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January 19, 2024

VIA ELECTRONIC MAIL

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

**RE: Docket No. 23-48-EL – The Narragansett Electric Company d/b/a
Rhode Island Energy’s Proposed FY 2025 Electric Infrastructure, Safety, and
Reliability Plan
Responses to PUC Data Requests – Set 2**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the “Company”), enclosed are the Company’s responses to the Public Utilities Commission’s Second Set of Data Requests in the above-referenced matter.

Thank you for your attention to this transmittal. If you have any questions or concerns, please do not hesitate to contact me at 401-784-4263.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew S. Marcaccio".

Andrew S. Marcaccio

Enclosures

cc: Docket No. 23-48-EL Service List

PUC 2-1
Advanced Metering Functionality Revenue Requirement

Request:

Refer to Docket 22-49-EL and the response to PUC 4-7 which contains Attachment PUC 4-7. Please provide a schedule similar to Attachment 4-7 showing AMF-related capital spending by ISR Fiscal Year (i.e., spending forecasted, as opposed to investments placed in service), starting with spending that occurred prior to FY 2025, and forecasting spending for each ISR fiscal year through the last ISR Fiscal Year when the Company forecasts the project implementation period will be completed.

Response:

See Attachment PUC 2-1 for the forecasted AMF-related capital spending by ISR Fiscal Years 2024-2027 (i.e., the last ISR Fiscal Year when the Company forecasts the project implementation period will be completed) in a format similar to Attachment 4-7 in response to PUC 4-7 in Docket No. 22-49-EL.

Please note the software capital spending includes the MDMS costs.

Attachment PUC 2-1

<u>Year</u>	<u>Total Capex Spending for the Year</u>	<u>Meters Capex Spend</u>	<u>Network Capex Spend</u>	<u>Software Capex Spend</u>
ISR Fiscal Year 2024	\$ 5,096,534	\$ 595,180	\$ 94,473	\$ 4,406,881
ISR Fiscal Year 2025	\$ 51,724,652	\$ 31,036,192	\$ 5,312,585	\$ 15,375,874
ISR Fiscal Year 2026	\$ 87,845,885	\$ 65,312,620	\$ 7,352,676	\$ 15,180,589
ISR Fiscal Year 2027	\$ 8,550,475	\$ 2,595,100	\$ 2,140,217	\$ 3,815,159
	<u>\$ 153,217,546</u>			

PUC 2-2
Advanced Metering Functionality Revenue Requirement

Request:

Refer to Docket 22-49-EL and the response to PUC 7-10. Please provide updated and revised schedules similar to Attachments 7-10-1 and 7-10-2 showing AMF-related capital investments being placed into service by ISR Fiscal Year, starting with spending that occurred prior to FY 2025, and forecasting investments placed in service for each ISR fiscal year through the last ISR Fiscal Year when the Company forecasts the project implementation period will be completed.

Response:

Please see Attachment PUC 2-2-1 for a schedule similar to Docket 22-49-EL, Attachment PUC 7-10-1, which shows the illustrative annual revenue requirement for AMF related capital investments being placed into service by ISR Fiscal Year, with the first investments being placed in service during ISR FY 2025 and the last investments being placed in service in ISR FY 2027 for the project implementation period. Capital spending that was incurred prior to ISR FY 2025 is not forecasted to be placed into service until FY 2025 at the earliest and, therefore, there is no revenue requirement impact for FY 2024. Of the total \$56.8 million of investments placed in service during ISR FY 2025 on Attachment PUC 2-2-1, Pages 2 through 5, lines 3 (in total), approximately \$5.1 million is for spending that occurred prior to ISR FY 2025. Please note that for purposes of calculating the revenue requirement in this response, the Company used the FY 2025 ISR model and assumptions/rates in that model. If new base distribution rates were to take effect during any of the presented fiscal years, certain inputs such as depreciation rates and rate of return would need to be updated.

Please see Attachment PUC 2-2-2 for a schedule similar to Docket 22-49-EL, Attachment PUC 7-10-2, which shows the AMF related capital investments being placed in service by ISR Fiscal Year, starting with ISR Fiscal Year 2025 (which includes spending that occurred prior to ISR FY 2025) through the last ISR Fiscal Year when the Company forecasts the project implementation period will be completed which is ISR FY 2027. Of the total \$56.8 million of investments placed in service during ISR FY 2025 on Attachment PUC 2-2-2, "April 2024 to March 2025" column, approximately \$5.1 million is for spending that occurred prior to ISR FY 2025.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement Summary - AMF Capital Investment

Line No.			Fiscal Year	Fiscal Year	Fiscal Year
			4/1/24 - 3/31/25	4/1/25 - 3/31/26	4/1/26 - 3/31/27
			<u>2025</u>	<u>2026</u>	<u>2027</u>
			(a)	(b)	(b)
<u>AMF Incremental Capital Investment:</u>					
1	Meters - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	Page 2	\$1,859,751	\$4,469,724	\$4,298,353
2	Software - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	Page 3	\$2,154,005	\$4,713,729	\$4,416,017
3	Network - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	Page 4	\$347,052	\$829,759	\$805,749
4	Meters - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	Page 9	\$0	\$4,050,773	\$9,738,321
5	Software - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	Page 10	\$0	\$1,498,394	\$3,278,542
6	Network - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	Page 11	\$0	\$471,771	\$1,128,169
7	Meters - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	Page 16	\$0	\$0	\$162,515
8	Software - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	Page 17	\$0	\$0	\$416,471
9	Network - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	Page 18	\$0	\$0	\$137,640
10	Subtotal		\$4,360,807	\$16,034,149	\$24,381,776
11	MDMS Software - Depreciation - No Return - FY 2025 invesment	Page 5	\$118,564	\$237,128	\$237,128
12	MDMS Software - Depreciation - No Return - FY 2026 invesment	Page 12	\$0	\$101,626	\$203,252
13	MDMS Software - Depreciation - No Return - FY 2027 invesment	Page 19	\$0	\$0	\$0
14	Subtotal		\$118,564	\$338,754	\$440,380
15	Total AMF Capital Investment Component of Revenue Requirement		\$4,479,371	\$16,372,903	\$24,822,156

Column/Line Notes:

- 10 Total Lines 1 through 9
- 14 Total Lines 11 through 13
- 15 Line 10 + Line 14

* FY 2025 revenue requirement includes impact of FY 2024 capital spending that was not placed into service until FY 2025

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Meters - FY 2025

	<u>Source</u>		<u>Fiscal Year 2025</u>	<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)	(d)
1	370 - Meters	In-Service Plant	\$ 29,971,477	\$ -	\$ -
2	Plant Capital Overheads	Input	0% \$0	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$29,971,477	\$0	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$29,971,477	\$29,971,477	\$29,971,477
5	370 - COR - Annual	Input	\$0	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0	\$0
7	Annual Federal Tax Depreciation	Page 6, Line 27	\$2,997,148	\$5,394,866	\$4,315,893
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$2,997,148	\$8,392,014	\$12,707,907
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a			
9	Annual Book Depreciation	Line 9	4.49% \$672,560	\$1,345,120	\$1,345,120
10	Cumulative Book Depreciation	Line 9	\$672,560	\$2,017,680	\$3,362,800
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$488,163	\$1,338,610	\$1,962,472
<u>Rate Base Calculation</u>					
12	Plant In Service	Line 4	\$29,971,477	\$29,971,477	\$29,971,477
13	Accumulated Reserve for Depreciation	- Line 10	(\$672,560)	(\$2,017,680)	(\$3,362,800)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$488,163)	(\$1,338,610)	(\$1,962,472)
15	Year End Rate Base	Sum of Lines 12 through 14	\$28,810,754	\$26,615,187	\$24,646,205
<u>Revenue Requirement Calculation</u>					
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2			
16	Average Rate Base		\$14,405,377	\$27,712,971	\$25,630,696
17	Deferred Tax Proration Adjustment	Page 9, Column F, Line 41	\$19,784	\$19,784	\$19,784
18	Average Rate Base adjusted	Line 16 + Line 17	\$14,425,161	\$27,732,755	\$25,650,481
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4			
19	Pre-Tax WACC		8.23%	8.23%	8.23%
20	Return and Taxes	Line 18 x Line 19	\$1,187,191	\$2,282,406	\$2,111,035
21	Book Depreciation	Line 9	\$672,560	\$1,345,120	\$1,345,120
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing			
22	Property Taxes		\$0	\$842,199	\$842,199
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$1,859,751	\$4,469,724	\$4,298,353

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Software (Excluding MDMS) - FY 2025

	<u>Source</u>		<u>Fiscal Year 2025</u>	<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(b)	(b)
1	303 - Software				
	In-Service Plant		\$ 19,782,755	\$ -	\$ -
2	Plant Capital Overheads				
	Input	0%	\$0	\$0	\$0
3	Capital Spend - Annual		\$19,782,755	\$0	\$0
4	Capital Spend - Cumulative		\$19,782,755	\$19,782,755	\$19,782,755
	Line 1 + Line 2				
	PY Line 4 + CY Line 3				
5	303- COR - Annual		\$0	\$0	\$0
6	Cumulative COR		\$0	\$0	\$0
	Line 5				
7	Annual Federal Tax Depreciation		\$3,297,192	\$6,594,186	\$6,594,186
8	Cumulative Federal Tax Depreciation		\$3,297,192	\$9,891,378	\$16,485,563
	Page 7, Line 27				
	PY Line 8 + CY Line 7				
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a				
9	Annual Book Depreciation	14.29%	\$1,413,053	\$2,826,107	\$2,826,107
10	Cumulative Book Depreciation		\$1,413,053	\$4,239,160	\$7,065,267
	Line 9				
11	Accumulated Deferred Income Tax	21%	\$395,669	\$1,186,966	\$1,978,262
	(Line 10 - Line 8) x 21%				
	<u>Rate Base Calculation</u>				
12	Plant In Service		\$19,782,755	\$19,782,755	\$19,782,755
	Line 4				
13	Accumulated Reserve for Depreciation		(\$1,413,053)	(\$4,239,160)	(\$7,065,267)
	- Line 10				
14	Deferred Tax Reserve (ADIT)		(\$395,669)	(\$1,186,966)	(\$1,978,262)
	- Line 11				
15	Year End Rate Base		\$17,974,032	\$14,356,629	\$10,739,225
	Sum of Lines 12 through 14				
	<u>Revenue Requirement Calculation</u>				
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2				
16	Average Rate Base		\$8,987,016	\$16,165,331	\$12,547,927
17	Deferred Tax Proration Adjustment		\$16,036	\$16,036	\$16,036
18	Average Rate Base adjusted		\$9,003,052	\$16,181,366	\$12,563,963
	Line 16 + Line 17				
	RIPUC Docket No. 4770, Compliance				
19	Pre-Tax WACC		8.23%	8.23%	8.23%
	Att 2, Schedule 1, Pg 4				
20	Return and Taxes		\$740,951	\$1,331,726	\$1,034,014
	Line 18 x Line 19				
21	Book Depreciation		\$1,413,053	\$2,826,107	\$2,826,107
	Line 9				
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing				
22	Property Taxes	2.81%	\$0	\$555,895	\$555,895
23	Annual Revenue Requirement		\$2,154,005	\$4,713,729	\$4,416,017
	Line 20 + 21 + 22				

