

In Re: Proposed FY 2025 Electric Infrastructure, Safety and Reliability Plan
Responses to the Commission's Second Set of Data Requests
Issued on January 5, 2024

PUC 2-1 – Supplemental
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.

Original 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.

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.

See Attachment PUC 2-1 - Supplemental. Please note the software capital spending includes the MDMS costs. Costs also include an estimated allocation of program management costs.

PUC 2-1 – Supplemental, page 2
Advanced Metering Functionality Revenue Requirement

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.

Original 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>			

Attachment PUC 2-1 Supplemental – Total Capex Spending for the Year

	<u>Capital</u>	<u>Meters</u>	<u>Network</u>	<u>Software</u>
ISR FY 2024	\$2,530,754.00	\$ 80,002.44	\$12,698.80	\$ 2,438,052.76
ISR FY 2025	\$ 48,192,431.56	\$ 30,930,786.86	\$ 4,829,096.94	\$12,432,547.76
ISR FY 2026	\$ 86,950,134.88	\$ 64,000,751.60	\$ 8,723,746.26	\$14,225,637.02
ISR FY 2027	\$ 15,544,226.50	\$ 5,314,773.26	\$ 2,159,918.20	\$ 8,069,535.04
	<u>\$153,217,546.94</u>	<u>\$100,326,314.16</u>	<u>\$15,725,460.20</u>	<u>\$37,165,772.58</u>

PUC 2-2 – Supplemental
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.

Original 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.

PUC 2-2 – Supplemental, page 2
Advanced Metering Functionality Revenue Requirement

Supplemental:

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.

Based on the revised AMF capital in service forecast presented in response to PUC 9-19 and provided in the updated revenue requirement on Attachment PUC 9-19-5, please see Attachment PUC 2-2-1 - Supplemental for a revised 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 \$50.7 million of investments placed in service during ISR FY 2025 on Attachment PUC 2-2-1 - Supplemental, Pages 2 through 5, lines 3 (in total), approximately \$2.5 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.

PUC 2-2 – Supplemental, page 3
Advanced Metering Functionality Revenue Requirement

Please see Attachment PUC 2-2-2 - Supplemental 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 \$50.7 million of investments placed in service during ISR FY 2025 on Attachment PUC 2-2-2 Supplemental, approximately \$2.5 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	\$1,924,241	\$4,624,719	\$4,447,406
2	Software - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	Page 3	\$1,487,660	\$3,255,529	\$3,049,914
3	Network - Forecasted Revenue Requirement on FY 2025 Incremental Capital included in ISR	Page 4	\$310,771	\$743,014	\$721,515
4	Meters - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	Page 9	\$0	\$3,969,498	\$9,542,806
5	Software - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	Page 10	\$0	\$1,452,254	\$3,178,022
6	Network - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	Page 11	\$0	\$559,613	\$1,338,412
7	Meters - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	Page 16	\$0	\$0	\$331,181
8	Software - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	Page 17	\$0	\$0	\$771,617
9	Network - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	Page 18	\$0	\$0	\$138,856
10	Subtotal		\$3,722,671	\$14,604,628	\$23,519,728
11	MDMS Software - Depreciation - No Return - FY 2025 invesment	Page 5	\$86,262	\$172,525	\$172,525
12	MDMS Software - Depreciation - No Return - FY 2026 invesment	Page 12	\$0	\$63,435	\$126,869
13	MDMS Software - Depreciation - No Return - FY 2027 invesment	Page 19	\$0	\$0	\$70,493
14	Subtotal		\$86,262	\$235,959	\$369,887
15	Total AMF Capital Investment Component of Revenue Requirement		\$3,808,934	\$14,840,587	\$23,889,615

Column/Line Notes:

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

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

	Source		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027
		(a)	(b)	(c)	(d)
1	370 - Meters				
	In-Service Plant		\$ 31,010,789	\$ -	\$ -
2	Plant Capital Overheads				
	Input	0%	\$0	\$0	\$0
3	Capital Spend - Annual		\$31,010,789	\$0	\$0
4	Capital Spend - Cumulative		\$31,010,789	\$31,010,789	\$31,010,789
	PY Line 4 + CY Line 3				
5	370 - COR - Annual		\$0	\$0	\$0
6	Cumulative COR		\$0	\$0	\$0
	Line 5				
7	Annual Federal Tax Depreciation		\$3,101,079	\$5,581,942	\$4,465,554
8	Cumulative Federal Tax Depreciation		\$3,101,079	\$8,683,021	\$13,148,575
	Page 6, 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	4.49%	\$695,882	\$1,391,764	\$1,391,764
10	Cumulative Book Depreciation		\$695,882	\$2,087,646	\$3,479,411
	Line 9				
11	Accumulated Deferred Income Tax	21%	\$505,091	\$1,385,029	\$2,030,524
	(Line 10 - Line 8) x 21%				
<u>Rate Base Calculation</u>					
12	Plant In Service		\$31,010,789	\$31,010,789	\$31,010,789
	Line 4				
13	Accumulated Reserve for Depreciation		(\$695,882)	(\$2,087,646)	(\$3,479,411)
	- Line 10				
14	Deferred Tax Reserve (ADIT)		(\$505,091)	(\$1,385,029)	(\$2,030,524)
	- Line 11				
15	Year End Rate Base		\$29,809,816	\$27,538,114	\$25,500,854
	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		\$14,904,908	\$28,673,965	\$26,519,484
17	Deferred Tax Proration Adjustment		\$20,470	\$20,470	\$20,470
	Page 9, Column F, Line 41				
18	Average Rate Base adjusted		\$14,925,378	\$28,694,436	\$26,539,955
	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		\$1,228,359	\$2,361,552	\$2,184,238
	Line 18 x Line 19				
21	Book Depreciation		\$695,882	\$1,391,764	\$1,391,764
	Line 9				
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing				
22	Property Taxes	2.81%	\$0	\$871,403	\$871,403
23	Annual Revenue Requirement		\$1,924,241	\$4,624,719	\$4,447,406
	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 Software

