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March 11, 2024

VIA ELECTRONIC MAIL

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

**RE: Docket No. 23-49-NG – The Narragansett Electric Company d/b/a
Rhode Island Energy’s Proposed FY 2025 Gas Infrastructure, Safety, and
Reliability Plan
Supplemental / Revised Responses to Data Requests**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy, enclosed are the Company’s supplemental and revised responses to the following data requests as discussed at the March 7, 2024 evidentiary hearing: **Division 3-1-Supplemental**, PUC 9-6-Supplemental, and PUC 9-27-Revised.

Thank you for your attention to this matter. If you have any questions, please contact me at 401-316-7429.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jennifer Brooks Hutchinson", with a long horizontal line extending to the right.

Jennifer Brooks Hutchinson

Enclosure

cc: Docket No. 23-49-NG Service List

Division 3-1 – Supplemental

Request:

Referring to Section 3, Attachment 2, Page 2, please provide workpapers supporting the amounts in the “No Acquisition” Column.

Original Response:

Please see Attachment Division 3-1 for the requested information. The amounts in the “No Acquisition” column can be found on the “Average ISR Rate Base after Deferred Tax Proration Adjustment line” of each fiscal year’s revenue requirement in Attachment Division 3-1, which shows the revenue requirement calculation if the Acquisition had not taken place. Also, these calculations can be found on the green tabs towards the back of the Excel file that was submitted in the Company’s filing on December 21, 2023.

Supplemental Response:

Please see Attachment DIV 3-1-1 – Supplemental for the requested information, which has been updated as explained below. The amounts in the “No Acquisition” column can be found on the “Average ISR Rate Base after Deferred Tax Proration Adjustment line” of each fiscal year’s revenue requirement in Attachment DIV 3-1-1 – Supplemental, which shows the revenue requirement calculation if the Acquisition had not taken place. On the attachment, the Company has highlighted the cells that have input changes from the originally filed Attachment DIV 3-1. Also, these updated calculations can be found on the green tabs towards the back of the Excel file that the Company is providing with this supplemental response.

The Company made an update to accumulated deferred income tax (“ADIT”) on Page 6, Line 22, related to net operating loss (“NOL”) utilization in the FY23 hypothetical revenue requirement calculation. PPL’s acquisition of the Company from National Grid occurred in FY2023. Due to the transaction, National Grid recognized a tax gain, which allowed it to utilize the Company’s entire NOL balance. The utilization of the entire balance was reflected all in one year in the original filing of Attachment DIV 3-1. Absent the transaction, it would have taken the Company several years to utilize the NOL balance. As a result, to reflect an appropriate “No acquisition” scenario to assist in the calculation of the hold harmless revenue credit, the Company and the Division agreed to a 7-year NOL utilization period. This 7-year NOL utilization period was based on an average of the Company’s historical taxable income figures from years 2019-2021 per the Company’s FERC Form 1 reports. The taxable income in the historical years chosen, reflected consistent results, absent tax repairs, and was a good representation of future taxable income on which to utilize NOLs.

Division 3-1 – Supplemental, page 2

It should be noted that during Division discovery, the NOL utilization that was reflected in the first period was not carried forward to each of the following periods (i.e., Columns b through d) presented. As a result of having zero NOL utilization in the FY24 and FY25 periods of the FY23 hypothetical revenue requirement, the NOL adjustment decreases the average rate base in the FY25 period, which reduces the impact of the hypothetical revenue requirement as reflected in Attachment DIV 3-1-1 – Supplemental and increases the hold harmless revenue credit. This change carries through to Section 3, Attachment 1 – Revised, Section 3, Attachment 2 – Revised and Section 4, Attachments 1 & 2 – Revised, which were originally filed as part of the Proposed FY 2025 Gas Infrastructure, Safety, and are provided as Attachment DIV 3-1-2 – Supplemental, Attachment DIV 3-1-3 – Supplemental, Attachment DIV 3-1-4 – Supplemental, and Attachment DIV 3-1-5 – Supplemental, respectively. The Company has highlighted the information that changed for all attachments except for Attachment DIV 3-1-5 – Supplemental.

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2018 Actual Incremental Gas Capital Investment**

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	Fiscal Year 2021 (d)	Fiscal Year 2022 (e)	NG 4/1/22 - 5/24/2022 2023 (f)	PPL 5/25/22 - 3/31/23 2023 (g)	Fiscal Year 2024 (h)	Fiscal Year 2025 (i)
Depreciable Net Capital Included in ISR Rate Base										
1	Total Allowed Capital Included in ISR Rate Base in Current Year									
2	Retirements									
3	Net Depreciable Capital Included in ISR Rate Base									
	Page 27 of 35, Line 3, Col (a)	\$4,632,718								
	Page 27 of 35, Line 9, Col (a)	\$12,059,428								
	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)
Change in Net Capital Included in ISR Rate Base										
4	Capital Included in ISR Rate Base									
5	Depreciation Expense									
6	Incremental Capital Amount									
	Line 1	\$4,632,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718
7	Cost of Removal									
	Page 27 of 35, Line 6, Col (a)	\$1,941,168								
8	Net Plant Amount	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886
	Year 1 = Line 6 + Line 7; Then = Prior Year									
Deferred Tax Calculation:										
9	Composite Book Depreciation Rate	1/	3.38%	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days						54	311		
11	Proration Percentage						14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments									
	Year 1=Page 3 of 35, Line 30, Col (a); then = Page 3 of 35, Col	\$7,820,728	\$21,720	\$20,089	\$18,585	\$17,189	\$2,353	\$13,549	\$14,707	\$13,606
13	Cumulative Tax Depreciation-NG									
	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$7,820,728	\$7,842,448	\$7,862,538	\$7,881,123	\$7,898,312	\$7,900,664			
14	Cumulative Tax Depreciation-PPL									
	Year 1 = Prior Year Line 13 + Current Year Line 12; then = Prior Year Line 14 + Current Year Line 12							\$7,914,213	\$7,928,920	\$7,942,525
15	Book Depreciation									
	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	(\$125,511)	(\$234,127)	(\$222,059)	(\$222,059)	(\$222,059)	(\$32,853)	(\$189,206)	(\$222,059)	(\$222,059)
16	Cumulative Book Depreciation									
	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	(\$125,511)	(\$359,638)	(\$581,697)	(\$803,756)	(\$1,025,814)	(\$1,058,667)	(\$1,247,873)	(\$1,469,932)	(\$1,691,990)
17	Cumulative Book / Tax Timer									
18	Less: Cumulative Book Depreciation at Acquisition									
19	Cumulative Book / Tax Timer - PPL									
20	Effective Tax Rate									
	Line 11 - Line 13	\$7,946,239	\$8,202,087	\$8,444,235	\$8,684,878	\$8,924,126	\$8,959,331	\$9,162,086	\$9,398,851	\$9,634,515
	Not Applicable if Acquisition doesn't take place									
	Line 17 + Line 18							\$9,162,086	\$9,398,851	\$9,634,515
	Columns (a) through (f): Line 17 * Line 20, Then Line 19 *	2/	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve									
22	Add: FY 2018 Federal NOL (Generation) / Utilization									
	Line 20	\$1,668,710	\$1,722,438	\$1,773,289	\$1,823,824	\$1,874,066	\$1,881,459	\$1,924,038	\$1,973,759	\$2,023,248
	-Page 28 of 35, Line 12, Col (e)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)
	(Line 14 × 31.55% blended FY18 tax rate) - Line 16; then = Prior Year Line 18	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328
23	Excess Deferred Tax									
24	Net Deferred Tax Reserve before Proration Adjustmen									
	Line 21 + Line 22 + Line 23	(\$3,544,817)	(\$3,491,089)	(\$3,440,238)	(\$3,389,703)	(\$3,339,461)	(\$3,332,068)	(\$3,289,489)	(\$3,239,768)	(\$3,190,279)
ISR Rate Base Calculation:										
25	Cumulative Incremental Capital Included in ISR Rate Base									
26	Accumulated Depreciation									
27	Deferred Tax Reserve									
28	Year End Rate Base before Deferred Tax Proration									
	Line 8	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886
	- Line 16	\$125,511	\$359,638	\$581,697	\$803,756	\$1,025,814	\$1,058,667	\$1,247,873	\$1,469,932	\$1,691,990
	- Line 24	\$3,544,817	\$3,491,089	\$3,440,238	\$3,389,703	\$3,339,461	\$3,332,068	\$3,289,489	\$3,239,768	\$3,190,279
	Sum of Lines 25 through 27	\$10,244,214	\$10,424,613	\$10,595,821	\$10,767,344	\$10,939,161	\$10,964,620	\$11,111,248	\$11,283,586	\$11,456,155
Revenue Requirement Calculation:										
29	Average Rate Base before Deferred Tax Proration Adjustment									
30	Proration Adjustment									
31	Average ISR Rate Base after Deferred Tax Proration									
32	Pre-Tax ROR									
	Year 1 = 0; then Average of (Prior + Current Year Line 28)						\$10,853,253	\$11,025,204	\$11,025,204	\$11,197,417
	Page 4 of 35, Line 41						\$2,157	\$2,145	\$2,134	\$2,124
	Line 29 + Line 30						\$10,855,409	\$11,027,349	\$11,027,349	\$11,199,551
	Page 35 of 35, Line 30, Column (e)						8.41%	8.41%	8.41%	8.41%
33	Proration Percentage									
	Line 11						14.79%	85.21%		
34	Return and Taxes									
35	Book Depreciation									
	Cols (a) through (e) and (h) through (i): L 31 * L 32;									
	Cols (f) and (g): L 31 * L 32 * L 33									
	Year 1 = N/A; then = Line 15						\$912,940	\$137,204	\$790,196	\$941,882
							(\$222,059)	(\$32,853)	(\$189,206)	(\$222,059)
36	Annual Revenue Requirement	N/A	N/A	N/A	N/A	\$690,881	\$104,352	\$600,990	\$719,824	\$734,326
	Sum of Lines 34 through 35									

1/ 3.38% Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99% Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 / 12 + 2.99% × 7 / 12
2/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2019 Actual Incremental Gas Capital Investment**

Line No.		Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2021 (c)	Fiscal Year 2022 (d)	NG 4/1/22 - 5/24/2022 (e)	PPL 5/25/22 - 3/31/23 (f)	Fiscal Year 2024 (g)	Fiscal Year 2025 (h)
Depreciable Net Capital Included in ISR Rate Base									
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (b)		(\$914,000)					
2	Retirements	Page 27 of 35, Line 9, Col (b)		(\$1,368,021)					
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021
Change in Net Capital Included in ISR Rate Base									
4	Capital Included in ISR Rate Base	Line 1		(\$914,000)	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense	Line 1		\$0	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)
7	Cost of Removal	Page 27 of 35, Line 6, Col (b)		\$5,626,564					
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year		\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
Deferred Tax Calculation:									
9	Composite Book Depreciation Rate	As Approved in RIPUC Docket No. 4323 & 4770		1/ 3.15%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days						54	311	
11	Proration Percentage						14.79%	85.21%	
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 6 of 35, Line 28, Col (a); then = Page 6 of 35, Col		\$5,200,130	(\$8,390)	(\$7,760)	(\$7,179)	(\$982)	(\$5,658)
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		\$5,200,130	\$5,191,739	\$5,183,979	\$5,176,799	\$5,175,817	
14	Cumulative Tax Depreciation-PPL	Year 1 = Prior Year Line 13 + Current Year Line 12; then = Prior Year Line 14 + Current Year Line 12						\$5,170,159	\$5,164,017
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9		\$7,157	\$13,575	\$13,575	\$13,575	\$2,008	\$11,567
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15		\$7,157	\$20,732	\$34,307	\$47,883	\$49,891	\$61,458
17	Cumulative Book / Tax Timer	Line 11 - Line 13		\$5,192,973	\$5,171,007	\$5,149,671	\$5,128,917	(\$49,891)	\$5,108,701
18	Less: Cumulative Book Depreciation at Acquisition	Not Applicable if Acquisition doesn't take place							
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18						\$5,108,701	\$5,088,984
20	Effective Tax Rate	Columns (a) through (e): Line 17 * Line 20, Then Line 19 *		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 20		\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	(\$10,477)	\$1,072,827
22	Add: FY 2019 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (b)		\$286,350	\$286,350	\$286,350	\$286,350	\$286,350	\$286,350
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22		\$1,376,874	\$1,372,261	\$1,367,781	\$1,363,422	\$275,873	\$1,359,177
ISR Rate Base Calculation:									
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
25	Accumulated Depreciation	- Line 16		(\$7,157)	(\$20,732)	(\$34,307)	(\$47,883)	(\$49,891)	(\$61,458)
26	Deferred Tax Reserve	- Line 23		(\$1,376,874)	(\$1,372,261)	(\$1,367,781)	(\$1,363,422)	(\$275,873)	(\$1,359,177)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26		\$3,328,533	\$3,319,570	\$3,310,475	\$3,301,259	\$4,386,800	\$3,291,929
Revenue Requirement Calculation:									
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2					\$3,305,867	\$3,296,594	\$3,296,594
29	Proration Adjustment	Page 7 of 35, Line 41					(\$187)	(\$182)	(\$182)
25	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29					\$3,305,680	\$3,296,412	\$3,296,412
26	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)					8.41%	8.41%	8.41%
27	Proration Percentage	Line 11					14.79%	85.21%	
28	Return and Taxes	Cols (a) through (d) and (g) through (h): L 25 * L 26;					\$278,008	\$41,015	\$236,214
29	Book Depreciation	Cols (e) and (f): L 25 * L 26 * L 27					\$13,575	\$2,008	\$11,567
30	Annual Revenue Requirement	Sum of Lines 28 through 29		N/A	N/A	N/A	\$291,583	\$43,023	\$247,780
								\$290,015	\$289,218

1/ 3.38% Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99% Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 / 12 + 2.99% × 7 / 12

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2020 Actual Incremental Gas Capital Investment**

Line No.		Fiscal Year 2020 (a)	Fiscal Year 2021 (b)	Fiscal Year 2022 (c)	NG 4/1/22 - 5/24/2022 2023 (d)	PPL 5/25/22 - 3/31/23 2023 (e)	Fiscal Year 2024 (f)	Fiscal Year 2025 (g)
Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (c)		\$105,296,046				
2	Retirements	Page 27 of 35, Line 9, Col (c)		\$4,276,135				
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911
Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1		\$105,296,046	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 31 of 35, Line 72(c)		\$23,534,853	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193
7	Cost of Removal	Page 27 of 35, Line 6, Col (c)		\$7,055,630				\$0
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year		\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823
Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)		1/ 2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days				54	311		
11	Proration Percentage				14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 9 of 35, Line 28, Col (a); then = Page 9 of 35, Col (a)		\$89,531,414	\$1,753,362	\$1,621,720	\$221,959	\$1,278,320
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		\$89,531,414	\$91,284,775	\$92,906,495	\$93,128,454	
14	Cumulative Tax Depreciation-PPL	Year 1 = Prior Year Line 13 + Current Year Line 12; then = Prior Year Line 14 + Current Year Line 12					\$94,406,774	\$95,794,356
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9		\$1,510,248	\$3,020,495	\$3,020,495	\$446,868	\$2,573,628
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15		\$1,510,248	\$4,530,743	\$7,551,238	\$7,998,106	\$10,571,734
17	Cumulative Book / Tax Timer	Columns (a) through (d): Line 13 - Line 16, Then Line 14 - Line 16		\$88,021,166	\$86,754,032	\$85,355,257	\$85,130,348	\$83,835,040
18	Less: Cumulative Book Depreciation at Acquisition	Not Applicable if Acquisition doesn't take place						
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18					\$83,835,040	\$82,202,127
20	Effective Tax Rate	Columns (a) through (d): Line 17 * Line 20, Then Line 19 *		21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 20		\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$17,605,358
22	Add: FY 2020 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (c)		(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	(\$3,063,059)
23	Net Deferred Tax Reserve before Proration Adjustmen	Line 21 + Line 22		\$15,421,386	\$15,155,288	\$14,861,545	\$14,814,315	\$14,542,300
ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823
25	Accumulated Depreciation	- Line 16		(\$1,510,248)	(\$4,530,743)	(\$7,551,238)	(\$7,998,106)	(\$10,571,734)
26	Deferred Tax Reserve	- Line 23		(\$15,421,386)	(\$15,155,288)	(\$14,861,545)	(\$14,814,315)	(\$14,542,300)
27	Year End Rate Base before Deferred Tax Prorator	Sum of Lines 24 through 26		\$71,885,189	\$69,130,792	\$66,404,039	\$66,004,402	\$63,702,789
Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Line 27 × Page 11 of 35, Line 16; then = Average of (Prior Year Line 22 + Current Year Line 22/2)			\$67,767,415	\$65,053,414	\$65,053,414	\$62,363,998
29	Proration Adjustment	Page 10 of 35, Line 41			(\$12,608)	(\$13,703)	(\$13,703)	(\$14,719)
30	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24			\$67,754,807	\$65,039,711	\$65,039,711	\$62,349,279
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (c)			8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11				14.79%		85.21%
32	Return and Taxes	Cols (a) through (c) and (f) through (g): L 30 * L 31;			\$5,698,179	\$809,237	\$4,660,603	\$5,243,574
33	Book Depreciation	Cols (d) and (e): L 30 * L 31 * L 32			\$3,020,495	\$446,868	\$2,573,628	\$3,020,495
34	Annual Revenue Requirement	Sum of Lines 32 through 33		N/A	\$8,718,675	\$1,256,104	\$7,234,231	\$8,039,724

1/ 2.99%, Composite Book Depreciation Rate of Distribution Plant approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 23-49-NG
In Re: Proposed FY 2025 Gas Infrastructure, Safety and Reliability Plan
Attachment DIV 3-1-1- Supplemental
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The Narragansett Electric Company d/b/a Rhode Island Energy FY 2025 Gas ISR Revenue Requirement Plan Fiscal Year 2025 Revenue Requirement on FY 2021 Actual Incremental Gas Capital Investment								
Line No.			Fiscal Year 2021 (a)	Fiscal Year 2022 (b)	NG 4/1/22 - 5/24/2022 2023 (c)	PPL 5/25/22 - 3/31/23 2023 (d)	Fiscal Year 2024 (e)	Fiscal Year 2025 (f)
Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 21 of 28 , Line 3 ,Col (d)	\$110,177,659					
2	Retirements	Page 21 of 28 , Line 9 ,Col (d)	\$3,860,987					
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672
Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1	\$110,177,659	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 18 of 22, Line 78(c)	\$40,700,586	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072
7	Cost of Removal	Page 21 of 28 , Line 6 ,Col (d)	\$8,861,636					
8	Net Plant Amount	Line 6 + Line 7	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	Page 21 of 28, Line 86(e)	1/ 2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days				54	311		
11	Proration Percentage				14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 =Page 13 of 35, Line 28, Col (a); then = Page 13 of 35, Col Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$63,538,144	\$4,232,177	\$579,121	\$3,335,306	\$3,621,299	\$3,349,277
13	Cumulative Tax Depreciation-NG	Year 1 = Prior Year Line 13 + Current Year Line 12;	\$63,538,144	\$67,770,322	\$68,349,442			
14	Cumulative Tax Depreciation-PPL	then = Prior Year Line 14 + Current Year Line 12				\$71,684,748	\$75,306,048	\$78,655,324
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% ; then = Line 3 × Line 9	\$1,589,434	\$3,178,868	\$470,298	\$2,708,570	\$3,178,868	\$3,178,868
16	Cumulative Book Depreciation-NG	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$1,589,434	\$4,768,303	\$5,238,601	\$7,947,171	\$11,126,040	\$14,304,908
17	Cumulative Book / Tax Timer	Columns (a) through (c): Line 13 - Line 16, Then Line 14 - Line 16	\$61,948,710	\$63,002,019	\$63,110,841	\$63,737,577	\$64,180,008	\$64,350,416
18	Less: Cumulative Book Depreciation at Acquisition	Not Applicable if Acquisition doesn't take place						
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18				\$63,737,577	\$64,180,008	\$64,350,416
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Columns (a) through (c): Line 17 * Line 20, Then Line 19 * Line 20	\$13,009,229	\$13,230,424	\$13,253,277	\$13,384,891	\$13,477,802	\$13,513,587
22	Add: FY 2021 Federal NOL (Generation) / Utilization	Page 15 of 22 , Line 12 ,Col (d)	(\$5,525,796)	(\$5,525,796)	(\$5,525,796)	(\$5,525,796)	(\$5,525,796)	(\$5,525,796)
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$7,483,434	\$7,704,628	\$7,727,481	\$7,859,096	\$7,952,006	\$7,987,792
ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
25	Accumulated Depreciation	- Line 16	(\$1,589,434)	(\$4,768,303)	(\$5,238,601)	(\$7,947,171)	(\$11,126,040)	(\$14,304,908)
26	Deferred Tax Reserve	- Line 23	(\$7,483,434)	(\$7,704,628)	(\$7,727,481)	(\$7,859,096)	(\$7,952,006)	(\$7,987,792)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$69,265,841	\$65,865,777	\$65,372,626	\$62,532,442	\$59,260,663	\$56,046,009
Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2		\$67,565,809	\$64,199,110	\$64,199,110	\$60,896,552	\$57,653,336
29	Proration Adjustment	Page 14 of 35, Line 41		\$9,494	\$6,630	\$6,630	\$3,988	\$1,536
30	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24		\$67,575,303	\$64,205,740	\$64,205,740	\$60,900,540	\$57,654,872
31	Pre-Tax ROR	Page 22 of 22, Line 30, Column (e)		8.41%	8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11			14.79%	85.21%		
33	Return and Taxes	Cols (a), (b) and (e) through (f): L 30 * L 31;		\$5,683,083	\$798,860	\$4,600,843	\$5,121,735	\$4,848,775
34	Book Depreciation	Cols (c) and (d): L 30 * L 31 * L 32 Line 15		\$3,178,868	\$470,298	\$2,708,570	\$3,178,868	\$3,178,868
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	\$8,861,951	\$1,269,158	\$7,309,413	\$8,300,604	\$8,027,643

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 23-49-NG
In Re: Proposed FY 2025 Gas Infrastructure, Safety and Reliability Plan
Attachment DIV 3-1-1- Supplemental
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2022 Actual Incremental Gas Capital Investment**

Line No.			NG		PPL		Fiscal Year 2024	Fiscal Year 2025	
			Fiscal Year 2022	4/1/22 - 5/24/2022	5/25/22 - 3/31/23				
			(a)	(b)	(c)	(d)			(e)
<u>Depreciable Net Capital Included in ISR Rate Base</u>									
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (e)	\$156,694,227						
2	Retirements	Page 27 of 35, Line 9, Col (e)	\$6,258,509						
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718	
<u>Change in Net Capital Included in ISR Rate Base</u>									
4	Capital Included in ISR Rate Base	Line 1	\$156,694,227	\$0	\$0	\$0	\$0	\$0	
5	Depreciation Expense	Page 31 of 35, Line 77(c)	\$40,954,246	\$0	\$0	\$0	\$0	\$0	
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981	
7	Cost of Removal	Page 27 of 35, Line 6, Col (e)	\$10,773,005						
8	Net Plant Amount	Line 6 + Line 7	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	
<u>Deferred Tax Calculation:</u>									
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(c)	1/ 2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	
10	Number of days			54	311				
11	Proration Percentage			14.79%	85.21%				
12	Tax Depreciation and Year 1 Basis Adjustments	Col (a) = Page 16 of 35, Line 28, Col (a); then = Page 16 of 35, Col (e)	\$127,609,589	\$448,503	\$2,583,047	\$2,803,943	\$2,593,973		
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$127,609,589	\$128,058,092					
14	Cumulative Tax Depreciation-PPL	Year 1 = Prior Year Line 13 + Current Year Line 12; then = Prior Year Line 14 + Current Year Line 12			\$130,641,140	\$133,445,082	\$136,039,055		
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	\$2,249,014	\$665,462	\$3,832,566	\$4,498,028	\$4,498,028		
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$2,249,014	\$2,914,476	\$6,747,042	\$11,245,070	\$15,743,098		
17	Cumulative Book / Tax Timer	Columns (a) and (b): Line 13 - Line 16, Then Line 14 - Line 16	\$125,360,575	\$125,143,617	\$123,894,098	\$122,200,013	\$120,295,957		
18	Less: Cumulative Book Depreciation at Acquisition	Not Applicable if Acquisition doesn't take place						3/	
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18			\$123,894,098	\$122,200,013	\$120,295,957		
20	Effective Tax Rate	Columns (a) through (b): Line 17 * Line 20, Then Line 19 * Line 20	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
21	Deferred Tax Reserve	Page 27 of 35, Line 12, Col (e)	\$26,325,721	\$26,280,159	\$26,017,760	\$25,662,003	\$25,262,151		
22	Add: FY 2022 Federal NOL (Generation) / Utilization	Line 21 + Line 22	(\$3,264,442)	(\$3,264,442)	(\$3,264,442)	(\$3,264,442)	(\$3,264,442)	(\$3,264,442)	
23	Net Deferred Tax Reserve before Proration Adjustment		\$23,061,278	\$23,015,717	\$22,753,318	\$22,397,560	\$21,997,709		
<u>ISR Rate Base Calculation:</u>									
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985		
25	Accumulated Depreciation	- Line 16	(\$2,249,014)	(\$2,914,476)	(\$6,747,042)	(\$11,245,070)	(\$15,743,098)		
26	Deferred Tax Reserve	- Line 23	(\$23,061,278)	(\$23,015,717)	(\$22,753,318)	(\$22,397,560)	(\$21,997,709)		
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$101,202,693	\$100,582,792	\$97,012,625	\$92,870,355	\$88,772,179		
<u>Revenue Requirement Calculation:</u>									
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2	\$50,601,346	\$99,107,659	\$99,107,659	\$94,941,490	\$90,821,267		
29	Proration Adjustment	Page 17 of 35, Line 41	(\$6,077)	(\$13,218)	(\$13,218)	(\$15,270)	(\$17,163)		
30	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24	\$50,595,269	\$99,094,441	\$99,094,441	\$94,926,220	\$90,804,104		
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%	8.41%	8.41%	8.41%	8.41%		
32	Proration Percentage	Line 11		14.79%	85.21%				
33	Return and Taxes	Cols (a), (d) and (e): L 30 * L 31;	\$4,255,062	\$1,232,952	\$7,100,890	\$7,983,295	\$7,636,625		
34	Book Depreciation	Cols (b) and (c): L 30 * L 31 * L 32 Line 15	\$2,249,014	\$665,462	\$3,832,566	\$4,498,028	\$4,498,028		
35	Annual Revenue Requirement	Sum of Lines 33 through 34	\$6,504,076	\$1,898,414	\$10,933,457	\$12,481,323	\$12,134,653		

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 23-49-NG
In Re: Proposed FY 2025 Gas Infrastructure, Safety and Reliability Plan
Attachment DIV 3-1-1- Supplemental
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2023 Actual Incremental Gas Capital Investment**

Line No.			NG	PPL	Fiscal Year	Fiscal Year
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23	2024	2025
			2023	2023	(c)	(d)
			(a)	(b)		
Depreciable Net Capital Included in ISR Rate Base						
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Section 2, Table 1	\$22,436,083	\$129,215,219		
2	Retirements	Line 1 x 3-year average actual retirement rate FY19 - FY21	1,256,752	7,237,958		
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$21,179,331	\$121,977,261	\$143,156,592	\$143,156,592
Change in Net Capital Included in ISR Rate Base						
4	Capital Included in ISR Rate Base	Line 1	\$22,436,083	\$129,215,219		
5	Depreciation Expense	Page 31 of 35, Line 77(c)	\$6,058,984	\$34,895,262		
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$16,377,099	\$94,319,957	\$110,697,056	\$110,697,056
7	Cost of Removal	Section 2, Page 2	\$1,569,324	\$9,038,142		
8	Net Plant Amount	Line 6 + Line 7	\$17,946,422	\$103,358,099	\$121,304,521	\$121,304,521
Deferred Tax Calculation:						
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/	2.99%	2.99%	2.99%
10	Proration Percentage					
11	Tax Depreciation and Year 1 Basis Adjustments	Col (a) = Page 19 of 35, Col, Line 28; Col (b) = Page 24 of 42, Col (b), Lines 19, 25 and 26, plus Line 18 Col (i); Col (c) = Page 24 of 42, Col (c), Lines 19, 25 and 26, plus Line 19 Col (i); then Page 24 of 42, Col (i)	\$15,784,290	\$90,905,816	\$3,851,403	\$3,562,241
12	Cumulative Tax Depreciation-NG	Line 11, Column (a)	\$15,784,290			
13	Cumulative Tax Depreciation-PPL	Year 1 = Line 11, Columns (b) and (c); then = Prior Year Line 13 + Current Year Line 11		\$106,690,105	\$110,541,509	\$114,103,750
14	Book Depreciation	Year 1 = Line 3 x Line 9 x 50%; then = Line 3 x Line 9	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382
15	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$316,631	\$2,140,191	\$6,420,573	\$10,700,955
16	Book / Tax Timer	Line 11 - Line 14 except column (d) = sum of Cols (a) through (c)	\$15,467,658	\$89,082,256	(\$428,979)	(\$718,141)
17	Cumulative Book / Tax Timer - NG	Line 16, Column (a)	\$15,467,658		\$15,467,658	\$15,467,658
18	Cumulative Book / Tax Timer - PPL	Line 16, Columns (b) and (c), then = Prior Year Line 18 + Current Year Line 16		\$89,082,256	\$88,653,277	\$87,935,137
19	Cumulative Book / Tax Timer - Total	Line 17 + Line 18	\$15,467,658	\$89,082,256	\$104,120,936	\$103,402,795
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 19 x Line 20	\$3,248,208	\$18,707,274	\$21,865,396	\$21,714,587
22	Add: FY 2023-NG Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (e)	\$924,926	\$5,326,891	\$12,503,636	\$18,755,454
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$4,173,135	\$24,034,165	\$34,369,032	\$40,470,041
ISR Rate Base Calculation:						
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$17,946,422	\$103,358,099	\$121,304,521	\$121,304,521
25	Accumulated Depreciation	- Line 15	(\$316,631)	(\$1,823,560)	(\$6,420,573)	(\$10,700,955)
26	Deferred Tax Reserve	- Line 23	(\$4,173,135)	(\$24,034,165)	(\$34,369,032)	(\$40,470,041)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$13,456,657	\$77,500,374	\$80,514,916	\$70,133,525
Revenue Requirement Calculation:						
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2	\$6,728,328	\$38,750,187	\$85,735,973	\$75,324,221
29	Proration Adjustment	Page 20 of 35, Line 41	(\$5,811)	(\$33,470)	(\$3,867)	(\$6,473)
30	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24	\$6,722,517	\$38,716,717	\$85,732,106	\$75,317,748
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%	8.41%	8.41%	8.41%
32	Proration	Line 10				
33	Return and Taxes	Line 30 * Line 31	\$565,364	\$3,256,076	\$7,210,070	\$6,334,223
34	Book Depreciation	Line 14	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382
35	Annual Revenue Requirement	Sum of Lines 33 through 34	\$881,995	\$5,079,636	\$11,490,452	\$10,614,605

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Annual Revenue Requirement Summary**

Line No.		Approved Fiscal Year	Fiscal Year
		<u>2024</u> (a)	<u>2025</u> (b)
<u>Operation and Maintenance Expenses</u>			
1	FY 2025 Operation and Maintenance Expense	\$0	\$0
<u>Capital Investment:</u>			
2	Actual Revenue Requirement on FY 2018 Incremental Capital Included in ISR Rate Base	\$362,365	\$370,111
3	Actual Revenue Requirement on FY 2019 Incremental Capital Included in ISR Rate Base	\$405,676	\$405,961
4	Actual Revenue Requirement on FY 2020 Incremental Capital Included in ISR Rate Base	\$9,422,592	\$9,102,120
5	Actual Revenue Requirement on FY 2021 Incremental Capital Included in ISR Rate Base	\$8,907,970	\$8,567,568
6	Actual Revenue Requirement on FY 2022 Incremental Capital Included in ISR Rate Base	\$14,293,737	\$13,805,560
7	Forecasted Revenue Requirement on FY 2023-NG Capital included in ISR Rate Base	\$12,827,683	\$12,161,768
8	Forecasted Revenue Requirement on FY 2024 Capital included in ISR Rate Base	\$6,096,711	\$12,028,274
9	Forecasted Revenue Requirement on FY 2025 Capital included in ISR Rate Base		\$6,875,828
10	Total Capital Investment Revenue Requirement	\$52,316,734	\$63,317,191
11	FY 2024 Property Tax Recovery Adjustment	\$10,806,916	
12	FY 2025 Property Tax Recovery Adjustment		\$14,037,447
13	Total Capital Investment Component of Revenue Requirement	\$63,123,650	\$77,354,638
14	Total Revenue Requirement	\$63,123,650	\$77,354,638
15	Per Tax Hold Harmless Adjustment Section 3 - Attachment 2 (Revised), Pages 1, Line 23	(\$4,499,963)	(\$4,572,920)
16	Total Net Capital Investment Component of Revenue Requirement	\$58,623,688	\$72,781,718
17	Incremental Rate Adjustment		\$14,158,030

Column Notes:

(a) RIPUC Docket No. 22-53-NG, Section 3, Attachment 1 (C), Page 1 of 32, Column (b)

Line Notes for Columns (b) only:

2 Page 2 of 35, Line 36, Col. (i)
3 Page 5 of 35, Line 35, Col. (h)
4 Page 8 of 35, Line 35, Col. (g)
5 Page 12 of 35, Line 35, Col. (f)
6 Page 15 of 35, Line 35, Col. (e)
7 Page 18 of 35, Line 35, Col. (d)
8 Page 21 of 35, Line 31, Col. (b)
9 Page 24 of 35, Line 29, Col. (a)
10 Sum of Lines 2 through 9
12 Page 33 of 35, Line 93, Col. (k) × 1,000
13 Sum of Line 10 through Line 12
14 Line 1 + Line 13
15 Section 3 - Attachment 2 Revised, Pages 1, Line 23
16 Line 14 + Line 15
17 Line 16 Col (b) - Line 16 Col (a)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3: Attachment 1 (Revised)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2018 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	Fiscal Year 2021 (d)	Fiscal Year 2022 (e)	NG 4/1/22 - 5/24/2022 2023 (f)	PPL 5/25/22 - 3/31/23 2023 (g)	Fiscal Year 2024 (h)	Fiscal Year 2025 (i)
Depreciable Net Capital Included in ISR Rate Base										
1	Total Allowed Capital Included in ISR Rate Base in Current Year									
2	Retirements	\$4,632,718								
3	Net Depreciable Capital Included in ISR Rate Base	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)
Change in Net Capital Included in ISR Rate Base										
4	Capital Included in ISR Rate Base	\$4,632,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718
7	Cost of Removal	\$1,941,168								
8	Net Plant Amount	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886
Deferred Tax Calculation:										
9	Composite Book Depreciation Rate	1/ 3.38%	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days	2/					54	311		
11	Proration Percentage	2/					14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments		Year 1=Page 3 of 35, Line 30, Col (a); then = Page 3 of 35, Col (c)							
13	Cumulative Tax Depreciation-NG	3/ \$7,820,728	\$21,720	\$20,089	\$18,585	\$17,189	\$2,353	\$213,427	\$410,861	\$380,014
14	Cumulative Tax Depreciation-PPL	3/ \$7,820,728	\$7,842,448	\$7,862,538	\$7,881,123	\$7,898,312	\$7,900,664			
15	Book Depreciation	2/ (\$125,511)	(\$234,127)	(\$222,059)	(\$222,059)	(\$222,059)	(\$32,853)	(\$189,206)	(\$222,059)	(\$222,059)
16	Cumulative Book Depreciation	4/ (\$125,511)	(\$359,638)	(\$581,697)	(\$803,756)	(\$1,025,814)	(\$1,058,667)	(\$1,247,873)	(\$1,469,932)	(\$1,691,990)
17	Cumulative Book / Tax Timer		Columns (a) through (e): Line 13 - Line 16, Then Line 14 - Line 16							
18	Less: Cumulative Book Depreciation at Acquisition	3/ \$7,946,239	\$8,202,087	\$8,444,235	\$8,684,878	\$8,924,126	\$8,959,331	\$1,461,300	\$2,094,220	\$2,696,292
19	Cumulative Book / Tax Timer - PPL		Line 16 Column (f)					(\$1,058,667)	(\$1,058,667)	(\$1,058,667)
20	Effective Tax Rate	4/ 21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	20 \$1,668,710	\$1,722,438	\$1,773,289	\$1,823,824	\$1,874,066	\$1,881,459	\$84,553	\$217,466	\$343,901
22	Less: FY 2018 Federal NOL (Generation) / Utilization	3/ (\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	\$0	\$0	\$0
23	Excess Deferred Tax		(Line 16 x 31.55% blended FY18 tax rate) - Line 20; then = Prior Year Line 22							
24	Net Deferred Tax Reserve before Proration Adjustment	3/ (\$838,328)	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328
ISR Rate Base Calculation:										
25	Cumulative Incremental Capital Included in ISR Rate Base	Line 8 \$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886
26	Accumulated Depreciation	- Line 16 (\$125,511)	\$359,638	\$581,697	\$803,756	\$1,025,814	\$1,058,667	\$1,247,873	\$1,469,932	\$1,691,990
27	Deferred Tax Reserve	- Line 24 (\$3,544,817)	\$3,491,089	\$3,440,238	\$3,389,703	\$3,339,461	\$3,332,068	(\$922,881)	(\$1,055,794)	(\$1,182,230)
28	Year End Rate Base before Deferred Tax Proration	Sum of Lines 25 through 27	\$10,244,214	\$10,424,613	\$10,595,821	\$10,767,344	\$10,939,161	\$10,964,620	\$6,898,878	\$6,988,023
Revenue Requirement Calculation:										
29	Average Rate Base before Deferred Tax Proration Adjustment	5/ Year 1 = 0; then Average of (Prior + Current Year Line 28)				\$10,853,253	\$8,919,019	\$8,919,019	\$6,943,450	\$7,035,835
30	Proration Adjustment	Page 4 of 35, Line 41				\$2,157	\$3,947	\$5,705	\$5,427	\$5,427
31	Average ISR Rate Base after Deferred Tax Proration	Line 29 + Line 30				\$10,855,409	\$8,922,966	\$8,922,966	\$6,949,155	\$7,041,262
32	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)				8.41%	8.41%	8.41%	8.41%	8.41%
33	Proration Percentage	Line 11					14.79%	85.21%		
34	Return and Taxes	Cols (e), (h) and (i): L 31 * L 32; Cols (f) and (g): L 31 * L 32 * L 33					\$912,940	\$111,021	\$639,400	\$584,424
35	Book Depreciation	Year 1 = N/A; then = Line 15				(\$222,059)	(\$32,853)	(\$189,206)	(\$222,059)	(\$222,059)
36	Annual Revenue Requirement	Sum of Lines 34 through 35	N/A	N/A	N/A	N/A	\$690,881	\$78,169	\$450,194	\$362,365

1/ 3.38% Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99% Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% x 5/12 + 2.99% x 7/12

2/ Columns (f) and (g) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(b)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

5/ Columns (f) and (g) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (e) and the end of the fiscal year on Line 32, Column (g). See note 2.

