

March 30, 2026

VIA ELECTRONIC MAIL AND HAND DELIVERY

Stephanie De La Rosa, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket No. 25-54-EL – The Narragansett Electric Company d/b/a Rhode Island Energy
Proposed FY 2027 Electric Infrastructure, Safety, and Reliability Plan
Compliance Filing**

Dear Ms. De La Rosa:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (the “Company”), the enclosed documents represent the Company’s required compliance filing reflecting directives that were issued to the Company by the Public Utilities Commission (“PUC”) at an Open Meeting that occurred on March 27, 2026 in the above-referenced matter.

- **FY 2027 Electric ISR Attachment 3 Compliance** – This Attachment 3 - Compliance spreadsheet shows the approved FY 2027 budget for the investment categories in accordance with the approved budget framework. Specifically, Attachment 3 - Compliance is provided in the form of the Attachment to Record Request 2 in this docket, and shows the following budget categories:
 - Consolidated Soft Budget Limit – Reflects the approved soft budget cap of \$109,436,000 inclusive of the pole attachment category.
 - Separately Tracked Major Projects – Reflects the FY 2027 budget allocation of \$13,765,000 million for the following approved “ISR eligible” major projects: Admiral Street 12 kV Substation, Dyer Street Substation, Southeast Substation, East Providence, Nasonville Substation, and Warren Substation. The other listed major projects are included in Attachment 3 for visibility.
- **FY 2026 Electric ISR Revenue Requirements & Bill Impacts** – Shows the Electric ISR Plan revenue requirement, rate design and bill impacts for the period of April 1, 2026 through March 31, 2027 reflecting the PUC’s Open Meeting decision in the above-referenced docket. While there were certain adjustments to the plant-in-service and cost of removal amounts by category, there were no changes to the total revenue requirement and resulting bill impacts from the original filing.

- **FY 2026 Electric ISR AMF Revenue Requirement – Attachment SAB-1-Compliance and SAB-2-Compliance** – There were no changes to the calculation of the total AMF capital investment component of the revenue requirement shown in Attachment SAB-1 (Compliance) and Attachment SAB-2 (Compliance) from the original filing. The Company is including a complete set of schedules for the PUC’s convenience.

This filing consists of the following updated Electric ISR Plan documents:

- Section 4: Revenue Requirement Attachment 1 (Compliance)
- Section 4: Revenue Requirement Attachment 2 (Compliance)
- Section 5: Rate Design and Rates (Compliance)
- Section 6: Bill Impacts (Compliance)
- Attachment SAB -1 (Compliance)
- Attachment SAB-2 (Compliance)