Line No.			Fiscal Year <u>2025</u> (a)	(b)	(c)	(d)	(e)																																				
	<u>Capital Repairs Deduction</u>																																										
1	Plant Additions	Page 4, Line 4	\$13,662,927	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="4" style="text-align: center;">3 Year MACRS Depreciation Straight Line</td> </tr> <tr> <td style="width: 20%;">MACRS basis:</td> <td style="width: 15%;">Line 20</td> <td style="width: 20%;">\$13,662,927</td> <td style="width: 45%;"></td> </tr> <tr> <td></td> <td style="text-align: center;">Annual</td> <td></td> <td style="text-align: center;">Cumulative</td> </tr> <tr> <td colspan="4">Fiscal Year</td> </tr> <tr> <td>March 2025</td> <td style="text-align: center;">16.667%</td> <td style="text-align: right;">\$2,277,200</td> <td style="text-align: right;">\$2,277,200</td> </tr> <tr> <td>March 2026</td> <td style="text-align: center;">33.333%</td> <td style="text-align: right;">\$4,554,263</td> <td style="text-align: right;">\$6,831,463</td> </tr> <tr> <td>March 2027</td> <td style="text-align: center;">33.333%</td> <td style="text-align: right;">\$4,554,263</td> <td style="text-align: right;">\$11,385,727</td> </tr> <tr> <td>March 2028</td> <td style="text-align: center;">16.667%</td> <td style="text-align: right;">\$2,277,200</td> <td style="text-align: right;">\$13,662,927</td> </tr> <tr> <td></td> <td style="text-align: center;"><u>100.00%</u></td> <td style="text-align: right;"><u>\$13,662,927</u></td> <td></td> </tr> </table>				3 Year MACRS Depreciation Straight Line				MACRS basis:	Line 20	\$13,662,927			Annual		Cumulative	Fiscal Year				March 2025	16.667%	\$2,277,200	\$2,277,200	March 2026	33.333%	\$4,554,263	\$6,831,463	March 2027	33.333%	\$4,554,263	\$11,385,727	March 2028	16.667%	\$2,277,200	\$13,662,927		<u>100.00%</u>	<u>\$13,662,927</u>	
3 Year MACRS Depreciation Straight Line																																											
MACRS basis:	Line 20	\$13,662,927																																									
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March 2025	16.667%	\$2,277,200	\$2,277,200																																								
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	<u>100.00%</u>	<u>\$13,662,927</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	\$13,662,927																																								
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	\$13,662,927																																								
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	\$13,662,927																																								
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	\$13,662,927																																								
21	3 YR MACRS Tax Depreciation Rates Straight Line	Per IRS Publication 946	16.667%																																								
22	Remaining Tax Depreciation	Line 20 * Line 21	\$2,277,200																																								
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>\$2,277,200</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 - Software (Excluding MDMS) FY 2026**

	Source		Fiscal Year 2026	Fiscal Year 2027
		(a)	(b)	(c)
1	303 - Software	In-Service Plant	\$ 13,337,552	\$ -
2	Plant Capital Overheads	Input	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$13,337,552	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$13,337,552	\$13,337,552
5	303- COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	Page 7, Line 27	\$2,222,970	\$4,445,806
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$2,222,970	\$6,668,776
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9, column a		
9	Annual Book Depreciation	column a	\$952,682	\$1,905,364
10	Cumulative Book Depreciation	Line 9	\$952,682	\$2,858,046
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$266,760	\$800,253
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$13,337,552	\$13,337,552
13	Accumulated Reserve for Depreciation	- Line 10	(\$952,682)	(\$2,858,046)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$266,760)	(\$800,253)
15	Year End Rate Base	Sum of Lines 12 through 14	\$12,118,110	\$9,679,253
<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	\$6,059,055	\$10,898,681
17	Deferred Tax Proration Adjustment	Page 9, Column G, Line 41	\$11,075	\$11,075
18	Average Rate Base adjusted	Line 16 + Line 17	\$6,070,130	\$10,909,756
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4	8.23%	8.23%
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%	8.23%
20	Return and Taxes	Line 18 x Line 19	\$499,572	\$897,873
21	Book Depreciation	Line 9	\$952,682	\$1,905,364
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	2.81% \$0	\$374,785
22	Property Taxes	Reliability Plan Reconciliation Filing	\$0	\$374,785
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$1,452,254	\$3,178,022