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Network - FY 2025

	<u>Source</u>		<u>Fiscal Year 2025</u>	<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)	(d)
1	397 - Network				
	In-Service Plant		\$ 5,407,058	\$ -	\$ -
2	Plant Capital Overheads				
	Input	0%	\$0	\$0	\$0
3	Capital Spend - Annual		\$5,407,058	\$0	\$0
4	Capital Spend - Cumulative		\$5,407,058	\$5,407,058	\$5,407,058
	PY Line 4 + CY Line 3				
5	397 - COR - Annual		\$0	\$0	\$0
6	Cumulative COR		\$0	\$0	\$0
	Line 5				
7	Annual Federal Tax Depreciation		\$772,669	\$1,324,189	\$945,695
	Page 8, Line 27				
8	Cumulative Federal Tax Depreciation		\$772,669	\$2,096,858	\$3,042,552
	PY Line 8 + CY Line 7				
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a				
9	Annual Book Depreciation	5.00%	\$135,176	\$270,353	\$270,353
10	Cumulative Book Depreciation		\$135,176	\$270,353	\$270,353
	Line 9				
11	Accumulated Deferred Income Tax	21%	\$133,873	\$383,566	\$582,162
	(Line 10 - Line 8) x 21%				
<u>Rate Base Calculation</u>					
12	Plant In Service		\$5,407,058	\$5,407,058	\$5,407,058
	Line 4				
13	Accumulated Reserve for Depreciation		(\$135,176)	(\$270,353)	(\$270,353)
	- Line 10				
14	Deferred Tax Reserve (ADIT)		(\$133,873)	(\$383,566)	(\$582,162)
	- Line 11				
15	Year End Rate Base		\$5,138,008	\$4,753,139	\$4,554,544
	Sum of Lines 12 through 14				
<u>Revenue Requirement Calculation</u>					
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2				
16	Average Rate Base		\$2,569,004	\$4,945,574	\$4,653,842
17	Deferred Tax Proration Adjustment		\$5,426	\$5,426	\$5,426
	Page 9, Column H, Line 41				
18	Average Rate Base adjusted		\$2,574,430	\$4,951,000	\$4,659,267
	Line 16 + Line 17				
	RIPUC Docket No. 4770, Compliance				
19	Pre-Tax WACC		8.23%	8.23%	8.23%
	Att 2, Schedule 1, Pg 4				
20	Return and Taxes		\$211,876	\$407,467	\$383,458
	Line 18 x Line 19				
21	Book Depreciation		\$135,176	\$270,353	\$270,353
	Line 9				
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing				
22	Property Taxes	2.81%	\$0	\$151,938	\$151,938
23	Annual Revenue Requirement		\$347,052	\$829,759	\$805,749
	Line 20 + 21 + 22				

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Meters

Line No.			Fiscal Year <u>2025</u> (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$29,971,477	10 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4				MACRS basis:	Line 20	\$29,971,477	
5	<u>Bonus Depreciation</u>				Annual		Cumulative
6	Plant Additions	Line 1	\$29,971,477	Fiscal Year			
7	Plant Additions		\$0	March 2025	10.000%	\$2,997,148	\$2,997,148
8	Less Capital Repairs Deduction	Line 3	\$0	March 2026	18.000%	\$5,394,866	\$8,392,014
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$29,971,477	March 2027	14.400%	\$4,315,893	\$12,707,907
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	March 2028	11.520%	\$3,452,714	\$16,160,621
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	March 2029	9.220%	\$2,763,370	\$18,923,991
12	Bonus Depreciation Rate	at 0%	0.00%	March 2030	7.370%	\$2,208,898	\$21,132,889
13	Total Bonus Depreciation Rate	Line 12	0.00%	March 2031	6.550%	\$1,963,132	\$23,096,021
14	Bonus Depreciation	Line 11 * Line 13	\$0	March 2032	6.550%	\$1,963,132	\$25,059,152
15				March 2033	6.560%	\$1,966,129	\$27,025,281
16	<u>Remaining Tax Depreciation</u>			March 2034	6.550%	\$1,963,132	\$28,988,413
17	Plant Additions	Line 1	\$29,971,477	March 2035	3.280%	\$983,064	\$29,971,478
18	Less Capital Repairs Deduction	Line 3	\$0		100.00%	\$29,971,477	
19	Less Bonus Depreciation	Line 14	\$0				
20	Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$29,971,477				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$2,997,148				
23							
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$2,997,148				

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Meters FY 2026

	Source		Fiscal Year 2026	Fiscal Year 2027
		(a)	(b)	(c)
1	370 - Meters	In-Service Plant	\$ 65,312,620	\$ -
2	Plant Capital Overheads	Input	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$65,312,620	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$65,312,620	\$65,312,620
5	370 - COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	Page 6, Line 27	\$6,531,262	\$11,756,272
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$6,531,262	\$18,287,534
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a		
9	Annual Book Depreciation	column a	4.49% \$1,465,615	\$2,931,230
10	Cumulative Book Depreciation	Line 9	\$1,465,615	\$4,396,846
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$1,063,786	\$2,917,044
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$65,312,620	\$65,312,620
13	Accumulated Reserve for Depreciation	- Line 10	(\$1,465,615)	(\$4,396,846)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$1,063,786)	(\$2,917,044)
15	Year End Rate Base	Sum of Lines 12 through 14	\$62,783,219	\$57,998,730
<u>Revenue Requirement Calculation</u>				
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		
16	Average Rate Base	Line 15 + CY Line 15 / 2	\$31,391,610	\$60,390,975
17	Deferred Tax Proration Adjustment	Page 9, Column F, Line 41	\$19,784	\$19,784
18	Average Rate Base adjusted	Line 16 + Line 17	\$31,411,394	\$60,410,759
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4		
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%	8.23%
20	Return and Taxes	Line 18 x Line 19	\$2,585,158	\$4,971,805
21	Book Depreciation	Line 9	\$1,465,615	\$2,931,230
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22	Property Taxes	Reliability Plan Reconciliation Filing	2.81% \$0	\$1,835,285
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$4,050,773	\$9,738,321

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Software (Excluding MDMS) FY 2026**

	<u>Source</u>		<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)
1	303 - Software			
	In-Service Plant		\$ 13,757,822	\$ -
2	Plant Capital Overheads			
	Input	0%	\$0	\$0
3	Capital Spend - Annual		\$13,757,822	\$0
4	Capital Spend - Cumulative		\$13,757,822	\$13,757,822
	Line 1 + Line 2			
	PY Line 4 + CY Line 3			
5	303- COR - Annual		\$0	\$0
6	Cumulative COR		\$0	\$0
	Input			
	Line 5			
7	Annual Federal Tax Depreciation		\$2,293,016	\$4,585,895
8	Cumulative Federal Tax Depreciation		\$2,293,016	\$6,878,911
	Page 7, Line 27			
	PY Line 8 + CY Line 7			
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a			
9	Annual Book Depreciation	14.29%	\$982,701	\$1,965,403
10	Cumulative Book Depreciation		\$982,701	\$2,948,104
	Line 9			
11	Accumulated Deferred Income Tax	21%	\$275,166	\$825,469
	(Line 10 - Line 8) x 21%			
<u>Rate Base Calculation</u>				
12	Plant In Service		\$13,757,822	\$13,757,822
	Line 4			
13	Accumulated Reserve for Depreciation		(\$982,701)	(\$2,948,104)
	- Line 10			
14	Deferred Tax Reserve (ADIT)		(\$275,166)	(\$825,469)
	- Line 11			
15	Year End Rate Base		\$12,499,954	\$9,984,248
	Sum of Lines 12 through 14			
<u>Revenue Requirement Calculation</u>				
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2			
16	Average Rate Base		\$6,249,977	\$11,242,101
17	Deferred Tax Proration Adjustment		\$16,036	\$16,036
18	Average Rate Base adjusted		\$6,266,013	\$11,258,137
	Line 16 + Line 17			
	RIPUC Docket No. 4770, Compliance			
19	Pre-Tax WACC		8.23%	8.23%
	Att 2, Schedule 1, Pg 4			
20	Return and Taxes		\$515,693	\$926,545
	Line 18 x Line 19			
21	Book Depreciation		\$982,701	\$1,965,403
	Line 9			
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	2.81%	\$0	\$386,595
22	Property Taxes		\$0	\$386,595
23	Annual Revenue Requirement		\$1,498,394	\$3,278,542
	Line 20 + 21 + 22			