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

Very truly yours,



Jennifer Brooks Hutchinson

Enclosure

cc: Docket No. 25-54-EL Service List

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

Line No.		Fiscal Year 4/1/25 - 3/31/26	Fiscal Year 4/1/26 - 3/31/27
		<u>2026</u> (a)	<u>2027</u> (b)
<u>Operation and Maintenance (O&M) Expenses:</u>			
1	Current Year Vegetation Management (VM)	\$13,823,000	\$12,900,000
2	Current Year Inspection & Maintenance (I&M)	\$888,000	\$1,365,000
3	Current Year Other Programs	\$15,000	\$0
4	Total O&M Expense Component of Revenue Requirement	<u>\$14,726,000</u>	<u>\$14,265,000</u>
<u>Capital Investment:</u>			
5	Actual Revenue Requirement on FY 2018 Incremental Capital included in ISR Rate Base	\$1,646,083	\$1,525,489
6	Actual Revenue Requirement on FY 2019 Incremental Capital included in ISR Rate Base	\$3,314,561	\$3,084,570
7	Actual Revenue Requirement on FY 2020 Incremental Capital included in ISR Rate Base	\$4,982,780	\$4,755,493
8	Actual Revenue Requirement on FY 2021 Incremental Capital included in ISR Rate Base	\$7,730,831	\$7,366,672
9	Actual Revenue Requirement on FY 2022 Incremental Capital included in ISR Rate Base	\$4,558,205	\$4,326,756
10	Actual Revenue Requirement on FY 2023 Incremental Capital included in ISR Rate Base	\$5,274,465	\$5,035,804
11	Actual Revenue Requirement on FY 2024 Incremental Capital included in ISR Rate Base	\$5,413,077	\$4,846,756
12	Actual Revenue Requirement on FY 2025 Incremental Capital included in ISR Rate Base	\$7,081,880	\$8,584,895
13	Forecasted Revenue Requirement on FY 2026 Capital included in ISR Rate Base	\$2,248,514	\$4,408,854
14	Forecasted Revenue Requirement on FY 2027 Capital included in ISR Rate Base		\$5,125,855
15	Subtotal	<u>\$42,250,397</u>	<u>\$49,061,145</u>
16	Fiscal Year 2026 Property Tax Recovery Adjustment (Mar-26)	\$10,373,724	
17	Fiscal Year 2027 Property Tax Recovery Adjustment (Mar-27)		\$12,989,338
18	Total Capital Investment Component of Revenue Requirement	<u>\$52,624,120</u>	<u>\$62,050,483</u>
19	Total Revenue Requirement	<u>\$67,350,120</u>	<u>\$76,315,483</u>
20	Docket No. 24-54-EL, FY 2026 Electric ISR Plan, Section 4: Attachment 1 (C), Page 1 of 42, Line 20	(2,141,485)	
21	Per Tax Hold Harmless Adjustment		(2,302,768)
22	Total Net Capital Investment Component of Revenue Requirement	<u>\$65,208,635</u>	<u>\$74,012,715</u>
23	Incremental Rate Adjustment		\$8,804,080

Column/Line Notes:

Col (a) Docket No. 24-54-EL, FY 2026 Electric ISR Plan, Section 4: Attachment 1 (C), Page 1 of 42, Column (b)

Col (b)

- 1 Vegetation Management, Section 3 (Compliance), Table 1, Column (g)
- 2 Other Operations and Maintenance, Section 3 (Compliance), Table 2 Column (a)
- 4 Sum of Lines 1 through 3
- 5 Page 2 of 46, Line 40 column (k)
- 6 Page 5 of 46, Line 42, Column (j)
- 7 Page 10 of 46, Line 39, Column (i)
- 8 Page 13 of 46, Line 40, Column (h)
- 9 Page 17 of 46, Line 39, Column (g)
- 10 Page 20 of 46, Line 39, Column (f)
- 11 Page 23 of 46, Line 35, Column (d)
- 12 Page 26 of 46, Line 33, Column (c)
- 13 Page 29 of 46, Line 33, Column (b)
- 14 Page 32 of 46, Line 33, Column (a)
- 15 Sum of Lines 5 through 14
- 17 Page 43 of 46, Line 119, Column (ag) × 1,000
- 18 Sum of Lines 15 through 17
- 19 Line 4 + Line 18
- 21 Section 4, Attachment 2 (Compliance), Pages 1, Line 21
- 22 Line 19 + Line 20 + Line 21
- 23 Column (b) = Line 22 Col (b) - Line 22 Col (a)

