environmental Response Cost reconciliation, (4) Arrearage
12 Management Program reconciliation, (5) Pension reconciliation, (6) PBOP reconciliation,
13 (7) Previous Reconciliation Factor, (8) Earnings Sharing Mechanism reconciliation, (9)
14 Low Income Discount Recovery reconciliation, (10) Service Quality Penalty
15 reconciliation, and (11) Storm Net Revenue reconciliation. Each component reconciles
16 the amounts approved for recovery or refund and actual revenue billed through June 2023
17 and forecasted revenue through October 2023. In addition, it includes a true-up amount
18 representing the difference between the forecasted balance and the actual balance as of
19 October 31, 2022.

20

1 The Company derives the Reconciliation factor applicable to all rate classes by totaling
2 the balance of these components for the 12 months ending October 31, 2023. The
3 projected balance for the 12-month period ending October 31, 2023 consists of the net
4 under-recovery of \$11,823,150, plus the net 2022 true up under-recovery of \$580,879,
5 for a total surcharge of \$12,404,030 to customers. This total is divided by the forecasted
6 throughput of 39,576,910 dth for the period November 1, 2023, through October 31,
7 2024. This result is then divided by 10 to derive a \$0.0313 per therm factor for the 12-
8 month period beginning November 1, 2023. A summary of the various items being
9 reconciled that are applicable to all rate classes is shown on Schedule PRB/TGS-9, Page
10 1, Section 1, while the details are set forth on Pages 2, 3, 4, and 9. The Reconciliation
11 factor applicable to all rate classes will be added to the factor applicable to the Large and
12 Extra-Large rate class customers' reconciliation to derive two distinct Reconciliation
13 factors among the two groups of customers.

14
15 **Q. What is the reconciliation component applicable only to the Residential and Small
16 and Medium C&I rate classes?**

17 A. The reconciliation of the RDA balance through the RDA factors that are only applicable
18 to Residential and Small and Medium C&I customers results in a separate Reconciliation
19 factor for this group of customers. This factor was derived by taking the RDM
20 reconciliation ending balance as of October 31, 2023, which represents a net under-
21 recovery of the amount to be charged through the RDA factor and RDA reconciliation

1 factor of \$1,620,251, as shown on Schedule PRB/TGS-9, Page 1, Line (19), and dividing
2 that total by the forecasted throughput of 28,457,458 dekatherms for the Residential and
3 Small and Medium C&I rate classes. This factor is then divided by 10 to derive a per-
4 therm surcharge factor. The summary of this derivation is shown on Schedule PRB/TGS-
5 9, Page 1, Section 2.

6
7 **Q. What reconciliation components are applicable to the Large and Extra-Large Rate**
8 **classes?**

9 A. The Large and Extra-Large Reconciliation factor includes the following components: (1)
10 the prior reconciliation factor applicable to the Large and Extra-Large rate classes; and
11 (2) the reconciliation of the base rate allowance for the recovery of Environmental
12 Response Costs for the April 2022 through March 2023 period, which is subject to
13 reconciliation in the DAC. For Residential and Small and Medium C&I customers, the
14 reconciliation of this base rate allowance to billed revenue is completed as a part of the
15 RDM reconciliation, where actual revenue is reconciled to targets that include this base
16 rate allowance. Therefore, the recovery for the base rate component for this DAC
17 component must be separately reconciled only for the Large and Extra-Large rate classes,
18 which are excluded from the Company's RDM.

19
20 The base rate reconciliation factor for this program is calculated by dividing the total
21 annual base rate allowance approved by the PUC by the total annual forecasted firm

1 throughput from the Company's 2017 rate case for the months April through March. The
2 Company then multiplies the base rate reconciliation factor by the forecasted throughput
3 for Large and Extra-Large rate classes from the Company's respective rate cases, to
4 obtain the forecasted monthly revenues. The forecasted monthly revenues are then
5 compared to the actual revenues to derive the annual over- or under-recoveries for the 12
6 months ending March 31, 2023, for each component.

7
8 The ending balance of the base rate allowance at the end of March 2023 is an under-
9 recovery balance of \$42,779. The balance of the Reconciliation factor associated with
10 the previous reconciliation for these rate classes is an over-recovery of \$1,461,799
11 resulting in a net amount due to Large and Extra-Large customers of \$1,419,019. The
12 credit amount due to Large and Extra-Large customers is then divided by the forecasted
13 throughput of 11,119,451 dth associated with the Large and Extra-Large customers, and
14 again divided by 10, to derive a credit factor of \$0.0127 per therm. Finally, this credit
15 factor was added to the Reconciliation factor applicable to all rate classes, as described
16 earlier in our testimony, to derive a net surcharge Reconciliation factor applicable to the
17 Large and Extra Large rate classes of \$0.0186 per therm for the 12-month period
18 beginning November 1, 2023. A summary of these items is shown in Schedule
19 PRB/TGS-9, Page 1, Section 3, while the details are set forth on Schedule PRB/TGS-9,
20 Page 3, Line (49) and Page 5, Line (41).

21

1 The Company will be updating the ending balances with one additional month of actual
2 revenue for each of these reconciliation items in its supplemental DAC filing.

3
4 **Q. Did the Company provide DAC reconciliations over the historical fiscal year as it**
5 **did last year?**

6 A. Yes. In Schedule PRB/TGS-10, the Non-Base Rate components, the RDM, and the ISR
7 Plan reconciliations are provided for the fiscal year ending March 31, 2023. Although
8 rates are not designed over the period of the fiscal year, Schedule PRB/TGS-10 is
9 provided for informational purposes.

10
11 **Q. What is the basis of the forecast utilized in the preliminary DAC?**

12 A. The preliminary DAC factors are based on the current projected throughput of
13 39,576,910 dekatherms for the period November 1, 2023, to October 31, 2024. This
14 forecast will also be used in the Company's GCR filing to be submitted on or around
15 September 1, 2023, and will be supported in that filing.

16
17 **VII. Bill Impacts**

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

19 A. No, the Company is not presenting bill impacts at this time. Since the Low Income
20 Discount Recovery Factor, Pension Adjustment factor and System Pressure factor are not
21 reflected in this filing, a bill impact analysis at this time would provide limited

1 information regarding the overall impact of the change in the DAC factors. The Company
2 will submit bill impacts for the cumulative impact of all proposed DAC factors with the
3 supplemental DAC filing the Company will submit on or before September 1, 2023.

4

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

6 A. Yes.

7

Schedules of Peter R. Blazunas & Tyler G. Shields

Schedule PRB/TGS-1	Summary of DAC Factors
Schedule PRB/TGS-2	System Pressure Factor
Schedule PRB/TGS-3	Environmental Response Cost Factor
Schedule PRB/TGS-4	Pensions and Postretirement Benefits Other than Pension Adjustment Factor
Schedule PRB/TGS-5	Arrearage Management Adjustment Factor
Schedule PRB/TGS-6	Revenue Decoupling Adjustment Factor
Schedule PRB/TGS-7	Infrastructure, Safety, and Reliability Reconciliation Factors
Schedule PRB/TGS-8	Service Quality Performance Factor
Schedule PRB/TGS-9	Reconciliation Factors
Schedule PRB/TGS-10	Reconciliations for FY 22
Schedule PRB/TGS-11	Earnings Sharing Mechanism Factor
Schedule PRB/TGS-12	Low Income Discount Recovery Factor
Schedule PRB/TGS-13	Storm Net Revenue Factor

Schedule PRB/TGS-1

Summary of DAC Factors

The Narragansett Electric Company
d/b/a Rhode Island Energy
Summary of DAC Factors
Effective November 1, 2023

Section 1: DAC factor (not including annual ISR component) November 1, 2023 - October 31, 2024

			Residential/ Small/ Medium C&I (a)	Large/ X-Large (b)	Residential Low Income (c)
(1) System Pressure (SP)	PRB/TGS-2	n/a	n/a	n/a	n/a
(2) Environmental Response Cost Factor (ERCF)	PRB/TGS-3	\$484,956	\$0.0012	\$0.0012	\$0.0012
(3) Pension Adjustment Factor (PAF)	PRB/TGS-4	n/a	n/a	n/a	n/a
(4) Arrearage Management Adjustment Factor (AMAF)	PRB/TGS-5	\$426,862	\$0.0010	\$0.0010	\$0.0010
(5) Service Quality Factor (SQP)	PRB/TGS-8	(\$150,000)	(\$0.0003)	(\$0.0003)	(\$0.0003)
(6) Reconciliation Factor (R)	PRB/TGS-9	\$10,985,011	\$0.0313	\$0.0186	\$0.0313
(7) Earnings Sharing Mechanism (ESM)	PRB/TGS-11	\$0	\$0.0000	\$0.0000	\$0.0000
(8) Low Income Discount Recovery Factor (LIDRF)	PRB/TGS-12	n/a	n/a	n/a	n/a
(9) Storm Net Revenue Factor	PRB/TGS-13	(\$5,676)	\$0.0000	\$0.0000	\$0.0000
(10) Subtotal	Sum [(1):(9)]	\$11,741,153	\$0.0332	\$0.0205	\$0.0332
(11) Uncollectible Percentage	Dkt 4770	1.91%	1.91%	1.91%	1.91%
(12) DAC factors grossed up for uncollectible	(10) ÷ [1-(11)]	\$11,969,775	\$0.0338	\$0.0208	\$0.0338
(13) Revenue Decoupling Adjustment (RDA)	PRB/TGS-6	\$15,799,007	\$0.0555	\$0.0000	\$0.0555
(14) Revenue Decoupling Adjustment Reconciliation	PRB/TGS-9	\$1,620,251	\$0.0056	\$0.0000	\$0.0056
(15) DAC factor	(12)+(13)+(14)	\$29,389,033	\$0.0949	\$0.0208	\$0.0949

Section 2: DAC factors including annual ISR component

	ISR Reconciliation w/o uncollectible (therms) (a)	Uncollectible Percentage (b)	ISR Reconciliation* (therms) (c) = (a) x [1+(b)]	Base DAC Component* (therms) (d)	DAC Component Subtotal Rates* (therms) (e) = (c) + (d)	ISR Component (therms)* (f)	November 1, 2023 DAC Rates* (therms) (g)
(16) Res-NH	\$0.0250	1.91%	\$0.0254	\$0.0949	\$0.1203	\$0.1924	\$0.3127
(17) Res-NH-LI	\$0.0250	1.91%	\$0.0254	\$0.0949	\$0.1203	\$0.1924	\$0.3127
(18) Res-H	\$0.0250	1.91%	\$0.0254	\$0.0949	\$0.1203	\$0.1924	\$0.3127
(19) Res-H-LI	\$0.0250	1.91%	\$0.0254	\$0.0949	\$0.1203	\$0.1924	\$0.3127
(20) Small	\$0.0217	1.91%	\$0.0221	\$0.0949	\$0.1170	\$0.1900	\$0.3070
(21) Medium	\$0.0197	1.91%	\$0.0200	\$0.0949	\$0.1149	\$0.1247	\$0.2396
(22) Large LL	\$0.0109	1.91%	\$0.0111	\$0.0208	\$0.0319	\$0.1137	\$0.1456
(23) Large HL	\$0.0054	1.91%	\$0.0055	\$0.0208	\$0.0263	\$0.0972	\$0.1235
(24) XL-LL	(\$0.0036)	1.91%	(\$0.0036)	\$0.0208	\$0.0172	\$0.0448	\$0.0620
(25) XL-HL	\$0.0004	1.91%	\$0.0004	\$0.0208	\$0.0212	\$0.0443	\$0.0655

*Factors Include Uncollectible Allowance

- (a) PRB/TGS-7
- (b) Per Docket 4770
- (d) Section 1, Line (15)
- (f) FY 2024 ISR Component per Docket No. 22-54-NG, Section 4, Attachment 1 (C), Page 1 of 2

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET NO. 23-23-NG
DISTRIBUTION ADJUSTMENT CHARGE FILING
WITNESSES: PETER R. BLAZUNAS & TYLER G. SHIELDS**

Schedule PRB/TGS-2

System Pressure Factor

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Schedule PRB/TGS-3

Environmental Response Cost Factor

The Narragansett Electric Company
d/b/a Rhode Island Energy
Environmental Response Cost (ERC) Factor
Effective November 1, 2023

<u>Description</u>	<u>Reference</u>	<u>Amount</u>
(1) Amortization of FY2014 expenses - year 10 of 10	Page 3, Column (I), Line (4)	\$300,821
(2) Amortization of FY2015 expenses - year 9 of 10	Page 3, Column (I), Line (6)	\$112,908
(3) Amortization of FY2016 expenses - year 8 of 10	Page 3, Column (I), Line (8)	\$111,792
(4) Amortization of FY2017 expenses - year 7 of 10	Page 3, Column (I), Line (10)	\$303,756
(5) Amortization of FY2018 expenses - year 6 of 10	Page 3, Column (I), Line (12)	\$114,380
(6) Amortization of FY2019 expenses - year 5 of 10	Page 3, Column (I), Line (14)	\$95,024
(7) Amortization of FY2020 expenses - year 4 of 10	Page 3, Column (I), Line (16)	\$85,093
(8) Amortization of FY2021 expenses - year 3 of 10	Page 3, Column (I), Line (18)	\$144,035
(9) Amortization of FY2022 expenses - year 2 of 10	Page 3, Column (I), Line (20)	\$344,060
(10) Amortization of FY2023 expenses - year 1 of 10	Page 3, Column (I), Line (22)	\$183,087
(11)	Subtotal	\$1,794,956
(12) Base Rate Environmental Cost Allowance		\$1,310,000
(13) Cost in excess of Allowance		\$484,956
(14) Firm Throughput		39,576,910 dths
(15) Environmental Response Cost Factor per dekatherm		\$0.0123 per dth
(16) Environmental Response Cost Factor per therm		\$0.0012 per therm
(11) Sum of Lines (1) to (10)		
(12) R.I.P.U.C. Docket No. 4770		
(13) Line (11) - Line (12)		
(14) Company Forecast		
(15) Line (13) ÷ Line (14)		
(16) Line (16) ÷ 10, truncated to 4 decimal places		

The Narragansett Electric Company
d/b/a Rhode Island Energy
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

	(a)	FY2014 (b)	FY2015 (c)	FY2016 (d)	FY2017 (e)	FY2018 (f)	FY2019 (g)	FY2020 (h)	FY2021 (i)	FY2022 (j)	FY2023 (k)
<u>ENVIRONMENTAL AMORTIZATION</u>											
(1) FY 2013 NET ERC Costs Net of Insurance	\$1,368,521	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852	\$136,852
(2) Amortization Period (years)	10										
(3) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237		\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824	\$300,824
(4) Amortization Period (years)	10										
(5) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080			\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908	\$112,908
(6) Amortization Period (years)	10										
(7) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923				\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792	\$111,792
(8) Amortization Period (years)	10										
(9) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565				\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756	\$303,756
(10) Amortization Period (years)	10										
(11) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802					\$114,380	\$114,380	\$114,380	\$114,380	\$114,380	\$114,380
(12) Amortization Period (years)	10										
(13) FY 2019 NET ERC Costs Net of Insurance	\$950,236						\$95,024	\$95,024	\$95,024	\$95,024	\$95,024
(14) Amortization Period (years)	10										
(15) FY 2020 NET ERC Costs Net of Insurance	\$850,927							\$85,093	\$85,093	\$85,093	\$85,093
(16) Amortization Period (years)	10										
(17) FY 2021 NET ERC Costs Net of Insurance	\$1,440,353								\$144,035	\$144,035	\$144,035
(18) Amortization Period (years)	10										
(19) FY 2022 NET ERC Costs Net of Insurance	\$3,440,599										\$344,060
(20) Amortization Period (years)	10										
(21) FY 2023 NET ERC Costs Net of Insurance	\$1,830,871										
(22) Amortization Period (years)	10										
(23) Amortization Expense sub-total		\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606	\$2,395,051	\$2,271,315	\$1,963,054	\$1,748,725
(24) ENVIRONMENTAL REMEDIATION COSTS											
(25) Beginning Balance	\$20,322,722	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565	\$31,560,492	\$33,000,845	\$36,441,444	\$36,441,444
(26) Environmental Expenditures, net of Insurance	\$3,008,237	\$1,129,080	\$1,117,923	\$3,037,565	\$3,037,565	\$1,143,802	\$950,236	\$850,927	\$1,440,353	\$3,440,599	\$1,830,871
(27) Ending Balance	\$23,330,959	\$24,460,039	\$25,577,962	\$28,615,527	\$29,759,329	\$30,709,565	\$31,560,492	\$33,000,845	\$36,441,444	\$38,272,315	\$38,272,315
(28) ACCUMULATED ENVIRONMENTAL REMEDIATION											
(29) Beginning Balance	\$8,484,411	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742	\$22,394,793	\$24,666,108	\$26,629,162	\$26,629,162
(30) Amortization Expense (1)	\$1,382,515	\$1,730,632	\$1,829,872	\$1,898,061	\$2,277,643	\$2,396,606	\$2,395,051	\$2,271,315	\$1,963,054	\$1,748,725	
(31) Ending Balance	\$9,866,927	\$11,597,559	\$13,427,431	\$15,325,493	\$17,603,135	\$19,999,742	\$22,394,793	\$24,666,108	\$26,629,162	\$28,377,887	
(32) NET ENVIRONMENTAL REMEDIATION COSTS		\$13,464,032	\$12,862,480	\$12,150,531	\$13,290,034	\$12,156,193	\$10,709,823	\$9,165,699	\$8,384,737	\$9,812,282	\$9,894,428

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

	(a)	FY 2024 (l)	FY 2025 (m)	FY 2026 (n)	FY 2027 (o)	FY 2028 (p)	FY 2029 (q)	FY 2030 (r)	FY 2031 (s)	FY 2032 (t)	FY 2033 (u)
ENVIRONMENTAL AMORTIZATION											
(1) FY 2013 NET ERC Costs Net of Insurance	\$1,368,521	\$0									
(2) Amortization Period (years)	10										
(3) FY 2014 NET ERC Costs Net of Insurance	\$3,008,237	\$0									
(4) Amortization Period (years)	10										
(5) FY 2015 NET ERC Costs Net of Insurance	\$1,129,080	\$0									
(6) Amortization Period (years)	10										
(7) FY 2016 NET ERC Costs Net of Insurance	\$1,117,923	\$0									
(8) Amortization Period (years)	10										
(9) FY 2017 NET ERC Costs Net of Insurance	\$3,037,565	\$0									
(10) Amortization Period (years)	10										
(11) FY 2018 NET ERC Costs Net of Insurance	\$1,143,802	\$0									
(12) Amortization Period (years)	10										
(13) FY 2019 NET ERC Costs Net of Insurance	\$950,236	\$0									
(14) Amortization Period (years)	10										
(15) FY 2020 NET ERC Costs Net of Insurance	\$850,927	\$0									
(16) Amortization Period (years)	10										
(17) FY 2021 NET ERC Costs Net of Insurance	\$1,440,353	\$0									
(18) Amortization Period (years)	10										
(19) FY 2022 NET ERC Costs Net of Insurance	\$3,440,599	\$0									
(20) Amortization Period (years)	10										
(21) FY 2023 NET ERC Costs Net of Insurance	\$1,830,871	\$0									
(22) Amortization Period (years)	10										
(23) Amortization Expense sub-total		\$1,794,956	\$1,494,135	\$1,381,230	\$1,269,440	\$965,681	\$851,295	\$756,272	\$671,185	\$527,146	\$183,088
(24) ENVIRONMENTAL REMEDIATION COSTS		\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315	\$38,272,315
(25) Beginning Balance	\$28,377,887	\$30,172,843	\$31,666,978	\$33,048,208	\$34,317,648	\$35,283,329	\$36,134,624	\$36,890,896	\$37,562,081	\$38,089,227	\$38,089,227
(26) Environmental Expenditures, net of Insurance	\$1,794,956	\$1,494,135	\$1,381,230	\$1,269,440	\$965,681	\$851,295	\$756,272	\$671,185	\$527,146	\$183,088	\$183,088
(31) Ending Balance	\$30,172,843	\$31,666,978	\$33,048,208	\$34,317,648	\$35,283,329	\$36,134,624	\$36,890,896	\$37,562,081	\$38,089,227	\$38,272,315	\$38,272,315
(32) NET ENVIRONMENTAL REMEDIATION COSTS	\$8,099,472	\$6,605,337	\$5,254,107	\$3,954,667	\$2,988,986	\$2,137,691	\$1,381,419	\$710,234	\$183,088	\$0	\$0

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Environmental Response Cost (ERC) Factor
ERC FY 2023 Detail**

The Narragansett Electric Company
d/b/a Rhode Island Energy
R.I.P.U.C. Docket No. 23-23-NG
Schedule PRB/TGS-3
Page 4 of 4

	Total Costs at <u>3/31/2022</u>	FY 2023 Costs	Total Costs at <u>3/31/2023</u>
	(a)	(b)	(c) = (a) + (b)
<u>Environmental Expenses</u>			
(1) 907 & 908 Allens Avenue	\$23,599,664	\$318,886	\$23,918,550
(2) 307 PCB Reg Pipe Abandon.	\$3,422,887	\$190,127	\$3,613,014
(3) 379 Petroleum Site	\$8,430,308	\$50,473	\$8,480,781
(4) 700 18 & 21 Holders COR	\$2,776,743	\$0	\$2,776,743
(5) 161 Canal Street, Westerly	\$29,133	\$0	\$29,133
(6) 178 Site Inv Connell Hwy Newp	\$44,092	\$0	\$44,092
(7) 144 Westerly Soil Investigation	\$82,184	\$0	\$82,184
(8) 171 Contaminated Regulators	\$3,170,075	\$10,628	\$3,180,703
(9) 781 Mendon Road	\$121,355	\$0	\$121,355
(10) 782 Tidewater	\$5,438,870	\$1,121,056	\$6,559,926
(11) 783 Hamlet	\$231,514	\$3,930	\$235,444
(12) -- Thames & Wellington	\$6,474,384	\$71,242	\$6,545,626
(13) -- Misc MGP (NEG)	\$730,418	\$57,662	\$788,080
(14) -- Insurance Recovery	\$1,373,322	\$0	\$1,373,322
(15) -- East Providence (First Ave) Holder	\$416,240	\$6,867	\$423,107
(16) -- 560 Thames Street Newp	<u>\$165,403</u>	<u>\$0</u>	<u>\$165,403</u>
(17) Sub-Total	\$56,506,592	\$1,830,871	\$58,337,463
(18) Insurance Recovery/Settlement			
(19) 910 Environmental Insurance Recovery Settlement		\$0	
(20) Net FY 2023 Environmental Response Costs		<u>\$1,830,871</u>	

(1)-(16) Col (a): R.I.P.U.C. Docket No. 22-13-NG, Schedule PRB-3, Page 4, Col (c)

(1)-(16) Col (b): Annual Environmental Report for Gas Service, Period of April 1, 2022 - March 31, 2023 (Filed July 31, 2023)

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

Schedule PRB/TGS-4

Pensions and Postretirement Benefits Other than Pension Adjustment Factor

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Schedule PRB/TGS-5

Arrearage Management Adjustment Factor

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Arrearage Management Adjustment Factor Calculation**

(1) Total Recoverable Arrearage Forgiveness Amount	\$426,862
(2) Firm Throughput	39,576,910 dths
(3) Arrearage Management Adjustment Factor per dekatherm	\$0.0108 per dth
(4) Arrearage Management Adjustment Factor per therm	\$0.0010 per therm

- (1) Page 2, Line (12)
- (2) Company forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2022**

Uncollectible Recovery from:

(1) Rate Year Base Distribution Rates (Docket 4770, Rate Year 3 - 12 Months)	\$3,613,099
(2) Calendar Year Commodity Rates	\$3,040,599
(3) Calendar Year Distribution Adjustment Charge (DAC)	\$1,280,975
(4) Calendar Year Energy Efficiency (EE)	<u>\$733,266</u>
(5) Total Allowable Bad Debt	\$8,667,939
(6) Total Actual Net Charge Offs	<u>\$9,126,670</u>
(7) Actual Above / (Below) Allowable Bad Debt	\$458,731
(8) Amount of AMP Successful Participants Arrearage Foregiveness	<u>\$181,444</u>
(9) Recoverable Arrearage Foregiveness Due to AMP Successful Participants	\$181,444
(10) Recoverable Arrearage Foregiveness Due to AMP Unsuccessful Participants (Cancelled)	\$151,324
(11) Recoverable Arrearage Foregiveness Due to AMP Unsuccessful Participants (Default)	<u>\$94,095</u>
(12) Total Recoverable Arrearage Foregiveness Amount	\$426,862

- (1) RIPUC Docket No. 4770, April 24, 2019 Revised Excess Deferred Income Tax True-Up Filing, Revised Supplemental Compliance Attachment 2, Page 4, Line (11), Column (e)
- (2) Page 3, Section 1, Line (3)
- (3) Page 3, Section 2, Line (3)
- (4) Page 3, Section 3, Line (3)
- (5) Sum of Lines (1) to (4)
- (6) Page 4, Column (d), Line (1)
- (7) Line (6) - Line (5)
- (8) Page 5, Line (6)
- (9) If Line (7) > 0 then Min of Line (7) or Line (8), Else 0
- (10) Page 5, Line (4)
- (11) Page 5, Line (2)
- (12) Sum of Lines (9) to (11)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2022**

<u>Section 1: Gas Cost Recovery</u>	<u>Jan - Dec</u>
	(a)
(1) Gas Cost Recovery Billings	\$159,193,664
(2) Uncollectible Percentage	1.91%
(3) Commodity Rate Allowable Bad Debt	\$3,040,599
(1) Per Company Revenue Reports for Calendar Year 2022	
(2) Uncollectible percentage approved in R.I.P.U.C. Docket No. 4770	
(3) Line (1) x Line (2)	
<hr/>	
<u>Section 2: Distribution Adjustment Clause</u>	
(1) Distribution Adjustment Clause Billings	\$67,066,763
(2) Uncollectible Percentage	1.91%
(3) DAC Rate Allowable Bad Debt	\$1,280,975
(1) Per Company Revenue Reports for Calendar Year 2022	
(2) Uncollectible percentage approved in R.I.P.U.C. Docket No. 4770	
(3) Line (1) x Line (2)	
<hr/>	
<u>Section 3: Energy Efficiency</u>	
(1) Energy Efficiency Billings	\$38,390,884
(2) Uncollectible Percentage	1.91%
(3) Energy Efficiency Allowable Bad Debt	\$733,266
(1) Per Company Revenue Reports for Calendar Year 2022	
(2) Uncollectible percentage approved in R.I.P.U.C. Docket No. 4770	
(3) Line (1) x Line (2)	

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Calculation of Recoverable Arrearage Foregiveness Amount
Calendar Year 2022 Net Charge - Offs**

	Beginning Balance <u>FERC 144</u> (a)	Adjustments to Reserve <u>FERC 904</u> (b)	Ending Balance <u>FERC 144</u> (c)	Net <u>Charge Offs</u> (d)
(1)	\$23,937,031	\$14,524,881	\$29,335,242	\$9,126,670

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Calculation of Recoverable Arrearage Foregiveness Amount
Arrearage Foregiveness Amounts**

	<u>Unsuccessful Accounts (Default)</u>	
(1)	Number of accounts not successful as of 12/31/2022	802
(2)	Amount forgiven prior to defaulting	\$94,095
	<u>Unsuccessful Accounts (Cancelled)</u>	
(3)	Number of accounts not successful as of 12/31/2022	1,029
(4)	Amount forgiven prior to defaulting	\$151,324
	<u>Successful Accounts</u>	
(5)	Number of accounts successfully completing the first year of the program	1,660
(6)	Amount forgiven during 2022	\$181,444
	<u>Enrolled Accounts</u>	
(7)	Number of accounts enrolled as of 12/31/2022	1,449
(8)	Amount forgiven during 2022	\$163,146
	<u>Total Enrolled Accounts</u>	
(9)	Number of accounts enrolled as of 12/31/2022	4,940
(10)	Amount forgiven during 2022	\$590,008
(1)	Per Docket No. 4651 - Arrearage Management Program Monthly Report - December 2022	
(2)	Per Company Records	
(3)	Per Docket No. 4651 - Arrearage Management Program Monthly Report - December 2022	
(4)	Per Company Records	
(5)	Per Docket No. 4651 - Arrearage Management Program Monthly Report - December 2022	
(6)	Per Company Records	
(7)	Per Docket No. 4651 - Arrearage Management Program Monthly Report - December 2022	
(8)	Per Company Records	
(9)	Sum of Lines (1), (3), (5), and (7)	
(10)	Sum of Lines (2), (4), (6), and (8)	

Schedule PRB/TGS-6

Revenue Decoupling Adjustment Factor

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Annual Gas RDM Reconciliation Balance**

(1)	Residential Non-Heat (incl Low Income)	\$76,224
(2)	Residential Heat (incl Low Income)	\$13,254,127
(3)	Small C&I	\$1,696,450
(4)	Medium C&I	\$772,207
(5)	FY 2023 Net Under Recovery of Target Revenue	<u>\$15,799,007</u>
(6)	Firm Therm Throughput Forecast for RDM Rate Classes (November 2023 - October 2024)	28,457,458 dths
(7)	Proposed RDA Factor per dth	\$ 0.5552 per dth
(8)	Proposed RDF Factor per therm	\$ 0.0555 per therm
(1)	Docket No. 23-23-NG, Schedule NECO-2, Page 1, Column (I), Line (40)	
(2)	Docket No. 23-23-NG, Schedule NECO-2, Page 2, Column (I), Line (80)	
(3)	Docket No. 23-23-NG, Schedule NECO-2, Page 3, Column (I), Line (94)	
(4)	Docket No. 23-23-NG, Schedule NECO-2, Page 3, Column (I), Line (108)	
(5)	Sum [Lines (1):(4)]	
(6)	Firm throughput (in therms) forecast for Residential Heat and Non-Heat, Small and Medium C&I rate classes.	
(7)	Line (5) ÷ Line (6)	
(8)	Line (7) ÷ 10, truncated to 4 decimal places.	