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Network - FY 2026

	Source		Fiscal Year 2026	Fiscal Year 2027
		(a)	(b)	(c)
1	397 - Network	In-Service Plant	\$ 7,352,676	\$ -
2	Plant Capital Overheads	Input	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$7,352,676	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$7,352,676	\$7,352,676
5	397 - COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	Page 8, Line 27	\$1,050,697	\$1,800,670
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$1,050,697	\$2,851,367
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a		
9	Annual Book Depreciation	column a	5.00% \$183,817	\$367,634
10	Cumulative Book Depreciation	Line 9	\$183,817	\$367,634
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$182,045	\$521,584
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$7,352,676	\$7,352,676
13	Accumulated Reserve for Depreciation	- Line 10	(\$183,817)	(\$367,634)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$182,045)	(\$521,584)
15	Year End Rate Base	Sum of Lines 12 through 14	\$6,986,814	\$6,463,458
<u>Revenue Requirement Calculation</u>				
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		
16	Average Rate Base	Line 15 + CY Line 15 / 2	\$3,493,407	\$6,725,136
17	Deferred Tax Proration Adjustment	Page 9, Column H, Line 41	\$5,426	\$5,426
18	Average Rate Base adjusted	Line 16 + Line 17	\$3,498,833	\$6,730,562
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4		
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%	8.23%
20	Return and Taxes	Line 18 x Line 19	\$287,954	\$553,925
21	Book Depreciation	Line 9	\$183,817	\$367,634
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22	Property Taxes	Reliability Plan Reconciliation Filing	2.81% \$0	\$206,610
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$471,771	\$1,128,169

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2026 Software

Line No.			Fiscal Year <u>2026</u>	(a)	(b)	(c)	(d)	(e)																																				
	<u>Capital Repairs Deduction</u>																																											
1	Plant Additions	Page 4, Line 4		\$13,757,822	<table border="1"> <thead> <tr> <th colspan="4">3 Year MACRS Depreciation Straight Line</th> </tr> <tr> <th>MACRS basis:</th> <th>Line 20</th> <th>\$13,757,822</th> <th></th> </tr> <tr> <th></th> <th></th> <th>Annual</th> <th>Cumulative</th> </tr> <tr> <th colspan="4">Fiscal Year</th> </tr> <tr> <td>March 2026</td> <td>16.667%</td> <td>\$2,293,016</td> <td>\$2,293,016</td> </tr> <tr> <td>March 2027</td> <td>33.333%</td> <td>\$4,585,895</td> <td>\$6,878,911</td> </tr> <tr> <td>March 2028</td> <td>33.333%</td> <td>\$4,585,895</td> <td>\$11,464,805</td> </tr> <tr> <td>March 2029</td> <td>16.667%</td> <td>\$2,293,016</td> <td>\$13,757,822</td> </tr> <tr> <td></td> <td></td> <td><u>100.00%</u></td> <td><u>\$13,757,822</u></td> </tr> </thead> </table>				3 Year MACRS Depreciation Straight Line				MACRS basis:	Line 20	\$13,757,822				Annual	Cumulative	Fiscal Year				March 2026	16.667%	\$2,293,016	\$2,293,016	March 2027	33.333%	\$4,585,895	\$6,878,911	March 2028	33.333%	\$4,585,895	\$11,464,805	March 2029	16.667%	\$2,293,016	\$13,757,822			<u>100.00%</u>	<u>\$13,757,822</u>
3 Year MACRS Depreciation Straight Line																																												
MACRS basis:	Line 20	\$13,757,822																																										
		Annual	Cumulative																																									
Fiscal Year																																												
March 2026	16.667%	\$2,293,016	\$2,293,016																																									
March 2027	33.333%	\$4,585,895	\$6,878,911																																									
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March 2029	16.667%	\$2,293,016	\$13,757,822																																									
		<u>100.00%</u>	<u>\$13,757,822</u>																																									
2	Capital Repairs Deduction Rate	Per Tax Department	1/	0.00%																																								
3	Capital Repairs Deduction	Line 1 * Line 2		\$0																																								
4																																												
5	<u>Bonus Depreciation</u>																																											
6	Plant Additions	Line 1		\$13,757,822																																								
7	Plant Additions			\$0																																								
8	Less Capital Repairs Deduction	Line 3		\$0																																								
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8		\$13,757,822																																								
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%																																								
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10		\$0																																								
12	Bonus Depreciation Rate	at 0%		0.00%																																								
13	Total Bonus Depreciation Rate	Line 12		0.00%																																								
14	Bonus Depreciation	Line 11 * Line 13		\$0																																								
15																																												
16	<u>Remaining Tax Depreciation</u>																																											
17	Plant Additions	Line 1		\$13,757,822																																								
18	Less Capital Repairs Deduction	Line 3		\$0																																								
19	Less Bonus Depreciation	Line 14		\$0																																								
	Remaining Plant Additions Subject to 3 YR MACRS Tax																																											
20	Depreciation Straight Line	Line 17 - Line 18 - Line 19		\$13,757,822																																								
21	3 YR MACRS Tax Depreciation Rates Straight Line	Per IRS Publication 946		16.667%																																								
22	Remaining Tax Depreciation	Line 20 * Line 21		\$2,293,016																																								
23																																												
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/	\$0																																								
25	Cost of Removal			\$0																																								
26																																												
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25		<u>\$2,293,016</u>																																								

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Meters FY 2027

	Source		Fiscal Year 2027
		(a)	(b)
1 370 - Meters	In-Service Plant		\$ 2,595,100
2 Plant Capital Overheads	Input	0%	\$0
3 Capital Spend - Annual	Line 1 + Line 2		\$2,595,100
4 Capital Spend - Cumulative	PY Line 4 + CY Line 3		\$2,595,100
5 370 - COR - Annual	Input		\$0
6 Cumulative COR	Line 5		\$0
7 Annual Federal Tax Depreciation	Page 6, Line 27		\$259,510
8 Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7		\$259,510
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9 Annual Book Depreciation	column a	4.49%	\$58,234
10 Cumulative Book Depreciation	Line 9		\$58,234
11 Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21%	\$42,268
 <u>Rate Base Calculation</u>			
12 Plant In Service	Line 4		\$2,595,100
13 Accumulated Reserve for Depreciation	- Line 10		(\$58,234)
14 Deferred Tax Reserve (ADIT)	- Line 11		(\$42,268)
15 Year End Rate Base	Sum of Lines 12 through 14		\$2,494,598
 <u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		
16 Average Rate Base			\$1,247,299
17 Deferred Tax Proration Adjustment	Page 9, Column F, Line 41		\$19,784
18 Average Rate Base adjusted	Line 16 + Line 17		\$1,267,083
	RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4		
19 Pre-Tax WACC			8.23%
20 Return and Taxes	Line 18 x Line 19		\$104,281
21 Book Depreciation	Line 9		\$58,234
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22 Property Taxes		2.81%	\$0
23 Annual Revenue Requirement	Line 20 + 21 + 22		\$162,515

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Software (Excluding MDMS) FY 2027

	Source		Fiscal Year 2027
		(a)	(b)
1 303 - Software	In-Service Plant		\$ 3,815,159
2 Plant Capital Overheads	Input	0%	\$0
3 Capital Spend - Annual	Line 1 + Line 2		\$3,815,159
4 Capital Spend - Cumulative	PY Line 4 + CY Line 3		\$3,815,159
5 303- COR - Annual	Input		\$0
6 Cumulative COR	Line 5		\$0
7 Annual Federal Tax Depreciation	Page 7, Line 27		\$635,873
8 Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7		\$635,873
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9 Annual Book Depreciation	column a	14.29%	\$272,511
10 Cumulative Book Depreciation	Line 9		\$272,511
11 Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21%	\$76,306
 <u>Rate Base Calculation</u>			
12 Plant In Service	Line 4		\$3,815,159
13 Accumulated Reserve for Depreciation	- Line 10		(\$272,511)
14 Deferred Tax Reserve (ADIT)	- Line 11		(\$76,306)
15 Year End Rate Base	Sum of Lines 12 through 14		\$3,466,342
 <u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		\$1,733,171
16 Average Rate Base	Page 9, Column G, Line 41		\$16,036
17 Deferred Tax Proration Adjustment	Line 16 + Line 17		\$1,749,207
18 Average Rate Base adjusted	RIPUC Docket No. 4770, Compliance		
19 Pre-Tax WACC	Att 2, Schedule 1, Pg 4		8.23%
20 Return and Taxes	Line 18 x Line 19		\$143,960
21 Book Depreciation	Line 9		\$272,511
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	2.81%	\$0
22 Property Taxes	Line 20 + 21 + 22		\$416,471
23 Annual Revenue Requirement			\$416,471

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Network - FY 2027

	Source		Fiscal Year 2027
		(a)	(b)
1 397 - Network	In-Service Plant		\$ 2,140,217
2 Plant Capital Overheads	Input	0%	\$0
3 Capital Spend - Annual	Line 1 + Line 2		\$2,140,217
4 Capital Spend - Cumulative	PY Line 4 + CY Line 3		\$2,140,217
5 397 - COR - Annual	Input		\$0
6 Cumulative COR	Line 5		\$0
7 Annual Federal Tax Depreciation	Page 8, Line 27		\$305,837
8 Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7		\$305,837
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9 Annual Book Depreciation	column a	5.00%	\$53,505
10 Cumulative Book Depreciation	Line 9		\$53,505
11 Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21%	\$52,990
 <u>Rate Base Calculation</u>			
12 Plant In Service	Line 4		\$2,140,217
13 Accumulated Reserve for Depreciation	- Line 10		(\$53,505)
14 Deferred Tax Reserve (ADIT)	- Line 11		(\$52,990)
15 Year End Rate Base	Sum of Lines 12 through 14		\$2,033,722
 <u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		
16 Average Rate Base			\$1,016,861
17 Deferred Tax Proration Adjustment	Page 9, Column H, Line 41		\$5,426
18 Average Rate Base adjusted	Line 16 + Line 17		\$1,022,287
	RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4		
19 Pre-Tax WACC			8.23%
20 Return and Taxes	Line 18 x Line 19		\$84,134
21 Book Depreciation	Line 9		\$53,505
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22 Property Taxes		2.81%	\$0
23 Annual Revenue Requirement	Line 20 + 21 + 22		\$137,640

CY = Current Year
PY = Prior Year
Property Taxes - Zero for Year 1
Book Depreciation Rate - RIPUC Docket No. 4770