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	\$ 8,723,746	\$ -
2	Plant Capital Overheads	Input	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$8,723,746	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$8,723,746	\$8,723,746
5	397 - COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	Page 8, Line 27	\$1,246,623	\$2,136,445
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$1,246,623	\$3,383,068
		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% \$218,094	\$436,187
10	Cumulative Book Depreciation	Line 9	\$218,094	\$436,187
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$215,991	\$618,845
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$8,723,746	\$8,723,746
13	Accumulated Reserve for Depreciation	- Line 10	(\$218,094)	(\$436,187)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$215,991)	(\$618,845)
15	Year End Rate Base	Sum of Lines 12 through 14	\$8,289,661	\$7,668,714
<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	\$4,144,831	\$7,979,188
17	Deferred Tax Proration Adjustment	Page 9, Column H, Line 41	\$4,858	\$4,858
18	Average Rate Base adjusted	Line 16 + Line 17	\$4,149,689	\$7,984,046
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4		
19	Pre-Tax WACC	8.23%	8.23%	
20	Return and Taxes	Line 18 x Line 19	\$341,519	\$657,087
21	Book Depreciation	Line 9	\$218,094	\$436,187
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		
22	Property Taxes	2.81%	\$0	\$245,137
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$559,613	\$1,338,412

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 2026

	<u>Source</u>		<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)
1	303 - Software		\$ 888,085	\$ -
2	Plant Capital Overheads	In-Service Plant		
3	Capital Spend - Annual	Input	\$0	\$0
4	Capital Spend - Cumulative	Line 1 + Line 2	\$888,085	\$0
		PY Line 4 + CY Line 3	\$888,085	\$888,085
5	303- COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	N/A	\$0	\$0
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$0	\$0
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9	Annual Book Depreciation	column a	14.29% \$63,435	\$126,869
10	Cumulative Book Depreciation	Line 9	\$63,435	\$126,869
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$0	\$0
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$0	\$0
13	Accumulated Reserve for Depreciation	- Line 10	\$0	\$0
14	Deferred Tax Reserve (ADIT)	- Line 11	\$0	\$0
15	Year End Rate Base	Sum of Lines 12 through 14	\$0	\$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	\$0
17	Deferred Tax Proration Adjustment		\$0	\$0
18	Average Rate Base adjusted	Line 16 + Line 17	\$0	\$0
		RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4	0.00%	0.00%
19	Pre-Tax WACC		\$0	\$0
20	Return and Taxes	Line 18 x Line 19	\$0	\$0
21	Book Depreciation	Line 9	\$63,435	\$126,869
		RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	2.81%	\$0
22	Property Taxes		\$0	\$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$63,435	\$126,869

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 Meters

Line No.			Fiscal Year 2026 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$64,000,752	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	\$64,000,752	
5	<u>Bonus Depreciation</u>				Annual		Cumulative
6	Plant Additions	Line 1	\$64,000,752	Fiscal Year			
7	Plant Additions		\$0	March 2026	10.000%	\$6,400,075	\$6,400,075
8	Less Capital Repairs Deduction	Line 3	\$0	March 2027	18.000%	\$11,520,135	\$17,920,210
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$64,000,752	March 2028	14.400%	\$9,216,108	\$27,136,319
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	March 2029	11.520%	\$7,372,887	\$34,509,205
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	March 2030	9.220%	\$5,900,869	\$40,410,074
12	Bonus Depreciation Rate	at 0%	0.00%	March 2031	7.370%	\$4,716,855	\$45,126,930
13	Total Bonus Depreciation Rate	Line 12	0.00%	March 2032	6.550%	\$4,192,049	\$49,318,979
14	Bonus Depreciation	Line 11 * Line 13	\$0	March 2033	6.550%	\$4,192,049	\$53,511,028
15				March 2034	6.560%	\$4,198,449	\$57,709,478
16	<u>Remaining Tax Depreciation</u>			March 2035	6.550%	\$4,192,049	\$61,901,527
17	Plant Additions	Line 1	\$64,000,752	March 2036	3.280%	\$2,099,225	\$64,000,751
18	Less Capital Repairs Deduction	Line 3	\$0		100.00%	\$64,000,752	
19	Less Bonus Depreciation	Line 14	\$0				
20	Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$64,000,752				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$6,400,075				
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	\$6,400,075				

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

	<u>Source</u>		<u>Fiscal Year 2027</u>
		(a)	(b)
1	370 - Meters	In-Service Plant	\$ 5,314,773
2	Plant Capital Overheads	Input	0% \$0
3	Capital Spend - Annual	Line 1 + Line 2	\$5,314,773
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$5,314,773
5	370 - COR - Annual	Input	\$0
6	Cumulative COR	Line 5	\$0
7	Annual Federal Tax Depreciation	Page 6, Line 27	\$531,477
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$531,477
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	4.49% \$119,264
10	Cumulative Book Depreciation	Line 9	\$119,264
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$86,565
<u>Rate Base Calculation</u>			
12	Plant In Service	Line 4	\$5,314,773
13	Accumulated Reserve for Depreciation	- Line 10	(\$119,264)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$86,565)
15	Year End Rate Base	Sum of Lines 12 through 14	\$5,108,945
<u>Revenue Requirement Calculation</u>			
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2	
16	Average Rate Base		\$2,554,472
17	Deferred Tax Proration Adjustment	Page 9, Column F, Line 41	\$20,470
18	Average Rate Base adjusted	Line 16 + Line 17	\$2,574,943
		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	\$211,918
21	Book Depreciation	Line 9	\$119,264
		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	\$331,181