LETICIA C. PIMENTEL

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June 30, 2023

VIA HAND DELIVERY & ELECTRONIC MAIL

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

Re: **Rhode Island Energy's Gas Revenue Decoupling Mechanism Reconciliation Filing
For the Reconciliation Period April 2022 through March 2023
Docket No. 23-23-NG**

Dear Ms. Massaro:

On behalf of Rhode Island Energy,¹ enclosed please find the Company's annual Revenue Decoupling Mechanism ("RDM") reconciliation filing for the period April 2022 to March 2023. Rhode Island Energy submits this filing pursuant to the provisions of the Distribution Adjustment Clause of the Company's gas tariff, R.I.P.U.C. NG-Gas No. 101, at Section 3, Schedule A, which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment ("RDA") factor to be included in the Company's annual Distribution Adjustment Charge ("DAC") filing.

This filing consists of the pre-filed direct testimony and schedules of Tyler G. Shields. Mr. Shields provides an overview of the Company's RDM reconciliation and describes the actual RDM results for the reconciliation period April 2022 through March 2023.

The RDM reconciliation amount for the 12-month period ending March 31, 2023 is an under-recovery of approximately \$15.8 million. This under-recovery was driven by a decrease in actual revenue due to warmer than normal weather. The Company will submit bill impacts for the cumulative impact of all its proposed DAC factors, including this RDA factor, with its September 1, 2023 Supplemental DAC filing.

¹ The Narragansett Electric Company d/b/a Rhode Island Energy ("Rhode Island Energy" or the "Company").

Robinson+Cole

Luly E. Massaro, Commission Clerk
2023 Gas Revenue Decoupling Mechanism Reconciliation Filing
June 30, 2023
Page 2 of 2

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

Sincerely,



Leticia C. Pimentel

Enclosure

cc: Docket No. 23-23-NG Service List
Leo Wold, Esq.
Al Mancini
John Bell

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023**

DIRECT TESTIMONY

OF

TYLER G. SHIELDS

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023**

TABLE OF CONTENTS

I.	<u>Introduction and Qualifications</u>	1
II.	<u>Purpose of Testimony</u>	2
III.	<u>RDM Reconciliation</u>	3
IV.	<u>Results of the RDM Reconciliation</u>	6
V.	<u>Bill Impacts</u>	7

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 1 OF 8

1 **I. Introduction and Qualifications of Tyler G. Shields**

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

3 A. My name is Tyler G. Shields, and my business address is 280 Melrose Street, Providence,
4 Rhode Island 02907.

5
6 **Q. Please state your position.**

7 A. I am employed by the PPL Services Corporation (“Services Corporation”) as a Rates and
8 Regulatory Specialist. My current duties primarily pertain to revenue requirement and
9 pricing support for the Narragansett Electric Company (the “Company”).

10

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

12 A. I received a Bachelor of Arts degree in Economics from the University of Connecticut in
13 2013.

14

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

16 A. In March 2015, I began my career as a pricing analyst at Granite Telecommunications in
17 Quincy, Massachusetts. In February 2017, I was promoted to product pricing team
18 lead. My responsibilities included auditing customer accounts and maintaining the
19 pricing and billing databases to ensure accuracy. In January 2021, I was hired by Charles
20 Stark Draper Laboratory as a Program Analyst where my duties included the creation of
21 pricing proposals for prospective clients and the validation of financial data for key

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 2 OF 8

1 stakeholders on a weekly basis. In November 2022, I joined the Services Corporation in
2 my current role.

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

5 A. Yes, I provided pre-filed direct testimony in the Company’s Fiscal Year 2023 Electric
6 Revenue Decoupling Mechanism Reconciliation Filing, Docket No. 23-16-EL.

7
8 **II. Purpose of Testimony**

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

10 A. The purpose of my testimony is to present the Company’s March 31, 2023 Revenue
11 Decoupling Mechanism (“RDM”) reconciliation balance, which will be used to
12 determine the proposed Revenue Decoupling Adjustment (“RDA”) factor to be
13 incorporated in the Company’s upcoming August 1, 2023 Distribution Adjustment
14 Charge (“DAC”) filing. Specifically, I provide an overview of the Company’s gas RDM
15 reconciliation and explain the RDM results for the reconciliation period April 1, 2022
16 through March 31, 2023.

17
18 This filing is submitted pursuant to the Company’s Distribution Adjustment Clause
19 provision contained in its tariff, R.I.P.U.C. NG-GAS No. 101, at Section 3, Schedule A,
20 Sheet 7, subpart 3.6 (Revenue Decoupling Adjustment Factor).

21

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 3 OF 8**

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

2 A. Yes, I am sponsoring the following schedules that accompany my testimony:

3	Schedule NECO-1	Annual Gas RDM Reconciliation Balance
4	Schedule NECO-2	Monthly RDM Reconciliation by Rate Class for the
5		Period April 1, 2022 through March 31, 2023
6	Schedule NECO-3	Actual vs. Normal Billing Heating Degree Day
7		Comparison for April 2022 through March 2023
8	Schedule NECO-4	Target Revenue-Per-Customer by Rate Class

9

10 **III. RDM Reconciliation**

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

12 A. In Docket No. 4206, the PUC approved a Revenue-Per-Customer RDM that provides for
13 an annual reconciliation, by rate class, between a target level of base distribution revenue
14 and actual base distribution revenue billed during the reconciliation period. The
15 reconciliation is driven by the comparison of the Actual Revenue-Per-Customer during
16 the reconciliation period and the Target Revenue-Per-Customer. The reconciliation is
17 performed on a monthly basis and covers the RDM year (the period April 1 through
18 March 31 of the following year) for all Residential and Small and Medium Commercial
19 and Industrial ("C&I") firm rate classes. Under the RDM, customers subject to the RDM
20 are credited any net over-recovery of target revenue and are surcharged for any net under-
21 recovery of target revenue through the RDA factor, which is one of several components
22 of the DAC, effective November 1 each year.

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 4 OF 8**

1 **Q. What are the Target Revenue-Per-Customer and the Actual Revenue-Per-**
2 **Customer?**

3 A. The Target Revenue-Per-Customer is the Revenue-Per-Customer the Company is
4 allowed to earn for each customer in each rate class included in the RDM. The Actual
5 Revenue-Per-Customer is the actual average Revenue-Per-Customer associated with the
6 customers in each rate class included in the RDM based upon the base distribution
7 revenue billed by the Company divided by the actual number of customers billed.

8
9 **Q. Did the Company include any adjustments to actual billed base distribution revenue**
10 **in this filing?**

11 A. Yes. In Order No. 24562 in Docket No. 22-20-NG, the Commission directed the
12 Company to reduce the \$14.00 per month customer charge to zero for the low-income
13 rate classes Rate 11 (Residential Non-Heating Low-Income) and Rate 13 (Residential
14 Heating Low-Income) for the months of January, February, and March 2023.
15 Furthermore, the Commission authorized the Company to record a regulatory asset to
16 recover the amount of the credit in the 2023 Distribution Adjustment Charge filing, in a
17 manner to be determined by the Commission.¹ At this time, the Company has not

¹ Order No. 24562 at Page 20: “The Narragansett Electric Company d/b/a Rhode Island Energy is ordered to reduce the \$14.00 customer charge to zero on each bill for the low-income rate classes Rate 11 and Rate 13 for the months of January, February, and March of 2023; provided, however, to the extent the Company’s billing system cannot easily implement this directive in a timely manner, the Company may implement this as an equivalent uniform credit on the customer bills adjusted for the effect of a low-income discount of 25%. The Company is authorized to record a regulatory asset to recover the amount of the credit in the 2023 Distribution Adjustment Charge filing, in a manner to be determined by the Commission.”

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 5 OF 8

1 finalized a proposal for the recovery of the credit amount. In order to prevent inadvertent
2 recovery via the RDA factor, it has consequently added the credit amount to actual billed
3 base distribution revenue for Rate 11 (Residential Non-Heating Low-Income) and Rate
4 13 (Residential Heating Low-Income) for the months of January, February, and March
5 2023. These adjustments are shown on lines (19) and (59) of Schedule NECO-2. In its
6 upcoming August 1, 2023 DAC filing, the Company will propose a recovery method for
7 the regulatory asset associated with the credit amount.

8
9 **Q. What is the result of the RDM reconciliation presented in this filing?**

10 A. The RDM reconciliation results in a net under-recovery balance of approximately \$15.8
11 million for the period April 2022 through March 2023, as shown in Schedule NECO-1.

12
13 **Q. How did the Company determine the RDM reconciliation balance at the end of**
14 **March 2023?**

15 A. On a monthly basis and for each rate class, the Company calculated the difference
16 between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the
17 Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company
18 has over-recovered its RDM target revenue and must credit customers the excess amount.
19 If the Actual Revenue-Per-Customer is less than the Target Revenue-Per-Customer, the
20 Company has under-recovered its RDM target revenue and must surcharge customers the
21 deficiency. Each month's difference between the Actual and Target Revenue-Per-

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 6 OF 8

1 Customers is multiplied by the number of customers billed in the respective month to
2 derive the amount of revenue the Company has either over-recovered or under-recovered
3 for the month. For each month, the monthly revenue over-recovered or under-recovered
4 accumulates and the balance accrues interest, which is also reflected in the final monthly
5 balance.² The Company presents this annual reconciliation in Schedule NECO-2.
6

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

8 A. No. The Company continues to use the Target Revenue-Per-Customer approved in
9 Docket No. 5040 and will continue to use these targets in the calculation of RDM
10 adjustments until new base distribution rates are established for gas service.
11

12 **IV. Results of the RDM Reconciliation**

13 **Q. What are the results of the RDM reconciliation for the year ending March 31, 2023?**

14 A. For the reconciliation period April 2022 through March 2023, the Company has
15 calculated a net under-recovery of target revenue of approximately \$15.8 million as
16 summarized in Schedule NECO-1. This net under-recovery will be recovered from
17 customers included in the RDM through the RDA factor, which the Company will
18 propose to go into effect November 1, 2023 pursuant to its DAC filing to be made
19 August 1, 2023.

² Interest on the average monthly balance is calculated at the same interest rate used to calculate interest on the Company's other DAC balances, which is the Bank of America Prime Rate less 200 basis points.

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 7 OF 8

1 **Q. What are the drivers for the net under-recovery?**

2 A. As shown in Schedule NECO-1, the Company's net under-recovery of approximately
3 \$15.8 million was driven by an approximately \$13.3 million combined under-recovery
4 for the Residential RDM groups, and an approximately \$2.5 million combined under-
5 recovery for the Small and Medium C&I RDM groups. The total under-recovery for the
6 RDM rate classes was driven by a decrease in actual revenue due to warmer than normal
7 weather.³

8

9 **V. Bill Impacts**

10 **Q. Did the Company include bill impacts resulting from the RDM reconciliation in this**
11 **filing?**

12 A. No, the Company is not presenting bill impact information at this time. Because the
13 RDA factor will be proposed in the DAC filing along with several other factors, the bill
14 impact of an RDA factor on a stand-alone basis provides limited information as to the
15 cumulative impact of the change in the overall DAC. Rather, the Company will submit
16 bill impacts for the cumulative impact of all its proposed DAC factors, including the
17 RDA factor, with its September 1, 2023 DAC filing.

18

³ Overall, FY 2022 weather was approximately 11.8 percent warmer than normal and 1.5 percent warmer than FY 2022, as shown in Schedule NECO-3.

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET 23-23-NG
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: TYLER G. SHIELDS
JUNE 30, 2023
PAGE 8 OF 8**

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

2 **A. Yes.**

**The Narragansett Electric Company
Annual Gas RDM Reconciliation Balance
Under (Over) Recovery of Target Revenue**

(1)	Residential Non-Heat (incl Low Income)	\$76,224
(2)	Residential Heat (incl Low Income)	\$13,254,127
(3)	Small C&I	\$1,696,450
(4)	Medium C&I	\$772,207
(5)	FY 2023 Net Under Recovery of Target Revenue	<u>\$15,799,007</u>

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

RDM Reconciliation by Rate Class by Month

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30 (a)	31 (b)	30 (c)	31 (d)	31 (e)	30 (f)	31 (g)	30 (h)	31 (i)	31 (j)	28 (k)	31 (l)
Residential Non-Heat												
(1) Benchmark Revenue Per Customer (RPC)	\$29.05	\$23.50	\$20.12	\$18.90	\$19.00	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85
(2) Beginning Balance Under/(Over) Recovery	0	\$27,950	\$30,967	\$42,833	\$30,891	\$38,116	\$34,861	\$37,058	\$19,006	\$28,976	\$22,976	\$19,006
(3) Actual Number of Customers	14,585	14,582	13,975	13,999	13,996	13,954	13,957	13,957	13,929	13,929	13,944	13,944
(4) Actual Base Revenue	\$395,762	\$319,708	\$269,383	\$276,612	\$258,801	\$261,934	\$268,318	\$306,507	\$339,454	\$433,387	\$395,911	\$395,827
(5) Revenue Adjustment	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Adjusted Base Revenue	\$395,762	\$319,708	\$269,383	\$276,612	\$258,801	\$261,934	\$268,318	\$306,507	\$339,454	\$433,387	\$395,911	\$395,827
(7) RPC Variance (Benchmark - Actual)	\$27.13	\$23.30	\$19.28	\$19.76	\$18.49	\$19.22	\$19.22	\$21.92	\$28.43	\$31.12	\$28.43	\$28.39
(8) Monthly Under/(Over) Recovery of RPC	\$1.92	\$0.20	\$0.84	\$0.86	\$0.51	\$0.24	\$0.15	(\$0.26)	\$1.48	(\$2.27)	(\$0.29)	\$5.46
(9) Preliminary Ending Balance	\$27,933	\$29,969	\$31,794	\$32,031	\$33,467	\$34,709	\$36,929	\$38,467	\$41,221	\$43,622	\$46,061	\$48,507
(10) Average Balance	\$13,966	\$29,434	\$36,864	\$35,817	\$34,452	\$35,433	\$37,666	\$39,443	\$41,916	\$43,622	\$46,061	\$48,507
(11) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.82%	3.06%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(12) Interest Applied	\$17	\$48	\$72	\$78	\$89	\$102	\$112	\$143	\$197	\$282	\$406	\$526
(13) Ending Balance Under/(Over) Recovery	\$27,950	\$30,967	\$42,833	\$30,891	\$38,116	\$34,861	\$37,058	\$35,610	\$54,417	\$22,976	\$19,006	\$19,006
Residential Non-Heat Low Income												
(15) Benchmark Revenue Per Customer (RPC)	\$29.05	\$23.50	\$20.12	\$18.90	\$19.00	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85
(16) Beginning Balance Under/(Over) Recovery	0	(\$2,534)	(\$6,004)	(\$6,660)	(\$9,193)	(\$10,166)	(\$12,075)	(\$13,433)	(\$14,880)	(\$14,004)	(\$24,659)	(\$24,703)
(17) Actual Number of Customers	991	962	970	926	926	930	947	927	998	1,006	1,024	999
(18) Actual Base Revenue	\$31,321	\$26,070	\$20,160	\$20,090	\$18,538	\$19,108	\$19,655	\$21,469	\$24,858	\$29,025	\$17,999	\$17,757
(19) Revenue Adjustment	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) Adjusted Base Revenue	\$31,321	\$26,070	\$20,160	\$20,090	\$18,538	\$19,108	\$19,655	\$21,469	\$24,858	\$29,025	\$17,999	\$17,757
(21) RPC Variance (Benchmark - Actual)	\$31.61	\$27.10	\$20.78	\$20.02	\$18.53	\$19.22	\$19.22	\$23.16	\$24.91	\$39.35	\$28.08	\$28.27
(22) Monthly Under/(Over) Recovery of RPC	(\$2.56)	(\$3.46)	(\$6.64)	(\$7.53)	(\$9.44)	(\$10.17)	(\$11.32)	(\$13.90)	(\$15.30)	(\$10.50)	\$0.06	\$5.58
(23) Preliminary Ending Balance	(\$2,533)	(\$5,997)	(\$6,648)	(\$9,174)	(\$10,137)	(\$11,003)	(\$12,817)	(\$14,822)	(\$13,939)	(\$24,569)	(\$24,595)	(\$19,134)
(24) Average Balance	(\$1,266)	(\$4,266)	(\$6,326)	(\$7,917)	(\$9,665)	(\$11,003)	(\$12,817)	(\$14,127)	(\$14,410)	(\$19,286)	(\$24,627)	(\$21,918)
(25) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.82%	3.06%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(26) Interest Applied	(\$2)	(\$7)	(\$12)	(\$19)	(\$29)	(\$34)	(\$49)	(\$57)	(\$64)	(\$90)	(\$108)	(\$108)
(27) Ending Balance Under/(Over) Recovery	(\$2,534)	(\$6,004)	(\$6,660)	(\$9,193)	(\$10,166)	(\$12,075)	(\$13,433)	(\$14,880)	(\$14,004)	(\$24,659)	(\$24,703)	(\$19,222)
Residential Non-Heat (incl Low Income)												
(29) Benchmark Revenue Per Customer (RPC)	\$29.05	\$23.50	\$20.12	\$18.90	\$19.00	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85
(30) Beginning Balance Under/(Over) Recovery	0	\$25,416	\$24,963	\$36,172	\$21,698	\$27,950	\$22,787	\$23,626	\$18,730	\$40,413	\$1,683	(\$5,697)
(31) Actual Number of Customers	15,576	15,544	14,945	14,929	14,884	14,884	14,906	14,912	14,927	14,932	14,949	14,943
(32) Adjusted Base Revenue	\$427,083	\$365,778	\$289,544	\$296,702	\$277,340	\$281,042	\$287,973	\$327,975	\$364,312	\$472,975	\$424,662	\$424,073
(33) RPC Variance (Benchmark - Actual)	\$27.42	\$23.53	\$19.37	\$19.87	\$18.59	\$18,888	\$19,332	\$21,999	\$24,41	\$31.68	\$28.41	\$28.38
(34) Monthly Under/(Over) Recovery of RPC	\$1.63	(\$0.03)	\$0.75	(\$0.97)	(\$0.41)	(\$0.35)	\$0.05	(\$0.33)	\$1.44	(\$2.83)	(\$0.27)	\$5.47
(35) Preliminary Ending Balance	\$25,400	(\$494)	\$11,550	(\$14,544)	\$6,178	(\$5,241)	\$756	(\$4,981)	\$4,551	(\$42,187)	(\$3,997)	\$81,747
(36) Average Balance	\$12,700	\$25,169	\$30,638	\$28,900	\$24,787	\$25,329	\$23,164	\$21,135	\$29,506	\$19,320	(\$5,681)	\$76,050
(37) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.82%	3.06%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(38) Interest Applied	\$16	\$41	\$60	\$70	\$74	\$78	\$84	\$86	\$132	\$90	(\$16)	\$174
(39) Ending Balance Under/(Over) Recovery	\$25,416	\$24,963	\$36,172	\$21,698	\$27,950	\$22,787	\$23,626	\$18,730	\$40,413	(\$1,683)	(\$5,697)	\$76,224

- (10) Line (2) + Line (9)
- (11) Line (2) + Line (10) + 2
- (13) [Line (11) x Line (12)] ÷ 365 x # days
- (14) Line (10) + Line (13)
- (15) NECCO-4, Line (4)
- (16) Line (28)
- (17) Company's billing system
- (18) Line (15) x Line (8)
- (19) Revenue Adjustment (refer to testimony)
- (20) Line (18) + Line (19)
- (21) Line (20) + Line (17)
- (22) Line (15) + Line (21)
- (23) Line (17) x Line (22)
- (24) Line (16) + Line (23)
- (25) [Line (16) + Line (24)] ÷ 2
- (27) [Line (25) x Line (26)] ÷ 365 x # days
- (28) Line (24) + Line (27)
- (29) NECCO-4, Line (4)
- (30) Line (40)
- (31) Line (9) + Line (17)
- (32) Line (6) + Line (20)
- (33) Line (52) + Line (31)
- (34) Line (29) + Line (33)
- (35) Line (31) + Line (34)
- (36) Line (30) + Line (35)
- (37) [Line (30) + Line (36)] + 2
- (38) [Line (37) x Line (38)] ÷ 365 x # days
- (40) Line (36) + Line (39)

RDM Reconciliation by Rate Class by Month

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30 (a)	31 (b)	30 (c)	31 (d)	31 (e)	30 (f)	31 (g)	30 (h)	31 (i)	31 (j)	28 (k)	31 (l)
Residential Heating												
(41) Benchmark Revenue Per Customer (RPC)	\$69.09	\$40.90	\$28.74	\$24.47	\$23.50	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39
(42) Beginning Balance Under/(Over) Recovery	\$0	\$205,112	(\$1,378)	\$13,187	\$174,617	\$461,475	\$76,086	\$1,028,803	\$2,407,893	\$4,261,905	\$4,656,924	\$9,442,042
(43) Actual Number of Customers	209,165	208,638	207,745	207,445	207,918	208,144	208,486	208,886	211,032	211,339	211,533	211,883
(44) Actual Base Revenue	\$14,246,224	\$9,239,541	\$5,528,975	\$5,047,469	\$4,600,159	\$4,779,493	\$5,341,452	\$8,379,256	\$13,776,122	\$20,421,521	\$17,757,196	\$17,431,856
(45) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(46) Adjusted Base Revenue	\$14,246,224	\$9,239,541	\$5,528,975	\$5,047,469	\$4,600,159	\$4,779,493	\$5,341,452	\$8,379,256	\$13,776,122	\$20,421,521	\$17,757,196	\$17,431,856
(47) RPC Variance (Benchmark - Actual)	\$68.11	\$44.29	\$25.66	\$24.30	\$22.12	\$22.94	\$25.62	\$39.73	\$83.95	\$96.63	\$83.95	\$82.27
(48) RPC Variance (Benchmark - Actual)	\$0.98	(\$3.39)	(\$1.38)	\$0.17	\$1.38	\$1.46	\$1.24	\$6.51	\$8.73	\$1.77	\$22.47	\$12.12
(49) Monthly Under/(Over) Recovery of RPC	\$204,985	(\$706,246)	\$639,921	\$16,051	\$468,914	\$303,731	\$258,482	\$1,372,113	\$1,839,119	\$374,236	\$4,754,146	\$2,562,780
(50) Preliminary Ending Balance	\$204,985	(\$501,135)	\$138,542	\$174,239	\$460,531	\$765,206	\$1,025,688	\$2,400,916	\$4,247,012	\$9,411,070	\$12,009,823	\$17,009,823
(51) Average Balance	\$102,493	(\$148,011)	(\$181,418)	(\$156,213)	\$131,574	\$163,340	\$389,637	\$1,171,489	\$3,327,452	\$4,440,023	\$7,033,997	\$10,732,633
(52) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.06%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(53) Interest Applied	\$126	(\$244)	(\$355)	(\$378)	\$944	\$3,878	\$5,235	\$6,977	\$14,893	\$20,782	\$30,973	\$53,018
(54) Ending Balance Under/(Over) Recovery	\$205,112	(\$501,378)	\$138,187	\$174,617	\$461,475	\$767,086	\$1,028,803	\$2,407,893	\$4,261,905	\$4,656,924	\$9,442,042	\$12,062,841
Residential Heating - Low Income												
(55) Benchmark Revenue Per Customer (RPC)	\$69.09	\$40.90	\$28.74	\$24.47	\$23.50	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39
(56) Beginning Balance Under/(Over) Recovery	\$0	(\$7,375)	(\$122,562)	(\$57,838)	(\$75,752)	(\$69,071)	(\$60,604)	(\$63,628)	(\$39,986)	\$26,1673	\$269,454	\$845,658
(57) Actual Number of Customers	23,453	23,316	24,400	23,982	23,558	23,254	23,417	21,608	22,322	22,144	22,243	22,058
(58) Actual Base Revenue	\$1,027,738	\$1,068,704	\$636,356	\$604,593	\$584,717	\$558,732	\$631,780	\$895,492	\$1,433,047	\$1,939,914	\$1,559,795	\$1,509,840
(59) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(60) Adjusted Base Revenue	\$1,027,738	\$1,068,704	\$636,356	\$604,593	\$584,717	\$558,732	\$631,780	\$895,492	\$1,433,047	\$1,939,914	\$1,559,795	\$1,509,840
(61) Actual Base Revenue Per Customer	\$69.40	\$45.84	\$26.08	\$25.21	\$23.21	\$24.03	\$26.98	\$41.44	\$64.20	\$88.03	\$70.36	\$78.95
(62) RPC Variance (Benchmark - Actual)	(\$0.31)	(\$4.94)	(\$0.74)	(\$0.74)	(\$0.29)	(\$0.37)	(\$0.12)	(\$4.80)	\$9.90	\$0.30	\$25.79	\$15.44
(63) Monthly Under/(Over) Recovery of RPC	(\$7,375)	(\$115,080)	\$64,900	(\$17,531)	\$6,896	\$8,665	(\$2,800)	\$103,662	\$221,014	\$6,544	\$373,754	\$340,605
(64) Preliminary Ending Balance	(\$7,375)	(\$273,711)	(\$188,811)	(\$156,714)	(\$149,819)	(\$141,154)	(\$144,014)	(\$140,352)	(\$118,448)	(\$111,904)	(\$118,150)	(\$117,545)
(65) Average Balance	(\$3,685)	(\$84,915)	(\$90,111)	(\$77,304)	(\$72,304)	(\$68,738)	(\$72,004)	(\$70,176)	(\$59,224)	(\$55,945)	(\$55,631)	(\$55,263)
(66) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.06%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(67) Interest Applied	(\$5)	(\$107)	(\$176)	(\$161)	(\$215)	(\$240)	(\$240)	(\$240)	\$674	\$1,238	\$2,460	\$5,022
(68) Ending Balance Under/(Over) Recovery	(\$7,375)	(\$122,562)	(\$57,838)	(\$75,752)	(\$69,071)	(\$60,604)	(\$63,628)	(\$63,628)	(\$39,986)	\$26,1673	\$269,454	\$845,658
Residential Heat (incl Low Income)												
(69) Benchmark Revenue Per Customer (RPC)	\$69.09	\$40.90	\$28.74	\$24.47	\$23.50	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39
(70) Beginning Balance Under/(Over) Recovery	\$0	\$197,737	(\$623,940)	\$80,350	\$98,865	\$392,404	\$706,482	\$965,175	\$2,447,879	\$4,523,578	\$4,926,378	\$10,287,701
(71) Actual Number of Customers	232,618	231,954	232,086	231,727	231,476	231,398	231,903	232,494	233,504	233,483	233,776	233,941
(72) Adjusted Base Revenue	\$15,873,963	\$10,308,244	\$5,965,326	\$5,652,062	\$5,146,876	\$5,333,715	\$5,973,235	\$9,274,748	\$15,209,169	\$22,593,947	\$19,530,342	\$19,173,305
(73) Actual Base Revenue Per Customer	\$68.24	\$44.44	\$25.70	\$24.39	\$22.24	\$23.05	\$25.76	\$39.89	\$65.26	\$96.77	\$83.63	\$81.96
(74) RPC Variance (Benchmark - Actual)	\$0.85	(\$3.54)	(\$3.04)	\$0.08	\$1.26	\$1.35	\$1.10	\$6.35	\$8.84	\$1.63	\$22.79	\$12.43
(75) Monthly Under/(Over) Recovery of RPC	\$197,615	(\$821,326)	\$704,821	\$18,298	\$29,810	\$312,396	\$255,682	\$1,475,775	\$2,060,132	\$3,807,780	\$5,327,900	\$2,908,386
(76) Preliminary Ending Balance	\$197,615	(\$623,589)	\$80,881	\$98,648	\$391,675	\$704,800	\$962,164	\$2,440,950	\$4,508,011	\$4,904,358	\$10,234,278	\$13,196,086
(77) Average Balance	\$98,807	(\$312,926)	(\$271,529)	\$89,499	\$245,270	\$584,602	\$834,323	\$1,703,063	\$3,477,945	\$4,713,968	\$7,590,328	\$11,741,893
(78) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.06%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(79) Interest Applied	\$122	(\$351)	(\$531)	\$217	\$729	\$1,682	\$3,012	\$6,929	\$15,567	\$22,020	\$33,422	\$58,040
(80) Ending Balance Under/(Over) Recovery	\$197,737	(\$623,940)	\$80,350	\$98,865	\$392,404	\$706,482	\$965,175	\$2,447,879	\$4,523,578	\$4,926,378	\$10,287,701	\$13,254,127