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - MDMS - FY 2027**

	Source		Fiscal Year 2027
		(a)	(b)
1 303 - Software	In-Service Plant		\$ -
2 Plant Capital Overheads	Input	0%	\$0
3 Capital Spend - Annual	Line 1 + Line 2		\$0
4 Capital Spend - Cumulative	PY Line 4 + CY Line 3		\$0
5 303- COR - Annual	Input		\$0
6 Cumulative COR	Line 5		\$0
7 Annual Federal Tax Depreciation	N/A		\$0
8 Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7		\$0
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9 Annual Book Depreciation	column a	14.29%	\$0
10 Cumulative Book Depreciation	Line 9		\$0
11 Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21%	\$0
 <u>Rate Base Calculation</u>			
12 Plant In Service	Line 4		\$0
13 Accumulated Reserve for Depreciation	- Line 10		\$0
14 Deferred Tax Reserve (ADIT)	- Line 11		\$0
15 Year End Rate Base	Sum of Lines 12 through 14		\$0
 <u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		
16 Average Rate Base			\$0
17 Deferred Tax Proration Adjustment			\$0
18 Average Rate Base adjusted	Line 16 + Line 17		\$0
	RIPUC Docket No. 4770, Compliance		
19 Pre-Tax WACC	Att 2, Schedule 1, Pg 4		0.00%
20 Return and Taxes	Line 18 x Line 19		\$0
21 Book Depreciation	Line 9		\$0
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22 Property Taxes		2.81%	\$0
23 Annual Revenue Requirement	Line 20 + 21 + 22		\$0

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2027 Meters

Line No.		Fiscal Year <u>2027</u>	(a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$2,595,100				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
5	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$2,595,100				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$2,595,100				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
16	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$2,595,100				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
	Remaining Plant Additions Subject to 10 YR MACRS Tax						
20	Depreciation	Line 17 - Line 18 - Line 19	\$2,595,100				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$259,510				
23							
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$259,510				

10 Year MACRS Depreciation			
MACRS basis:	Line 20	\$2,595,100	
		Annual	Cumulative
Fiscal Year			
March 2027	10.000%	\$259,510	\$259,510
March 2028	18.000%	\$467,118	\$726,628
March 2029	14.400%	\$373,694	\$1,100,322
March 2030	11.520%	\$298,955	\$1,399,278
March 2031	9.220%	\$239,268	\$1,638,546
March 2032	7.370%	\$191,259	\$1,829,805
March 2033	6.550%	\$169,979	\$1,999,784
March 2034	6.550%	\$169,979	\$2,169,763
March 2035	6.560%	\$170,239	\$2,340,001
March 2036	6.550%	\$169,979	\$2,509,980
March 2037	3.280%	\$85,119	\$2,595,100
	<u>100.00%</u>	<u>\$2,595,100</u>	

1/ Per Tax Department
2/ Per Tax Department

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2027 Software**

Line No.			Fiscal Year <u>2027</u>	(a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>							
1	Plant Additions	Page 4, Line 4		\$3,815,159	3 Year MACRS Depreciation Straight Line			
2	Capital Repairs Deduction Rate	Per Tax Department	1/	0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2		\$0				
4					MACRS basis:	Line 20	\$3,815,159	
5	<u>Bonus Depreciation</u>							
6	Plant Additions	Line 1		\$3,815,159	Fiscal Year		Annual	Cumulative
7	Plant Additions			\$0	March 2027	16.667%	\$635,873	\$635,873
8	Less Capital Repairs Deduction	Line 3		\$0	March 2028	33.333%	\$1,271,707	\$1,907,580
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8		\$3,815,159	March 2029	33.333%	\$1,271,707	\$3,179,287
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%	March 2030	16.667%	\$635,873	\$3,815,159
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10		\$0			<u>100.00%</u>	<u>\$3,815,159</u>
12	Bonus Depreciation Rate	at 0%		0.00%				
13	Total Bonus Depreciation Rate	Line 12		0.00%				
14	Bonus Depreciation	Line 11 * Line 13		\$0				
15								
16	<u>Remaining Tax Depreciation</u>							
17	Plant Additions	Line 1		\$3,815,159				
18	Less Capital Repairs Deduction	Line 3		\$0				
19	Less Bonus Depreciation	Line 14		\$0				
	Remaining Plant Additions Subject to 3 YR MACRS Tax							
20	Depreciation Straight Line	Line 17 - Line 18 - Line 19		\$3,815,159				
21	3 YR MACRS Tax Depreciation Rates Straight Line	Per IRS Publication 946		16.667%				
22	Remaining Tax Depreciation	Line 20 * Line 21		\$635,873				
23								
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/	\$0				
25	Cost of Removal			\$0				
26								
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25		<u>\$635,873</u>				

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2027 Network

Line No.			Fiscal Year				
			<u>2027</u>	(b)	(c)	(d)	(e)
			(a)				
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 4, Line 4	\$2,140,217	7 Year MACRS Depreciation MACRS basis: Line 20 \$2,140,217 Annual Cumulative Fiscal Year March 2027 14.290% \$305,837 \$305,837 March 2028 24.490% \$524,139 \$829,976 March 2029 17.490% \$374,324 \$1,204,300 March 2030 12.490% \$267,313 \$1,471,613 March 2031 8.930% \$191,121 \$1,662,735 March 2032 8.920% \$190,907 \$1,853,642 March 2033 8.930% \$191,121 \$2,044,763 March 2034 4.460% \$95,454 \$2,140,217 <u>100.00%</u> <u>\$2,140,217</u>			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$2,140,217				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$2,140,217				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$2,140,217				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
	Remaining Plant Additions Subject to 7 YR MACRS Tax						
20	Depreciation	Line 17 - Line 18 - Line 19	\$2,140,217				
21	7 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	14.290%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$305,837				
23							
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	<u>\$305,837</u>				

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on Incremental Capital Investment

Line No.			Meters	Software	Network
			FY 2025	FY 2025	FY 2025
			(a)	(b)	(c)
Deferred Tax Subject to Proration					
1	Book Depreciation				
		Page 2, 3, 4; Line 9	\$672,560	\$1,413,053	\$135,176
2	Bonus Depreciation		\$0	\$0	\$0
		Page 5,6, 7; Line 14			
3	Remaining MACRS Tax Depreciation		(\$2,997,148)	(\$3,297,192)	(\$772,669)
		Page 5,6, 7; Line 22			
4	FY 2025 tax (gain)/loss on retirements		\$0	\$0	\$0
		Page 5,6, 7; Line 24			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$2,324,588)	(\$1,884,139)	(\$637,493)
6	Effective Tax Rate		21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$488,163)	(\$395,669)	(\$133,873)
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction		\$0	\$0	\$0
		Page 5,6, 7; Line 3			
9	Cost of Removal		\$0	\$0	\$0
		Page 5,6, 7; Line 25			
10	Book/Tax Depreciation Timing Difference at 3/31/2025				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$488,163)	(\$395,669)	(\$133,873)
15	Net Operating Loss		\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$488,163)	(\$395,669)	(\$133,873)
Allocation of FY 2024 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$2,324,588)	(\$1,884,139)	(\$637,493)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$2,324,588)	(\$1,884,139)	(\$637,493)
20	Total FY 2025 Federal NOL (Utilization)		\$0	\$0	\$0
21	Allocated FY 2025 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0
22	Allocated FY 2025 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0
23	Effective Tax Rate		21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$488,163)	(\$395,669)	(\$133,873)
		(d)	(e)	(f)	(g)
		(h)			
Proration Calculation					
		<u>Number of Days in</u>			
		<u>Month</u>	<u>Proration Percentage</u>		
26	January	31	91.53%	(\$37,235)	(\$30,180)
27	February	29	83.61%	(\$34,011)	(\$27,567)
28	March	31	75.14%	(\$30,566)	(\$24,774)
29	April	30	66.94%	(\$27,231)	(\$22,072)
30	May	31	58.47%	(\$23,786)	(\$19,279)
31	June	30	50.27%	(\$20,451)	(\$16,576)
32	July	31	41.80%	(\$17,006)	(\$13,784)
33	August	31	33.33%	(\$13,560)	(\$10,991)
34	September	30	25.14%	(\$10,226)	(\$8,288)
35	October	31	16.67%	(\$6,780)	(\$5,495)
36	November	30	8.47%	(\$3,446)	(\$2,793)
37	December	31	0.00%	\$0	\$0
38	Total	366		(\$224,297)	(\$181,799)
39	Deferred Tax Without Proration	Line 25	(\$488,163)	(\$395,669)	(\$133,873)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$244,082)	(\$197,835)	(\$66,937)
41	Proration Adjustment	Line 38 - Line 40	\$19,784	\$16,036	\$5,426

Column Notes:

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan -AMF
Annual Capital Spending Placed in Service

		Project Implementation - Placed in Service				
<u>Category</u>	<u>Full Description</u>	<u>FERC Account</u>	<u>April 2024 to March 2025</u>	<u>April 2025 to March 2026</u>	<u>April 2026 to March 2027</u>	<u>Totals</u>
Systems	L+G SaaS Implement / Ongoing - no MDMS	303	\$4,294,774	\$ 2,810,684	\$ -	\$7,105,458
Systems	L+G SaaS Implement / Ongoing - MDMS	303	\$1,659,895	\$ 1,422,767	\$ -	\$3,082,662
Systems	System Integrator - TCS	303	\$3,550,000	\$ 4,000,000	\$ 2,650,000	\$10,200,000
Systems	AMF CSS - Accenture	303	\$3,500,000	\$ -	\$ -	\$3,500,000
Systems	Customer Engagement	303	\$737,358	\$ 1,600,427	\$ -	\$2,337,785
Systems	Cyber Security	303	\$323,809	\$ -	\$ -	\$323,809
Systems	Project Management	303	\$4,441,533	\$ 4,326,402	\$ 910,082	\$9,678,017
	SYSTEMS SUB-TOTAL		\$18,507,369	\$ 14,160,280	\$ 3,560,082	\$36,227,731
Meters	Meter Equipment	370	\$24,893,695	\$ 43,311,534	\$ -	\$68,205,229
Meters	Meter Installation Services	370	\$3,761,777	\$ 19,620,367	\$ 1,999,920	\$25,382,063
	METERS SUB-TOTAL		\$28,655,473	\$ 62,931,901	\$ 1,999,920	\$93,587,293
Network	Network Equipment	397	\$2,949,864	\$ 1,910,272	\$ -	\$4,860,137
Network	Network Installs	397	\$1,984,829	\$ 5,064,512	\$ 2,045,744	\$9,095,085
	NETWORK SUB-TOTAL	397	\$4,934,693	\$ 6,974,784	\$ 2,045,744	\$13,955,221
Program	Program Management - Internal		\$1,956,581	\$ 1,565,264	\$ 391,316	\$3,913,161
Program	Program Management -external vendor		\$2,767,070	\$ 2,213,656	\$ 553,414	\$5,534,140
	PROGRAM SUB-TOTAL		\$4,723,651	\$ 3,778,920	\$ 944,730	\$9,447,301
		*	\$56,821,186	\$ 87,845,885	\$ 8,550,475	\$ 153,217,546 includes MDMS
	Less MDMS		\$ (1,659,895)	\$ (1,422,767)	0	\$ (3,082,662) MDMS
	Total without MDMS		\$55,161,291	\$86,423,118	\$8,550,475	\$150,134,884 Excludes MDMS