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

	<u>Source</u>		<u>Fiscal Year 2027</u>
		(a)	(b)
1	303 - Software	In-Service Plant	\$ 7,082,633
2	Plant Capital Overheads	Input	0% \$0
3	Capital Spend - Annual	Line 1 + Line 2	\$7,082,633
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$7,082,633
5	303- COR - Annual	Input	\$0
6	Cumulative COR	Line 5	\$0
7	Annual Federal Tax Depreciation	Page 7, Line 27	\$1,180,462
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$1,180,462
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	14.29% \$505,902
10	Cumulative Book Depreciation	Line 9	\$505,902
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$141,658
<u>Rate Base Calculation</u>			
12	Plant In Service	Line 4	\$7,082,633
13	Accumulated Reserve for Depreciation	- Line 10	(\$505,902)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$141,658)
15	Year End Rate Base	Sum of Lines 12 through 14	\$6,435,073
<u>Revenue Requirement Calculation</u>			
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2	\$3,217,537
16	Average Rate Base	Page 9, Column G, Line 41	\$11,075
17	Deferred Tax Proration Adjustment	Line 16 + Line 17	\$3,228,612
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	\$265,715
21	Book Depreciation	Line 9	\$505,902
		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	\$771,617

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		\$ 2,159,918
2 Plant Capital Overheads	Input	0%	\$0
3 Capital Spend - Annual	Line 1 + Line 2		\$2,159,918
4 Capital Spend - Cumulative	PY Line 4 + CY Line 3		\$2,159,918
5 397 - COR - Annual	Input		\$0
6 Cumulative COR	Line 5		\$0
7 Annual Federal Tax Depreciation	Page 8, Line 27		\$308,652
8 Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7		\$308,652
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9 Annual Book Depreciation	column a	5.00%	\$53,998
10 Cumulative Book Depreciation	Line 9		\$53,998
11 Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21%	\$53,477
 <u>Rate Base Calculation</u>			
12 Plant In Service	Line 4		\$2,159,918
13 Accumulated Reserve for Depreciation	- Line 10		(\$53,998)
14 Deferred Tax Reserve (ADIT)	- Line 11		(\$53,477)
15 Year End Rate Base	Sum of Lines 12 through 14		\$2,052,443
 <u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		\$1,026,221
16 Average Rate Base			\$1,026,221
17 Deferred Tax Proration Adjustment	Page 9, Column H, Line 41		\$4,858
18 Average Rate Base adjusted	Line 16 + Line 17 RIPUC Docket No. 4770, Compliance		\$1,031,080
19 Pre-Tax WACC	Att 2, Schedule 1, Pg 4		8.23%
20 Return and Taxes	Line 18 x Line 19		\$84,858
21 Book Depreciation	Line 9 RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing		\$53,998
22 Property Taxes		2.81%	\$0
23 Annual Revenue Requirement	Line 20 + 21 + 22		\$138,856

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

	<u>Source</u>	(a)	<u>Fiscal Year 2027</u>
			(b)
1 303 - Software	In-Service Plant		\$ 986,902
2 Plant Capital Overheads	Input	0%	\$0
3 Capital Spend - Annual	Line 1 + Line 2		\$986,902
4 Capital Spend - Cumulative	PY Line 4 + CY Line 3		\$986,902
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%	\$70,493
10 Cumulative Book Depreciation	Line 9		\$70,493
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 Att 2, Schedule 1, Pg 4		0.00%
19 Pre-Tax WACC			\$0
20 Return and Taxes	Line 18 x Line 19		\$0
21 Book Depreciation	Line 9		\$70,493
	RIPUC Docket No. 5209 FY 2023 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	2.81%	\$0
22 Property Taxes			\$0
23 Annual Revenue Requirement	Line 20 + 21 + 22		\$70,493