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The Narragansett Electric Company
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FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2018 Incremental Capital Investment

Line No.		Fiscal Year 2018 (a)	(b)	(c)	(d)	(e)	(f)
	Capital Repairs Deduction						
1	Plant Additions	Page 2 of 35, Line 1	\$4,632,718	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	85.43%				
3	Capital Repairs Deduction	Line 1 × Line 2	\$3,957,731	MACRS basis:	Line 23, Column (a)	\$300,875	
4						Annual	Cumulative
5							
6	Bonus Depreciation			Fiscal Year	Prorated		
7	Plant Additions	Line 1	\$4,632,718	FY Mar-2018	3.750%	\$11,283	\$7,820,728
8	Less Capital Repairs Deduction	Line 3	\$3,957,731	FY Mar-2019	7.219%	\$21,720	\$7,842,448
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$674,987	FY Mar-2020	6.677%	\$20,089	\$7,862,538
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	FY Mar-2021	6.177%	\$18,585	\$7,881,123
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$674,987	FY Mar-2022	5.713%	\$17,189	\$7,898,312
12	Bonus depreciation 100% category	100% × 15.86%	2/ 15.86%	FY Mar-2023 (Apr-May 2022)	5.285%	\$2,353	\$7,900,664
13	Bonus depreciation 50% category	50% × 58.05%	2/ 29.03%	Book Cost	Line 1, Column (a)	\$4,632,718	
14	Bonus depreciation 40% category	40% × 26.35%	2/ 10.54%	Cumulative Book Depreciation	- Page 2 of 35, Line 16, Col (f)	\$1,058,667	
15	Bonus Depreciation Rate (October 2017 - March 2018)	1 × 50% × 0%	2/ 0.00%	PPL MACRS basis:	Line 13 + Line 14	\$5,691,385	
16	Total Bonus Depreciation Rate	Line 12 + Line 13 + Line 14 + Line 15	55.43%	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$213,427	\$213,427
17	Bonus Depreciation	Line 11 × Line 16	\$374,112	Mar-2024	7.219%	\$410,861	\$624,288
18				Mar-2025	6.677%	\$380,014	\$1,004,302
19	Remaining Tax Depreciation			Mar-2026	6.177%	\$351,557	\$1,355,859
20	Plant Additions	Line 1	\$4,632,718	Mar-2027	5.713%	\$325,149	\$1,681,007
21	Less Capital Repairs Deduction	Line 3	\$3,957,731	Mar-2028	5.285%	\$300,790	\$1,981,797
22	Less Bonus Depreciation	Line 17	\$374,112	Mar-2029	4.888%	\$278,195	\$2,259,992
23	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 20 - Line 21 - Line 22	\$300,875	Mar-2030	4.522%	\$257,364	\$2,517,356
24	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2031	4.462%	\$253,950	\$2,771,306
25	Remaining Tax Depreciation	Line 23 × Line 24	\$11,283	Mar-2032	4.461%	\$253,893	\$3,025,199
26				Mar-2033	4.462%	\$253,950	\$3,279,148
27	FY18 tax (gain)/loss on retirements	Per Tax Department	\$1,536,434	3/ Mar-2034	4.461%	\$253,893	\$3,533,041
28	Cost of Removal	Page 2 of 35, Line 7	\$1,941,168	Mar-2035	4.462%	\$253,950	\$3,786,991
29				Mar-2036	4.461%	\$253,893	\$4,040,883
30	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 17, 25, 27 & 28	\$7,820,728	Mar-2037	4.462%	\$253,950	\$4,294,833
				Mar-2038	4.461%	\$253,893	\$4,548,725
				Mar-2039	4.462%	\$253,950	\$4,802,675
				Mar-2040	4.461%	\$253,893	\$5,056,568
				Mar-2041	4.462%	\$253,950	\$5,310,517
				Mar-2042	4.461%	\$253,893	\$5,564,410
				Mar-2043	2.231%	\$126,975	\$5,691,385
					100.000%	\$5,691,385	

Column (d), Line 11 = MACRS Rate 5.285% / 365 days x 54 days

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In Re: Proposed FY 2025 Gas Infrastructure, Safety and Reliability Plan

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
			2022 (a)	2023 (b)	2024 (c)	2025 (d)	
1	Book Depreciation	See the corresponding Fiscal Year on Page 2 of 35, Line 15. Note there are 2 columns to sum for FY23.	(\$222,059)	(\$222,059)	(\$222,059)	(\$222,059)	
2	Bonus Depreciation		\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 2 of 35, Line 12. Note there are 2 columns to sum for FY23.	(\$17,189)	(\$215,779)	(\$410,861)	(\$380,014)	
4	FY18 tax (gain)/loss on retirements		\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$239,248)	(\$437,838)	(\$632,920)	(\$602,072)	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
8	Deferred Tax Not Subject to Proration						
9	Capital Repairs Deduction						
10	Cost of Removal						
10	Book/Tax Depreciation Timing Difference at 3/31/2017						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
12	Effective Tax Rate						
13	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
15	Net Operating Loss		\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
17	Allocation of FY 2018 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$239,248)	(\$437,838)	(\$632,920)	(\$602,072)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$239,248)	(\$437,838)	(\$632,920)	(\$602,072)	
20	Total FY 2018 Federal NOL		\$0	\$0	\$0	\$0	
21	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
22	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
23	Effective Tax Rate		21%	21%	21%	21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
		(e)	(f)	(g)	(h)	(i)	(j)
	Proration Calculation	Number of Days in Month	Proration Percentage	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
26	April	30	91.78%	(\$3,843)	(\$7,032)	(\$10,166)	(\$9,670)
27	May	31	83.29%	(\$3,487)	(\$6,382)	(\$9,225)	(\$8,775)
28	June	30	75.07%	(\$3,143)	(\$5,752)	(\$8,315)	(\$7,909)
29	July	31	66.58%	(\$2,787)	(\$5,101)	(\$7,374)	(\$7,015)
30	August	31	58.08%	(\$2,432)	(\$4,450)	(\$6,433)	(\$6,120)
31	September	30	49.86%	(\$2,088)	(\$3,821)	(\$5,523)	(\$5,254)
32	October	31	41.37%	(\$1,732)	(\$3,170)	(\$4,582)	(\$4,359)
33	November	30	33.15%	(\$1,388)	(\$2,540)	(\$3,672)	(\$3,493)
34	December	31	24.66%	(\$1,032)	(\$1,889)	(\$2,731)	(\$2,598)
35	January	31	16.16%	(\$677)	(\$1,239)	(\$1,790)	(\$1,703)
36	February	28	8.49%	(\$356)	(\$651)	(\$941)	(\$895)
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$22,964)	(\$42,026)	(\$60,752)	(\$57,791)
39	Deferred Tax Without Proration	Line 25		(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)
40	Average Deferred Tax without Proration	Line 39 × 50%		(\$25,121)	(\$45,973)	(\$66,457)	(\$63,218)
41	Proration Adjustment	Line 38 - Line 40		\$2,157	\$3,947	\$5,705	\$5,427

Column Notes:
(f) Sum of remaining days in the year (Col (e)) ÷ 365
(g) through (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2019 Actual Incremental Gas Capital Investment

Line No.			Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2021 (c)	Fiscal Year 2022 (d)	NG 4/1/22 - 5/24/2022 2023 (e)	PPL 5/25/22 - 3/31/23 2023 (f)	Fiscal Year 2024 (g)	Fiscal Year 2025 (h)
Depreciable Net Capital Included in ISR Rate Base										
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (b)	(\$914,000)							
2	Retirements	Page 27 of 35, Line 9, Col (b)	(\$1,368,021)							
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021
Change in Net Capital Included in ISR Rate Base										
4	Capital Included in ISR Rate Base	Line 1	(\$914,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)
7	Cost of Removal	Page 27 of 35, Line 6, Col (b)	\$5,626,564							
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
Deferred Tax Calculation:										
9	Composite Book Depreciation Rate	As Approved in RIPUC Docket No. 4323 & 4770	1/ 3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/				54	311		
11	Proration Percentage		2/				14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 6 of 35, Line 28, Col (a); then = Page 6 of 35, Col (e)	\$5,200,130	(\$8,390)	(\$7,760)	(\$7,179)	(\$982)	(\$36,146)	(\$69,583)	(\$64,359)
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$5,200,130	\$5,191,739	\$5,183,979	\$5,176,799	\$5,175,817			
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12						(\$36,146)	(\$105,729)	(\$170,088)
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	\$7,157	\$13,575	\$13,575	\$13,575	\$2,008	\$11,567	\$13,575	\$13,575
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$7,157	\$20,732	\$34,307	\$47,883	\$49,891	\$61,458	\$75,033	\$88,608
17	Cumulative Book / Tax Timer	Columns (a) through (e): Line 13 - Line 16, Then Line 14 - Line 16	\$5,192,973	\$5,171,007	\$5,149,671	\$5,128,917	\$5,125,926	(\$97,604)	(\$180,762)	(\$258,697)
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (e)						\$49,891	\$49,891	\$49,891
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18						(\$47,713)	(\$130,871)	(\$208,805)
20	Effective Tax Rate	Columns (a) through (e): Line 17 * Line 20, Then Line 19 * Line 20	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 20	\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	\$1,076,444	(\$10,020)	(\$27,483)	(\$43,849)
22	Add: FY 2019 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (b)	\$286,350	\$286,350	\$286,350	\$286,350	\$286,350	\$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$1,376,874	\$1,372,261	\$1,367,781	\$1,363,422	\$1,362,794	(\$10,020)	(\$27,483)	(\$43,849)
ISR Rate Base Calculation:										
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
25	Accumulated Depreciation	- Line 16	(\$7,157)	(\$20,732)	(\$34,307)	(\$47,883)	(\$49,891)	(\$61,458)	(\$75,033)	(\$88,608)
26	Deferred Tax Reserve	- Line 23	(\$1,376,874)	(\$1,372,261)	(\$1,367,781)	(\$1,363,422)	(\$1,362,794)	\$10,020	\$27,483	\$43,849
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$3,328,533	\$3,319,570	\$3,310,475	\$3,301,259	\$3,299,878	\$4,661,125	\$4,665,013	\$4,667,804
Revenue Requirement Calculation:										
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2				\$3,305,867	\$3,981,192	\$3,981,192	\$4,663,069	\$4,666,409
29	Proration Adjustment	Page 7 of 35, Line 41				(\$187)	(\$457)		(\$750)	(\$702)
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29				\$3,305,680	\$3,980,735	\$3,980,735	\$4,662,320	\$4,665,706
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)				8.41%	8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11					14.79%	85.21%		
33	Return and Taxes	Cols (d), (g) and (h): L 30 * L 31; Cols (e) and (f): L 30 * L 31 * L 32				\$278,008	\$49,529	\$285,251	\$392,101	\$392,386
34	Book Depreciation	Line 15				\$13,575	\$2,008	\$11,567	\$13,575	\$13,575
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	N/A	N/A	\$291,583	\$51,537	\$296,818	\$405,676	\$405,961

1/ 3.38%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 / 12 + 2.99% × 7 / 12

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4/ Columns (e) and (f) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 31, Column (d) and the end of the fiscal year on Line 27, Column (f). See note 2.

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FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2019 Incremental Capital Investment

Line No.			Fiscal Year	(b)	(c)	(d)	(e)	(f)
			2019					
			(a)					
Capital Repairs Deduction								
1	Plant Additions	Page 5 of 35, Line 1	(\$914,000)					
2	Capital Repairs Deduction Rate	Per Tax Department	85.18%					
3	Capital Repairs Deduction	Line 1 × Line 2	(\$778,545)					
4								
5								
20 Year MACRS Depreciation								
6	Bonus Depreciation							
7	Plant Additions	Line 1	(\$914,000)					
8	Less Capital Repairs Deduction	Line 3	(\$778,545)					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	(\$135,455)					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	(\$135,455)					
12	Bonus Depreciation Rate (30% Eligible)	1 × 30% × 11.65%	3.50%					
13	Bonus Depreciation Rate (40% Eligible)	1 × 40% × 26.75%	10.70%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	14.20%					
15	Bonus Depreciation	Line 11 × Line 14	(\$19,228)					
16								
MACRS basis:								
				Line 21, Column (a)		(\$116,227)		
					Annual	Cumulative		
				Fiscal Year	Prorated			
				FY Mar-2019	3.750%	(\$4,359)	\$5,200,130	
				FY Mar-2020	7.219%	(\$8,390)	\$5,191,739	
				FY Mar-2021	6.677%	(\$7,760)	\$5,183,979	
				FY Mar-2022	6.177%	(\$7,179)	\$5,176,799	
				FY Mar-2023 (Apr-May 2022)	5.713%	(\$982)	\$5,175,817	
				Book Cost	Line 1, Column (a)	(\$914,000)		
				Cumulative Book Depreciation	- Page 5 of 35, Line 16, Col (e)	(\$49,891)		
				PPL MACRS basis:	Line 12 + Line 13	(\$963,891)		
				FY Mar-2023 (Jun-Mar 2023)	3.750%	(\$36,146)	(\$36,146)	
				Mar-2024	7.219%	(\$69,583)	(\$105,729)	
				Mar-2025	6.677%	(\$64,359)	(\$170,088)	
				Mar-2026	6.177%	(\$59,540)	(\$229,628)	
				Mar-2027	5.713%	(\$55,067)	(\$284,695)	
				Mar-2028	5.285%	(\$50,942)	(\$335,637)	
				Mar-2029	4.888%	(\$47,115)	(\$382,751)	
				Mar-2030	4.522%	(\$43,587)	(\$426,339)	
				Mar-2031	4.462%	(\$43,009)	(\$469,347)	
				Mar-2032	4.461%	(\$42,999)	(\$512,347)	
				Mar-2033	4.462%	(\$43,009)	(\$555,355)	
				Mar-2034	4.461%	(\$42,999)	(\$598,355)	
				Mar-2035	4.462%	(\$43,009)	(\$641,363)	
				Mar-2036	4.461%	(\$42,999)	(\$684,363)	
				Mar-2037	4.462%	(\$43,009)	(\$727,371)	
				Mar-2038	4.461%	(\$42,999)	(\$770,371)	
				Mar-2039	4.462%	(\$43,009)	(\$813,379)	
				Mar-2040	4.461%	(\$42,999)	(\$856,379)	
				Mar-2041	4.462%	(\$43,009)	(\$899,387)	
				Mar-2042	4.461%	(\$42,999)	(\$942,387)	
				Mar-2043	2.231%	(\$21,504)	(\$963,891)	
					100.000%	(\$963,891)		
17	Remaining Tax Depreciation							
18	Plant Additions	Line 1	(\$914,000)					
19	Less Capital Repairs Deduction	Line 3	(\$778,545)					
20	Less Bonus Depreciation	Line 15	(\$19,228)					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	(\$116,227)					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	(\$4,359)					
24								
25	FY19 tax (gain)/loss on retirements	Per Tax Department	3/ \$375,698					
26	Cost of Removal	Page 5 of 35, Line 7	\$5,626,564					
27								
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$5,200,130					

1/ Capital Repairs percentage is the actual result of FY2019 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2019 tax return
3/ Actual Loss the actual result of FY2019 tax return
10 (d) 5.713% / 365 x 54

Column (d), Line 10 = MACRS Rate 5.713% / 365 days x 54 days

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
			2022 (a)	2023 (b)	2024 (c)	2025 (d)	
1	Book Depreciation	See the corresponding Fiscal Year on Page 5 of 35, Line 15. Note there are 2 columns to sum for FY23.	\$13,575	\$13,575	\$13,575	\$13,575	
2	Bonus Depreciation		\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 5 of 35, Line 12. Note there are 2 columns to sum for FY23.	\$7,179	\$37,128	\$69,583	\$64,359	
4	FY19 tax (gain)/loss on retirements		\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$20,755	\$50,703	\$83,159	\$77,934	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$4,358	\$10,648	\$17,463	\$16,366	
8	Deferred Tax Not Subject to Proration						
9	Capital Repairs Deduction						
10	Cost of Removal						
11	Book/Tax Depreciation Timing Difference at 3/31/2019						
12	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	
13	Effective Tax Rate		21%	21%	21%	21%	
14	Deferred Tax Reserve	Line 11 × Line 12	\$0	\$0	\$0	\$0	
15	Total Deferred Tax Reserve	Line 7 + Line 13	\$4,358	\$10,648	\$17,463	\$16,366	
16	Net Operating Loss		\$0	\$0	\$0	\$0	
17	Net Deferred Tax Reserve	Line 14 + Line 15	\$4,358	\$10,648	\$17,463	\$16,366	
18	Allocation of FY 2019 Estimated Federal NOL						
19	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$20,755	\$50,703	\$83,159	\$77,934	
20	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
21	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$20,755	\$50,703	\$83,159	\$77,934	
22	Total FY 2019 Federal NOL		\$0	\$0	\$0	\$0	
23	Allocated FY 2019 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
24	Allocated FY 2019 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
25	Effective Tax Rate		21%	21%	21%	21%	
26	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	\$0	\$0	\$0	
27	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$4,358	\$10,648	\$17,463	\$16,366	
28	Proration Calculation	(e) Number of Days in Month (f) Proration Percentage	(g) Fiscal Year 2022	(h) Fiscal Year 2023	(i) Fiscal Year 2024	(j) Fiscal Year 2025	
29	April	30	91.78%	\$333	\$814	\$1,336	\$1,252
30	May	31	83.29%	\$303	\$739	\$1,212	\$1,136
31	June	30	75.07%	\$273	\$666	\$1,092	\$1,024
32	July	31	66.58%	\$242	\$591	\$969	\$908
33	August	31	58.08%	\$211	\$515	\$845	\$792
34	September	30	49.86%	\$181	\$442	\$726	\$680
35	October	31	41.37%	\$150	\$367	\$602	\$564
36	November	30	33.15%	\$120	\$294	\$482	\$452
37	December	31	24.66%	\$90	\$219	\$359	\$336
38	January	31	16.16%	\$59	\$143	\$235	\$220
39	February	28	8.49%	\$31	\$75	\$124	\$116
40	March	31	0.00%	\$0	\$0	\$0	\$0
41	Total	365		\$1,992	\$4,867	\$7,982	\$7,481
42	Deferred Tax Without Proration	Line 25	\$4,358	\$10,648	\$17,463	\$16,366	
43	Average Deferred Tax without Proration	Line 39 × 50%	\$2,179	\$5,324	\$8,732	\$8,183	
44	Proration Adjustment	Line 38 - Line 40	(\$187)	(\$457)	(\$750)	(\$702)	

Column Notes:

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3: Attachment 1 (Revised)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2020 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2020 (a)	Fiscal Year 2021 (b)	Fiscal Year 2022 (c)	NG 4/1/22 - 5/24/2022 2023 (d)	PPL 5/25/22 - 3/31/23 2023 (e)	Fiscal Year 2024 (f)	Fiscal Year 2025 (g)	
Depreciable Net Capital Included in ISR Rate Base									
1	Total Allowed Capital Included in ISR Rate Base in Current Year	\$105,296,046							
2	Retirements	\$4,276,135							
3	Net Depreciable Capital Included in ISR Rate Base								
	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	
Change in Net Capital Included in ISR Rate Base									
4	Capital Included in ISR Rate Base	\$105,296,046	\$0	\$0	\$0	\$0	\$0	\$0	
5	Depreciation Expense	\$23,534,853	\$0	\$0	\$0	\$0	\$0	\$0	
6	Incremental Capital Amount								
	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	
7	Cost of Removal	\$7,055,630						\$0	
	Page 27 of 35, Line 6, Col (c)								
8	Net Plant Amount	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	
Deferred Tax Calculation:									
9	Composite Book Depreciation Rate	1/	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	
10	Number of days	2/			54	311			
11	Proration Percentage	2/			14.79%	85.21%			
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 9 of 35, Line 28, Col (a); then = Page 9 of 35, Col (c)	\$89,531,414	\$1,753,362	\$1,621,720	\$221,959	\$3,648,673	\$7,023,938	\$6,496,583
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$89,531,414	\$91,284,775	\$92,906,495	\$93,128,454			
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12					\$3,648,673	\$10,672,611	\$17,169,194
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	\$1,510,248	\$3,020,495	\$3,020,495	\$446,868	\$2,573,628	\$3,020,495	\$3,020,495
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$1,510,248	\$4,530,743	\$7,551,238	\$7,998,106	\$10,571,734	\$13,592,229	\$16,612,724
17	Cumulative Book / Tax Timer	Columns (a) through (d): Line 13 - Line 16, Then Line 14 - Line 16	\$88,021,166	\$86,754,032	\$85,355,257	\$85,130,348	(\$6,923,061)	(\$2,919,618)	\$556,470
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (d)					\$7,998,106	\$7,998,106	\$7,998,106
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18					\$1,075,045	\$5,078,488	\$8,554,576
20	Effective Tax Rate	Columns (a) through (d): Line 17 * Line 20, Then Line 19 *	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
21	Deferred Tax Reserve	Line 20	\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$225,759	\$1,066,483	\$1,796,461
22	Add: FY 2020 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (c)	(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	\$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$15,421,386	\$15,155,288	\$14,861,545	\$14,814,315	\$225,759	\$1,066,483	\$1,796,461
ISR Rate Base Calculation:									
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	
25	Accumulated Depreciation	- Line 16	(\$1,510,248)	(\$4,530,743)	(\$7,551,238)	(\$7,998,106)	(\$10,571,734)	(\$13,592,229)	(\$16,612,724)
26	Deferred Tax Reserve	- Line 23	(\$15,421,386)	(\$15,155,288)	(\$14,861,545)	(\$14,814,315)	(\$225,759)	(\$1,066,483)	(\$1,796,461)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$71,885,189	\$69,130,792	\$66,404,039	\$66,004,402	\$78,019,330	\$74,158,111	\$70,407,638
Revenue Requirement Calculation:									
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Line 27 × Page 11 of 35, Line 16; then = Average of (Prior Year Line 27 + Current Year Line 27/2)							
29	Proration Adjustment	Page 10 of 35, Line 41			\$67,767,415	\$72,211,684	\$72,211,684	\$76,088,721	\$72,282,875
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29			(\$12,608)	\$7,663	\$7,663	\$36,086	\$31,332
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (c)			\$67,754,807	\$72,219,347	\$72,219,347	\$76,124,806	\$72,314,207
					8.41%	8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11				14.79%	85.21%		
33	Return and Taxes	Cols (c), (f) and (g): L 30 * L 31; Cols (d) and (e): L 30 * L 31 * L 32			\$5,698,179	\$898,567	\$5,175,080	\$6,402,096	\$6,081,625
34	Book Depreciation	Line 15			\$3,020,495	\$446,868	\$2,573,628	\$3,020,495	\$3,020,495
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	N/A	\$8,718,675	\$1,345,435	\$7,748,708	\$9,422,592	\$9,102,120

1/ 2.99%, Composite Book Depreciation Rate of Distribution Plant approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (d) and (e) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(b)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (d) and (e) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (c) and the end of the fiscal year on Line 31, Column (e). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2020 Incremental Capital Investments

Line No.		Fiscal Year 2020 (a)	(b)	(c)	(d)	(e)	(f)	
1	Capital Repairs Deduction							
1	Plant Additions	Page 8 of 35, Line 1	\$105,296,046	20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department	76.14%	MACRS basis:				
3	Capital Repairs Deduction	Line 1 × Line 2	\$80,172,409	Line 21, Column (a)	\$24,288,150	Annual	Cumulative	
4								
5								
6	Bonus Depreciation			Fiscal Year	Prorated			
7	Plant Additions	Line 1	\$105,296,046	FY Mar-2020	3.750%	\$910,806	\$89,531,414	
8	Less Capital Repairs Deduction	Line 3	\$80,172,409	FY Mar-2021	7.219%	\$1,753,362	\$91,284,775	
9	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$25,123,637	FY Mar-2022	6.677%	\$1,621,720	\$92,906,495	
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	FY Mar-2023 (Apr-May 2022)	6.177%	0.914%	\$221,959	\$93,128,454
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$25,123,637	Book Cost	Line 1, Column (a)	\$105,296,046		
12	Bonus Depreciation Rate 30%, up to December 31, 2019	14.78% × 30% × 75%	3.33%	Cumulative Book Depreciation	- Page 8 of 35, Line 16, Col (d)	(\$7,998,106)		
13	Bonus Depreciation Rate 0%, after December 31, 2019		0.00%	PPL MACRS basis:	Line 11 + Line 12	\$97,297,940		
14	Total Bonus Depreciation Rate	Line 12 + Line 13	3.33%					
15	Bonus Depreciation	Line 11 × Line 14	\$835,487	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$3,648,673	\$3,648,673	
16				Mar-2024	7.219%	\$7,023,938	\$10,672,611	
17	Remaining Tax Depreciation			Mar-2025	6.677%	\$6,496,583	\$17,169,194	
18	Plant Additions	Line 1	\$105,296,046	Mar-2026	6.177%	\$6,010,094	\$23,179,288	
19	Less Capital Repairs Deduction	Line 3	\$80,172,409	Mar-2027	5.713%	\$5,558,631	\$28,737,919	
20	Less Bonus Depreciation	Line 15	\$835,487	Mar-2028	5.285%	\$5,142,196	\$33,880,116	
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$24,288,150	Mar-2029	4.888%	\$4,755,923	\$38,636,039	
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2030	4.522%	\$4,399,813	\$43,035,852	
23	Remaining Tax Depreciation	Line 21 × Line 22	\$910,806	Mar-2031	4.462%	\$4,341,434	\$47,377,286	
24				Mar-2032	4.461%	\$4,340,461	\$51,717,747	
25	FY20 tax (gain)/loss on retirements	Per Tax Department	\$557,081	Mar-2033	4.462%	\$4,341,434	\$56,059,181	
26	Cost of Removal	Page 8 of 35, Line 7	\$7,055,630	Mar-2034	4.461%	\$4,340,461	\$60,399,642	
27				Mar-2035	4.462%	\$4,341,434	\$64,741,076	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$89,531,414	Mar-2036	4.461%	\$4,340,461	\$69,081,537	
29				Mar-2037	4.462%	\$4,341,434	\$73,422,971	
30				Mar-2038	4.461%	\$4,340,461	\$77,763,432	
31				Mar-2039	4.462%	\$4,341,434	\$82,104,866	
32				Mar-2040	4.461%	\$4,340,461	\$86,445,327	
33				Mar-2041	4.462%	\$4,341,434	\$90,786,762	
34				Mar-2042	4.461%	\$4,340,461	\$95,127,223	
35				Mar-2043	2.231%	\$2,170,717	\$97,297,940	
36					100.000%	\$97,297,940		
37								

1/ Capital Repairs percentage is the actual result of FY2020 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2020 tax return
3/ Actual Loss based on FY2020 tax return
9 (d) 6.177% / 365 x 54

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2020 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
			2022 (a)	2023 (b)	2024 (c)	2025 (d)	
		See the corresponding Fiscal Year on Page 8 of 35, Line 15. Note there are 2 columns to sum for FY23.	\$3,020,495	\$3,020,495	\$3,020,495	\$3,020,495	
1	Book Depreciation		\$0	\$0	\$0	\$0	
2	Bonus Depreciation						
		See the corresponding Fiscal Year on Page 8 of 35, Line 12. Note there are 2 columns to sum for FY23. Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0	(\$1,621,720)	(\$3,870,632)	(\$7,023,938)	(\$6,496,583)	
3	Remaining MACRS Tax Depreciation		\$0	\$0	\$0	\$0	
4	FY20 tax (gain)/loss on retirements	Sum of Lines 1 through 4	\$1,398,776	(\$850,136)	(\$4,003,443)	(\$3,476,088)	
5	Cumulative Book / Tax Timer		21%	21%	21%	21%	
6	Effective Tax Rate	Line 5 × Line 6	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)	
7	Deferred Tax Reserve						
	Deferred Tax Not Subject to Proration						
		Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0					
8	Capital Repairs Deduction						
		Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0					
9	Cost of Removal						
10	Book/Tax Depreciation Timing Difference at 3/31/2020						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
12	Effective Tax Rate						
13	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)	
15	Net Operating Loss						
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)	
	Allocation of FY 2018 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$1,398,776	(\$850,136)	(\$4,003,443)	(\$3,476,088)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$1,398,776	(\$850,136)	(\$4,003,443)	(\$3,476,088)	
		Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0					
20	Total FY 2020 Federal NOL						
21	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20					
22	Allocated FY 2020 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20					
23	Effective Tax Rate						
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23					
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)	
		(e)	(f)	(g)	(h)	(i)	(j)
	Proration Calculation	Number of Days in Month	Proration Percentage	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
26	April	30	91.78%	\$22,467	(\$13,655)	(\$64,302)	(\$55,832)
27	May	31	83.29%	\$20,388	(\$12,391)	(\$58,352)	(\$50,665)
28	June	30	75.07%	\$18,376	(\$11,168)	(\$52,593)	(\$45,665)
29	July	31	66.58%	\$16,297	(\$9,905)	(\$46,643)	(\$40,499)
30	August	31	58.08%	\$14,218	(\$8,641)	(\$40,693)	(\$35,332)
31	September	30	49.86%	\$12,206	(\$7,418)	(\$34,934)	(\$30,332)
32	October	31	41.37%	\$10,127	(\$6,155)	(\$28,984)	(\$25,166)
33	November	30	33.15%	\$8,115	(\$4,932)	(\$23,225)	(\$20,166)
34	December	31	24.66%	\$6,036	(\$3,668)	(\$17,275)	(\$15,000)
35	January	31	16.16%	\$3,957	(\$2,405)	(\$11,325)	(\$9,833)
36	February	28	8.49%	\$2,079	(\$1,264)	(\$5,950)	(\$5,167)
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$134,263	(\$81,601)	(\$384,276)	(\$333,657)
39	Deferred Tax Without Proration	Line 25	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)	
40	Average Deferred Tax without Proration	Line 39 × 50%	\$146,871	(\$89,264)	(\$420,362)	(\$364,989)	
41	Proration Adjustment	Line 38 - Line 40	(\$12,608)	\$7,663	\$36,086	\$31,332	

Column Notes:
(f) Sum of remaining days in the year (Col (e)) ÷ 366
(g) through (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
ISR Additions April 2019 through March 2020

Line No.	Month No.	Month	FY 2020 ISR Additions (a)	In Rates (b)	Not In Rates (c) = (a) - (b)	Weight for Days (d)	Weighted Average (e) = (d) × (c)	Weight for Investment (f) = (c) ÷ Total(c)
1								
2	1	Apr-19	\$12,009,983	\$7,764,750	\$4,245,233	0.958	\$4,068,348	4.03%
3	2	May-19	\$12,009,983	\$7,764,750	\$4,245,233	0.875	\$3,714,579	4.03%
4	3	Jun-19	\$12,009,983	\$7,764,750	\$4,245,233	0.792	\$3,360,809	4.03%
5	4	Jul-19	\$12,009,983	\$7,764,750	\$4,245,233	0.708	\$3,007,040	4.03%
6	5	Aug-19	\$12,009,983	\$7,764,750	\$4,245,233	0.625	\$2,653,271	4.03%
7	6	Sep-19	\$12,009,983	\$0	\$12,009,983	0.542	\$6,505,407	11.41%
8	7	Oct-19	\$12,009,983	\$0	\$12,009,983	0.458	\$5,504,576	11.41%
9	8	Nov-19	\$12,009,983	\$0	\$12,009,983	0.375	\$4,503,744	11.41%
10	9	Dec-19	\$12,009,983	\$0	\$12,009,983	0.292	\$3,502,912	11.41%
11	10	Jan-20	\$12,009,983	\$0	\$12,009,983	0.208	\$2,502,080	11.41%
12	11	Feb-20	\$12,009,983	\$0	\$12,009,983	0.125	\$1,501,248	11.41%
13	12	Mar-20	\$12,009,983	\$0	\$12,009,983	0.042	\$500,416	11.41%
14		Total	\$144,119,796	\$38,823,750	\$105,296,046		\$41,324,429	100.00%
15		Total Additions September 2019 through March 2020			\$84,069,881			
16		FY 2020 Weighted Average Incremental Rate Base Percentage					39.25%	

Column (a)=Page 27 of 35 , Line 1 ,Col (c)
Column (b)=Page 27 of 35 , Line 2 ,Col (c)
Column (d) = (12.5 - Month No.) ÷ 12
Line 14 = Page 27 of 35 Line 1 Col (c)
Line 15 = Sum of Lines 7(c) through 13(c)
Line 16 = Line 14(e)/Line 14(c)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2021 Actual Incremental Gas Capital Investment**

Line No.		Fiscal Year 2021 (a)	Fiscal Year 2022 (b)	NG 4/1/22 - 5/24/2022 (c)	PPL 5/25/22 - 3/31/23 (d)	Fiscal Year 2024 (e)	Fiscal Year 2025 (f)
Depreciable Net Capital Included in ISR Rate Base							
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (d)	\$110,177,659				
2	Retirements	Page 27 of 35, Line 9, Col (d)	\$3,860,987				
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672
Change in Net Capital Included in ISR Rate Base							
4	Capital Included in ISR Rate Base	Line 1	\$110,177,659	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 31 of 35, Line 78(c)	\$40,700,586	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072
7	Cost of Removal	Page 27 of 35, Line 6, Col (d)	\$8,861,636				
8	Net Plant Amount	Line 6 + Line 7	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
Deferred Tax Calculation:							
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/ 2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/	54	311		
11	Proration Percentage		2/	14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 13 of 35, Line 28, Col (a); then = Page 13 of 35, Col (e)	\$63,538,144	\$4,232,177	\$579,121	\$3,935,215	\$7,575,551
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	3/ \$63,538,144	\$67,770,322	\$68,349,442		
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12	3/			\$3,935,215	\$11,510,765
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	2/ \$1,589,434	\$3,178,868	\$470,298	\$2,708,570	\$3,178,868
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$1,589,434	\$4,768,303	\$5,238,601	\$7,947,171	\$11,126,040
17	Cumulative Book / Tax Timer	Columns (a) through (c): Line 13 - Line 16, Then Line 14 - Line 16	\$61,948,710	\$63,002,019	\$63,110,841	(\$4,011,957)	\$384,726
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (c)	3/			\$5,238,601	\$5,238,601
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18				\$1,226,645	\$5,623,327
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Columns (a) through (c): Line 17 * Line 20, Then Line 19 * Line 20	\$13,009,229	\$13,230,424	\$13,253,277	\$257,595	\$1,180,899
22	Add: FY 2021 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (d)	3/ (\$5,525,796)	(\$5,525,796)	(\$5,525,796)	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22	\$7,483,434	\$7,704,628	\$7,727,481	\$257,595	\$1,180,899
ISR Rate Base Calculation:							
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
25	Accumulated Depreciation	- Line 16	(\$1,589,434)	(\$4,768,303)	(\$5,238,601)	(\$7,947,171)	(\$11,126,040)
26	Deferred Tax Reserve	- Line 23	(\$7,483,434)	(\$7,704,628)	(\$7,727,481)	(\$257,595)	(\$1,180,899)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$69,265,841	\$65,865,777	\$65,372,626	\$70,133,942	\$66,031,770
Revenue Requirement Calculation:							
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/	\$67,565,809	\$67,999,860	\$67,999,860	\$68,082,856
29	Proration Adjustment	Page 14 of 35, Line 41	\$9,494	\$12,037	\$12,037	\$39,630	\$34,504
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$67,575,303	\$68,011,897	\$68,011,897	\$68,122,487	\$64,074,909
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%	8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11	2/	14.79%	85.21%		
33	Return and Taxes	Cols (b), (c) and (f): L 30 * L 31; Cols (c) and (d):	2/	\$5,683,083	\$846,217	\$4,873,583	\$5,729,101
34	Book Depreciation	L 30 * L 31 * L 32	\$3,178,868	\$470,298	\$2,708,570	\$3,178,868	\$3,178,868
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	\$8,861,951	\$1,316,515	\$7,582,154	\$8,907,970
							\$8,567,568

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (c) and (d) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (c) and (d) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (b) and the end of the fiscal year on Line 27, Column (d). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3: Attachment 1 (Revised)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2021 Incremental Capital Investments

Line No.		Fiscal Year 2021 (a)	(b)	(c)	(d)	(e)	(f)	
1	Capital Repairs Deduction							
2	Plant Additions	Page 12 of 35, Line 1	\$110,177,659	20 Year MACRS Depreciation				
3	Capital Repairs Deduction Rate	Per Tax Department	46.79%					
4	Capital Repairs Deduction	Line 1 × Line 2	\$51,552,126	MACRS basis:	Line 21, Column (a)	\$58,625,533		
5						Annual	Cumulative	
6	Bonus Depreciation			Fiscal Year	Prorated			
7	Plant Additions	Line 1	\$110,177,659	FY Mar-2021	3.750%	\$2,198,457	\$63,538,144	
8	Less Capital Repairs Deduction	Line 3	\$51,552,126	FY Mar-2022	7.219%	\$4,232,177	\$67,770,322	
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$58,625,533	FY Mar-2023 (Apr-May 2022)	6.677%	0.988%	\$579,121	\$68,349,442
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	PPL Acquisition - May 25, 2022				
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	Book Cost	Line 1, Column (a)	\$110,177,659		
12	Bonus Depreciation Rate ()	Per Tax Department	0.00%	Cumulative Book Depreciation	- Page 12 of 35, Line 16, Col (c)	(\$5,238,601)		
13	Bonus Depreciation Rate ()	Per Tax Department	0.00%	PPL MACRS basis:	Line 11 + Line 12	\$104,939,057		
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%					
15	Bonus Depreciation	Line 11 × Line 14	\$0	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$3,935,215	\$3,935,215	
16				Mar-2024	7.219%	\$7,575,551	\$11,510,765	
17	Remaining Tax Depreciation			Mar-2025	6.677%	\$7,006,781	\$18,517,546	
18	Plant Additions	Line 1	\$110,177,659	Mar-2026	6.177%	\$6,482,086	\$24,999,632	
19	Less Capital Repairs Deduction	Line 3	\$51,552,126	Mar-2027	5.713%	\$5,995,168	\$30,994,800	
20	Less Bonus Depreciation	Line 15	\$0	Mar-2028	5.285%	\$5,546,029	\$36,540,829	
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$58,625,533	Mar-2029	4.888%	\$5,129,421	\$41,670,250	
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2030	4.522%	\$4,745,344	\$46,415,595	
23	Remaining Tax Depreciation	Line 21 × Line 22	\$2,198,457	Mar-2031	4.462%	\$4,682,381	\$51,097,975	
24				Mar-2032	4.461%	\$4,681,331	\$55,779,307	
25	FY21 tax (gain)/loss on retirements	Per Tax Department	925,925	Mar-2033	4.462%	\$4,682,381	\$60,461,687	
26	Cost of Removal	Page 12 of 35, Line 7	\$8,861,636	Mar-2034	4.461%	\$4,681,331	\$65,143,019	
27				Mar-2035	4.462%	\$4,682,381	\$69,825,399	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$63,538,144	Mar-2036	4.461%	\$4,681,331	\$74,506,731	
29				Mar-2037	4.462%	\$4,682,381	\$79,189,112	
30				Mar-2038	4.461%	\$4,681,331	\$83,870,443	
31				Mar-2039	4.462%	\$4,682,381	\$88,552,824	
32				Mar-2040	4.461%	\$4,681,331	\$93,234,155	
33				Mar-2041	4.462%	\$4,682,381	\$97,916,536	
34				Mar-2042	4.461%	\$4,681,331	\$102,597,867	
35				Mar-2043	2.231%	\$2,341,190	\$104,939,057	
36					100.000%	\$104,939,057		
37								

Column (d), Line 8 = MACRS Rate 6.677% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2021 tax return
2/ Actual Loss based on FY2021 tax return

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2021 Incremental Capital Investments**

Line No.	Description	Reference	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year		
			2022 (a)	2023 (b)	2024 (c)	2025 (d)		
Deferred Tax Subject to Proration								
1	Book Depreciation	See the corresponding Fiscal Year on Page 12 of 35, Line 15. Note there are 2 columns to sum for FY23.	\$3,178,868	\$3,178,868	\$3,178,868	\$3,178,868		
2	Bonus Depreciation							
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 12 of 35, Line 12. Note there are 2 columns to sum for FY23.	(\$4,232,177)	(\$4,514,335)	(\$7,575,551)	(\$7,006,781)		
4	FY21 tax (gain)/loss on retirements	Page 13 of 35 , Line 25 ,Col (a)	\$0	\$0	\$0	\$0		
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)	(\$3,827,912)		
6	Effective Tax Rate		21%	21%	21%	21%		
7	Deferred Tax Reserve	Line 5 × Line 6	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)		
Deferred Tax Not Subject to Proration								
8	Capital Repairs Deduction	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)						
9	Cost of Removal	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)						
10	Book/Tax Depreciation Timing Difference at 3/31/2021							
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10						
12	Effective Tax Rate							
13	Deferred Tax Reserve	Line 11 × Line 12						
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)		
15	Net Operating Loss	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)						
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)		
17	Allocation of FY 2021 Estimated Federal NOL							
18	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)	(\$3,827,912)		
19	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0		
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)	(\$3,827,912)		
20	Total FY 2021 Federal NOL	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)						
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20						
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20						
23	Effective Tax Rate							
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23						
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)		
			(e)	(f)	(g)	(h)		
			(i)	(j)	(k)	(l)		
Proration Calculation			Number of Days in Month	Proration Percentage	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
26	April		30	91.78%	(\$16,918)	(\$21,450)	(\$70,618)	(\$61,483)
27	May		31	83.29%	(\$15,352)	(\$19,465)	(\$64,083)	(\$55,793)
28	June		30	75.07%	(\$13,837)	(\$17,544)	(\$57,759)	(\$50,287)
29	July		31	66.58%	(\$12,272)	(\$15,559)	(\$51,224)	(\$44,598)
30	August		31	58.08%	(\$10,706)	(\$13,574)	(\$44,690)	(\$38,908)
31	September		30	49.86%	(\$9,191)	(\$11,653)	(\$38,366)	(\$33,402)
32	October		31	41.37%	(\$7,626)	(\$9,668)	(\$31,831)	(\$27,713)
33	November		30	33.15%	(\$6,111)	(\$7,748)	(\$25,507)	(\$22,207)
34	December		31	24.66%	(\$4,545)	(\$5,763)	(\$18,972)	(\$16,518)
35	January		31	16.16%	(\$2,980)	(\$3,778)	(\$12,437)	(\$10,828)
36	February		28	8.49%	(\$1,566)	(\$1,985)	(\$6,535)	(\$5,689)
37	March		31	0.00%	\$0	\$0	\$0	\$0
38	Total		365		(\$101,103)	(\$128,187)	(\$422,021)	(\$367,427)
39	Deferred Tax Without Proration	Line 25			(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)
40	Average Deferred Tax without Proration							
41	Proration Adjustment	Line 39 × 0.5 Line 38 - Line 40			(\$110,597)	(\$140,224)	(\$461,652)	(\$401,931)
					\$9,494	\$12,037	\$39,630	\$34,504