(41) NECO-4, Line (8)
(42) Line (54)
(43) Company's billing system
(44) Company's billing system
(45) Line (50) + Line (53)
(46) Line (64) + Line (45)
(47) Line (66) + Line (45)
(48) Line (41) - Line (47)
(49) Line (43) x Line (48)
(50) Line (42) + Line (49)
(51) Line (42) + Line (50) ÷ 2
(53) [Line (51) x Line (52)] ÷ 365 x # days
(54) Line (50) + Line (53)
(55) NECO-4, Line (8)
(56) Line (68)
(57) Company's billing system
(58) Company's billing system
(59) Revenue Adjustment (refer to testimony)
(60) Line (58) + Line (59)
(61) Line (60) + Line (57)
(62) Line (55) - Line (61)
(63) Line (57) x Line (62)
(64) Line (68) + Line (63)
(65) [Line (65) + Line (64)] ÷ 2
(67) [Line (65) x Line (66)] ÷ 365 x # days
(68) Line (64) + Line (67)
(69) NECO-4, Line (8)
(70) Line (80)
(71) Line (63) + Line (57)
(72) Line (66) + Line (60)
(73) Line (72) + Line (71)
(74) Line (69) - Line (71)
(75) Line (74) x Line (71)
(76) Line (70) + Line (75)
(77) [Line (70) + Line (76)] / 2
(78) [Line (77) x Line (78)] ÷ 365 x # days
(80) Line (76) + Line (79)

RDM Reconciliation by Rate Class by Month

	Apr-22	May-22	June-22	July-22	Aug-22	Sept-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30	31	30	31	30	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Small C&I												
(81) Benchmark Revenue Per Customer (RPC)	\$102.48	\$56,696	\$45,663	\$37,665	\$36,669	\$38,445	\$41,233	\$62,244	\$111,442	\$144,911	\$150,097	\$139,111
(82) Beginning Balance Under/(Over) Recovery	\$0	\$160,475	\$80,609	\$270,376	\$234,290	\$270,376	\$356,346	\$432,716	\$581,440	\$937,923	\$957,852	\$1,394,757
(83) Actual Number of Customers	19,135	19,070	19,004	18,937	18,796	18,816	18,816	18,904	19,000	19,027	19,069	19,102
(84) Actual Base Revenue	\$1,800,579	\$1,166,291	\$722,327	\$704,978	\$654,288	\$636,619	\$700,835	\$1,029,919	\$1,763,890	\$2,741,692	\$2,457,087	\$2,333,183
(85) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(86) Adjusted Base Revenue	\$1,800,579	\$1,166,291	\$722,327	\$704,978	\$654,288	\$636,619	\$700,835	\$1,029,919	\$1,763,890	\$2,741,692	\$2,457,087	\$2,333,183
(87) Actual Base Revenue Per Customer	\$94.10	\$61.16	\$38.01	\$37.23	\$34.81	\$33.92	\$37.25	\$54.48	\$92.84	\$144.09	\$128.85	\$123.19
(88) RPC Variance (Benchmark-Actual)	\$8.38	(\$4.20)	\$7.62	\$0.42	\$1.88	\$0.59	\$3.98	\$7.76	\$18.58	\$0.82	\$22.12	\$15.92
(89) Monthly Under/(Over) Recovery of RPC	\$160,376	(\$80,064)	\$144,825	\$6,000	\$35,337	\$85,011	\$74,948	\$146,666	\$353,090	\$15,511	\$421,760	\$304,096
(90) Preliminary Ending Balance	\$80,188	\$120,443	\$153,022	\$229,734	\$251,958	\$312,881	\$393,820	\$506,049	\$757,986	\$945,479	\$1,168,731	\$1,536,805
(92) BK America Rate Less 200 Basis Points	150%	194%	238%	285%	373%	373%	428%	498%	578%	590%	574%	592%
(93) Interest Applied	\$99	\$198	\$299	\$556	\$749	\$959	\$1,422	\$2,059	\$3,393	\$4,417	\$5,146	\$7,506
(94) Ending Balance Under/(Over) Recovery	\$160,475	\$80,609	\$225,734	\$232,420	\$270,376	\$356,346	\$432,716	\$581,440	\$937,923	\$957,852	\$1,394,757	\$1,696,430
Medium C&I												
(95) Benchmark Revenue Per Customer (RPC)	\$482.08	\$373,666	\$292,536	\$296,611	\$300,671	\$287,021	\$317,688	\$380,011	\$522,488	\$624,777	\$604,114	\$588,119
(96) Beginning Balance Under/(Over) Recovery	\$0	\$32,585	(\$107,896)	(\$95,313)	\$49,044	\$229,632	\$387,367	\$537,699	\$487,942	\$668,662	\$591,736	\$696,889
(97) Actual Number of Customers	5,060	5,057	5,056	5,058	5,119	5,127	5,129	5,135	5,146	5,154	5,158	5,162
(98) Actual Base Revenue	\$2,406,760	\$2,030,018	\$1,466,402	\$1,355,840	\$1,358,955	\$1,314,761	\$1,480,715	\$2,003,190	\$2,510,545	\$3,299,927	\$3,013,832	\$2,964,541
(99) Revenue Adjustment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(100) Adjusted Base Revenue	\$2,406,760	\$2,030,018	\$1,466,402	\$1,355,840	\$1,358,955	\$1,314,761	\$1,480,715	\$2,003,190	\$2,510,545	\$3,299,927	\$3,013,832	\$2,964,541
(101) Actual Base Revenue Per Customer	\$475.64	\$401.43	\$290,003	\$268,066	\$265,471	\$256,444	\$288,699	\$390,111	\$487,836	\$640,271	\$584,300	\$574,300
(102) RPC Variance (Benchmark-Actual)	\$6.44	(\$27.77)	\$2.53	\$2.55	\$3.20	\$30.58	\$28.99	(\$10.10)	\$34.62	(\$15.50)	\$19.84	\$13.89
(103) Monthly Under/(Over) Recovery of RPC	\$32,565	(\$140,419)	\$12,781	\$144,414	\$180,174	\$156,791	\$148,665	(\$51,839)	\$178,137	(\$79,863)	\$102,322	\$71,696
(104) Preliminary Ending Balance	\$80,188	\$120,443	\$153,022	\$229,734	\$251,958	\$312,881	\$393,820	\$506,049	\$757,986	\$945,479	\$1,168,731	\$1,536,805
(105) Average Balance	\$162,821	\$107,834	(\$95,115)	\$49,100	\$259,132	\$386,423	\$536,033	\$688,860	\$666,079	\$588,799	\$694,058	\$768,737
(106) BK America Rate Less 200 Basis Points	150%	194%	238%	285%	373%	373%	428%	498%	578%	590%	574%	592%
(107) Interest Applied	\$20	(\$62)	(\$199)	(\$56)	\$414	\$944	\$1,667	\$2,082	\$2,583	\$2,937	\$2,831	\$3,622
(108) Ending Balance Under/(Over) Recovery	\$32,585	(\$107,896)	(\$95,313)	\$49,044	\$229,632	\$387,367	\$537,699	\$487,942	\$668,662	\$957,852	\$1,394,757	\$1,696,430

(88) NECO-4, Line (12)
(89) Line (81) - Line (87)
(90) Line (83) x Line (88)
(91) Line (82) + Line (89)
(92) Line (82) + Line (90) - 2
(93) Line (91) x Line (92) ÷ 365 x # days
(94) Line (90) + Line (93)
(95) NECO-4, Line (16)
(96) Line (108)
(97) Company's billing system
(98) Company's billing system
(99) Line (98) + Line (99)
(100) Line (100) - Line (97)
(101) Line (95) - Line (101)
(102) Line (97) x Line (101)
(103) Line (96) + Line (103)
(104) Line (96) + Line (103)
(105) [Line (96) + Line (104)] - 2
(106) [Line (105) x Line (106)] ÷ 365 x # days
(107) Line (104) + Line (107)
(108) Line (104) + Line (107)

Actual vs. Normal Billing Degree Day Comparison for April 2022 - March 2023

	<u>Month/Year</u>	<u>Actual Billing Degree Days</u> (a)	<u>Normal Billing Degree Days</u> (b)
(1)	Apr-22	587	681
(2)	May-22	329	335
(3)	Jun-22	60	110
(4)	Jul-22	5	14
(5)	Aug-22	0	1
(6)	Sep-22	9	20
(7)	Oct-22	159	153
(8)	Nov-22	347	437
(9)	Dec-22	722	753
(10)	Jan-23	899	989
(11)	Feb-23	851	1,027
(12)	Mar-23	828	915
(13)	Total	4,796	5,435
(14)	Degree Day Difference		639
(15)	Degree Day Difference (%)		-11.8%
(16)	Actual Billing Degree Days (FY 2022)		4871
(17)	Degree Day Difference (FY 2023 vs. FY 2022)		75
(18)	Degree Day Difference (%)		-1.5%

Source: Normal Heating Degree Day Report

- (13) Sum [Lines (1):(12)]
- (14) Abs [Column (a), Line (13) - Column (b), Line (13)]
- (15) [Column (a), Line (13) ÷ Column (b), Line (13)] - 1
- (16) Docket No. 22-13-NG, Schedule (PRB)-6, Page 17 of 18, Column (a), Line (13)
- (17) Abs [Column (a), Line (13) - Line (16)]
- (18) [Column (a), Line (13) ÷ Line (16)] - 1

Gas Revenue Decoupling Targets Approved in Docket No. 5040

	Apr-22 (h)	May-22 (i)	Jun-22 (j)	Jul-22 (k)	Aug-22 (l)	Sep-22 (a)	Oct-22 (b)	Nov-22 (c)	Dec-22 (d)	Jan-23 (e)	Feb-23 (f)	Mar-23 (g)	Total (m)
(1) Residential Non-Heat (incl Low-Income)													
(2) Number of Customers	18,286	18,218	18,198	17,532	16,963	18,202	18,263	18,319	18,364	18,358	18,349	18,334	
(3) Actual Revenue	\$531,272	\$428,129	\$366,174	\$531,405	\$322,265	\$337,192	\$353,697	\$396,720	\$474,792	\$529,580	\$516,330	\$620,557	\$5,208,111
(4) RPC	\$29.05	\$23.50	\$20.12	\$18.90	\$19.00	\$18.53	\$19.37	\$21.66	\$25.85	\$28.85	\$28.14	\$33.85	
(5) Residential Heating (incl Low-Income)													
(6) Number of Customers	228,665	228,030	227,615	227,807	228,217	224,509	225,664	227,078	227,977	228,494	228,682	228,871	
(7) Actual Revenue	\$15,798,176	\$9,327,441	\$6,542,019	\$5,574,647	\$5,363,735	\$5,478,848	\$6,060,914	\$10,500,865	\$16,892,215	\$22,483,715	\$24,337,334	\$21,604,114	\$149,964,024
(8) RPC	\$69.09	\$40.90	\$28.74	\$24.47	\$23.50	\$24.40	\$26.86	\$46.24	\$74.10	\$98.40	\$106.42	\$94.39	
(9) Small													
(10) Number of Customers	19,108	19,002	18,893	18,795	18,877	18,529	18,687	18,958	19,127	19,187	19,210	19,224	
(11) Actual Revenue	\$1,958,269	\$1,082,447	\$862,001	\$707,685	\$692,561	\$712,467	\$770,442	\$1,179,865	\$2,131,114	\$2,780,449	\$2,900,050	\$2,674,221	\$18,451,570
(12) RPC	\$102.48	\$56.96	\$45.63	\$37.65	\$36.69	\$38.45	\$41.23	\$62.24	\$111.42	\$144.91	\$150.97	\$139.11	
(13) Medium C&I													
(14) Number of Customers	5,277	5,265	5,262	5,260	5,182	5,221	5,252	5,258	5,270	5,273	5,277	5,280	
(15) Actual Revenue	\$2,543,927	\$1,967,311	\$1,539,456	\$1,560,187	\$1,558,074	\$1,498,552	\$1,668,447	\$1,998,082	\$2,753,482	\$3,294,391	\$3,188,043	\$3,105,657	\$26,675,610
(16) RPC	\$482.08	\$373.66	\$292.56	\$296.61	\$300.67	\$287.02	\$317.68	\$380.01	\$522.48	\$624.77	\$604.14	\$588.19	

Schedule PRB/TGS-7

Infrastructure, Safety, and Reliability Reconciliation Factors

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 23 ISR Reconciliation Factors
Effective November 1, 2023

(1)	Revenue Requirement (a)	Rate Class (b)	Rate Base Allocator % (c)	Allocation to Rate Class (d)	Actual Revenue (e)	Under/(Over) Recovery (f)	ISR Recon. Under/(Over) Recovery (g)	Total Under/(Over) Recovery by Rate Class (h)	Forecasted Throughput (dth) (i)	ISR Recon (dth) (j)	ISR Recon (therm) (k)
(2)	\$44,292,572										
(3)		Residential	66.59%	\$29,494,424	\$23,935,922	\$5,558,502	(\$480,890)	\$5,077,612	20,253,837	\$0.2506	\$0.0250
(4)		Small	8.04%	\$3,561,123	\$2,986,006	\$575,117	(\$41,291)	\$533,826	2,457,721	\$0.2172	\$0.0217
(5)		Medium	12.23%	\$5,416,982	\$4,244,843	\$1,172,138	(\$36,120)	\$1,136,018	5,745,901	\$0.1977	\$0.0197
(6)		Large LL	5.57%	\$2,467,096	\$2,119,473	\$347,623	(\$36,002)	\$311,621	2,836,150	\$0.1098	\$0.0109
(7)		Large HL	2.25%	\$996,583	\$907,220	\$89,363	(\$22,556)	\$66,807	1,219,254	\$0.0547	\$0.0054
(8)		XL-LL	0.97%	\$429,638	\$476,793	(\$47,155)	\$1,934	(\$45,222)	1,250,112	(\$0.0361)	(\$0.0036)
(9)		XL-HL	4.35%	\$1,926,727	\$1,881,746	\$44,981	(\$21,136)	\$23,845	5,813,934	\$0.0041	\$0.0004
(10)		Total	100.00%	\$44,292,572	\$36,552,003	\$7,740,569	(\$636,061)	\$7,104,508	39,576,910		

(a) Total Fiscal Year Revenue Requirement net of Tax Hold Harmless Adjustment per R.I.P.U.C. Docket No. 5210, FY 2023 Gas Infrastructure, Safety, and Reliability Plan Reconciliation Filing, Attachment SAB/JDO-1, Page 1 of 29, Column (b), Line 14.

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

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

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

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

(g) PRB-9 - Pages 7-8, Column (l), Lines (25), (34), (43), (52), (61), (70), (79)

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

(i) Per Company Forecast

(j) Column (h) ÷ Column (i)

(k) Column (j) ÷ 10, truncated to 4 decimal places.

Schedule PRB/TGS-8

Service Quality Performance Factor

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Service Quality Performance Factor
Effective November 1, 2023**

(1)	SQP Penalty - Meter Testing (Calendar Year 2022)	(\$75,000)
(2)	SQP Penalty - On-Cycle Meter Reads (Fiscal Year 2023)	(\$75,000)
(3)	Total SQP Penalty Amount	(\$150,000)
(4)	Gas - Remaining Credit Balance	(\$416)
(5)	Total SQP Factor Credit	(\$150,416)
(6)	Firm Throughput	39,576,910 dths
(7)	SQP Factor per dth	(\$0.0038) per dth
(8)	SQP Factor per therm	(\$0.0003) per therm

- (1) R.I.P.U.C. Docket No. 3476 - Quarterly Report on Gas Service Quality Plan (Gas Operations) - Second Quarter Report - FY 2023
- (2) R.I.P.U.C. Docket No. 3476 - Gas Service Quality Plan - Annual Report - Fiscal Year 2023
- (3) (1) + (2)
- (4) Per Docket No. 22-07-GE - The Narragansett Electric Company d/b/a Rhode Island Energy's Tariff Advice Filing - Bill Credits for Electric and Gas Customers - Proposal for Remaining Credit Balance (July 28, 2023)
- (5) Line (3) + Line (4)
- (6) Company Forecast
- (7) Line (5) ÷ Line (6)
- (8) Line (7) ÷ 10, truncated to 4 decimal places

Schedule PRB/TGS-9

Reconciliation Factors

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Reconciliation Factor effective November 1, 2023**

<u>Description</u>	<u>Schedule</u>	<u>Page #</u>	<u>Ending Balance</u>	<u>Period</u>
Section 1: Reconciliation of Prior Year DAC Factors (All Rate Classes)				
(1) System Pressure		Page 2, line (9)	\$9,377,244	Nov 22 - Oct 23
(2) AGT Factor		Page 2, line (17)	\$1,070	Nov 22 - Oct 23
(3) Environmental - DAC		Page 2, line (25)	\$75,685	Nov 22 - Oct 23
(4) Arrearage Management		Page 2, line (33)	\$37,300	Nov 22 - Oct 23
(5) Pension		Page 3, line (57)	\$238,947	Nov 22 - Oct 23
(6) PBOP		Page 3, line (65)	\$90,503	Nov 22 - Oct 23
(7) Previous Reconciliation Factor		Page 3, line (41)	\$1,963,031	Nov 22 - Oct 23
(8) Earnings Sharing Mechanism		Page 4, line (73)	\$692	Nov 22 - Oct 23
(9) Low Income Discount Recovery		Page 4, line (82)	\$208,502	Nov 22 - Oct 23
(10) Service Quality Penalty		Page 4, line (90)	(\$141,292)	Nov 22 - Oct 23
(11) Storm Net Revenue Factor		Page 4, line (98)	(\$28,532)	Nov 22 - Oct 23
(12) True-up October 22		Page 9, line (38)	\$580,879	Actual Oct 22 vs. Oct 22 Forecast
(13) Sub Total		Sum [(1):(13)]	\$12,404,030	
(14) Firm Throughput		Nov 2023 - Oct 2024	39,576,910	dth
(15) Reconciliation Factor		Line (14) ÷ Line (15)	\$0.3134	per dth
(16) Reconciliation Factor		Line (16) ÷ 10, truncated to 4 decimal places	\$0.0313	per therm

Section 2: Revenue Decoupling Mechanism Reconciliation

(17) RDA Reconciliation		Page 6, line (13)	\$1,612,577	Nov 22 - Oct 23
(18) RDM Recon Reconciliation		Page 6, line (28)	\$7,674	Nov 22 - Oct 23
(19) Sub Total		Line (18) + Line (19)	\$1,620,251	
(20) Firm Throughput, Residential, Small & Medium C&I		Nov 2023 - Oct 2024	28,457,458	dth
(21) RDA Reconciliation Factor		Line (20) ÷ Line (21)	\$0.0569	per dth
(22) RDA Reconciliation Factor		Line (22) ÷ 10, truncated to 4 decimal places	\$0.0056	per therm

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

(23) Environmental - Base Rates		Page 5, line (41)	\$ 42,779	Apr 22 - Mar 23
(24) Previous Reconciliation Factor		Page 3, line (49)	\$ (1,461,799)	Nov 22 - Oct 23
(25) Sub Total		Sum [(24):(25)]	(\$1,419,019)	
(26) Firm Throughput, Large and Extra Large C&I		Nov 2023 - Oct 2024	11,119,451	dth
(27) L / XL Reconciliation Factor		Line (26) ÷ Line (27)	(\$0.1276)	per dth
(28) L / XL Reconciliation Factor		Line (28) ÷ 10, truncated to 4 decimal places	(\$0.0127)	per therm

(28) Combined with the Reconciliation factor of \$0.0313 per therm on Line (17) for an overall Large and Extra Large Reconciliation factor of \$0.0186 per therm

The Narragansett Electric Company
d/b/a Rhode Island Energy
Non-Base Rate / Gas Year Reconciling Components

Line No.	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	12 month End
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
(1) System Pressure Recon Adjust.													
(2) System Pressure Act Beg. Balance Under/(Over) Recovery	\$0	(\$954,037)	(\$4,779,738)	(\$4,404,482)	\$20,102,503	\$29,661,075	\$2,913,441	\$19,771,024	\$17,607,191	\$15,674,508	\$13,798,819	\$11,852,668	\$0
(3) Actual Costs	\$665,650	\$3,844,493	\$10,788,471	\$3,671,047	\$17,918,455	\$392,670	\$273,812	\$258,138	\$149,444	\$149,444	\$149,444	\$149,444	\$682,210,513
(4) Actual Revenue	\$1,015,750	\$7,677,025	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$13,118,123	\$59,286,580
(5) Ending Monthly Balance Under/(Over) Recovery	(\$576,850)	(\$2,860,466)	(\$4,581,410)	\$71,838,188	\$23,892,432	\$27,222,599	\$21,285,918	\$18,641,228	\$16,596,417	\$14,698,909	\$12,291,574	\$10,385,726	\$8,021,193
(6) Average Monthly Balance Under/(Over) Recovery	4.95%	5.27%	5.50%	5.74%	5.82%	6.00%	6.23%	6.25%	6.29%	6.50%	6.50%	6.50%	
(7) BK America Rate less 200 Basis Points	(\$1,937)	(\$12,803)	(\$21,401)	\$34,486	\$122,688	\$129,317	\$112,629	\$95,760	\$88,666	\$81,130	\$68,339	\$58,419	\$755,311
(8) Interest Applied	(\$954,037)	(\$4,779,738)	(\$4,404,482)	\$20,102,503	\$29,661,075	\$22,913,441	\$19,771,024	\$17,607,191	\$15,674,508	\$13,798,819	\$11,852,668	\$9,377,244	\$9,377,244
(9) Sys Pressure End Balance Under/(Over) Recovery	Under/(over) Recovery	(\$584,037)	(\$3,825,701)	\$375,255	\$24,506,986	\$9,558,572	(\$3,142,416)	(\$2,163,834)	(\$1,932,882)	(\$1,875,489)	(\$1,946,151)	(\$2,475,424)	
(10) Advanced Gas Technology													
(11) AGT Act Beg. Balance Under/(Over) Recovery	\$0	(\$31)	(\$18)	(\$45)	(\$102)	\$812	\$944	\$1,038	\$1,047	\$1,052	\$1,058	\$1,064	\$0
(12) Actual AGT Revenue	\$31	(\$13)	\$27	\$56	(\$911)	(\$128)	(\$89)	(\$38)	\$0	\$0	\$0	\$0	(\$1,031)
(13) Ending AGT Balance	(\$31)	(\$18)	(\$45)	(\$101)	(\$810)	\$940	\$1,033	\$1,041	\$1,047	\$1,052	\$1,058	\$1,064	\$1,031
(14) Average Monthly Balance Under/(Over) Recovery	(\$15)	(\$24)	(\$32)	(\$73)	\$354	\$876	\$989	\$1,040	\$1,047	\$1,052	\$1,058	\$1,064	
(15) BK America Rate less 200 Basis Points	4.95%	5.27%	5.50%	5.74%	5.82%	6.00%	6.23%	6.25%	6.29%	6.50%	6.50%	6.50%	
(16) Interest Applied	(\$0)	(\$0)	(\$0)	(\$0)	\$2	\$4	\$5	\$5	\$5	\$6	\$6	\$6	\$9
(17) AGT End Balance Under/(Over) Recovery	(\$31)	(\$18)	(\$45)	(\$102)	\$812	\$944	\$1,038	\$1,047	\$1,052	\$1,058	\$1,064	\$1,070	\$1,070
Under/(over) Recovery	(\$31)	\$13	(\$27)	(\$56)	\$913	\$132	\$94	\$8	\$6	\$6	\$6	\$6	
(18) Environmental Recon. Adjust - DAC													
(19) Env Act Beg. Balance Under/(Over) Recovery	\$438,725	\$404,856	\$361,323	\$302,623	\$250,651	\$200,817	\$160,210	\$140,423	\$116,519	\$114,539	\$102,893	\$90,828	\$428,725
(20) Actual Environmental Recovery	\$35,881	\$45,244	\$60,247	\$53,188	\$50,047	\$41,495	\$20,880	\$14,588	\$12,222	\$12,245	\$12,581	\$15,601	\$74,919
(21) Ending Environmental Balance Under/(Over) Recovery	\$403,144	\$359,612	\$301,076	\$249,435	\$199,704	\$159,322	\$139,630	\$125,835	\$113,897	\$102,294	\$90,312	\$75,227	\$65,806
(22) Average Monthly Balance Under/(Over) Recovery	\$420,934	\$382,234	\$331,200	\$276,029	\$225,177	\$180,069	\$149,920	\$133,129	\$120,208	\$108,417	\$96,602	\$83,027	\$65,806
(23) BK America Rate less 200 Basis Points	4.95%	5.27%	5.50%	5.74%	5.82%	6.00%	6.23%	6.25%	6.29%	6.50%	6.50%	6.50%	
(24) Interest Applied	\$1,713	\$1,711	\$1,547	\$1,215	\$1,113	\$888	\$793	\$684	\$642	\$599	\$516	\$458	\$11,879
(25) Environmental Recon End Balance Under/(Over) Recovery	\$404,856	\$361,323	\$302,623	\$250,651	\$200,817	\$160,210	\$140,423	\$126,519	\$114,539	\$102,893	\$90,828	\$75,685	\$75,685
Under/(over) Recovery	(\$33,868)	(\$43,533)	(\$58,700)	(\$51,973)	(\$49,834)	(\$40,607)	(\$19,787)	(\$13,904)	(\$11,980)	(\$11,646)	(\$12,065)	(\$15,143)	
(26) AMAF Adjustment - DAC													
(27) AMAF Act Beg. Balance	\$112,061	\$102,283	\$93,610	\$82,026	\$71,812	\$61,379	\$53,292	\$49,433	\$46,991	\$44,712	\$42,503	\$40,207	\$112,061
(28) Actual AMAF Balance	\$10,213	\$9,111	\$11,993	\$10,552	\$10,761	\$8,369	\$4,130	\$2,689	\$2,524	\$2,449	\$2,516	\$3,120	\$78,427
(29) Ending AMAF Balance	\$101,848	\$93,172	\$81,617	\$71,474	\$61,051	\$53,010	\$49,162	\$46,744	\$44,467	\$42,263	\$39,987	\$37,087	\$33,634
(30) Average Monthly Balance Under/(Over) Recovery	\$106,954	\$97,728	\$87,613	\$76,750	\$66,431	\$57,195	\$51,227	\$48,089	\$45,729	\$43,487	\$41,245	\$38,647	\$33,634
(31) BK America Rate less 200 Basis Points	4.95%	5.27%	5.50%	5.74%	5.82%	6.00%	6.23%	6.25%	6.29%	6.50%	6.50%	6.50%	
(32) Interest Applied	\$435	\$437	\$409	\$338	\$282	\$244	\$271	\$247	\$244	\$240	\$220	\$213	\$3,666
(33) AMAF Recon End Balance	\$102,283	\$93,610	\$82,026	\$71,812	\$61,379	\$53,292	\$49,433	\$46,991	\$44,712	\$42,503	\$40,207	\$37,300	\$37,300
Under/(over) Recovery	(\$9,778)	(\$8,674)	(\$11,584)	(\$10,214)	(\$10,433)	(\$8,087)	(\$3,859)	(\$2,442)	(\$2,280)	(\$2,209)	(\$2,296)	(\$2,907)	

The Narragansett Electric Company
d/b/a Rhode Island Energy
Non-Base Rate / Gas Year Reconciling Components