* includes \$5,096,534 of FY 2024 capital spend not placed into service until FY 2025

PUC 2-3
Advanced Metering Functionality Revenue Requirement

Request:

Refer to Docket 22-49-EL and the response to PUC 7-10. Page 5 of Attachment 7-10-1, line 36 calculates a revenue requirement of \$3.7 million for FY 2023 based on capital investments assumed to be placed in service of over \$67 million. However, in Attachment 3 of Section 5 of the ISR filing, the schedules appear to calculate a revenue requirement of \$4.6 million (exclusive of MDMS) based on investments placed into service of the lower amount of approximately \$55 million. Please explain why the revenue requirement associated with \$55 million is nearly \$1 million higher than the revenue requirement that was calculated based on the materially higher capital investment amount of \$67 million.

Response:

Please note that in preparing this response, the Company realized that in Section 5, Attachment 3, Page 4 of 10, Line 9 of the ISR filing, there was an inadvertent error in the annual book depreciation percentage for network investments. The percentage used was 14.29% but should have been 5%. This results in a revised forecasted AMF capital revenue requirement of \$4.36 million on the \$55 million of capital investments (not including MDMS). This does not result in a change to the net AMF capital investment revenue requirement of zero presented on Page 1, Line 8. The Company is providing the revised Section 5, Attachment 3 for the AMF capital revenue requirement as Attachment PUC 2-3 to this response.

The revised FY 25 capital revenue requirement on Attachment PUC 2-3, Page 1 is approximately \$0.65 million higher than the FY 25 revenue requirement in Docket No. 22-49-EL, Attachment 7-10-1, Page 5. In responding to data request PUC 7-10 in Docket No. 22-49-EL, the Company calculated an illustrative revenue requirement applying the composite book depreciation rate of 3.16% and the federal tax rates to all AMF capital investments that it applies to other ISR capital investments. In preparing the revenue requirement for this ISR filing shown in Section 3, Attachment 5 and the revised revenue requirement on Attachment PUC 2-3, the Company did not apply the composite book depreciation rate to AMF capital investments because the composite book depreciation rate did not include all capital investments such as software. Rather, the Company calculated a separate revenue requirement for each investment category of meters, software and network and applied the respective book depreciation rates that were approved in the last base distribution rate case in Docket No. 4770 (4.49%, 14.29%, and 5.00%, respectively). Similarly, the Company applied the specific modified accelerated cost recovery system (MACRS) tax life and tax rates that are applicable to each investment category. This resulted in a higher revenue requirement on a smaller total capital investment in the ISR filing as compared to Docket No. 22-49-EL, mainly driven by the higher book depreciation rates,

PUC 2-3, page 2

Advanced Metering Functionality Revenue Requirement

especially for software, which was 14.29% as compared to the 3.16% composite book depreciation rate used for the illustrative revenue requirement in Docket No. 22-49-EL.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement Summary - AMF Capital Investment - "Revised Section 5: Attachment 3"

Line No.		Fiscal Year 4/1/24 - 3/31/25 <u>2025</u> (a)
<u>AMF Incremental Capital Investment:</u>		
1	Meters - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$1,859,751
2	Software - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$2,154,005
3	Network - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$589,757
4	Subtotal	\$4,603,512
5	MDMS Software - Depreciation - No Return	\$118,564
6	Total AMF Capital Investment Component of Revenue Requirement	\$4,722,076
7	Deferrals to Offset AMF Capital Investment Revenue Requirement	(4,722,076)
8	Net AMF Capital Investment Component of Revenue Requirement	\$0

Column/Line Notes:

- 1 Page 2, Line 23
- 2 Page 3, Line 23
- 3 Page 4, Line 23
- 4 Total Lines 1 through 3
- 5 Page 5, Line 23
- 6 Line 4 + Line 5
- 7 Page 10, Column AC, Line 5
- 8 Line 6 + Line 7

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Meters

	<u>Source</u>	(a)	<u>Fiscal Year 2025</u>
			(b)
1	370 - Meters		
	In-Service Plant		\$ 29,971,477
2	Plant Capital Overheads		
	Input	0%	<u>\$0</u>
3	Capital Spend - Annual		\$29,971,477
4	Capital Spend - Cumulative		\$29,971,477
	Line 1 + Line 2		
	PY Line 4 + CY Line 3		
5	370 - COR - Annual		<u>\$0</u>
6	Cumulative COR		\$0
	Input		
	Line 5		
7	Annual Federal Tax Depreciation		\$2,997,148
	Page 6, Line 27		
8	Cumulative Federal Tax Depreciation		<u>\$2,997,148</u>
	PY Line 8 + CY Line 7		
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9	Annual Book Depreciation	4.49%	<u>\$672,560</u>
	column a		
10	Cumulative Book Depreciation		\$672,560
	Line 9		
11	Accumulated Deferred Income Tax	21%	<u>\$488,163</u>
	(Line 10 - Line 8) x 21%		
	<u>Rate Base Calculation</u>		
12	Plant In Service		\$29,971,477
	Line 4		
13	Accumulated Reserve for Depreciation		(\$672,560)
	- Line 10		
14	Deferred Tax Reserve (ADIT)		(\$488,163)
	- Line 11		
15	Year End Rate Base		<u>\$28,810,754</u>
	Sum of Lines 12 through 14		
	<u>Revenue Requirement Calculation</u>		
	Year 1 = CY, Line 15 * 50%; Then = PY		
16	Average Rate Base		\$14,405,377
	Line 15 + CY Line 15 / 2		
17	Deferred Tax Proration Adjustment		\$19,784
	Page 9, Column F, Line 41		
18	Average Rate Base adjusted		<u>\$14,425,161</u>
	Line 16 + Line 17		
	RIPUC Docket No. 4770, Compliance		
19	Pre-Tax WACC		8.23%
	Att 2, Schedule 1, Pg 4		
20	Return and Taxes		<u>\$1,187,191</u>
	Line 18 x Line 19		
21	Book Depreciation		\$672,560
	Line 9		
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22	Property Taxes	2.81%	<u>\$0</u>
	Line 20 + 21 + 22		
23	Annual Revenue Requirement		<u><u>\$1,859,751</u></u>

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Software (Excluding MDMS)

	Source		Fiscal Year 2025
		(a)	(b)
1	303 - Software		\$ 19,782,755
2	Plant Capital Overheads		\$0
3	Capital Spend - Annual	0%	\$19,782,755
4	Capital Spend - Cumulative		\$19,782,755
5	303- COR - Annual		\$0
6	Cumulative COR		\$0
7	Annual Federal Tax Depreciation		\$3,297,192
8	Cumulative Federal Tax Depreciation		\$3,297,192
Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,			
9	Annual Book Depreciation	column a	\$1,413,053
10	Cumulative Book Depreciation	Line 9	\$1,413,053
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$395,669
<u>Rate Base Calculation</u>			
12	Plant In Service	Line 4	\$19,782,755
13	Accumulated Reserve for Depreciation	- Line 10	(\$1,413,053)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$395,669)
15	Year End Rate Base	Sum of Lines 12 through 14	\$17,974,032
<u>Revenue Requirement Calculation</u>			
Year 1 = CY, Line 15 * 50%; Then = PY			
16	Average Rate Base	Line 15 + CY Line 15 / 2	\$8,987,016
17	Deferred Tax Proration Adjustment	Page 9, Column G, Line 41	\$16,036
18	Average Rate Base adjusted	Line 16 + Line 17	\$9,003,052
RIPUC Docket No. 4770, Compliance			
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%
20	Return and Taxes	Line 18 x Line 19	\$740,951
21	Book Depreciation	Line 9	\$1,413,053
RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and			
22	Property Taxes	Reliability Plan Reconciliation Filing	2.81% \$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$2,154,005

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - Network

	<u>Source</u>	(a)	<u>Fiscal Year 2025</u>
			(b)
1	397 - Network		
	In-Service Plant		\$ 5,407,058
2	Plant Capital Overheads		
	Input	0%	<u>\$0</u>
3	Capital Spend - Annual		\$5,407,058
4	Capital Spend - Cumulative		\$5,407,058
	PY Line 4 + CY Line 3		
5	397 - COR - Annual		
	Input		<u>\$0</u>
6	Cumulative COR		\$0
	Line 5		
7	Annual Federal Tax Depreciation		\$772,669
	Page 8, Line 27		
8	Cumulative Federal Tax Depreciation		<u>\$772,669</u>
	PY Line 8 + CY Line 7		
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9	Annual Book Depreciation	14.29%	<u>\$386,218</u>
	column a		
10	Cumulative Book Depreciation		\$386,218
	Line 9		
11	Accumulated Deferred Income Tax	21%	<u>\$81,155</u>
	(Line 10 - Line 8) x 21%		
	<u>Rate Base Calculation</u>		
12	Plant In Service		\$5,407,058
	Line 4		
13	Accumulated Reserve for Depreciation		(\$386,218)
	- Line 10		
14	Deferred Tax Reserve (ADIT)		(\$81,155)
	- Line 11		
15	Year End Rate Base		<u>\$4,939,685</u>
	Sum of Lines 12 through 14		
	<u>Revenue Requirement Calculation</u>		
	Year 1 = CY, Line 15 * 50%; Then = PY		
16	Average Rate Base		\$2,469,843
	Line 15 + CY Line 15 / 2		
17	Deferred Tax Proration Adjustment		\$3,289
	Page 9, Column H, Line 41		
18	Average Rate Base adjusted		<u>\$2,473,132</u>
	Line 16 + Line 17		
	RIPUC Docket No. 4770, Compliance		
19	Pre-Tax WACC		8.23%
	Att 2, Schedule 1, Pg 4		
20	Return and Taxes		<u>\$203,539</u>
	Line 18 x Line 19		
21	Book Depreciation		\$386,218
	Line 9		
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22	Property Taxes	2.81%	<u>\$0</u>
	Line 20 + 21 + 22		
23	Annual Revenue Requirement		<u><u>\$589,757</u></u>