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 25-54-EL
Proposed FY 2027 Electric Infrastructure, Safety, and Reliability Plan Filing
Section 4: Attachment 1 (Compliance)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2018 Actual Incremental 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 (f)	PPL 5/25/22 - 3/31/23 (g)	Fiscal Year 2024 (h)	Fiscal Year 2025 (i)	Fiscal Year 2026 (j)	Fiscal Year 2027 (k)
Capital Investment Allowance												
1	Non-Discretionary Capital	\$1,559,020										
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	\$14,638,256										
3	Total Allowed Capital Included in Rate Base Page 35 of 46, Line 4(a)	\$16,197,276	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base												
4	Total Allowed Capital Included in Rate Base in Current Year Line 3	\$16,197,276	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Retirements Page 35 of 46, Line 10, Col (a)	(\$5,245,072)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base Year 1 = Line 4 - Line 5; then = Prior Year Line 6	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348	\$21,442,348
Change in Net Capital Included in Rate Base												
7	Capital Included in Rate Base Line 3	\$16,197,276	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Depreciation Expense Line 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Incremental Capital Amount Year 1 = Line 7 - Line 8; then = Prior Year Line 9	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276	\$16,197,276
10	Cost of Removal Page 35 of 46, Line 7, Col (a)	\$1,685,747	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Total Net Plant in Service Year 1 = Line 9 + Line 10, Then = Prior year	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023
Deferred Tax Calculation:												
12	Composite Book Depreciation Rate 1/	3.40%	3.26%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
13	Number of days 2/						54	311				
14	Proration Percentage 2/						14.79%	85.21%				
15	Vintage Year Tax Depreciation: Year 1 = Page 3 of 46, Line 29; then = Page 3 of 46, Column (e)											
16	Tax Depreciation and Year 1 Basis Adjustments Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16	\$12,937,234	\$519,127	\$480,151	\$444,195	\$410,829	\$56,227	\$487,528	\$938,525	\$868,061	\$803,057	\$742,733
17	Cumulative Tax Depreciation-NG Year 1 = Line 16; then = Prior Year Line 18 + Current Year Line 16	\$12,937,234	\$13,456,361	\$13,936,512	\$14,380,707	\$14,791,536	\$14,847,762					
18	Cumulative Tax Depreciation-PPL Year 1 = Line 6 * Line 12 * 50%; then = Line 6 * Line 12 / 2 Year 1 = Line 19; then = Prior Year Line 20 + Current Year Line 19	\$364,520	\$699,021	\$677,578	\$677,578	\$677,578	\$100,244	\$577,334	\$677,578	\$677,578	\$677,578	\$677,578
19	Book Depreciation Year 1 = Line 19; then = Prior Year Line 20 + Current Year Line 19	\$364,520	\$1,063,540	\$1,741,119	\$2,418,697	\$3,096,275	\$3,196,519	\$3,773,853	\$4,451,431	\$5,129,010	\$5,806,588	\$6,484,166
20	Cumulative Book Depreciation Columns (a) through (f); Line 17 - Line 20, Then Line 18 - Line 20	\$12,572,714	\$12,392,820	\$12,195,393	\$11,962,010	\$11,695,261	\$11,651,243	(\$3,286,325)	(\$3,025,378)	(\$2,834,896)	(\$2,709,417)	(\$2,644,262)
