

PUC 5-5 – Supplemental

Request:

Referencing Attachment PUC 2-2-1, page 1 of 23 (Annual Revenue Requirement Summary – AMF Capital Investment), please add a second separate section below to show the same information in the same format but calculated by using the same depreciation rate used for the rest of the ISR Capital Investments.

Original Response:

As described in the response to PUC 4-5, the removal of MDMS costs from the capital revenue requirement was inadvertently removed from the meter category rather than software in FY 2025. Attachment PUC 4-5 was provided as a revised revenue requirement that properly reflected the removal of MDMS costs from the software category in FY 2025 in the same format as Attachment PUC 2-2-1.

Therefore in this response the Company is providing Attachment PUC 5-5 which adds a separate section below showing the same information in the same format as the corrected revenue requirement provided on Attachment PUC 4-5, Page 1, but calculated using the same depreciation rate and MACRS tax life as used for the rest of the Electric ISR capital investments.

Supplemental Response:

Through this response, Rhode Island Energy is addressing updates to the Advanced Metering Functionality (“AMF”) implementation schedule.

The primary reason for the AMF updates is the schedule shift of the final Transition Services Agreement (“TSA”) exit date from National Grid USA’s systems to PPL’s systems moving from May 2024 to August 2024. The shift of the TSA exit date results in a shift of AMF timing and approach. Along with a needed update in the systems functionality release approach and schedule, meter deployment start will move from January 2025 to March 2025. There is no change to the timing of pre-sweeps and network deployment.

The secondary reason for the AMF updates is a result of finalizing or near finalization of vendor contracts, resulting in firm cost estimates. There is no change to the overall AMF program cost, but the update does reduce FY 2025 forecasted spend and increases FY 2026 and FY 2027.

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Please see Attachment PUC 5-5 Supplemental which uses the revised revenue requirement provided in Attachment PUC 9-19-5 and adds a separate section below showing the same information in the same format but calculated using the same depreciation rate and MACRS tax life as used for the rest of the Electric ISR capital investments.

Additionally, please see Attachment PUC 9-19-5, which is an updated Section 5, Attachment 3, which was originally filed as part of the Proposed FY 2025 Electric Infrastructure, Safety, and Reliability Plan Filing (starting on Bates 277). The revised revenue requirement reflects the updated forecasted FY 2025 capital in service for the reasons described above, as well as reflecting 1) the corrected book depreciation rate for network investments as described in the response to PUC 2-3 and 2) the removal of MDMS costs from software rather than meters as was described in the response to PUC 4-5. On the attachment, the Company has highlighted the cells that have input changes from the originally filed revenue requirement. The Company did not highlight all of the flow through cells that changed.

**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)
<b><u>AMF Incremental Capital Investment: Using Specific Book Depreciation &amp; MACRS Tax Rate (Company Filing)</u></b>				
1	Meters - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$1,924,241	\$4,624,719	\$4,447,406
2	Software - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$1,487,660	\$3,255,529	\$3,049,914
3	Network - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$310,771	\$743,014	\$721,515
4	Meters - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$0	\$3,969,498	\$9,542,806
5	Software - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$0	\$1,452,254	\$3,178,022
6	Network - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$0	\$559,613	\$1,338,412
7	Meters - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$0	\$331,181
8	Software - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$0	\$771,617
9	Network - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$0	\$138,856
10	Subtotal	\$3,722,671	\$14,604,628	\$23,519,728
11	MDMS Software - Depreciation - No Return - FY 2025 investm	\$86,262	\$172,525	\$172,525
12	MDMS Software - Depreciation - No Return - FY 2026 investm	\$0	\$63,435	\$126,869
13	MDMS Software - Depreciation - No Return - FY 2027 investm	\$0	\$0	\$70,493
14	Subtotal	\$86,262	\$235,959	\$369,887
15	<b>Total AMF Capital Investment Component of Revenue Requirement</b>	<b>\$3,808,934</b>	<b>\$14,840,587</b>	<b>\$23,889,615</b>
<u>Column/Line Notes:</u>				
10	Total Lines 1 through 9			
14	Total Lines 11 through 13			
15	Line 10 + Line 14			
<b><u>AMF Incremental Capital Investment: Using Composite Book Depreciation and MACRS Tax Rate (Requested Scenario)</u></b>				
16	Meters - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$1,677,606	\$4,179,846	\$4,087,955
17	Software - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$739,130	\$1,841,583	\$1,801,097
18	Network - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	\$261,929	\$655,097	\$648,211
19	Meters - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$0	\$3,461,989	\$8,626,168
20	Software - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$0	\$721,531	\$1,797,729
21	Network - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$0	\$471,899	\$1,180,293
22	Meters - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$0	\$287,742
23	Software - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$0	\$383,211
24	Network - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$0	\$116,870
25	Subtotal	\$2,678,665	\$11,331,945	\$18,929,276
26	MDMS Software - Depreciation - No Return - FY 2025 investm	\$19,081	\$38,162	\$38,162
27	MDMS Software - Depreciation - No Return - FY 2026 investm	\$0	\$14,032	\$28,063
28	MDMS Software - Depreciation - No Return - FY 2027 investm	\$0	\$0	\$15,593
29	Subtotal	\$19,081	\$52,194	\$81,819
30	<b>Total AMF Capital Investment Component of Revenue Requirement</b>	<b>\$2,697,746</b>	<b>\$11,384,139</b>	<b>\$19,011,095</b>
<u>Column/Line Notes:</u>				
25	Total Lines 16 through 24			
29	Total Lines 26 through 28			
30	Line 25 + Line 29			