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	(b)	(c)	(d)	(e)
			<u>2027</u>				
			(a)				
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$5,314,773	10 Year MACRS Depreciation MACRS basis: Line 20 \$5,314,773 Annual Cumulative Fiscal Year March 2027 10.000% \$531,477 \$531,477 March 2028 18.000% \$956,659 \$1,488,136 March 2029 14.400% \$765,327 \$2,253,464 March 2030 11.520% \$612,262 \$2,865,725 March 2031 9.220% \$490,022 \$3,355,748 March 2032 7.370% \$391,699 \$3,747,446 March 2033 6.550% \$348,118 \$4,095,564 March 2034 6.550% \$348,118 \$4,443,682 March 2035 6.560% \$348,649 \$4,792,331 March 2036 6.550% \$348,118 \$5,140,448 March 2037 3.280% \$174,325 \$5,314,773 <hr/> 100.00% \$5,314,773			
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	\$5,314,773				
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	\$5,314,773				
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	\$5,314,773				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
20	Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$5,314,773				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$531,477				
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>\$531,477</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	\$2,159,918	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="4" style="text-align: center;">7 Year MACRS Depreciation</td> </tr> <tr> <td>MACRS basis:</td> <td>Line 20</td> <td>\$2,159,918</td> <td></td> </tr> <tr> <td></td> <td>Annual</td> <td></td> <td>Cumulative</td> </tr> <tr> <td colspan="4" style="text-align: center;">Fiscal Year</td> </tr> <tr> <td>March 2027</td> <td>14.290%</td> <td>\$308,652</td> <td>\$308,652</td> </tr> <tr> <td>March 2028</td> <td>24.490%</td> <td>\$528,964</td> <td>\$837,616</td> </tr> <tr> <td>March 2029</td> <td>17.490%</td> <td>\$377,770</td> <td>\$1,215,386</td> </tr> <tr> <td>March 2030</td> <td>12.490%</td> <td>\$269,774</td> <td>\$1,485,159</td> </tr> <tr> <td>March 2031</td> <td>8.930%</td> <td>\$192,881</td> <td>\$1,678,040</td> </tr> <tr> <td>March 2032</td> <td>8.920%</td> <td>\$192,665</td> <td>\$1,870,705</td> </tr> <tr> <td>March 2033</td> <td>8.930%</td> <td>\$192,881</td> <td>\$2,063,586</td> </tr> <tr> <td>March 2034</td> <td>4.460%</td> <td>\$96,332</td> <td>\$2,159,918</td> </tr> <tr> <td></td> <td style="border-top: 1px solid black;">100.00%</td> <td style="border-top: 1px solid black;">\$2,159,918</td> <td></td> </tr> </table>				7 Year MACRS Depreciation				MACRS basis:	Line 20	\$2,159,918			Annual		Cumulative	Fiscal Year				March 2027	14.290%	\$308,652	\$308,652	March 2028	24.490%	\$528,964	\$837,616	March 2029	17.490%	\$377,770	\$1,215,386	March 2030	12.490%	\$269,774	\$1,485,159	March 2031	8.930%	\$192,881	\$1,678,040	March 2032	8.920%	\$192,665	\$1,870,705	March 2033	8.930%	\$192,881	\$2,063,586	March 2034	4.460%	\$96,332	\$2,159,918		100.00%	\$2,159,918	
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24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0																																																								
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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	\$695,882	\$975,923	\$121,045	
2	Bonus Depreciation		\$0	\$0	\$0	
		Page 5,6, 7; Line 14				
3	Remaining MACRS Tax Depreciation		(\$3,101,079)	(\$2,277,200)	(\$691,893)	
		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	(\$2,405,197)	(\$1,301,277)	(\$570,848)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$505,091)	(\$273,268)	(\$119,878)	
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	(\$505,091)	(\$273,268)	(\$119,878)	
15	Net Operating Loss		\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$505,091)	(\$273,268)	(\$119,878)	
Allocation of FY 2024 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$2,405,197)	(\$1,301,277)	(\$570,848)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$2,405,197)	(\$1,301,277)	(\$570,848)	
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	(\$505,091)	(\$273,268)	(\$119,878)	
		(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%	(\$38,526)	(\$20,844)	(\$9,144)
27	February	29	83.61%	(\$35,191)	(\$19,039)	(\$8,352)
28	March	31	75.14%	(\$31,626)	(\$17,110)	(\$7,506)
29	April	30	66.94%	(\$28,176)	(\$15,244)	(\$6,687)
30	May	31	58.47%	(\$24,611)	(\$13,315)	(\$5,841)
31	June	30	50.27%	(\$21,160)	(\$11,448)	(\$5,022)
32	July	31	41.80%	(\$17,595)	(\$9,520)	(\$4,176)
33	August	31	33.33%	(\$14,030)	(\$7,591)	(\$3,330)
34	September	30	25.14%	(\$10,580)	(\$5,724)	(\$2,511)
35	October	31	16.67%	(\$7,015)	(\$3,795)	(\$1,665)
36	November	30	8.47%	(\$3,565)	(\$1,929)	(\$846)
37	December	31	0.00%	\$0	\$0	\$0
38	Total	366		(\$232,075)	(\$125,559)	(\$55,081)
39	Deferred Tax Without Proration	Line 25	(\$505,091)	(\$273,268)	(\$119,878)	
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$252,546)	(\$136,634)	(\$59,939)	
41	Proration Adjustment	Line 38 - Line 40	\$20,470	\$11,075	\$4,858	

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)