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2022 Actual Incremental Gas Capital Investment**

Line No.			NG		PPL		Fiscal Year 2024 (d)	Fiscal Year 2025 (e)
			Fiscal Year 2022 (a)	4/1/22 - 5/24/2022 2023 (b)	5/25/22 - 3/31/23 2023 (c)			
Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (e)	\$156,694,227					
2	Retirements	Page 27 of 35, Line 9, Col (e)	\$6,258,509					
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718
Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1	\$156,694,227	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 31 of 35, Line 77(c)	\$40,954,246	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981
7	Cost of Removal	Page 27 of 35, Line 6, Col (e)	\$10,773,005					
8	Net Plant Amount	Line 6 + Line 7	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985
Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/ 2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/ 2	54	311			
11	Proration Percentage		2/ 2	14.79%	85.21%			
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 16 of 35, Line 28, Col (a); then = Page 16 of 35, Col (e)	\$127,609,589	\$448,503	\$5,766,741	\$11,101,360	\$10,267,874	
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	3/ \$127,609,589	\$128,058,092				
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12	3/		\$5,766,741	\$16,868,101	\$27,135,975	
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	2/ \$2,249,014	\$665,462	\$3,832,566	\$4,498,028	\$4,498,028	
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$2,249,014	\$2,914,476	\$6,747,042	\$11,245,070	\$15,743,098	
17	Cumulative Book / Tax Timer	Columns (a) and (b): Line 13 - Line 16, Then Line 14 - Line 16	\$125,360,575	\$125,143,617	(\$980,301)	\$5,623,031	\$11,392,877	
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (b)	3/		\$2,914,476	\$2,914,476	\$2,914,476	
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18			\$1,934,174	\$8,537,507	\$14,307,353	
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Columns (a) through (b): Line 17 * Line 20, Then Line 19 * Line 20	\$26,325,721	\$26,280,159	\$406,177	\$1,792,876	\$3,004,544	
22	Add: FY 2022 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (e)	3/ (\$3,264,442)	(\$3,264,442)	\$0	\$0	\$0	
23	Net Deferred Tax Reserve before Proration Adjustmen	Line 21 + Line 22	\$23,061,278	\$23,015,717	\$406,177	\$1,792,876	\$3,004,544	
ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	
25	Accumulated Depreciation	- Line 16	(\$2,249,014)	(\$2,914,476)	(\$6,747,042)	(\$11,245,070)	(\$15,743,098)	
26	Deferred Tax Reserve	- Line 23	(\$23,061,278)	(\$23,015,717)	(\$406,177)	(\$1,792,876)	(\$3,004,544)	
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$101,202,693	\$100,582,792	\$119,359,767	\$113,475,039	\$107,765,343	
Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/ \$50,601,346	\$110,281,230	\$110,281,230	\$116,417,403	\$110,620,191	
29	Proration Adjustment	Page 17 of 35, Line 41	(\$6,077)	\$15,478	\$15,478	\$59,520	\$52,008	
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$50,595,269	\$110,296,708	\$110,296,708	\$116,476,923	\$110,672,199	
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (c)	8.41%	8.41%	8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11	2/	14.79%	85.21%			
33	Return and Taxes	Cols (a), (d) and (e): L 30 * L 31; Cols (b) and (c): L 30 * L 31 * L 32	2/ \$4,255,062	\$1,372,333	\$7,903,620	\$9,795,709	\$9,307,532	
34	Book Depreciation	Line 15	\$2,249,014	\$665,462	\$3,832,566	\$4,498,028	\$4,498,028	
35	Annual Revenue Requirement	Sum of Lines 33 through 34	\$6,504,076	\$2,037,794	\$11,736,187	\$14,293,737	\$13,805,560	
36	Docket No. 5099 FY 2022 Gas ISR Reconciliation, Page 1, Line 6(b)		\$5,976,115					
37	2022 Tax True-Up		\$527,961					

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (b) and (c) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (b) and (c) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (a) and the end of the fiscal year on Line 27, Column (c). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2022 Incremental Capital Investments

Line No.			Fiscal Year						
			2022	(a)	(b)	(c)	(d)	(e)	(f)
1	Capital Repairs Deduction								
1	Plant Additions	Page 15 of 35, Line 1	\$156,694,227						
2	Capital Repairs Deduction Rate	Per Tax Department	73.20%						
3	Capital Repairs Deduction	Line 1 × Line 2	\$114,700,174						
4									
5									
6	Bonus Depreciation								
7	Plant Additions	Line 1	\$156,694,227						
8	Less Capital Repairs Deduction	Line 3	\$114,700,174						
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$41,994,053						
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 30%	Per Tax Department	0.00%						
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%						
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%						
15	Bonus Depreciation	Line 11 × Line 14	\$0						
16									
17	Remaining Tax Depreciation								
18	Plant Additions	Line 1	\$156,694,227						
19	Less Capital Repairs Deduction	Line 3	\$114,700,174						
20	Less Bonus Depreciation	Line 15	\$0						
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$41,994,053						
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%						
23	Remaining Tax Depreciation	Line 21 × Line 22	\$1,574,777						
24									
25	FY22 tax (gain)/loss on retirements	Per Tax Department	561,633						
26	Cost of Removal	Page 15 of 35, Line 7	\$10,773,005						
27									
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$127,609,589						
29									
30									
31									
32									
33									
34									
35									
36									

20 Year MACRS Depreciation			
MACRS basis:	Line 21, Column (a)	Annual	Cumulative
Fiscal Year	Prorated		
FY Mar-2022	3.750%	\$1,574,777	\$127,609,589
FY Mar-2023 (Apr-May 2022)	7.219%	\$448,503	\$128,058,092
PPL Acquisition - May 25, 2022			
Book Cost	Line 1, Column (a)	\$156,694,227	
Cumulative Book Depreciation	- Page 15 of 35, Line 16, Col (b)	(\$2,914,476)	
PPL MACRS basis:	Line 10 + Line 11	\$153,779,751	
FY Mar-2023 (Jun-Mar 2023)	3.750%	\$5,766,741	\$5,766,741
Mar-2024	7.219%	\$11,101,360	\$16,868,101
Mar-2025	6.677%	\$10,267,874	\$27,135,975
Mar-2026	6.177%	\$9,498,975	\$36,634,950
Mar-2027	5.713%	\$8,785,437	\$45,420,387
Mar-2028	5.285%	\$8,127,260	\$53,547,647
Mar-2029	4.888%	\$7,516,754	\$61,064,401
Mar-2030	4.522%	\$6,953,920	\$68,018,322
Mar-2031	4.462%	\$6,861,653	\$74,879,974
Mar-2032	4.461%	\$6,860,115	\$81,740,089
Mar-2033	4.462%	\$6,861,653	\$88,601,742
Mar-2034	4.461%	\$6,860,115	\$95,461,856
Mar-2035	4.462%	\$6,861,653	\$102,323,509
Mar-2036	4.461%	\$6,860,115	\$109,183,623
Mar-2037	4.462%	\$6,861,653	\$116,045,276
Mar-2038	4.461%	\$6,860,115	\$122,905,391
Mar-2039	4.462%	\$6,861,653	\$129,767,043
Mar-2040	4.461%	\$6,860,115	\$136,627,158
Mar-2041	4.462%	\$6,861,653	\$143,488,810
Mar-2042	4.461%	\$6,860,115	\$150,348,925
Mar-2043	2.231%	\$3,430,826	\$153,779,751
	100.000%	\$153,779,751	

Column (d), Line 7 = MACRS Rate 7.219% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2022 tax return
2/ Actual Loss based on FY2022 tax return

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2022 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration	Fiscal Year <u>2022</u> (a)	Fiscal Year <u>2023</u> (b)	Fiscal Year <u>2024</u> (c)	Fiscal Year <u>2025</u> (d)		
1	Book Depreciation						
2	Bonus Depreciation						
		See the corresponding Fiscal Year on Page 15 of 35, Line 15. Note there are 2 columns to sum for FY23.					
		\$2,249,014	\$4,498,028	\$4,498,028	\$4,498,028		
3	Remaining MACRS Tax Depreciation						
4	FY22 tax (gain)/loss on retirements						
5	Cumulative Book / Tax Timer						
6	Effective Tax Rate						
7	Deferred Tax Reserve						
		Col (a): - Page 16 of 35, Line 23, column (a), thereafter, see the corresponding Fiscal Year on Page 15 of 35, Line 12. Note there are 2 columns to sum for FY23.					
		(\$1,574,777)	(\$6,215,244)	(\$11,101,360)	(\$10,267,874)		
		\$0	\$0	\$0	\$0		
		\$674,237	(\$1,717,216)	(\$6,603,332)	(\$5,769,846)		
		21%	21%	21%	21%		
		\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)		
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction						
9	Cost of Removal						
10	Book/Tax Depreciation Timing Difference at 3/31/2022						
11	Cumulative Book / Tax Timer						
12	Effective Tax Rate						
13	Deferred Tax Reserve						
		Line 8 + Line 9 + Line 10					
		Line 11 × Line 12					
14	Total Deferred Tax Reserve						
15	Net Operating Loss						
16	Net Deferred Tax Reserve						
		\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)		
		\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)		
	Allocation of FY 2022 Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration						
18	Cumulative Book/Tax Timer Not Subject to Proration						
19	Total Cumulative Book/Tax Timer						
		Line 5 Line 11 Line 17 + Line 18					
20	Total FY 2022 Federal NOL						
21	Allocated FY 2022 Federal NOL Not Subject to Proration						
22	Allocated FY 2022 Federal NOL Subject to Proration						
23	Effective Tax Rate						
24	Deferred Tax Benefit subject to proration						
		- Page 15 of 35 , Line 22 ,Col (a)=21% (Line 18 ÷ Line 19) × Line 20 (Line 17 ÷ Line 19) × Line 20					
		Line 22 × Line 23					
25	Net Deferred Tax Reserve subject to proration						
		Line 7 + Line 24					
		\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)		
		(e)	(f)	(g)	(h)		
		(i)	(j)	(k)	(l)		
	Proration Calculation	<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>Fiscal Year 2022</u>	<u>Fiscal Year 2023</u>	<u>Fiscal Year 2024</u>	<u>Fiscal Year 2025</u>
26	April	30	91.78%	\$10,829	(\$27,581)	(\$106,060)	(\$92,673)
27	May	31	83.29%	\$9,827	(\$25,029)	(\$96,246)	(\$84,097)
28	June	30	75.07%	\$8,857	(\$22,559)	(\$86,748)	(\$75,798)
29	July	31	66.58%	\$7,855	(\$20,007)	(\$76,933)	(\$67,223)
30	August	31	58.08%	\$6,853	(\$17,454)	(\$67,119)	(\$58,647)
31	September	30	49.86%	\$5,883	(\$14,984)	(\$57,621)	(\$50,348)
32	October	31	41.37%	\$4,881	(\$12,432)	(\$47,806)	(\$41,772)
33	November	30	33.15%	\$3,911	(\$9,962)	(\$38,308)	(\$33,473)
34	December	31	24.66%	\$2,909	(\$7,410)	(\$28,494)	(\$24,897)
35	January	31	16.16%	\$1,907	(\$4,858)	(\$18,679)	(\$16,322)
36	February	28	8.49%	\$1,002	(\$2,552)	(\$9,815)	(\$8,576)
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$64,718	(\$164,829)	(\$633,829)	(\$553,826)
39	Deferred Tax Without Proration						
40	Average Deferred Tax without Proration						
		Line 25					
				\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)
41	Proration Adjustment						
		Line 39 × 0.5 Line 38 - Line 40					
				\$70,795	(\$180,308)	(\$693,350)	(\$605,834)
				(\$6,077)	\$15,478	\$59,520	\$52,008

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2023 Actual Incremental Gas Capital Investment**

Line No.			NG	PPL	Fiscal Year	Fiscal Year
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23	2024	2025
			2023	2023	(e)	(d)
			(a)	(b)		
Depreciable Net Capital Included in ISR Rate Base						
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (f)	2/ \$22,436,083	\$129,215,219		
2	Retirements	Page 27 of 35, Line 9, Col (f)	2/ 1,256,752	7,237,958		
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$21,179,331	\$121,977,261	\$143,156,592	\$143,156,592
Change in Net Capital Included in ISR Rate Base						
4	Capital Included in ISR Rate Base	Line 1	\$22,436,083	\$129,215,219		
5	Depreciation Expense	Page 31 of 35, Line 77(c)	2/ \$6,058,984	\$34,895,262		
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$16,377,099	\$94,319,957	\$110,697,056	\$110,697,056
7	Cost of Removal	Page 27 of 35, Line 6, Col (f)	2/ \$1,569,324	\$9,038,142		
8	Net Plant Amount	Line 6 + Line 7	\$17,946,422	\$103,358,099	\$121,304,521	\$121,304,521
Deferred Tax Calculation:						
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(c)	1/ 2.99%	2.99%	2.99%	2.99%
10	Proration Percentage					
11	Tax Depreciation and Year 1 Basis Adjustments	Col (a) = Page 19 of 35, Column (a), Line 28; Col (b) = Page 19 of 35, Col (b), Lines 19,25,26 + Col (f), Line 15, Then remaining year from Page 19 of 35, Col (f)	\$15,784,290	\$91,735,295	\$4,878,410	\$4,512,141
12	Cumulative Tax Depreciation-NG	Col (a) = Line 11; then = zero	3/ \$15,784,290			
13	Cumulative Tax Depreciation-PPL	Col (b) = Line 11; then = Prior Year Line 13 + Current Year Line 11		\$91,735,295	\$96,613,705	\$101,125,846
14	Book Depreciation	Year 1 (Columns (a) and (b)) = Line 3 x Line 9 x 50%; then = Line 3 x Line 9	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382
15	Cumulative Book Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	\$316,631	\$2,140,191	\$6,420,573	\$10,700,955
16	Book / Tax Timer	Line 11 - Line 14	\$15,467,658	\$89,911,735	\$598,028	\$231,759
17	Cumulative Book / Tax Timer -NG	Line 16, Column (a), then = zero	3/ \$15,467,658			
18	Cumulative Book / Tax Timer - PPL	Col (a) = zero; Col (b) = Line 16, Column (b); then = Prior Year Line 18 + Current Year Line 16		\$89,911,735	\$90,509,763	\$90,741,522
19	Cumulative Book / Tax Timer - Total	Line 17 + Line 18	\$15,467,658	\$89,911,735	\$90,509,763	\$90,741,522
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 19 x Line 20	\$3,248,208	\$18,881,464	\$19,007,050	\$19,055,720
22	Add: FY 2023-NG Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (f)	3/ \$43,762,725	\$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustmen	Line 21 + Line 22	\$47,010,933	\$18,881,464	\$19,007,050	\$19,055,720
ISR Rate Base Calculation:						
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$17,946,422	\$103,358,099	\$121,304,521	\$121,304,521
25	Accumulated Depreciation	Year 1 (Cols (a) and (b)) = -Line 14; Then = -Line 15	(\$316,631)	(\$1,823,560)	(\$6,420,573)	(\$10,700,955)
26	Deferred Tax Reserve	- Line 23	(\$47,010,933)	(\$18,881,464)	(\$19,007,050)	(\$19,055,720)
27	Year End Rate Base before Deferred Tax Prorator	Sum of Lines 24 through 26	(\$29,381,142)	\$82,653,074	\$95,876,898	\$91,547,846
Revenue Requirement Calculation:						
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 (Cols (a) and (b)) = Current Year, Line 27 * 50%; Then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	(\$14,690,571)	\$41,326,537	\$74,574,415	\$93,712,372
29	Proration Adjustment	Page 20 of 35, Line 41	2/ (\$768,920)	(\$52,132)	\$5,390	\$2,089
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	(\$15,459,491)	\$41,274,405	\$74,579,806	\$93,714,461
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%	8.41%	8.41%	8.41%
32	Proration	Line 10				
33	Return and Taxes	Line 30 x Line 31	(\$1,300,143)	\$3,471,177	\$6,272,162	\$7,881,386
34	Book Depreciation	Line 14	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382
35	Annual Revenue Requirement	Sum of Lines 33 through 34	(\$983,512)	\$5,294,738	\$10,552,544	\$12,161,768

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (a) and (b) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3: Attachment 1 (Revised)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2023 Incremental Capital Investments

Line No.			NG	PPL	(c)	(d)	(e)	(f)	(g)
			Apr 1-May 24, 2022	May 25-Mar 31, 2023					
			FY 2023	FY 2023					
			(a)	(b)					
1	Capital Repairs Deduction								
2	Plant Additions	Page 18 of 35, Line 1	\$22,436,083	\$129,215,219					
3	Capital Repairs Deduction Rate	Per Tax Department	64.82%	64.82%					
4	Capital Repairs Deduction	Line 1 × Line 2	\$14,543,069	\$83,757,305					
5									
6	Bonus Depreciation								
7	Plant Additions	Line 1	\$22,436,083	\$129,215,219					
8	Less Capital Repairs Deduction	Line 3	\$14,543,069	\$83,757,305					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$7,893,014	\$45,457,914					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	0.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	\$0					
12	Bonus Depreciation Rate 1	Per Tax Department	0.00%	0.00%					
13	Bonus Depreciation Rate 2	Per Tax Department	0.00%	0.00%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	0.00%					
15	Bonus Depreciation	Line 11 × Line 14	\$0	\$0					
16									
17	Remaining Tax Depreciation								
18	Plant Additions	Line 1	\$22,436,083	\$129,215,219					
19	Less Capital Repairs Deduction	Line 3	\$14,543,069	\$83,757,305					
20	Less Bonus Depreciation	Line 15	\$0	\$0					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$7,893,014	\$45,457,914					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	\$295,988	\$1,704,672					
24									
25	FY23 tax (gain)/loss on retirements	Per Tax Department	(624,091)	(3,594,303)					
26	Cost of Removal	Page 18 of 35, Line 7	\$1,569,324	\$9,038,142					
27									
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$15,784,290	\$90,905,816					
29									
30	Reconciliation of MACRS Tax Depreciation:								
31	Apr 1 -May 24, 2022 Plant Additions	Line 1, Column		\$22,436,083					
32	Cumulative Book Depreciation through May 24, 2022	, Line 19, Col		(\$316,631)					
33	2022 Plant Additions (Net Book) through Acquisition	Line 31 + Line 32		\$22,119,452					
34	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%					
35	Tax Depreciation	Line 33 * Line 34		\$829,479					
36									
37	MACRS Basis in May 25-Mar 2023 Plant Additions	Line 20, Column (a)		\$45,457,914					
38	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%					
39	Tax Depreciation	Line 37 * Line 38		\$1,704,672					
40									
41	Total MACRS Tax Depreciation	Sum of Lines 35, 39, Column (b)		\$2,534,151					

20 Year MACRS Depreciation				
MACRS basis:	Line 21, Column (a)		\$7,893,014	
Fiscal Year		Prorated	Annual MACRS	Cumulative Tax Depr
FY Mar-2023 (Apr-May 2022)	3.750%	0.555%	\$43,790	\$15,784,290
PPL Acquisition - May 25, 2022				
Book Cost	Line 1, Column (a)		\$22,436,083	
Cumulative Book Depreciation	- Page 18 of 35, Line 14, Col (a)		(\$316,631)	
MACRS basis from Acquisition:	Line 9(f) + Line 10(f)		\$22,119,452	
MACRS basis (Jun-Mar 2023)	Line 21, Column (b)		\$45,457,914	
Total MACRS Basis thru 3/2023	Line 11(f) + Line 12(f)		\$67,577,366	
FY Mar-2023 (Jun-Mar 2023)	3.750%		\$2,534,151	\$91,735,295
Mar-2024	7.219%		\$4,878,410	\$96,613,705
Mar-2025	6.677%		\$4,512,141	\$101,125,846
Mar-2026	6.177%		\$4,174,254	\$105,300,100
Mar-2027	5.713%		\$3,860,695	\$109,160,795
Mar-2028	5.285%		\$3,571,464	\$112,732,259
Mar-2029	4.888%		\$3,303,182	\$116,035,440
Mar-2030	4.522%		\$3,055,848	\$119,091,289
Mar-2031	4.462%		\$3,015,302	\$122,106,591
Mar-2032	4.461%		\$3,014,626	\$125,121,217
Mar-2033	4.462%		\$3,015,302	\$128,136,519
Mar-2034	4.461%		\$3,014,626	\$131,151,146
Mar-2035	4.462%		\$3,015,302	\$134,166,448
Mar-2036	4.461%		\$3,014,626	\$137,181,074
Mar-2037	4.462%		\$3,015,302	\$140,196,376
Mar-2038	4.461%		\$3,014,626	\$143,211,002
Mar-2039	4.462%		\$3,015,302	\$146,226,304
Mar-2040	4.461%		\$3,014,626	\$149,240,931
Mar-2041	4.462%		\$3,015,302	\$152,256,233
Mar-2042	4.461%		\$3,014,626	\$155,270,859
Mar-2043	2.231%		\$1,507,651	\$156,778,510
	100.00%		\$67,577,366	

Column (c), Line 6 = MACRS Rate 3.75% / 365 days x 54 days

Capital Repairs percentage is based on the actual results of National Grid's short period FY2023 tax return and PPL's short period CY2022 tax return, which covers the period from April 2022 through December 1/ 2022. When PPL files its calendar year 2023 consolidated tax return in October of 2024, the tax repairs percentage will be updated to reflect the January through March 2023 actual tax repairs.
FY 2023 tax loss on retirements is based on actual tax losses from April through December 2022. When PPL files its calendar year 2023 consolidated tax return in October of 2024, a portion of the tax gain/loss on 2/ retirements will be allocated to the January through March 2023 period to finalize this fiscal year.

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2023 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		NG	PPL	Fiscal Year	Fiscal Year	
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23	2024	2025	
			2023	2023			
			(a)	(b)	(c)	(d)	
		See the corresponding Fiscal Year on Page 18 of 35,					
1	Book Depreciation	Line 15	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382	
2	Bonus Depreciation	- Page 19 of 35 , Line 15 ,Col (a)	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	- Page 19 of 35 ,column (f), Lines 6,15,16,17	(\$43,790)	(\$2,534,151)	(\$4,878,410)	(\$4,512,141)	
4	FY23-NG tax (gain)/loss on retirements	- Page 19 of 35 , Line 25 ,Col (a)	\$624,091	\$3,594,303	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$896,932	\$2,883,712	(\$598,028)	(\$231,759)	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$188,356	\$605,579	(\$125,586)	(\$48,669)	
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 19 of 35 , Line 3 ,Col (a)	(\$14,543,069)	(\$83,757,305)	\$0	\$0	
9	Cost of Removal	- Page 18 of 35 , Line 7 ,Col (a)	(\$1,569,324)	(\$9,038,142)	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2023						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$16,112,393)	(\$92,795,447)	\$0	\$0	
12	Effective Tax Rate		21%	21%	21%	21%	
13	Deferred Tax Reserve	Line 11 × Line 12	(\$3,383,602)	(\$19,487,044)	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$3,195,247)	(\$18,881,464)	(\$125,586)	(\$48,669)	
15	Net Operating Loss	- Page 18 of 35 , Line 22 ,Col (a)	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$3,195,247)	(\$18,881,464)	(\$125,586)	(\$48,669)	
	Allocation of FY 2023-NG Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$896,932	\$2,883,712	(\$598,028)	(\$231,759)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$16,112,393)	(\$92,795,447)	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$15,215,461)	(\$89,911,735)	(\$598,028)	(\$231,759)	
20	Total FY 2023-NG Federal NOL	- Page 18 of 35 , Line 22 ,Col (a)=21%	(\$208,393,929)	\$0	\$0	\$0	
21	Allocated FY 2023-NG Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	(\$220,678,487)	\$0	\$0	\$0	
22	Allocated FY 2023-NG Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$12,284,559	\$0	\$0	\$0	
23	Effective Tax Rate		21%	21%	21%	21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$2,579,757	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$2,768,113	\$605,579	(\$125,586)	(\$48,669)	
		(e)	(f)	(g)	(h)	(i)	(j)
			NG	PPL	Fiscal Year	Fiscal Year	
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23	2024	2025	
	Proration Calculation	Number of Days in Month	2023	2023			
26	April	30	\$615,136		(\$9,605)	(\$3,722)	
27	May	31	\$0	\$48,326	(\$8,716)	(\$3,378)	
28	June	30		\$43,015	(\$7,856)	(\$3,045)	
29	July	31		\$37,528	(\$6,967)	(\$2,700)	
30	August	31		\$32,040	(\$6,079)	(\$2,356)	
31	September	30		\$26,730	(\$5,218)	(\$2,022)	
32	October	31		\$21,242	(\$4,330)	(\$1,678)	
33	November	30		\$15,932	(\$3,469)	(\$1,345)	
34	December	31		\$10,444	(\$2,581)	(\$1,000)	
35	January	31		\$4,957	(\$1,692)	(\$656)	
36	February	28		\$10,444	(\$889)	(\$344)	
37	March	31		\$0	\$0	\$0	
38	Total	365	\$615,136	\$250,658	(\$57,402)	(\$22,246)	
39	Deferred Tax Without Proration	Line 25	\$2,768,113	\$605,579	(\$125,586)	(\$48,669)	
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$1,384,057	\$302,790	(\$62,793)	(\$24,335)	
41	Proration Adjustment	Line 38 - Line 40	(\$768,920)	(\$52,132)	\$5,390	\$2,089	

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2024 Actual Incremental Gas Capital Investment**

Line No.			Fiscal Year 2024 (a)	Fiscal Year 2025 (b)
<u>Depreciable Net Capital Included in ISR Rate Base</u>				
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35 , Line 3 ,Col (g)	\$155,814,000	
2	Retirements	Page 27 of 35 , Line 9 ,Col (g)	\$7,823,414	
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$147,990,586	\$147,990,586
<u>Change in Net Capital Included in ISR Rate Base</u>				
4	Capital Included in ISR Rate Base	Line 1	\$155,814,000	\$0
5	Depreciation Expense	Page 31 of 35, Line 77(c)	\$40,954,246	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$114,859,754	\$114,859,754
7	Cost of Removal	Page 27 of 35 , Line 6 ,Col (g)	\$7,930,000	
8	Net Plant Amount	Line 6 + Line 7	\$122,789,754	\$122,789,754
<u>Deferred Tax Calculation:</u>				
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/ 2.99%	2.99%
10	Proration Percentage			
11	Tax Depreciation and Year 1 Basis Adjustments	Year 1 =Page 22 of 35, Line 28, Col (a); then = Page 22 of 35, Col (d)	\$136,423,788	\$2,049,087
12	Cumulative Tax Depreciation-PPL	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10	\$136,423,788	\$138,472,875
13	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% x Line 10; then = Line 3 × Line 9	\$2,212,459	\$4,424,919
14	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$2,212,459	\$6,637,378
15	Cumulative Book / Tax Timer	Line 11 - Line 13	\$134,211,329	\$131,835,497
16	Effective Tax Rate		21.00%	21.00%
17	Deferred Tax Reserve	Line 15 × Line 16	\$28,184,379	\$27,685,454
18	Add: CY 2024 Federal NOL (Generation) / Utilization	Page 27 of 35 , Line 12 ,Col (e)	\$0	\$0
19	Net Deferred Tax Reserve before Proration Adjustment	Line 17 + Line 18	\$28,184,379	\$27,685,454
<u>ISR Rate Base Calculation:</u>				
20	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$122,789,754	\$122,789,754
21	Accumulated Depreciation	- Line 14	(\$2,212,459)	(\$6,637,378)
22	Deferred Tax Reserve	- Line 19	(\$28,184,379)	(\$27,685,454)
23	Year End Rate Base before Deferred Tax Proration	Sum of Lines 20 through 22	\$92,392,915	\$88,466,921
<u>Revenue Requirement Calculation:</u>				
24	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 23 ÷ 2; then = (Prior Year Line 23 + Current Year Line 23) ÷ 2	\$46,196,458	\$90,429,918
25	Proration Adjustment	Page 23 of 35, Line 41	(\$10,348)	(\$21,415)
26	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24	\$46,186,110	\$90,408,503
27	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%	8.41%
28	Proration Percentage	Line 10		
29	Return and Taxes	Line 26 × Line 27	\$3,884,252	\$7,603,355
30	Book Depreciation	Line 13	\$2,212,459	\$4,424,919
31	Annual Revenue Requirement	Sum of Lines 29 through 30	\$6,096,711	\$12,028,274

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2024 Incremental Capital Investments

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			2024				
			(a)				
	Capital Repairs Deduction						
1	Plant Additions	Page 21 of 35, Line 1	\$155,814,000				
2	Capital Repairs Deduction Rate	Per Tax Department 1/	81.78%				
3	Capital Repairs Deduction	Line 1 × Line 2	\$127,429,364				
4							
5							
6	Bonus Depreciation						
7	Plant Additions	Line 1	\$155,814,000				
8	Less Capital Repairs Deduction	Line 3	\$127,429,364				
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$28,384,636				
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 30%	Per Tax Department	0.00%				
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%				
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%				
15	Bonus Depreciation	Line 11 × Line 15	\$0				
16							
17	Remaining Tax Depreciation						
18	Plant Additions	Line 1	\$155,814,000				
19	Less Capital Repairs Deduction	Line 3	\$127,429,364				
20	Less Bonus Depreciation	Line 15	\$0				
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$28,384,636				
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%				
23	Remaining Tax Depreciation	Line 21 × Line 22	\$1,064,424				
24							
25	CY24 tax (gain)/loss on retirements	Per Tax Department 2/	-				
26	Cost of Removal	Page 21 of 35, Line 7	\$7,930,000				
27							
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$136,423,788				

20 Year MACRS Depreciation			
Calendar Year		Annual	Cumulative
Mar-2024	3.75%	\$1,064,424	\$136,423,788
Mar-2025	7.22%	\$2,049,087	\$138,472,875
Mar-2026	6.68%	\$1,895,242	\$140,368,117
Mar-2027	6.18%	\$1,753,319	\$142,121,436
Mar-2028	5.71%	\$1,621,614	\$143,743,050
Mar-2029	5.29%	\$1,500,128	\$145,243,178
Mar-2030	4.89%	\$1,387,441	\$146,630,619
Mar-2031	4.52%	\$1,283,553	\$147,914,172
Mar-2032	4.46%	\$1,266,522	\$149,180,695
Mar-2033	4.46%	\$1,266,239	\$150,446,934
Mar-2034	4.46%	\$1,266,522	\$151,713,456
Mar-2035	4.46%	\$1,266,239	\$152,979,695
Mar-2036	4.46%	\$1,266,522	\$154,246,217
Mar-2037	4.46%	\$1,266,239	\$155,512,456
Mar-2038	4.46%	\$1,266,522	\$156,778,978
Mar-2039	4.46%	\$1,266,239	\$158,045,217
Mar-2040	4.46%	\$1,266,522	\$159,311,739
Mar-2041	4.46%	\$1,266,239	\$160,577,978
Mar-2042	4.46%	\$1,266,522	\$161,844,500
Mar-2043	4.46%	\$1,266,239	\$163,110,739
Mar-2044	2.23%	\$633,261	\$163,744,000
	100.00%	\$28,384,636	

1/ Capital Repairs percentage is based on a three-year average of FYs 2020, 2021 and 2022 capital repairs rates.
2/ FY 2024 tax loss on retirements will be updated when actuals are known.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2024 Incremental Capital Investments

Line No.	Deferred Tax Subject to Proration	<u>Fiscal Year</u> 2024 (a)	<u>Fiscal Year</u> 2025 (b)
1	Book Depreciation	Page 21 of 35 , Line 15	\$2,212,459
2	Bonus Depreciation	- Page 22 of 35 , Line 15 ,Col (a)	\$4,424,919
3	Remaining MACRS Tax Depreciation	- Page 22 of 35 , Col (d), Lines 6 and 7	(\$1,064,424)
4	CY23 tax (gain)/loss on retirements	- Page 22 of 35 , Line 25 ,Col (a)	(\$2,049,087)
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$1,148,035
6	Effective Tax Rate	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$241,087
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 22 of 35 , Line 3 ,Col (a)	(127,429,364)
9	Cost of Removal	- Page 21 of 35 , Line 7 ,Col (a)	(\$7,930,000)
10	Book/Tax Depreciation Timing Difference at 3/31/2024		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$135,359,364)
12	Effective Tax Rate	21%	21%
13	Deferred Tax Reserve	Line 11 × Line 12	(\$28,425,466)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$28,184,379)
15	Net Operating Loss	- Page 21 of 35 , Line 18 ,Col (a)	\$498,925
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$28,184,379)
Allocation of CY 2023 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$1,148,035
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$135,359,364)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$134,211,329)
20	Total FY 2024 Federal NOL	- Page 21 of 35 , Line 18 ,Col (a)=21%	\$0
21	Allocated FY 2024 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0
22	Allocated FY 2024 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0
23	Effective Tax Rate	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$241,087
		(c)	(d)
		<u>Number of Days in</u>	<u>Proration Percentage</u>
	Proration Calculation	<u>Month</u>	<u>Fiscal Year</u>
26	April	30	91.78%
27	May	31	83.29%
28	June	30	75.07%
29	July	31	66.58%
30	August	31	58.08%
31	September	30	49.86%
32	October	31	41.37%
33	November	30	33.15%
34	December	31	24.66%
35	January	31	16.16%
36	February	28	8.49%
37	March	31	0.00%
38	Total	365	0.00%
		<u>2024</u>	<u>2025</u>
		\$18,439	\$38,160
		\$16,733	\$34,629
		\$15,082	\$31,211
		\$13,375	\$27,680
		\$11,669	\$24,149
		\$10,018	\$20,732
		\$8,311	\$17,200
		\$6,660	\$13,783
		\$4,954	\$10,252
		\$3,248	\$6,721
		\$1,706	\$3,531
		\$0	\$0
39	Deferred Tax Without Proration	Line 25	\$241,087
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$120,544
41	Proration Adjustment	Line 38 - Line 40	(\$10,348)

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2025 Actual Incremental Gas Capital Investment**

Line No.			Fiscal Year <u>2025</u> (a)
<u>Depreciable Net Capital Included in ISR Rate Base</u>			
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Section 2, Table 1	\$164,812,000
2	Retirements	Line 1 x 3-year average actual retirement rate FY21 - FY23	\$8,152,274
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$156,659,726
<u>Change in Net Capital Included in ISR Rate Base</u>			
4	Capital Included in ISR Rate Base	Line 1	\$164,812,000
5	Depreciation Expense	Page 31 of 35, Line 77(c)	\$40,954,246
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$123,857,754
7	Cost of Removal	Section 2, Page 2	\$7,525,000
8	Net Plant Amount	Line 6 + Line 7	\$131,382,754
<u>Deferred Tax Calculation:</u>			
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/ 2.99%
10	Tax Depreciation	Year 1 = Page 25 of 35, Line 28, Col (a); then = Page 25 of 35, Col (d)	\$103,427,454
11	Cumulative Tax Depreciation-PPL	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10	\$103,427,454
12	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	\$2,342,063
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$2,342,063
14	Cumulative Book / Tax Timer	Line 11 - Line 13	\$101,085,391
15	Effective Tax Rate		21.00%
16	Deferred Tax Reserve	Line 14 × Line 15	\$21,227,932
17	Add: CY 2025 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (e)	\$0
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17	\$21,227,932
<u>ISR Rate Base Calculation:</u>			
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$131,382,754
20	Accumulated Depreciation	- Line 13	(\$2,342,063)
21	Deferred Tax Reserve	- Line 18	(\$21,227,932)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21	\$107,812,758
<u>Revenue Requirement Calculation:</u>			
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2	\$53,906,379
24	Proration Adjustment	Page 26 of 35	\$2,843
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24	\$53,909,222
26	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%
27	Return and Taxes	Line 25 × Line 26	\$4,533,766
28	Book Depreciation	Line 12	\$2,342,063
29	Annual Revenue Requirement	Sum of Lines 27 through 28	\$6,875,828

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Incremental Capital Investments

Line No.			Fiscal Year		(b)	(c)	(d)	(e)
			2025	(a)				
	Capital Repairs Deduction							
1	Plant Additions	Page 24 of 35, Line 1		\$164,812,000	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/	56.56%				
3	Capital Repairs Deduction	Line 1 × Line 2		\$93,217,667	MACRS basis:	\$71,594,333		
4						Annual	Cumulative	
5					Calendar Year			
6	Bonus Depreciation				Mar-2025	3.75%	\$2,684,787	\$103,427,454
7	Plant Additions	Line 1		\$164,812,000	Mar-2026	7.22%	\$5,168,395	\$108,595,849
8	Less Capital Repairs Deduction	Line 3		\$93,217,667	Mar-2027	6.68%	\$4,780,354	\$113,376,203
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8		\$71,594,333	Mar-2028	6.18%	\$4,422,382	\$117,798,584
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department		0.00%	Mar-2029	5.71%	\$4,090,184	\$121,888,769
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10		\$0	Mar-2030	5.29%	\$3,783,760	\$125,672,529
12	Bonus Depreciation Rate 30%	Per Tax Department		0.00%	Mar-2031	4.89%	\$3,499,531	\$129,172,060
13	Bonus Depreciation Rate 0%	Per Tax Department		0.00%	Mar-2032	4.52%	\$3,237,496	\$132,409,556
14	Total Bonus Depreciation Rate	Line 12 + Line 13		0.00%	Mar-2033	4.46%	\$3,194,539	\$135,604,095
15	Bonus Depreciation	Line 11 × Line 14		\$0	Mar-2034	4.46%	\$3,193,823	\$138,797,918
16					Mar-2035	4.46%	\$3,194,539	\$141,992,457
17	Remaining Tax Depreciation				Mar-2036	4.46%	\$3,193,823	\$145,186,281
18	Plant Additions	Line 1		\$164,812,000	Mar-2037	4.46%	\$3,194,539	\$148,380,820
19	Less Capital Repairs Deduction	Line 3		\$93,217,667	Mar-2038	4.46%	\$3,193,823	\$151,574,643
20	Less Bonus Depreciation	Line 15		\$0	Mar-2039	4.46%	\$3,194,539	\$154,769,182
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20		\$71,594,333	Mar-2040	4.46%	\$3,193,823	\$157,963,005
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946		3.75%	Mar-2041	4.46%	\$3,194,539	\$161,157,544
23	Remaining Tax Depreciation	Line 21 × Line 22		\$2,684,787	Mar-2042	4.46%	\$3,193,823	\$164,351,368
24					Mar-2043	4.46%	\$3,194,539	\$167,545,907
25	FY25 tax (gain)/loss on retirements	Per Tax Department	2/	-	Mar-2044	4.46%	\$3,193,823	\$170,739,730
26	Cost of Removal	Page 24 of 35, Line 7		\$7,525,000	Mar-2045	2.23%	\$1,597,270	\$172,337,000
27						100.00%	\$71,594,333	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26		\$103,427,454				

1/ Capital Repairs percentage is based on a three-year average of FYs 2021, 2022 and 2023 capital repairs rates.
2/ FY 2025 tax loss on retirements will be updated when actuals are known.