21	Less: Cumulative Book Depreciation at Acquisition Line 20 Column (f)							\$3,196,519	\$3,196,519	\$3,196,519	\$3,196,519	\$3,196,519
22	Cumulative Book / Tax Timer - PPL Line 21 + Line 22							(\$89,805)	\$171,141	\$361,623	\$487,102	\$552,257
23	Effective Tax Rate Columns (a) through (f); Line 21 * Line 24, Then Line 23 * Line 24	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
24	Deferred Tax Reserve Year 1 = Page 35 of 46, Line 15, Col (a); then = Prior Year Line 26	\$2,640,270	\$2,602,492	\$2,561,033	\$2,512,022	\$2,456,005	\$2,446,761	(\$18,859)	\$35,940	\$75,941	\$102,291	\$115,974
25	Less: FY 2018 Federal NOL (Generation) / Utilization Year 1 = (Line 18 * 31.55% blended FY18 tax rate) - Line 20, Then = Year 1	(\$2,998,499)	(\$2,998,499)	(\$2,998,499)	(\$2,998,499)	(\$2,998,499)	(\$2,998,499)		\$0	\$0	\$0	\$0
26	Excess Deferred Tax Sum of Lines 25 through 27	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421	\$1,326,421
27	Net Deferred Tax Reserve before Proration Adjustment	\$968,193	\$930,415	\$888,955	\$839,945	\$783,928	\$774,684	\$1,307,562	\$1,362,361	\$1,402,362	\$1,428,713	\$1,442,395
Rate Base Calculation:												
29	Cumulative Incremental Capital Included in Rate Base Line 11	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023	\$17,883,023
30	Accumulated Depreciation -Line 20	(\$364,520)	(\$1,063,540)	(\$1,741,119)	(\$2,418,697)	(\$3,096,275)	(\$3,196,519)	(\$3,773,853)	(\$4,451,431)	(\$5,129,010)	(\$5,806,588)	(\$6,484,166)
31	Deferred Tax Reserve -Line 28	(\$968,193)	(\$930,415)	(\$888,955)	(\$839,945)	(\$783,928)	(\$774,684)	(\$1,307,562)	(\$1,362,361)	(\$1,402,362)	(\$1,428,713)	(\$1,442,395)
32	Year End Rate Base before Deferred Tax Proration Sum of Lines 29 through 31	\$16,550,310	\$15,889,067	\$15,252,949	\$14,624,381	\$14,002,820	\$13,911,820	\$12,801,608	\$12,069,231	\$11,351,651	\$10,647,723	\$9,956,462
Revenue Requirement Calculation:												
33	Average Rate Base before Deferred Tax Proration Adjustment Year 1 and 2 = 0; then Average of (Prior + Current Year Line 32)	\$8,275,155	\$16,219,689	\$15,571,008	\$14,938,665	\$14,313,601	\$13,402,214	\$13,402,214	\$12,435,419	\$11,710,441	\$10,999,687	\$10,302,092
34	Proration Adjustment Page 4 of 46, Line 40			(\$1,780)	(\$2,104)	(\$2,404)	(\$1,206)	(\$1,206)	\$2,352	\$1,717	\$1,131	\$587
35	Average ISR Rate Base after Deferred Tax Proration Line 33 + Line 34	\$8,275,155	\$16,219,689	\$15,569,229	\$14,936,561	\$14,311,196	\$13,401,008	\$13,401,008	\$12,437,771	\$11,712,158	\$11,000,818	\$10,302,679
36	Pre-Tax ROR Page 45 of 46, Line 35	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
37	Proration Line 14						14.79%	85.21%				
38	Return and Taxes Cols (a) through (e) and (h); L 35 * L 36;	\$681,045	\$1,334,880	\$1,281,348	\$1,229,279	\$1,177,811	\$163,169	\$939,734	\$1,023,629	\$963,911	\$905,367	\$847,911
39	Book Depreciation Line 19	\$364,520	\$699,021	\$677,578	\$677,578	\$677,578	\$100,244	\$577,334	\$677,578	\$677,578	\$677,578	\$677,578
40	Annual Revenue Requirement Line 38 + Line 39	\$1,045,565	\$2,033,901	\$1,958,926	\$1,906,857	\$1,855,390	\$263,414	\$1,517,067	\$1,701,207	\$1,641,489	\$1,582,945	\$1,525,489