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - MDMS

	<u>Source</u>	(a)	<u>Fiscal Year 2025</u>
			(b)
1	303 - Software	In-Service Plant	\$ 1,659,895
2	Plant Capital Overheads	Input	0%
3	Capital Spend - Annual	Line 1 + Line 2	<u>\$1,659,895</u>
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$1,659,895
5	303- COR - Annual	Input	<u>\$0</u>
6	Cumulative COR	Line 5	\$0
7	Annual Federal Tax Depreciation	N/A	<u>\$0</u>
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$0
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	14.29% <u>\$118,564</u>
10	Cumulative Book Depreciation	Line 9	\$118,564
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% <u>\$0</u>
<u>Rate Base Calculation</u>			
12	Plant In Service	Line 4	\$0
13	Accumulated Reserve for Depreciation	- Line 10	\$0
14	Deferred Tax Reserve (ADIT)	- Line 11	<u>\$0</u>
15	Year End Rate Base	Sum of Lines 12 through 14	\$0
<u>Revenue Requirement Calculation</u>			
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2	
16	Average Rate Base		\$0
17	Deferred Tax Proration Adjustment		<u>\$0</u>
18	Average Rate Base adjusted	Line 16 + Line 17	\$0
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4	0.00%
19	Pre-Tax WACC		<u>\$0</u>
20	Return and Taxes	Line 18 x Line 19	\$0
21	Book Depreciation	Line 9	\$118,564
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	2.81%
22	Property Taxes		<u>\$0</u>
23	Annual Revenue Requirement	Line 20 + 21 + 22	<u>\$118,564</u>

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Meters

Line No.		Fiscal Year <u>2025</u>	(a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$29,971,477	10 Year MACRS Depreciation MACRS basis: Line 20 \$29,971,477 Annual Cumulative Fiscal Year March 2025 10.000% \$2,997,148 \$2,997,148 March 2026 18.000% \$5,394,866 \$8,392,014 March 2027 14.400% \$4,315,893 \$12,707,907 March 2028 11.520% \$3,452,714 \$16,160,621 March 2029 9.220% \$2,763,370 \$18,923,991 March 2030 7.370% \$2,208,898 \$21,132,889 March 2031 6.550% \$1,963,132 \$23,096,021 March 2032 6.550% \$1,963,132 \$25,059,152 March 2033 6.560% \$1,966,129 \$27,025,281 March 2034 6.550% \$1,963,132 \$28,988,413 March 2035 3.280% \$983,064 \$29,971,478 <u>100.00%</u> <u>\$29,971,477</u>			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$29,971,477				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$29,971,477				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$29,971,477				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
	Remaining Plant Additions Subject to 10 YR MACRS Tax						
20	Depreciation	Line 17 - Line 18 - Line 19	\$29,971,477				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$2,997,148				
23							
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$2,997,148				

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Software

Line No.			Fiscal Year	(b)	(c)	(d)	(e)																																															
			<u>2025</u>																																																			
			(a)																																																			
	<u>Capital Repairs Deduction</u>																																																					
1	Plant Additions	Page 4, Line 4	\$19,782,755	<table border="1"> <tr> <td colspan="4">3 Year MACRS Depreciation Straight Line</td> </tr> <tr> <td>MACRS basis:</td> <td>Line 20</td> <td>\$19,782,755</td> <td></td> </tr> <tr> <td></td> <td></td> <td>Annual</td> <td>Cumulative</td> </tr> <tr> <td colspan="4">Fiscal Year</td> </tr> <tr> <td></td> <td>March 2025</td> <td>16.667%</td> <td>\$3,297,192</td> <td>\$3,297,192</td> </tr> <tr> <td></td> <td>March 2026</td> <td>33.333%</td> <td>\$6,594,186</td> <td>\$9,891,378</td> </tr> <tr> <td></td> <td>March 2027</td> <td>33.333%</td> <td>\$6,594,186</td> <td>\$16,485,563</td> </tr> <tr> <td></td> <td>March 2028</td> <td>16.667%</td> <td>\$3,297,192</td> <td>\$19,782,755</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>100.00%</td> <td>\$19,782,755</td> </tr> </table>				3 Year MACRS Depreciation Straight Line				MACRS basis:	Line 20	\$19,782,755				Annual	Cumulative	Fiscal Year					March 2025	16.667%	\$3,297,192	\$3,297,192		March 2026	33.333%	\$6,594,186	\$9,891,378		March 2027	33.333%	\$6,594,186	\$16,485,563		March 2028	16.667%	\$3,297,192	\$19,782,755										100.00%	\$19,782,755
3 Year MACRS Depreciation Straight Line																																																						
MACRS basis:	Line 20	\$19,782,755																																																				
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Fiscal Year																																																						
	March 2025	16.667%	\$3,297,192					\$3,297,192																																														
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	March 2028	16.667%	\$3,297,192					\$19,782,755																																														
				100.00%	\$19,782,755																																																	
2	Capital Repairs Deduction Rate	Per Tax Department 1/	0.00%																																																			
3	Capital Repairs Deduction	Line 1 * Line 2	\$0																																																			
4																																																						
5	<u>Bonus Depreciation</u>																																																					
6	Plant Additions	Line 1	\$19,782,755																																																			
7	Plant Additions		\$0																																																			
8	Less Capital Repairs Deduction	Line 3	\$0																																																			
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$19,782,755																																																			
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%																																																			
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0																																																			
12	Bonus Depreciation Rate	at 0%	0.00%																																																			
13	Total Bonus Depreciation Rate	Line 12	0.00%																																																			
14	Bonus Depreciation	Line 11 * Line 13	\$0																																																			
15																																																						
16	<u>Remaining Tax Depreciation</u>																																																					
17	Plant Additions	Line 1	\$19,782,755																																																			
18	Less Capital Repairs Deduction	Line 3	\$0																																																			
19	Less Bonus Depreciation	Line 14	\$0																																																			
20	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation Straight Line	Line 17 - Line 18 - Line 19	\$19,782,755																																																			
21	3 YR MACRS Tax Depreciation Rates Straight Line	Per IRS Publication 946	16.667%																																																			
22	Remaining Tax Depreciation	Line 20 * Line 21	\$3,297,192																																																			
23																																																						
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department 2/	\$0																																																			
25	Cost of Removal		\$0																																																			
26																																																						
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$3,297,192																																																			

1/ Per Tax Department
2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Network

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			2025				
			(a)				
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 4, Line 4	\$5,407,058	7 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department 1/	0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4				MACRS basis:	Line 20	\$5,407,058	
5	<u>Bonus Depreciation</u>					Annual	Cumulative
6	Plant Additions	Line 1	\$5,407,058	Fiscal Year			
7	Plant Additions		\$0	March 2025	14.290%	\$772,669	\$772,669
8	Less Capital Repairs Deduction	Line 3	\$0	March 2026	24.490%	\$1,324,189	\$2,096,858
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$5,407,058	March 2027	17.490%	\$945,695	\$3,042,552
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	March 2028	12.490%	\$675,342	\$3,717,894
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	March 2029	8.930%	\$482,850	\$4,200,744
12	Bonus Depreciation Rate	at 0%	0.00%	March 2030	8.920%	\$482,310	\$4,683,054
13	Total Bonus Depreciation Rate	Line 12	0.00%	March 2031	8.930%	\$482,850	\$5,165,904
14	Bonus Depreciation	Line 11 * Line 13	\$0	March 2032	4.460%	\$241,155	\$5,407,059
15						<u>100.00%</u>	<u>\$5,407,058</u>
16	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$5,407,058				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
20	Remaining Plant Additions Subject to 7 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$5,407,058				
21	7 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	14.290%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$772,669				
23							
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department 2/	\$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	<u>\$772,669</u>				

1/ Per Tax Department
2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2025 Incremental Capital Investment