**The Narragansett Electric Company
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Calculation of Net Deferred Tax Reserve Proration on FY 2025 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		(a) <u>Fiscal Year</u> <u>2025</u>
1	Book Depreciation	Page 18 of 35 , Line 14 ,Col (a) and Col (e)	\$2,342,063
2	Bonus Depreciation	- Page 19 of 35 , Line 15 ,Col (a)	
3	Remaining MACRS Tax Depreciation	- Page 25 of 35, Col (a), Line 23	(\$2,684,787)
4	CY24 tax (gain)/loss on retirements	- Page 19 of 35 , Line 25 ,Col (a)	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$342,725)
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$71,972)
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 25 of 35 , Line 3 ,Col (a)	(\$93,217,667)
9	Cost of Removal	- Page 24 of 35 , Line 7 ,Col (a)	(\$7,525,000)
10	Book/Tax Depreciation Timing Difference at 3/31/2025		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$100,742,667)
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	(\$21,155,960)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$21,227,932)
15	Net Operating Loss	- Page 18 of 35 , Line 22 ,Col (a)	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$21,227,932)
	Allocation of CY 2024 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$342,725)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$100,742,667)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$101,085,392)
20	Total CY 2024 Federal NOL	- Page 18 of 35 , Line 22 ,Col (a)÷21%	\$0
21	Allocated FY 2024 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0
22	Allocated FY 2024 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$71,972)
		(b) (c) (d)	
	Proration Calculation	<u>Number of Days in</u>	<u>Fiscal Year2025</u>
		<u>Month</u>	<u>Proration Percentage</u>
26	January	31	91.51% (\$5,488)
27	February	28	83.84% (\$5,028)
28	March	31	75.34% (\$4,519)
29	April	30	67.12% (\$4,026)
30	May	31	58.63% (\$3,516)
31	June	30	50.41% (\$3,023)
32	July	31	41.92% (\$2,514)
33	August	31	33.42% (\$2,005)
34	September	30	25.21% (\$1,512)
35	October	31	16.71% (\$1,002)
36	November	30	8.49% (\$509)
37	December	31	0.00% \$0
38	Total	365	(\$33,143)
39	Deferred Tax Without Proration	Line 25	(\$71,972)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$35,986)
41	Proration Adjustment	Line 38 - Line 40	\$2,843

Column Notes:

- (c) Sum of remaining days in the year (Col (h)) divided by 365
- (d) Current Year Line 25 ÷ 12 × Current Month Col (c)

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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
FY 2018 - FY 2023 Incremental Capital Investment Summary**

Line No.		Actual Fiscal Year 2018 (a)	Actual Fiscal Year 2019 (b)	Actual Fiscal Year 2020 (c)	Actual Fiscal Year 2021 (d)	Actual Fiscal Year 2022 (e)	Actual Fiscal Year 2023 (f)	Actual Fiscal Year 2024 (g)
<u>Capital Investment</u>								
1	ISR-eligible Capital Investment	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing						
		\$97,809,718	\$92,263,000	\$144,119,796	\$110,177,659	\$156,694,227	\$151,651,302	\$155,814,000
2	ISR-eligible Capital Additions included in Rate Base per RIPUC Docket No. 4770	Docket No. 4770 Schedule MAL-11-Gas Page 5, Col (a)=Lines 1(a) + 1(b); Col(b)=Lines 1(c) + 1(d); Col(c)= Line 1(e); Col(d) = Line 1(h) + 1(j)						
		\$93,177,000	\$93,177,000	\$38,823,750	\$0	\$0	\$0	\$0
3	Incremental ISR Capital Investment	Line 1 - Line 2						
		\$4,632,718	(\$914,000)	\$105,296,046	\$110,177,659	\$156,694,227	\$151,651,302	\$155,814,000
<u>Cost of Removal</u>								
4	ISR-eligible Cost of Removal	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing						
		\$8,603,224	\$11,583,085	\$10,161,508	\$9,975,152	\$11,244,351	\$10,607,466	\$7,930,000
5	ISR-eligible Cost of Removal in Rate Base per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L23+L42*7+12+Docket 4678 Page 2, Line 7x3+12; Col(b)=[P1]L42*5+12+[P2]L18*7+12; Col (c)=[P2]L18*5+12+L39*7+12; Col (d) = [P2] L39*5+12+L60*7+12; Col (e)=[P2] L60*5+12						
		\$6,662,056	\$5,956,522	\$3,105,878	\$1,113,515	\$471,346	\$0	\$0
6	Incremental Cost of Removal	Line 4 - Line 5						
		\$1,941,168	\$5,626,564	\$7,055,630	\$8,861,636	\$10,773,005	\$10,607,466	\$7,930,000
<u>Retirements</u>								
7	ISR-eligible Retirements	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing; Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing;						
		\$24,056,661	\$6,531,844	\$8,395,321	\$5,337,792	\$6,883,634	\$8,494,710	\$7,823,414
8	ISR-eligible Retirements per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L24+L43*7+12+ Docket 4678 Page 2, Line 2x3+12; Col(b)=[P1]L43*5+12+[P2]L19*7+12 Col (c)=[P2]L19*5+12+L40*7+12; Col (d) = [P2]L40*5+12+L61*7+12; Col (e) = L61*5+12						
		\$11,997,233	\$7,899,865	\$4,119,186	\$1,476,805	\$625,125	\$0	\$0
9	Incremental Retirements	Line 7 - Line 8						
		\$12,059,428	(\$1,368,021)	\$4,276,135	\$3,860,987	\$6,258,509	\$8,494,710	\$7,823,414
<u>(NOL)/ NOL Utilization</u>								
10	ISR (NOL)/NOL Utilization Per ISR	Page 28 of 35, Line 12						
		(\$6,051,855)	\$1,091,119	\$0	\$2,072,387	\$893,329	\$43,762,725	\$0
11	ISR NOL Utilization Per Docket 4770	Schedule 11-Gas Page 11, Docket No. 4770: Col (a)= L40*5+12; Col (b) = L40*5+12+L48*7+12; Col (c) = P11,L48*5+12+P12,L39*7+12; Col (d) = P12,L39*5+12+P12,L49*7+12; Col (e) = P12,L49*5+12						
		\$0	\$804,769	\$3,063,059	\$7,598,182	\$4,157,771	\$0	\$0
12	Incremental (NOL)/NOL Utilization	Line 10 - Line 11						
		(\$6,051,855)	\$286,350	(\$3,063,059)	(\$5,525,796)	(\$3,264,442)	\$43,762,725	\$0

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
		<u>Test Year July</u> <u>2016 - June 2017</u>					<u>Jul & Aug 2017</u>	<u>12 Mths Aug 31</u> <u>2018</u>	<u>12 Mths Aug 31</u> <u>2019</u>	<u>12 Mths Aug 31</u> <u>2020</u>	<u>12 Mths Aug 31</u> <u>2021</u>	<u>12 Mths Aug 31</u> <u>2022</u>	
1	Total Base Rate Plant DIT Provision						\$5,223,437	\$20,453,237	\$16,078,372	\$5,085,206	\$7,746,916	\$0	
2	Excess DIT amortization		\$29,439,421				\$0	\$0	(\$1,470,238)	(\$1,470,238)	(\$1,470,238)	\$0	
		<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023-NG</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
3	Total Base Rate Plant DIT Provision							\$24,514,347.17	\$17,043,594	\$8,195,453.84	\$5,167,632	\$2,615,282.52	\$0
4	Incremental FY 18	\$2,507,039	\$2,560,766	\$2,611,618	\$2,662,153	\$2,712,395	\$2,719,788	\$2,507,039	\$53,728	\$50,851	\$50,535	\$50,242	\$7,393
5	Incremental FY 19		\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	\$1,076,444	\$0	\$1,090,524	(\$4,613)	(\$4,480)	(\$4,358)	(\$628)
6	Incremental FY 20			\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$0	\$0	\$18,484,445	(\$266,098)	(\$293,743)	(\$47,231)
7	Incremental FY 21				\$13,009,229	\$13,230,424	\$13,253,277			\$0	\$13,009,229	\$221,195	\$22,853
8	Incremental FY 22					\$26,325,721	\$26,280,159					\$26,325,721	(\$45,561)
9	Incremental FY 23						\$3,248,208						\$3,248,208
10	TOTAL Plant DIT Provision	\$2,507,039	\$3,651,291	\$22,181,974	\$34,971,160	\$61,270,216	\$64,455,250	\$27,021,386	\$18,187,846	\$26,726,137	\$17,956,818	\$28,914,339	\$3,185,034
11	NOL (Utilization)						\$6,051,855	(\$1,091,119)	\$0	(\$2,072,387)	(\$893,329)	(\$43,762,725)	
12	Lesser of NOL or DIT Provision						\$6,051,855	(\$1,091,119)	\$0	(\$2,072,387)	(\$893,329)	(\$43,762,725)	

Line Notes:

- 1(b) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 2 of 23, Line 29, Col (e) minus Col (b)
- 1(g) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 3 plus Line 4
- 1(h) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 7
- 1(i) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 50
- 1(j) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 41
- 1(k) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 51
- 1(l) RIPUC Docket Nos. 4770/4780 third rate year ends at Aug 31, 2021
- 2 RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 52
- 3 Col (f) = Line 1(b) × 25% + Line 1(f) + Line 1(g) × 7/12; Col (g) = Line 1(g) × 5/12 + Line 1(h) × 7/12 + Line 2(g) × 5/12 + Line 2(h) × 7/12; Col (h) = Line 1(h) × 5/12 + Line 1(i) × 7/12 + Line 2(h) × 5/12 + Line 2(i)
- 4(a)-9(f) Cumulative DIT plus Deferred Income Tax (Page 2, Line 21 + Line 23; Page 5, Line 21; Page 8, Line 21; Page 12, Line 21; Page 15, Line 21; Page 18, Line 21)
- 4(g)-9(m) Year over year change in cumulative DIT shown in Cols (a) through (f)
- 10 Sum of Lines 3 through 9
- 11 Col (g)-(h) = Docket no. 4916 FY 20 ISR Rec, Att. MAL-1, p.19, L. 8; Col (i) ~Col (l) Per Tax Department
- 12 Lesser of Line 9 or Line 10

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In Re: Proposed FY 2025 Gas Infrastructure, Safety and Reliability Plan
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**The Narragansett Electric Company
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ISR Depreciation Expense per Rate Case RIPUC Docket No. 4770**

Account No.	Account Title	Test Year June 30, 2017 (a)	1/ ARO Adjustment (b)	Adjustments June 30, 2017 (c)	Adjusted Balance (d) = (a) + (b) + (c)	Proposed Rate (e)	Depreciation Expense (f) = (d) x (e)	
Intangible Plant								
1	302.00 Franchises And Consents	\$213,499	\$0	\$0	\$213,499	0.00%	\$0	
2	303.00 Misc. Intangible Plant	\$25,427	\$0	\$0	\$25,427	0.00%	\$0	
3	303.01 Misc. Int Cap Software	\$19,833,570	\$0	\$9,991,374	\$29,824,944	0.00%	\$0	
4								
5	Total Intangible Plant	\$20,072,496	\$0	\$9,991,374	\$30,063,870		\$0	
6								
7	Production Plant							
8								
9	304.00 Production Land Land Rights	\$364,912	\$0	\$0	\$364,912	0.00%	\$0	
10	305.00 Prod. Structures & Improvements	\$2,693,397	\$0	\$0	\$2,693,397	15.05%	\$405,356	
11	307.00 Production Other Power	\$46,159	\$0	\$0	\$46,159	7.16%	\$3,305	
12	311.00 Production LNG Equipme	\$3,167,445	\$0	\$0	\$3,167,445	11.40%	\$361,089	
13	320.00 Prod. Other Equipment	\$1,106,368	\$0	\$0	\$1,106,368	6.69%	\$74,016	
14								
15	Total Production Plant	\$7,378,281	\$0	\$0	\$7,378,281		\$843,766	
16								
17	Storage Plant							
18								
19	360.00 Stor Land & Land Rights	\$261,151	\$0	\$0	\$261,151	0.00%	\$0	
20	361.03 Storage Structures Improvements	\$3,385,049	\$0	\$0	\$3,385,049	0.99%	\$33,512	
21	362.04 Storage Gas Holders	\$4,606,338	\$0	\$0	\$4,606,338	0.04%	\$1,843	
22	363.00 Stor. Purification Equipment	\$13,891,210	\$0	\$0	\$13,891,210	3.37%	\$468,134	
23								
24	Total Storage Plant	\$22,143,748	\$0	\$0	\$22,143,748		\$503,488	
25								
26	Distribution Plant							
27								
28	374.00 Dist. Land & Land Rights	\$956,717	\$0	\$0	\$956,717	0.00%	\$0	
29	375.00 Gas Dist Station Structure	\$10,642,632	\$0	\$0	\$10,642,632	1.15%	\$122,390	
30	376.00 Distribution Mains	\$46,080,760	\$0	\$0	\$46,080,760	3.61%	\$1,663,515	
31	376.03 Dist. River Crossing Main	\$695,165	\$0	\$0	\$695,165	3.61%	\$25,095	
32	376.04 Mains - Steel And Other - Sl	\$4,190	\$0	\$0	\$4,190	0.00%	\$0	
33	376.06 Dist. District Regulator	\$14,213,837	\$0	\$0	\$14,213,837	3.61%	\$513,120	
34	376.11 Gas Mains Steel	\$57,759,572	\$0	\$0	\$57,759,572	3.31%	\$1,908,954	
35	376.12 Gas Mains Plastic	\$382,797,443	\$0	\$0	\$382,797,443	2.70%	\$10,316,391	
36	376.13 Gas Mains Cast Iron	\$5,556,209	\$0	\$0	\$5,556,209	8.39%	\$465,888	
37	376.14 Gas Mains Valves	\$222,104	\$0	\$0	\$222,104	3.61%	\$8,018	
38	376.15 Propane Lines	\$0	\$0	\$0	\$0	3.61%	\$0	
39	376.16 Dist. Cathodic Protect	\$1,569,576	\$0	\$0	\$1,569,576	3.61%	\$56,662	
40	376.17 Dist. Joint Seals	\$63,067,055	\$0	\$0	\$63,067,055	4.63%	\$2,920,005	
41	377.00 T&D Compressor Sta Equipment	\$248,656	\$0	\$0	\$248,656	1.07%	\$2,661	
42	377.62 1/ 5360-Tanks ARO	\$299	(\$299)	\$0	\$0	0.00%	\$0	
43	378.10 Gas Measur & Reg Sta Equipment	\$19,586,255	\$0	\$0	\$19,586,255	2.08%	\$407,394	
44	378.55 Gas M&Reg Sta Exp RTU	\$372,772	\$0	\$0	\$372,772	6.35%	\$23,671	
45	379.00 Dist. Measur. Reg. Gs	\$11,033,164	\$0	\$0	\$11,033,164	2.22%	\$244,936	
46	379.01 Dist. Meas. Reg. Gs Eq	\$1,399,586	\$0	\$0	\$1,399,586	0.00%	\$0	
47	380.00 Gas Services All Sizes	\$331,205,854	\$0	\$0	\$331,205,854	3.05%	\$10,101,779	
48	381.10 Sml Meter& Reg Bare Co	\$26,829,565	\$0	\$0	\$26,829,565	1.76%	\$472,200	
49	381.30 Lrg Meter& Reg Bare Co	\$15,779,214	\$0	\$0	\$15,779,214	1.76%	\$277,714	
50	381.40 Meters	\$9,332,227	\$0	\$0	\$9,332,227	0.96%	\$89,589	
51	382.00 Meter Installations	\$675,201	\$0	\$0	\$675,201	3.66%	\$24,712	
52	382.20 Sml Meter& Reg Installation	\$43,145,998	\$0	\$0	\$43,145,998	3.66%	\$1,579,144	
53	382.30 Lrg Meter&Reg Installation	\$2,524,025	\$0	\$0	\$2,524,025	3.66%	\$92,379	
54	383.00 Dist. House Regulators	\$937,222	\$0	\$0	\$937,222	0.67%	\$6,279	
55	384.00 T&D Gas Reg Installs	\$1,216,551	\$0	\$0	\$1,216,551	1.56%	\$18,978	
56	385.00 Industrial Measuring And Regulating Station Equipment	\$540,187	\$0	\$0	\$540,187	4.18%	\$22,580	
57	385.01 Industrial Measuring And Regulating Station Equipment	\$255,921	\$0	\$0	\$255,921	0.00%	\$0	
58	386.00 Other Property On Customer Premises	\$271,765	\$0	\$0	\$271,765	0.23%	\$625	
59	386.02 Dist. Consumer Prem Equipment	\$110,131	\$0	\$0	\$110,131	0.00%	\$0	
60	387.00 Dist. Other Equipment	\$930,079	\$0	\$0	\$930,079	2.15%	\$19,997	
61	388.00 1/ ARO	\$5,736,827	(\$5,736,827)	\$0	\$0	0.00%	\$0	
62								
63	Total Distribution Plant	\$1,055,696,761	(\$5,737,126)	\$0	\$1,049,959,635	2.99%	\$31,384,677	
64								
65	General Plant							
66								
67	389.01 General Plant Land Lan	\$285,357	\$0	\$0	\$285,357	0.00%	\$0	
68	390.00 Structures And Improvements	\$7,094,532	\$0	\$0	\$7,094,532	3.12%	\$221,349	
69	391.01 Gas Office Furniture & Fixture	\$274,719	\$0	\$0	\$274,719	6.67%	\$18,324	
70	394.00 General Plant Tools Shop (Fully Dep)	\$26,487	\$0	\$0	\$26,487	0.00%	\$0	
71	394.00 General Plant Tools Shop	\$5,513,613	\$0	\$0	\$5,513,613	5.00%	\$275,681	
72	395.00 General Plant Laboratory	\$221,565	\$0	\$0	\$221,565	6.67%	\$14,778	
73	397.30 Communication Radio Site Specific	\$387,650	\$0	\$0	\$387,650	5.00%	\$19,383	
74	397.42 Communication Equip Tel Site	\$63,481	\$0	\$0	\$63,481	20.00%	\$12,696	
75	398.10 Miscellaneous Equipment (Fully Dep)	\$1,341,386	\$0	\$0	\$1,341,386	0.00%	\$0	
76	398.10 Miscellaneous Equipment	\$2,789,499	\$0	\$0	\$2,789,499	6.67%	\$186,060	
77	399.10 1/ ARO	\$342,146	(\$342,146)	\$0	\$0	0.00%	\$0	
78								
79	Total General Plant	\$18,340,436	(\$342,146)	\$0	\$17,998,289	4.16%	\$748,271	
80								
81	Grand Total - All Categories	\$1,123,631,722	(\$6,079,273)	\$9,991,374	\$1,127,543,823	3.05%	\$33,480,202	
82						2.97%		
83	Other Utility Plant Assets							
84								
85		Line 63		Total Distribution Plant	\$1,049,959,635	2.99%	\$31,384,677	
86		Line 73 + Line 74		Communication Equipment	\$451,132	7.11%	\$32,079	
				Total ISR Tangible Plant	\$1,050,410,767	2.99%	\$31,416,756	

Non ISR Assets \$77,133,057

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THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID RIPUC Docket Nos. 4770/4780 Compliance Attachment 2 Schedule 6-GAS Page 1 of 5				The Narragansett Electric Company d/b/a National Grid Gas ISR Depreciation Expense	
The Narragansett Electric Company d/b/a National Grid Depreciation Expense - Gas For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019					
Line No	Description	Reference	Amount	Less non-ISR eligible Plant	ISR Amount
			(a)	(b)	(c)
1	Total Company Rate Year Depreciation	Sum of Page 2, Line 16 and Line 17	\$39,136,909		
2	Total Company Test Year Depreciation	Per Company Books	\$33,311,851		
3	Less: Reserve adjustments	Page 4, Line 29, Col (b) + Col (c)	(\$15,649)		
4	Adjusted Total Company Test Year Depreciation Expense	Line 2 + Line 3	<u>\$33,296,202</u>		
5	Depreciation Expense Adjustmen	Line 1 - Line 4	<u>\$5,840,707</u>		
6					
7					
8	Test Year Depreciation Expense 12 Months Ended 06/30/17:		Per Book Amount		
9	Total Gas Utility Plant 06/30/17	Page 4, Line 27, Col (d) Sum of Page 3, Line 5, Col (d) and Page 4, Line 25, Col (e)	\$1,405,994,678	(\$77,133,057)	\$1,328,861,622
10	Less Non Depreciable Plant		(\$308,514,725)		(\$308,514,725)
11	Depreciable Utility Plant 06/30/17	Line 9 + Line 10	<u>\$1,097,479,953</u>	(\$77,133,057)	<u>\$1,020,346,897</u>
12					
13	Plus: Added Plant 2 Mos Ended 08/31/17	Schedule 11-GAS, Page 3, Line 4	\$19,592,266		\$19,592,266
14	Less: Retired Plant 2 Months Ended 08/31/17	1/ Line 13 x Retirement Rate	(\$1,345,989)		(\$1,345,989)
15	Depreciable Utility Plant 08/31/17	Line 11 + Line 13 + Line 14	<u>\$1,115,726,231</u>	(\$77,133,057)	<u>\$1,020,346,897</u>
16					
17	Average Depreciable Plant for Year Ended 08/31/17	(Line 11 + Line 15)/2	\$1,106,603,092		\$1,106,603,092
18					
19	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.38%		
20					
21	Book Depreciation Reserve 06/30/17	Page 5, Line 72, Col (d)	\$357,576,825		\$357,576,825
22	Plus: Book Depreciation Expense	Line 17 x Line 19	\$6,233,864		\$6,233,864
23	Less: Net Cost of Removal/(Salvage)	2/ Line 13 x Cost of Removal Rate	(\$1,014,879)		(\$1,014,879)
24	Less: Retired Plant	Line 14	(\$1,345,989)		(\$1,345,989)
25	Book Depreciation Reserve 08/31/17	Sum of Line 21 through Line 24	<u>\$361,449,821</u>		
26					
27	Depreciation Expense 12 Months Ended 08/31/18				
28	Total Utility Plant 08/31/17	Line 9 + Line 13 + Line 14	\$1,424,240,956	(\$77,133,057)	\$1,347,107,900
29	Less Non Depreciable Plant	Line 10	(\$308,514,725)		(\$308,514,725)
30	Depreciable Utility Plant 08/31/17	Line 28 + Line 29	<u>\$1,115,726,231</u>		<u>\$1,038,593,175</u>
31					
32	Plus: Plant Added in 12 Months Ended 08/31/18	Schedule 11-GAS, Page 3, Line 11	\$115,710,016		\$115,710,016
33	Less: Plant Retired in 12 Months Ended 08/31/18	Line 32 x Retirement rate	(\$7,949,278)		(\$7,949,278)
34	Depreciable Utility Plant 08/31/18	Sum of Line 30 through Line 33	<u>\$1,223,486,969</u>		<u>\$1,146,353,912</u>
35					
36	Average Depreciable Plant for 12 Months Ended 08/31/18	(Line 30 + Line 34)/2	\$1,169,606,600		\$1,092,473,543
37					
38	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.38%		3.38%
39					
40	Book Depreciation Reserve 08/31/17	Line 25	\$361,449,821		
41	Plus: Book Depreciation 08/31/18	Line 36 x Line 38	\$39,532,703		\$36,925,606
42	Less: Net Cost of Removal/(Salvage)	Line 32 x Cost of Removal Rate	(\$5,993,779)		
43	Less: Retired Plant	Line 33	(\$7,949,278)		
44	Book Depreciation Reserve 08/31/18	Sum of Line 40 through Line 43	<u>\$387,039,467</u>		
1/	3 year average retirement over plant addition in service FY 15 ~ FY17		6.87%		Retirements
2/	3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		5.18%		COR

The Narragansett Electric Company
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Line No	Description	Reference	THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID RIPUC Docket Nos. 4770/4780 Compliance Attachment 2 Schedule 6-GAS Page 2 of 5		
			Amount	Plant	ISR Amount
			(a)	(b)	(c)
1	Rate Year Depreciation Expense 12 Months Ended 08/31/19:				
2	Total Utility Plant 08/31/18	Page 1, Line 28 + Line 32 + Line 33	\$1,532,001,694	(\$77,133,057)	\$1,454,868,637
3	Less Non-Depreciable Plant	Page 1, Line 10	(\$308,514,725)		(\$308,514,725)
4	Depreciable Utility Plant 08/31/18	Line 2 + Line 3	\$1,223,486,969		\$1,146,353,912
5					
6	Plus: Added Plant 12 Months Ended 08/31/19	Schedule 11-GAS, Page 3, Line 35	\$114,477,000	(\$1,348,000)	\$113,129,000
7	Less: Depreciable Retired Plant	1/ Line 6 x Retirement rate	(\$7,864,570)	\$92,608	(\$7,771,962)
8					
9	Depreciable Utility Plant 08/31/19	Sum of Line 4 through Line 7	\$1,330,099,399	(\$78,388,449)	\$1,251,710,950
10					
11	Average Depreciable Plant for Rate Year Ended 08/31/19	(Line 4 + Line 9)/2	\$1,276,793,184		\$1,199,032,431
12					
13	Proposed Composite Rate %	Page 4, Line 17, Col (e)	3.05%		2.99%
14					
15	Book Depreciation Reserve 08/31/18	Page 1, Line 44	\$387,039,467		\$0
16	Plus: Book Depreciation Expense	Line 11 x Line 13	\$38,950,409		\$35,851,070
17	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-GAS, Part VI, Page 6	\$186,500		\$186,500
18	Less: Net Cost of Removal/(Salvage)	2/ Line 6 x Cost of Removal Rate	(\$5,929,909)		\$0
19	Less: Retired Plant	Line 7	(\$7,864,570)		\$0
20	Book Depreciation Reserve 08/31/15	Sum of Line 15 through Line 1 ⁴	\$412,381,898		\$36,037,570
21					
22	Rate Year Depreciation Expense 12 Months Ended 08/31/20:				
23	Total Utility Plant 08/31/19	Line 2 + Line 6 + Line 7	\$1,638,614,124	(\$78,388,449)	\$1,560,225,675
24	Less Non-Depreciable Plant	Page 1, Line 10	(\$308,514,725)		(\$308,514,725)
25	Depreciable Utility Plant 08/31/15	Line 23 + Line 24	\$1,330,099,399		\$1,251,710,950
26					
27	Plus: Added Plant 12 Months Ended 08/31/20	Schedule 11-GAS, Page 5, Line 11(i)	\$21,017,630	(\$750,000)	\$20,267,630
28	Less: Depreciable Retired Plant	1/ Line 27 x Retirement rate	(\$1,443,911)	\$51,525	(\$1,392,386)
29					\$0
30	Depreciable Utility Plant 08/31/20	Sum of Line 25 through Line 28	\$1,349,673,118	(\$79,086,924)	\$1,270,586,194
31					
32	Average Depreciable Plant for Rate Year Ended 08/31/20	(Line 25 + Line 30)/2	\$1,339,886,258		\$1,261,148,572
33					
34	Proposed Composite Rate %	Page 4, Line 17, Col (e)	3.05%		2.99%
35					
36	Book Depreciation Reserve 08/31/20	Line 20	\$412,381,898		\$0
37	Plus: Book Depreciation Expense	Line 32 x Line 34	\$40,875,154		\$37,708,342
38	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-GAS, Part VI, Page 6	\$186,500		\$186,500
39	Less: Net Cost of Removal/(Salvage)	2/ Line 27 x Cost of Removal Rate	(\$1,088,713)		\$0
40	Less: Retired Plant	Line 28	(\$1,443,911)		\$0
41	Book Depreciation Reserve 08/31/20	Sum of Line 36 through Line 4 ¹	\$450,910,927		\$37,894,842
42					
43	Rate Year Depreciation Expense 12 Months Ended 08/31/21:				
44	Total Utility Plant 08/31/20	Line 23 + Line 27 + Line 28	\$1,658,187,843	(\$79,086,924)	\$1,579,100,919
45	Less Non-Depreciable Plant	Page 1, Line 10	(\$308,514,725)		(\$308,514,725)
46	Depreciable Utility Plant 08/31/20	Line 44 + Line 45	\$1,349,673,118		\$1,270,586,194
47					
48	Plus: Added Plant 12 Months Ended 08/31/21	Schedule 11-GAS, Page 5, Line 11(i)	\$21,838,436	(\$750,000)	\$21,088,436
49	Less: Depreciable Retired Plant	1/ Line 48 x Retirement rate	(\$1,500,301)	\$51,525	(\$1,448,776)
50					
51	Depreciable Utility Plant 08/31/21	Sum of Line 46 through Line 49	\$1,370,011,253	(\$79,785,399)	\$1,290,225,854
52					
53	Average Depreciable Plant for Rate Year Ended 08/31/21	(Line 46 + Line 51)/2	\$1,359,842,185		\$1,280,406,024
54					
55	Proposed Composite Rate %	Page 4, Line 17, Col (e)	3.05%		2.99%
56					
57	Book Depreciation Reserve 08/31/20	Line 41	\$450,910,927		\$0
58	Plus: Book Depreciation Expense	Line 53 x Line 55	\$41,483,938		\$38,284,140
59	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-GAS, Part VI, Page 6	\$186,500		\$186,500
60	Less: Net Cost of Removal/(Salvage)	2/ Line 48 x Cost of Removal Rate	(\$1,131,231)		\$0
61	Less: Retired Plant	Line 49	(\$1,500,301)		\$0
62	Book Depreciation Reserve 08/31/21	Sum of Line 57 through Line 61	\$489,949,834		\$38,470,640
63					
64	1/ 3 year average retirement over plant addition in service FY 15 ~ FY17		0.0687	Retirements	
65	2/ 3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		0.0518	COR	
66					
67	Book Depreciation RY2	Line 37 (a) + Line 38 (b)			\$41,061,654
68	Less: General Plant Depreciation (assuming add=retirement)	Page 10, Line 79(f)			(\$748,271)
69	Plus: Comm Equipment Depreciation	Page 10, Line 73 + Line 74			\$32,079
70	Total				\$40,345,462
71	7 Months				x7/12
72	FY 2020 Depreciation Expense				\$23,534,853
73					
74	Book Depreciation RY3	Line 58 (a) + Line 59 (b)			\$41,670,438
75	Less: General Plant Depreciation	Page 10, Line 79(f)			(\$748,271)
76	Plus: Comm Equipment Depreciation	Page 10, Line 73 + Line 74			\$32,079
77	Total				\$40,954,246
78	FY 2021 Depreciation Expense	5 Months of RY 2 and 7 Months of RY 3			\$40,700,586

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The Narragansett Electric Company
d/b/a Rhode Island Energy
Fiscal Year 2023 ISR Property Tax Recovery Adjustment
Fiscal Year 2023 ISR Property Tax Recovery Adjustment (Continued) 1

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Cumulative Increm. ISR Prop. Tax for FY2018				Cumulative Increm. ISR Prop. Tax for FY2019 1st 5 month				Cumulative Increm. ISR Prop. Tax for FY2019		
36		\$97,810				\$92,263				(\$914)	
37		(\$24,356)				(\$24,356)				\$0	
38		(\$1,246)				(\$1,449)				(\$7)	
39		\$8,603				\$11,583				\$5,627	
40		\$80,811				\$78,041				\$4,705	
41		3.06%				3.06%				2.92%	
42		2.90%				2.70%		7 mos		1.70%	
43		3.06%	-0.15%			3.06%	-0.36%			2.70%	
44					5 month		-0.15%			2.92%	-0.22%
45	7 month	\$458,057	(\$694)			\$458,057	(\$684)				-0.13% 7 mos
46	7 month	\$6,343	\$184			\$5,950	\$67		\$919,892	* -0.13%	(\$1,203)
47	7 month	\$42,913	\$1,246			\$39,920	\$449				\$0
48		\$59,527	\$1,729			\$55,693	\$626			\$6,934	\$109
49		\$58,883	\$1,710			\$56,076	\$630			\$4,705	\$74
50		\$80,810	\$2,347			\$77,664	\$873				
51						\$78,041	\$877				
52			\$6,521				\$2,837				(\$1,020)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Cumulative Increm. ISR Prop. Tax for FY2020				Cumulative Increm. ISR Prop. Tax for FY2021				Cumulative Increm. ISR Prop. Tax for FY2022		
53		\$105,296				\$110,178				\$156,694	
54		\$0				\$0				(\$23,890)	
55		(\$1,510)				(\$1,589)				(\$2,249)	
56		\$7,056				\$8,862				\$10,773	
57		\$110,841				\$117,450				\$141,328	
58		2.96%				3.02%				3.05%	
59			-0.36%				-0.57%				-0.51%
60											
61		2.60%				2.45%				2.54%	
62		2.96%	-0.36%			3.02%	-0.57%			3.05%	-0.51%
63											
64	7 month	\$908,586	(\$3,246)			\$899,353	(\$5,080)			\$881,383	* -0.51%
65		(\$20,407)	\$73			(\$41,336)	\$236			(\$51,615)	* -0.51%
66		\$7,156	\$186			\$7,378	\$181			\$7,600	* 2.54%
67		\$4,692	\$122			\$4,678	\$115			\$4,665	* 2.54%
68		\$110,841	\$2,882			\$107,821	\$2,642			\$104,800	* 2.54%
69						\$117,450	\$2,878			\$114,271	* 2.54%
70										\$141,328	* 2.54%
71			\$17				\$970				\$5,242
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Cumulative Increm. ISR Prop. Tax for FY2023				Cumulative Increm. ISR Prop. Tax for FY2024				Cumulative Increm. ISR Prop. Tax for FY2025		
72		\$151,651				\$155,814				\$164,812	
73		(\$40,954)				(\$40,954)				(\$40,954)	
74		(\$2,140)				(\$2,212)				(\$2,342)	
75		\$10,607				\$7,930				\$7,525	
76		\$119,164				\$120,577				\$129,041	
77		3.05%				3.05%				3.05%	
78											
79											
80		2.58%				2.54%				2.58%	
81		3.05%	-0.47%			3.05%	-0.51%			3.05%	-0.47%
82											
83		\$881,383	(\$4,134)			\$881,383	(\$4,482)			\$881,383	* -0.47%
84		(\$51,615)	\$242			(\$51,615)	\$262			(\$51,615)	* -0.47%
85		\$7,822	\$202			\$8,044	\$204			\$8,266	* 2.58%
86		\$4,651	\$120			\$4,638	\$118			\$4,624	* 2.58%
87		\$101,780	\$2,626			\$98,759	\$2,508			\$95,739	* 2.58%
88		\$111,092	\$2,866			\$107,913	\$2,741			\$104,734	* 2.58%
89		\$136,830	\$3,530			\$132,332	\$3,361			\$127,834	* 2.58%
90		\$119,164	\$3,074			\$114,884	\$2,918			\$110,604	* 2.58%
91						\$120,577	\$3,063			\$113,940	* 2.58%
92										\$129,041	* 2.58%
93			\$8,527				\$10,694				\$14,057

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The Narragansett Electric Company
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Fiscal Year 2023 ISR Property Tax Recovery Adjustment
(000s)

Line Notes	Line Notes
1(a) - 5(i) Docket No. 4781 Attachment MAL-2, Page 10 of 13, 1(a) to 5(h)	36(a) - 52(h) Docket No. 4781 Rec, Attachment MAL-1, Page 29 of 35, 82(c) to 107(k)
6(i) - 10(i) Docket No. 4916 Attachment MAL-1, Page 17 of 20, 6(a) to 10(h)	53(a)-71 (c) Docket No. 4781 Rec, Attachment MAL-2, Page 10 of 13, 31(a) to 50 (c)
11(a) - 15(i) Docket No. 4996 Attachment MAL-1, Page 20 of 22, 11(a) to 15(i)	53(e)-71(g) Docket No. 4916 Rec, Attachment MAL-1, Page 18 of 20, 28(c) to 48 (g)
16(a) - 20(a) 11(i) - 15(i)	53(j) - 57(i)
16(b) Page 27 of 35 , Line 1 , Col (c)=1000	54(j) - (Page 31 of 35, Line 77(c) >7-12)-1000
16(c) Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (c)	55(i) - Page 15 of 35, Line 15(a)=1000
16(d) Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (d)	56(i) Page 15 of 35, Line 7(a)=1000
16(f) Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (f)	57(j) Sum of Lines 53(j) through 56(j)
16(i) Line 16(a) + (d) + (f)	59(j) =Rate Case, Docket 4770, Compliance, Revised Rebuttal.
17(c) P25, (L58+L59)+(P2, L3 (a)+P5, L3 (a)+P8, L3 (a)+P12, L3 (a))=1000*3.05%+Inc	Att. 1, Sch 1-G, P3, L15, Col (c) + 64(j)
(L1(c)+L6(c)+L11(c))+0.0416+ P15, L3 (a)+0.5*3.05%+1000+ L16(c)+0.5*0.0416	61(i) =20(i)
17(f) =16(f)	62(i) =59(j)
17(g) Docket No. 5099, Section 3, Att. 1 (C), Page 23, 17 (g)	61(i)-62(i)
17(i) Line 17(a) + (e) + (f) + (g)	63(i) =62(j)
18(i) Line 16(i) - 17(i)	64(i) =Rate Case, Docket 4770, Compliance, Revised Rebuttal, Att. 1:
19(i) Line 18(b) × 20(h)	64(a) × 5+12 + (Sch 6-G, P2, L30 - L41 + P3, L5(d) - P5, L4(d)
20(i) Docket No. 5099, Section 3, Att. 1 (C), Page 23, 20 (h)	- Sch 5-G, P1, L1(e) - L1(g)) × 7=12000
21(a) - 25(a) 16(i) - 20(i)	64(j)×63(j)
21(b) Page 18 of 35 , Line 1 , Col (d)=1000	= - Rate Case, Docket 4770, Compliance, Revised Rebuttal
21(c) Line 6(c)	Att. 1: Sch 11-G, P5, L3(e)+L3(i)+L7(e)+L7(i)+L3(l)+L7(l)*)
21(d) Line 16(b) + 16(c)	65(k) 65(i)×63(j)
21(f) - Page 18 of 35 , Line 2 , Col (d)=1000	66(i) Line 66(e) - Page 2 of 35, Line 15(c)=1000
21(i) Line 21 (a) + (d) + (f)	66(k) =66(i)+61(f)
22(c) Page 31, (Line 58 + Line 59) + (Page 2 , Line 3, Col (a) + Page 5 , Line 3, Col (a) + Page 8 ,	67(i) Line 67(e) - Page 5 of 35, Line 15(d)=1000
Line 3, Col (a) + Page 12 , Line 3, Col (a) + Page 15 , Line 3, Col (a))=1000 × 3.05%+	67(k) =67(i)+61(i)
Incremental (L1(c)+L6(c)+L11(c)+L16(c))+3.05% + Page 18 , Line 3, Col (a)+	68(i) Line 68(e) - Page 8 of 35, Line 15(c)=1000
L21(c))+0.5*3.05%=1000	68(k) =68(i)+61(i)
22(f) =21(f)	69(i) Line 69(e) - Page 12 of 35, Line 15(c)=1000
22(g) - Page 18 of 35 , Line 7 , Col (d)=1000	69(k) =69(i)+61(i)
22(i) Line 22 (a) + (e) + (f) + (g)	
23(i) Line 21(i) - 22(i)	
24(i) Line 23(i) × 25(i)	
25(i) =20(a) most recent actual property tax rate	
26(a) - 30(a) 21(i) - 25(i)	
26(b) Line 16(c)	
26(c) Line 26(b) + 26(c)	
26(f) Line 26 (a) + (d) + (f)	
27(c) Page 31, (Line 58 + Line 59) + (Page 2 , Line 3, Col (a) + Page 5 , Line 3, Col (a) + Page 8 ,	
Line 3, Col (a) + Page 12 , Line 3, Col (a) + Page 15 , Line 3, Col (a))=1000 × 3.05%+	
Incremental (L1(c)+L6(c)+L11(c)+L16(c))+3.05% + Page 18 , Line 3, Col (a)+	
L21(c))+0.5*3.05%=1000	
27(f) =26(f)	
27(g) Line 27 (a) + (e) + (f) + (g)	
28(i) Line 26(i) - 27(i)	
29(i) Line 28(i) × 30(i)	
30(i) =20(i) most recent actual property tax rate	

Line Notes	Line Notes
70(i) 57(j)	70(i) 57(j)
70(k) =70(i)+61(i)	70(k) =70(i)+61(i)
71(k) sum of 64(k) through 70(k)	71(k) sum of 64(k) through 70(k)
72(b) Page 18 of 35, Line 4(a)=1000	72(b) Page 18 of 35, Line 4(a)=1000
73(b) - Page 18 of 35, Line 5(a)=1000	73(b) - Page 18 of 35, Line 5(a)=1000
74(b) - Page 18 of 35, Line 14(a)=1000	74(b) - Page 18 of 35, Line 14(a)=1000
75(b) Page 18 of 35, Line 7(a)=1000	75(b) Page 18 of 35, Line 7(a)=1000
76(b) Sum of Lines 72(b) through 75(b)	76(b) Sum of Lines 72(b) through 75(b)
78(b) 59(j)	78(b) 59(j)
80(a) 25(i)	80(a) 25(i)
81(a) 78(b)	81(a) 78(b)
81(b) 80(a)-81(a)	81(b) 80(a)-81(a)
82(b) 81(b)	82(b) 81(b)
83(a) 64(i)	83(a) 64(i)
83(c) 83(a)+82(b)	83(c) 83(a)+82(b)
84(a) 65(i)	84(a) 65(i)
84(c) 84(a)+82(b)	84(c) 84(a)+82(b)
85(a) Line 66(i) - (Page 2 of 35, Line 15(f) through (h))=1000	85(a) Line 66(i) - (Page 2 of 35, Line 15(f) through (h))=1000
85(c) =85(a)+80(a)	85(c) =85(a)+80(a)
86(a) Line 67(i) - (Page 5 of 35, Line 15(e) through (g))=1000	86(a) Line 67(i) - (Page 5 of 35, Line 15(e) through (g))=1000
86(c) =86(a)+80(a)	86(c) =86(a)+80(a)
87(a) Line 68(i) - (Page 8 of 35, Line 15(d) through (f))=1000	87(a) Line 68(i) - (Page 8 of 35, Line 15(d) through (f))=1000
87(c) =87(a)+80(a)	87(c) =87(a)+80(a)
88(a) Line 69(i) - (Page 12 of 35, Line 15(c) through (e))=1000	88(a) Line 69(i) - (Page 12 of 35, Line 15(c) through (e))=1000
88(c) =88(a)+80(a)	88(c) =88(a)+80(a)
89(a) (Line 70(i) - (Page 15 of 35, Line 15(b) through (d))=1000	89(a) (Line 70(i) - (Page 15 of 35, Line 15(b) through (d))=1000
89(c) =89(a)+80(a)	89(c) =89(a)+80(a)
90(a) =76(b)	90(a) =76(b)
90(c) =90(a)+80(a)	90(c) =90(a)+80(a)
93(c) sum of 83(c) through 90(c)	93(c) sum of 83(c) through 90(c)

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Weighted Average Cost of Capital

Line No.