1/ 3.4%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018
3.16%, Composite Book Depreciation Rate for ISR plant, approved per RIPUC Docket No. 4770, effective on Sep 1, 2018, per Page 12 of 18
FY 19 Composite Book Depreciation Rate = 3.4% x 5 / 12 + 3.16% 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(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 reset the book/tax timing difference as if PPL purchased a new asset in the year of acquisition and will begin depreciating the new tax basis. Book cost, book accumulated depreciation and book depreciation continue as if the acquisition never took place.

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 32, 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 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2018 Incremental Capital Investments

Line No.		Fiscal Year 2018 (a)	(b)	(c)	(d)	(e)	(f)	
	<u>Capital Repairs Deduction</u>							
1	Plant Additions	Page 2 of 46, Line 3	\$16,197,276	20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 9.00%					
3	Capital Repairs Deduction	Line 1 * Line 2	\$1,457,755	NG MACRS basis:	Line 22, Column (a)	\$7,191,118		
4						Annual	Cumulative	
5	<u>Bonus Depreciation</u>			Fiscal Year	Prorated	MACRS	Tax Depr	
6	Plant Additions	Line 1	\$16,197,276	FY Mar-2018	3.750%	\$269,667	\$12,937,234	
7	Less Capital Repairs Deduction	- Line 3	(\$1,457,755)	FY Mar-2019	7.219%	\$519,127	\$13,456,361	
8	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7	\$14,739,521	FY Mar-2020	6.677%	\$480,151	\$13,936,512	
9	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	FY Mar-2021	6.177%	\$444,195	\$14,380,707	
10	Plant Eligible for Bonus Depreciation	Line 8 * Line 9	\$14,739,521	FY Mar-2022	5.713%	\$410,829	\$14,791,536	
11	Bonus depreciation 100% category	100% * 16.38%	2/ 16.38%	FY Mar-2023 (Apr-May 2022)	5.285%	0.782%	\$56,227	\$14,847,762
12	Bonus depreciation 50% category	50% * 34.28%	2/ 17.14%					
13	Bonus depreciation 40% category	40% * 44.23%	2/ 17.69%					
14	Bonus depreciation 0% category	0% * 5.11%	2/ 0.00%					
15	Total Bonus Depreciation Rate	Line 11 + Line 12 + Line 13 + Line 14	51.21%	PPL Acquisition - May 25, 2022				
16	Bonus Depreciation	Line 10 * Line 15	\$7,548,403	Book Cost	Line 1, Column (a)	\$16,197,276		
				Cumulative Book Depreciation	- Page 2 of 46, Line 20, Col (f)	(\$3,196,519)		
				PPL MACRS basis:	Line 14(e) + Line 15(e)	\$13,000,757		
17								
18	<u>Remaining Tax Depreciation</u>			Mar-2023 (Jun-Mar 2023)	3.750%	\$487,528	\$487,528	
19	Plant Additions	Line 1	\$16,197,276	Mar 2024	7.219%	\$938,525	\$1,426,053	
20	Less Capital Repairs Deduction	Line 3	\$1,457,755	Mar 2025	6.677%	\$868,061	\$2,294,114	
21	Less Bonus Depreciation	Line 16	\$7,548,403	Mar 2026	6.177%	\$803,057	\$3,097,170	
22	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 19 - Line 20 - Line 21	\$7,191,118	Mar 2027	5.713%	\$742,733	\$3,839,903	
23	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	Mar 2028	5.285%	\$687,090	\$4,526,993	
24	Remaining Tax Depreciation	Line 22 * Line 23	\$269,667	Mar 2029	4.888%	\$635,477	\$5,162,470	
25				Mar 2030	4.522%	\$587,894	\$5,750,365	
26	FY18 Loss incurred due to retirements	Per Tax Department	3/ \$1,975,662	Mar 2031	4.462%	\$580,094	\$6,330,458	
27	Cost of Removal	Page 2 of 46, Line 10	\$1,685,747	Mar 2032	4.461%	\$579,964	\$6,910,422	
28				Mar 2033	4.462%	\$580,094	\$7,490,516	
29	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 16, 24, 26, and 27	\$12,937,234	Mar 2034	4.461%	\$579,964	\$8,070,480	
30				Mar 2035	4.462%	\$580,094	\$8,650,573	
31				Mar 2036	4.461%	\$579,964	\$9,230,537	
32				Mar 2037	4.462%	\$580,094	\$9,810,631	
33				Mar 2038	4.461%	\$579,964	\$10,390,595	
34				Mar 2039	4.462%	\$580,094	\$10,970,689	
35				Mar 2040	4.461%	\$579,964	\$11,550,652	
36				Mar 2041	4.462%	\$580,094	\$12,130,746	
37				Mar 2042	4.461%	\$579,964	\$12,710,710	
38				Mar 2043	2.231%	\$290,047	\$13,000,757	
39					92.78%	\$13,000,757		
40								

1/ Capital Repairs percentage is based on the actual results of the FY 2018 tax return.