	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	12 month End
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	(l)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(34) Reconciliation Factor (Applicable to all) - DAC													
(35) Recon Factor Acct Beg. Balance Under/(Over) Recovery	\$5,270,217	\$5,190,596	\$4,827,554	\$4,288,545	\$3,745,156	\$3,255,120	\$2,888,073	\$2,714,937	\$2,613,365	\$2,460,271	\$2,311,779	\$2,157,617	\$5,270,217
(36) Actual Recon Revenue	\$100,858	\$385,432	\$600,137	\$520,950	\$307,295	\$382,157	\$187,920	\$115,223	\$166,611	\$161,628	\$166,069	\$205,928	\$3,500,208
(37) Ending Recon Balance Under/(Over) Recovery	\$5,169,359	\$4,805,164	\$4,227,597	\$3,727,596	\$3,237,861	\$2,745,963	\$2,300,153	\$2,299,714	\$2,146,754	\$2,000,643	\$1,844,710	\$1,691,689	\$1,770,009
(38) Average Monthly Balance Under/(Over) Recovery	\$5,214,985	\$4,852,596	\$4,252,596	\$3,962,596	\$3,574,338	\$3,186,400%	\$2,798,462%	\$2,774,258%	\$2,596,731%	\$2,379,428%	\$2,226,731%	\$2,074,490%	\$1,770,009
(39) BK America Rate less 200 Basis Points	4.98%	5.27%	5.27%	5.27%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%	5.28%
(40) Interest Applied	\$2,1237	\$22,370	\$21,149	\$17,561	\$17,259	\$15,110	\$14,784	\$13,653	\$13,217	\$13,136	\$11,907	\$11,343	\$193,022
(41) Reconciliation End Balance Under/(Over) Recovery	\$5,190,596	\$4,827,554	\$4,248,545	\$3,745,156	\$3,255,120	\$2,888,073	\$2,714,937	\$2,613,365	\$2,460,271	\$2,311,779	\$2,157,617	\$1,963,031	\$1,963,031
Under/(over) Recovery	\$79,621	\$365,062	\$578,988	\$503,389	\$490,056	\$367,047	\$173,156	\$101,572	\$153,094	\$148,492	\$154,162	\$194,585	
(42) Reconciliation Factor (L & XL) - DAC													
(43) Recon Factor Acct Beg. Balance Under/(Over) Recovery													
(44) Actual Recon Revenue													
(45) Ending Recon Balance Under/(Over) Recovery													
(46) Average Monthly Balance Under/(Over) Recovery													
(47) BK America Rate less 200 Basis Points													
(48) Interest Applied													
(49) Reconciliation End Balance Under/(Over) Recovery													
Under/(over) Recovery													
(50) Pension Adjustment													
(51) Pen Acct Beg. Balance Under/(Over) Recovery													
(52) Actual Pension Revenue													
(53) Ending Pension Balance Under/(Over) Recovery													
(54) Average Monthly Balance Under/(Over) Recovery													
(55) BK America Rate less 200 Basis Points													
(56) Interest Applied													
(57) Pension Adjustment End Balance Under/(Over) Recovery													
Under/(over) Recovery													
(58) PROF Adjustment													
(59) PROF Acct Beg. Balance Under/(Over) Recovery													
(60) Actual PROF Revenue													
(61) Ending PROF Balance Under/(Over) Recovery													
(62) Average Monthly Balance Under/(Over) Recovery													
(63) BK America Rate less 200 Basis Points													
(64) Interest Applied													
(65) PROF Adjustment End Balance Under/(Over) Recovery													
Under/(over) Recovery													

The Narragansett Electric Company
d/b/a Rhode Island Energy
Base Rate / Fiscal Year Reconciling Components

Source	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	12 month End
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Dt 4770	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
CSR	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
Actual RI Firm L-XL Firm through-put (dth) - Docket 4770	1,100,417	745,351	573,785	566,030	573,654	571,649	515,443	976,211	1,230,884	1,480,996	1,387,201	1,146,696	10,868,317

AGT Recon. Adjustment - Base Rates L-XL

AGT Recon. Acct Beg. Balance Under/(Over) Recovery	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
(8) AGT Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(9) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(10) Fest L/XL AGT Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) Actual Firm Through-put L-XL	1,100,417	745,351	573,785	566,030	573,654	571,649	515,443	976,211	1,230,884	1,480,996	1,387,201	1,146,696	10,868,317
(12) Actual AGT Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(13) Collection Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14) Ending Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Average Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(16) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%	5.82%
(17) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(18) AGT End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Under/(over) Recovery

LIAP Recon. Adjustment - Base Rates L-XL

LIAP Recon. Acct Beg. Balance Under/(Over) Recovery	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
(19) LIAP Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(21) Fest LIAP Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(22) Actual Firm Through-put L-XL	1,100,417	745,351	573,785	566,030	573,654	571,649	515,443	976,211	1,230,884	1,480,996	1,387,201	1,146,696	10,868,317
(23) Actual LIAP Collections No EE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(24) Actual LIAP Collections EE Only	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(25) Collection Variance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(26) Ending Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(27) Average Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(28) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%	5.82%
(29) Interest Applied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(30) LIAP End Balance Under/(Over) Recovery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Under/(over) Recovery

Environmental Recon. Adjust - Base Rates L-XL

Environmental Recon. Acct Beg. Balance Under/(Over) Recovery	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
(31) Environmental Recon. Acct Beg. Balance Under/(Over) Recovery	\$0	(\$452)	\$3,725	\$9,386	\$14,219	\$18,334	\$22,001	\$31,764	\$33,098	\$37,582	\$37,916	\$37,016	\$362,346
(32) Fest Firm Through-put L-XL	1,086,720	871,785	744,829	711,541	696,799	680,829	808,181	1,012,649	1,361,885	1,485,789	1,354,961	1,315,266	12,131,235
(33) Fest Environmental Collections	\$35,984	\$28,787	\$24,595	\$23,495	\$23,009	\$22,481	\$24,686	\$33,438	\$44,970	\$49,061	\$44,741	\$43,431	\$400,578
(34) Actual Firm Through-put L-XL	1,100,417	745,351	573,785	566,030	573,654	571,649	515,443	976,211	1,230,884	1,480,996	1,387,201	1,146,696	10,868,317
(35) Actual Environmental Collections	\$36,336	\$24,612	\$18,947	\$18,691	\$18,942	\$18,876	\$17,020	\$32,235	\$40,644	\$48,903	\$45,806	\$37,864	\$338,876
(36) Collection Variance	(\$452)	\$4,175	\$5,648	\$4,804	\$4,067	\$3,605	\$1,203	\$1,203	\$4,326	\$158	(\$1,065)	\$5,567	\$5,567
(37) Ending Environmental Balance Under/(Over) Recovery	(\$452)	\$3,725	\$9,373	\$14,190	\$18,286	\$21,939	\$31,667	\$32,967	\$37,424	\$37,740	\$36,851	\$42,583	\$42,583
(38) Average Balance Under/(Over) Recovery	(\$226)	\$1,635	\$6,549	\$11,788	\$16,252	\$20,137	\$26,834	\$32,365	\$35,261	\$37,661	\$37,384	\$39,799	\$39,799
(39) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%	5.82%
(40) Interest Applied	(\$0)	\$3	\$13	\$29	\$48	\$62	\$97	\$132	\$158	\$176	\$165	\$197	\$1,077
(41) Environmental End Balance Under/(Over) Recovery	(\$452)	\$3,725	\$9,386	\$14,219	\$18,334	\$22,001	\$31,764	\$33,098	\$37,582	\$37,916	\$37,016	\$42,779	\$42,779

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
RDA Reconciliation

	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Total
RDM Recon Rates \$/decatherm													
Res-NH, Res-H, Small, Medium													
(1) Actual Firm Throughput - decatherms													
(2) Res-NH	18,710	27,320	40,280	35,822	36,220	29,602	19,928	16,142	12,134	11,633	11,842	14,932	274,566
(3) Res-H	1,055,981	2,054,335	3,210,515	2,765,009	2,712,292	1,999,807	991,539	608,575	453,690	433,319	446,697	598,069	17,329,827
(4) Small	109,557	232,052	427,971	379,305	362,158	258,711	116,688	50,763	54,187	43,242	41,803	54,616	2,151,054
(5) Medium	371,839	585,085	854,340	764,189	752,012	608,410	280,315	192,906	169,312	160,551	164,298	206,272	5,109,529
(6) Total	1,556,087	2,918,792	4,533,106	3,944,325	3,862,682	2,896,530	1,408,470	868,387	689,322	648,746	664,640	873,889	24,864,976
(7) RDM Acct Beg. Balance	\$7,937,139	\$7,771,976	\$7,008,996	\$5,800,008	\$4,749,019	\$3,723,588	\$2,952,198	\$2,579,600	\$2,354,498	\$2,178,389	\$2,012,818	\$1,841,640	
(8) Actual RDM Revenue	\$1,970,054	\$795,986	\$1,238,835	\$1,074,163	\$1,046,320	\$787,810	\$387,194	\$237,743	\$188,185	\$177,108	\$181,447	\$238,572	
(9) Ending RDM Balance Under/(Over) Recovery	\$7,740,085	\$6,975,990	\$5,770,161	\$4,725,844	\$3,702,699	\$2,935,777	\$2,565,004	\$2,341,857	\$2,166,313	\$2,001,281	\$1,831,371	\$1,603,069	
(10) Average Monthly Balance	\$7,838,612	\$7,373,983	\$6,389,578	\$5,262,926	\$4,225,859	\$3,329,682	\$2,758,601	\$2,460,728	\$2,260,405	\$2,089,835	\$1,922,095	\$1,722,354	
(11) Bk America Rate less 200 Basis Points	4.95%	5.27%	5.00%	5.74%	5.82%	6.00%	6.23%	6.25%	6.29%	6.50%	6.50%	6.50%	
(12) Interest Applied	\$31,891	\$33,005	\$29,847	\$23,174	\$20,888	\$16,420	\$14,596	\$12,641	\$12,076	\$11,537	\$10,269	\$9,508	\$225,854
(13) RDM Recon End Balance Under/(Over) Recovery	\$7,771,976	\$7,008,996	\$5,800,008	\$4,749,019	\$3,723,588	\$2,952,198	\$2,579,600	\$2,354,498	\$2,178,389	\$2,012,818	\$1,841,640	\$1,612,577	
(14) Under/(over) Recovery	(\$165,163)	(\$762,981)	(\$1,208,988)	(\$1,050,989)	(\$1,025,431)	(\$771,390)	(\$372,598)	(\$225,103)	(\$176,109)	(\$165,571)	(\$171,178)	(\$229,063)	
(15) RDM Revenue per rate class													
(16) Res-NH	\$2,369	\$7,450	\$11,008	\$9,755	\$9,811	\$8,051	\$5,478	\$4,419	\$3,312	\$3,176	\$3,233	\$4,076	\$72,141
(17) Res-H	\$133,723	\$560,239	\$877,389	\$752,999	\$734,703	\$543,916	\$272,578	\$166,613	\$123,857	\$118,296	\$121,948	\$163,273	\$4,569,535
(18) Small	\$47,088	\$68,737	\$116,959	\$103,297	\$98,101	\$70,365	\$37,078	\$13,898	\$14,793	\$11,805	\$11,412	\$14,910	\$570,229
(19) Medium	\$197,054	\$159,559	\$233,479	\$208,113	\$203,704	\$165,478	\$77,060	\$52,813	\$46,222	\$43,830	\$44,853	\$56,312	\$1,338,511
(20) Total	\$197,054	\$795,986	\$1,238,835	\$1,074,163	\$1,046,320	\$787,810	\$387,194	\$237,743	\$188,185	\$177,108	\$181,447	\$238,572	\$6,550,416
(21) RDM Recon Adjustment													
(22) RDM Recon Acct Beg. Balance Under/(Over) Recovery	\$7,230	\$7,260	\$7,292	\$7,326	\$7,359	\$7,395	\$7,432	\$7,471	\$7,509	\$7,549	\$7,591	\$7,632	\$7,230
(23) Actual RDM Recon Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(24) Ending RDM Recon Balance Under/(Over) Recovery	\$7,230	\$7,260	\$7,292	\$7,326	\$7,359	\$7,395	\$7,432	\$7,471	\$7,509	\$7,549	\$7,591	\$7,632	\$7,230
(25) Average Monthly Balance Under/(Over) Recovery	\$7,230	\$7,260	\$7,292	\$7,326	\$7,359	\$7,395	\$7,432	\$7,471	\$7,509	\$7,549	\$7,591	\$7,632	\$7,230
(26) Bk America Rate less 200 Basis Points	4.95%	5.27%	5.00%	5.74%	5.82%	6.00%	6.23%	6.25%	6.29%	6.50%	6.50%	6.50%	
(27) Interest Applied	\$29	\$32	\$34	\$32	\$36	\$36	\$39	\$38	\$40	\$42	\$41	\$42	\$443
(28) RDM Recon Adjustment End Balance Under/(Over) Recovery	\$7,260	\$7,292	\$7,326	\$7,359	\$7,395	\$7,432	\$7,471	\$7,509	\$7,549	\$7,591	\$7,632	\$7,674	\$7,674
(29) RDM Recon and Recon Adj End Balance Under/(Over) Recovery													\$1,620,251

(6) Sum Lines (2) through (5).
(7) (a) Beginning balance, per R.I.P.U.C. Docket No. 22-13-NG, Schedule PRB-IS Revised, Page 1, Ln. (13) + monthly interest calculated from April - October at Bank America rate less 200 basis points.
(20) Sum Lines (16) through (19).
(22) (a) Beginning balance, per R.I.P.U.C. Docket No. 22-13-NG, Schedule PRB-IS Revised, Page 1, Ln. (14).
(29) Line (13) + Line (28).

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Reconciliation for FY 23

	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
ISR Recon Rates \$(decathern)													
(1) Res-NH	\$ (0.4471) \$	\$ (0.4488) \$	\$ (0.1478) \$	\$ (0.1463) \$	\$ (0.1469) \$	\$ (0.1457) \$	\$ (0.1507) \$	\$ (0.1486) \$	\$ (0.1460) \$	\$ (0.1460) \$	\$ (0.1460) \$	\$ (0.1460) \$	14,932
(2) Res-H	\$ (0.1777) \$	\$ (0.1463) \$	\$ (0.1460) \$	\$ (0.1458) \$	\$ (0.1459) \$	\$ (0.1457) \$	\$ (0.1464) \$	\$ (0.1466) \$	\$ (0.1460) \$	\$ (0.1460) \$	\$ (0.1460) \$	\$ (0.1460) \$	17,329,827
(3) Small	\$ (0.1423) \$	\$ (0.0113) \$	\$ (0.1013) \$	\$ (0.1010) \$	\$ (0.1009) \$	\$ (0.1011) \$	\$ (0.1016) \$	\$ (0.1001) \$	\$ (0.1010) \$	\$ (0.1010) \$	\$ (0.1010) \$	\$ (0.1010) \$	2,151,054
(4) Medium	\$ (0.0797) \$	\$ (0.0889) \$	\$ (0.0570) \$	\$ (0.0578) \$	\$ (0.0580) \$	\$ (0.0579) \$	\$ (0.0573) \$	\$ (0.0578) \$	\$ (0.0560) \$	\$ (0.0560) \$	\$ (0.0560) \$	\$ (0.0560) \$	5,109,529
(5) Large LL	\$ (0.1135) \$	\$ (0.0940) \$	\$ (0.0908) \$	\$ (0.0902) \$	\$ (0.0928) \$	\$ (0.0927) \$	\$ (0.0929) \$	\$ (0.0949) \$	\$ (0.0930) \$	\$ (0.0930) \$	\$ (0.0930) \$	\$ (0.0930) \$	2,576,871
(6) Large HL	\$ (0.00548) \$	\$ (0.1152) \$	\$ (0.1030) \$	\$ (0.1063) \$	\$ (0.1126) \$	\$ (0.1029) \$	\$ (0.1059) \$	\$ (0.1035) \$	\$ (0.1030) \$	\$ (0.1030) \$	\$ (0.1030) \$	\$ (0.1030) \$	87,945
(7) XL-LL	\$ (0.00529) \$	\$ (0.0235) \$	\$ (0.0192) \$	\$ (0.0191) \$	\$ (0.0132) \$	\$ (0.0172) \$	\$ (0.0172) \$	\$ (0.0082) \$	\$ (0.0170) \$	\$ (0.0170) \$	\$ (0.0170) \$	\$ (0.0170) \$	1,221,781
(8) XL-HL	\$ (0.00370) \$	\$ (0.1299) \$	\$ (0.0981) \$	\$ (0.0936) \$	\$ (0.0947) \$	\$ (0.0955) \$	\$ (0.1036) \$	\$ (0.0968) \$	\$ (0.0970) \$	\$ (0.0970) \$	\$ (0.0970) \$	\$ (0.0970) \$	6,071,639
sum(D[16])	18,710	27,320	40,280	35,822	36,220	29,602	19,928	16,142	12,134	11,633	11,842	14,932	274,566
(9) Res-NH	1,055,981	2,054,335	3,210,515	2,765,009	2,712,292	1,999,807	991,539	608,575	453,690	433,319	446,097	598,069	17,329,827
(10) Res-H	109,557	252,052	427,971	379,305	362,158	258,711	116,688	50,763	54,187	43,242	41,803	54,616	2,151,054
(11) Small	371,839	585,085	854,340	764,189	752,012	608,410	280,315	192,906	169,312	160,551	164,298	206,272	5,109,529
(12) Medium	207,783	288,799	494,993	444,933	401,405	337,969	129,085	58,176	43,570	40,707	44,919	84,532	2,576,871
(13) Large LL	125,759	130,932	153,969	129,307	72,543	120,144	77,584	70,422	86,340	80,386	86,450	87,945	87,945
(14) Large HL	101,256	161,673	196,496	219,581	183,294	150,739	34,188	15,492	23,460	24,151	28,280	68,293	1,221,781
(15) XL-LL	541,413	649,479	635,539	593,380	489,454	625,115	358,103	449,863	419,512	430,465	433,813	445,403	1,206,903
(16) XL-HL	2,532,298	4,149,676	6,014,102	5,331,526	5,009,377	4,130,498	2,007,530	1,462,340	1,262,205	1,224,455	1,258,101	1,560,062	35,942,170
(17) Total	(\$2,539,102)	(\$2,828,159)	(\$2,535,530)	(\$2,071,432)	(\$1,671,284)	(\$1,277,639)	(\$987,515)	(\$844,232)	(\$756,723)	(\$692,574)	(\$631,255)	(\$567,502)	
(18) Residential Act Beg. Balance Under/(Over-Recovery)	(\$474,144)	(\$304,605)	(\$474,833)	(\$408,370)	(\$400,916)	(\$295,696)	(\$148,117)	(\$91,610)	(\$68,010)	(\$64,963)	(\$66,947)	(\$89,498)	
(19) FY 2022 Recon	(\$195,984)	(\$2,523,553)	(\$2,060,097)	(\$1,663,062)	(\$1,270,569)	(\$981,945)	(\$89,398)	(\$752,621)	(\$688,713)	(\$627,611)	(\$564,308)	(\$478,004)	
(20) Actual Residential Revenue	(\$2,678,182)	(\$2,675,856)	(\$2,298,114)	(\$1,867,247)	(\$1,470,827)	(\$1,129,791)	(\$913,457)	(\$798,427)	(\$722,718)	(\$660,092)	(\$597,781)	(\$522,753)	
(21) Ending Residential Balance	4,959	5,279	5,509	5,749	5,829	6,009	6,239	6,259	6,299	6,509	6,309	6,509	
(22) Average Monthly Balance	(\$10,896)	(\$11,977)	(\$10,735)	(\$8,222)	(\$7,270)	(\$5,572)	(\$4,833)	(\$4,102)	(\$3,861)	(\$3,644)	(\$3,194)	(\$2,886)	
(23) BK America Rate less 200 Basis Points	(\$2,828,159)	(\$2,535,530)	(\$2,071,432)	(\$1,671,284)	(\$1,277,639)	(\$987,515)	(\$844,232)	(\$756,723)	(\$692,574)	(\$631,255)	(\$567,502)	(\$480,890)	
(24) Interest Applied	(\$289,056)	\$292,628	\$464,098	\$400,148	\$393,645	\$290,124	\$143,283	\$87,509	\$64,149	\$61,319	\$63,753	\$86,612	
(25) ISR Residential Recon End Balance	(\$239,533)	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)	(\$101,745)	(\$76,024)	(\$64,538)	(\$59,775)	(\$54,607)	(\$50,529)	(\$46,565)	
(26) Under(over) Recovery	(\$17,507)	(\$25,541)	(\$43,342)	(\$38,309)	(\$36,536)	(\$26,158)	(\$11,856)	(\$5,082)	(\$5,473)	(\$4,367)	(\$4,222)	(\$5,516)	
(27) ISR Small C&I Act Beg. Balance Under/(Over) Recovery	(\$15,586)	(\$21,724)	(\$174,396)	(\$137,003)	(\$101,154)	(\$75,586)	(\$64,673)	(\$59,456)	(\$54,402)	(\$50,239)	(\$46,307)	(\$41,049)	
(28) FY 2022 Recon	(\$240,113)	(\$229,481)	(\$196,067)	(\$156,157)	(\$119,022)	(\$88,665)	(\$70,095)	(\$61,997)	(\$57,038)	(\$52,423)	(\$48,118)	(\$43,807)	
(29) Actual Small C&I Revenue	4,959	5,279	5,509	5,749	5,829	6,009	6,239	6,259	6,299	6,509	6,309	6,509	
(30) Ending Small C&I Balance	(\$978)	(\$1,027)	(\$916)	(\$688)	(\$590)	(\$437)	(\$371)	(\$318)	(\$305)	(\$289)	(\$259)	(\$242)	
(31) Average Monthly Balance	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)	(\$101,745)	(\$76,024)	(\$64,538)	(\$59,775)	(\$54,607)	(\$50,529)	(\$46,565)	(\$41,291)	
(32) BK America Rate less 200 Basis Points	(\$289,056)	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)	(\$101,745)	(\$84,485)	(\$74,763)	(\$68,168)	(\$64,078)	(\$63,963)	(\$58,274)	
(33) Interest Applied	(\$289,056)	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)	(\$101,745)	(\$84,485)	(\$74,763)	(\$68,168)	(\$64,078)	(\$63,963)	(\$58,274)	
(34) ISR Small C&I Recon End Balance	(\$289,056)	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)	(\$101,745)	(\$84,485)	(\$74,763)	(\$68,168)	(\$64,078)	(\$63,963)	(\$58,274)	
(35) Under(over) Recovery	(\$2,899)	\$24,514	\$42,426	\$37,622	\$35,946	\$25,721	\$11,485	\$4,763	\$5,168	\$4,078	\$3,963	\$5,274	

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Reconciliation for FY 23

	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Total
	30	31	31	28	31	30	31	30	31	31	30	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
(36) ISR Medium Act Beg. Balance Under/(Over) Recovery													
(37) FY 2022 Recon													
(38) Actual Medium Revenue	(\$215,671)	(\$301,938)	(\$268,755)	(\$221,233)	(\$177,936)	(\$135,115)	(\$100,450)	(\$84,870)	(\$74,133)	(\$65,022)	(\$56,366)	(\$47,442)	
(39) Ending Medium Balance	(\$114,838)	(\$34,458)	(\$48,664)	(\$44,174)	(\$43,592)	(\$35,245)	(\$16,069)	(\$1,144)	(\$9,481)	(\$8,991)	(\$9,201)	(\$11,551)	
(40) Average Monthly Balance	(\$29,622)	(\$8,618)	(\$12,166)	(\$11,043)	(\$10,897)	(\$8,811)	(\$4,017)	(\$282)	(\$2,371)	(\$2,248)	(\$2,300)	(\$2,888)	
(41) BK America Rate less 200 Basis Points	(\$288,280)	(\$284,710)	(\$244,423)	(\$199,146)	(\$156,139)	(\$117,493)	(\$82,415)	(\$79,298)	(\$69,332)	(\$60,527)	(\$51,765)	(\$41,666)	
(42) Interest Applied	4,93%	5.27%	5.30%	5.74%	5.82%	6.23%	6.23%	6.29%	6.29%	6.50%	6.30%	6.50%	
(43) ISR Medium Recon End Balance	(\$1,274)	(\$1,274)	(\$1,142)	(\$877)	(\$772)	(\$579)	(\$489)	(\$407)	(\$334)	(\$334)	(\$334)	(\$277)	
(44) Under/(over) Recovery	(\$86,267)	\$33,183	\$47,522	\$43,298	\$42,820	\$34,665	\$15,580	\$10,737	\$9,111	\$8,657	\$8,924	\$11,321	
(45) ISR Large LL Act Beg. Balance Under/(Over) Recovery													
(46) FY 2022 Recon													
(47) Actual Large LL Revenue	(\$271,227)	(\$249,457)	(\$223,361)	(\$179,376)	(\$139,934)	(\$103,298)	(\$72,409)	(\$60,087)	(\$54,863)	(\$51,093)	(\$47,579)	(\$43,644)	
(48) Ending Large LL Balance	(\$748)	(\$23,575)	(\$44,923)	(\$40,143)	(\$37,236)	(\$31,322)	(\$12,072)	(\$5,519)	(\$4,052)	(\$3,786)	(\$4,177)	(\$7,862)	
(49) Average Monthly Balance	(\$248,400)	(\$248,400)	(\$218,438)	(\$179,233)	(\$139,233)	(\$103,298)	(\$72,409)	(\$60,087)	(\$54,863)	(\$51,093)	(\$47,579)	(\$43,644)	
(50) BK America Rate less 200 Basis Points	(\$259,814)	(\$235,881)	(\$200,899)	(\$159,305)	(\$121,317)	(\$87,638)	(\$66,073)	(\$57,327)	(\$52,837)	(\$49,200)	(\$45,490)	(\$39,714)	
(51) Interest Applied	4.95%	5.27%	5.30%	5.74%	5.82%	6.00%	6.23%	6.29%	6.29%	6.50%	6.30%	6.50%	
(52) ISR Large LL Recon End Balance	(\$1,057)	(\$1,056)	(\$938)	(\$701)	(\$600)	(\$432)	(\$350)	(\$294)	(\$282)	(\$272)	(\$243)	(\$219)	
(53) Under/(over) Recovery	(\$249,457)	(\$223,361)	(\$179,376)	(\$139,934)	(\$103,298)	(\$72,409)	(\$60,087)	(\$54,863)	(\$51,093)	(\$47,579)	(\$43,644)	(\$39,002)	
(54) ISR Large HL Act Beg. Balance Under/(Over) Recovery													
(55) FY 2022 Recon													
(56) Actual Large HL Revenue	(\$143,579)	(\$135,329)	(\$120,815)	(\$105,483)	(\$92,179)	(\$83,646)	(\$71,668)	(\$63,809)	(\$56,829)	(\$48,215)	(\$40,179)	(\$31,465)	
(57) Ending Large HL Balance	\$1,919	(\$15,086)	(\$15,859)	(\$13,739)	(\$8,966)	(\$12,359)	(\$8,217)	(\$7,289)	(\$8,893)	(\$8,280)	(\$8,904)	(\$9,058)	
(58) Average Monthly Balance	(\$45,969)	(\$45,969)	(\$40,230)	(\$34,348)	(\$24,266)	(\$18,866)	(\$14,451)	(\$12,986)	(\$12,461)	(\$11,936)	(\$11,275)	(\$10,407)	
(59) BK America Rate less 200 Basis Points	(\$139,171)	(\$127,786)	(\$112,885)	(\$98,614)	(\$87,695)	(\$77,466)	(\$69,560)	(\$60,164)	(\$52,382)	(\$44,075)	(\$35,727)	(\$26,936)	
(60) Interest Applied	4.95%	5.27%	5.30%	5.74%	5.82%	6.00%	6.23%	6.29%	6.29%	6.50%	6.30%	6.50%	
(61) ISR Large HL Recon End Balance	(\$56)	(\$572)	(\$527)	(\$434)	(\$433)	(\$382)	(\$357)	(\$309)	(\$280)	(\$243)	(\$191)	(\$149)	
(62) Under/(over) Recovery	\$8,249	\$14,514	\$15,332	\$13,305	\$8,533	\$11,977	\$7,859	\$6,980	\$8,613	\$8,036	\$8,713	\$8,910	
(63) ISR XL LL Act Beg. Balance Under/(Over) Recovery													
(64) FY 2022 Recon													
(65) Actual XL LL Revenue	(\$31,579)	(\$17,352)	(\$13,627)	(\$9,905)	(\$5,747)	(\$3,346)	(\$759)	(\$397)	(\$527)	(\$129)	(\$282)	\$765	
(66) Ending XL LL Balance	(\$5,356)	(\$3,794)	(\$3,777)	(\$4,193)	(\$2,423)	(\$2,598)	(\$364)	(\$127)	(\$399)	(\$411)	(\$481)	(\$1,166)	
(67) Average Monthly Balance	(\$17,253)	(\$13,558)	(\$9,851)	(\$5,712)	(\$3,324)	(\$2,423)	(\$394)	(\$127)	(\$328)	(\$281)	(\$362)	(\$1,926)	
(68) BK America Rate less 200 Basis Points	(\$34,416)	(\$15,455)	(\$11,739)	(\$7,809)	(\$4,535)	(\$2,047)	(\$576)	(\$461)	(\$327)	\$76	\$222	\$1,346	
(69) Interest Applied	4.95%	5.27%	5.30%	5.74%	5.82%	6.00%	6.23%	6.29%	6.29%	6.50%	6.30%	6.50%	
(70) ISR XL LL Recon End Balance	(\$99)	(\$609)	(\$55)	(\$34)	(\$22)	(\$10)	(\$3)	(\$2)	(\$2)	\$0	\$3	\$7	
(71) Under/(over) Recovery	(\$17,352)	(\$13,627)	(\$9,905)	(\$5,747)	(\$3,346)	(\$759)	(\$397)	(\$527)	(\$129)	(\$282)	\$765	\$1,934	
(72) ISR XL HL Act Beg. Balance Under/(Over) Recovery													
(73) FY 2022 Recon													
(74) Actual XL HL Revenue	(\$57,012)	(\$565,062)	(\$483,017)	(\$422,779)	(\$367,781)	(\$323,156)	(\$264,898)	(\$229,095)	(\$186,598)	(\$146,793)	(\$105,733)	(\$64,106)	
(75) Ending XL HL Balance	(\$5,762)	(\$20,031)	(\$62,348)	(\$56,735)	(\$46,329)	(\$39,704)	(\$37,107)	(\$43,562)	(\$40,693)	(\$41,755)	(\$42,080)	(\$43,204)	
(76) Average Monthly Balance	(\$19,004)	(\$18,517)	(\$16,077)	(\$14,575)	(\$12,443)	(\$10,533)	(\$9,862)	(\$8,847)	(\$8,533)	(\$8,533)	(\$8,533)	(\$8,533)	
(77) BK America Rate less 200 Basis Points	(\$569,878)	(\$522,869)	(\$451,843)	(\$394,412)	(\$344,617)	(\$293,304)	(\$246,345)	(\$207,314)	(\$166,251)	(\$125,916)	(\$84,693)	(\$45,504)	
(78) Interest Applied	4.95%	5.27%	5.30%	5.74%	5.82%	6.00%	6.23%	6.29%	6.29%	6.50%	6.30%	6.50%	
(79) ISR XL HL Recon End Balance	(\$2,340)	(\$2,111)	(\$1,737)	(\$1,446)	(\$1,303)	(\$1,065)	(\$888)	(\$745)	(\$695)	(\$645)	(\$452)	(\$235)	
(80) Under/(over) Recovery	(\$565,062)	(\$483,017)	(\$422,779)	(\$367,781)	(\$323,156)	(\$264,898)	(\$229,095)	(\$186,598)	(\$146,793)	(\$105,733)	(\$64,106)	(\$21,136)	
(81) Under/(over) Recovery	\$11,950	\$82,045	\$60,237	\$54,998	\$44,626	\$38,258	\$35,803	\$42,497	\$39,805	\$41,060	\$41,627	\$42,969	
Approved Amount to be Recovered Under/(Over) Recovery													
													(\$3,950,267)
													(\$636,061)