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 35% income tax rate effective
April 1, 2013

	(a)	(b)	(c)	(d)	(e)
	Ratio	Rate	Weighted Rate	Taxes	Return
Long Term Debt	49.95%	5.70%	2.85%		2.85%
Short Term Debt	0.76%	0.80%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
	100.00%		7.54%	2.51%	10.05%

(d) - Column (c) x 35% divided by (1 - 35%)

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 21% income tax rate effective
January 1, 2018

	(a)	(b)	(c)	(d)	(e)
	Ratio	Rate	Weighted Rate	Taxes	Return
Long Term Debt	49.95%	5.70%	2.85%		2.85%
Short Term Debt	0.76%	0.80%	0.01%		0.01%
Preferred Stock	0.15%	4.50%	0.01%		0.01%
Common Equity	49.14%	9.50%	4.67%	1.24%	5.91%
	100.00%		7.54%	1.24%	8.78%

(d) - Column (c) x 21% divided by (1 - 21%)

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4770 effective September 1, 2018

	(a)	(b)	(c)	(d)	(e)
	Ratio	Rate	Weighted Rate	Taxes	Return
Long Term Debt	48.35%	4.98%	2.41%		2.41%
Short Term Debt	0.60%	1.76%	0.01%		0.01%
Preferred Stock	0.10%	4.50%	0.00%		0.00%
Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
	100.00%		7.15%	1.26%	8.41%

(d) - Column (c) x 21% divided by (1 - 21%)

FY18 Blended Rate		Line 8(e) × 75% + Line 20(e) × 25%			9.73%
FY19 Blended Rate		Line 20 x 5 ÷ 12 + Line 30 x 7 ÷ 12			8.56%

The Narragansett Electric Company
d/b/a Rhode Island Energy
Impact of Elimination of ADIT and Hold Harmless Commitment for the FY 2025 Plan (Revised)
Fiscal Year 2025 - April 2024-March 2025

Inputs				
1	Tax Rate		21.00%	
Gas and Distribution				
2	Long Term Debt		48.350%	
3	Short Term Debt		0.600%	
4	Preferred Stock		0.100%	
5	Debt Weighting	Lines 2+3+4	49.050%	
6	Equity Weighting	1 - Line 5	50.950%	
7	Long Term Debt Rate		4.980%	
8	Short Term Debt Rate		1.760%	
9	Cost of Debt	Line 2 / Line 5 * Line 7 + Line 3 / Line 5 * Line 8	4.941%	
10	Cost of Equity		9.275%	
11	Revenue WACC (pre-tax)	Line 9 * Line 5 + (Line 10/(1-Line 1))*Line 6	8.4100%	
12	WACC (after-tax)	(Line 9 * Line 5) + (Line 10 * Line 6)	7.149%	
13	Rate Base - PPL (after purchase)	Page 2, Line 8, Column (c)	\$352,482,744	FY 2025
14	Rate Base - NG (before sale)	Page 2, Line 8, Column (f)	\$298,107,947	FY 2025
15	Deferred Taxes / Hold Harmless	Lines 13 - 14	\$54,374,797	Elimination of Deferred Taxes

ROE Mechanics

Notes:

- The sale of the business is treated as a sale of assets for income tax purposes causing the reversal of cumulative timing differences and a payment to the government of the amounts that had been recorded as deferred tax liabilities by National Grid ("NG").
- PPL does not assume the interest-free liability of ADIT from NG because NG paid this tax liability to the government as a result of the sales transaction. As such, PPL has to replace the no-cost capital with other capital. This calculation assumes that the substitute for the eliminated DTL is debt and equity in the same proportion as stated in Lines 5 and 6.
- The revenue credit for hold harmless is reflected on Line 23.
- Line 28 reflects the goodwill tax deduction needed to hold customers harmless from the increased revenue requirement due to the rate base increase from the elimination of deferred taxes. Any tax deduction lower than the amount reflected on this line will not provide enough of a tax benefit to share with customers.
- Line 29 reflects the cash tax benefit of the goodwill tax deduction and is recorded for GAAP reporting (not reflected for FERC reporting). There is not an income statement tax benefit since the goodwill tax deduction is a flip between current and deferred taxes. This amount grossed up for tax shown on Line 30 is the revenue credit reflected on Line 23.

			Post-Acquisition Results for ISR Capital Adjustments through the Date of Acquisition	Results for ISR Capital Adjustments through the Date of Acquisition as if the Acquisition did not occur	Difference	
			(a)	(b)	(c) = (a) - (b)	
16	Rate Base after Acquisition	Line 13	352,482,744	352,482,744	-	
17	ADIT Adjustment	- Line 15	-	(54,374,797)	54,374,797	
18	Adjusted Rate Base	Lines 16 + 17	352,482,744	298,107,947	54,374,797	
19	Debt Return (4.576%)	Lines 18 * 5 * 9	8,541,822	7,224,141	1,317,681	
20	Equity Return (9.275%)	Lines 18 * 6 * 10	16,656,969	14,087,426	2,569,542	
21	Taxes on Equity (21%)	(Line 20 / (1 - Line 1)) * Line 1	4,427,802	3,744,759	683,043	
22	Total Unadjusted Revenue	Sum of Lines 19, 20, 21	29,626,592	25,056,326	4,570,266	
23	Revenue Adjustment for Fiscal Year 2025	- Line 15 * Line 11	(4,572,920)	-	(4,572,920)	Note 1
24	Total Revenue	Lines 22 + 23	25,053,672	25,056,326	(2,654)	
25	Interest Expense	Lines 18, Col (b) * 5 * 9	7,224,141	7,224,141	-	
26	Tax Expense	(Lines 24 - 25) * Line 1	3,744,202	3,744,759	(557)	
27	Net Income	Lines 24 - 25 - 26	14,085,329	14,087,426	(2,097)	
Impact of Transaction						
28	Transaction-related Tax Deduction	- Line 23 * (1-Line 1) / Line 1	17,202,891			
29	Cash Tax Benefit at 21%	Line 28 * Line 1	3,612,607			
30	Cash Tax Benefit Grossed Up	Line 29 / (1-Line 1)	4,572,920			

Note 1: There is a slight variation in the calculated hold harmless amount in the ISR filing due to the roundings that are used to calculate the WACC in the ISR files.

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3: Attachment 2 (Revised)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
Average ISR Rate Base after Deferred Tax Proration (Revised)

	Post-Acquisition (a)	Prorated (b)	Post-Acquisition After Proration (c)	No Acquisition (d)	Prorated (e)	No Acquisition After Proration (f)
1 Plan Year 2025						
2 FY 2018	7,041,262	100%	7,041,262	11,371,995	100%	11,371,995
3 FY 2019	4,665,706	100%	4,665,706	3,277,555	100%	3,277,555
4 FY 2020	72,314,207	100%	72,314,207	59,681,674	100%	59,681,674
5 FY 2021	64,074,909	100%	64,074,909	57,654,872	100%	57,654,872
6 FY 2022	110,672,199	100%	110,672,199	90,804,104	100%	90,804,104
7 FY 2023	93,714,461	100%	93,714,461	75,317,748	100%	75,317,748
8 Total	<u>352,482,744</u>		<u>352,482,744</u>	<u>298,107,947</u>		<u>298,107,947</u>

Page 1, Line 13

Page 1, Line 14

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Annual Revenue Requirement Summary**

Line No.		Approved Fiscal Year <u>2024</u> (a)	Fiscal Year <u>2025</u> (b)
	<u>Operation and Maintenance Expenses</u>		
1	FY 2025 Operation and Maintenance Paving Expense	\$0	\$12,000,000
	<u>Capital Investment:</u>		
2	Actual Revenue Requirement on FY 2018 Incremental Capital Included in ISR Rate Base	\$362,365	\$370,111
3	Actual Revenue Requirement on FY 2019 Incremental Capital Included in ISR Rate Base	\$405,676	\$405,961
4	Actual Revenue Requirement on FY 2020 Incremental Capital Included in ISR Rate Base	\$9,422,592	\$9,102,120
5	Actual Revenue Requirement on FY 2021 Incremental Capital Included in ISR Rate Base	\$8,907,970	\$8,567,568
6	Actual Revenue Requirement on FY 2022 Incremental Capital Included in ISR Rate Base	\$14,293,737	\$13,805,560
7	Forecasted Revenue Requirement on FY 2023-NG Capital included in ISR Rate Base	\$12,827,683	\$12,161,768
8	Forecasted Revenue Requirement on FY 2024 Capital included in ISR Rate Base	\$6,096,711	\$12,028,274
9	Forecasted Revenue Requirement on FY 2025 Capital included in ISR Rate Base		\$6,268,010
10	Total Capital Investment Revenue Requirement	<u>\$52,316,734</u>	<u>\$62,709,373</u>
11	FY 2024 Property Tax Recovery Adjustment	\$10,806,916	
12	FY 2025 Property Tax Recovery Adjustment		\$13,732,247
13	Total Capital Investment Component of Revenue Requirement	<u>\$63,123,650</u>	<u>\$76,441,620</u>
14	Total Revenue Requirement	<u>\$63,123,650</u>	<u>\$88,441,620</u>
15	Per Tax Hold Harmless Adjustment Section 3 - Attachment 2 (C), Pages 1, Line 23	(\$4,499,963)	(\$4,572,920)
16	Total Net Capital Investment Component of Revenue Requirement	<u>\$58,623,688</u>	<u>\$83,868,699</u>
17	Incremental Rate Adjustment		\$25,245,012

Column Notes:

(a) RIPUC Docket No. 22-53-NG, Section 3, Attachment 1 (C), Page 1 of 32, Column (b)

Line Notes for Columns (b) only:

2 Page 2 of 35, Line 36, Col. (i)
3 Page 5 of 35, Line 35, Col. (h)
4 Page 8 of 35, Line 35, Col. (g)
5 Page 12 of 35, Line 35, Col. (f)
6 Page 15 of 35, Line 35, Col. (e)
7 Page 18 of 35, Line 35, Col. (d)
8 Page 21 of 35, Line 31, Col. (b)
9 Page 24 of 35, Line 29, Col. (a)
10 Sum of Lines 2 through 9
12 Page 33 of 35, Line 93, Col. (k) × 1,000
13 Sum of Line 10 through Line 12
14 Line 1 + Line 13
15 Section 3 - Attachment 2 Revised, Pages 1, Line 23
16 Line 14 + Line 15
17 Line 16 Col (b) - Line 16 Col (a)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
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Section 3: Attachment 3 (Revised)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2018 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	Fiscal Year 2021 (d)	Fiscal Year 2022 (e)	NG 4/1/22 - 5/24/2022 2023 (f)	PPL 5/25/22 - 3/31/23 2023 (g)	Fiscal Year 2024 (h)	Fiscal Year 2025 (i)	
1	Depreciable Net Capital Included in ISR Rate Base										
2	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (a)	\$4,632,718								
3	Retirements	Page 27 of 35, Line 9, Col (a)	\$12,059,428								
4	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	(\$7,426,710)	
5	Change in Net Capital Included in ISR Rate Base										
6	Capital Included in ISR Rate Base	Line 1	\$4,632,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
7	Depreciation Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
8	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	\$4,632,718	
9	Cost of Removal	Page 27 of 35, Line 6, Col (a)	\$1,941,168								
10	Net Plant Amount	Year 1 = Line 6 + Line 7; then = Prior Year	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	
11	Deferred Tax Calculation:										
12	Composite Book Depreciation Rate	1/	3.38%	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%	
13	Number of days	2/					54	311			
14	Proration Percentage	2/					14.79%	85.21%			
15	Tax Depreciation and Year 1 Basis Adjustments	Year 1=Page 3 of 35, Line 30, Col (a); then = Page 3 of 35, Col (e)	\$7,820,728	\$21,720	\$20,089	\$18,585	\$17,189	\$2,353	\$213,427	\$410,861	\$380,014
16	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$7,820,728	\$7,842,448	\$7,862,538	\$7,881,123	\$7,898,312	\$7,900,664			
17	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12						\$213,427	\$624,288	\$1,004,302	
18	Book Depreciation	Year 1 = Line 3 * Line 9 * 50%; then = Line 3 * Line 9	(\$125,511)	(\$234,127)	(\$222,059)	(\$222,059)	(\$222,059)	(\$32,853)	(\$189,206)	(\$222,059)	(\$222,059)
19	Cumulative Book Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	(\$125,511)	(\$359,638)	(\$581,697)	(\$803,756)	(\$1,025,814)	(\$1,058,667)	(\$1,247,873)	(\$1,469,932)	(\$1,691,990)
20	Cumulative Book / Tax Timer	Columns (a) through (e): Line 13 - Line 16, Then Line 14 - Line 16	\$7,946,239	\$8,202,087	\$8,444,235	\$8,684,878	\$8,924,126	\$8,959,331	\$1,461,300	\$2,094,220	\$2,696,292
21	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (f)							(\$1,058,667)	(\$1,058,667)	(\$1,058,667)
22	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18							\$402,633	\$1,035,553	\$1,637,625
23	Effective Tax Rate	4/	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
24	Deferred Tax Reserve	Columns (a) through (f): Line 17 * Line 20, Then Line 19 * Line 20	\$1,668,710	\$1,722,438	\$1,773,289	\$1,823,824	\$1,874,066	\$1,881,459	\$84,553	\$217,466	\$343,901
25	Less: FY 2018 Federal NOL (Generation) / Utilization	-Page 28 of 35, Line 12, Col (g)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	(\$6,051,855)	\$0	\$0	\$0
26	Excess Deferred Tax	(Line 16 * 31.55% blended FY18 tax rate) - Line 20; then = Prior Year Line 22	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328	\$838,328
27	Net Deferred Tax Reserve before Proration Adjustments	Line 21 + Line 22 + Line 23	(\$3,544,817)	(\$3,491,089)	(\$3,440,238)	(\$3,389,703)	(\$3,339,461)	(\$3,332,068)	\$922,881	\$1,055,794	\$1,182,230
28	ISR Rate Base Calculation:										
29	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	\$6,573,886	
30	Accumulated Depreciation	- Line 16	\$125,511	\$359,638	\$581,697	\$803,756	\$1,025,814	\$1,058,667	\$1,247,873	\$1,469,932	\$1,691,990
31	Deferred Tax Reserve	- Line 24	\$3,544,817	\$3,491,089	\$3,440,238	\$3,389,703	\$3,339,461	\$3,332,068	(\$922,881)	(\$1,055,794)	(\$1,182,230)
32	Year End Rate Base before Deferred Tax Proration	Sum of Lines 25 through 27	\$10,244,214	\$10,424,613	\$10,595,821	\$10,767,344	\$10,939,161	\$10,964,620	\$6,898,878	\$6,988,023	\$7,083,647
33	Revenue Requirement Calculation:										
34	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = 0; then Average of (Prior + Current Year Line 28)					\$10,853,253	\$8,919,019	\$8,919,019	\$6,943,450	\$7,035,835
35	Proration Adjustment	Page 4 of 35, Line 41					\$2,157	\$3,947	\$3,947	\$5,705	\$5,427
36	Average ISR Rate Base after Deferred Tax Proration	Line 29 + Line 30					\$10,855,409	\$8,922,966	\$8,922,966	\$6,949,155	\$7,041,262
37	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)					8.41%	8.41%	8.41%	8.41%	8.41%
38	Proration Percentage	Line 11						14.79%	85.21%		
39	Return and Taxes	Cols (e), (h) and (i): L 31 * L 32; Cols (f) and (g): L 31 * L 32 * L 33					\$912,940	\$111,021	\$639,400	\$584,424	\$592,170
40	Book Depreciation	Year 1 = N/A; then = Line 15					(\$222,059)	(\$32,853)	(\$189,206)	(\$222,059)	(\$222,059)
41	Annual Revenue Requirement	Sum of Lines 34 through 35	N/A	N/A	N/A	N/A	\$690,881	\$78,169	\$450,194	\$362,365	\$370,111

1/ 3.38%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% * 5 / 12 + 2.99% * 7 / 12

2/ Columns (f) and (g) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ The Federal Income Tax rate changed from 35% to 21% on January 1, 2018 per the Tax Cuts and Jobs Act of 2017

5/ Columns (f) and (g) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (e) and the end of the fiscal year on Line 32, Column (g). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2018 Incremental Capital Investment

Line No.		Fiscal Year 2018 (a)	(b)	(c)	(d)	(e)	(f)	
1	Capital Repairs Deduction							
1	Plant Additions	Page 2 of 35, Line 1	\$4,632,718	20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 85.43%	MACRS basis: Line 23, Column (a)				
3	Capital Repairs Deduction	Line 1 × Line 2	\$3,957,731			\$300,875		
4						Annual	Cumulative	
5								
6	Bonus Depreciation					Prorated		
7	Plant Additions	Line 1	\$4,632,718	FY Mar-2018	3.750%	\$11,283	\$7,820,728	
8	Less Capital Repairs Deduction	Line 3	\$3,957,731	FY Mar-2019	7.219%	\$21,720	\$7,842,448	
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$674,987	FY Mar-2020	6.677%	\$20,089	\$7,862,538	
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	FY Mar-2021	6.177%	\$18,585	\$7,881,123	
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$674,987	FY Mar-2022	5.713%	\$17,189	\$7,898,312	
12	Bonus depreciation 100% category	100% × 15.86%	2/ 15.86%	FY Mar-2023 (Apr-May 2022)	5.285%	0.782%	\$2,353	\$7,900,664
13	Bonus depreciation 50% category	50% × 58.05%	2/ 29.03%	Book Cost	Line 1, Column (a)	\$4,632,718		
14	Bonus depreciation 40% category	40% × 26.35%	2/ 10.54%	Cumulative Book Depreciation	- Page 2 of 35, Line 16, Col (f)	\$1,058,667		
15	Bonus Depreciation Rate (October 2017 - March 2018)	1 × 50% × 0%	2/ 0.00%	PPL MACRS basis:	Line 13 + Line 14	\$5,691,385		
16	Total Bonus Depreciation Rate	Line 12 + Line 13 + Line 14 + Line 15	55.43%	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$213,427	\$213,427	
17	Bonus Depreciation	Line 11 × Line 16	\$374,112	Mar-2024	7.219%	\$410,861	\$624,288	
18				Mar-2025	6.677%	\$380,014	\$1,004,302	
19	Remaining Tax Depreciation			Mar-2026	6.177%	\$351,557	\$1,355,859	
20	Plant Additions	Line 1	\$4,632,718	Mar-2027	5.713%	\$325,149	\$1,681,007	
21	Less Capital Repairs Deduction	Line 3	\$3,957,731	Mar-2028	5.285%	\$300,790	\$1,981,797	
22	Less Bonus Depreciation	Line 17	\$374,112	Mar-2029	4.888%	\$278,195	\$2,259,992	
23	Remaining Plant Additions Subject to 20 YR MACRS Tax			Mar-2030	4.522%	\$257,364	\$2,517,356	
24	Depreciation	Line 20 - Line 21 - Line 22	\$300,875	Mar-2031	4.462%	\$253,950	\$2,771,306	
25	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2032	4.461%	\$253,893	\$3,025,199	
26	Remaining Tax Depreciation	Line 23 × Line 24	\$11,283	Mar-2033	4.462%	\$253,950	\$3,279,148	
27	FY18 tax (gain)/loss on retirements	Per Tax Department	3/ \$1,536,434	Mar-2034	4.461%	\$253,893	\$3,533,041	
28	Cost of Removal	Page 2 of 35, Line 7	\$1,941,168	Mar-2035	4.462%	\$253,950	\$3,786,991	
29				Mar-2036	4.461%	\$253,893	\$4,040,883	
30	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 17, 25, 27 & 28	\$7,820,728	Mar-2037	4.462%	\$253,950	\$4,294,833	
				Mar-2038	4.461%	\$253,893	\$4,548,725	
				Mar-2039	4.462%	\$253,950	\$4,802,675	
				Mar-2040	4.461%	\$253,893	\$5,056,568	
				Mar-2041	4.462%	\$253,950	\$5,310,517	
				Mar-2042	4.461%	\$253,893	\$5,564,410	
				Mar-2043	2.231%	\$126,975	\$5,691,385	
					100.000%	\$5,691,385		

Column (d), Line 11 = MACRS Rate 5.285% / 365 days x 54 days

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
			2022 (a)	2023 (b)	2024 (c)	2025 (d)	
1	Book Depreciation	See the corresponding Fiscal Year on Page 2 of 35, Line 15. Note there are 2 columns to sum for FY23.	(\$222,059)	(\$222,059)	(\$222,059)	(\$222,059)	
2	Bonus Depreciation		\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 2 of 35, Line 12. Note there are 2 columns to sum for FY23.	(\$17,189)	(\$215,779)	(\$410,861)	(\$380,014)	
4	FY18 tax (gain)/loss on retirements		\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$239,248)	(\$437,838)	(\$632,920)	(\$602,072)	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
8	Deferred Tax Not Subject to Proration						
9	Capital Repairs Deduction						
10	Cost of Removal						
11	Book/Tax Depreciation Timing Difference at 3/31/2017						
12	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
13	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
15	Net Operating Loss		\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
17	Allocation of FY 2018 Estimated Federal NOL						
18	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$239,248)	(\$437,838)	(\$632,920)	(\$602,072)	
19	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
20	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$239,248)	(\$437,838)	(\$632,920)	(\$602,072)	
21	Total FY 2018 Federal NOL		\$0	\$0	\$0	\$0	
22	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
23	Allocated FY 2018 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
24	Effective Tax Rate		21%	21%	21%	21%	
25	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	\$0	\$0	\$0	
26	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)	
		(e)	(f)	(g)	(h)	(i)	(j)
	Proration Calculation	Number of Days in Month	Proration Percentage	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025
26	April	30	91.78%	(\$3,843)	(\$7,032)	(\$10,166)	(\$9,670)
27	May	31	83.29%	(\$3,487)	(\$6,382)	(\$9,225)	(\$8,775)
28	June	30	75.07%	(\$3,143)	(\$5,752)	(\$8,315)	(\$7,909)
29	July	31	66.58%	(\$2,787)	(\$5,101)	(\$7,374)	(\$7,015)
30	August	31	58.08%	(\$2,432)	(\$4,450)	(\$6,433)	(\$6,120)
31	September	30	49.86%	(\$2,088)	(\$3,821)	(\$5,523)	(\$5,254)
32	October	31	41.37%	(\$1,732)	(\$3,170)	(\$4,582)	(\$4,359)
33	November	30	33.15%	(\$1,388)	(\$2,540)	(\$3,672)	(\$3,493)
34	December	31	24.66%	(\$1,032)	(\$1,889)	(\$2,731)	(\$2,598)
35	January	31	16.16%	(\$677)	(\$1,239)	(\$1,790)	(\$1,703)
36	February	28	8.49%	(\$356)	(\$651)	(\$941)	(\$895)
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		(\$22,964)	(\$42,026)	(\$60,752)	(\$57,791)
39	Deferred Tax Without Proration	Line 25		(\$50,242)	(\$91,946)	(\$132,913)	(\$126,435)
40	Average Deferred Tax without Proration	Line 39 × 50%		(\$25,121)	(\$45,973)	(\$66,457)	(\$63,218)
41	Proration Adjustment	Line 38 - Line 40		\$2,157	\$3,947	\$5,705	\$5,427

Column Notes:

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

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2019 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2021 (c)	Fiscal Year 2022 (d)	NG 4/1/22 - 5/24/2022 2023 (e)	PPL 5/25/22 - 3/31/23 2023 (f)	Fiscal Year 2024 (g)	Fiscal Year 2025 (h)
Depreciable Net Capital Included in ISR Rate Base									
1	Total Allowed Capital Included in ISR Rate Base in Current Year								
2	Retirements								
3	Net Depreciable Capital Included in ISR Rate Base								
	Page 27 of 35, Line 3, Col (b)	(\$914,000)							
	Page 27 of 35, Line 9, Col (b)	(\$1,368,021)							
	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021	\$454,021
Change in Net Capital Included in ISR Rate Base									
4	Capital Included in ISR Rate Base								
5	Depreciation Expense								
6	Incremental Capital Amount								
	Line 1	(\$914,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)	(\$914,000)
7	Cost of Removal								
	Page 27 of 35, Line 6, Col (b)	\$5,626,564							
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
Deferred Tax Calculation:									
9	Composite Book Depreciation Rate								
	As Approved in RIPUC Docket No. 4323 & 4770	1/	3.15%	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days	2/				54	311		
11	Proration Percentage	2/				14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments								
	Year 1 = Page 6 of 35, Line 28, Col (a); then = Page 6 of 35, Col (e)		\$5,200,130	(\$8,390)	(\$7,760)	(\$7,179)	(\$982)	(\$36,146)	(\$69,583)
13	Cumulative Tax Depreciation-NG								
	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	3/	\$5,200,130	\$5,191,739	\$5,183,979	\$5,176,799	\$5,175,817		
14	Cumulative Tax Depreciation-PPL								
	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12	3/					(\$36,146)	(\$105,729)	(\$170,088)
15	Book Depreciation								
	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	2/	\$7,157	\$13,575	\$13,575	\$13,575	\$2,008	\$11,567	\$13,575
16	Cumulative Book Depreciation								
	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15		\$7,157	\$20,732	\$34,307	\$47,883	\$49,891	\$61,458	\$75,033
17	Cumulative Book / Tax Timer								
	Line 16		\$5,192,973	\$5,171,007	\$5,149,671	\$5,128,917	\$5,125,926	(\$97,604)	(\$180,762)
18	Less: Cumulative Book Depreciation at Acquisition							\$49,891	\$49,891
19	Cumulative Book / Tax Timer - PPL							(\$47,713)	(\$130,871)
20	Effective Tax Rate							21.00%	21.00%
	Columns (a) through (e): Line 13 - Line 16, Then Line 14 - Line 16		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve								
	Line 20		\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	\$1,076,444	(\$10,020)	(\$27,483)
22	Add: FY 2019 Federal NOL (Generation) / Utilization							\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment							(\$10,020)	(\$27,483)
	Page 27 of 35, Line 12, Col (b)	3/	\$1,376,874	\$1,372,261	\$1,367,781	\$1,363,422	\$1,362,794	(\$27,483)	(\$43,849)
	Line 21 + Line 22								
ISR Rate Base Calculation:									
24	Cumulative Incremental Capital Included in ISR Rate Base								
	Line 8		\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564	\$4,712,564
25	Accumulated Depreciation								
	- Line 16		(\$7,157)	(\$20,732)	(\$34,307)	(\$47,883)	(\$49,891)	(\$61,458)	(\$75,033)
26	Deferred Tax Reserve								
	- Line 23		(\$1,376,874)	(\$1,372,261)	(\$1,367,781)	(\$1,363,422)	(\$1,362,794)	\$10,020	\$27,483
27	Year End Rate Base before Deferred Tax Proration								
	Sum of Lines 24 through 26		\$3,328,533	\$3,319,570	\$3,310,475	\$3,301,259	\$3,299,878	\$4,661,125	\$4,665,013
Revenue Requirement Calculation:									
28	Average Rate Base before Deferred Tax Proration Adjustment								
	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/				\$3,305,867	\$3,981,192	\$3,981,192	\$4,663,069
29	Proration Adjustment								
	Page 7 of 35, Line 41					(\$187)	(\$457)	(\$457)	(\$750)
30	Average ISR Rate Base after Deferred Tax Proration								
	Line 28 + Line 29					\$3,305,680	\$3,980,735	\$3,980,735	\$4,662,320
31	Pre-Tax ROR								
	Page 35 of 35, Line 30, Column (e)					8.41%	8.41%	8.41%	8.41%
32	Proration Percentage								
	Line 11	2/					14.79%	85.21%	
33	Return and Taxes								
	Cols (d), (g) and (h): L 30 * L 31; Cols (e) and (f): L 30 * L 31 * L 32	2/				\$278,008	\$49,529	\$285,251	\$392,101
34	Book Depreciation								
	Line 15					\$13,575	\$2,008	\$11,567	\$13,575
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	N/A	N/A	\$291,583	\$51,537	\$296,818	\$405,676

1/ 3.38%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018
FY 19 Composite Book Depreciation Rate = 3.38% × 5 / 12 + 2.99% × 7 / 12

2/ Columns (e) and (f) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (e) and (f) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 31, Column (d) and the end of the fiscal year on Line 27, Column (f). See note 2.

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The Narragansett Electric Company
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FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2019 Incremental Capital Investment

Line No.			Fiscal Year 2019 (a)	(b)	(c)	(d)	(e)	(f)
1	Capital Repairs Deduction							
1	Plant Additions	Page 5 of 35, Line 1	(\$914,000)					
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 85.18%					
3	Capital Repairs Deduction	Line 1 × Line 2	(\$778,545)					
4								
5								
6	Bonus Depreciation							
7	Plant Additions	Line 1	(\$914,000)					
8	Less Capital Repairs Deduction	Line 3	(\$778,545)					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	(\$135,455)					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	(\$135,455)					
12	Bonus Depreciation Rate (30% Eligible)	1 × 30% × 11.65%	2/ 3.50%					
13	Bonus Depreciation Rate (40% Eligible)	1 × 40% × 26.75%	2/ 10.70%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	14.20%					
15	Bonus Depreciation	Line 11 × Line 14	(\$19,228)					
16								
17	Remaining Tax Depreciation							
18	Plant Additions	Line 1	(\$914,000)					
19	Less Capital Repairs Deduction	Line 3	(\$778,545)					
20	Less Bonus Depreciation	Line 15	(\$19,228)					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	(\$116,227)					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	(\$4,359)					
24								
25	FY 19 tax (gain)/loss on retirements	Per Tax Department	3/ \$375,698					
26	Cost of Removal	Page 5 of 35, Line 7	\$5,626,564					
27								
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$5,200,130					

		20 Year MACRS Depreciation	
		Line 21, Column (a)	(\$116,227)
		Annual	Cumulative
Fiscal Year	Prorated		
FY Mar-2019	3.750%	(\$4,359)	\$5,200,130
FY Mar-2020	7.219%	(\$8,390)	\$5,191,739
FY Mar-2021	6.677%	(\$7,760)	\$5,183,979
FY Mar-2022	6.177%	(\$7,179)	\$5,176,799
FY Mar-2023 (Apr-May 2022)	5.713%	0.845% (\$982)	\$5,175,817
Book Cost	Line 1, Column (a)	(\$914,000)	
Cumulative Book Depreciation	- Page 5 of 35, Line 16, Col (e)	(\$49,891)	
PPL MACRS basis:	Line 12 + Line 13	(\$963,891)	
FY Mar-2023 (Jun-Mar 2023)	3.750%	(\$36,146)	(\$36,146)
Mar-2024	7.219%	(\$69,583)	(\$105,729)
Mar-2025	6.677%	(\$64,359)	(\$170,088)
Mar-2026	6.177%	(\$59,540)	(\$229,628)
Mar-2027	5.713%	(\$55,067)	(\$284,695)
Mar-2028	5.285%	(\$50,942)	(\$335,637)
Mar-2029	4.888%	(\$47,115)	(\$382,751)
Mar-2030	4.522%	(\$43,587)	(\$426,339)
Mar-2031	4.462%	(\$43,009)	(\$469,347)
Mar-2032	4.461%	(\$42,999)	(\$512,347)
Mar-2033	4.462%	(\$43,009)	(\$555,355)
Mar-2034	4.461%	(\$42,999)	(\$598,355)
Mar-2035	4.462%	(\$43,009)	(\$641,363)
Mar-2036	4.461%	(\$42,999)	(\$684,363)
Mar-2037	4.462%	(\$43,009)	(\$727,371)
Mar-2038	4.461%	(\$42,999)	(\$770,371)
Mar-2039	4.462%	(\$43,009)	(\$813,379)
Mar-2040	4.461%	(\$42,999)	(\$856,379)
Mar-2041	4.462%	(\$43,009)	(\$899,387)
Mar-2042	4.461%	(\$42,999)	(\$942,387)
Mar-2043	2.231%	(\$21,504)	(\$963,891)
	100.000%	(\$963,891)	

Column (d), Line 10 = MACRS Rate 5.713% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2019 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2019 tax return
3/ Actual Loss the actual result of FY2019 tax return
10 (d) 5.713% / 365 x 54

**The Narragansett Electric Company
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FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
			2022	2023	2024	2025	
			(a)	(b)	(c)	(d)	
1	Book Depreciation	See the corresponding Fiscal Year on Page 5 of 35, Line 15. Note there are 2 columns to sum for FY23.	\$13,575	\$13,575	\$13,575	\$13,575	
2	Bonus Depreciation		\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 5 of 35, Line 12. Note there are 2 columns to sum for FY23.	\$7,179	\$37,128	\$69,583	\$64,359	
4	FY19 tax (gain)/loss on retirements		\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$20,755	\$50,703	\$83,159	\$77,934	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$4,358	\$10,648	\$17,463	\$16,366	
8	Deferred Tax Not Subject to Proration						
9	Capital Repairs Deduction						
10	Cost of Removal						
11	Book/Tax Depreciation Timing Difference at 3/31/2019						
12	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0	\$0	\$0	
13	Effective Tax Rate		21%	21%	21%	21%	
14	Deferred Tax Reserve	Line 11 × Line 12	\$0	\$0	\$0	\$0	
15	Total Deferred Tax Reserve	Line 7 + Line 13	\$4,358	\$10,648	\$17,463	\$16,366	
16	Net Operating Loss		\$0	\$0	\$0	\$0	
17	Net Deferred Tax Reserve	Line 14 + Line 15	\$4,358	\$10,648	\$17,463	\$16,366	
18	Allocation of FY 2019 Estimated Federal NOL						
19	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$20,755	\$50,703	\$83,159	\$77,934	
20	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0	\$0	
21	Total Cumulative Book/Tax Timer	Line 17 + Line 18	\$20,755	\$50,703	\$83,159	\$77,934	
22	Total FY 2019 Federal NOL		\$0	\$0	\$0	\$0	
23	Allocated FY 2019 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
24	Allocated FY 2019 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0	\$0	\$0	\$0	
25	Effective Tax Rate		21%	21%	21%	21%	
26	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0	\$0	\$0	\$0	
27	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$4,358	\$10,648	\$17,463	\$16,366	
28	Proration Calculation	(e) Number of Days in Month	(f) Proration Percentage	(g) Fiscal Year 2022	(h) Fiscal Year 2023	(i) Fiscal Year 2024	(j) Fiscal Year 2025
29	April	30	91.78%	\$333	\$814	\$1,336	\$1,252
30	May	31	83.29%	\$303	\$739	\$1,212	\$1,136
31	June	30	75.07%	\$273	\$666	\$1,092	\$1,024
32	July	31	66.58%	\$242	\$591	\$969	\$908
33	August	31	58.08%	\$211	\$515	\$845	\$792
34	September	30	49.86%	\$181	\$442	\$726	\$680
35	October	31	41.37%	\$150	\$367	\$602	\$564
36	November	30	33.15%	\$120	\$294	\$482	\$452
37	December	31	24.66%	\$90	\$219	\$359	\$336
38	January	31	16.16%	\$59	\$143	\$235	\$220
39	February	28	8.49%	\$31	\$75	\$124	\$116
40	March	31	0.00%	\$0	\$0	\$0	\$0
41	Total	365		\$1,992	\$4,867	\$7,982	\$7,481
42	Deferred Tax Without Proration	Line 25	\$4,358	\$10,648	\$17,463	\$16,366	
43	Average Deferred Tax without Proration	Line 39 × 50%	\$2,179	\$5,324	\$8,732	\$8,183	
44	Proration Adjustment	Line 38 - Line 40	(\$187)	(\$457)	(\$750)	(\$702)	

Column Notes:
(f) Sum of remaining days in the year (Col (e)) ÷ 365
(g) through (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2020 Actual Incremental Gas Capital Investment

Line No.		Fiscal Year 2020 (a)	Fiscal Year 2021 (b)	Fiscal Year 2022 (c)	NG 4/1/22 - 5/24/2022 (d)	PPL 5/25/22 - 3/31/23 (e)	Fiscal Year 2024 (f)	Fiscal Year 2025 (g)
Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35 , Line 3, Col (c)		\$105,296,046				
2	Retirements	Page 27 of 35 , Line 9, Col (c)		\$4,276,135				
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3		\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911	\$101,019,911
Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1		\$105,296,046	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 31 of 35, Line 72(c)		\$23,534,853	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6		\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193	\$81,761,193
7	Cost of Removal	Page 27 of 35 , Line 6, Col (c)		\$7,055,630				\$0
8	Net Plant Amount	Line 1 = Line 6+7; Then = Prior Year		\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823
Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)		1/ 2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days			2/ 54	14.79%	311	85.21%	
11	Proration Percentage			2/ 54	14.79%	311	85.21%	
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 9 of 35, Line 28, Col (a); then = Page 9 of 35, Col (c)		\$89,531,414	\$1,753,362	\$1,621,720	\$221,959	\$3,648,673
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12		\$89,531,414	\$91,284,775	\$92,906,495	\$93,128,454	
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12					\$3,648,673	\$10,672,611
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9		\$1,510,248	\$3,020,495	\$3,020,495	\$446,868	\$2,573,628
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15		\$1,510,248	\$4,530,743	\$7,551,238	\$7,998,106	\$10,571,734
17	Cumulative Book / Tax Timer	Columns (a) through (d): Line 13 - Line 16, Then Line 14 - Line 16		\$88,021,166	\$86,754,032	\$85,355,257	\$85,130,348	(\$6,923,061)
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (d)						\$7,998,106
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18						\$1,075,045
20	Effective Tax Rate	Columns (a) through (d): Line 17 * Line 20, Then Line 19 *		21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 20		\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$225,759
22	Add: FY 2020 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (c)		(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	(\$3,063,059)	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Line 21 + Line 22		\$15,421,386	\$15,155,288	\$14,861,545	\$14,814,315	\$225,759
ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8		\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823	\$88,816,823
25	Accumulated Depreciation	- Line 16		(\$1,510,248)	(\$4,530,743)	(\$7,551,238)	(\$7,998,106)	(\$10,571,734)
26	Deferred Tax Reserve	- Line 23		(\$15,421,386)	(\$15,155,288)	(\$14,861,545)	(\$14,814,315)	(\$225,759)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26		\$71,885,189	\$69,130,792	\$66,404,039	\$66,004,402	\$74,158,111
Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Line 27 × Page 11 of 35, Line 16; then = Average of (Prior Year Line 27 + Current Year Line 27/2)			\$67,767,415	\$72,211,684	\$72,211,684	\$76,088,721
29	Proration Adjustment	Page 10 of 35, Line 41			(\$12,608)	\$7,663	\$7,663	\$36,086
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29			\$67,754,807	\$72,219,347	\$72,219,347	\$76,124,806
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)			8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11				14.79%		85.21%
33	Return and Taxes	Cols (c), (f) and (g): L 30 * L 31; Cols (d) and (e): L 30 * L 31 * L 32			\$5,698,179	\$898,567	\$5,175,080	\$6,402,096
34	Book Depreciation	Line 15			\$3,020,495	\$446,868	\$2,573,628	\$3,020,495
35	Annual Revenue Requirement	Sum of Lines 33 through 34		N/A	N/A	\$8,718,675	\$1,345,435	\$7,748,708
							\$9,422,592	\$9,102,120

1/ 2.99%, Composite Book Depreciation Rate of Distribution Plant approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (d) and (e) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(b)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (d) and (e) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (c) and the end of the fiscal year on Line 31, Column (e). See note 2.