2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY2018 tax return

3/ Actual Loss for FY2018

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

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Section 4: Attachment 1 (Compliance)
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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2018 Incremental Capital Investment

Line No.			FY22 (a)	FY23 (b)	FY24 (c)	FY25 (d)	FY26 (e)	FY27 (f)	
Deferred Tax Subject to Proration									
1	Book Depreciation	See the corresponding Fiscal Year on Page 2 of 46, Line 19. Note there are 2 columns to sum for FY23.	\$677,578	\$677,578	\$677,578	\$677,578	\$677,578	\$677,578	
2	Bonus Depreciation		\$0	\$0	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 2 of 46, Line 16. Note there are 2 columns to sum for FY23.	(\$410,829)	(\$543,755)	(\$938,525)	(\$868,061)	(\$803,057)	(\$742,733)	
4	FY18 tax (gain)/loss on retirements		\$0	\$0	\$0	\$0	\$0	\$0	
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	\$266,750	\$133,823	(\$260,946)	(\$190,482)	(\$125,479)	(\$65,155)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	\$56,017	\$28,103	(\$54,799)	(\$40,001)	(\$26,350)	(\$13,683)	
Deferred Tax Not Subject to Proration									
8	Capital Repairs Deduction								
9	Cost of Removal								
10	Cumulative Book / Tax Timer	Line 8 + Line 9	\$0	\$0	\$0	\$0	\$0	\$0	
11	Effective Tax Rate		21%	21%	21%	21%	21%	21%	
12	Deferred Tax Reserve	Line 10 × Line 11	\$0	\$0	\$0	\$0	\$0	\$0	
13	Total Deferred Tax Reserve	Line 7 + Line 12	\$56,017	\$28,103	(\$54,799)	(\$40,001)	(\$26,350)	(\$13,683)	
14	Net Operating Loss		\$0	\$0	\$0	\$0	\$0	\$0	
15	Net Deferred Tax Reserve	Line 13 + Line 14	\$56,017	\$28,103	(\$54,799)	(\$40,001)	(\$26,350)	(\$13,683)	
Allocation of FY 2018 Estimated Federal NOL									
16	Cumulative Book/Tax Timer Subject to Proration	Line 5	\$266,750	\$133,823	(\$260,946)	(\$190,482)	(\$125,479)	(\$65,155)	
17	Cumulative Book/Tax Timer Not Subject to Proration	Line 10	\$0	\$0	\$0	\$0	\$0	\$0	