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					ISR year 2024	ISR year 2025	ISR year 2026	ISR year 2027	ISR years 2024-2027	
Cost Category 1	Cost Category 2	Cost Category 3	Cost Category 4	Full Description	FERC Account	April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS
04. Program	Project Management	PPL Labor	PPL Labor	PPL PMO Oversight (IT) - AMF Implementation PMO	303	\$ 280,006	\$ 1,120,022	\$ 1,120,022	\$ 280,006	\$ 2,800,056
03. Systems	Analytics	Network Model Analytics	NMA/AGA	Network Model Analytics / AGA	303	\$ -	\$ -	\$ -	\$ 391,538	\$ 391,538
03. Systems	Analytics	Data Lake	Data Lake	Data Lake - Internal	303	\$ -	\$ 288,600	\$ 288,600	\$ -	\$ 577,200
03. Systems	Analytics	Advanced Analytics	Adv Analytics	Advanced Analytics (Theft Analytics)	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Analytics	Data Lake	Data Lake	Data Lake - SI VENDOR	303	\$ -	\$ 244,170	\$ 486,749	\$ 431,881	\$ 1,162,800
03. Systems	CSS	CSS	CSS	Customer Service Software	303	\$ 741,064	\$ 1,803,284	\$ 360,483	\$ -	\$ 2,904,831
03. Systems	CSS	CSS	CSS	Customer Service Software - internal	303	\$ -	\$ 384,800	\$ 192,400	\$ -	\$ 577,200
03. Systems	Deployment Exchange	Deployment Exchange Management (Electric)	Deply. xchg. Mgt.	Deployment Exchange Management - internal	303	\$ -	\$ 96,200	\$ -	\$ -	\$ 96,200
03. Systems	Deployment Exchange	Deployment Exchange Management (Electric)	Deply. xchg. Mgt.	Deployment Work Management - SI Vendor	303	\$ -	\$ 761,940	\$ 84,660	\$ -	\$ 846,600
03. Systems	Headend	Headend	Headend	SOW - Vendor - Headend (Implement)	303	\$ 696,053	\$ 1,934,216	\$ 1,934,217	\$ 2,149,436	\$ 6,713,923
03. Systems	Headend	Headend	Headend	SI Vendor - Headend (Implement)	303	\$ -	\$ 859,276	\$ 1,340,694	\$ 1,002,830	\$ 3,202,800
03. Systems	Headend	Headend Upgrade	Headend	EZE System Testing (Headend Upgrade)	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Headend	WiSun	WiSun	Software as a Service (SaaS) - WiSun (Implement)	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	MDMS	MDMS	MDMS	SOW - Vendor - MDMS (Implement)	303	\$ 319,589	\$ 888,085	\$ 888,085	\$ 986,902	\$ 3,082,660
03. Systems	MDMS	MDMS	MDMS	SI Vendor - MDMS (Implement)	303	\$ -	\$ 284,152	\$ 542,255	\$ 468,992	\$ 1,295,400
03. Systems	MDMS	MDMS Upgrade	MDMS	EZE System Testing (MDMS Upgrade)	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Middleware	Middleware	Middleware	Middleware (Implement)	303	\$ -	\$ 340,080	\$ 425,100	\$ 85,020	\$ 850,200
03. Systems	Middleware	Middleware	Middleware	Middleware - SI Vendor (Implement)	303	\$ -	\$ 468,684	\$ 798,439	\$ 640,277	\$ 1,907,400
03. Systems	CyberSecurity	CyberSecurity	CyberSecurity	CyberSecurity (Implement)	303	\$ -	\$ 253,500	\$ -	\$ -	\$ 253,500
03. Systems	CyberSecurity	CyberSecurity	CyberSecurity	CyberSecurity - Internal	303	\$ -	\$ 109,200	\$ 109,200	\$ -	\$ 218,400
03. Systems	CyberSecurity	CyberSecurity	CyberSecurity	SI Vendor - CyberSecurity (Implement)	303	\$ -	\$ -	\$ 747,202	\$ 606,020	\$ 1,353,222
03. Systems	Customer Engagement	Customer Portal	Customer Portal	Customer Portal	303	\$ -	\$ 205,840	\$ 51,460	\$ -	\$ 257,300
03. Systems	Customer Engagement	Customer Portal	Customer Portal	Customer Portal - Internal	303	\$ -	\$ 592,000	\$ 495,000	\$ -	\$ 1,087,000
03. Systems	Customer Engagement	Outage Alerts	Outage Alerts	Customer Outage Alerts	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Customer Engagement	Outage Alerts	Outage Alerts	Customer Outage Alerts - Internal	303	\$ -	\$ -	\$ 345,365	\$ -	\$ 345,365
03. Systems	Customer Engagement	Green Button	Green Button	Green Button Connect	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Customer Engagement	Green Button	Green Button	Green Button Connect - Internal	303	\$ -	\$ -	\$ 289,467	\$ -	\$ 289,467
03. Systems	Customer Engagement	Bill Alerts	Bill Alerts	Bill Alerts	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Customer Engagement	Bill Alerts	Bill Alerts	Bill Alerts - Internal	303	\$ -	\$ -	\$ 257,400	\$ -	\$ 257,400
03. Systems	Customer Engagement	DG Portal	DG Portal	Solar Marketplace	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Customer Engagement	Carbon Footprint Calc.	Carbon Footprint Calc.	Carbon Footprint Calculator	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Customer Engagement	C&I and Multi-Family Port. View	Portfolio View	C&I and Multi-Family Portfolio View	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	Customer Engagement	Time Varying Rates (TVR)	TVR	Time Varying Rates (TVR) - Full Implementation	303	\$ -	\$ -	\$ -	\$ -	\$ -
03. Systems	ADMS & OMS	ADMS & OMS	ADMS & OMS	ADMS & OMS	303	\$ -	\$ -	\$ 673,400	\$ 288,600	\$ 962,000
03. Systems	ADMS & OMS	ADMS & OMS	ADMS & OMS	ADMS & OMS - Internal	303	\$ -	\$ -	\$ 540,800	\$ 135,200	\$ 676,000
03. Systems	Grid Edge & Load Diss	Customer Load Dissagregation App (HAN)	HAN APP	Customer Load Dissagregation App Vendor (HAN Solution)	303	\$ -	\$ -	\$ 1,069,924	\$ 130,076	\$ 1,200,000
03. Systems	Grid Edge & Load Diss	Customer Load Dissagregation App (HAN)	HAN APP	Customer Load Dissagregation App Vendor (HAN Solution) - Internal	303	\$ -	\$ -	\$ 239,200	\$ -	\$ 239,200
03. Systems	AFUDC	AFUDC	AFUDC	AFUDC	303	\$ 367,054	\$ 421,206	\$ -	\$ -	\$ 788,260
Systems Sub-Total (includes MDMS)						\$2,403,766	\$11,487,033	\$13,280,123	\$7,596,778	\$34,767,700