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2020 Incremental Capital Investments

Line No.	Fiscal Year		(b)	(c)	(d)	(e)	(f)	
	2020	(a)						
1	Capital Repairs Deduction							
2	Plant Additions	Page 8 of 35, Line 1	\$105,296,046	20 Year MACRS Depreciation				
3	Capital Repairs Deduction Rate	Per Tax Department	76.14%	MACRS basis:	Line 21, Column (a)	\$24,288,150		
4	Capital Repairs Deduction	Line 1 × Line 2	\$80,172,409			Annual	Cumulative	
5				Fiscal Year	Prorated			
6	Bonus Depreciation			FY Mar-2020	3.750%	\$910,806	\$89,531,414	
7	Plant Additions	Line 1	\$105,296,046	FY Mar-2021	7.219%	\$1,753,362	\$91,284,775	
8	Less Capital Repairs Deduction	Line 3	\$80,172,409	FY Mar-2022	6.677%	\$1,621,720	\$92,906,495	
9	Plant Additions Net of Capital Repairs Deduction	Line 4 - Line 5	\$25,123,637	FY Mar-2023 (Apr-May 2022)	6.177%	0.914%	\$221,959	\$93,128,454
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	Book Cost	Line 1, Column (a)	\$105,296,046		
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$25,123,637	Cumulative Book Depreciation	- Page 8 of 35, Line 16, Col (d)	(\$7,998,106)		
12	Bonus Depreciation Rate 30%, up to December 31, 2019	14.78% × 30% × 75%	3.33%	PPL MACRS basis:	Line 11 + Line 12	\$97,297,940		
13	Bonus Depreciation Rate 0%, after December 31, 2019		0.00%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	3.33%	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$3,648,673	\$3,648,673	
15	Bonus Depreciation	Line 11 × Line 14	\$835,487	Mar-2024	7.219%	\$7,023,938	\$10,672,611	
16				Mar-2025	6.677%	\$6,496,583	\$17,169,194	
17	Remaining Tax Depreciation			Mar-2026	6.177%	\$6,010,094	\$23,179,288	
18	Plant Additions	Line 1	\$105,296,046	Mar-2027	5.713%	\$5,558,631	\$28,737,919	
19	Less Capital Repairs Deduction	Line 3	\$80,172,409	Mar-2028	5.285%	\$5,142,196	\$33,880,116	
20	Less Bonus Depreciation	Line 15	\$835,487	Mar-2029	4.888%	\$4,755,923	\$38,636,039	
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$24,288,150	Mar-2030	4.522%	\$4,399,813	\$43,035,852	
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2031	4.462%	\$4,341,434	\$47,377,286	
23	Remaining Tax Depreciation	Line 21 × Line 22	\$910,806	Mar-2032	4.461%	\$4,340,461	\$51,717,747	
24				Mar-2033	4.462%	\$4,341,434	\$56,059,181	
25	FY20 tax (gain)/loss on retirements	Per Tax Department	\$557,081	Mar-2034	4.461%	\$4,340,461	\$60,399,642	
26	Cost of Removal	Page 8 of 35, Line 7	\$7,055,630	Mar-2035	4.462%	\$4,341,434	\$64,741,076	
27				Mar-2036	4.461%	\$4,340,461	\$69,081,537	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$89,531,414	Mar-2037	4.462%	\$4,341,434	\$73,422,971	
29				Mar-2038	4.461%	\$4,340,461	\$77,763,432	
30				Mar-2039	4.462%	\$4,341,434	\$82,104,866	
31				Mar-2040	4.461%	\$4,340,461	\$86,445,327	
32				Mar-2041	4.462%	\$4,341,434	\$90,786,762	
33				Mar-2042	4.461%	\$4,340,461	\$95,127,223	
34				Mar-2043	2.231%	\$2,170,717	\$97,297,940	
35					100.000%	\$97,297,940		
36								
37								

1/ Capital Repairs percentage is the actual result of FY2020 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2020 tax return
3/ Actual Loss based on FY2020 tax return
9 (d) 6.177% / 365 x 54

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2020 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration	Fiscal Year 2022 (a)	Fiscal Year 2023 (b)	Fiscal Year 2024 (c)	Fiscal Year 2025 (d)
	See the corresponding Fiscal Year on Page 8 of 35, Line 15. Note there are 2 columns to sum for FY23.				
1	Book Depreciation	\$3,020,495	\$3,020,495	\$3,020,495	\$3,020,495
2	Bonus Depreciation	\$0	\$0	\$0	\$0
	See the corresponding Fiscal Year on Page 8 of 35, Line 12. Note there are 2 columns to sum for FY23.				
3	Remaining MACRS Tax Depreciation	(\$1,621,720)	(\$3,870,632)	(\$7,023,938)	(\$6,496,583)
	Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0	\$0	\$0	\$0	\$0
4	FY20 tax (gain)/loss on retirements				
5	Cumulative Book / Tax Timer	\$1,398,776	(\$850,136)	(\$4,003,443)	(\$3,476,088)
6	Effective Tax Rate	21%	21%	21%	21%
7	Deferred Tax Reserve	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)
	Deferred Tax Not Subject to Proration				
	Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0				
8	Capital Repairs Deduction				
	Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0				
9	Cost of Removal				
10	Book/Tax Depreciation Timing Difference at 3/31/2020				
11	Cumulative Book / Tax Timer				
12	Effective Tax Rate				
13	Deferred Tax Reserve				
14	Total Deferred Tax Reserve	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)
15	Net Operating Loss				
16	Net Deferred Tax Reserve	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)
	Allocation of FY 2018 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	\$1,398,776	(\$850,136)	(\$4,003,443)	(\$3,476,088)
18	Cumulative Book/Tax Timer Not Subject to Proration	\$0	\$0	\$0	\$0
19	Total Cumulative Book/Tax Timer	\$1,398,776	(\$850,136)	(\$4,003,443)	(\$3,476,088)
	Year 1 = Docket no. 4916, R.S. 3, Att. 1R, page 10 Col (a); then = 0				
20	Total FY 2020 Federal NOL				
21	Allocated FY 2020 Federal NOL Not Subject to Proration				
22	Allocated FY 2020 Federal NOL Subject to Proration				
23	Effective Tax Rate				
24	Deferred Tax Benefit subject to proration				
25	Net Deferred Tax Reserve subject to proration	\$293,743	(\$178,529)	(\$840,723)	(\$729,979)
		(e)	(f)	(g)	(h)
		Number of Days in Month	Proration Percentage	Fiscal Year 2022	Fiscal Year 2023
26	Proration Calculation			(i)	(j)
				Fiscal Year 2024	Fiscal Year 2025
26	April	30	91.78%	\$22,467	(\$13,655)
27	May	31	83.29%	\$20,388	(\$12,391)
28	June	30	75.07%	\$18,376	(\$11,168)
29	July	31	66.58%	\$16,297	(\$9,905)
30	August	31	58.08%	\$14,218	(\$8,641)
31	September	30	49.86%	\$12,206	(\$7,418)
32	October	31	41.37%	\$10,127	(\$6,155)
33	November	30	33.15%	\$8,115	(\$4,932)
34	December	31	24.66%	\$6,036	(\$3,668)
35	January	31	16.16%	\$3,957	(\$2,405)
36	February	28	8.49%	\$2,079	(\$1,264)
37	March	31	0.00%	\$0	\$0
38	Total	365		\$134,263	(\$81,601)
				(\$384,276)	(\$333,657)
39	Deferred Tax Without Proration		Line 25	\$293,743	(\$178,529)
40	Average Deferred Tax without Proration		Line 39 × 50%	\$146,871	(\$89,264)
41	Proration Adjustment		Line 38 - Line 40	(\$12,608)	\$7,663
				\$36,086	\$31,332

Column Notes:
(f) Sum of remaining days in the year (Col (e)) ÷ 366
(g) through (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
ISR Additions April 2019 through March 2020

Line No.	Month No.	Month	FY 2020 ISR Additions (a)	In Rates (b)	Not In Rates (c) = (a) - (b)	Weight for Days (d)	Weighted Average (e) = (d) × (c)	Weight for Investment (f)=(c)÷Total(c)
1								
2	1	Apr-19	\$12,009,983	\$7,764,750	\$4,245,233	0.958	\$4,068,348	4.03%
3	2	May-19	\$12,009,983	\$7,764,750	\$4,245,233	0.875	\$3,714,579	4.03%
4	3	Jun-19	\$12,009,983	\$7,764,750	\$4,245,233	0.792	\$3,360,809	4.03%
5	4	Jul-19	\$12,009,983	\$7,764,750	\$4,245,233	0.708	\$3,007,040	4.03%
6	5	Aug-19	\$12,009,983	\$7,764,750	\$4,245,233	0.625	\$2,653,271	4.03%
7	6	Sep-19	\$12,009,983	\$0	\$12,009,983	0.542	\$6,505,407	11.41%
8	7	Oct-19	\$12,009,983	\$0	\$12,009,983	0.458	\$5,504,576	11.41%
9	8	Nov-19	\$12,009,983	\$0	\$12,009,983	0.375	\$4,503,744	11.41%
10	9	Dec-19	\$12,009,983	\$0	\$12,009,983	0.292	\$3,502,912	11.41%
11	10	Jan-20	\$12,009,983	\$0	\$12,009,983	0.208	\$2,502,080	11.41%
12	11	Feb-20	\$12,009,983	\$0	\$12,009,983	0.125	\$1,501,248	11.41%
13	12	Mar-20	\$12,009,983	\$0	\$12,009,983	0.042	\$500,416	11.41%
14		Total	\$144,119,796	\$38,823,750	\$105,296,046		\$41,324,429	100.00%
15		Total Additions September 2019 through March 2020			\$84,069,881			
16		FY 2020 Weighted Average Incremental Rate Base Percentage					39.25%	

Column (a)=Page 27 of 35 , Line 1 ,Col (c)
Column (b)=Page 27 of 35 , Line 2 ,Col (c)
Column (d) = (12.5 - Month No.) ÷ 12
Line 14 = Page 27 of 35 Line 1 Col (c)
Line 15 = Sum of Lines 7(c) through 13(c)
Line 16 = Line 14(e)/Line 14(c)

The Narragansett Electric Company d/b/a Rhode Island Energy FY 2025 Gas ISR Revenue Requirement Plan Fiscal Year 2025 Revenue Requirement on FY 2021 Actual Incremental Gas Capital Investment								
Line No.			Fiscal Year 2021 (a)	Fiscal Year 2022 (b)	NG 4/1/22 - 5/24/2022 2023 (c)	PPL 5/25/22 - 3/31/23 2023 (d)	Fiscal Year 2024 (e)	Fiscal Year 2025 (f)
Depreciable Net Capital Included in ISR Rate Base								
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35, Line 3, Col (d)	\$110,177,659					
2	Retirements	Page 27 of 35, Line 9, Col (d)	\$3,860,987					
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672	\$106,316,672
Change in Net Capital Included in ISR Rate Base								
4	Capital Included in ISR Rate Base	Line 1	\$110,177,659	\$0	\$0	\$0	\$0	\$0
5	Depreciation Expense	Page 31 of 35, Line 78(c)	\$40,700,586	\$0	\$0	\$0	\$0	\$0
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072	\$69,477,072
7	Cost of Removal	Page 27 of 35, Line 6, Col (d)	\$8,861,636					
8	Net Plant Amount	Line 6 + Line 7	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
Deferred Tax Calculation:								
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(c)	1/	2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days		2/		54	311		
11	Proration Percentage		2/		14.79%	85.21%		
12	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 13 of 35, Line 28, Col (a); then = Page 13 of 35, Col (e)	\$63,538,144	\$4,232,177	\$579,121	\$3,935,215	\$7,575,551	\$7,006,781
13	Cumulative Tax Depreciation-NG	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$63,538,144	\$67,770,322	\$68,349,442			
14	Cumulative Tax Depreciation-PPL	Year 1 = Line 12; then = Prior Year Line 14 + Current Year Line 12				\$3,935,215	\$11,510,765	\$18,517,546
15	Book Depreciation	Year 1 = Line 3 × Line 9 × 50%; then = Line 3 × Line 9	\$1,589,434	\$3,178,868	\$470,298	\$2,708,570	\$3,178,868	\$3,178,868
16	Cumulative Book Depreciation	Year 1 = Line 15; then = Prior Year Line 16 + Current Year Line 15	\$1,589,434	\$4,768,303	\$5,238,601	\$7,947,171	\$11,126,040	\$14,304,908
17	Cumulative Book / Tax Timer	Columns (a) through (c): Line 13 - Line 16, Then Line 14 - Line 16	\$61,948,710	\$63,002,019	\$63,110,841	(\$4,011,957)	\$384,726	\$4,212,638
18	Less: Cumulative Book Depreciation at Acquisition	Line 16 Column (c)				\$5,238,601	\$5,238,601	\$5,238,601
19	Cumulative Book / Tax Timer - PPL	Line 17 + Line 18				\$1,226,645	\$5,623,327	\$9,451,239
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Columns (a) through (c): Line 17 * Line 20, Then Line 19 * Line 20	\$13,009,229	\$13,230,424	\$13,253,277	\$257,595	\$1,180,899	\$1,984,760
22	Add: FY 2021 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (d)	3/	(\$5,525,796)	(\$5,525,796)	(\$5,525,796)	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustmer	Line 21 + Line 22	\$7,483,434	\$7,704,628	\$7,727,481	\$257,595	\$1,180,899	\$1,984,760
ISR Rate Base Calculation:								
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709	\$78,338,709
25	Accumulated Depreciation	- Line 16	(\$1,589,434)	(\$4,768,303)	(\$5,238,601)	(\$7,947,171)	(\$11,126,040)	(\$14,304,908)
26	Deferred Tax Reserve	- Line 23	(\$7,483,434)	(\$7,704,628)	(\$7,727,481)	(\$257,595)	(\$1,180,899)	(\$1,984,760)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$69,265,841	\$65,865,777	\$65,372,626	\$70,133,942	\$66,031,770	\$62,049,040
Revenue Requirement Calculation:								
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 27 ÷ 2; then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	4/	\$67,565,809	\$67,999,860	\$67,999,860	\$68,082,856	\$64,040,405
29	Proration Adjustment	Page 14 of 35, Line 41	\$9,494	\$12,037	\$12,037	\$12,037	\$39,630	\$34,504
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$67,575,303	\$67,987,897	\$67,987,897	\$67,987,897	\$68,122,487	\$64,074,909
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)		8.41%	8.41%	8.41%	8.41%	8.41%
32	Proration Percentage	Line 11	2/		14.79%	85.21%		
33	Return and Taxes	Cols (b), (c) and (f): L 30 * L 31; Cols (c) and (d): L 30 * L 31 * L 32	2/	\$5,683,083	\$846,217	\$4,837,583	\$5,729,101	\$5,388,700
34	Book Depreciation	Line 15		\$3,178,868	\$470,298	\$2,708,570	\$3,178,868	\$3,178,868
35	Annual Revenue Requirement	Sum of Lines 33 through 34	N/A	\$8,861,951	\$1,316,515	\$7,582,154	\$8,907,970	\$8,567,568

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (c) and (d) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (c) and (d) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (b) and the end of the fiscal year on Line 27, Column (d). See note 2.

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FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2021 Incremental Capital Investments

Line No.		Fiscal Year 2021 (a)	(b)	(c)	(d)	(e)	(f)	
1	Capital Repairs Deduction							
1	Plant Additions	Page 12 of 35, Line 1	\$110,177,659	20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department 1/	46.79%					
3	Capital Repairs Deduction	Line 1 × Line 2	\$51,552,126	MACRS basis:	Line 21, Column (a)	\$58,625,533		
6	Bonus Depreciation					Annual	Cumulative	
7	Plant Additions	Line 1	\$110,177,659	Fiscal Year	Prorated			
8	Less Capital Repairs Deduction	Line 3	\$51,552,126	FY Mar-2021	3.750%	\$2,198,457	\$63,538,144	
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$58,625,533	FY Mar-2022	7.219%	\$4,232,177	\$67,770,322	
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	FY Mar-2023 (Apr-May 2022)	6.677%	0.988%	\$579,121	\$68,349,442
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	PPL Acquisition - May 25, 2022				
12	Bonus Depreciation Rate ()	Per Tax Department	0.00%	Book Cost	Line 1, Column (a)	\$110,177,659		
13	Bonus Depreciation Rate ()	Per Tax Department	0.00%	Cumulative Book Depreciation	- Page 12 of 35, Line 16, Col (c)	(\$5,238,601)		
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	PPL MACRS basis:	Line 11 + Line 12	\$104,939,057		
15	Bonus Depreciation	Line 11 × Line 14	\$0	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$3,935,215	\$3,935,215	
16	Remaining Tax Depreciation			Mar-2024	7.219%	\$7,575,551	\$11,510,765	
17	Plant Additions	Line 1	\$110,177,659	Mar-2025	6.677%	\$7,006,781	\$18,517,546	
18	Less Capital Repairs Deduction	Line 3	\$51,552,126	Mar-2026	6.177%	\$6,482,086	\$24,999,632	
19	Less Bonus Depreciation	Line 15	\$0	Mar-2027	5.713%	\$5,995,168	\$30,994,800	
20	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$58,625,533	Mar-2028	5.285%	\$5,546,029	\$36,540,829	
21	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2029	4.888%	\$5,129,421	\$41,670,250	
22	Remaining Tax Depreciation	Line 21 × Line 22	\$2,198,457	Mar-2030	4.522%	\$4,745,344	\$46,415,595	
23	FY21 tax (gain)/loss on retirements	Per Tax Department 2/	925,925	Mar-2031	4.462%	\$4,682,381	\$51,097,975	
24	Cost of Removal	Page 12 of 35, Line 7	\$8,861,636	Mar-2032	4.461%	\$4,681,331	\$55,779,307	
25	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$63,538,144	Mar-2033	4.462%	\$4,682,381	\$60,461,687	
26				Mar-2034	4.461%	\$4,681,331	\$65,143,019	
27				Mar-2035	4.462%	\$4,682,381	\$69,825,399	
28				Mar-2036	4.461%	\$4,681,331	\$74,506,731	
29				Mar-2037	4.462%	\$4,682,381	\$79,189,112	
30				Mar-2038	4.461%	\$4,681,331	\$83,870,443	
31				Mar-2039	4.462%	\$4,682,381	\$88,552,824	
32				Mar-2040	4.461%	\$4,681,331	\$93,234,155	
33				Mar-2041	4.462%	\$4,682,381	\$97,916,536	
34				Mar-2042	4.461%	\$4,681,331	\$102,597,867	
35				Mar-2043	2.231%	\$2,341,190	\$104,939,057	
36					100.000%	\$104,939,057		
37								

Column (d), Line 8 = MACRS Rate 6.677% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2021 tax return
2/ Actual Loss based on FY2021 tax return

**The Narragansett Electric Company
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FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2021 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration	Fiscal Year 2022 (a)	Fiscal Year 2023 (b)	Fiscal Year 2024 (c)	Fiscal Year 2025 (d)
1	Book Depreciation				
		See the corresponding Fiscal Year on Page 12 of 35, Line 15. Note there are 2 columns to sum for FY23.			
		\$3,178,868	\$3,178,868	\$3,178,868	\$3,178,868
2	Bonus Depreciation				
3	Remaining MACRS Tax Depreciation				
		See the corresponding Fiscal Year on Page 12 of 35, Line 12. Note there are 2 columns to sum for FY23.			
		(\$4,232,177)	(\$4,514,335)	(\$7,575,551)	(\$7,006,781)
4	FY21 tax (gain)/loss on retirements	Page 13 of 35 , Line 25 ,Col (a)	Sum of Lines 1 through 4	\$0	\$0
5	Cumulative Book / Tax Timer	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)	(\$3,827,912)
6	Effective Tax Rate	21%	21%	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$221,195)	(\$280,448)	(\$923,303)
	Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
9	Cost of Removal	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
10	Book/Tax Depreciation Timing Difference at 3/31/2021	Line 8 + Line 9 + Line 10			
11	Cumulative Book / Tax Timer	Line 11 × Line 12			
12	Effective Tax Rate	Line 7 + Line 13			
13	Deferred Tax Reserve	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)
14	Total Deferred Tax Reserve	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)
15	Net Operating Loss	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
16	Net Deferred Tax Reserve	Line 14 + Line 15			
		(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)
17	Allocation of FY 2021 Estimated Federal NOL	Line 5			
18	Cumulative Book/Tax Timer Subject to Proration	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)	(\$3,827,912)
19	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0	\$0
	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,053,309)	(\$1,335,467)	(\$4,396,682)
		(\$1,053,309)	(\$1,335,467)	(\$4,396,682)	(\$3,827,912)
20	Total FY 2021 Federal NOL	Col (a): Docket 4996, R.S. 3, Att. 1R, page 14 Col (a)			
21	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20			
22	Allocated FY 2021 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20			
23	Effective Tax Rate	Line 22 × Line 23			
24	Deferred Tax Benefit subject to proration	Line 7 + Line 24			
25	Net Deferred Tax Reserve subject to proration	(\$221,195)	(\$280,448)	(\$923,303)	(\$803,862)
		(e)	(f)	(g)	(h)
		(i)	(j)	(k)	(l)
	Proration Calculation	Number of Days in Month	Proration Percentage	Fiscal Year 2022	Fiscal Year 2023
26	April	30	91.78%	(\$16,918)	(\$21,450)
27	May	31	83.29%	(\$15,352)	(\$19,465)
28	June	30	75.07%	(\$13,837)	(\$17,544)
29	July	31	66.58%	(\$12,272)	(\$15,559)
30	August	31	58.08%	(\$10,706)	(\$13,574)
31	September	30	49.86%	(\$9,191)	(\$11,653)
32	October	31	41.37%	(\$7,626)	(\$9,668)
33	November	30	33.15%	(\$6,111)	(\$7,748)
34	December	31	24.66%	(\$4,545)	(\$5,763)
35	January	31	16.16%	(\$2,980)	(\$3,778)
36	February	28	8.49%	(\$1,566)	(\$1,985)
37	March	31	0.00%	\$0	\$0
38	Total	365		(\$101,103)	(\$128,187)
				(\$422,021)	(\$367,427)
39	Deferred Tax Without Proration	Line 25			
40	Average Deferred Tax without Proration	Line 39 × 0.5			
				(\$110,597)	(\$140,224)
41	Proration Adjustment	Line 38 - Line 40			
				\$9,494	\$12,037
				\$39,630	\$34,504

Column Notes:
(f) Sum of remaining days in the year (Col (e)) ÷ 365
(g) through (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2022 Actual Incremental Gas Capital Investment**

Line No.		Fiscal Year 2022 (a)	NG 4/1/22 - 5/24/2022 2023 (b)	PPL 5/25/22 - 3/31/23 2023 (c)	Fiscal Year 2024 (d)	Fiscal Year 2025 (e)
Depreciable Net Capital Included in ISR Rate Base						
1	Total Allowed Capital Included in ISR Rate Base in Current Year	\$156,694,227				
2	Retirements	\$6,258,509				
3	Net Depreciable Capital Included in ISR Rate Base		\$150,435,718	\$150,435,718	\$150,435,718	\$150,435,718
Change in Net Capital Included in ISR Rate Base						
4	Capital Included in ISR Rate Base	\$156,694,227	\$0	\$0	\$0	\$0
5	Depreciation Expense	\$40,954,246	\$0	\$0	\$0	\$0
6	Incremental Capital Amount		\$115,739,981	\$115,739,981	\$115,739,981	\$115,739,981
7	Cost of Removal	\$10,773,005				
8	Net Plant Amount	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985
Deferred Tax Calculation:						
9	Composite Book Depreciation Rate	1/ 2.99%	2.99%	2.99%	2.99%	2.99%
10	Number of days	2/ 54	14.79%	85.21%		
11	Proration Percentage	2/ 14.79%				
12	Tax Depreciation and Year 1 Basis Adjustments	\$127,609,589	\$448,503	\$5,766,741	\$11,101,360	\$10,267,874
13	Cumulative Tax Depreciation-NG	\$127,609,589	\$128,058,092			
14	Cumulative Tax Depreciation-PPL			\$5,766,741	\$16,868,101	\$27,135,975
15	Book Depreciation	\$2,249,014	\$665,462	\$3,832,566	\$4,498,028	\$4,498,028
16	Cumulative Book Depreciation	\$2,249,014	\$2,914,476	\$6,747,042	\$11,245,070	\$15,743,098
17	Cumulative Book / Tax Timer	\$125,360,575	\$125,143,617	(\$980,301)	\$5,623,031	\$11,392,877
18	Less: Cumulative Book Depreciation at Acquisition			\$2,914,476	\$2,914,476	\$2,914,476
19	Cumulative Book / Tax Timer - PPL			\$1,934,174	\$8,537,507	\$14,307,353
20	Effective Tax Rate	21.00%	21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	\$26,325,721	\$26,280,159	\$406,177	\$1,792,876	\$3,004,544
22	Add: FY 2022 Federal NOL (Generation) / Utilization	(\$3,264,442)	(\$3,264,442)	\$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustmen	\$23,061,278	\$23,015,717	\$406,177	\$1,792,876	\$3,004,544
ISR Rate Base Calculation:						
24	Cumulative Incremental Capital Included in ISR Rate Base	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985	\$126,512,985
25	Accumulated Depreciation	(\$2,249,014)	(\$2,914,476)	(\$6,747,042)	(\$11,245,070)	(\$15,743,098)
26	Deferred Tax Reserve	(\$23,061,278)	(\$23,015,717)	(\$406,177)	(\$1,792,876)	(\$3,004,544)
27	Year End Rate Base before Deferred Tax Proration	\$101,202,693	\$100,582,792	\$119,359,767	\$113,475,039	\$107,765,343
Revenue Requirement Calculation:						
28	Average Rate Base before Deferred Tax Proration Adjustment					
29	Proration Adjustment	\$50,601,346	\$110,281,230	\$110,281,230	\$116,417,403	\$110,620,191
30	Average ISR Rate Base after Deferred Tax Proration	(\$6,077)	\$15,478	\$15,478	\$59,520	\$52,008
31	Pre-Tax ROR	\$50,595,269	\$110,296,708	\$110,296,708	\$116,476,923	\$110,672,199
32	Proration Percentage	8.41%	8.41%	8.41%	8.41%	8.41%
33	Return and Taxes	\$4,255,062	\$1,372,333	\$7,903,620	\$9,795,709	\$9,307,532
34	Book Depreciation	\$2,249,014	\$665,462	\$3,832,566	\$4,498,028	\$4,498,028
35	Annual Revenue Requirement	\$6,504,076	\$2,037,794	\$11,736,187	\$14,293,737	\$13,805,560
36	Docket No. 5099 FY 2022 Gas ISR Reconciliation, Page 1, Line (b)	\$5,976,115				
37	2022 Tax True-Up	\$527,961				

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (b) and (c) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

4/ Columns (b) and (c) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 27, Column (a) and the end of the fiscal year on Line 27, Column (e). See note 2.

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Calculation of Tax Depreciation and Repairs Deduction on FY 2022 Incremental Capital Investments

Line No.			Fiscal Year	(b)	(c)	(d)	(e)	(f)
			2022					
			(a)					
1	Capital Repairs Deduction							
1	Plant Additions	Page 15 of 35, Line 1	\$156,694,227					
2	Capital Repairs Deduction Rate	Per Tax Department	73.20%					
3	Capital Repairs Deduction	Line 1 × Line 2	\$114,700,174					
6	Bonus Depreciation							
7	Plant Additions	Line 1	\$156,694,227					
8	Less Capital Repairs Deduction	Line 3	\$114,700,174					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$41,994,053					
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 30%	Per Tax Department	0.00%					
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%					
15	Bonus Depreciation	Line 11 × Line 14	\$0					
17	Remaining Tax Depreciation							
18	Plant Additions	Line 1	\$156,694,227					
19	Less Capital Repairs Deduction	Line 3	\$114,700,174					
20	Less Bonus Depreciation	Line 15	\$0					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$41,994,053					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	\$1,574,777					
25	FY22 tax (gain)/loss on retirements	Per Tax Department	561,633					
26	Cost of Removal	Page 15 of 35, Line 7	\$10,773,005					
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$127,609,589					
				20 Year MACRS Depreciation				
				MACRS basis:	Line 21, Column (a)	\$41,994,053		
						Annual	Cumulative	
				Fiscal Year	Prorated			
				FY Mar-2022	3.750%	\$1,574,777	\$127,609,589	
				FY Mar-2023 (Apr-May 2022)	7.219%	1.068%	\$448,503	\$128,058,092
				PPL Acquisition - May 25, 2022				
				Book Cost	Line 1, Column (a)	\$156,694,227		
				Cumulative Book Depreciation	- Page 15 of 35, Line 16, Col (b)	(\$2,914,476)		
				PPL MACRS basis:	Line 10 + Line 11	\$153,779,751		
				FY Mar-2023 (Jun-Mar 2023)	3.750%	\$5,766,741	\$5,766,741	
				Mar-2024	7.219%	\$11,101,360	\$16,868,101	
				Mar-2025	6.677%	\$10,267,874	\$27,135,975	
				Mar-2026	6.177%	\$9,498,975	\$36,634,950	
				Mar-2027	5.713%	\$8,785,437	\$45,420,387	
				Mar-2028	5.285%	\$8,127,260	\$53,547,647	
				Mar-2029	4.888%	\$7,516,754	\$61,064,401	
				Mar-2030	4.522%	\$6,953,920	\$68,018,322	
				Mar-2031	4.462%	\$6,861,653	\$74,879,974	
				Mar-2032	4.461%	\$6,860,115	\$81,740,089	
				Mar-2033	4.462%	\$6,861,653	\$88,601,742	
				Mar-2034	4.461%	\$6,860,115	\$95,461,856	
				Mar-2035	4.462%	\$6,861,653	\$102,323,509	
				Mar-2036	4.461%	\$6,860,115	\$109,183,623	
				Mar-2037	4.462%	\$6,861,653	\$116,045,276	
				Mar-2038	4.461%	\$6,860,115	\$122,905,391	
				Mar-2039	4.462%	\$6,861,653	\$129,767,043	
				Mar-2040	4.461%	\$6,860,115	\$136,627,158	
				Mar-2041	4.462%	\$6,861,653	\$143,488,810	
				Mar-2042	4.461%	\$6,860,115	\$150,348,925	
				Mar-2043	2.231%	\$3,430,826	\$153,779,751	
					100.000%	\$153,779,751		

Column (d), Line 7 = MACRS Rate 7.219% / 365 days x 54 days

1/ Capital Repairs percentage is the actual result of FY2022 tax return
2/ Actual Loss based on FY2022 tax return

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2022 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year	
			2022 (a)	2023 (b)	2024 (c)	2025 (d)	
1	Book Depreciation	See the corresponding Fiscal Year on Page 15 of 35, Line 15. Note there are 2 columns to sum for FY23.	\$2,249,014	\$4,498,028	\$4,498,028	\$4,498,028	
2	Bonus Depreciation						
3	Remaining MACRS Tax Depreciation	Col (a): - Page 16 of 35, Line 23, column (a), thereafter, see the corresponding Fiscal Year on Page 15 of 35, Line 12. Note there are 2 columns to sum for FY23.	(\$1,574,777)	(\$6,215,244)	(\$11,101,360)	(\$10,267,874)	
4	FY22 tax (gain)/loss on retirements	- Page 16 of 35 , Line 25 ,Col (a)	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$674,237	(\$1,717,216)	(\$6,603,332)	(\$5,769,846)	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)	
8	Deferred Tax Not Subject to Proration						
9	Capital Repairs Deduction						
10	Cost of Removal						
11	Book/Tax Depreciation Timing Difference at 3/31/2022						
12	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10					
13	Effective Tax Rate						
14	Deferred Tax Reserve	Line 11 × Line 12					
14	Total Deferred Tax Reserve	Line 7 + Line 13	\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)	
15	Net Operating Loss	- Page 15 of 35 , Line 22 ,Col (a)					
16	Net Deferred Tax Reserve	Line 14 + Line 15	\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)	
17	Allocation of FY 2022 Estimated Federal NOL						
18	Cumulative Book/Tax Timer Subject to Proration	Line 5					
19	Cumulative Book/Tax Timer Not Subject to Proration	Line 11					
20	Total Cumulative Book/Tax Timer	Line 17 + Line 18					
21	Total FY 2022 Federal NOL	- Page 15 of 35 , Line 22 ,Col (a)=21%					
22	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20					
23	Allocated FY 2022 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20					
24	Effective Tax Rate						
25	Deferred Tax Benefit subject to proration	Line 22 × Line 23					
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)	
		(e)	(f)	(g)	(h)	(i)	(j)
	Proration Calculation	<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>Fiscal Year</u> <u>2022</u>	<u>Fiscal Year</u> <u>2023</u>	<u>Fiscal Year</u> <u>2024</u>	<u>Fiscal Year</u> <u>2025</u>
26	April	30	91.78%	\$10,829	(\$27,581)	(\$106,060)	(\$92,673)
27	May	31	83.29%	\$9,827	(\$25,029)	(\$96,246)	(\$84,097)
28	June	30	75.07%	\$8,857	(\$22,559)	(\$86,748)	(\$75,798)
29	July	31	66.58%	\$7,855	(\$20,007)	(\$76,933)	(\$67,223)
30	August	31	58.08%	\$6,853	(\$17,454)	(\$67,119)	(\$58,647)
31	September	30	49.86%	\$5,883	(\$14,984)	(\$57,621)	(\$50,348)
32	October	31	41.37%	\$4,881	(\$12,432)	(\$47,806)	(\$41,772)
33	November	30	33.15%	\$3,911	(\$9,962)	(\$38,308)	(\$33,473)
34	December	31	24.66%	\$2,909	(\$7,410)	(\$28,494)	(\$24,897)
35	January	31	16.16%	\$1,907	(\$4,858)	(\$18,679)	(\$16,322)
36	February	28	8.49%	\$1,002	(\$2,552)	(\$9,815)	(\$8,576)
37	March	31	0.00%	\$0	\$0	\$0	\$0
38	Total	365		\$64,718	(\$164,829)	(\$633,829)	(\$553,826)
39	Deferred Tax Without Proration	Line 25		\$141,590	(\$360,615)	(\$1,386,700)	(\$1,211,668)
40	Average Deferred Tax without Proration	Line 39 × 0.5		\$70,795	(\$180,308)	(\$693,350)	(\$605,834)
41	Proration Adjustment	Line 38 - Line 40		(\$6,077)	\$15,478	\$59,520	\$52,008

Column Notes:

(f) Sum of remaining days in the year (Col (e)) ÷ 365
(g) through (j) Current Year Line 25 ÷ 12 × Current Month Col (f)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2023 Actual Incremental Gas Capital Investment**

Line No.			NG 4/1/22 - 5/24/2022 2023 (a)	PPL 5/25/22 - 3/31/23 2023 (b)	Fiscal Year 2024 (c)	Fiscal Year 2025 (d)
Depreciable Net Capital Included in ISR Rate Base						
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35 , Line 3 ,Col (f)	2/ \$22,436,083	\$129,215,219		
2	Retirements	Page 27 of 35 , Line 9 ,Col (f)	2/ 1,256,752	7,237,958		
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$21,179,331	\$121,977,261	\$143,156,592	\$143,156,592
Change in Net Capital Included in ISR Rate Base						
4	Capital Included in ISR Rate Base	Line 1	\$22,436,083	\$129,215,219		
5	Depreciation Expense	Page 31 of 35, Line 77(c)	2/ \$6,058,984	\$34,895,262		
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$16,377,099	\$94,319,957	\$110,697,056	\$110,697,056
7	Cost of Removal	Page 27 of 35 , Line 6 ,Col (f)	2/ \$1,569,324	\$9,038,142		
8	Net Plant Amount	Line 6 + Line 7	\$17,946,422	\$103,358,099	\$121,304,521	\$121,304,521
Deferred Tax Calculation:						
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/ 2.99%	2.99%	2.99%	2.99%
10	Proration Percentage					
11	Tax Depreciation and Year 1 Basis Adjustments	Col (a) = Page 19 of 35, Column (a), Line 28; Col (b) = Page 19 of 35, Col (b), Lines 19,25,26 + Col (f), Line 15, Then remaining years from Page 19 of 35, Col (f)	\$15,784,290	\$91,735,295	\$4,878,410	\$4,512,141
12	Cumulative Tax Depreciation-NG	Col (a) = Line 11; then = zero	3/ \$15,784,290			
13	Cumulative Tax Depreciation-PPL	Col (b) = Line 11; then = Prior Year Line 13 + Current Year Line 11		3/ \$91,735,295	\$96,613,705	\$101,125,846
14	Book Depreciation	Year 1 (Columns (a) and (b)) = Line 3 x Line 9 x 50%; then = Line 3 x Line 9	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382
15	Cumulative Book Depreciation	Year 1 = Line 14; then = Prior Year Line 15 + Current Year Line 14	\$316,631	\$2,140,191	\$6,420,573	\$10,700,955
16	Book / Tax Timer	Line 11 - Line 14	\$15,467,658	\$89,911,735	\$598,028	\$231,759
17	Cumulative Book / Tax Timer -NG	Line 16, Column (a), then = zero	3/ \$15,467,658			
18	Cumulative Book / Tax Timer - PPL	Col (a) = zero; Col (b) = Line 16, Column (b); then = Prior Year Line 18 + Current Year Line 16		3/ \$89,911,735	\$90,509,763	\$90,741,522
19	Cumulative Book / Tax Timer - Total	Line 17 + Line 18	\$15,467,658	\$89,911,735	\$90,509,763	\$90,741,522
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 19 x Line 20	\$3,248,208	\$18,881,464	\$19,007,050	\$19,055,720
22	Add: FY 2023-NG Federal NOL (Generation) / Utilization	Page 27 of 35 , Line 12 ,Col (f)	3/ \$43,762,725	\$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustmen	Line 21 + Line 22	\$47,010,933	\$18,881,464	\$19,007,050	\$19,055,720
ISR Rate Base Calculation:						
24	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$17,946,422	\$103,358,099	\$121,304,521	\$121,304,521
25	Accumulated Depreciation	Year 1 (Cols (a) and (b)) = -Line 14; Then = -Line 15	(\$316,631)	(\$1,823,560)	(\$6,420,573)	(\$10,700,955)
26	Deferred Tax Reserve	- Line 23	(\$47,010,933)	(\$18,881,464)	(\$19,007,050)	(\$19,055,720)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	(\$29,381,142)	\$82,653,074	\$95,876,898	\$91,547,846
Revenue Requirement Calculation:						
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 (Cols (a) and (b)) = Current Year, Line 27 * 50%; Then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	(\$14,690,571)	\$41,326,537	\$74,574,415	\$93,712,372
29	Proration Adjustment	Page 20 of 35, Line 41	2/ (\$768,920)	(\$52,132)	\$5,390	\$2,089
30	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	(\$15,459,491)	\$41,274,405	\$74,579,806	\$93,714,461
31	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%	8.41%	8.41%	8.41%
32	Proration	Line 10				
33	Return and Taxes	Line 30 x Line 31	(\$1,300,143)	\$3,471,177	\$6,272,162	\$7,881,386
34	Book Depreciation	Line 14	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382
35	Annual Revenue Requirement	Sum of Lines 33 through 34	(\$983,512)	\$5,294,738	\$10,552,544	\$12,161,768

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

2/ Columns (a) and (b) represent the 12 months within fiscal year 2023, but activity is separated to accommodate the impacts of the acquisition as described in note 3.