18	Total Cumulative Book/Tax Timer	Line 16 + Line 17	\$266,750	\$133,823	(\$260,946)	(\$190,482)	(\$125,479)	(\$65,155)	
19	Total FY 2018 Federal NOL		\$0	\$0	\$0	\$0	\$0	\$0	
20	Allocated FY 2018 Federal NOL Not Subject to Proration	(Line 17 ÷ Line 18) × Line 19	\$0	\$0	\$0	\$0	\$0	\$0	
21	Allocated FY 2018 Federal NOL Subject to Proration	(Line 16 ÷ Line 18) × Line 19	\$0	\$0	\$0	\$0	\$0	\$0	
22	Effective Tax Rate		21%	21%	21%	21%	21%	21%	
23	Deferred Tax Benefit subject to proration	Line 21 × Line 22	\$0	\$0	\$0	\$0	\$0	\$0	
24	Net Deferred Tax Reserve subject to proration	Line 7 + Line 23	\$56,017	\$28,103	(\$54,799)	(\$40,001)	(\$26,350)	(\$13,683)	
		(g)	(h)	(i)	(j)	(k)	(l)	(m)	
		(n)							
Proration Calculation									
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>
25	April	30	91.78%	\$4,284	\$2,149	(\$4,191)	(\$3,059)	(\$2,015)	(\$1,046)
26	May	31	83.29%	\$3,888	\$1,951	(\$3,803)	(\$2,776)	(\$1,829)	(\$950)
27	June	30	75.07%	\$3,504	\$1,758	(\$3,428)	(\$2,502)	(\$1,648)	(\$856)
28	July	31	66.58%	\$3,108	\$1,559	(\$3,040)	(\$2,219)	(\$1,462)	(\$759)
29	August	31	58.08%	\$2,711	\$1,360	(\$2,652)	(\$1,936)	(\$1,275)	(\$662)
30	September	30	49.86%	\$2,328	\$1,168	(\$2,277)	(\$1,662)	(\$1,095)	(\$569)
31	October	31	41.37%	\$1,931	\$969	(\$1,889)	(\$1,379)	(\$908)	(\$472)
32	November	30	33.15%	\$1,548	\$776	(\$1,514)	(\$1,105)	(\$728)	(\$378)
33	December	31	24.66%	\$1,151	\$577	(\$1,126)	(\$822)	(\$541)	(\$281)
34	January	31	16.16%	\$755	\$379	(\$738)	(\$539)	(\$355)	(\$184)
35	February	28	8.49%	\$396	\$199	(\$388)	(\$283)	(\$186)	(\$97)
36	March	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
37	Total	365		\$25,604	\$12,845	(\$25,047)	(\$18,284)	(\$12,044)	(\$6,254)
38	Deferred Tax Without Proration	Line 24	\$56,017	\$28,103	(\$54,799)	(\$40,001)	(\$26,350)	(\$13,683)	
39	Average Deferred Tax without Proration	Line 24 * 50%	\$28,009	\$14,051	(\$27,399)	(\$20,001)	(\$13,175)	(\$6,841)	
40	Proration Adjustment	Line 37 - Line 39	(\$2,404)	(\$1,206)	\$2,352	\$1,717	\$1,131	\$587	