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Category_1	Cost Category_2	Cost Category_3	Cost Category_4	Full Description	FERC Account	ISR year 2024	ISR year 2025	ISR year 2026	ISR year 2027	ISR years 2024-
						March 2024	March 2025	March 2026	March 2027	TOTAL COSTS
01.Meter	Project Management	Vendor /External Labor	Installation Vendor	Meter Installation Vendor Project Management Oversight	370		\$643,275	\$1,418,883	\$476,133	\$2,538,290
01.Meter	Hardware	Ancillary Equipment	Antennas	External Antenna Cost (Residential)	370		\$26,868	\$26,868		\$53,735
01.Meter	Hardware	Ancillary Equipment	Antennas	External Antenna Cost (Commercial)	370		\$2,985	\$2,985		\$5,971
01.Meter	Hardware	Meters	Meters	Meter Development and Testing - Meters	370					\$0
01.Meter	Pre-Sweeps	Meter Base	Meter Bases	Total Electric Meter Pre-Sweeps for deployment	370		\$2,165,316	\$3,339,661		\$5,504,977
01.Meter	Installs	QA/QC	Testing Vendor	Shipment Sample Meter Testing (Residential & Commercial)	370		\$12,490	\$21,720		\$34,210
01.Meter	Installs	Facility	Crossdock	Deployment Center, Facility cost (Crossdock)	370		\$454,559	\$1,002,628	\$336,451	\$1,793,638
01.Meter	Installs	Facility	Call Center	Deployment Call Center & Notification Letters	370		\$546,891	\$1,206,288	\$404,793	\$2,157,971
01.Meter	Installs	Meters	Resid. Meters	Deployment - Automated RF (AMF) Meter Install Cost - Residential	370			\$9,534,646	\$2,407,304	\$11,941,950
01.Meter	Installs	Meters	C&I Meters	Deployment - Automated RF (AMF) Meter Install Cost - Commercial	370			\$1,433,103	\$341,276	\$1,774,379
01.Meter	Installs	Meters	Resid. Antennas	Deployment - External Antenna Electric Meter Install Cost - Residential	370			\$106,680	\$5,334	\$112,014
01.Meter	Installs	Meters	C&I Antennas	Deployment - External Antenna Electric Meter Install Cost - Commercial	370			\$28,194	\$1,524	\$29,718
04.Program	Project Management	PPL Labor	PPL Labor	PPL PMO Oversight - AMF Implementation PMO	370			\$420,507	\$238,859	\$659,366
04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Project Manager / Deployment Lead	370					\$0
04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Metrics, Measures, and Financial Tracking	370					\$0
04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Meter Inventory Management Analyst	370					\$0
04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Deployment Exception Coordinator(s)	370					\$0
01.Meter	Hardware	Meters	Meters	Automated RF (AMF) Meter Cost (Residential)	370		\$22,090,170	\$39,545,081		\$61,635,251
01.Meter	Hardware	Meters	Meters	Automated RF (AMF) Meter Cost (Commercial)	370		\$2,782,033	\$2,864,428		\$5,646,461
01.Meter	Hardware	Meters	Meter Seed Stock	Automated RF (AMF) Meter Cost - Spares / Seed Stock (Residential)	370			\$769,202		\$769,202
01.Meter	Hardware	Meters	Meter Seed Stock	Automated RF (AMF) Meter Cost - Spares / Seed Stock (Commercial)	370			\$73,678		\$73,678
Meters Sub-Total						\$0	\$28,724,587	\$61,794,551	\$4,211,674	\$94,730,812