3/ National Grid and PPL Corporation ("PPL") elected to treat PPL's acquisition of The Narragansett Electric Company ("NECO") from National Grid on May 25, 2022 as an asset sale for U.S. federal income tax purposes under Internal Revenue Code Section 338(h)(10). As a result of this election, PPL was deemed to acquire the assets of NECO at fair market value (essentially equivalent to book value) for tax purposes. The resulting "step-up" in tax basis eliminates most book/tax timing differences and the related accumulated net deferred income tax liabilities as of the acquisition date, at which time PPL will begin depreciating the new tax basis and start the tracking of book/tax timing differences as if PPL purchased a new asset in the year of acquisition.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2023 Incremental Capital Investments

Line No.			NG	PPL	(c)	(d)	(e)	(f)	(g)
			Apr 1-May 24, 2022	May 25-Mar 31, 2023					
			FY 2023 (a)	FY 2023 (b)					
1	Capital Repairs Deduction								
2	Plant Additions	Page 18 of 35, Line 1	\$22,436,083	\$129,215,219					
3	Capital Repairs Deduction Rate	Per Tax Department	64.82%	64.82%					
4	Capital Repairs Deduction	Line 1 × Line 2	\$14,543,069	\$83,757,305					
6	Bonus Depreciation								
7	Plant Additions	Line 1	\$22,436,083	\$129,215,219					
8	Less Capital Repairs Deduction	Line 3	\$14,543,069	\$83,757,305					
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$7,893,014	\$45,457,914					
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	0.00%					
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	\$0					
12	Bonus Depreciation Rate 1	Per Tax Department	0.00%	0.00%					
13	Bonus Depreciation Rate 2	Per Tax Department	0.00%	0.00%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	0.00%					
15	Bonus Depreciation	Line 11 × Line 14	\$0	\$0					
17	Remaining Tax Depreciation								
18	Plant Additions	Line 1	\$22,436,083	\$129,215,219					
19	Less Capital Repairs Deduction	Line 3	\$14,543,069	\$83,757,305					
20	Less Bonus Depreciation	Line 15	\$0	\$0					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$7,893,014	\$45,457,914					
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	3.75%					
23	Remaining Tax Depreciation	Line 21 × Line 22	\$295,988	\$1,704,672					
25	FY23 tax (gain)/loss on retirements	Per Tax Department	(624,091)	(3,594,303)					
26	Cost of Removal	Page 18 of 35, Line 7	\$1,569,324	\$9,038,142					
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$15,784,290	\$90,905,816					
30	Reconciliation of MACRS Tax Depreciation:								
31	Apr 1 - May 24, 2022 Plant Additions	Line 1, Column		\$22,436,083					
32	Cumulative Book Depreciation through May 24, 2022	, Line 19, Col		(\$316,631)					
33	2022 Plant Additions (Net Book) through Acquisition	Line 31 + Line 32		\$22,119,452					
34	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%					
35	Tax Depreciation	Line 33 * Line 34		\$829,479					
37	MACRS Basis in May 25-Mar 2023 Plant Additions	Line 20, Column (a)		\$45,457,914					
38	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%					
39	Tax Depreciation	Line 37 * Line 38		\$1,704,672					
41	Total MACRS Tax Depreciation	Sum of Lines 35, 39, Column (b)		\$2,534,151					

20 Year MACRS Depreciation				
MACRS basis:	Line 21, Column (a)		\$7,893,014	
Fiscal Year		Prorated	Annual MACRS	Cumulative Tax Depr
FY Mar-2023 (Apr-May 2022)	3.750%	0.555%	\$43,790	\$15,784,290
PPL Acquisition - May 25, 2022				
Book Cost	Line 1, Column (a)		\$22,436,083	
Cumulative Book Depreciation	- Page 18 of 35, Line 14, Col (a)		(\$316,631)	
MACRS basis from Acquisition:	Line 9(f) + Line 10(f)		\$22,119,452	
MACRS basis (Jun-Mar 2023)	Line 21, Column (b)		\$45,457,914	
Total MACRS Basis thru 3/2023	Line 11(f) + Line 12(f)		\$67,577,366	
FY Mar-2023 (Jun-Mar 2023)	3.750%		\$2,534,151	\$91,735,295
Mar-2024	7.219%		\$4,878,410	\$96,613,705
Mar-2025	6.677%		\$4,512,141	\$101,125,846
Mar-2026	6.177%		\$4,174,254	\$105,300,100
Mar-2027	5.713%		\$3,860,695	\$109,160,795
Mar-2028	5.285%		\$3,571,464	\$112,732,259
Mar-2029	4.888%		\$3,303,182	\$116,035,440
Mar-2030	4.522%		\$3,055,848	\$119,091,289
Mar-2031	4.462%		\$3,015,302	\$122,106,591
Mar-2032	4.461%		\$3,014,626	\$125,121,217
Mar-2033	4.462%		\$3,015,302	\$128,136,519
Mar-2034	4.461%		\$3,014,626	\$131,151,146
Mar-2035	4.462%		\$3,015,302	\$134,166,448
Mar-2036	4.461%		\$3,014,626	\$137,181,074
Mar-2037	4.462%		\$3,015,302	\$140,196,376
Mar-2038	4.461%		\$3,014,626	\$143,211,002
Mar-2039	4.462%		\$3,015,302	\$146,226,304
Mar-2040	4.461%		\$3,014,626	\$149,240,931
Mar-2041	4.462%		\$3,015,302	\$152,256,233
Mar-2042	4.461%		\$3,014,626	\$155,270,859
Mar-2043	2.231%		\$1,507,651	\$156,778,510
	100.00%		\$67,577,366	

Column (e), Line 6 = MACRS Rate 3.75% / 365 days x 54 days

Capital Repairs percentage is based on the actual results of National Grid's short period FY2023 tax return and PPL's short period CY2022 tax return, which covers the period from April 2022 through December 1/ 2022. When PPL files its calendar year 2023 consolidated tax return in October of 2024, the tax repairs percentage will be updated to reflect the January through March 2023 actual tax repairs.

FY 2023 tax loss on retirements is based on actual tax losses from April through December 2022. When PPL files its calendar year 2023 consolidated tax return in October of 2024, a portion of the tax gain/loss on

2/ retirements will be allocated to the January through March 2023 period to finalize this fiscal year.

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2023 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		NG	PPL	Fiscal Year	Fiscal Year	
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23	2024	2025	
			2023	2023	(c)	(d)	
			(a)	(b)			
		See the corresponding Fiscal Year on Page 18 of 35,					
1	Book Depreciation	Line 15	\$316,631	\$1,823,560	\$4,280,382	\$4,280,382	
2	Bonus Depreciation	- Page 19 of 35 , Line 15 ,Col (a)	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	- Page 19 of 35 ,column (f), Lines 6,15,16,17	(\$43,790)	(\$2,534,151)	(\$4,878,410)	(\$4,512,141)	
4	FY23-NG tax (gain)/loss on retirements	- Page 19 of 35 , Line 25 ,Col (a)	\$624,091	\$3,594,303	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$896,932	\$2,883,712	(\$598,028)	(\$231,759)	
6	Effective Tax Rate		21%	21%	21%	21%	
7	Deferred Tax Reserve	Line 5 × Line 6	\$188,356	\$605,579	(\$125,586)	(\$48,669)	
	Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 19 of 35 , Line 3 ,Col (a)	(\$14,543,069)	(\$83,757,305)	\$0	\$0	
9	Cost of Removal	- Page 18 of 35 , Line 7 ,Col (a)	(\$1,569,324)	(\$9,038,142)	\$0	\$0	
10	Book/Tax Depreciation Timing Difference at 3/31/2023						
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$16,112,393)	(\$92,795,447)	\$0	\$0	
12	Effective Tax Rate		21%	21%	21%	21%	
13	Deferred Tax Reserve	Line 11 × Line 12	(\$3,383,602)	(\$19,487,044)	\$0	\$0	
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$3,195,247)	(\$18,881,464)	(\$125,586)	(\$48,669)	
15	Net Operating Loss	- Page 18 of 35 , Line 22 ,Col (a)	\$0	\$0	\$0	\$0	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$3,195,247)	(\$18,881,464)	(\$125,586)	(\$48,669)	
	Allocation of FY 2023-NG Estimated Federal NOL						
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$896,932	\$2,883,712	(\$598,028)	(\$231,759)	
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$16,112,393)	(\$92,795,447)	\$0	\$0	
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$15,215,461)	(\$89,911,735)	(\$598,028)	(\$231,759)	
20	Total FY 2023-NG Federal NOL	- Page 18 of 35 , Line 22 ,Col (a)+21%	(\$208,393,929)	\$0	\$0	\$0	
21	Allocated FY 2023-NG Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	(\$220,678,487)	\$0	\$0	\$0	
22	Allocated FY 2023-NG Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$12,284,559	\$0	\$0	\$0	
23	Effective Tax Rate		21%	21%	21%	21%	
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$2,579,757	\$0	\$0	\$0	
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$2,768,113	\$605,579	(\$125,586)	(\$48,669)	
		(e)	(f)	(g)	(h)	(i)	(j)
			NG	PPL	Fiscal Year	Fiscal Year	
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23	2024	2025	
			2023	2023			
26	Proration Calculation	Number of Days in Month					
		Proration Percentage					
26	April	30	91.78%	\$615,136	(\$9,605)	(\$3,722)	
27	May	31	83.29%	\$0	(\$8,716)	(\$3,378)	
28	June	30	75.07%	\$43,015	(\$7,856)	(\$3,045)	
29	July	31	66.58%	\$37,528	(\$6,967)	(\$2,700)	
30	August	31	58.08%	\$32,040	(\$6,079)	(\$2,356)	
31	September	30	49.86%	\$26,730	(\$5,218)	(\$2,022)	
32	October	31	41.37%	\$21,242	(\$4,330)	(\$1,678)	
33	November	30	33.15%	\$15,932	(\$3,469)	(\$1,345)	
34	December	31	24.66%	\$10,444	(\$2,581)	(\$1,000)	
35	January	31	16.16%	\$4,957	(\$1,692)	(\$656)	
36	February	28	8.49%	\$10,444	(\$889)	(\$344)	
37	March	31	0.00%	\$0	\$0	\$0	
38	Total	365		\$615,136	\$250,658	(\$57,402)	(\$22,246)
39	Deferred Tax Without Proration	Line 25	\$2,768,113	\$605,579	(\$125,586)	(\$48,669)	
40	Average Deferred Tax without Proration						
		Line 39 × 0.5	\$1,384,057	\$302,790	(\$62,793)	(\$24,335)	
41	Proration Adjustment	Line 38 - Line 40	(\$768,920)	(\$52,132)	\$5,390	\$2,089	

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2024 Actual Incremental Gas Capital Investment**

Line No.		Fiscal Year 2024 (a)	Fiscal Year 2025 (b)
<u>Depreciable Net Capital Included in ISR Rate Base</u>			
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Page 27 of 35 , Line 3 ,Col (g) \$155,814,000	
2	Retirements	Page 27 of 35 , Line 9 ,Col (g) \$7,823,414	
3	Net Depreciable Capital Included in ISR Rate Base		<u>\$147,990,586</u>
	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$147,990,586	\$147,990,586
<u>Change in Net Capital Included in ISR Rate Base</u>			
4	Capital Included in ISR Rate Base	Line 1 \$155,814,000	\$0
5	Depreciation Expense	Page 31 of 35, Line 77(c) \$40,954,246	\$0
6	Incremental Capital Amount		<u>\$114,859,754</u>
	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$114,859,754	\$114,859,754
7	Cost of Removal	Page 27 of 35 , Line 6 ,Col (g) \$7,930,000	
8	Net Plant Amount	Line 6 + Line 7	\$122,789,754
<u>Deferred Tax Calculation:</u>			
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(c)	1/ 2.99%
10	Proration Percentage		2.99%
11	Tax Depreciation and Year 1 Basis Adjustments	Year 1 =Page 22 of 35, Line 28, Col (a); then = Page 22 of 35, Col (d)	\$136,423,788
12	Cumulative Tax Depreciation-PPL	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10	\$138,472,875
13	Book Depreciation	Year 1 = Line 3 × Line 9 × 50% x Line 10; then = Line 3 × Line 9	\$2,212,459
14	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$6,637,378
15	Cumulative Book / Tax Timer	Line 11 - Line 13	\$134,211,329
16	Effective Tax Rate	21.00%	21.00%
17	Deferred Tax Reserve	Line 15 × Line 16	\$28,184,379
18	Add: CY 2024 Federal NOL (Generation) / Utilization	Page 27 of 35 , Line 12 ,Col (e)	\$0
19	Net Deferred Tax Reserve before Proration Adjustment	Line 17 + Line 18	<u>\$28,184,379</u>
<u>ISR Rate Base Calculation:</u>			
20	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$122,789,754
21	Accumulated Depreciation	- Line 14	(\$2,212,459)
22	Deferred Tax Reserve	- Line 19	(\$28,184,379)
23	Year End Rate Base before Deferred Tax Proration	Sum of Lines 20 through 22	<u>\$92,392,915</u>
<u>Revenue Requirement Calculation:</u>			
24	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 23 ÷ 2; then = (Prior Year Line 23 + Current Year Line 23) ÷ 2	\$46,196,458
25	Proration Adjustment	Page 23 of 35, Line 41	(\$10,348)
26	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24	\$46,186,110
27	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%
28	Proration Percentage	Line 10	8.41%
29	Return and Taxes	Line 26 × Line 27	\$3,884,252
30	Book Depreciation	Line 13	\$2,212,459
31	Annual Revenue Requirement	Sum of Lines 29 through 30	\$6,096,711
			\$12,028,274

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2024 Incremental Capital Investments

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			2024				
			(a)				
1	Capital Repairs Deduction						
1	Plant Additions	Page 21 of 35, Line 1	\$155,814,000	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department 1/	81.78%				
3	Capital Repairs Deduction	Line 1 × Line 2	\$127,429,364	MACRS basis:	\$28,384,636		
4					Annual	Cumulative	
5				Calendar Year			
6	Bonus Depreciation			Mar-2024	3.75%	\$1,064,424	\$136,423,788
7	Plant Additions	Line 1	\$155,814,000	Mar-2025	7.22%	\$2,049,087	\$138,472,875
8	Less Capital Repairs Deduction	Line 3	\$127,429,364	Mar-2026	6.68%	\$1,895,242	\$140,368,117
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$28,384,636	Mar-2027	6.18%	\$1,753,319	\$142,121,436
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Mar-2028	5.71%	\$1,621,614	\$143,743,050
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	Mar-2029	5.29%	\$1,500,128	\$145,243,178
12	Bonus Depreciation Rate 30%	Per Tax Department	0.00%	Mar-2030	4.89%	\$1,387,441	\$146,630,619
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%	Mar-2031	4.52%	\$1,283,553	\$147,914,172
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	Mar-2032	4.46%	\$1,266,522	\$149,180,695
15	Bonus Depreciation	Line 11 × Line 15	\$0	Mar-2033	4.46%	\$1,266,239	\$150,446,934
16				Mar-2034	4.46%	\$1,266,522	\$151,713,456
17	Remaining Tax Depreciation			Mar-2035	4.46%	\$1,266,239	\$152,979,695
18	Plant Additions	Line 1	\$155,814,000	Mar-2036	4.46%	\$1,266,522	\$154,246,217
19	Less Capital Repairs Deduction	Line 3	\$127,429,364	Mar-2037	4.46%	\$1,266,239	\$155,512,456
20	Less Bonus Depreciation	Line 15	\$0	Mar-2038	4.46%	\$1,266,522	\$156,778,978
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$28,384,636	Mar-2039	4.46%	\$1,266,239	\$158,045,217
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2040	4.46%	\$1,266,522	\$159,311,739
23	Remaining Tax Depreciation	Line 21 × Line 22	\$1,064,424	Mar-2041	4.46%	\$1,266,239	\$160,577,978
24				Mar-2042	4.46%	\$1,266,522	\$161,844,500
25	CY24 tax (gain)/loss on retirements	Per Tax Department 2/	-	Mar-2043	4.46%	\$1,266,239	\$163,110,739
26	Cost of Removal	Page 21 of 35, Line 7	\$7,930,000	Mar-2044	2.23%	\$633,261	\$163,744,000
27					100.00%	\$28,384,636	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$136,423,788				

1/ Capital Repairs percentage is based on a three-year average of FYs 2020, 2021 and 2022 capital repairs rates.
2/ FY 2024 tax loss on retirements will be updated when actuals are known.

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2024 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration	Fiscal Year 2024 (a)	Fiscal Year 2025 (b)
1	Book Depreciation	Page 21 of 35 , Line 15	\$2,212,459
2	Bonus Depreciation	- Page 22 of 35 , Line 15 ,Col (a)	\$4,424,919
3	Remaining MACRS Tax Depreciation	- Page 22 of 35 , Col (d), Lines 6 and 7	(\$1,064,424)
4	CY23 tax (gain)/loss on retirements	- Page 22 of 35 , Line 25 ,Col (a)	(\$2,049,087)
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$1,148,035
6	Effective Tax Rate	21%	21%
7	Deferred Tax Reserve	Line 5 × Line 6	\$241,087
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 22 of 35 , Line 3 ,Col (a)	(127,429,364)
9	Cost of Removal	- Page 21 of 35 , Line 7 ,Col (a)	(\$7,930,000)
10	Book/Tax Depreciation Timing Difference at 3/31/2024		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$135,359,364)
12	Effective Tax Rate	21%	21%
13	Deferred Tax Reserve	Line 11 × Line 12	(\$28,425,466)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$28,184,379)
15	Net Operating Loss	- Page 21 of 35 , Line 18 ,Col (a)	\$498,925
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$28,184,379)
	Allocation of CY 2023 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$1,148,035
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$135,359,364)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$134,211,329)
20	Total FY 2024 Federal NOL	- Page 21 of 35 , Line 18 ,Col (a)÷21%	\$0
21	Allocated FY 2024 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0
22	Allocated FY 2024 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0
23	Effective Tax Rate	21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	\$241,087
	Proration Calculation	(c) <u>Number of Days in</u>	(d) <u>Proration Percentage</u>
		(e) <u>Fiscal Year</u>	(f) <u>Fiscal Year</u>
		2024	2025
26	April	30	91.78%
27	May	31	83.29%
28	June	30	75.07%
29	July	31	66.58%
30	August	31	58.08%
31	September	30	49.86%
32	October	31	41.37%
33	November	30	33.15%
34	December	31	24.66%
35	January	31	16.16%
36	February	28	8.49%
37	March	31	0.00%
38	Total	365	
		\$110,196	\$228,047
39	Deferred Tax Without Proration	Line 25	\$241,087
40	Average Deferred Tax without Proration	Line 39 × 0.5	\$120,544
41	Proration Adjustment	Line 38 - Line 40	(\$10,348)

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Fiscal Year 2025 Revenue Requirement on FY 2025 Actual Incremental Gas Capital Investment**

Line No.			Fiscal Year <u>2025</u> (a)
<u>Depreciable Net Capital Included in ISR Rate Base</u>			
1	Total Allowed Capital Included in ISR Rate Base in Current Year	Section 2, Table 1	\$152,812,000
2	Retirements	Line 1 x 3-year average actual retirement rate FY21 - FY23	\$7,558,705
3	Net Depreciable Capital Included in ISR Rate Base	Year 1 = Line 1 - Line 2; then = Prior Year Line 3	\$145,253,295
<u>Change in Net Capital Included in ISR Rate Base</u>			
4	Capital Included in ISR Rate Base	Line 1	\$152,812,000
5	Depreciation Expense	Page 31 of 35, Line 77(c)	\$40,954,246
6	Incremental Capital Amount	Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$111,857,754
7	Cost of Removal	Section 2, Page 2	\$7,525,000
8	Net Plant Amount	Line 6 + Line 7	\$119,382,754
<u>Deferred Tax Calculation:</u>			
9	Composite Book Depreciation Rate	Page 29 of 35, Line 86(e)	1/ 2.99%
10	Tax Depreciation	Year 1 = Page 25 of 35, Line 28, Col (a); then = Page 25 of 35, Col (d)	\$96,444,774
11	Cumulative Tax Depreciation-PPL	Year 1 = Line 10; then = Prior Year Line 11 + Current Year Line 10	\$96,444,774
12	Book Depreciation	Year 1 = Line 3 x Line 9 x 50% ; then = Line 3 x Line 9	\$2,171,537
13	Cumulative Book Depreciation	Year 1 = Line 12; then = Prior Year Line 13 + Current Year Line 12	\$2,171,537
14	Cumulative Book / Tax Timer	Line 11 - Line 13	\$94,273,237
15	Effective Tax Rate		21.00%
16	Deferred Tax Reserve	Line 14 x Line 15	\$19,797,380
17	Add: CY 2025 Federal NOL (Generation) / Utilization	Page 27 of 35, Line 12, Col (e)	\$0
18	Net Deferred Tax Reserve before Proration Adjustment	Line 16 + Line 17	\$19,797,380
<u>ISR Rate Base Calculation:</u>			
19	Cumulative Incremental Capital Included in ISR Rate Base	Line 8	\$119,382,754
20	Accumulated Depreciation	- Line 13	(\$2,171,537)
21	Deferred Tax Reserve	- Line 18	(\$19,797,380)
22	Year End Rate Base before Deferred Tax Proration	Sum of Lines 19 through 21	\$97,413,837
<u>Revenue Requirement Calculation:</u>			
23	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year Line 22 ÷ 2; then = (Prior Year Line 22 + Current Year Line 22) ÷ 2	\$48,706,918
24	Proration Adjustment	Page 26 of 35	\$2,636
25	Average ISR Rate Base after Deferred Tax Proration	Line 23 + Line 24	\$48,709,554
26	Pre-Tax ROR	Page 35 of 35, Line 30, Column (e)	8.41%
27	Return and Taxes	Line 25 x Line 26	\$4,096,474
28	Book Depreciation	Line 12	\$2,171,537
29	Annual Revenue Requirement	Sum of Lines 27 through 28	\$6,268,010

1/ 2.99%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Incremental Capital Investments

Line No.			Fiscal Year				
			2025	(b)	(c)	(d)	(e)
			(a)				
1	Capital Repairs Deduction						
1	Plant Additions	Page 24 of 35, Line 1	\$152,812,000	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	56.56%				
3	Capital Repairs Deduction	Line 1 × Line 2	\$86,430,467	MACRS basis:	\$66,381,533		
4					Annual	Cumulative	
5				Calendar Year			
6	Bonus Depreciation			Mar-2025	3.75%	\$2,489,307	\$96,444,774
7	Plant Additions	Line 1	\$152,812,000	Mar-2026	7.22%	\$4,792,083	\$101,236,857
8	Less Capital Repairs Deduction	Line 3	\$86,430,467	Mar-2027	6.68%	\$4,432,295	\$105,669,152
9	Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$66,381,533	Mar-2028	6.18%	\$4,100,387	\$109,769,539
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Mar-2029	5.71%	\$3,792,377	\$113,561,916
11	Plant Eligible for Bonus Depreciation	Line 9 × Line 10	\$0	Mar-2030	5.29%	\$3,508,264	\$117,070,180
12	Bonus Depreciation Rate 30%	Per Tax Department	0.00%	Mar-2031	4.89%	\$3,244,729	\$120,314,909
13	Bonus Depreciation Rate 0%	Per Tax Department	0.00%	Mar-2032	4.52%	\$3,001,773	\$123,316,682
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%	Mar-2033	4.46%	\$2,961,944	\$126,278,626
15	Bonus Depreciation	Line 11 × Line 14	\$0	Mar-2034	4.46%	\$2,961,280	\$129,239,907
16				Mar-2035	4.46%	\$2,961,944	\$132,201,851
17	Remaining Tax Depreciation			Mar-2036	4.46%	\$2,961,280	\$135,163,131
18	Plant Additions	Line 1	\$152,812,000	Mar-2037	4.46%	\$2,961,944	\$138,125,075
19	Less Capital Repairs Deduction	Line 3	\$86,430,467	Mar-2038	4.46%	\$2,961,280	\$141,086,355
20	Less Bonus Depreciation	Line 15	\$0	Mar-2039	4.46%	\$2,961,944	\$144,048,299
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$66,381,533	Mar-2040	4.46%	\$2,961,280	\$147,009,579
22	20 YR MACRS Tax Depreciation Rates	IRS Publication 946	3.75%	Mar-2041	4.46%	\$2,961,944	\$149,971,523
23	Remaining Tax Depreciation	Line 21 × Line 22	\$2,489,307	Mar-2042	4.46%	\$2,961,280	\$152,932,803
24				Mar-2043	4.46%	\$2,961,944	\$155,894,747
25	FY25 tax (gain)/loss on retirements	Per Tax Department	-	Mar-2044	4.46%	\$2,961,280	\$158,856,028
26	Cost of Removal	Page 24 of 35, Line 7	\$7,525,000	Mar-2045	2.23%	\$1,480,972	\$160,337,000
27					100.00%	\$66,381,533	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25 & 26	\$96,444,774				

1/ Capital Repairs percentage is based on a three-year average of FYs 2021, 2022 and 2023 capital repairs rates.
2/ FY 2025 tax loss on retirements will be updated when actuals are known.

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2025 Incremental Capital Investments**

Line No.	Deferred Tax Subject to Proration		(a) <u>Fiscal Year</u> <u>2025</u>
1	Book Depreciation	Page 18 of 35 , Line 14 ,Col (a) and Col (e)	\$2,171,537
2	Bonus Depreciation	- Page 19 of 35 , Line 15 ,Col (a)	
3	Remaining MACRS Tax Depreciation	- Page 25 of 35, Col (a), Line 23	(\$2,489,307)
4	CY24 tax (gain)/loss on retirements	- Page 19 of 35 , Line 25 ,Col (a)	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$317,771)
6	Effective Tax Rate		21%
7	Deferred Tax Reserve	Line 5 × Line 6	(\$66,732)
	Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	- Page 25 of 35 , Line 3 ,Col (a)	(\$86,430,467)
9	Cost of Removal	- Page 24 of 35 , Line 7 ,Col (a)	(\$7,525,000)
10	Book/Tax Depreciation Timing Difference at 3/31/2025		
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$93,955,467)
12	Effective Tax Rate		21%
13	Deferred Tax Reserve	Line 11 × Line 12	(\$19,730,648)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$19,797,380)
15	Net Operating Loss	- Page 18 of 35 , Line 22 ,Col (a)	
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$19,797,380)
	Allocation of CY 2024 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Line 5	(\$317,771)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	(\$93,955,467)
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$94,273,238)
20	Total CY 2024 Federal NOL	- Page 18 of 35 , Line 22 ,Col (a)÷21%	\$0
21	Allocated FY 2024 Federal NOL Not Subject to Proration	(Line 18 ÷ Line 19) × Line 20	\$0
22	Allocated FY 2024 Federal NOL Subject to Proration	(Line 17 ÷ Line 19) × Line 20	\$0
23	Effective Tax Rate		21%
24	Deferred Tax Benefit subject to proration	Line 22 × Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$66,732)
	Proration Calculation	(b) (c) (d) <u>Number of Days in</u> <u>Month</u> <u>Proration Percentage</u> <u>Fiscal Year2025</u>	
26	January	31 91.51%	(\$5,089)
27	February	28 83.84%	(\$4,662)
28	March	31 75.34%	(\$4,190)
29	April	30 67.12%	(\$3,733)
30	May	31 58.63%	(\$3,260)
31	June	30 50.41%	(\$2,803)
32	July	31 41.92%	(\$2,331)
33	August	31 33.42%	(\$1,859)
34	September	30 25.21%	(\$1,402)
35	October	31 16.71%	(\$929)
36	November	30 8.49%	(\$472)
37	December	31 0.00%	\$0
38	Total	365	(\$30,730)
39	Deferred Tax Without Proration	Line 25	(\$66,732)
40	Average Deferred Tax without Proration		
		Line 39 × 0.5	(\$33,366)
41	Proration Adjustment	Line 38 - Line 40	\$2,636

Column Notes:

- (c) Sum of remaining days in the year (Col (h)) divided by 365
- (d) Current Year Line 25 ÷ 12 × Current Month Col (c)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 3: Attachment 3 (Revised)
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
FY 2018 - FY 2023 Incremental Capital Investment Summary**

Line No.		Actual Fiscal Year 2018 (a)	Actual Fiscal Year 2019 (b)	Actual Fiscal Year 2020 (c)	Actual Fiscal Year 2021 (d)	Actual Fiscal Year 2022 (e)	Actual Fiscal Year 2023 (f)	Actual Fiscal Year 2024 (g)
<u>Capital Investment</u>								
1	ISR-eligible Capital Investment	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing						
		\$97,809,718	\$92,263,000	\$144,119,796	\$110,177,659	\$156,694,227	\$151,651,302	\$155,814,000
2	ISR-eligible Capital Additions included in Rate Base per RIPUC Docket No. 4770	Docket No. 4770 Schedule MAL-11-Gas Page 5, Col (a)=Lines 1(a) + 1(b); Col(b)=Lines 1(c) + 1(d); Col(c)= Line 1(e); Col(d) = Line 1(h) + 1(i)						
		\$93,177,000	\$93,177,000	\$38,823,750	\$0	\$0	\$0	\$0
3	Incremental ISR Capital Investment	Line 1 - Line 2						
		\$4,632,718	(\$914,000)	\$105,296,046	\$110,177,659	\$156,694,227	\$151,651,302	\$155,814,000
<u>Cost of Removal</u>								
4	ISR-eligible Cost of Removal	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing						
		\$8,603,224	\$11,583,085	\$10,161,508	\$9,975,152	\$11,244,351	\$10,607,466	\$7,930,000
5	ISR-eligible Cost of Removal in Rate Base per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L23+L42*7+12+Docket 4678 Page 2, Line 7x3+12; Col(b)=[P1]L42*5+12+[P2]L18*7+12; Col (c)=[P2]L18*5+12+L39*7+12; Col (d) = [P2] L39*5+12+L60*7+12; Col (e)=[P2] L60*5+12						
		\$6,662,056	\$5,956,522	\$3,105,878	\$1,113,515	\$471,346	\$0	\$0
6	Incremental Cost of Removal	Line 4 - Line 5						
		\$1,941,168	\$5,626,564	\$7,055,630	\$8,861,636	\$10,773,005	\$10,607,466	\$7,930,000
<u>Retirements</u>								
7	ISR-eligible Retirements	Col (a)=Docket No. 4678 FY18 ISR Reconciliation Filing; Col (b)=Docket No. 4781 FY19 ISR Reconciliation Filing; Col (c)=Docket No. 4916 FY20 ISR Reconciliation Filing Col (d)=Docket No. 4996 FY21 ISR Reconciliation Filing; Col (e)=Docket No. 5099 FY22 ISR Plan Filing;						
		\$24,056,661	\$6,531,844	\$8,395,321	\$5,337,792	\$6,883,634	\$8,494,710	\$7,823,414
8	ISR-eligible Retirements per RIPUC Docket No. 4770	Schedule 6-GAS, Docket No. 4770: Col(a)=[P1]L24+L43*7+12+ Docket 4678 Page 2, Line 2x3+12; Col(b)=[P1]L43*5+12+[P2]L19*7+12 Col (c)=[P2]L19*5+12+L40*7+12; Col (d) = [P2]L40*5+12+L61*7+12; Col (e)= L61*5+12						
		\$11,997,233	\$7,899,865	\$4,119,186	\$1,476,805	\$625,125	\$0	\$0
9	Incremental Retirements	Line 7 - Line 8						
		\$12,059,428	(\$1,368,021)	\$4,276,135	\$3,860,987	\$6,258,509	\$8,494,710	\$7,823,414
<u>(NOL)/NOL Utilization</u>								
10	ISR (NOL)/NOL Utilization Per ISR	Page 28 of 35, Line 12						
		(\$6,051,855)	\$1,091,119	\$0	\$2,072,387	\$893,329	\$43,762,725	\$0
11	ISR NOL Utilization Per Docket 4770	Schedule 11-Gas Page 11, Docket No. 4770: Col (a)= L40*5+12; Col (b) = L40*5+12+L48*7+12; Col (c) = P11.L48*5+12+P12.L39*7+12; Col (d) = P12.L39*5+12+P12.L49*7+12; Col (e) = P12.L49*5+12						
		\$0	\$804,769	\$3,063,059	\$7,598,182	\$4,157,771	\$0	\$0
12	Incremental (NOL)/NOL Utilization	Line 10 - Line 11						
		(\$6,051,855)	\$286,350	(\$3,063,059)	(\$5,525,796)	(\$3,264,442)	\$43,762,725	\$0

The Narragansett Electric Company
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")

	(a)	(b) Test Year July 2016 - June 2017	(c)	(d)	(e)	(f)	(g) Jul & Aug 2017	(h) 12 Mths Aug 31 2018	(i) 12 Mths Aug 31 2019	(j) 12 Mths Aug 31 2020	(k) 12 Mths Aug 31 2021	(l) 12 Mths Aug 31 2022
1 Total Base Rate Plant DIT Provision		\$29,439,421					\$5,223,437	\$20,453,237	\$16,078,372	\$5,085,206	\$7,746,916	\$0
2 Excess DIT amortization							\$0	\$0	(\$1,470,238)	(\$1,470,238)	(\$1,470,238)	\$0
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023-NG</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>
3 Total Base Rate Plant DIT Provision							\$24,514,347.17	\$17,043,594	\$8,195,453.84	\$5,167,632	\$2,615,282.52	\$0
4 Incremental FY 18	\$2,507,039	\$2,560,766	\$2,611,618	\$2,662,153	\$2,712,395	\$2,719,788	\$2,507,039	\$53,728	\$50,851	\$50,535	\$50,242	\$7,393
5 Incremental FY 19		\$1,090,524	\$1,085,911	\$1,081,431	\$1,077,072	\$1,076,444	\$0	\$1,090,524	(\$4,613)	(\$4,480)	(\$4,358)	(\$628)
6 Incremental FY 20			\$18,484,445	\$18,218,347	\$17,924,604	\$17,877,373	\$0	\$0	\$18,484,445	(\$266,098)	(\$293,743)	(\$47,231)
7 Incremental FY 21				\$13,009,229	\$13,230,424	\$13,253,277			\$0	\$13,009,229	\$221,195	\$22,853
8 Incremental FY 22					\$26,325,721	\$26,280,159					\$26,325,721	(\$45,561)
9 Incremental FY 23						\$3,248,208						\$3,248,208
10 TOTAL Plant DIT Provision	\$2,507,039	\$3,651,291	\$22,181,974	\$34,971,160	\$61,270,216	\$64,455,250	\$27,021,386	\$18,187,846	\$26,726,137	\$17,956,818	\$28,914,339	\$3,185,034
11 NOL (Utilization)							\$6,051,855	(\$1,091,119)	\$0	(\$2,072,387)	(\$893,329)	(\$43,762,725)
12 Lesser of NOL or DIT Provision							\$6,051,855	(\$1,091,119)	\$0	(\$2,072,387)	(\$893,329)	(\$43,762,725)

Line Notes:

- 1(b) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 2 of 23, Line 29, Col (e) minus Col (b)
- 1(g) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 3 plus Line 4
- 1(h) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 7
- 1(i) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 11 of 23, Line 50
- 1(j) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 41
- 1(k) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 51
- 1(l) RIPUC Docket Nos. 4770/4780 third rate year ends at Aug 31, 2021
- 2 RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-GAS, Page 12 of 23, Line 52
- 3 Col (f) = Line 1(b) × 25% + Line 1(f) + Line 1(g) × 7/12; Col (g) = Line 1(g) × 5/12 + Line 1(h) × 7/12 + Line 2(g) × 5/12 + Line 2(h) × 7/12; Col (h) = Line 1(h) × 5/12 + Line 1(i) × 7/12 + Line 2(h) × 5/12 + Line 2(i)
- 4(a)-9(f) Cumulative DIT plus Deferred Income Tax (Page 2, Line 21 + Line 23; Page 5, Line 21; Page 8, Line 21; Page 12, Line 21; Page 15, Line 21; Page 18, Line 21)
- 4(g)-9(m) Year over year change in cumulative DIT shown in Cols (a) through (f)
- 10 Sum of Lines 3 through 9
- 11 Col (g)-(h) = Docket no. 4916 FY 20 ISR Rec, Att. MAL-1, p.19, L. 8; Col (i) ~Col (l) Per Tax Department
- 12 Lesser of Line 9 or Line 10

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RIPUC Docket Nos. 4770/4780
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The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Gas
For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2019

The Narragansett Electric Company
d/b/a National Grid
Gas ISR Depreciation Expense

Line No	Description	Reference	Amount	Less non-ISR eligible	
				Plant (b)	ISR Amount (c)
1	Total Company Rate Year Depreciation	Sum of Page 2, Line 16 and Line 17	\$39,136,909		
2	Total Company Test Year Depreciation	Per Company Books	\$33,311,851		
3	Less: Reserve adjustments	Page 4, Line 29, Col (b) + Col (c)	(\$15,649)		
4	Adjusted Total Company Test Year Depreciation Expense	Line 2 + Line 3	\$33,296,202		
5	Depreciation Expense Adjustmen	Line 1 - Line 4	\$5,840,707		
6					
7					
8	Test Year Depreciation Expense 12 Months Ended 06/30/17:		Per Book Amount		
9	Total Gas Utility Plant 06/30/17	Page 4, Line 27, Col (d) Sum of Page 3, Line 5, Col (d) and Page 4, Line 25, Col (e)	\$1,405,994,678	(\$77,133,057)	\$1,328,861,622
10	Less Non Depreciable Plant	Col (e)	(\$308,514,725)		(\$308,514,725)
11	Depreciable Utility Plant 06/30/17	Line 9 + Line 10	\$1,097,479,953	(\$77,133,057)	\$1,020,346,897
12					
13	Plus: Added Plant 2 Mos Ended 08/31/17	Schedule 11-GAS, Page 3, Line 4	\$19,592,266		\$19,592,266
14	Less: Retired Plant 2 Months Ended 08/31/17	1/ Line 13 x Retirement Rate	(\$1,345,989)		(\$1,345,989)
15	Depreciable Utility Plant 08/31/17	Line 11 + Line 13 + Line 14	\$1,115,726,231	(\$77,133,057)	\$1,020,346,897
16					
17	Average Depreciable Plant for Year Ended 08/31/17	(Line 11 + Line 15)/2	\$1,106,603,092		\$1,106,603,092
18					
19	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.38%		
20					
21	Book Depreciation Reserve 06/30/17	Page 5, Line 72, Col (d)	\$357,576,825		\$357,576,825
22	Plus: Book Depreciation Expense	Line 17 x Line 19	\$6,233,864		\$6,233,864
23	Less: Net Cost of Removal/(Salvage)	2/ Line 13 x Cost of Removal Rate	(\$1,014,879)		(\$1,014,879)
24	Less: Retired Plant	Line 14	(\$1,345,989)		(\$1,345,989)
25	Book Depreciation Reserve 08/31/17	Sum of Line 21 through Line 24	\$361,449,821		
26					
27	Depreciation Expense 12 Months Ended 08/31/18				
28	Total Utility Plant 08/31/17	Line 9 + Line 13 + Line 14	\$1,424,240,956	(\$77,133,057)	\$1,347,107,900
29	Less Non Depreciable Plant	Line 10	(\$308,514,725)		(\$308,514,725)
30	Depreciable Utility Plant 08/31/17	Line 28 + Line 29	\$1,115,726,231		\$1,038,593,175
31					
32	Plus: Plant Added in 12 Months Ended 08/31/18	Schedule 11-GAS, Page 3, Line 11	\$115,710,016		\$115,710,016
33	Less: Plant Retired in 12 Months Ended 08/31/18	Line 32 x Retirement rate	(\$7,949,278)		(\$7,949,278)
34	Depreciable Utility Plant 08/31/18	Sum of Line 30 through Line 33	\$1,223,486,969		\$1,146,353,912
35					
36	Average Depreciable Plant for 12 Months Ended 08/31/18	(Line 30 + Line 34)/2	\$1,169,606,600		\$1,092,473,543
37					
38	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.38%		3.38%
39					
40	Book Depreciation Reserve 08/31/17	Line 25	\$361,449,821		
41	Plus: Book Depreciation 08/31/18	Line 36 x Line 38	\$39,532,703		\$36,925,606
42	Less: Net Cost of Removal/(Salvage)	Line 32 x Cost of Removal Rate	(\$5,993,779)		
43	Less: Retired Plant	Line 33	(\$7,949,278)		
44	Book Depreciation Reserve 08/31/18	Sum of Line 40 through Line 43	\$387,039,467		

1/ 3 year average retirement over plant addition in service FY 15 ~ FY17
2/ 3 year average Cost of Removal over plant addition in service FY 15 ~ FY17