Line No.			Meters	Software	Network
			FY 2025	FY 2025	FY 2025
			(a)	(b)	(c)
Deferred Tax Subject to Proration					
1	Book Depreciation	Page 2, 3, 4; Line 9	\$672,560	\$1,413,053	\$386,218
2	Bonus Depreciation	Page 5,6, 7; Line 14	\$0	\$0	\$0
3	Remaining MACRS Tax Depreciation	Page 5,6, 7; Line 22	(\$2,997,148)	(\$3,297,192)	(\$772,669)
4	FY 2025 tax (gain)/loss on retirements	Page 5,6, 7; Line 24	\$0	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$2,324,588)	(\$1,884,139)	(\$386,451)
6	Effective Tax Rate		21.00%	21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$488,163)	(\$395,669)	(\$81,155)
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction	Page 5,6, 7; Line 3	\$0	\$0	\$0
9	Cost of Removal	Page 5,6, 7; Line 25	\$0	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2025				
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$488,163)	(\$395,669)	(\$81,155)
15	Net Operating Loss		\$0	\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$488,163)	(\$395,669)	(\$81,155)
Allocation of FY 2024 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$2,324,588)	(\$1,884,139)	(\$386,451)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$2,324,588)	(\$1,884,139)	(\$386,451)
20	Total FY 2025 Federal NOL (Utilization)		\$0	\$0	\$0
21	Allocated FY 2025 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0	\$0
22	Allocated FY 2025 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0	\$0
23	Effective Tax Rate		21%	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$488,163)	(\$395,669)	(\$81,155)
		(d)	(e)	(f)	(g)
		(h)			
		<u>Number of Days in</u>			
		<u>Month</u>	<u>Proration Percentage</u>		
26	January	31	91.53%	(\$37,235)	(\$6,190)
27	February	29	83.61%	(\$34,011)	(\$5,654)
28	March	31	75.14%	(\$30,566)	(\$5,081)
29	April	30	66.94%	(\$27,231)	(\$4,527)
30	May	31	58.47%	(\$23,786)	(\$3,954)
31	June	30	50.27%	(\$20,451)	(\$3,400)
32	July	31	41.80%	(\$17,006)	(\$2,827)
33	August	31	33.33%	(\$13,560)	(\$2,254)
34	September	30	25.14%	(\$10,226)	(\$1,700)
35	October	31	16.67%	(\$6,780)	(\$1,127)
36	November	30	8.47%	(\$3,446)	(\$573)
37	December	31	0.00%	\$0	\$0
38	Total	366		(\$224,297)	(\$37,288)
39	Deferred Tax Without Proration	Line 25		(\$488,163)	(\$81,155)
40	Average Deferred Tax without Proration	Line 39 ÷ 0.5		(\$244,082)	(\$40,577)
41	Proration Adjustment	Line 38 - Line 40		\$19,784	\$3,289

Column Notes:

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Deferral Balances

Line No.		Rate Year Ending August 31, 2019			Rate Year Ending August 31, 2020			Rate Year Ending August 31, 2021			Rate Year Ending August 31, 2022			Rate Year Ending August 31, 2023			August 31, 2023
		Actual Spend	Rate Allowance	Deferral	Actual Spend	Rate Allowance	Deferral	Actual Spend	Rate Allowance	Deferral	Actual Spend	Rate Allowance	Deferral	Actual Spend	Rate Allowance	Deferral	Actual Cumulative Deferral
																	(p) =
																	(c)+(d)+(i)+(l)+=(o)
		(a)	(b)	(c)=(a)-(b)	(d)	(e)	(f)=(d)-(e)	(g)	(h)	(i)=(g)-(h)	(j)	(k)	(l)=(j)-(k)	(m)	(n)	(o)=(m)-(n)	(c)+(d)+(i)+(l)+=(o)
1	AMI Business Case Study	\$2,000,000	\$666,667	\$1,333,333	\$0	\$666,667	(\$666,667)	\$0	\$666,667	(\$666,667)	\$0	\$666,667	(\$666,667)	\$0	\$666,667	(\$666,667)	(\$1,333,333)
2	GIS Enhancements (IS)	\$11,119	\$142,333	(\$131,214)	\$20,451	\$142,333	(\$121,883)	\$8,739	\$142,333	(\$133,595)	\$115,356	\$142,333	(\$26,978)	\$0	\$142,333	(\$142,333)	(\$556,002)
3	Special Sector: Storage	\$0	\$112,586	(\$112,586)	\$5,464	\$259,668	(\$254,204)	\$5,564	\$411,986	(\$406,422)	\$0	\$411,986	(\$411,986)	\$0	\$411,986	(\$411,986)	(\$1,597,184)
4	Special Sector: Electric Transportation	\$312,370	\$681,300	(\$368,930)	\$1,106,790	\$1,151,751	(\$44,961)	\$1,023,537	\$2,151,776	(\$1,128,239)	\$1,419,934	\$2,151,776	(\$731,842)	\$1,252,963	\$2,151,776	(\$898,813)	(\$3,172,785)
				\$0			\$0			\$0			\$0			\$0	
5	Total	\$2,323,489	\$1,602,886	\$720,603	\$1,132,705	\$2,220,419	(\$1,087,714)	\$1,037,839	\$3,372,762	(\$2,334,923)	\$1,535,290	\$3,372,762	(\$1,837,472)	\$1,252,963	\$3,372,762	(\$2,119,799)	(\$6,659,305)
6	AMF Related Grid Mod in Base Rates		\$325,733	(\$325,733)		\$946,878	(\$946,878)		\$1,234,459	(\$1,234,459)		\$1,234,459	(\$1,234,459)		\$1,234,459	(\$1,234,459)	(\$4,975,988)

Line No.		Forecasted Rate Year Ending August 31, 2024			Forecasted Rate Year Ending August 31, 2025			Forecasted Rate Year Ending August 31, 2026			Forecasted Cumulative Deferral August 31, 2026		Deferral Balance Used for AMF Capital Requirement FY 2025	Forecasted Remaining Deferral As of 8/31/26	
		Forecasted Spend	Rate Allowance	Deferral	Forecasted Spend	Rate Allowance	Deferral	Forecasted Spend	Rate Allowance	Deferral	Actual Spend	Rate Allowance			
														(ab)=(p)+(s)+(v)+(y)	
														(ac)	(ad)
		(q)	(r)	(s)=(q)-(r)	(t)	(u)	(v)=(t)-(u)	(w)	(x)	(y)=(w)-(x)	(z)	(aa)			
1	AMI Business Case Study	\$0	\$666,667	(\$666,667)	\$0	\$666,667	(\$666,667)	\$0	\$666,667	(\$666,667)	\$0	\$666,667	(\$3,333,333)	\$0	(\$3,333,333)
2	GIS Enhancements (IS)	\$0	\$142,333	(\$142,333)	\$0	\$142,333	(\$142,333)	\$0	\$142,333	(\$142,333)	\$115,356	\$142,333	(\$983,002)	\$0	(\$983,002)
3	Special Sector: Storage	\$0	\$411,986	(\$411,986)	\$0	\$411,986	(\$411,986)	\$0	\$411,986	(\$411,986)	\$0	\$411,986	(\$2,833,142)	\$2,833,142	\$0
4	Special Sector: Electric Transportation	\$936,940	\$2,151,776	(\$1,214,836)	\$776,940	\$2,151,776	(\$1,374,836)	\$755,940	\$2,151,776	(\$1,395,836)	\$1,419,934	\$2,151,776	(\$7,158,293)	\$1,888,934	(\$5,269,359)
				\$0			\$0			\$0			\$0		\$0
5	Total	\$936,940	\$3,372,762	(\$2,435,822)	\$776,940	\$3,372,762	(\$2,595,822)	\$755,940	\$3,372,762	(\$2,616,822)	\$1,535,290	\$3,372,762	(\$14,307,771)	\$4,722,076	(\$9,585,695)
6	AMF Related Grid Mod in Base Rates	\$0	\$1,234,459	(\$1,234,459)	\$0	\$1,234,459	(\$1,234,459)	\$0	\$1,234,459	(\$1,234,459)	\$0	\$1,234,459	(\$8,679,365)	\$0	(\$8,679,365)

PUC 2-4
Advanced Metering Functionality Revenue Requirement

Request:

Please provide a schedule showing AMF-related O&M expenses incurred to date, forecasted to be incurred through the end of calendar year 2023, and forecasted to be incurred in calendar year 2024. If it is administratively more convenient to forecast by ISR Fiscal Year, instead of calendar year, such alternative period forecasts may be used in response.

Response:

Calendar Year 2023

O&M costs incurred to date through 12/31/23

\$0.00

Calendar Year 2024

Meter	\$524,580
Network	\$67,000
Systems	\$810,322
Program Management	\$1,768,070
Total O&M costs estimated 1/1/24 - 12/31/24	\$3,169,973

PUC 2-5
Budget Framework

Request:

Assume for purposes of this question that the Commission approves the ISR budget as filed. Assume further that the Commission approves Exhibit 2 as filed. Using the information in Attachment 3 (Bates pages 84-86), please fill out Exhibit 2. In other words, show a revised Attachment 3 using the Exhibit 2 budget framework.

Response:

Please see Attachment PUC 2-5 for a revised Attachment 3 using the Exhibit 2 budget framework.

Line Number	Spending Rationale and Category	ISR Grouping	Docket 22-53-EL			5 Year Investment Plan - Capital Spending					Major Project - Details						
			FYTD Actuals 9/30/23	FY 2024 Q2 Forecast	FY 2024 Budget	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Major Project - Current Phase	Current Sanction - CAPEX only	Initial Estimate - CAPEX only	Date of Last Sanction	Est'd Constr Start	Est'd Constr End	Capital Spending through FY 2023
1	<u>Non-Discretionary</u>																
2	CR/PR	New Business - Commercial	5,254	9,139	9,093	9,366	9,647	9,937	10,235	10,542							
3	CR/PR	New Business - Residential	3,523	7,212	7,212	7,428	7,651	7,880	8,117	8,361							
4	CR/PR	Public Requirements	1,595	1,563	1,249	3,140	3,234	3,331	3,431	3,531							
5	CR/PR	Transformers and Related Equipment	6,857	8,000	5,000	8,000	8,000	8,000	8,000	8,000							
6	CR/PR	Meters and Meter Work	444	2,141	2,605	2,533	430	100	100	100							
7	CR/PR	Distributed Generation	1,839	1,000	1,000	1,000	1,000	1,000	1,000	1,000							
8	CR/PR	Third Party Attachments	112	367	280	288	297	306	315	324							
9	CR/PR	Land and Land Rights	223	500	500	515	530	546	562	579							
10	CR/PR	Outdoor Lighting	344	813	575	592	610	628	647	666							
11	D/F	Damage /Failure	7,523	11,022	10,940	11,268	11,606	11,954	12,313	12,682							
12	D/F	Reserves	-	-	979	1,008	1,038	1,070	1,102	1,135							
13	D/F	Failed Assets	900	4,210	1,323	2,537	1,972	-	-	-							
14	D/F	Storms	1,212	1,950	1,950	3,000	3,000	3,000	3,000	3,000							
15	Total Non-Discretionary		29,826	47,916	42,706	50,675	49,015	47,752	48,822	49,921							