*R.I.P.U.C. Docket No. 22-13-NG, Schedule PRB-7S, Page 1 of 2, Column (f)

The Narragansett Electric Company
d/b/a Rhode Island Energy

The Narragansett Electric Company
d/b/a Rhode Island Energy
R.I.P.U.C. Docket No. 23-23-NG
Schedule PRB/TGS-9
Page 9 of 9

Non-Base Rate / Gas Year Reconciling Components

October 31, 2022 Ending Deferred Balances

Description	Forecast ¹	Actual	Variance
	(a)	(b)	(c) = (b) - (a)
(1) System Pressure	\$2,198,604	\$2,322,355	\$123,751
(2) Advanced Gas Technology	\$29,623	\$29,881	\$259
(3) Environmental - DAC	\$19,985	\$32,259	\$12,274
(4) Arrearage Management	(\$8,038)	(\$4,401)	\$3,637
(5) Previous Reconciliation Factor - Applicable to All	\$216,362	\$253,021	\$36,660
(6) Previous Reconciliation Factor - Large & Extra Large	(\$157,725)	(\$153,479)	\$4,246
(7) Pension	\$292,007	\$361,720	\$69,712
(8) PBOP	\$114,446	\$130,505	\$16,059
(9) Earnings Sharing Mechanism	\$19,147	\$19,314	\$167
(10) Low Income Discount Recovery	\$1,354,736	\$1,625,480	\$270,745
(11) Service Quality Penalty	(\$17,187)	(\$18,857)	(\$1,671)
(12) Storm Net Revenue	(\$26,297)	(\$29,658)	(\$3,361)
(13) RDM			
(14) RDA Reconciliation	(\$29,389)	(\$29,402)	(\$14)
(15) RDM Recon Reconciliation	<u>\$36,619</u>	<u>\$36,659</u>	<u>\$40</u>
(16) Sub-Total RDM	\$7,230	\$7,257	\$27
(17) ISR Recon			
(18) Residential	(\$474,144)	(\$527,210)	(\$53,066)
(19) Small C&I	(\$17,507)	(\$30,249)	(\$12,742)
(20) Medium C&I	(\$114,838)	(\$116,735)	(\$1,897)
(21) Large Low Load C&I	(\$748)	(\$15,459)	(\$14,711)
(22) Large High Load C&I	\$1,919	(\$1,083)	(\$3,002)
(23) Extra Large Low Load C&I	\$8,970	\$8,649	(\$321)
(24) Extra Large High Load C&I	<u>(\$5,762)</u>	<u>(\$12,875)</u>	<u>(\$7,113)</u>
(25) Sub-Total ISR	(\$602,110)	(\$694,962)	(\$92,852)
(26) COVID Deferral			
(27) Residential Non-Heating	\$6,085	\$5,186	(\$899)
(28) Residential Non-Heating - Low Income	(\$821)	(\$1,032)	(\$211)
(29) Residential Heating	\$763,693	\$838,286	\$74,593
(30) Residential Heating - Low Income	(\$4,725)	(\$7,682)	(\$2,957)
(31) Small C&I	\$42,240	\$62,296	\$20,055
(32) Medium C&I	\$447,085	\$451,659	\$4,573
(33) Large Low Load C&I	\$14,559	\$26,804	\$12,245
(34) Large High Load C&I	\$7,997	\$17,618	\$9,621
(35) Extra Large Low Load C&I	(\$14,055)	(\$13,204)	\$851
(36) Extra Large High Load C&I	<u>\$93,151</u>	<u>\$116,508</u>	<u>\$23,358</u>
(37) Sub-Total COVID Deferral	\$1,355,209	\$1,496,437	\$141,228
(38) Total	\$4,795,991	\$5,376,871	\$580,879

¹ R.I.P.U.C. Docket 22-13-NG, Schedule PRB-9S, Pages 1, 7, 8, 9, and 10, filed on September 1, 2022.

- (1) See PRB/TGS-10, Page 1, Col (g), Line (9)
- (2) See PRB/TGS-10, Page 1, Col (g), Line (21)
- (3) See PRB/TGS-10, Page 1, Col (g), Line (33)
- (4) See PRB/TGS-10, Page 1, Col (g), Line (45)
- (5) See PRB/TGS-10, Page 2, Col (g), Line (57)
- (6) See PRB/TGS-10, Page 2, Col (g), Line (69)
- (7) See PRB/TGS-10, Page 2, Col (g), Line (81)
- (8) See PRB/TGS-10, Page 2, Col (g), Lines (93)
- (9) See PRB/TGS-10, Page 3, Col (g), Lines (105)
- (10) See PRB/TGS-10, Page 3, Col (g), Lines (114)
- (11) See PRB/TGS-10, Page 3, Col (g), Lines (126)
- (12) See PRB/TGS-10, Page 4, Col (g), Lines (138)
- (16) See PRB/TGS-10, Page 5, Col (g), Lines (18) and (36)
- (25) See PRB/TGS-10, Pages 6-9, Col (g), Lines (12), (24), (36), (48), (60), (72), (84)
- (37) See PRB/TGS-10, Pages 10-12, Col (g), Lines (47), (59), (71), (83), (95), (107), (119), (131), (143), (155)
- (38) Net owed to Company, sum[Lines[(1):(12)] + Line (16) + Line (25) + Line (37)

**THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
R.I.P.U.C. DOCKET NO. 23-23-NG
DISTRIBUTION ADJUSTMENT CHARGE FILING
WITNESSES: PETER R. BLAZUNAS & TYLER G. SHIELDS**

Schedule PRB/TGS-10
Reconciliations for FY 22

The Narragansett Electric Company
d/b/a Rhode Island Energy
Non-Base Rate / Gas Year Reconciling Components (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30	31	Actual	31	Actual	30	31	Actual	31	Actual	28	31
	(e)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) System Pressure Recon Adjust.												
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	\$4,383,347	\$3,648,338	\$3,213,370	\$3,011,243	\$2,838,424	\$2,678,098	\$2,513,285	\$2,322,355	\$1,377,767	(\$2,437,497)	(\$2,051,301)	\$22,466,046
(3) Actual Costs	(\$68,844)	(\$21,107)	\$20,156	\$20,156	\$20,156	\$20,156	\$20,156	\$665,650	\$3,844,493	\$10,788,471	\$33,671,047	\$17,918,455
(4) Actual Revenue	\$671,113	\$419,510	\$238,366	\$200,046	\$188,669	\$192,915	\$219,750	\$1,617,750	\$7,657,391	\$10,391,815	\$9,198,547	\$8,482,571
(5) Ending Balance Under/(Over) Recovery	\$3,643,390	\$3,207,722	\$3,005,160	\$2,831,353	\$2,669,911	\$2,505,340	\$2,313,643	\$1,370,255	(\$2,435,131)	(\$2,040,841)	\$22,421,199	\$31,901,931
(6) Average Monthly Balance Under/(Over) Recovery	\$4,013,369	\$3,428,030	\$3,109,265	\$2,921,298	\$2,754,168	\$2,591,719	\$2,413,464	\$1,846,305	(\$528,682)	(\$2,239,169)	\$10,184,949	\$27,183,988
(7) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.40%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(8) Interest Applied	\$4,948	\$5,648	\$6,082	\$7,021	\$8,187	\$9,946	\$12,712	\$17,512	(\$2,360)	(\$10,460)	\$44,847	\$134,321
(9) Sys Pressure End Balance Under/(Over) Recovery	\$3,648,338	\$3,213,370	\$3,011,243	\$2,838,424	\$2,678,098	\$2,513,285	\$2,322,355	\$1,377,767	(\$2,437,497)	(\$2,051,301)	\$22,466,046	\$32,036,301
(10) Advanced Gas Technology												
(11) AGTA Acct Beg. Balance Under/(Over) Recovery	\$28,732	\$28,683	\$29,093	\$29,301	\$29,363	\$29,538	\$29,760	\$29,881	(\$31)	(\$18)	(\$45)	(\$102)
(12) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$29,623)	\$0	\$0	\$0	\$0
(13) AGTDAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,559)	\$0	\$0	\$0	\$0
(14) AGT Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(15) Subtotal	\$28,732	\$28,683	\$29,093	\$29,301	\$29,363	\$29,538	\$29,760	\$29,881	(\$31)	(\$18)	(\$45)	(\$102)
(16) Actual AGT Revenue	\$84	(\$562)	(\$151)	\$8	(\$87)	(\$131)	(\$14)	(\$31)	(\$18)	(\$45)	\$56	(\$911)
(17) Ending AGT Balance Under/(Over) Recovery	\$28,648	\$29,045	\$29,244	\$29,293	\$29,450	\$29,669	\$29,774	(\$31)	(\$18)	(\$45)	(\$101)	\$810
(18) Average Monthly Balance Under/(Over) Recovery	\$28,690	\$28,864	\$29,168	\$29,297	\$29,407	\$29,603	\$29,767	(\$15)	(\$24)	(\$32)	(\$73)	\$354
(19) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.40%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(20) Interest Applied	\$35	\$48	\$57	\$71	\$87	\$91	\$107	(\$20)	(\$20)	(\$20)	(\$20)	\$2
(21) AGT End Balance Under/(Over) Recovery	\$28,683	\$29,093	\$29,301	\$29,363	\$29,538	\$29,760	\$29,881	(\$31)	(\$18)	(\$45)	(\$102)	\$812
(22) Environmental Recon. Adjust - DAC												
(23) Environmental Acct Beg. Balance Under/(Over) Recovery	\$236,213	\$171,425	\$130,734	\$108,892	\$89,778	\$71,794	\$53,330	\$32,259	\$404,856	\$361,323	\$302,623	\$250,651
(24) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$19,985)	\$0	\$0	\$0	\$0
(25) Environmental DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$12,274)	\$0	\$0	\$0	\$0
(26) Environmental Response Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$438,725	\$0	\$0	\$0	\$0
(27) Subtotal	\$236,213	\$171,425	\$130,734	\$108,892	\$89,778	\$71,794	\$53,330	\$438,725	\$404,856	\$361,323	\$302,623	\$250,651
(28) Actual Environmental Revenue	\$65,039	\$40,940	\$22,076	\$19,354	\$18,224	\$18,655	\$21,226	\$35,581	\$45,244	\$60,247	\$53,188	\$50,947
(29) Ending Environmental Balance Under/(Over) Recovery	\$171,174	\$130,485	\$108,658	\$89,538	\$71,554	\$53,139	\$32,104	\$403,144	\$359,612	\$301,076	\$249,435	\$199,704
(30) Average Monthly Balance Under/(Over) Recovery	\$203,694	\$150,955	\$119,696	\$99,215	\$80,666	\$62,466	\$42,717	\$42,934	\$382,234	\$331,200	\$276,029	\$225,177
(31) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.40%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(32) Interest Applied	\$251	\$249	\$234	\$240	\$240	\$192	\$154	\$113	\$121	\$147	\$125	\$113
(33) Environmental Recon End Balance Under/(Over) Recovery	\$171,425	\$130,734	\$108,892	\$89,778	\$71,794	\$53,330	\$32,259	\$404,856	\$361,323	\$302,623	\$250,651	\$200,817
(34) AMAF Adjustment - DAC												
(35) AMAF Acct Beg. Balance Under/(Over) Recovery	\$59,993	\$39,770	\$26,888	\$19,946	\$13,898	\$8,167	\$2,261	(\$4,401)	\$102,283	\$93,610	\$82,026	\$71,812
(36) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$8,038)	\$0	\$0	\$0	\$0
(37) AMAF DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,637)	\$0	\$0	\$0	\$0
(38) AMAF Adjustment Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,061	\$0	\$0	\$0	\$0
(39) Subtotal	\$59,993	\$39,770	\$26,888	\$19,946	\$13,898	\$8,167	\$2,261	(\$4,401)	\$102,283	\$93,610	\$82,026	\$71,812
(40) Actual AMAF Revenue	\$20,284	\$12,937	\$6,988	\$6,089	\$5,764	\$5,922	\$6,658	\$10,213	\$9,111	\$11,993	\$10,552	\$10,761
(41) Ending AMAF Balance Under/(Over) Recovery	\$39,709	\$26,833	\$19,900	\$13,857	\$8,134	\$2,245	(\$4,397)	\$101,848	\$93,172	\$81,617	\$71,474	\$61,051
(42) Average Monthly Balance Under/(Over) Recovery	\$49,851	\$33,402	\$23,394	\$16,901	\$11,016	\$5,206	(\$1,068)	\$106,954	\$97,228	\$87,613	\$76,750	\$66,431
(43) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.40%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(44) Interest Applied	\$61	\$55	\$46	\$41	\$33	\$16	(\$4)	\$435	\$437	\$409	\$338	\$328
(45) AMAF Recon End Balance Under/(Over) Recovery	\$39,770	\$26,888	\$19,946	\$13,898	\$8,167	\$2,261	(\$4,401)	\$102,283	\$93,610	\$82,026	\$71,812	\$61,379

(26) Docket 22-13-NG, Schedule PRB-IS Revised, Pg. 1, Ln (2)
(28) Docket 22-13-NG, Schedule PRB-9S, Pg. 2, Ln (20)
(35) Docket 22-13-NG, Schedule PRB-9S, Pg. 2, Ln (27)
(36) Schedule PRB/TGS-9, Page 9, Line (4), Column (a)
(37) Schedule PRB/TGS-9, Page 9, Line (2), Column (c)
(38) Docket 22-13-NG, Schedule PRB-IS Revised, Pg. 1, Ln (4)
(40) Docket 22-13-NG, Schedule PRB-9S, Pg. 2, Ln (28)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Non-Base Rate / Gas Year Reconciling Components (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
(46) Reconciliation Factor (Applicable to all) - DAC												
(47) Reconciliation Factor (Applicable to all) - DAC												
(48) Reconciliation Factor (Applicable to all) - DAC												
(49) Reconciliation Factor (Applicable to all) - DAC												
(50) Reconciliation Factor (Applicable to all) - DAC												
(51) Subtotal												
(52) Actual Reconciliation Factor	\$370,536	\$326,464	\$300,599	\$289,178	\$280,060	\$272,365	\$264,302	\$253,021	\$5,190,596	\$4,827,534	\$4,248,545	\$3,745,156
(53) Ending Reconciliation Factor	\$44,501	\$26,382	\$11,997	\$9,806	\$8,515	\$8,884	\$12,213	\$10,858	\$385,432	\$600,137	\$520,950	\$507,295
(54) Average Monthly Balance Under/(Over) Recovery	\$348,285	\$313,273	\$294,600	\$284,275	\$275,802	\$267,923	\$258,196	\$251,978	\$4,997,880	\$4,527,465	\$3,988,070	\$3,491,509
(55) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(56) Interest Applied	\$429	\$516	\$576	\$688	\$820	\$881	\$932	\$1,237	\$2,270	\$2,149	\$1,561	\$1,259
(57) Reconciliation End Balance Under/(Over) Recovery	\$326,464	\$300,599	\$289,178	\$280,060	\$272,365	\$264,302	\$253,021	\$251,978	\$4,827,534	\$4,248,545	\$3,745,156	\$3,255,120
(58) Reconciliation Factor (L & XL) - DAC												
(59) Reconciliation Factor (L & XL) - DAC												
(60) Reconciliation Factor (L & XL) - DAC												
(61) Reconciliation Factor (L & XL) - DAC												
(62) Reconciliation Factor (L & XL) - DAC												
(63) Subtotal												
(64) Actual Reconciliation Factor	(\$99,737)	\$112,202	(\$120,830)	(\$127,412)	(\$133,913)	(\$140,543)	(\$147,241)	(\$153,479)	(\$154,724)	(\$341,186)	(\$524,036)	(\$696,311)
(65) Ending Reconciliation Factor	\$12,335	\$8,436	\$6,339	\$6,186	\$6,222	\$6,258	\$6,288	\$6,318	\$6,348	\$6,378	\$6,408	\$6,438
(66) Average Monthly Balance Under/(Over) Recovery	(\$108,904)	(\$116,420)	(\$124,000)	(\$131,505)	(\$139,020)	(\$146,535)	(\$154,050)	(\$161,565)	(\$169,080)	(\$356,603)	(\$544,131)	(\$731,646)
(67) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(68) Interest Applied	(\$131)	(\$192)	(\$243)	(\$316)	(\$407)	(\$440)	(\$524)	(\$581)	(\$1,102)	(\$2,016)	(\$2,681)	(\$3,764)
(69) Reconciliation End Balance Under/(Over) Recovery	(\$112,202)	(\$120,830)	(\$127,412)	(\$133,913)	(\$140,543)	(\$147,241)	(\$153,479)	(\$159,724)	(\$166,000)	(\$341,186)	(\$524,036)	(\$696,311)
(70) Pension Adjustment												
(71) Pension Adjustment												
(72) Pension Adjustment												
(73) Pension Adjustment												
(74) Pension Adjustment												
(75) Subtotal												
(76) Actual Pension Adjustment	\$1,480,550	\$1,121,399	\$901,610	\$783,393	\$678,648	\$579,265	\$477,525	\$361,720	\$2,322,569	\$2,039,767	\$1,666,040	\$1,336,419
(77) Ending Pension Adjustment	\$360,754	\$221,455	\$119,863	\$106,512	\$101,250	\$103,358	\$117,317	\$129,258	\$292,342	\$382,363	\$336,216	\$311,840
(78) Average Monthly Balance Under/(Over) Recovery	\$1,119,796	\$899,944	\$781,747	\$676,881	\$577,398	\$475,907	\$360,208	\$252,462	\$2,030,227	\$1,657,404	\$1,329,824	\$1,024,579
(79) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(80) Interest Applied	\$1,603	\$1,665	\$1,646	\$1,767	\$1,867	\$1,617	\$1,512	\$2,834	\$9,240	\$8,635	\$6,596	\$5,833
(81) Pension Adjustment End Balance Under/(Over) Recovery	\$1,121,399	\$901,610	\$783,393	\$678,648	\$579,265	\$477,525	\$361,720	\$252,462	\$2,039,767	\$1,666,040	\$1,336,419	\$1,030,415
(82) PBOP Adjustment												
(83) PBOP Adjustment												
(84) PBOP Adjustment												
(85) PBOP Adjustment												
(86) PBOP Adjustment												
(87) Subtotal												
(88) Actual PBOP Adjustment	\$432,283	\$337,568	\$276,669	\$242,712	\$214,023	\$188,217	\$161,792	\$130,505	\$577,803	\$520,495	\$434,750	\$356,801
(89) Ending PBOP Adjustment	\$95,190	\$61,404	\$34,465	\$29,241	\$26,403	\$26,960	\$31,814	\$46,448	\$109,771	\$149,687	\$139,877	\$139,877
(90) Average Monthly Balance Under/(Over) Recovery	\$337,093	\$276,164	\$242,204	\$213,471	\$187,620	\$161,257	\$129,978	\$83,057	\$568,032	\$520,808	\$434,873	\$316,924
(91) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(92) Interest Applied	\$474	\$506	\$508	\$552	\$597	\$536	\$527	\$833	\$2,452	\$2,226	\$1,739	\$1,526
(93) PBOP Adjustment End Balance Under/(Over) Recovery	\$337,568	\$276,669	\$242,712	\$214,023	\$188,217	\$161,792	\$130,505	\$101,666	\$577,803	\$520,495	\$434,750	\$356,801
(47) Docket 22-13-NG, Schedule PRB-9S, Pg. 3, Ln (34)												
(48) Schedule PRB/TGS-9, Page 9, Line (5), Column (a)												
(49) Schedule PRB/TGS-9, Page 9, Line (5), Column (a)												
(50) Docket 22-13-NG, Schedule PRB-9S, Pg. 1, Ln (14)												
(51) Docket 22-13-NG, Schedule PRB-9S, Pg. 3, Ln (36)												
(52) Docket 22-13-NG, Schedule PRB-9S, Pg. 3, Ln (36)												
(53) Docket 22-13-NG, Schedule PRB-9S, Pg. 3, Ln (36)												
(54) Schedule PRB/TGS-9, Page 9, Line (6), Column (a)												
(55) Schedule PRB/TGS-9, Page 9, Line (6), Column (a)												
(56) Docket 22-13-NG, Schedule PRB-9S, Pg. 1, Ln (26)												
(57) Docket 22-13-NG, Schedule PRB-9S, Pg. 3, Ln (44)												

The Narragansett Electric Company
d/b/a Rhode Island Energy
Non-Base Rate / Gas Year Reconciling Components (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(e)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(94) Earnings Sharing Mechanism												
(95) ESM Acct Beg. Balance Under/(Over) Recovery	\$18,571	\$18,540	\$18,804	\$18,939	\$18,980	\$19,093	\$19,235	\$19,314	(\$20)	(\$12)	(\$30)	(\$66)
(96) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(97) ESM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(98) ESM Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(99) Subtotal	\$18,571	\$18,540	\$18,804	\$18,939	\$18,980	\$19,093	\$19,235	\$19,314	(\$20)	(\$12)	(\$30)	(\$66)
(100) Actual ESM Revenue	\$54	(\$234)	(\$98)	\$5	(\$56)	(\$84)	(\$9)	\$20	(\$88)	\$18	\$36	(\$390)
(101) Ending ESM Balance Under/(Over) Recovery	\$18,517	\$18,774	\$18,902	\$18,934	\$19,036	\$19,177	\$19,244	(\$10)	(\$12)	(\$30)	(\$66)	\$224
(102) Average Monthly Balance Under/(Over) Recovery	\$18,544	\$18,657	\$18,853	\$18,937	\$19,008	\$19,135	\$19,240	(\$10)	(\$16)	(\$21)	(\$48)	\$229
(103) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.30%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(104) Interest Applied	\$23	\$31	\$37	\$46	\$57	\$69	\$81	\$91	\$116	\$156	\$281	\$461
(105) ESM Adjustment End Balance Under/(Over) Recovery	\$18,540	\$18,804	\$18,939	\$18,980	\$19,093	\$19,235	\$19,314	(\$20)	(\$12)	(\$30)	(\$66)	\$525
(106) Low Income Discount Recovery Adjustment												
(107) LIDRF Acct Beg. Balance Under/(Over) Recovery	\$859,340	\$1,114,024	\$1,275,053	\$1,352,106	\$1,427,574	\$1,473,949	\$1,533,186	\$1,533,186	\$44,917	\$6,913	\$60,185	\$67,944
(108) Actual Discount Credits Applied (cost)	\$946,419	\$593,787	\$312,836	\$282,092	\$240,973	\$257,287	\$315,705	\$518,291	\$965,457	\$1,395,826	\$1,194,301	\$1,155,814
(109) Actual LIDRF Revenue	\$692,951	\$434,724	\$238,350	\$209,984	\$198,905	\$202,652	\$229,101	\$473,465	\$1,003,577	\$1,342,710	\$1,186,824	\$1,105,306
(110) Ending LIDRF Balance	\$1,112,808	\$1,273,087	\$1,349,539	\$1,424,214	\$1,469,643	\$1,528,583	\$1,619,790	\$44,826	\$6,797	\$60,029	\$67,662	\$118,452
(111) Average Monthly Balance	\$986,074	\$1,193,555	\$1,312,296	\$1,388,160	\$1,448,608	\$1,501,266	\$1,576,488	\$22,413	\$25,857	\$33,471	\$63,924	\$93,198
(112) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.30%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(113) Interest Applied	\$126	\$167	\$216	\$287	\$386	\$516	\$690	\$91	\$116	\$156	\$281	\$461
(114) LIDRF End Balance Under/(Over) Recovery	\$1,114,024	\$1,275,053	\$1,352,106	\$1,427,574	\$1,473,949	\$1,533,186	\$1,625,480	\$44,917	\$6,913	\$60,185	\$67,944	\$118,913
(115) Service Quality Penalty Adjustment												
(116) SQI Acct Beg. Balance Under/(Over) Recovery	(\$29,775)	(\$25,802)	(\$23,233)	(\$22,180)	(\$21,410)	(\$20,604)	(\$19,754)	(\$18,857)	(\$663,703)	(\$595,316)	(\$501,236)	(\$417,736)
(117) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(118) SQI DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(119) Service Quality Penalty Cost	(\$29,775)	(\$25,802)	(\$23,233)	(\$22,180)	(\$21,410)	(\$20,604)	(\$19,754)	(\$18,857)	(\$663,703)	(\$595,316)	(\$501,236)	(\$417,736)
(120) Subtotal	(\$4,007)	(\$2,997)	(\$2,997)	(\$2,997)	(\$2,997)	(\$2,997)	(\$2,997)	(\$2,997)	(\$663,703)	(\$595,316)	(\$501,236)	(\$417,736)
(121) Actual SQI Revenue	(\$25,768)	(\$23,805)	(\$22,236)	(\$21,183)	(\$20,413)	(\$19,607)	(\$18,757)	(\$17,860)	(\$663,703)	(\$595,316)	(\$501,236)	(\$417,736)
(122) Ending SQI Balance Under/(Over) Recovery	(\$25,768)	(\$23,805)	(\$22,236)	(\$21,183)	(\$20,413)	(\$19,607)	(\$18,757)	(\$17,860)	(\$663,703)	(\$595,316)	(\$501,236)	(\$417,736)
(123) Average Monthly Balance Under/(Over) Recovery	(\$27,772)	(\$24,497)	(\$22,684)	(\$21,769)	(\$20,976)	(\$20,148)	(\$19,271)	(\$18,393)	(\$628,104)	(\$546,999)	(\$458,477)	(\$379,987)
(124) Bk. America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.30%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(125) Interest Applied	(\$34)	(\$40)	(\$44)	(\$53)	(\$62)	(\$62)	(\$70)	(\$70)	(\$281)	(\$255)	(\$209)	(\$186)
(126) SQI Recon End Balance Under/(Over) Recovery	(\$25,802)	(\$23,233)	(\$22,180)	(\$21,410)	(\$20,604)	(\$19,754)	(\$18,857)	(\$18,857)	(\$663,703)	(\$595,316)	(\$501,236)	(\$417,736)
(95) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (67)												
(96) Schedule PRB/TGS-9, Page 9, Line (9), Column (a)												
(97) Schedule PRB/TGS-9, Page 9, Line (9), Column (c)												
(98) Docket 22-13-NG, Schedule PRB-1S Revised, Pg. 1, Ln (7)												
(100) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (68)												
(107) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (75)												
(108) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (76)												
(109) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (77)												