6.87% Retirements
5.18% COR

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The Narragansett Electric Company
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Line No	Description	Reference	The Narragansett Electric Company d/b/a National Grid Depreciation Expense - Gas For the Test Year Ended June 30, 2017 and the Rate Year Ending August 31, 2021		
			Amount	Less non-ISR eligible Plant	ISR Amount
			(a)	(b)	(c)
1	Rate Year Depreciation Expense 12 Months Ended 08/31/19:				
2	Total Utility Plant 08/31/18	Page 1, Line 28 + Line 32 + Line 33	\$1,532,001,694	(\$77,133,057)	\$1,454,868,637
3	Less Non-Depreciable Plant	Page 1, Line 10	(\$308,514,725)		(\$308,514,725)
4	Depreciable Utility Plant 08/31/18	Line 2 + Line 3	\$1,223,486,969		\$1,146,353,912
5					
6	Plus: Added Plant 12 Months Ended 08/31/19	Schedule 11-GAS, Page 3, Line 35	\$114,477,000	(\$1,348,000)	\$113,129,000
7	Less: Depreciable Retired Plant	1/ Line 6 x Retirement rate	(\$7,864,570)	\$92,608	(\$7,771,962)
8					
9	Depreciable Utility Plant 08/31/19	Sum of Line 4 through Line 7	\$1,330,099,399	(\$78,388,449)	\$1,251,710,950
10					
11	Average Depreciable Plant for Rate Year Ended 08/31/19	(Line 4 + Line 9)/2	\$1,276,793,184		\$1,199,032,431
12					
13	Proposed Composite Rate %	Page 4, Line 17, Col (e)	3.05%		2.99%
14					
15	Book Depreciation Reserve 08/31/18	Page 1, Line 44	\$387,039,467		\$0
16	Plus: Book Depreciation Expense	Line 11 x Line 13	\$38,950,409		\$35,851,070
17	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-GAS, Part VI, Page 6	\$186,500		\$186,500
18	Less: Net Cost of Removal(Salvage)	2/ Line 6 x Cost of Removal Rate	(\$5,929,909)		\$0
19	Less: Retired Plant	Line 7	(\$7,864,570)		\$0
20	Book Depreciation Reserve 08/31/15	Sum of Line 15 through Line 15	\$412,381,898		\$36,037,570
21					
22	Rate Year Depreciation Expense 12 Months Ended 08/31/20:				
23	Total Utility Plant 08/31/19	Line 2 + Line 6 + Line 7	\$1,638,614,124	(\$78,388,449)	\$1,560,225,675
24	Less Non-Depreciable Plant	Page 1, Line 10	(\$308,514,725)		(\$308,514,725)
25	Depreciable Utility Plant 08/31/19	Line 23 + Line 24	\$1,330,099,399		\$1,251,710,950
26					
27	Plus: Added Plant 12 Months Ended 08/31/20	Schedule 11-GAS, Page 5, Line 11(i)	\$21,017,630	(\$750,000)	\$20,267,630
28	Less: Depreciable Retired Plant	1/ Line 27 x Retirement rate	(\$1,443,911)	\$51,525	(\$1,392,386)
29					\$0
30	Depreciable Utility Plant 08/31/20	Sum of Line 25 through Line 28	\$1,349,673,118	(\$79,086,924)	\$1,270,586,194
31					
32	Average Depreciable Plant for Rate Year Ended 08/31/20	(Line 25 + Line 30)/2	\$1,339,886,258		\$1,261,148,572
33					
34	Proposed Composite Rate %	Page 4, Line 17, Col (e)	3.05%		2.99%
35					
36	Book Depreciation Reserve 08/31/20	Line 20	\$412,381,898		\$0
37	Plus: Book Depreciation Expense	Line 32 x Line 34	\$40,875,154		\$37,708,342
38	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-GAS, Part VI, Page 6	\$186,500		\$186,500
39	Less: Net Cost of Removal(Salvage)	2/ Line 27 x Cost of Removal Rate	(\$1,088,713)		\$0
40	Less: Retired Plant	Line 28	(\$1,443,911)		\$0
41	Book Depreciation Reserve 08/31/20	Sum of Line 36 through Line 40	\$450,910,927		\$37,894,842
42					
43	Rate Year Depreciation Expense 12 Months Ended 08/31/21:				
44	Total Utility Plant 08/31/20	Line 23 + Line 27 + Line 28	\$1,658,187,843	(\$79,086,924)	\$1,579,100,919
45	Less Non-Depreciable Plant	Page 1, Line 10	(\$308,514,725)		(\$308,514,725)
46	Depreciable Utility Plant 08/31/20	Line 44 + Line 45	\$1,349,673,118		\$1,270,586,194
47					
48	Plus: Added Plant 12 Months Ended 08/31/21	Schedule 11-GAS, Page 5, Line 11(i)	\$21,838,436	(\$750,000)	\$21,088,436
49	Less: Depreciable Retired Plant	1/ Line 48 x Retirement rate	(\$1,500,301)	\$51,525	(\$1,448,776)
50					
51	Depreciable Utility Plant 08/31/21	Sum of Line 46 through Line 49	\$1,370,011,253	(\$79,785,399)	\$1,290,225,854
52					
53	Average Depreciable Plant for Rate Year Ended 08/31/21	(Line 46 + Line 51)/2	\$1,359,842,185		\$1,280,406,024
54					
55	Proposed Composite Rate %	Page 4, Line 17, Col (e)	3.05%		2.99%
56					
57	Book Depreciation Reserve 08/31/20	Line 41	\$450,910,927		\$0
58	Plus: Book Depreciation Expense	Line 53 x Line 55	\$41,483,938		\$38,284,140
59	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-GAS, Part VI, Page 6	\$186,500		\$186,500
60	Less: Net Cost of Removal(Salvage)	2/ Line 48 x Cost of Removal Rate	(\$1,131,231)		\$0
61	Less: Retired Plant	Line 49	(\$1,500,301)		\$0
62	Book Depreciation Reserve 08/31/21	Sum of Line 57 through Line 61	\$489,949,834		\$38,470,640
63					
64	1/ 3 year average retirement over plant addition in service FY 15 ~ FY17		0.0687	Retirements	
65	2/ 3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		0.0518	COR	
66					
67	Book Depreciation RY2	Line 37 (a) + Line 38 (b)			\$41,061,654
68	Less: General Plant Depreciation (assuming add=retirement)	Page 10, Line 79(f)			(\$748,271)
69	Plus: Comm Equipment Depreciation	Page 10, Line 73 + Line 74			\$32,079
70	Total				\$40,345,462
71	7 Months				x7/12
72	FY 2020 Depreciation Expense				\$23,534,853
73					
74	Book Depreciation RY3	Line 58 (a) + Line 59 (b)			\$41,670,438
75	Less: General Plant Depreciation	Page 10, Line 79(f)			(\$748,271)
76	Plus: Comm Equipment Depreciation	Page 10, Line 73 + Line 74			\$32,079
77	Total				\$40,954,246
78	FY 2021 Depreciation Expense	5 Months of RY 2 and 7 Months of RY 3			\$40,700,586

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d/b/a National Grid
Gas ISR Depreciation Expense

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The Narragansett Electric Company
d/b/a Rhode Island Energy
Fiscal Year 2023 ISR Property Tax Recovery Adjustment
(000s)

<u>Line</u>	<u>Notes</u>
1(a) - 5(i)	Docket No. 4781 Attachment MAL-2, Page 10 of 13, 1(a) to 5(h)
6(f) - 10(i)	Docket No. 4916 Attachment MAL-1, Page 17 of 20, 6(a) to 10(h)
11(a) - 15(i)	Docket No. 4996 Attachment MAL-1, Page 20 of 22, 11(a) to 15(i)
16(a) - 20(a)	11(i) - 15(i)
16(b)	Page 27 of 35, Line 1, Col (e)+1000
16(c)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (c)
16(d)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (d)
16(f)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 16 (f)
16(i)	Line 16(a) + (d) + (f)
17(e)	P25, (L58+L59)+(P2, L3 (a)+P5, L3 (a)+P8, L3 (a)+P12, L3 (a))+1000*3.05%+Inc (L1(c)+L6(c)+L11(c))*0.0416+ P15, L3 (a)*0.5*3.05%+1000+ L16(c)*0.5*0.0416
17(f)	=16(f)
17(g)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 17 (g)
17(i)	Line 17(a) + (e) + (f) + (g)
18(i)	Line 16(i) - 17(i)
19(i)	Line 18(h) × 20(h)
20(i)	Docket No. 5099, Section 3, Att. 1 (C), Page 23, 20 (h)
21(a) - 25(a)	16(i) - 20(i)
21(b)	Page 18 of 35, Line 1, Col (d)+1000
21(c)	Line 6(c)
21(d)	Line 16(b) + 16(c)
21(f)	- Page 18 of 35, Line 2, Col (d)-1000
21(i)	Line 21 (a) + (d) + (f)
22(e)	Page 31, (Line 58 + Line 59) + (Page 2, Line 3, Col (a) + Page 5, Line 3, Col (a) + Page 8, Line 3, Col (a) + Page 12, Line 3, Col (a) + Page 15, Line 3, Col (a))+1000 × 3.05%+ Incremental (L1(c)+L6(c)+L11(c)+L16(c))*3.05% + Page 18, Line 3, Col (a)+ L21(c))*0.5*3.05%+1000
22(f)	=21(f)
22(g)	- Page 18 of 35, Line 7, Col (d)+1000
22(i)	Line 22 (a) + (e) + (f) + (g)
23(i)	Line 21(i) - 22(i)
24(i)	Line 23(i) × 25(i)
25(i)	=20(a) most recent actual property tax rate
26(a) - 30(a)	21(i) - 25(i)
26(b)	
26(c)	Line 16(c)
26(d)	Line 26(b) + 26(c)
26(f)	
26(i)	Line 26 (a) + (d) + (f)
27(e)	Page 31, (Line 58 + Line 59) + (Page 2, Line 3, Col (a) + Page 5, Line 3, Col (a) + Page 8, Line 3, Col (a) + Page 12, Line 3, Col (a) + Page 15, Line 3, Col (a))+1000 × 3.05%+ Incremental (L1(c)+L6(c)+L11(c)+L16(c))*3.05% + Page 18, Line 3, Col (a)+ L21(c))*0.5*3.05%+1000
27(f)	=26(f)
27(g)	
27(i)	Line 27 (a) + (e) + (f) + (g)
28(i)	Line 26(i) - 27(i)
29(i)	Line 28(i) × 30(i)
30(i)	=20(i) most recent actual property tax rate

<u>Line</u>	<u>Notes</u>
36(a) - 52(h)	Docket No. 4781 Rec, Attachment MAL-1, Page 29 of 35, 82(c) to 107(k)
53(a)-71 (c)	Docket No. 4781 Rec, Attachment MAL-2, Page 10 of 13, 31(a) to 50 (c)
53(e)-71(g)	Docket No. 4916 Rec, Attachment MAL-1, Page 18 of 20, 28(c) to 48 (g)
53(i)	Page 15 of 35, Line 4(a)+1000
54(i)	-(Page 31 of 35, Line 77(c) *7-12)+1000
55(i)	- Page 15 of 35, Line 15(a)+1000
56(i)	Page 15 of 35, Line 7(a)+1000
57(i)	Sum of Lines 53(i) through 56(i)
59(i)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal. Att. 1, Sch 1-G, P3, L15, Col (e) + 64(j)
61(i)	=20(i)
62(i)	=59(i)
62(j)	61(i)-62(i)
63(i)	=62(j)
64(i)	=Rate Case, Docket 4770, Compliance, Revised Rebuttal. Att. 1: 64(a) × 5-12 + (Sch 6-G, P2, L30 - L41 + P3, L5(d) - P5, L4(d) - Sch 5-G, P1, L1(e) - L1(g)) × 7+12000
64(k)	64(i)*63(i)
65(i)	= - Rate Case, Docket 4770, Compliance, Revised Rebuttal Att. 1: Sch 11-G, P5, L3(c)+L3(i)+L7(e)+L7(i)+L3(l)+L7(l)*)
65(k)	65(i)*63(i)
66(i)	Line 66(c) - Page 2 of 35, Line 15(c)+1000
66(k)	=66(i)*61(i)
67(i)	Line 67(c) - Page 5 of 35, Line 15(d)+1000
67(k)	=67(i)*61(i)
68(i)	Line 68(c) - Page 8 of 35, Line 15(c)+1000
68(k)	=68(i)*61(i)
69(i)	Line 69(c) - Page 12 of 35, Line 15(c)+1000
69(k)	=69(i)*61(i)

<u>Line</u>	<u>Notes</u>
70(i)	57(j)
70(k)	=70(i)*61(i)
71(k)	sum of 64(k) through 70(k)
72(b)	Page 18 of 35, Line 4(a)+1000
73(b)	- Page 18 of 35, Line 5(a)+1000
74(b)	- Page 18 of 35, Line 14(a)+1000
75(b)	Page 18 of 35, Line 7(a)+1000
76(b)	Sum of Lines 72(b) through 75(b)
78(b)	59(j)
80(a)	25(c)
81(a)	78(b)
81(b)	80(a)*81(a)
82(b)	81(b)
83(a)	64(i)
83(c)	83(a)*82(b)
84(a)	65(i)
84(c)	84(a)*82(b)
85(a)	Line 66(i) - (Page 2 of 35, Line 15(f) through (h))+1000
85(c)	=85(a)*80(a)
86(a)	Line 67(i) - (Page 5 of 35, Line 15(e) through (g))+1000
86(c)	=86(a)*80(a)
87(a)	Line 68(i) - (Page 8 of 35, Line 15(d) through (f))+1000
87(c)	=87(a)*80(a)
88(a)	Line 69(i) - (Page 12 of 35, Line 15(c) through (e))+1000
88(c)	=88(a)*80(a)
89(a)	(Line 70(i) - (Page 15 of 35, Line 15(b) through (d))+1000
89(c)	=89(a)*80(a)
90(a)	=76(b)
90(c)	=90(a)*80(a)
93(c)	sum of 83(c) through 90(c)

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2025 Gas ISR Revenue Requirement Plan
Calculation of Weighted Average Cost of Capital

Line No.

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 35% income tax rate effective
April 1, 2013

	(a)	(b)	(c)	(d)	(e)
			Weighted		
	Ratio	Rate	Rate	Taxes	Return
4 Long Term Debt	49.95%	5.70%	2.85%		2.85%
5 Short Term Debt	0.76%	0.80%	0.01%		0.01%
6 Preferred Stock	0.15%	4.50%	0.01%		0.01%
7 Common Equity	49.14%	9.50%	4.67%	2.51%	7.18%
8	100.00%		7.54%	2.51%	10.05%

(d) - Column (c) x 35% divided by (1 - 35%)

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 21% income tax rate effective
January 1, 2018

	(a)	(b)	(c)	(d)	(e)
			Weighted		
	Ratio	Rate	Rate	Taxes	Return
16 Long Term Debt	49.95%	5.70%	2.85%		2.85%
17 Short Term Debt	0.76%	0.80%	0.01%		0.01%
18 Preferred Stock	0.15%	4.50%	0.01%		0.01%
19 Common Equity	49.14%	9.50%	4.67%	1.24%	5.91%
20	100.00%		7.54%	1.24%	8.78%

(d) - Column (c) x 21% divided by (1 - 21%)

Weighted Average Cost of Capital as approved in RIPUC Docket No. 4770 effective September 1, 2018

	(a)	(b)	(c)	(d)	(e)
			Weighted		
	Ratio	Rate	Rate	Taxes	Return
26 Long Term Debt	48.35%	4.98%	2.41%		2.41%
27 Short Term Debt	0.60%	1.76%	0.01%		0.01%
28 Preferred Stock	0.10%	4.50%	0.00%		0.00%
29 Common Equity	50.95%	9.28%	4.73%	1.26%	5.99%
30	100.00%		7.15%	1.26%	8.41%

(d) - Column (c) x 21% divided by (1 - 21%)

33 FY18 Blended Rate		Line 8(e) × 75% + Line 20(e) × 25%			9.73%
34					
35 FY19 Blended Rate		Line 20 x 5 ÷ 12 + Line 30 x 7 ÷ 12			8.56%

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 23-49-NG
Proposed FY 2025 Gas Infrastructure, Safety,
and Reliability Plan Filing
Section 4: Attachment 1 (Revised)
Page 1 of 2

Fiscal Year 2025 (12- Month) Revenue Requirement	Rate Class	Rate Base Allocator (%)	Allocation to Rate Class (\$)	Throughput (dth)	ISR Factor (dth)	ISR Factor (therm)	Uncollectible %	ISR Factor (therm)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
(1) \$72,781,718	Residential Total	66.59%	\$48,465,346	20,296,095	\$2.3879	\$0.2387	1.91%	\$0.2433
(2)	Small	8.04%	\$5,851,650	2,441,335	\$2.3969	\$0.2396	1.91%	\$0.2442
(3)	Medium	12.23%	\$8,901,204	5,733,716	\$1.5524	\$0.1552	1.91%	\$0.1582
(4)	Large LL	5.57%	\$4,053,942	2,818,841	\$1.4381	\$0.1438	1.91%	\$0.1466
(5)	Large HL	2.25%	\$1,637,589	1,219,611	\$1.3427	\$0.1342	1.91%	\$0.1368
(6)	XL-LL	0.97%	\$705,983	1,243,318	\$0.5678	\$0.0567	1.91%	\$0.0578
(7)	XL-HL	4.35%	\$3,166,005	5,806,680	\$0.5452	\$0.0545	1.91%	\$0.0555
(8)	Total	100.00%	\$72,781,718	39,559,595				
(9)								

(a) Line 1: Fiscal Year 2025 Revenue Requirement (Section 3 - Attachment 1, Page 1, Line 14, Column (b) plus Line 15, Column (b)):

Total Capital Investment Component of Revenue Requirement: \$ 77,354,638

Tax Hold Harmless Adjustment: \$ (4,572,920)

Total Net Capital Component of Revenue Requirement \$ 72,781,718

(c) Docket 4770, RI 2017 Rate Case, Compliance Attachment 14 (August 16, 2018), Schedule 2, Page 1 & 2, Line 15 (Rate Class divided by Total Company)

(d) Column (a) Line 1 * Column (c)

(e) Page 2, Column (m)

(f) Column (d) / Column (e), truncated to 4 decimal places

(g) Column (d) / (Column (e)*10), truncated to 4 decimal places

(h) Docket 4770, RI 2017 Rate Case, Compliance Attachment 2 (August 16, 2018), Schedule 22, Page 7, Line 15

(i) Column (g) / (1- Column (h)), truncated to 4 decimal places

Forecasted Throughput April 2024 - March 2025

	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(1) Res-NH	32,187	19,181	15,066	11,411	9,821	9,916	11,756	19,364	28,991	36,373	39,590	35,202	268,859
(2) Res-H	2,337,175	909,680	696,307	428,774	410,811	422,538	555,876	1,205,908	2,644,530	3,533,690	3,946,163	2,935,785	20,027,236
(3) Small	273,437	119,396	64,181	53,839	42,906	41,461	54,301	134,790	292,388	429,522	516,898	418,215	2,441,335
(4) Medium	645,995	317,847	245,748	176,090	167,168	170,823	212,594	406,756	673,249	874,646	986,679	856,121	5,733,716
(5) Large LL	326,881	139,832	78,657	43,289	40,390	44,552	84,045	222,181	373,741	489,991	530,413	444,868	2,818,841
(6) Large HL	121,419	97,705	74,388	70,692	63,004	68,775	70,801	97,064	119,146	141,850	155,722	139,046	1,219,611
(7) X-Large LL	126,271	50,338	27,944	23,309	23,963	28,049	67,900	137,900	172,587	212,485	196,189	176,384	1,243,318
(8) X-Large HL	515,761	472,060	400,440	396,609	406,733	410,149	421,253	505,828	554,987	586,122	587,660	549,079	5,806,680
(9)	<u>4,379,125</u>	<u>2,126,038</u>	<u>1,602,731</u>	<u>1,204,013</u>	<u>1,164,796</u>	<u>1,196,263</u>	<u>1,478,526</u>	<u>2,729,792</u>	<u>4,859,619</u>	<u>6,304,679</u>	<u>6,959,313</u>	<u>5,554,699</u>	<u>39,559,595</u>

Source: Company Forecast

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

Residential Heating:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:					
							DAC		EE	LIHEAP	GET	
							Base DAC	ISR				
(1)												
(2)												
(3)												
(4)												
(5)	548	\$1,190.58	\$1,161.80	\$28.78	2.5%	\$0.00	\$0.00	\$27.92	\$0.00	\$0.00	\$0.86	
(6)	608	\$1,300.93	\$1,269.02	\$31.91	2.5%	\$0.00	\$0.00	\$30.95	\$0.00	\$0.00	\$0.96	
(7)	667	\$1,409.40	\$1,374.42	\$34.98	2.5%	\$0.00	\$0.00	\$33.93	\$0.00	\$0.00	\$1.05	
(8)	726	\$1,517.92	\$1,479.82	\$38.10	2.6%	\$0.00	\$0.00	\$36.96	\$0.00	\$0.00	\$1.14	
(9)	785	\$1,626.35	\$1,585.15	\$41.21	2.6%	\$0.00	\$0.00	\$39.97	\$0.00	\$0.00	\$1.24	
(10)	845	\$1,736.66	\$1,692.31	\$44.35	2.6%	\$0.00	\$0.00	\$43.02	\$0.00	\$0.00	\$1.33	
(11)	905	\$1,847.00	\$1,799.52	\$47.48	2.6%	\$0.00	\$0.00	\$46.06	\$0.00	\$0.00	\$1.42	
(12)	964	\$1,955.44	\$1,904.85	\$50.59	2.7%	\$0.00	\$0.00	\$49.07	\$0.00	\$0.00	\$1.52	
(13)	1,023	\$2,063.92	\$2,010.27	\$53.65	2.7%	\$0.00	\$0.00	\$52.04	\$0.00	\$0.00	\$1.61	
(14)	1,082	\$2,172.39	\$2,115.64	\$56.75	2.7%	\$0.00	\$0.00	\$55.05	\$0.00	\$0.00	\$1.70	
(15)	1,142	\$2,282.81	\$2,222.85	\$59.96	2.7%	\$0.00	\$0.00	\$58.16	\$0.00	\$0.00	\$1.80	

Residential Heating Low Income:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Low Income Discount	Difference due to:				
								DAC		EE	LIHEAP	GET
							Base DAC	ISR				
(16)												
(17)												
(18)												
(19)												
(20)	548	\$882.98	\$861.40	\$21.59	2.5%	\$0.00	(\$6.98)	\$0.00	\$27.92	\$0.00	\$0.00	\$0.65
(21)	608	\$964.64	\$940.71	\$23.93	2.5%	\$0.00	(\$7.74)	\$0.00	\$30.95	\$0.00	\$0.00	\$0.72
(22)	667	\$1,044.93	\$1,018.69	\$26.23	2.6%	\$0.00	(\$8.48)	\$0.00	\$33.93	\$0.00	\$0.00	\$0.79
(23)	726	\$1,125.25	\$1,096.68	\$28.58	2.6%	\$0.00	(\$9.24)	\$0.00	\$36.96	\$0.00	\$0.00	\$0.86
(24)	785	\$1,205.48	\$1,174.58	\$30.90	2.6%	\$0.00	(\$9.99)	\$0.00	\$39.97	\$0.00	\$0.00	\$0.93
(25)	845	\$1,287.14	\$1,253.88	\$33.26	2.7%	\$0.00	(\$10.76)	\$0.00	\$43.02	\$0.00	\$0.00	\$1.00
(26)	905	\$1,368.81	\$1,333.20	\$35.61	2.7%	\$0.00	(\$11.52)	\$0.00	\$46.06	\$0.00	\$0.00	\$1.07
(27)	964	\$1,449.06	\$1,411.12	\$37.94	2.7%	\$0.00	(\$12.27)	\$0.00	\$49.07	\$0.00	\$0.00	\$1.14
(28)	1,023	\$1,529.35	\$1,489.11	\$40.24	2.7%	\$0.00	(\$13.01)	\$0.00	\$52.04	\$0.00	\$0.00	\$1.21
(29)	1,082	\$1,609.64	\$1,567.08	\$42.56	2.7%	\$0.00	(\$13.76)	\$0.00	\$55.05	\$0.00	\$0.00	\$1.28
(30)	1,142	\$1,691.35	\$1,646.38	\$44.97	2.7%	\$0.00	(\$14.54)	\$0.00	\$58.16	\$0.00	\$0.00	\$1.35

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2023

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

Residential Non-Heating:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:					
							DAC		EE	LIHEAP	GET	
							Base DAC	ISR				
(31)												
(32)												
(33)												
(34)												
(35)	144	\$445.67	\$438.08	\$7.59	1.7%	\$0.00	\$0.00	\$7.36	\$0.00	\$0.00	\$0.23	
(36)	158	\$471.20	\$462.91	\$8.29	1.8%	\$0.00	\$0.00	\$8.04	\$0.00	\$0.00	\$0.25	
(37)	172	\$496.76	\$487.73	\$9.03	1.9%	\$0.00	\$0.00	\$8.76	\$0.00	\$0.00	\$0.27	
(38)	189	\$527.73	\$517.83	\$9.91	1.9%	\$0.00	\$0.00	\$9.61	\$0.00	\$0.00	\$0.30	
(39)	202	\$551.49	\$540.88	\$10.62	2.0%	\$0.00	\$0.00	\$10.30	\$0.00	\$0.00	\$0.32	
(40)	220	\$584.28	\$572.72	\$11.56	2.0%	\$0.00	\$0.00	\$11.21	\$0.00	\$0.00	\$0.35	
(41)	238	\$617.15	\$604.66	\$12.48	2.1%	\$0.00	\$0.00	\$12.11	\$0.00	\$0.00	\$0.37	
(42)	251	\$640.89	\$627.69	\$13.20	2.1%	\$0.00	\$0.00	\$12.80	\$0.00	\$0.00	\$0.40	
(43)	268	\$671.86	\$657.79	\$14.07	2.1%	\$0.00	\$0.00	\$13.65	\$0.00	\$0.00	\$0.42	
(44)	282	\$697.38	\$682.60	\$14.78	2.2%	\$0.00	\$0.00	\$14.34	\$0.00	\$0.00	\$0.44	
(45)	297	\$724.77	\$709.17	\$15.60	2.2%	\$0.00	\$0.00	\$15.13	\$0.00	\$0.00	\$0.47	

Residential Non-Heating Low Income:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Low Income Discount	Difference due to:				
								DAC		EE	LIHEAP	GET
							Base DAC	ISR				
(46)												
(47)												
(48)												
(49)												
(50)	144	\$331.64	\$325.95	\$5.69	1.7%	\$0.00	(\$1.84)	\$0.00	\$7.36	\$0.00	\$0.00	\$0.17
(51)	158	\$350.52	\$344.30	\$6.22	1.8%	\$0.00	(\$2.01)	\$0.00	\$8.04	\$0.00	\$0.00	\$0.19
(52)	172	\$369.42	\$362.65	\$6.77	1.9%	\$0.00	(\$2.19)	\$0.00	\$8.76	\$0.00	\$0.00	\$0.20
(53)	189	\$392.36	\$384.93	\$7.43	1.9%	\$0.00	(\$2.40)	\$0.00	\$9.61	\$0.00	\$0.00	\$0.22
(54)	202	\$409.94	\$401.98	\$7.96	2.0%	\$0.00	(\$2.57)	\$0.00	\$10.30	\$0.00	\$0.00	\$0.24
(55)	220	\$434.21	\$425.54	\$8.67	2.0%	\$0.00	(\$2.80)	\$0.00	\$11.21	\$0.00	\$0.00	\$0.26
(56)	238	\$458.53	\$449.17	\$9.36	2.1%	\$0.00	(\$3.03)	\$0.00	\$12.11	\$0.00	\$0.00	\$0.28
(57)	251	\$476.09	\$466.20	\$9.90	2.1%	\$0.00	(\$3.20)	\$0.00	\$12.80	\$0.00	\$0.00	\$0.30
(58)	268	\$499.03	\$488.47	\$10.55	2.2%	\$0.00	(\$3.41)	\$0.00	\$13.65	\$0.00	\$0.00	\$0.32
(59)	282	\$517.90	\$506.81	\$11.09	2.2%	\$0.00	(\$3.59)	\$0.00	\$14.34	\$0.00	\$0.00	\$0.33
(60)	297	\$538.20	\$526.50	\$11.70	2.2%	\$0.00	(\$3.78)	\$0.00	\$15.13	\$0.00	\$0.00	\$0.35

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2023

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

C & I Small:

(61)	(62)	Annual	Proposed	Current	Difference	% Chg	GCR	Difference due to:				
								Consumption (Therms)	Rates	Rates	Difference	% Chg
(63)	(64)	830	\$1,740.12	\$1,693.75	\$46.37	2.7%	\$0.00	\$0.00	\$44.98	\$0.00	\$0.00	\$1.39
(65)	(66)	919	\$1,892.47	\$1,841.11	\$51.36	2.8%	\$0.00	\$0.00	\$49.82	\$0.00	\$0.00	\$1.54
(67)	(68)	1,010	\$2,048.26	\$1,991.82	\$56.43	2.8%	\$0.00	\$0.00	\$54.74	\$0.00	\$0.00	\$1.69
(69)	(70)	1,099	\$2,200.63	\$2,139.22	\$61.41	2.9%	\$0.00	\$0.00	\$59.57	\$0.00	\$0.00	\$1.84
(71)	(72)	1,187	\$2,351.36	\$2,285.04	\$66.32	2.9%	\$0.00	\$0.00	\$64.33	\$0.00	\$0.00	\$1.99
(73)	(74)	1,277	\$2,505.41	\$2,434.05	\$71.36	2.9%	\$0.00	\$0.00	\$69.22	\$0.00	\$0.00	\$2.14
(75)	(76)	1,367	\$2,659.44	\$2,583.03	\$76.40	3.0%	\$0.00	\$0.00	\$74.11	\$0.00	\$0.00	\$2.29
(77)	(78)	1,456	\$2,811.82	\$2,730.46	\$81.36	3.0%	\$0.00	\$0.00	\$78.92	\$0.00	\$0.00	\$2.44
(79)	(80)	1,544	\$2,962.56	\$2,876.27	\$86.29	3.0%	\$0.00	\$0.00	\$83.70	\$0.00	\$0.00	\$2.59
(81)	(82)	1,635	\$3,118.34	\$3,026.98	\$91.36	3.0%	\$0.00	\$0.00	\$88.62	\$0.00	\$0.00	\$2.74
(83)	(84)	1,725	\$3,272.38	\$3,175.99	\$96.39	3.0%	\$0.00	\$0.00	\$93.50	\$0.00	\$0.00	\$2.89

C & I Medium:

(76)	(77)	Annual	Proposed	Current	Difference	% Chg	GCR	Difference due to:				
								Consumption (Therms)	Rates	Rates	Difference	% Chg
(78)	(79)	6,907	\$11,236.71	\$10,998.15	\$238.56	2.2%	\$0.00	\$0.00	\$231.40	\$0.00	\$0.00	\$7.16
(80)	(81)	7,650	\$12,331.47	\$12,067.26	\$264.21	2.2%	\$0.00	\$0.00	\$256.28	\$0.00	\$0.00	\$7.93
(82)	(83)	8,391	\$13,422.80	\$13,132.96	\$289.84	2.2%	\$0.00	\$0.00	\$281.14	\$0.00	\$0.00	\$8.70
(84)	(85)	9,136	\$14,520.28	\$14,204.76	\$315.53	2.2%	\$0.00	\$0.00	\$306.06	\$0.00	\$0.00	\$9.47
(86)	(87)	9,880	\$15,616.40	\$15,275.15	\$341.25	2.2%	\$0.00	\$0.00	\$331.01	\$0.00	\$0.00	\$10.24
(88)	(89)	10,623	\$16,711.13	\$16,344.24	\$366.89	2.2%	\$0.00	\$0.00	\$355.88	\$0.00	\$0.00	\$11.01
(90)	(91)	11,366	\$17,805.83	\$17,413.30	\$392.53	2.3%	\$0.00	\$0.00	\$380.75	\$0.00	\$0.00	\$11.78
(92)	(93)	12,111	\$18,903.31	\$18,485.05	\$418.26	2.3%	\$0.00	\$0.00	\$405.71	\$0.00	\$0.00	\$12.55
(94)	(95)	12,855	\$19,999.50	\$19,555.53	\$443.97	2.3%	\$0.00	\$0.00	\$430.65	\$0.00	\$0.00	\$13.32
(96)	(97)	13,596	\$21,090.82	\$20,621.28	\$469.54	2.3%	\$0.00	\$0.00	\$455.45	\$0.00	\$0.00	\$14.09
(98)	(99)	14,340	\$22,186.91	\$21,691.67	\$495.24	2.3%	\$0.00	\$0.00	\$480.38	\$0.00	\$0.00	\$14.86

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2023

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

C & I LLF Large:

(91)	(92)	(93)	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:				
									DAC		EE	LIHEAP	GET
(94)	(95)	(96)	(97)	(98)	(99)	(100)	(101)	(102)	(103)	(104)	(105)		
			37,587	\$54,475.36	\$53,200.52	\$1,274.85	2.4%	\$0.00	\$0.00	\$1,236.60	\$0.00	\$0.00	\$38.25
			41,634	\$60,072.97	\$58,660.81	\$1,412.16	2.4%	\$0.00	\$0.00	\$1,369.80	\$0.00	\$0.00	\$42.36
			45,683	\$65,673.72	\$64,124.29	\$1,549.43	2.4%	\$0.00	\$0.00	\$1,502.95	\$0.00	\$0.00	\$46.48
			49,731	\$71,273.22	\$69,586.46	\$1,686.75	2.4%	\$0.00	\$0.00	\$1,636.15	\$0.00	\$0.00	\$50.60
			53,777	\$76,869.53	\$75,045.57	\$1,823.96	2.4%	\$0.00	\$0.00	\$1,769.24	\$0.00	\$0.00	\$54.72
			57,825	\$82,469.04	\$80,507.75	\$1,961.29	2.4%	\$0.00	\$0.00	\$1,902.45	\$0.00	\$0.00	\$58.84
			61,873	\$88,068.55	\$85,970.00	\$2,098.56	2.4%	\$0.00	\$0.00	\$2,035.60	\$0.00	\$0.00	\$62.96
			65,920	\$93,666.08	\$91,430.26	\$2,235.81	2.4%	\$0.00	\$0.00	\$2,168.74	\$0.00	\$0.00	\$67.07
			69,967	\$99,264.34	\$96,891.25	\$2,373.09	2.4%	\$0.00	\$0.00	\$2,301.90	\$0.00	\$0.00	\$71.19
			74,016	\$104,865.09	\$102,354.64	\$2,510.45	2.5%	\$0.00	\$0.00	\$2,435.14	\$0.00	\$0.00	\$75.31
			78,063	\$110,462.67	\$107,814.96	\$2,647.71	2.5%	\$0.00	\$0.00	\$2,568.28	\$0.00	\$0.00	\$79.43

C & I HLF Large:

(106)	(107)	(108)	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:				
									DAC		EE	LIHEAP	GET
(109)	(110)	(111)	(112)	(113)	(114)	(115)	(116)	(117)	(118)	(119)	(120)		
			41,956	\$52,962.29	\$51,249.48	\$1,712.81	3.3%	\$0.00	\$0.00	\$1,661.43	\$0.00	\$0.00	\$51.38
			46,471	\$58,394.59	\$56,497.44	\$1,897.14	3.4%	\$0.00	\$0.00	\$1,840.23	\$0.00	\$0.00	\$56.91
			50,991	\$63,832.38	\$61,750.67	\$2,081.71	3.4%	\$0.00	\$0.00	\$2,019.26	\$0.00	\$0.00	\$62.45
			55,507	\$69,265.77	\$66,999.71	\$2,266.06	3.4%	\$0.00	\$0.00	\$2,198.08	\$0.00	\$0.00	\$67.98
			60,028	\$74,704.71	\$72,254.09	\$2,450.62	3.4%	\$0.00	\$0.00	\$2,377.10	\$0.00	\$0.00	\$73.52
			64,545	\$80,139.20	\$77,504.15	\$2,635.05	3.4%	\$0.00	\$0.00	\$2,556.00	\$0.00	\$0.00	\$79.05
			69,062	\$85,573.70	\$82,754.25	\$2,819.44	3.4%	\$0.00	\$0.00	\$2,734.86	\$0.00	\$0.00	\$84.58
			73,583	\$91,012.66	\$88,008.66	\$3,004.00	3.4%	\$0.00	\$0.00	\$2,913.88	\$0.00	\$0.00	\$90.12
			78,099	\$96,446.05	\$93,257.67	\$3,188.38	3.4%	\$0.00	\$0.00	\$3,092.73	\$0.00	\$0.00	\$95.65
			82,619	\$101,883.82	\$98,510.96	\$3,372.87	3.4%	\$0.00	\$0.00	\$3,271.68	\$0.00	\$0.00	\$101.19
			87,137	\$107,320.39	\$103,763.04	\$3,557.35	3.4%	\$0.00	\$0.00	\$3,450.63	\$0.00	\$0.00	\$106.72

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2023

**Rhode Island Energy
Infrastructure, Safety, and Reliability (ISR) Filing
Bill Impact Analysis with Various Levels of Consumption:**

C & I LLF Extra-Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:				
							DAC			EE	LIHEAP
							Base DAC	ISR	EE	LIHEAP	GET
(121)											
(122)											
(123)											
(124)											
(125)	233,835	\$250,721.30	\$247,587.44	\$3,133.86	1.3%	\$0.00	\$0.00	\$3,039.84	\$0.00	\$0.00	\$94.02
(126)	259,019	\$277,056.49	\$273,585.11	\$3,471.38	1.3%	\$0.00	\$0.00	\$3,367.24	\$0.00	\$0.00	\$104.14
(127)	284,197	\$303,386.00	\$299,577.15	\$3,808.85	1.3%	\$0.00	\$0.00	\$3,694.58	\$0.00	\$0.00	\$114.27
(128)	309,381	\$329,721.14	\$325,574.80	\$4,146.34	1.3%	\$0.00	\$0.00	\$4,021.95	\$0.00	\$0.00	\$124.39
(129)	334,562	\$356,053.50	\$351,569.68	\$4,483.81	1.3%	\$0.00	\$0.00	\$4,349.30	\$0.00	\$0.00	\$134.51
(130)	359,745	\$382,387.73	\$377,566.40	\$4,821.33	1.3%	\$0.00	\$0.00	\$4,676.69	\$0.00	\$0.00	\$144.64
(131)	384,928	\$408,721.94	\$403,563.12	\$5,158.82	1.3%	\$0.00	\$0.00	\$5,004.06	\$0.00	\$0.00	\$154.76
(132)	410,110	\$435,055.22	\$429,558.89	\$5,496.33	1.3%	\$0.00	\$0.00	\$5,331.44	\$0.00	\$0.00	\$164.89
(133)	435,293	\$461,389.44	\$455,555.62	\$5,833.81	1.3%	\$0.00	\$0.00	\$5,658.80	\$0.00	\$0.00	\$175.01
(134)	460,471	\$487,718.98	\$481,547.72	\$6,171.26	1.3%	\$0.00	\$0.00	\$5,986.12	\$0.00	\$0.00	\$185.14
(135)	485,655	\$514,054.10	\$507,545.32	\$6,508.77	1.3%	\$0.00	\$0.00	\$6,313.51	\$0.00	\$0.00	\$195.26

C & I HLF Extra-Large:

	Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	GCR	Difference due to:				
							DAC			EE	LIHEAP
							Base DAC	ISR	EE	LIHEAP	GET
(136)											
(137)											
(138)											
(139)											
(140)	486,528	\$475,459.87	\$469,842.23	\$5,617.64	1.2%	\$0.00	\$0.00	\$5,449.11	\$0.00	\$0.00	\$168.53
(141)	538,924	\$525,997.02	\$519,774.39	\$6,222.63	1.2%	\$0.00	\$0.00	\$6,035.95	\$0.00	\$0.00	\$186.68
(142)	591,320	\$576,533.30	\$569,705.71	\$6,827.59	1.2%	\$0.00	\$0.00	\$6,622.76	\$0.00	\$0.00	\$204.83
(143)	643,718	\$627,072.18	\$619,639.57	\$7,432.62	1.2%	\$0.00	\$0.00	\$7,209.64	\$0.00	\$0.00	\$222.98
(144)	696,109	\$677,604.04	\$669,566.51	\$8,037.54	1.2%	\$0.00	\$0.00	\$7,796.41	\$0.00	\$0.00	\$241.13
(145)	748,506	\$728,142.07	\$719,499.50	\$8,642.57	1.2%	\$0.00	\$0.00	\$8,383.29	\$0.00	\$0.00	\$259.28
(146)	800,903	\$778,679.99	\$769,432.44	\$9,247.56	1.2%	\$0.00	\$0.00	\$8,970.13	\$0.00	\$0.00	\$277.43
(147)	853,294	\$829,211.89	\$819,359.44	\$9,852.45	1.2%	\$0.00	\$0.00	\$9,556.88	\$0.00	\$0.00	\$295.57
(148)	905,692	\$879,750.77	\$869,293.30	\$10,457.47	1.2%	\$0.00	\$0.00	\$10,143.75	\$0.00	\$0.00	\$313.72
(149)	958,088	\$930,287.09	\$919,224.60	\$11,062.48	1.2%	\$0.00	\$0.00	\$10,730.61	\$0.00	\$0.00	\$331.87
(150)	1,010,485	\$980,825.03	\$969,157.57	\$11,667.46	1.2%	\$0.00	\$0.00	\$11,317.44	\$0.00	\$0.00	\$350.02

Note: Bill Impacts are based on rates approved and currently in effect as of November 1, 2023