Cost	Category_1	Cost Category_2	Cost Category_3	Cost Category_4	Full Description	FERC Account	ISR year 2024	ISR year 2025	ISR year 2026	ISR year 2027	ISR years 2024-
							April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS
02.Network	Project Management	Vendor /External Labor	Installation Vendor	RF Network Installation Vendor Project Management Oversight	397	\$	\$ 350,000	\$ 150,000	\$ 1,380,042	\$	\$ 1,880,042
02.Network	Project Management	Vendor /External Labor	Network Gateway	RF Network Installation Vendor Project Management Oversight	397	\$		\$3,379,639.76		\$	\$ 3,379,640
02.Network	Hardware	Gateway	Network Gateway	(High Capacity Gateways) Hardware - High Capacity Network Gateway	397	\$	\$ 247,170	\$ 161,035		\$	\$ 408,205
02.Network	Hardware	Gateway	Modem	(High Capacity Gateways) Hardware - Cellular Backhaul Modem	397	\$				\$	\$ -
02.Network	Hardware	Gateway	Telecom Cabinet	(High Capacity Gateways) Hardware - Telecom Cabinet	397	\$	\$ 337,050	\$ 99,510		\$	\$ 436,560
02.Network	Hardware	Gateway	Poles	Service Disconnect Switch	397	\$	\$ 54,133			\$	\$ 54,133
02.Network	Hardware	Gateway	Poles	(Gateways) Pole (Equipment) - Steel	397	\$	\$ 456,376			\$	\$ 456,376
02.Network	Hardware	Gateway	Poles	(Gateways) Pole (Equipment) - Wood	397	\$	\$ 60,926			\$	\$ 60,926
02.Network	Hardware	Gateway	Network Gateway	(Standard Capacity Gateways) Hardware - Network Gateway	397	\$	\$ 750,926	\$ 496,480		\$	\$ 1,247,406
02.Network	Hardware	Router	Routers	(Routers) Hardware - Routers	397	\$	\$ 1,072,397	\$ 714,391		\$	\$ 1,786,788
02.Network	Hardware	Transformers	Transformers	Additional Transformers required - material	397	\$	\$ 94,226			\$	\$ 94,226
02.Network	Hardware	Gateway	Network Testing	Network Development and Testing - Routers, Gateways, Antennas, Modem	397	\$	\$ 12,642			\$	\$ 12,642
02.Network	Hardware	Ancillary Equipment	Network Testing	Network Development and Testing - Equipment	397	\$	\$ 8,560			\$	\$ 8,560
02.Network	Installs	Gateway	Site Installations	(High Capacity Gateways) Site Installation (pole, antennas, cabinets, etc)	397	\$	\$ 60,000	\$ 1,172,000	\$ 604,781	\$	\$ 1,836,781
02.Network	Installs	Site Engineering	Site Engineering Permits	(High Capacity Gateways) Site Engineering design (power, permits, FAA, et	397	\$	\$ 300,000	\$ 24,600		\$	\$ 324,600
02.Network	Installs	Gateway	Network Gateway	(Standard Capacity Gateways) Installation - Network Gateway	397	\$	\$ 140,000	\$ 616,200		\$	\$ 756,200
02.Network	Installs	Router	Routers	(Routers) Installation - Routers	397	\$	\$ 472,500	\$ 1,539,700		\$	\$ 2,012,200
02.Network	Installs	Transformers	Transformers	Additional Transformers required - Install	397	\$	\$ 50,000	\$ 20,000		\$	\$ 70,000
02.Network	Installs	Gateway	Network Testing	Network Development and Testing - Installation	397	\$	\$ 12,000			\$	\$ 12,000
04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - AMO Network lead	397	\$				\$	\$ -
04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - AMO Network Analyst	397	\$				\$	\$ -
Network Sub-Total						\$0	\$4,478,906	\$8,373,556	\$1,984,823	\$14,837,285	

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Cost Category_ Cost Category_3 Cost Category_4
04.Program Vendor /External Labor PMO Vendor Labor
04.Program PMO/Internal Labor PMO Internal Labor

Description
PMO External
PMO Internal

	ISR year 2024	ISR year 2025	ISR year 2026	ISR year 2027	ISR years 2024-2027
	April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS
	\$ -	\$ 1,978,054	\$ 1,978,054	\$ 989,027	\$ 4,945,135
	\$ 126,988	\$ 1,523,851	\$ 1,523,851	\$ 761,925	\$ 3,936,615
Program Sub-Total	\$126,988	\$3,501,905	\$3,501,905	\$1,750,952	\$8,881,750
Total with MDMS	\$2,530,754	\$48,192,432	\$86,950,135	\$15,544,226	\$153,217,547
Less: MDMS	\$ 319,589	\$ 888,085	\$ 888,085	\$ 986,902	\$ 3,082,660
Total without MDMS	\$2,211,165	\$47,304,347	\$86,062,050	\$14,557,325	\$150,134,887

PUC 2-4 – Supplemental
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 2-4 – Supplemental, page 2
Advanced Metering Functionality Revenue Requirement

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 FY2025 forecasted spend and increases FY2026 and FY2027.

There is no change to calendar year 2023 total O&M costs incurred. It is zero.

Calendar Year 2024

Meter	\$524,580
Network	\$67,000
Systems	\$810,322
Program Management	\$1,271,315
Total O&M costs estimated 1/1/24 - 12/31/24	\$2,673,217

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.