The Narragansett Electric Company
d/b/a Rhode Island Energy
Non-Base Rate / Gas Year Reconciling Components (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(e)	(f)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(127) Storm Net Revenue Adjustment												
(128) Storm Net Revenue Acct Beg. Balance Under/(Over) Recovery	(\$79,803)	(\$63,612)	(\$53,605)	(\$48,268)	(\$43,559)	(\$39,241)	(\$34,812)	(\$29,658)	(\$159,456)	(\$142,160)	(\$118,647)	(\$97,802)
(129) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$26,297	\$0	\$0	\$0	\$0
(130) Storm Net Revenue DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,361	\$0	\$0	\$0	\$0
(131) Storm Net Revenue Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$168,824)	\$0	\$0	\$0	\$0
(132) Subtotal	(\$79,803)	(\$63,612)	(\$53,605)	(\$48,268)	(\$43,559)	(\$39,241)	(\$34,812)	(\$168,824)	(\$159,456)	(\$142,160)	(\$118,647)	(\$97,802)
(133) Actual Storm Net Revenue	(\$162,800)	(\$100,035)	(\$55,437)	(\$48,820)	(\$44,441)	(\$45,421)	(\$52,270)	(\$100,034)	(\$172,970)	(\$24,121)	(\$21,520)	(\$19,805)
(134) Ending Storm Net Revenue Balance Under/(Over) Recovery	(\$63,523)	(\$53,509)	(\$48,168)	(\$43,448)	(\$39,118)	(\$34,699)	(\$29,542)	(\$158,790)	(\$141,486)	(\$118,039)	(\$97,327)	(\$77,997)
(135) Average Monthly Balance Under/(Over) Recovery	(\$71,663)	(\$58,560)	(\$50,887)	(\$45,858)	(\$41,338)	(\$36,970)	(\$32,177)	(\$163,807)	(\$150,471)	(\$130,099)	(\$107,987)	(\$87,900)
(136) BK America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(137) Interest Applied	(\$88)	(\$90)	(\$100)	(\$111)	(\$123)	(\$133)	(\$146)	(\$166)	(\$173)	(\$188)	(\$175)	(\$134)
(138) Storm Net Revenue Recon End Balance Under/(Over) Recovery	(\$88)	(\$90)	(\$100)	(\$111)	(\$123)	(\$133)	(\$146)	(\$166)	(\$173)	(\$188)	(\$175)	(\$134)
	(\$63,612)	(\$53,605)	(\$48,268)	(\$43,559)	(\$39,241)	(\$34,812)	(\$29,658)	(\$159,456)	(\$142,160)	(\$118,647)	(\$97,802)	(\$78,532)

(128) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (92)
(129) Schedule PRB/TGS-9, Page 9, Line (12), Column (a)
(130) Schedule PRB/TGS-9, Page 9, Line (12), Column (e)
(131) Docket 22-13-NG, Schedule PRB-1S Revised, Pg. 1, Ln (9)
(133) Docket 22-13-NG, Schedule PRB-9S, Pg. 4, Ln (93)

The Narragansett Electric Company
d/b/a Rhode Island Energy
RDA Reconciliation (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Total
	30	31	30	31	31	30	31	30	31	31	28	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	(m)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
RDM Recon Rates \$/decatherm													
Res-NH, Res-H, Small, Medium	\$-0.0001	\$-0.0002	\$-0.0004	\$-0.0002	\$0.0000	\$-0.0001	\$0.0001	\$0.1266	\$0.2727	\$0.2733	\$0.2723	\$0.2709	
Actual Firm Throughput - dekatherns													
(1) Res-NH	32,841	23,411	13,925	13,600	11,114	11,805	13,822	18,710	27,320	40,280	35,822	36,220	278,870
(2) Res-H	2,115,364	1,219,071	533,373	434,433	358,820	392,231	535,994	1,055,981	2,054,335	3,210,515	2,765,009	2,712,292	17,387,419
(3) Small	251,327	135,731	57,509	46,509	39,954	36,750	53,389	109,557	252,052	427,971	379,305	362,158	2,152,210
(4) Medium	566,804	388,787	203,155	159,004	159,833	156,693	213,000	371,839	585,085	854,340	764,189	752,012	5,174,741
(5) Total	2,966,335	1,767,001	807,962	653,546	569,721	597,479	816,204	1,556,087	2,918,792	4,533,106	3,944,325	3,862,682	24,993,240
(6) RDM Reconciliation													
(7) RDM Acct Beg. Balance Under/(Over) Recovery	(\$29,794)	(\$29,642)	(\$29,404)	(\$29,170)	(\$29,130)	(\$29,190)	(\$29,249)	(\$29,402)	\$7,771,976	\$7,008,996	\$5,800,008	\$4,749,019	
(8) Res-NH	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(9) RDM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0	\$0	\$0	\$0	
(10) RDM Balance November 2022	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,804,264	\$0	\$0	\$0	\$0	
(11) Interest on RDM Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$132,875	\$0	\$0	\$0	\$0	
(12) Subtotal	(\$29,794)	(\$29,642)	(\$29,404)	(\$29,170)	(\$29,130)	(\$29,190)	(\$29,249)	\$7,937,139	\$7,771,976	\$7,008,996	\$5,800,008	\$4,749,019	
(13) Actual RDM Revenue	(\$188)	(\$287)	(\$291)	(\$110)	(\$27)	(\$30)	\$48	\$197,054	\$795,986	\$1,238,835	\$1,074,163	\$1,046,320	
(14) Ending RDM Balance Under/(Over) Recovery	(\$29,606)	(\$29,355)	(\$29,113)	(\$29,060)	(\$29,103)	(\$29,160)	(\$29,297)	\$7,740,085	\$6,975,990	\$5,770,161	\$4,725,844	\$3,702,699	
(15) Average Monthly Balance Under/(Over) Recovery	(\$29,700)	(\$29,499)	(\$29,258)	(\$29,115)	(\$29,117)	(\$29,175)	(\$29,273)	\$7,838,612	\$7,373,983	\$6,389,578	\$5,262,926	\$4,225,859	
(16) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%	
(17) Interest Applied	(\$37)	(\$49)	(\$57)	(\$70)	(\$87)	(\$89)	(\$106)	\$31,891	\$33,005	\$29,847	\$23,174	\$20,888	
(18) RDM Recon End Balance Under/(Over) Recovery	(\$29,642)	(\$29,404)	(\$29,170)	(\$29,130)	(\$29,190)	(\$29,249)	(\$29,402)	\$7,771,976	\$7,008,996	\$5,800,008	\$4,749,019	\$3,723,588	\$138,312
(19) RDM Revenue per rate class													
(20) Res-NH	(\$2)	(\$4)	(\$5)	(\$2)	(\$1)	(\$1)	\$1	\$2,369	\$7,450	\$11,008	\$9,755	\$9,811	\$40,381
(21) Res-H	(\$134)	(\$198)	(\$192)	(\$73)	(\$17)	(\$20)	\$31	\$133,723	\$560,239	\$877,389	\$752,999	\$734,703	\$3,058,450
(22) Small	(\$16)	(\$22)	(\$21)	(\$8)	(\$2)	(\$2)	\$3	\$13,874	\$68,737	\$116,959	\$103,297	\$98,101	\$400,900
(23) Medium	(\$36)	(\$63)	(\$73)	(\$27)	(\$8)	(\$8)	\$12	\$47,088	\$159,559	\$233,479	\$208,113	\$203,704	\$851,741
(24) Total	(\$188)	(\$287)	(\$291)	(\$110)	(\$27)	(\$30)	\$48	\$197,054	\$795,986	\$1,238,835	\$1,074,163	\$1,046,320	\$4,351,472
(25) RDM Recon Adjustment													
(26) RDM Recon Acct Beg. Balance Under/(Over) Recovery	\$188,242	\$135,166	\$104,183	\$89,445	\$78,313	\$66,607	\$54,090	\$36,659	\$7,260	\$7,292	\$7,326	\$7,359	
(27) Transfer to 2022-2023 Recon Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$36,619)	\$0	\$0	\$0	\$0	
(28) RDM DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$40)	\$0	\$0	\$0	\$0	
(29) RDM Balance November 2022	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,230	\$0	\$0	\$0	\$0	
(30) Subtotal	\$188,242	\$135,166	\$104,183	\$89,445	\$78,313	\$66,607	\$54,090	\$7,230	\$7,260	\$7,292	\$7,326	\$7,359	
(31) Actual RDM Recon Revenue	\$53,275	\$31,180	\$14,927	\$11,335	\$11,921	\$12,702	\$17,594	\$0	\$0	\$0	\$0	\$0	
(32) Ending RDM Recon Balance Under/(Over) Recovery	\$134,967	\$103,986	\$89,256	\$78,110	\$66,392	\$53,905	\$36,496	\$7,230	\$7,260	\$7,292	\$7,326	\$7,359	
(33) Average Monthly Balance Under/(Over) Recovery	\$161,604	\$119,576	\$96,719	\$83,778	\$72,352	\$60,256	\$45,293	\$7,230	\$7,260	\$7,292	\$7,326	\$7,359	
(34) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%	
(35) Interest Applied	\$199	\$197	\$189	\$203	\$215	\$185	\$163	\$29	\$32	\$34	\$32	\$36	
(36) RDM Recon Adjustment End Balance Under/(Over) Recovery	\$135,166	\$104,183	\$89,445	\$78,313	\$66,607	\$54,090	\$36,659	\$7,260	\$7,292	\$7,326	\$7,359	\$7,395	

(7) Docket 22-13-NG, Schedule PRB-9S, Pg. 6, Ln (7)
(8) Schedule PRB/TGS-9, Page 9, Line (14), Column (a)
(9) Schedule PRB/TGS-9, Page 9, Line (14), Column (c)
(10) Docket 22-13-NG, Schedule PRB-6, Pg. 1, Ln (5)
(11) Monthly interest on balance calculated from April - October at Bank of America rate less 200 basis points
(12) Col (b); Sum Lines [(7)+(11)]
(13) Docket 22-13-NG, Schedule PRB-9S, Pg. 6, Ln (8)
(26) Docket 22-13-NG, Schedule PRB-9S, Pg. 6, Ln (22)
(27) Schedule PRB/TGS-9, Page 9, Line (15), Column (a)
(28) Schedule PRB/TGS-9, Page 9, Line (15), Column (c)
(29) Docket 22-13-NG, Schedule PRB-9S, Pg. 6, Ln (29)
(30) Col (b); Sum Lines [(26)+(29)]
(31) Docket 22-13-NG, Schedule PRB-9S, Pg. 6, Ln (23)

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Reconciliation (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
ISR Recon Rates \$/decatherm												
Res-NH	(\$0.6520)	(\$0.6548)	(\$0.6583)	(\$0.6488)	(\$0.6687)	(\$0.6648)	(\$0.6556)	(\$0.4471)	(\$0.1488)	(\$0.1478)	(\$0.1463)	(\$0.1469)
Res-H	(\$0.2027)	(\$0.2023)	(\$0.2028)	(\$0.2029)	(\$0.2049)	(\$0.2012)	(\$0.2027)	(\$0.1777)	(\$0.1463)	(\$0.1460)	(\$0.1458)	(\$0.1459)
Small	(\$0.1799)	(\$0.1717)	(\$0.1738)	(\$0.1759)	(\$0.1772)	(\$0.1834)	(\$0.1794)	(\$0.1423)	(\$0.1013)	(\$0.1013)	(\$0.1010)	(\$0.1009)
Medium	(\$0.0920)	(\$0.0892)	(\$0.0885)	(\$0.0927)	(\$0.0893)	(\$0.0895)	(\$0.0918)	(\$0.1135)	(\$0.0589)	(\$0.0570)	(\$0.0578)	(\$0.0580)
Large LL	(\$0.1290)	(\$0.1350)	(\$0.1460)	(\$0.1121)	(\$0.1251)	(\$0.1280)	(\$0.1330)	(\$0.1135)	(\$0.0940)	(\$0.0908)	(\$0.0902)	(\$0.0928)
Large HL	(\$0.0427)	(\$0.0442)	(\$0.0430)	(\$0.0430)	(\$0.0430)	(\$0.0430)	(\$0.0430)	(\$0.0548)	(\$0.1152)	(\$0.1030)	(\$0.1063)	(\$0.1236)
XL-LL	(\$0.0537)	(\$0.0723)	\$0.0182	(\$0.0951)	(\$0.0546)	(\$0.0540)	(\$0.0539)	(\$0.0529)	(\$0.0235)	(\$0.0192)	(\$0.0191)	(\$0.0132)
XL-HL	(\$0.0348)	(\$0.0347)	(\$0.0349)	(\$0.0350)	(\$0.0349)	(\$0.0349)	(\$0.0349)	(\$0.0370)	(\$0.1299)	(\$0.0981)	(\$0.0956)	(\$0.0947)
Actual Firm Throughput - decatherms												
Res-NH	32,841	23,411	13,925	13,600	11,114	11,805	13,822	18,710	27,320	40,280	35,822	36,220
Res-H	2,115,364	1,219,071	533,373	434,433	358,820	392,231	535,994	1,055,981	2,054,335	3,210,515	2,765,009	2,712,292
Small	251,327	135,731	57,509	46,509	39,954	36,750	53,389	109,557	252,052	427,971	379,305	362,158
Medium	566,804	388,787	203,155	159,004	159,833	156,693	213,000	371,839	585,085	854,340	764,189	752,012
Large LL	328,126	172,386	46,989	44,152	37,244	39,681	43,046	207,783	288,799	494,993	444,933	401,405
Large HL	95,815	86,120	72,325	66,730	61,976	66,330	82,910	125,759	130,932	153,969	129,307	72,543
XL-LL	114,279	58,209	2,238	(2,330)	18,851	20,152	36,045	101,256	161,673	196,496	219,581	183,294
XL-HL	562,197	428,636	452,232	457,477	455,584	445,486	333,443	541,413	649,479	635,539	593,380	489,454
Total	4,066,752	2,512,352	1,381,748	1,219,576	1,143,375	1,169,127	1,331,647	2,532,298	4,149,676	6,014,102	5,331,526	5,009,377
(1) ISR Res Acct Beg. Balance Under/(Over) Recovery	(\$1,724,949)	(\$1,276,536)	(\$1,016,486)	(\$901,048)	(\$806,132)	(\$727,444)	(\$642,783)	(\$527,210)	(\$2,828,158)	(\$2,535,530)	(\$2,071,431)	(\$1,671,284)
(2) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$53,066	\$0	\$0	\$0	\$0
(3) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$474,144)	\$0	\$0	\$0	\$0
(4) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,496,595)	\$0	\$0	\$0	\$0
(5) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$42,507)	\$0	\$0	\$0	\$0
(6) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,539,102)	\$0	\$0	\$0	\$0
(7) Actual Res Revenue	(\$450,261)	(\$261,938)	(\$117,311)	(\$96,980)	(\$80,964)	(\$86,758)	(\$117,682)	(\$195,984)	(\$304,605)	(\$474,833)	(\$408,370)	(\$400,916)
(8) Ending Res Balance Under/(Over) Recovery	(\$1,274,687)	(\$1,014,598)	(\$899,174)	(\$804,068)	(\$725,168)	(\$640,686)	(\$525,102)	(\$2,817,262)	(\$2,523,553)	(\$2,060,696)	(\$1,663,062)	(\$1,270,368)
(9) Average Monthly Balance Under/(Over) Recovery	(\$1,499,818)	(\$1,145,567)	(\$957,830)	(\$852,558)	(\$765,650)	(\$684,065)	(\$583,943)	(\$2,678,182)	(\$2,675,855)	(\$2,298,113)	(\$1,867,247)	(\$1,470,826)
(10) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(11) Interest Applied	(\$1,849)	(\$1,888)	(\$1,874)	(\$2,064)	(\$2,276)	(\$2,097)	(\$2,108)	(\$10,896)	(\$11,977)	(\$10,735)	(\$8,222)	(\$7,270)
(12) ISR Res Recon End Balance Under/(Over) Recovery	(\$1,276,536)	(\$1,016,486)	(\$901,048)	(\$806,132)	(\$727,444)	(\$642,783)	(\$527,210)	(\$2,828,158)	(\$2,535,530)	(\$2,071,431)	(\$1,671,284)	(\$1,277,639)
Under/(over) Recovery	\$448,412	\$260,051	\$115,438	\$94,916	\$78,688	\$84,661	\$115,574	(\$2,300,948)	\$292,628	\$464,098	\$400,148	\$393,645

- (1) Docket 22-13-NG, Schedule PRB-9S, Pg. 7, Ln (18) + Ln (27)
- (2) Schedule PRB/TGS-9, Page 9, Line (15), Column (c)
- (3) Schedule PRB/TGS-9, Page 9, Line (15), Column (a)
- (4) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (3)
- (5) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (6) Line (4) + Line (5)

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Reconciliation (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(13) ISR Small C&I Acct Beg. Balance Under/(Over) Recovery	(\$139,376)	(\$94,314)	(\$71,147)	(\$61,283)	(\$53,241)	(\$46,310)	(\$39,701)	(\$30,249)	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)
(14) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,742	\$0	\$0	\$0	\$0
(15) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$17,507)	\$0	\$0	\$0	\$0
(16) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$235,346)	\$0	\$0	\$0	\$0
(17) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,007)	\$0	\$0	\$0	\$0
(18) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$239,353)	\$0	\$0	\$0	\$0
(19) Actual Small C&I Revenue	(\$45,206)	(\$23,303)	(\$9,993)	(\$8,180)	(\$7,079)	(\$6,740)	(\$9,578)	(\$15,586)	(\$25,541)	(\$43,342)	(\$38,309)	(\$36,536)
(20) Ending Small C&I Balance Under/(Over) Recovery	(\$94,170)	(\$71,010)	(\$61,153)	(\$53,103)	(\$46,162)	(\$39,570)	(\$30,123)	(\$24,274)	(\$216,711)	(\$174,396)	(\$137,003)	(\$101,154)
(21) Average Monthly Balance Under/(Over) Recovery	(\$116,773)	(\$82,662)	(\$66,150)	(\$57,193)	(\$49,702)	(\$42,940)	(\$34,912)	(\$240,313)	(\$229,481)	(\$196,067)	(\$156,157)	(\$119,422)
(22) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(23) Interest Applied	(\$144)	(\$136)	(\$129)	(\$138)	(\$148)	(\$132)	(\$126)	(\$978)	(\$1,027)	(\$916)	(\$688)	(\$590)
(24) ISR Small C&I Recon End Balance Under/(Over) Recovery	(\$94,314)	(\$71,147)	(\$61,283)	(\$53,241)	(\$46,310)	(\$39,701)	(\$30,249)	(\$242,252)	(\$217,738)	(\$175,312)	(\$137,690)	(\$101,745)
Under/(over) Recovery	\$45,062	\$23,167	\$9,864	\$8,041	\$6,932	\$6,609	\$9,452	(\$212,003)	\$24,514	\$42,426	\$37,622	\$35,946
(25) ISR Medium Acct Beg. Balance Under/(Over) Recovery	(\$281,701)	(\$229,893)	(\$195,162)	(\$177,555)	(\$163,233)	(\$149,423)	(\$135,837)	(\$116,735)	(\$301,939)	(\$268,755)	(\$221,233)	(\$177,936)
(26) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,897	\$0	\$0	\$0	\$0
(27) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$114,838)	\$0	\$0	\$0	\$0
(28) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$212,061)	\$0	\$0	\$0	\$0
(29) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,611)	\$0	\$0	\$0	\$0
(30) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$215,671)	\$0	\$0	\$0	\$0
(31) Actual Medium Revenue	(\$52,124)	(\$35,081)	(\$17,971)	(\$14,734)	(\$14,274)	(\$14,023)	(\$19,557)	(\$29,622)	(\$34,458)	(\$48,664)	(\$44,174)	(\$43,592)
(32) Ending Medium Balance Under/(Over) Recovery	(\$229,578)	(\$194,812)	(\$177,191)	(\$162,821)	(\$148,959)	(\$135,400)	(\$116,280)	(\$300,888)	(\$267,481)	(\$220,091)	(\$177,059)	(\$134,343)
(33) Average Monthly Balance Under/(Over) Recovery	(\$255,639)	(\$212,352)	(\$186,177)	(\$170,188)	(\$156,096)	(\$142,412)	(\$126,058)	(\$258,280)	(\$284,710)	(\$244,423)	(\$199,146)	(\$156,140)
(34) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(35) Interest Applied	(\$315)	(\$350)	(\$364)	(\$412)	(\$464)	(\$437)	(\$455)	(\$1,051)	(\$1,274)	(\$1,142)	(\$877)	(\$772)
(36) ISR Medium Recon End Balance Under/(Over) Recovery	(\$229,893)	(\$195,162)	(\$177,555)	(\$163,233)	(\$149,423)	(\$135,837)	(\$116,735)	(\$301,939)	(\$268,755)	(\$221,233)	(\$177,936)	(\$135,115)
Under/(over) Recovery	\$51,808	\$34,731	\$17,607	\$14,322	\$13,810	\$13,587	\$19,102	(\$185,204)	\$33,183	\$47,522	\$43,298	\$42,820

(31) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (47)

- (13) Docket 22-13-NG, Schedule PRB-9S, Pg. 7, Ln (36)
- (14) Schedule PRB/TGS-9, Page 9, Line (19), Column (c)
- (15) Schedule PRB/TGS-9, Page 9, Line (19), Column (a)
- (16) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (4)
- (17) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (18) Line (16) + Line (17)
- (19) Docket 22-13-NG, Schedule PRB-9S, Pg. 7, Ln (38)
- (25) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (45)
- (26) Schedule PRB/TGS-9, Page 9, Line (20), Column (c)
- (27) Schedule PRB/TGS-9, Page 9, Line (20), Column (a)
- (28) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (5)
- (29) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (30) Line (28) + Line (29)

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Reconciliation (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(37) ISR Large LL Acct Beg. Balance Under/(Over) Recovery	(\$107,784)	(\$65,546)	(\$42,356)	(\$35,570)	(\$30,700)	(\$26,124)	(\$21,119)	(\$15,459)	(\$249,457)	(\$223,361)	(\$179,376)	(\$139,935)
(38) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,711	\$0	\$0	\$0	\$0
(39) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$748)	\$0	\$0	\$0	\$0
(40) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$266,687)	\$0	\$0	\$0	\$0
(41) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$4,541)	\$0	\$0	\$0	\$0
(42) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$271,227)	\$0	\$0	\$0	\$0
(43) Actual Large LL Revenue	(\$42,344)	(\$23,279)	(\$6,862)	(\$4,950)	(\$4,660)	(\$5,077)	(\$5,726)	(\$23,575)	(\$27,152)	(\$44,923)	(\$40,143)	(\$37,236)
(44) Ending Large LL Balance Under/(Over) Recovery	(\$65,439)	(\$42,267)	(\$35,494)	(\$30,620)	(\$26,040)	(\$21,047)	(\$15,393)	(\$248,400)	(\$222,306)	(\$178,438)	(\$139,233)	(\$102,699)
(45) Average Monthly Balance Under/(Over) Recovery	(\$86,612)	(\$53,906)	(\$38,925)	(\$33,095)	(\$28,370)	(\$23,585)	(\$18,256)	(\$259,814)	(\$235,881)	(\$200,900)	(\$159,305)	(\$121,317)
(46) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(47) Interest Applied	(\$107)	(\$89)	(\$76)	(\$80)	(\$84)	(\$72)	(\$66)	(\$1,057)	(\$1,056)	(\$938)	(\$701)	(\$600)
(48) ISR Large LL Recon End Balance Under/(Over) Recovery	(\$65,546)	(\$42,356)	(\$35,570)	(\$30,700)	(\$26,124)	(\$21,119)	(\$15,459)	(\$249,457)	(\$223,361)	(\$179,376)	(\$139,935)	(\$103,299)
(49) ISR Large HL Acct Beg. Balance Under/(Over) Recovery	(\$23,873)	(\$19,808)	(\$16,034)	(\$12,954)	(\$10,112)	(\$7,471)	(\$4,640)	(\$1,083)	(\$135,329)	(\$120,815)	(\$105,484)	(\$92,179)
(50) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,002	\$0	\$0	\$0	\$0
(51) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,919	\$0	\$0	\$0	\$0
(52) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$141,175)	\$0	\$0	\$0	\$0
(53) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$2,404)	\$0	\$0	\$0	\$0
(54) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$143,579)	\$0	\$0	\$0	\$0
(55) Actual Large HL Revenue	(\$4,092)	(\$3,804)	(\$3,108)	(\$2,869)	(\$2,667)	(\$2,850)	(\$3,566)	(\$6,897)	(\$15,086)	(\$15,859)	(\$13,739)	(\$8,966)
(56) Ending Large HL Balance Under/(Over) Recovery	(\$19,781)	(\$16,004)	(\$12,925)	(\$10,084)	(\$7,445)	(\$4,621)	(\$1,073)	(\$134,763)	(\$120,243)	(\$104,956)	(\$91,745)	(\$83,212)
(57) Average Monthly Balance Under/(Over) Recovery	(\$21,827)	(\$17,906)	(\$14,480)	(\$11,519)	(\$8,779)	(\$6,046)	(\$2,856)	(\$139,171)	(\$127,786)	(\$112,886)	(\$98,614)	(\$87,696)
(58) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(59) Interest Applied	(\$27)	(\$30)	(\$28)	(\$28)	(\$26)	(\$19)	(\$10)	(\$566)	(\$572)	(\$577)	(\$434)	(\$433)
(60) ISR Large HL Recon End Balance Under/(Over) Recovery	(\$19,808)	(\$16,034)	(\$12,954)	(\$10,112)	(\$7,471)	(\$4,640)	(\$1,083)	(\$135,329)	(\$120,815)	(\$105,484)	(\$92,179)	(\$83,646)

(55) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (65)

- (37) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (54)
- (38) Schedule PRB/TGS-9, Page 9, Line (21), Column (c)
- (39) Schedule PRB/TGS-9, Page 9, Line (21), Column (a)
- (40) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (6)
- (41) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (42) Line (40) + Line (41)
- (43) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (56)
- (49) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (63)
- (50) Schedule PRB/TGS-9, Page 9, Line (22), Column (c)
- (51) Schedule PRB/TGS-9, Page 9, Line (22), Column (a)
- (52) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (7)
- (53) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (54) Line (52) + Line (53)

The Narragansett Electric Company
d/b/a Rhode Island Energy
ISR Reconciliation (April 2022 - March 2023)

	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(61) ISR XL LL Act Bg. Balance Under/(Over) Recovery	(\$5,576)	\$556	\$4,767	\$4,736	\$4,525	\$5,570	\$6,677	\$8,649	(\$17,352)	(\$13,627)	(\$9,906)	(\$5,747)
(62) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$321	\$0	\$0	\$0	\$0
(63) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,970	\$0	\$0	\$0	\$0
(64) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$31,050)	\$0	\$0	\$0	\$0
(65) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$529)	\$0	\$0	\$0	\$0
(66) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$31,579)	\$0	\$0	\$0	\$0
(67) Actual XL LL Revenue	(\$6,134)	(\$4,207)	\$41	\$221	(\$1,030)	(\$1,088)	(\$1,944)	(\$5,356)	(\$3,794)	(\$3,777)	(\$4,193)	(\$2,423)
(68) Ending XL LL Balance Under/(Over) Recovery	\$559	\$4,763	\$4,726	\$4,514	\$5,555	\$6,658	\$8,621	(\$17,253)	(\$13,558)	(\$9,851)	(\$5,713)	(\$3,324)
(69) Average Monthly Balance Under/(Over) Recovery	(\$2,508)	\$2,659	\$4,747	\$4,625	\$5,040	\$6,114	\$7,649	(\$24,416)	(\$15,455)	(\$11,739)	(\$7,809)	(\$4,536)
(70) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(71) Interest Applied	(\$3)	\$4	\$9	\$11	\$15	\$19	\$28	(\$99)	(\$69)	(\$55)	(\$34)	(\$22)
(72) ISR XL LL Recon End Balance Under/(Over) Recovery	\$556	\$4,767	\$4,736	\$4,525	\$5,570	\$6,677	\$8,649	(\$17,352)	(\$13,627)	(\$9,906)	(\$5,747)	(\$3,347)
(73) ISR XL HL Act Bg. Balance Under/(Over) Recovery	(\$121,985)	(\$102,559)	(\$87,827)	(\$72,190)	(\$56,338)	(\$40,590)	(\$25,137)	(\$12,875)	(\$565,062)	(\$483,017)	(\$422,780)	(\$367,781)
(74) ISR Recon DAC True-up	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,113	\$0	\$0	\$0	\$0
(75) FY 2021 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,762)	\$0	\$0	\$0	\$0
(76) FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$567,352)	\$0	\$0	\$0	\$0
(77) Interest Applied on FY22 balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,660)	\$0	\$0	\$0	\$0
(78) Total FY 2022 Recon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$577,012)	\$0	\$0	\$0	\$0
(79) Actual XL HL Revenue	(\$19,565)	(\$14,888)	(\$15,794)	(\$16,007)	(\$15,891)	(\$15,554)	(\$12,331)	(\$20,031)	(\$84,386)	(\$62,348)	(\$56,735)	(\$46,329)
(80) Ending XL HL Balance Under/(Over) Recovery	(\$102,420)	(\$87,671)	(\$72,033)	(\$56,182)	(\$40,446)	(\$25,036)	(\$12,807)	(\$562,743)	(\$480,677)	(\$420,669)	(\$366,045)	(\$321,452)
(81) Average Monthly Balance Under/(Over) Recovery	(\$112,203)	(\$95,115)	(\$79,930)	(\$64,186)	(\$48,392)	(\$32,813)	(\$18,972)	(\$569,878)	(\$522,869)	(\$451,843)	(\$394,412)	(\$344,617)
(82) Bk America Rate less 200 Basis Points	1.50%	1.94%	2.38%	2.85%	3.50%	3.73%	4.25%	4.95%	5.27%	5.50%	5.74%	5.82%
(83) Interest Applied	(\$138)	(\$157)	(\$156)	(\$155)	(\$144)	(\$101)	(\$68)	(\$2,319)	(\$2,340)	(\$2,111)	(\$1,737)	(\$1,703)
(84) ISR XL HL Recon End Balance Under/(Over) Recovery	(\$102,559)	(\$87,827)	(\$72,190)	(\$56,338)	(\$40,590)	(\$25,137)	(\$12,875)	(\$565,062)	(\$483,017)	(\$422,780)	(\$367,781)	(\$323,156)