Line Number	Spending Rationale and Category	ISR Grouping	Docket 22-53-EL			5 Year Investment Plan - Capital Spending					Major Project - Details						
			FYTD Actuals 9/30/23	FY 2024 Q2 Forecast	FY 2024 Budget	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Major Project - Current Phase	Current Sanction - CAPEX only	Initial Estimate - CAPEX only	Date of Last Sanction	Est'd Constr Start	Est'd Constr End	Capital Spending through FY 2023
1	Discretionary - Asset Condition & System Capacity (excluding Separately Tracked Major Projects)																
2	Asset Condition	Underground Cable Replacement	4,947	5,797	5,500	5,500	6,000	6,000	6,000	6,500							
3	Asset Condition	URD Cable Replacement	5,131	5,412	6,276	5,000	5,411	5,723	5,823	5,500							
4	Asset Condition	Blanket Projects	2,788	5,220	5,220	6,177	6,338	6,504	6,676	6,850							
5	Asset Condition	I&M	271	3,000	3,000	1,530	1,530	1,530	1,530	1,530							
6	Asset Condition	Substation Breakers & Reclosers	1,038	1,227	437	736	2,060	3,240	-	-							
7	Asset Condition	Other Area Study Projects - BSVS	-	-	-	781	1,556	2,457	2,280	1,156							
8	Asset Condition	Other Area Study Projects - CRIE	-	-	-	200	1,195	2,015	2,043	1,015							
9	Asset Condition	Other Area Study Projects - CRIW	-	-	-	1,883	6,317	10,196	3,730	390							
10	Asset Condition	Other Area Study Projects - East Bay	-	-	-	100	505	570	570	190							
11	Asset Condition	Other Area Study Projects - Newport	-	-	-	766	4,069	5,931	4,378	816							
12	Asset Condition	Other Area Study Projects - NWRI	-	-	-	500	3,007	2,725	1,432	250							
13	Asset Condition	Other Area Study Projects - Providence	-	-	-	492	5,396	7,407	6,293	9,619							
14	Asset Condition	Other Area Study Projects - SCW	-	-	-	-	-	-	1,029	2,297							
15	Asset Condition	Tiverton Substation	-	-	-	75	393	786	786	393							
16	Asset Condition	Providence Area LT Supply & Distrib Study *	-	-	-	20,382	10,580	7,064	-	-							
17	Asset Condition	Reserve	-	-	-	-	1,000	1,000	1,000	1,000							
18	Asset Condition	Batteries / Chargers	29	230	230	195	387	319	100	-							
19	Asset Condition	Recloser Replacements	488	1,207	1,300	-	-	-	-	-							
20	Asset Condition	UG Improvements and Other	1,792	2,456	1,383	700	565	-	-	-							

Line Number	Spending Rationale and Category	ISR Grouping	Docket 22-53-EL			5 Year Investment Plan - Capital Spending					Major Project - Details						
			FYTD Actuals 9/30/23	FY 2024 Q2 Forecast	FY 2024 Budget	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Major Project - Current Phase	Current Sanction - CAPEX only	Initial Estimate - CAPEX only	Date of Last Sanction	Est'd Constr Start	Est'd Constr End	Capital Spending through FY 2023
1	Syst Cap & Perf	Aquidneck Island	407	1,114	1,038	-	-	-	-	-							
2	Syst Cap & Perf	New Lafayette Substation	468	795	750	910	5,886	151	-	-							
3	Syst Cap & Perf	Warren Substation *	-	-	-	1,800	2,943	747	111	-							
4	Syst Cap & Perf	Nasonville Substation	1,438	1,731	1,912	3,674	3,228	489	-	-							
5	Syst Cap & Perf	East Providence Substation *	-	-	-	6,285	5,009	5,003	-	-							
6	Syst Cap & Perf	Weaver Hill Road Substation	29	279	1,507	1,105	3,054	3,475	2,496	1,229							
7	Syst Cap & Perf	3V0	180	1,095	1,095	186	540	-	-	-							
8	Syst Cap & Perf	EMS/RTU	(15)	658	658	135	1,147	2,350	750	-							
9	Syst Cap & Perf	Overloaded Transformer Replcmts	966	1,500	1,500	1,500	1,500	1,500	1,500	1,500							
10	Syst Cap & Perf	Blanket Projects	2,561	3,869	2,490	2,605	2,725	2,851	2,983	3,072							
11	Syst Cap & Perf	Other Area Study Projects - BSVS	0	-	400	680	681	968	-	-							
12	Syst Cap & Perf	Other Area Study Projects - CRIW	-	-	1,371	1,441	1,125	1,125	675	-							
13	Syst Cap & Perf	Other Area Study Projects - East Bay	-	-	-	84	378	378	-	-							
14	Syst Cap & Perf	Other Area Study Projects - Newport	-	-	-	793	976	461	-	-							
15	Syst Cap & Perf	Other Area Study Projects - NWRI	296	692	1,933	-	-	-	-	-							
16	Syst Cap & Perf	Other Area Study Projects - SCE	-	-	-	1,684	6,404	333	-	-							
17	Syst Cap & Perf	Other Area Study Projects - SCW	-	-	364	927	5,107	5,921	3,582	2,153							
18	Syst Cap & Perf	Tiverton D-Line	96	126	109	328	656	656	328	440							
19	Syst Cap & Perf	Reserve	-	-	-	-	1,000	1,000	1,000	1,000							
20	Syst Cap & Perf	CEMI-4	794	1,230	1,230	2,619	2,698	2,779	2,862	-							
21	Syst Cap & Perf	ERR	-	-	-	2,000	2,060	2,122	2,185	2,251							
22	Syst Cap & Perf	Distrib Automation Recloser Program	-	-	-	5,957	7,228	7,185	10,165	14,970							
23	Syst Cap & Perf	ADMS/DERMS Advanced	-	-	-	-	-	3,159	1,568	-							
24	Syst Cap & Perf	DER Monitor/Manage	-	-	-	-	-	2,288	4,043	-							
25	Syst Cap & Perf	Electromech RelayUpgrades	-	-	-	1,234	603	1,267	2,513	1,263							
26	Syst Cap & Perf	Fiber Network	-	-	-	200	-	-	-	-							
27	Syst Cap & Perf	VVO - Smart Capacitors and Regulators	217	217	-	400	8,439	6,701	6,701	6,701							
28	Syst Cap & Perf	Mobile Substation	-	-	-	1,278	3,834	7,668	-	-							
29	Syst Cap & Perf	Other projects and programs	309	2,385	541	478	100	100	100	100							
30	Total Discretionary - Asset Condition & System Capacity (excluding Separately Tracked Major Projects)		24,229	40,239	40,244	83,320	123,631	124,145	87,233	72,186							

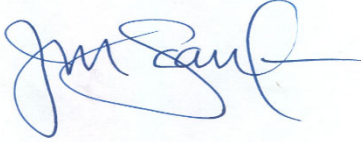
Line Number	Spending Rationale and Category	ISR Grouping	Docket 22-53-EL			5 Year Investment Plan - Capital Spending					Major Project - Details						
			FYTD Actuals 9/30/23	FY 2024 Q2 Forecast	FY 2024 Budget	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	Major Project - Current Phase	Current Sanction - CAPEX only	Initial Estimate - CAPEX only	Date of Last Sanction	Est'd Constr Start	Est'd Constr End	Capital Spending through FY 2023
1	Discretionary - Non-Infrastructure																
2	Non-Infrastructure	General Equip & Telecom Blanket	110	700	700	712	724	737	750	764							
3	Non-Infrastructure	Verizon Copper to Fiber	7	62	1,000	180	75	-	-	-							
4	Total Discretionary - Non-Infrastructure			118	763	1,700	892	799	737	750	764						
5	Discretionary - Separately Tracked Major Projects																
6	Major Projects	Dyer Street Substation	1,420	2,080	-	15	-	-	-	-	Construction	\$10,658	\$10,842	Apr-21	Sep-21	FY 2025	\$14,651
5	Major Projects	East Providence Substation *	153	1,275	1,330	-	-	-	-	-							
6	Major Projects	Warren Substation *	1,117	2,156	1,969	-	-	-	-	-							
7	Major Projects	Admiral St 12kV Substation	-	-	-	5,513	2,500	-	-	-	Construction	\$12,831	\$12,831	Aug-21	Sep-21	FY 2026	\$2,731
8	Major Projects	Providence Area LT Study Projects *	10,509	23,503	24,314	-	-	-	-	-							
9	Major Projects	Kingston Equipment Replacement	-	-	-	400	3,361	8,403	1,681	2,961	Proposal	--	\$16,805	--	Oct-25	FY 2029	\$0
10	Major Projects	Phillipsdale Substation	-	-	-	100	5,728	7,240	1,448	324	Proposal	--	\$6,025	--	Oct-25	FY 2029	\$0
11	Major Projects	Southeast Substation	271	271	66	-	-	-	-	-	Construction	\$11,244	\$9,000	Jun-19	Oct-19	FY 2025	\$15,198
12	Discretionary - Separately Tracked Major Projects			13,470	29,286	27,679	6,028	11,589	15,643	3,129	3,285						
13	Discretionary - Advanced Metering Functionality (AMF)																
14	AMF	Meter Costs	-	-	-	28,655	62,932	2,000	-	-							
15	AMF	Network Costs	-	-	-	4,935	6,975	2,046	-	-							
16	AMF	System Costs	-	-	-	14,356	14,160	3,560	-	-							
17	AMF	Program Costs	-	-	-	3,779	3,779	945	-	-							
18	Total Discretionary - Advanced Metering Functionality			-	-	-	51,725	87,846	8,550	-	-						
19	Total Discretionary			37,817	70,287	69,623	141,965	223,865	149,074	91,111	76,235						
20	Total Capital Spending including AMF			67,643	118,203	112,329	192,640	272,880	196,826	139,933	126,155						
21	Total Capital Spending excluding AMF			67,643	118,203	112,329	140,915	185,034	188,276	139,933	126,155						

* These projects are reported separately in Attachment G in the FY 2024 ISR Quarterly Reports but would no longer be considered Separately Tracked Major Projects in future years based on the proposed budgetary framework provided in Docket 23-48 EL.

Certificate of Service

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

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



Joanne M. Scanlon

January 19, 2024
Date

**Docket No. 23-48-EL – RI Energy’s Electric ISR Plan FY 2025
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