(79) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (83)

- (61) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (72)
- (62) Schedule PRB/TGS-9, Page 9, Line (23), Column (c)
- (63) Schedule PRB/TGS-9, Page 9, Line (23), Column (a)
- (64) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (8)
- (65) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (66) Line (64) + Line (65)
- (67) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (74)
- (73) Docket 22-13-NG, Schedule PRB-9S, Pg. 8, Ln (81)
- (74) Schedule PRB/TGS-9, Page 9, Line (24), Column (c)
- (75) Schedule PRB/TGS-9, Page 9, Line (24), Column (a)
- (76) Docket 22-13-NG, Schedule PRB-7S, Pg. 1, Ln (9)
- (77) Apr22-Oct22 @ BOA Rate less 200 Basis Points
- (78) Line (76) + Line (77)

The Narragansett Electric Company
d/b/a Rhode Island Energy
COVID Deferral

Line No.	Actual	Apr-22 30	Actual	May-22 31	Actual	Jun-22 30	Actual	Jul-22 31	Actual	Aug-22 31	Actual	Sep-22 30	Actual	Oct-22 31	Actual	Nov-22 30	Actual	Dec-22 31	Actual	Jan-23 31	Actual	Feb-23 28	Actual	Mar-23 31	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)
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Schedule PRB/TGS-11

Earnings Sharing Mechanism Factor

**The Narragansett Electric Company
d/b/a Rhode Island Energy
ESM Factor
Effective November 1, 2023**

(1)	Total Earnings Credited to DAC	\$0
(2)	Firm Throughput	39,576,910 dth
(3)	ESM Factor	\$0.0000 per dth
(4)	ESM Factor	\$0.0000 per therm

- (1) R.I.P.U.C. Docket No. 23-23-NG, CY 2022 Gas Earnings Report (August 1, 2023), Schedule JDO/SAB-1, Page 1 of 14, Line 27.
- (2) Company Forecast
- (3) Line (1) ÷ Line (2)
- (4) Line (3) ÷ 10, truncated to 4 decimal places

Schedule PRB/TGS-12

Low Income Discount Recovery Factor

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Schedule PRB/TGS-13

Storm Net Revenue Factor

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Storm Net Revenue Factor
Effective November 1, 2023**

The Narragansett Electric Company
d/b/a Rhode Island Energy
R.I.P.U.C. Docket No. 23-23-NG
Schedule PRB/TGS-13
Page 1 of 1

(1)	Storm Net Revenue	(\$7,569)
(2)	Customer Share Percentage	75.00%
(3)	Customer Share	(\$5,676)
(4)	Firm Throughput	39,576,910 dths
(5)	Storm Net Revenue Factor per dth	(\$0.0001) per dth
(6)	Storm Net Revenue Factor per therm	\$0.0000 per therm

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

JOINT PRE-FILED DIRECT TESTIMONY

OF

JEFFREY D. OLIVEIRA

AND

STEPHANIE A. BRIGGS

Table of Contents

I. Introduction1

II. Purpose of Testimony5

III. Earnings Sharing Mechanism Results.....6

IV. Conclusion19

1 **I. Introduction**

2 **Stephanie A. Briggs**

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

8 A. I am employed by PPL Services Corporation as a Senior Manager Revenue. My current
9 duties include revenue requirement and rates responsibilities for PPL Corporation's
10 Rhode Island distribution operations including The Narragansett Electric Company d/b/a
11 Rhode Island Energy (the "Company").

12
13 **Q. Please describe your educational background and work experience.**

14 A. In 2000, I received a Bachelor of Arts degree in Accounting from Bryant College. In
15 2004, I was hired by National Grid USA Service Company, Inc. as a Senior Analyst in
16 the Accounting Department. In this position, I was responsible for supporting the books
17 and records of Niagara Mohawk Power Corporation d/b/a National Grid. In 2009, I was
18 promoted to Senior Analyst in the Regulatory Accounting Group. In this capacity, I
19 supported the accounting of regulatory assets and deferrals in accordance with National
20 Grid's rate plans and agreements. In 2011, I was promoted to Lead Specialist for
21 Revenue Requirements responsible for supporting New York revenue requirements. In

1 2017, I was promoted to Director of Revenue Requirements for New York. In July 2020,
2 I became Director of Revenue Requirements for New England. On May 25, 2022, PPL
3 Rhode Island Holdings, LLC, a wholly owned indirect subsidiary of PPL Corporation,
4 acquired 100 percent of the outstanding shares of common stock of the Company from
5 National Grid (the “Acquisition”), at which time I assumed my current position.

6
7 **Q. Have you previously testified before the Rhode Island Public Utilities Commission**
8 **(the “PUC”)?**

9 A. Yes. I provided pre-filed direct testimony in numerous dockets including the Company’s
10 2022 Annual Retail Rate Filing, Docket No. 5234, the Company’s 2021 Performance
11 Incentive Mechanism Factor Filing, as part of Docket No. 4770, the Fiscal Year 2022
12 Electric Infrastructure, Safety and Reliability Plan Annual Reconciliation Filing,
13 Docket No. 5098, the Company’s 2022 Distribution Adjustment Charge Filing,
14 Docket No. 22-13-NG, the Company’s Advanced Metering Functionality Business Case,
15 Docket No. 22-49-EL, the Company’s Fiscal Year 2024 Electric Infrastructure, Safety,
16 and Reliability Plan, Docket No. 22-53-EL, Fiscal Year 2024 Gas Infrastructure, Safety,
17 and Reliability Plan, Docket No. 22-54-NG, the Company’s 2023 Electric Revenue
18 Decoupling Mechanism Reconciliation Filing, Docket No. 23-16-EL, and most recently
19 in the Company’s 2023 Residential Assistance Recovery filing, Docket No. 23-17-EL. I
20 also have testified before the Massachusetts Department of Public Utilities and New York

1 Public Service Commission on behalf of the Company's former affiliates as a revenue
2 requirement witness in various proceedings.

3

4 **Jeffrey D. Oliveira**

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

6 A. My name is Jeffrey D. /Oliveira, and my business address is 280 Melrose Street,
7 Providence, Rhode Island 02907.

8

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

10 A. I am employed by PPL Services Corporation as a Regulatory Programs Specialist. My
11 current duties include leading the revenue requirement analyses and modeling that
12 support regulatory filings, regulatory strategies, and rate cases for the Company.

13

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

15 A. In 2000, I earned an associate degree in Business Administration from Bristol
16 Community College in Fall River, Massachusetts. I was employed by the National Grid
17 USA Service Company, Inc. (the "Service Company") and its predecessor companies
18 from 1999-2022. From 1999 through 2000, I was employed by Fall River Gas Company
19 as a Staff Accountant. In 2001, after Fall River Gas Company merged with Southern
20 Union Company, I continued as a Staff Accountant with increased responsibilities. In
21 August of 2006, the Company acquired the Rhode Island operations of Southern Union

1 d/b/a New England Gas Company at which time I joined the Service Company as a
2 Senior Accounting Analyst. In January 2009, I became a Senior Revenue Requirement
3 Analyst in the Service Company's Strategy and Regulation Department. In July 2011, I
4 was promoted to Lead Revenue Requirement Analyst in the New England Revenue
5 Requirements group of the New England Regulatory Department of the Service
6 Company. Upon closing of the Acquisition, I began working in my current position.
7

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

9 A. Yes. I testified before the PUC in support of the Company's filings in proceedings as
10 follows: 2023 Renewable Energy Growth Factor Filing, Docket No. 22-04-REG, 2023
11 Annual Retail Rate Filing, Docket No. 23-03-EL; 2024 Gas Infrastructure, Safety, and
12 Reliability Plan, Docket No. 22-54-NG; 2024 Electric Infrastructure, Safety, and
13 Reliability Plan, Docket No. 22-53-EL; 2022 Distribution Adjustment Charge Filing,
14 Docket No. 22-13-NG; 2022 Last Resort Service Rate Filing, Docket No. 4978; 2022
15 Renewable Energy Growth Factor Filing, Docket No. 22-04-REG; 2022 Annual Retail
16 Rate Filing, Docket No. 5234; Joint Petition of the Company and the Rhode Island
17 Division of Public Utilities and Carriers ("Division") filed February 23, 2022, relating to
18 the Storm Contingency Fund Replenishment, Docket No. 4686; 2021 Distribution
19 Adjustment Charge Filing, Docket No. 5165; 2021 Electric Pension Adjustment Factor
20 Filing, Docket No. 5179; 2020 Distribution Adjustment Charge Filing, Docket No. 5040;
21 2020 Electric Pension Adjustment Factor Filing, Docket No. 5054; 2019 Distribution

1 Adjustment Charge Filing, Docket No. 4955; 2019 Electric Pension Adjustment Factor
2 Filing, Docket No. 4958; 2018 Distribution Adjustment Charge Filing, Docket No. 4846;
3 2018 Electric Pension Adjustment Factor Filing, Docket No. 4855; and again in Docket
4 No. 4686, in support of the Joint Proposal and Settlement submitted by the Company and
5 the Division dated September 25, 2017, pertaining to the operation of the Storm
6 Contingency Fund. I have also submitted pre-filed testimony to the Massachusetts
7 Department of Public Utilities on behalf of the Massachusetts Electric Company and
8 Nantucket Electric Company as a revenue requirement witness in annual pension
9 adjustment mechanism proceedings.

10
11 **II. Purpose of Testimony**

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

13 A. Pursuant to the Distribution Adjustment Clause provision of the Company's gas tariff,
14 R.I.P.U.C. NG-GAS No. 101, Section 3, Schedule A ("ESM Provision"), if there are any
15 excess earnings to be shared with customers, as we describe in more detail below, then
16 any customer share of those earnings will flow back to customers through the
17 Distribution Adjustment Charge ("DAC"). Our testimony describes the Company's gas
18 earnings subject to the Company's earnings sharing mechanism ("ESM") for the 12-
19 month period ending December 31, 2022, in accordance with Article II, Section 10 of the
20 Docket No. 4770 Amended Settlement Agreement approved by the PUC on August 24,
21 2018.

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Q. Are there any schedules to your testimony?

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

Schedule JDO/SAB-1 Calendar Year (“CY”) 2022 Gas Earnings Report

III. Earnings Sharing Mechanism Results

Q. Please provide the background for the ESM.

A. In the Company’s general rate case filed in 2006 in Docket No. 3401, Order No. 17381, the PUC approved a settlement agreement between the Division of Public Utilities and Carriers, The Energy Council of RI, and the Company (“Docket No. 3401 Settlement Agreement”) that required the former New England Gas Company to file an earnings sharing calculation, based on a 12-month period ending June 30, by September 1 of each year as part of an incentive-based ESM. The Company assumed the obligations of the Docket No. 3401 Settlement Agreement in connection with the Company’s acquisition of the regulated gas distribution assets in Rhode Island from Southern Union Company (“Southern Union”) in 2006. As part of the Company’s 2017 Rate Case and the resulting Amended Settlement Agreement in that proceeding (“Docket No. 4770 Amended Settlement Agreement”), the Company continues to file an Earnings Report consistent with and in a form similar to that which the Company has been filing for several years, most recently in Docket No. 4323 (“2012 Rate Case”), calculating gas regulatory

1 earnings for the calendar year. The Earnings Report is based on the Company's gas
2 annual report filed with the PUC for the 12 months ending December 31.¹

3
4 **Q. Has the Company calculated the earned return on equity for CY 2022?**

5 A. Yes. The ESM Provision, Sheet 10, sub-part 5.0, requires earnings to be calculated each
6 year based on financial results for the 12-month period ending December 31. The
7 determination of earnings subject to the ESM is based on a benchmark return on equity of
8 9.275 percent as established in the Docket No. 4770 Amended Settlement Agreement.
9 The earnings sharing formula requires that any annual earnings over a 9.275 percent
10 return on equity, up to and including 100 basis points (10.275 percent), will be shared
11 with customers, with 50 percent to be credited to customers and 50 percent to be retained
12 by the Company. Any earnings in excess of a 10.275 percent return on equity will also
13 be shared with customers, with 75 percent to be credited to customers and 25 percent to
14 be retained by the Company. As discussed later in our testimony, the Company
15 calculated a return on equity for CY 2022 of 4.73 percent. As reflected on Schedule
16 JDO/SAB-1, Page 1, beginning on Line 17, the CY 2022 return on equity is below the
17 9.275 percent threshold, resulting in no excess earnings sharing with customers.

18
19

¹ The Company's gas annual report for the 12 months ending December 31, 2022, was filed with the PUC on April 28, 2023, and the CY 2022 earnings sharing mechanism was filed on June 30, 2023, in Docket No. 4770.

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

2 A. In accordance with the Docket No. 3401 Settlement Agreement, the return on equity is
3 calculated by dividing the net income available for common equity by the common
4 equity applicable to rate base. *See* Docket No. 3401 Settlement Agreement at Section
5 II.F.1. In accordance with the Docket No. 4770 Amended Settlement Agreement, the
6 Company will show the calculation of the regulatory earned return on distribution rate
7 base and the earned return on distribution common equity, in two ways (*See* Docket No.
8 4770 Amended Settlement Agreement at Section II.C.10.):

- 9 (1) Earnings including all Performance Incentives earned for the applicable calendar
10 year will be calculated by dividing the net income available for common equity
11 including incentives (“Actual Total Earnings”), by the common equity applicable
12 to rate base.
- 13 (2) Earnings excluding all Performance Incentives earned for the applicable calendar
14 year will be calculated by dividing the net income available for common equity as
15 shown on Schedule JDO/SAB-1, Page 2 (“Base Earnings”), by the common
16 equity applicable to rate base.

17

18 Performance Incentives refers to each of the following incentives:

- 19 (1) Energy Efficiency Program incentive;
- 20 (2) The Company’s share of any incentive earned pursuant to the Natural Gas
21 Portfolio Management Plan recorded during the calendar year;

- 1 (3) The Company’s share of any incentive earned or penalties incurred pursuant to
2 the Gas Procurement Incentive Plan recorded during the calendar year; and
- 3 (4) Any other performance incentive that may be approved by the PUC in a future
4 proceeding that was earned and recorded by the Company for performance
5 applicable to the calendar year, unless the PUC determines at the time of approval
6 that any such future incentive should be included in the calculation of Base
7 Earnings.

8

9 **Q. Please explain the calculation of net income available for common equity for**
10 **purposes of the ESM.**

11 A. The Company calculated net income available for common equity based on operating
12 income for CY 2022, less applicable interest, and adjusted to reflect established PUC
13 ratemaking principles. The Company’s calculation of net income available for common
14 equity is set forth in Schedule JDO/SAB-1, Page 2. As shown on Line 43 of that page,
15 for CY 2022, the Company calculated net income available for common equity of
16 \$33,048,565.

17

1 **Q. Did the Company make any adjustments to Schedule JDO/SAB-1 operating**
2 **revenues, expenses, and/or interest charges?**

3 A. Yes. The Company has reflected the following adjustments to operating revenues and
4 expenses on various line items on Page 2 of Schedule JDO/SAB-1, as listed on Schedule
5 JDO/SAB-1, Page 14, and described below:

6 *Operating Revenue Adjustments:*

- 7 (1) Unbilled Revenue Margins: The Company excluded unbilled revenue and the
8 associated cost of gas from the determination of earnings, which is consistent with
9 the methodology applied in Docket No. 3401. This resulted in a decrease to
10 operating revenues of \$1,175,515, comprised of a \$9,231,005 decrease to total
11 firm gas revenues on Page 2, Line 2, a \$1,214,745 decrease to transportation
12 revenues on Page 2, Line 3, and a \$9,270,235 increase to other revenues on Page
13 2, Line 4. (Schedule JDO/SAB-1, Page 14, Sum of Lines 3, 4, 10, 17, and 18)
- 14 (2) Off-System Gas Sales: The Company makes certain adjustments to its revenues
15 to eliminate the incentive provided to the Company to generate off-system gas
16 revenue and excess pipeline capacity revenue. The Company accomplishes this
17 by eliminating, or reversing, all revenues associated with off-system sales, as well
18 as the credits the Company provides to customers associated with those sales.
19 These adjustments net to a \$2,117,275 decrease to other revenues on Page 2, Line
20 4. (Schedule JDO/SAB-1, Page 14, Sum of Lines 19, 20, and 21)

-
- 1 (3) Energy Efficiency Shareholder Incentives: The Company is allowed to keep
2 shareholder incentives related to achieving approved energy efficiency targets.
3 This resulted in a decrease to other operating revenues of \$191,012 on Page 2,
4 Line 4. (Schedule JDO/SAB-1, Page 14, Line 22)
- 5 (4) Miscellaneous Service Revenues: The Company removes miscellaneous service
6 revenues from its other revenues and shows them as non-operating
7 income/expense. The miscellaneous service revenues largely consist of credits to
8 customers for gas bill disputes. This is reflected as a \$9,304 decrease to other
9 revenues on Page 2, Line 4. (Schedule JDO/SAB-1, Page 14, Line 23)
- 10 (5) Interest on Customer Arrears: The Company removes interest accrued on
11 customer arrearage accounts from Account 419 – interest and dividend income –
12 and instead adds such interest to other revenues on Page 2, Line 4, resulting in an
13 increase to other revenues of \$46,153. (Schedule JDO/SAB-1, Page 14, Line 24)
- 14 (6) Inventory Financing: The Company has removed stored gas inventory from rate
15 base and eliminated carrying costs on stored gas inventory from revenues. This
16 resulted in a decrease to operating revenues of \$940,240, representing the amount
17 of stored gas inventory carrying costs recorded as revenue during CY 2022, as
18 shown on Page 2, Line 8. (Schedule JDO/SAB-1, Page 14, Line 27)
- 19 (7) Property Tax Deferral Adjustment: The Company has made an adjustment to
20 reflect only the CY 2022 portion of a property tax deferral correction and remove
21 the portion related to prior years. This resulted in a decrease to operating

1 revenues of \$11,581,516 during CY 2022 and is reflected on Page 2, Line 2.

2 (Schedule JDO/SAB-1, Page 14, Line 5)

- 3 (8) One-Time Bill Credits: The Company has made an adjustment to remove the one-
4 time bill credits that were issued to customers during CY 2022 related to the AG
5 Settlement Agreement. This resulted in an increase to operating revenues of
6 \$17,499,584 during CY 2022 and is reflected on Page 2, Line 2. (Schedule
7 JDO/SAB-1, Page 14, Line 6)

8
9 *Expense Adjustments:*

- 10 (1) Bad Debt Write-Offs: Bad debt expense is recorded in the Company's general
11 ledger based on the Company's best estimate during the year of amounts billed to
12 customers that will eventually become uncollectible. The Company recovers bad
13 debt expense from customers based on actual bad debt write-offs net of recoveries
14 rather than the Company's recorded estimates of bad debt expense. Accordingly,
15 the Customer Accounts expense on Page 2, Line 16 includes bad debt expense
16 and was decreased by \$4,857,955 to reflect actual bad debt net write-offs during
17 the year. (Schedule JDO/SAB-1, Page 14, Sum of Lines 45 and 46)

- 18 (2) Advertising Expense: The Company has removed \$234,704 of sales and
19 advertising expenses, as shown on Page 2, Line 17. (Schedule JDO/SAB-1, Page
20 14, Line 50)

1 (3) Variable Pay: The Company has reduced Administrative and General expense on
2 Page 2, Line 18 by \$254,936 to remove a portion of variable pay consistent with
3 the way this cost is excluded for ratemaking. (Schedule JDO/SAB-1, Page 14,
4 Line 54)

5 (4) IT/TSA Special Items: The Company has reduced Administrative and General
6 expense on Page 2, Line 18 by \$12,081,705 to remove costs for information
7 technology transition services under the Transition Services Agreement among
8 National Grid USA Service Company, Inc., National Grid USA (solely with
9 respect to Section 4.6), and the Company dated May 25, 2022, incurred during
10 CY 2022. (Schedule JDO/SAB-1, Page 14, Line 58)

11
12 **Q. How did the Company calculate federal income tax on operating income?**

13 A. The Company multiplied its taxable operating income by the federal income tax rate of
14 21 percent for CY 2022, as shown on Schedule JDO/SAB-1, Page 3, Line 20. The
15 Company has also included an adjustment to reduce tax expense for the amortization of
16 excess deferred income taxes generated by the federal tax rate reduction from 35 percent
17 to 21 percent pursuant to the Tax Cuts and Jobs Act effective January 1, 2018, which is
18 discussed later in our testimony.

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

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

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

Further, the Docket No. 3401 Settlement Agreement requires the Company to use the actual cost of long-term debt and the most recent 12-month average cost of short-term debt in its earnings calculation. Therefore, as shown on Schedule JDO/SAB-1, Page 4, the Company computed the cost of long-term debt by multiplying rate base applicable to long-term debt by the Company's actual long-term debt rate applicable to the gas business for CY 2022, or 4.45 percent, as calculated on Page 10. Likewise, the Company computed the cost of short-term debt by multiplying rate base applicable to short-term debt by the 12-month average cost of short-term debt, or 0.00 percent, as calculated on Page 11. Finally, the Company computed the cost of preferred stock by multiplying rate base applicable to preferred stock by the cost rate of 4.50 percent established in the Docket No. 4770 Amended Settlement Agreement.

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

2 A. As required by the Docket No. 3401 Settlement Agreement, average rate base is to be
3 based on a five-quarter average. The CY 2022 rate base is set forth in Schedule
4 JDO/SAB-1, Page 5. *See* Docket No. 3401 Settlement Agreement at Section II.F.1. The
5 Company excluded from rate base environmental response costs, asset retirement
6 obligations, and prepaid taxes; however, the Company included construction-work-in-
7 progress in rate base. Consistent with prior Earnings Reports, the Company computed
8 the working capital allowance pursuant to the method approved in Docket No. 3943, at
9 Order No. 19563, as shown on Schedule JDO/SAB-1, Page 6. Effective September 1,
10 2018, the deferred debits in rate base include the book value of GIS Smallworld, which is
11 amortized annually at \$426,180. The Company also excluded stored gas inventory and
12 customer deposits from the rate base calculation. In addition, a hold harmless rate base
13 credit is included as a reduction to rate base as well as amortization of excess deferred
14 income taxes which reduces the Company's accumulated deferred income tax liability
15 therefore increasing rate base.

16
17 **Q. Please explain the adjustment to rate base for Excess Deferred Income Taxes.**

18 A. Effective December 31, 2017, the Company restated its deferred tax balances based on
19 the new 21 percent federal income tax rate because the Company will be paying income
20 taxes as the book/tax timing differences reverse at that 21 percent federal income tax rate.
21 However, because deferred taxes are an offset to rate base, reducing the deferred tax

1 balances based on the 21 percent federal income tax rate has the effect of artificially
2 increasing rate base. To counteract this artificial increase to rate base, a new line item
3 called Excess Deferred Income Taxes has been included in the rate base calculation
4 reflecting the value of the decrease to accumulated deferred income taxes as of
5 December 31, 2017. These excess deferred income taxes represent the net benefit as of
6 December 31, 2017, that will eventually be earned by the Company through reduced
7 future income taxes, and ultimately returned to customers through base distribution rates,
8 pursuant to the Docket No. 4770 Amended Settlement Agreement. As the return of
9 excess deferred income taxes to customers commenced with new base rates on September
10 1, 2018, the rate base calculation includes the cumulative quarterly amortization of the
11 excess deferred income tax balance in the CY 2022 calculation of rate base.

12
13 **Q. What is the “hold harmless” adjustment the Company has made to its rate base**
14 **calculation?**

15 A. As a result of the Company’s purchase of the regulated gas distribution assets in Rhode
16 Island from Southern Union in 2006, the Company realized a tax basis step-up for the
17 assets acquired. This step-up in tax basis resulted in a total tax basis for the assets
18 acquired, which equaled the net book basis for those same assets. Consequently, at the
19 time of acquisition, the Company’s book/tax timing difference, which gives rise to
20 deferred tax liabilities, was equal to zero. Therefore, the Company recorded no
21 accumulated deferred taxes on its balance sheet. Effective with Southern Union

1 ownership in 2000, all deferred tax provisions associated with New England Gas
2 Company operations were recorded on the books of the parent company and not on the
3 balance sheet of New England Gas Company. Commencing with the Company's
4 acquisition of the Rhode Island gas distribution assets from Southern Union on August
5 24, 2006, the Company began recording deferred tax liabilities, due primarily to the
6 difference in book versus tax depreciation rates. The Company will continue to record
7 deferred tax provisions related to the assets acquired, as well as on investments in
8 Company assets post-acquisition. Therefore, the Company's CY 2022 general ledger
9 reflects actual deferred tax provisions recorded by the Company through December 31,
10 2022, as reflected on Schedule JDO/SAB-1, Page 5, Line 16.

11
12 Consequently, the hold harmless adjustment, reflected on Schedule JDO/SAB-1, Page 5,
13 Line 19, is associated with the Company's purchase of the regulated gas distribution
14 assets in Rhode Island from Southern Union. This hold harmless adjustment provides
15 customers an economically equivalent rate base credit to offset the rate base increase that
16 resulted from the Company's asset purchase, as agreed to, and approved by, the PUC in
17 the 2007 Earnings Report in Docket No. 3859. Schedule JDO/SAB-1, Page 13
18 demonstrates the annual values of the hold harmless rate base adjustment, as approved in
19 Docket No. 3859.

20

1 **Q. Did the Company adjust rate base on Schedule JDO/SAB-1, Page 5 for the impact of**
2 **the Hold Harmless commitment related to the sale of the Company to PPL Rhode**
3 **Island Holdings, LLC?**

4 A. During Division Docket No. D-21-09, PPL agreed to hold Rhode Island customers
5 harmless from any changes to ADIT as a result of the transaction. At the time of this
6 filing, the Company did not have the hold harmless calculation and as a result has not
7 adjusted rate base in this filing for the hold harmless amount. The Company will file a
8 revised gas earnings report after the necessary information is available to compute the
9 calculation.

10

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

12 A. In accordance with the capital structure approved in the Docket No. 4770 Amended
13 Settlement Agreement, the Company multiplied the five-quarter average rate base at
14 December 31, 2022, as we discussed earlier, by 50.95 percent to determine common
15 equity applicable to rate base of \$698,646,025, as shown on Schedule JDO/SAB-1, Page
16 1.

17

18 **Q. Please summarize the earnings sharing calculation on Schedule JDO/SAB-1.**

19 A. Schedule JDO/SAB-1, Page 1, calculates the earnings to be shared with customers based
20 on the sharing percentages required in the ESM Provision. Lines 1 through 3 summarize
21 the calculation of average common equity. Line 5 is the Actual Total Earnings as

1 described above, and Line 6 is the return on common equity including all performance
2 incentives for CY 2022, or 5.06 percent. Lines 9 through 11 show the dollar value and
3 earnings impact of each of the Company's incentives earned in CY 2022. Line 14 is the
4 Base Earnings as described above, and Line 15 is the return on common equity excluding
5 performance incentives for CY 2022, or 4.73 percent. Because Line 15 is less than 9.275
6 percent, the earned return on common equity for CY 2022 does not exceed the threshold
7 above which the Company's regulated earnings are shared with customers. Therefore,
8 there are no earnings available to be shared with customers associated with CY 2022
9 Base Earnings.

10

11 **IV. Conclusion**

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

13 **A. Yes.**

Schedule JDO/SAB-1

CY 2022 Gas Earnings Report

Rhode Island Energy - RI Gas
Gas Earnings Sharing Mechanism
For the Twelve Months ended December 31, 2022

Table of Contents

Gas Earnings Sharing Mechanism	1
Income Statement	2
Federal Income Tax Calculation	3
Applicable Capital Structure, Interest Expense and Preferred Dividends	4
Rate Base	5
Cash Working Capital Calculation	6
Detail Other Revenue/(Expense)	7
Detail Other Interest Expense	8
Detail Non-Operating Income / (Expense)	9
Calculation of Average Long-Term Debt Interest Rate	10
Calculation of Average Short-Term Debt Interest Rate	11
Merger Hold Harmless Rate Base Credit	12
Projected Deferred Tax Schedule	13
Reconciliation of Gas Earnings Sharing Mechanism to Annual Report	14

**Rhode Island Energy - RI Gas
Gas Earnings Sharing Mechanism
For the Twelve Months ended December 31, 2022**

Rate Base	\$1,371,238,519
Common Equity	50.95%
Debt Cost - Long Term	48.35%
Debt Cost - Short Term	0.60%
Preferred Stock	0.10%
Common Equity	\$698,646,025
Debt	\$671,221,255
Preferred Stock	\$1,371,239
Total	<u>\$1,371,238,519</u>
1 Average Rate Base	\$1,371,238,519
2 Equity Component of Rate Base	50.95%
3 Average Common Equity	<u>\$698,646,025</u>
4	
5 Actual Total Earnings	\$35,356,852
6 Return on Common Equity with Incentives	5.06%
7	
8 Less incentives:	
9 Energy Efficiency shareholder incentive	191,012
10 Natural Gas Portfolio Management Plan	2,117,275
11 Gas Procurement Incentive Plan	-
12	<u>\$2,308,287</u>
13	
14 Base Earnings	\$33,048,565
15 Return on Common Equity without Incentives	<u>4.73%</u>
16	
17 <u>Return on Equity > 9.275% and < 10.275%</u>	0.00%
18 Earnings to be Shared	\$0
19 Earnings to Customers - 50%	<u>\$0</u>
20	
21 Return on Equity > 10.275%	0.00%
22 Earnings to be Shared	\$0
23 Earnings to Customers - 75%	<u>\$0</u>
24	
25 Total After tax Earnings Credited to Customers	<u>\$0</u>
26	
27 Total Earnings Credited to DAC	<u>\$0</u>

Notes:

1 From Page 5 of 14 line 24(f)	15	Line 14 divided by line 3
2 From Page 4 of 14 line 8(a)	17	Smaller of 10.275% or Line 15 minus 9.275%.
3 Line 1 times line 2	18	Line 3 times line 17
5 Line 12 plus line 14	19	Line 18 times 50%
6 Line 5 divided by line 3	21	If Line 15 is greater than 10.275%
9 Line 9 divided by line 3	22	Line 3 times line 21
10 Line 10 divided by line 3	23	Line 22 times 75%
11 Line 11 divided by line 3	25	Line 19 plus line 23
14 From Page 2 of 14 line 43	27	Line 25 divided by 79%

Rhode Island Energy - RI Gas
Income Statement
For the Twelve Months ended December 31, 2022

	<u>Income Statement</u>	<u>Adjustments</u>	<u>2022</u>
	(a)	(b)	(c)
1 Operating Revenues			
2 Total Firm Gas	\$442,415,051	(\$3,312,937)	\$439,102,114
3 Transportation	\$60,661,741	(\$1,214,745)	\$59,446,995
4 Other Revenues	\$3,812,660	6,998,797	\$10,811,457
5 Total Operating Revenues	<u>\$506,889,451</u>	<u>\$2,471,115</u>	<u>\$509,360,566</u>
6			
7 <i>Adjustment to Operating Revenue:</i>			
8 Inventory Financing		(\$940,240)	(\$940,240)
9 Total Adjusted Operating Revenues	<u>\$506,889,451</u>	<u>\$1,530,874</u>	<u>\$508,420,326</u>
10			
11 Operating Expenses			
12 Production (Gas Costs)	\$195,839,586		\$195,839,586
13 Storage	\$3,107,860		\$3,107,860
14 Transmission	\$2,874,714		\$2,874,714
15 Distribution	\$31,869,737		\$31,869,737
16 Customer Accounts	\$54,998,290	(\$4,857,955)	\$50,140,335
17 Sales	\$234,704	(\$234,704)	\$0
18 Administrative and General	\$61,788,341	(\$12,336,641)	\$49,451,700
19 Total Operating Expenses	<u>\$350,713,232</u>	<u>(\$17,429,300)</u>	<u>\$333,283,933</u>
20			
21 Other Expenses			
22 Depreciation and Amortization	\$55,569,023		\$55,569,023
23 Local and Other Taxes	\$39,963,733		\$39,963,733
24 Revenue Related Taxes (Gross Earnings Tax - GET)	\$13,653,107		\$13,653,107
25 Federal Income Taxes @ 21%	(\$14,860,039)	\$21,744,730	\$6,884,691
26 Total Other Expenses	<u>\$94,325,824</u>	<u>\$21,744,730</u>	<u>\$116,070,554</u>
27			
28 Income Before Interest Expense	<u>\$61,850,395</u>	<u>(\$2,784,556)</u>	<u>\$59,065,839</u>
29			
30 Interest Expense			
31 Other Income/Expenses	\$659,333	(\$659,333)	\$0
32 Short-Term Debt	\$0	\$0	\$0
33 Long-Term Debt	\$13,506,378	\$15,996,847	\$29,503,225
34 Other Interest Expense	\$1,422,063	(\$1,397,500)	\$24,563
35 AFUDC	(\$3,572,220)		(\$3,572,220)
36 Total Interest Expense	<u>\$12,015,554</u>	<u>\$13,940,014</u>	<u>\$25,955,568</u>
37			
38 Net Income / (Loss)	<u>\$49,834,840</u>	<u>(\$16,724,570)</u>	<u>\$33,110,270</u>
39			
40 Preferred Dividends		\$61,706	\$61,706
41 Extraordinary Deductions	\$15,904,055	(\$15,904,055)	\$0
42			
43 Net Income / (Loss) Applicable to Common Equity	<u>\$33,930,785</u>	<u>(\$882,220)</u>	<u>\$33,048,565</u>

Notes:

- (a) From Company Financial Statements
- 1(b)-19(b) From Page 14 of 14
- (c) (a) + (b)
- 4 From Page 7 of 14 line 26
- 23 From Page 6 of 14 line 3 through 5
- 24 From Page 6 of 14 line 6
- 25 From Page 3 of 14 line 24
- 31 From Page 9 of 14 line 25
- 32 From Page 4 of 14 line 25(b)
- 33 From Page 4 of 14 line 17(b)
- 34 From Page 8 of 14 line 3
- 40 From Page 4 of 14 line 34(b)

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC DOCKET NO. 23-23-NG
CY 2022 Gas Earnings Report
Schedule JDO/SAB-1
August 1, 2023
Page 3 of 14

Rhode Island Energy - RI Gas
Federal Income Tax Calculation
For the Twelve Months ended December 31, 2022

1	Operating Revenues	\$508,420,326
2		
3	Less:	
4		
5	Operating Expenses	\$333,283,933
6	Depreciation and Amortization	\$55,569,023
7	Local and Other Taxes	\$39,963,733
8	Revenue Related Taxes (GET)	\$13,653,107
9	Interest - Short-Term Debt	\$0
10	Interest - Long-Term Debt	\$29,503,225
11	Other Interest	\$24,563
12	AFUDC	(\$3,572,220)
13		
14	Total Deductions	\$468,425,364
15		
16	Taxable Income	\$39,994,962
17		
18	Federal Income Tax Rate	21.00%
19		
20	Imputed Federal Income Tax Expense	\$8,398,942
21		
22	Amortization of EDIT	(\$1,514,251)
23		
24	Net Federal Income Tax Expense	\$6,884,691

Notes:

- 1 From Page 2 of 14 line 9(c)
- 5 From Page 2 of 14 line 19(c)
- 6 From Page 2 of 14 line 22(c)
- 7 From Page 2 of 14 line 23(c)
- 8 From Page 2 of 14 line 24(c)
- 9 From Page 2 of 14 line 32(c)
- 10 From Page 2 of 14 line 33(c)
- 11 From Page 2 of 14 line 34(c)
- 12 From Page 2 of 14 line 35(c)
- 14 Sum of Line 5 through line 12
- 16 Line 1 minus line 14
- 18 Federal income Tax Rate: rate of 21%
- 20 Line 16 times Line 18
- 22 - Docket No. 4770, Excess Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019, Second Compliance Attachment 31, Page 1
- 24 Line 20 plus Line 22

Rhode Island Energy - RI Gas
Applicable Capital Structure, Interest Expense and Preferred Dividends
For the Twelve Months ended December 31, 2022

	%	\$
	(a)	(b)
1 Rate Base		\$1,371,238,519
2		
3 Capital Structure		
4	Docket 4770	
5 Short-Term Debt	0.60%	\$8,227,431
6 Long-Term Debt	48.35%	\$662,993,824
7 Preferred Stock	0.10%	\$1,371,239
8 Common Equity	50.95%	\$698,646,025
9	100.00%	\$1,371,238,519
10 Interest Expense		
11		
12		
13 Long-Term Debt Portion	48.35%	\$662,993,824
14		
15 Cost of Long-Term Debt December 2022		4.45%
16		
17 Proforma Long-Term Debt Interest		\$29,503,225
18		
19		
20		
21 Short-Term Debt Portion	0.60%	\$8,227,431
22		
23 Cost of Short-Term Debt December 2022		0.00%
24		
25 Proforma Short-Term Debt Interest		\$0
26		
27 Preferred Dividends		
28		
29		
30 Preferred Stock Portion	0.10%	\$1,371,239
31		
32 Cost of Preferred Stock		4.50%
33		
34 Proforma Preferred Stock		\$61,706

Notes:

- 1(b) From Page 5 of 14 line 24(f)
- 5(a)-8(a) Docket 4770 Compliance Filing dated August 16, 2018, Compliance Filing Attachment 2, Schedule 1-GAS, Page 4
- 5(b)-8(b) Line 1(b) times line 5(a) through line 8(a)
 - 13 Line 1(b) times line 13(a)
 - 15 From Page 10 of 14 line 13(g)
 - 17 Line 13(b) times line 15(b)
 - 21 Line 1(b) times line 21(a)
 - 23 From Page 11 of 14 line 14(b)
 - 25 Line 21(b) times line 23(b)
 - 30 Line 1(b) times line 30(a)
 - 32 Docket 4770 Compliance Filing dated August 16, 2018, Compliance Attachment 2, Schedule 1-GAS, Page 4, Line 4
 - 34 Line 30(b) times line 32(b)

Rhode Island Energy - RI Gas
Rate Base
For the Twelve Months ended December 31, 2022

	December 2021 (a)	March 2022 (b)	June 2022 (c)	September 2022 (d)	December 2022 (e)	5 Quarter Average December 2022 (f)
1 Gas Plant In Service	\$1,791,694,480	\$1,828,436,086	\$1,853,946,424	\$1,905,830,570	\$1,964,251,748	\$1,868,831,862
2 CWIP	\$49,868,530	\$45,730,763	\$64,768,072	\$73,690,953	\$63,968,056	\$59,605,275
3 Less: Accumulated Depreciation	\$488,824,957	\$498,409,667	\$505,841,848	\$515,530,294	\$525,963,583	\$506,914,070
4 Less: Contribution in Aid of Construction	\$38	\$38	\$38	\$38	\$38	\$38
5						
6 Net Plant	\$1,352,738,015	\$1,375,757,145	\$1,412,872,610	\$1,463,991,190	\$1,502,256,183	\$1,421,523,029
7						
8 Materials and Supplies	\$5,269,630	\$9,106,825	\$6,173,143	\$7,314,786	\$6,994,498	\$6,971,776
9 Prepaid Expenses, Excluding Taxes	\$1,067,660	\$434,670	\$145,502	\$104,411	(\$43,250)	\$341,799
10 Deferred Debits	\$408,369	\$301,824	\$195,279	\$88,734	\$0	\$198,841
11 Unamortized debt expense and Interest Rate Lock	\$2,495,296	\$2,438,237	\$2,381,179	\$2,324,121	\$2,267,062	\$2,381,179
12 Cash Working Capital	\$31,603,432	\$34,927,066	\$34,927,066	\$34,927,066	\$34,927,066	\$34,262,339
13						
14 Subtotal	\$40,844,388	\$47,208,622	\$43,822,169	\$44,759,118	\$44,145,376	\$44,155,935
15						
16 Accumulated Deferred FIT ¹	\$122,194,717	\$126,161,222	(\$35,071,228)	(\$31,429,631)	(\$18,801,591)	\$32,610,698
17 Excess Deferred Tax	\$55,558,252	\$55,558,252	\$55,165,607	\$55,165,607	\$55,165,607	\$55,322,665
18 Excess Deferred Tax Amortization	(\$5,047,502)	(\$5,426,065)	(\$5,804,628)	(\$6,183,191)	(\$6,561,753)	(\$5,804,628)
19 Hold Harmless	\$11,934,147	\$11,216,530	\$10,498,913	\$9,781,296	\$9,063,679	\$10,498,913
20 Customer Deposits	\$1,829,591	\$1,871,293	\$1,823,253	\$1,785,757	\$1,754,088	\$1,812,796
21						
22 Subtotal	\$186,469,206	\$189,381,232	\$26,611,918	\$29,119,838	\$40,620,030	\$94,440,445
23						
24 Rate Base	\$1,207,113,197	\$1,233,584,535	\$1,430,082,862	\$1,479,630,471	\$1,505,781,529	\$1,371,238,519

Notes:

- 1(a)-4(e) From Company Financial Statements
- 1(f)-4(f) Average of Column (a) through Column (e)
- 6(a)-6(c) Line 1 + Line 2 - Line 3 - Line 4
- 6(f) Average of Column (a) through Column (e)
- 8(a)-11(e) From Company Financial Statements
- 8(f)-11(f) Average of Column (a) through Column (e)
- 12(b)-12(e) From Page 6 of 14 Line 13
- 14 Sum of Line 8 through Line 12
- 16(a)-21(e) From Company Financial Statements
- 16(f)-21(f) Average of Column (a) through Column (e)
- 17 Excess Deferred Tax for change in tax rate from 35% to 21%, adjusted for IRS audit findings
- 18 Per Docket No. 4770, Excess Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019, Second Compliance Attachment 31, Page 1
- 19 Hold Harmless rate base credit per Docket No. 3859
- 22 Sum of Line 16 through Line 20
- 24 Line 6 + Line 14 - Line 22

¹ - The Company will revise once the final numbers are available from the Company's tax return

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC DOCKET NO. 23-23-NG
CY 2022 Gas Earnings Report
Schedule JDO/SAB-1
August 1, 2023
Page 6 of 14

Rhode Island Energy - RI Gas
Cash Working Capital Calculation
For the Twelve Months ended December 31, 2022

1	Gas Costs	\$195,839,586
2	Operating Expenses	\$137,444,347
3	Payroll Taxes	\$2,963,727
4	Property Taxes	\$36,994,663
5	State Taxes Other	\$5,344
6	Revenue Related Taxes (GET)	\$13,653,107
7	Total	\$386,900,773
8		
9	Daily Cash Requirement	\$1,060,002
10		
11	Net Lag Days	32.95
12		
13	Total Working Capital	\$34,927,066

Notes:

- 1 From Page 2 of 14 line 12(c)
- 2 From Page 2 of 14 line 13(c) through 18(c)
- 3-5 From Page 2 of 14 line 23(c)
- 6 From Page 2 of 14 line 24(c)
- 7 Sum of Line 1 through Line 6
- 9 Line 7 divided by 365 days
- 11 Per Docket No. 4770, Compliance Filing dated August 16, 2018,
Compliance Attachment 2, Schedule 42,
(Page 3 of 29, Line 18 - Page 2 of 29, Line 1)
- 13 Line 9 times line 11

Rhode Island Energy - RI Gas
Detail Other Revenue/(Expense)
For the Twelve Months ended December 31, 2022

	<u>Income Statement</u>	<u>Adjustments</u>	<u>2022</u>
	(a)	(b)	(c)
1 Rent from Gas Property	\$2,097,528		\$2,097,528
2			
3 Other Revenue	(\$776,800)		(\$776,800)
4			
5 Excess Sharing	(\$14,239,812)	\$14,239,812	\$0
6			
7 RDM Revenue	\$4,117,425		\$4,117,425
8 Unbilled RDM Revenue		\$2,037,037	\$2,037,037
9 Energy Efficiency Shareholder Incentives		(\$191,012)	(\$191,012)
10			
11 Other Revenue - Off System Gas Sales	\$17,006,673	(\$17,006,673)	\$0
12			
13 Other Gas Rev Contract Sharing	(\$649,585)	\$649,585	\$0
14			
15 Other Deferred Revenue	\$3,811,010	(\$1,080,220)	\$2,730,789
16 LIHEAP Revenue		\$1,080,220	\$1,080,220
16			
17 DAC Revenue	(\$7,456,904)		(\$7,456,904)
18 Unbilled DAC Revenue		\$7,233,198	\$7,233,198
19			
20 Recovery of Supervision & Administrative Costs	(\$106,178)		(\$106,178)
21			
22 Misc Revenue	\$9,304	(\$9,304)	\$0
23			
Account 419010		\$46,153	
24 Interest on Customer Arrears		\$46,153	\$46,153
25			
26 Total Other Revenue	<u>\$3,812,660</u>	<u>\$6,998,797</u>	<u>\$10,811,457</u>

Notes:

- (a) From Company Financial Statements
- (b) From Page 14 of 14
- (c) (a) + (b)

Rhode Island Energy - RI Gas
Detail Other Interest Expense
For the Twelve Months ended December 31, 2022

		<u>Income Statement</u>	<u>Adjustments</u>	<u>2022</u>
		(a)	(b)	(c)
1	Interest on Customer Deposits	\$1,404,368	(\$1,379,804)	\$24,563
2				
3	Total Other Interest Expense	<u>\$1,404,368</u>	<u>(\$1,379,804)</u>	<u>\$24,563</u>

Notes:

- (a) From Company Financial Statements
- (b) (c) - (a)
- (c) Interest on Customer Deposits

Rhode Island Energy - RI Gas
Detail Non-Operating Income / (Expense)
For the Twelve Months ended December 31, 2022

	<u>Income Statement</u>	<u>Adjustments</u>	<u>2022</u>
	(a)	(b)	(c)
1 Donations	(\$201,747)		(\$201,747)
2			
3 Deferred Compensation - Life Insurance	(\$156)		(\$156)
4			
5 Penalties	(\$942,032)		(\$942,032)
6			
7 Lobbying / Legal and Political Expense	(\$74,339)		(\$74,339)
8			
9 Federal Income Taxes on Non-Operating Income	(\$1,518,053)		(\$1,518,053)
10			
11 Revenue from Non-Utility Operations	\$108,657		\$108,657
12 Expenses of Non-Utility Operations	(\$380,103)	\$380,103	\$0
13 Share Awards		(\$380,103)	(\$380,103)
14			
15 Interest on Over / (Under) Collections, primarily Deferred Gas Costs	\$1,686,632		\$1,686,632
16 CSS Revenue - Customer Arrears		(\$46,153)	(\$46,153)
17			
18 Misc Non-Operating Income	(\$1,163)		(\$1,163)
19 Miscellaneous Service Revenues		\$9,304	\$9,304
20			
21 Other Deductions	\$662,970		\$662,970
22			
23 Zero out Non-Operating Income / (Expense)	_____	\$696,183	\$696,183
24			
25 Total Non-Operating Income/(Expense)	<u>(\$659,333)</u>	<u>\$659,333</u>	<u>\$0</u>

Notes:

- (a) From Company Financial Statements
- 16(b) Reclass Interest on Customer Arrears to Other Revenue on Page 7 of 14, line 24(b)
- 19(b) Reclass Miscellaneous Service Revenues from Other Revenue on Page 7 of 14, line 22(b)
- 23(b) (Sum of Lines 1(a) through 21(b)) * -1
- (c) (a) + (b)

Rhode Island Energy - RI Gas
Calculation of Average Long-Term Debt Interest Rate
For the Twelve Months ended December 31, 2022

Series	Percent (a)	Due (b)	Amount (c)	Annual Interest (d)	Annual Amortization			Cost of Debt (g)
					of DD&E (e)	Total Expense (f)		
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								

Notes:

- 1-10 From Financial Statements
- 11 Sum of Lines 1-10
- 12(c) Line 11 * Line 12(a)
- 12(d) Sum of Lines 2(d) through 5(d) * Line 12(a) / Sum of Lines 2(c) through 5(c)
- 12(e) Sum of Lines 2(e) through 5(e) * Line 12(a) / Sum of Lines 2(c) through 5(c)
- 13(c)-13(e) Line 14 + Line 15
- 14(c)-14(e) Sum of Lines 1 through 3
- 15(c)-15(e) Sum of Lines 2 through 5, - Line 12
- (f) (d) + (e)
- (g) (f) / (c)

1(c)-10(c) *Average amounts represent The Narragansett Electric Company consolidated amounts as the Gas division is not a legal entity.

Rhode Island Energy - RI Gas
Calculation of Average Short-Term Debt Interest Rate
For the Twelve Months ended December 31, 2022

	(a)	(b)	(c)	
<u>Month</u>	<u>Average Short-Term Debt Balance</u>	<u>Weighted Cost Rate</u>	<u>Short-Term Interest Expense</u>	
1	Jan-22	\$0	0.00%	\$0
2	Feb-22	\$0	0.00%	\$0
3	Mar-22	\$0	0.00%	\$0
4	Apr-22	\$0	0.00%	\$0
5	May-22	\$0	0.00%	\$0
6	Jun-22	\$0	0.00%	\$0
7	Jul-22	\$0	0.00%	\$0
8	Aug-22	\$0	0.00%	\$0
9	Sep-22	\$0	0.00%	\$0
10	Oct-22	\$0	0.00%	\$0
11	Nov-22	\$0	0.00%	\$0
12	Dec-22	\$0	0.00%	\$0
13				
14	Average	\$0	0.00%	\$0

Notes:

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

14(b) Line 14 (c) divided by Line 14 (a)

**Rhode Island Energy - RI Gas
Merger Hold Harmless Rate Base Credit
For the Twelve Months ended December 31, 2022**

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Schedule MAL-11-GAS
Page 9 of 23

The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Test Year Ending June 31, 2017 through Rate Year 1 Ending August 31, 2019

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

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC Docket No. 4770
Schedule MAL-11-GAS
Page 10 of 23

The Narragansett Electric Company d/b/a National Grid
Merger Hold Harmless Rate Base Credit Adjustments To Rate Base
Rate Year 1 Ending August 31, 2019 through Data Year 2 Ending August 31, 2021

Description	Period (a)	Monthly Expense (b)	Merger Hold Harmless Rate Base Credit (c)
1 Balance at August 31, 2019			\$17,676,893
2	09/30/19	(\$167,950)	\$17,508,943
3	10/31/19	(\$167,950)	\$17,340,994
4	11/30/19	(\$167,950)	\$17,173,044
5	12/31/19	(\$167,950)	\$17,005,095
6	01/31/20	(\$198,997)	\$16,806,098
7	02/29/20	(\$198,997)	\$16,607,100
8	03/31/20	(\$198,997)	\$16,408,103
9	04/30/20	(\$198,997)	\$16,209,106
10	05/31/20	(\$198,997)	\$16,010,109
11	06/30/20	(\$198,997)	\$15,811,112
12	07/31/20	(\$198,997)	\$15,612,115
13	08/31/20	(\$198,997)	\$15,413,118
14			
15 Rate Year 2 Merger Hold Harmless - 5 Quarter Average			<u>\$16,576,053</u>
16			
17 Balance at August 31, 2020			\$15,413,118
18	09/30/20	(\$198,997)	\$15,214,120
19	10/31/20	(\$198,997)	\$15,015,123
20	11/30/20	(\$198,997)	\$14,816,126
21	12/31/20	(\$198,997)	\$14,617,129
22	01/31/21	(\$223,582)	\$14,393,547
23	02/28/21	(\$223,582)	\$14,169,965
24	03/31/21	(\$223,582)	\$13,946,383
25	04/30/21	(\$223,582)	\$13,722,802
26	05/31/21	(\$223,582)	\$13,499,220
27	06/30/21	(\$223,582)	\$13,275,638
28	07/31/21	(\$223,582)	\$13,052,056
29	08/31/21	(\$223,582)	\$12,828,474
30			
31 Rate Year 3 Merger Hold Harmless - 5 Quarter Average			<u>\$14,145,381</u>

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC DOCKET NO. 23-23-NG
CY 2022 Gas Earnings Report
Schedule JDO/SAB-1
August 1, 2023
Page 13 of 14

Schedule DJE-2
 Revised

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

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

National Grid - RI Gas
Reconciliation of Gas Earnings Sharing Mechanism to Annual Report
For the Twelve Months ended December 31, 2022

1	<u>Operating Revenues</u>	
2	Gas Operating Revenues shown on Page 301, Line 1(f) of the Annual Report	\$442,415,051
3	1 Unbilled Revenue Net Margin	(\$11,055,358)
4	2 Unbilled Energy Efficiency	\$1,824,353
5	3 ISR Property Tax Deferral Adjustment	(\$11,581,516)
6	4 One Time Bill Credits per AG Settlement Agreement	\$17,499,584
7	Gas Earnings Sharing Mechanism, Page 2, Total Firm Gas Revenues	\$439,102,114
8		
9	Revenues from Transportation shown on Page 301, Line 7(f) of the Annual Report	\$60,661,741
10	1 Unbilled Transportation	(\$1,214,745)
11	Gas Earnings Sharing Mechanism, Page 2, Transportation Revenues	\$59,446,996
12		
13	Forfeited Discounts shown on Page 301, Line 3(f) of the Annual Report	(\$10)
14	Miscellaneous Service Revenues shown on Page 301, Line 4(f) of the Annual Report	\$9,314
15	Rent from Gas Property shown on Page 301, Line 12(f) of the Annual Report	\$2,097,528
16	Other Gas Revenues shown on Page 301, Line 14(f) of the Annual Report	\$1,705,828
17	1 Unbilled RDM	\$2,037,037
18	2 Unbilled DAC	\$7,233,198
19	3 Off System Gas Sales	(17,006,672.68)
20	4 Contract Sharing	649,585.39
21	5 Excess Sharing	14,239,812.23
22	6 Energy Efficiency Incentives	(191,012.30)
23	7 Miscellaneous Service Revenues	(\$9,304)
24	8 CSS Revenue - Customer Arrears	\$46,153
25	Gas Earnings Sharing Mechanism, Page 2, Other Revenues	10,811,457
26		
27	Inventory Financing	(\$940,240)
28		
29		
30	<u>Operating Expenses</u>	
31	Production expenses shown on Page 320 of the Annual Report	\$195,839,586
32	Gas Earnings Sharing Mechanism, Page 2, Production (Gas Costs)	\$195,839,586
33		
34	Natural Gas Storage expenses shown on Page 322 of the Annual Report	\$3,107,860
35	Gas Earnings Sharing Mechanism, Page 2, Storage	\$3,107,860
36		
37	Transmission expenses shown on Page 323 of the Annual Report	\$2,874,715
38	Gas Earnings Sharing Mechanism, Page 2, Transmission	\$2,874,715
39		
40	Distribution expenses shown on Page 324 of the Annual Report	\$31,869,739
41	Gas Earnings Sharing Mechanism, Page 2, Distribution	\$31,869,739
42		
43	Customer Accounts expenses shown on Pages 324-325 of the Annual Report	\$22,133,969
44	Customer Service & Information expenses shown on Pages 325 of the Annual Report	\$32,864,323
45	1 Zero out Uncollectible Accounts per books	(\$14,524,881)
46	2 Add Bad Debt Charge-Offs	\$9,666,927
47	Gas Earnings Sharing Mechanism, Page 2, Customer Accounts	\$50,140,337
48		
49	Sales expenses shown on Page 325 of the Annual Report	\$234,704
50	1 Remove Sales expenses	(\$234,704)
51	Gas Earnings Sharing Mechanism, Page 2, Sales	\$0
52		
53	Administrative and General expenses shown on Page 325 of the Annual Report	\$61,788,338
54	1 Exclude Executive Variable Compensation not charged to customers	(\$254,936)
55	2 Service Company excess deferred federal income taxes per Docket No. 4770 Excess	\$0
56	Deferred Income Tax True-Up – Second Compliance Filing dated May 30, 2019,	
57	Second Compliance Attachment 31, Page 1	
58	3 Removal of IT/TSA Special Items	(\$12,081,705)
59	Gas Earnings Sharing Mechanism, Page 2, Administrative and General	\$49,451,697