Column Notes:
(h) Sum of remaining days in the year (Col (g)) ÷ 365
(i) through (n) Current Year Line 24 ÷ 12 × Current Month Col (h)

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The Narragansett Electric Company d/b/a Rhode Island Energy FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan Fiscal Year 2027 Revenue Requirement on FY 2019 Actual Incremental Capital Investment											
Line No.		Fiscal Year 2019 (a)	Fiscal Year 2020 (b)	Fiscal Year 2021 (c)	Fiscal Year 2022 (d)	NG 4/1/22 - 5/24/22 2023 (e)	PPL 5/25/22 - 3/31/23 2024 (f)	Fiscal Year 2024 (g)	Fiscal Year 2025 (h)	Fiscal Year 2026 (i)	Fiscal Year 2027 (j)
Capital Investment Allowance											
1	Non-Discretionary Capital	\$6,462,921									
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	\$25,486,776									
3	Total Allowed Capital Included in Rate Base (non-intangible) Page 35 of 46, Line 4(b)	\$31,949,697	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base											
4	Total Allowed Capital Included in Rate Base in Current Year Line 3, Column (a)	\$31,949,697	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Retirements Page 35 of 46, Line 10, Col (b)	(\$10,649,479)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176	\$42,599,176
Change in Net Capital Included in Rate Base											
7	Capital Included in Rate Base Line 3, Column (a)	\$31,949,697	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Depreciation Expense Line 3, Column (a)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Incremental Capital Amount Year 1 (a) = Line 7 - Line 8; Then = Prior Year Line 9	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697	\$31,949,697
10	Cost of Removal Page 35 of 46, Line 7, Col (b)	\$245,506									
11	Total Net Plant in Service Year 1 = Line 9 + Line 10; Then = Prior year	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203
Deferred Tax Calculation:											
12	Composite Book Depreciation Rate As approved per RIPUC Docket No. 4323 and Docket No. 4770 1/	3.26%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
13	Number of days 2/					54	311				
14	Promotion Percentage 2/					14.79%	85.21%				
15	Vintage Year Tax Depreciation:										
16	Tax Depreciation and Year 1 Basis Adjustments Year 1 = Page 6 of 46, Line 28 Then = Page 6 of 46 Column (c)	\$9,812,806	\$1,787,475	\$1,653,272	\$1,529,468	\$209,280	\$1,013,167	\$1,950,413	\$1,803,977	\$1,668,888	\$1,543,525
17	Cumulative Tax Depreciation-NG Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16 3/	\$9,812,806	\$11,600,281	\$13,253,553	\$14,783,021	\$14,992,301					
18	Cumulative Tax Depreciation-PPL Year 1 = Line 16; then = Prior Year Line 18 + Current Year Line 16 3/						\$1,013,167	\$2,963,580	\$4,767,556	\$6,436,444	\$7,979,970
19	Book Depreciation Year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12 2/	\$694,367	\$1,346,134	\$1,346,134	\$1,346,134	\$199,154	\$1,146,980	\$1,346,134	\$1,346,134	\$1,346,134	\$1,346,134
20	Cumulative Book Depreciation Year 1 = Line 19; then = Prior Year Line 20 + Current Year Line 19 2/	\$694,367	\$2,040,501	\$3,386,634	\$4,732,768	\$4,931,922	\$6,078,902	\$7,425,036	\$8,771,170	\$10,117,304	\$11,463,438
21	Cumulative Book / Tax Timer Columns (a) through (e): Line 17 - Line 20, Then Line 18 - Line 20	\$9,118,439	\$9,559,780	\$9,866,918	\$10,050,253	\$10,060,379	(\$5,065,736)	(\$4,461,457)	(\$4,003,614)	(\$3,680,860)	(\$3,483,468)
22	Less: Cumulative Book Depreciation at Acquisition Line 20 Column (c)						\$4,931,922	\$4,931,922	\$4,931,922	\$4,931,922	\$4,931,922
23	Cumulative Book / Tax Timer - PPL Line 21 + Line 22						(\$13,813)	\$470,466	\$928,309	\$1,251,063	\$1,448,454
24	Effective Tax Rate Line 21 + Line 22	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
25	Deferred Tax Reserve Columns (a) through (e): Line 21 * Line 24, Then Line 23 * Line 24	\$1,914,872	\$2,007,554	\$2,072,053	\$2,110,553	\$2,112,680	(\$28,101)	\$98,798	\$194,945	\$262,723	\$304,175
26	Add: FY 2019 Federal NOL (Generation) / Utilization Page 35 of 46, Line 15, Col (b)	\$991,622	\$991,622	\$991,622	\$991,622	\$991,622	\$0	\$0	\$0	\$0	\$0
27	Net Deferred Tax Reserve before Promotion Adjustment Sum of Lines 25 through 26	\$2,906,494	\$2,999,176	\$3,063,675	\$3,102,175	\$3,104,301	(\$28,101)	\$98,798	\$194,945	\$262,723	\$304,175
Rate Base Calculation:											
28	Cumulative Incremental Capital Included in Rate Base Line 11	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203	\$32,195,203
29	Accumulated Depreciation Line 20	(\$694,367)	(\$2,040,501)	(\$3,386,634)	(\$4,732,768)	(\$4,931,922)	(\$6,078,902)	(\$7,425,036)	(\$8,771,170)	(\$10,117,304)	(\$11,463,438)
30	Deferred Tax Reserve Line 27	(\$2,906,494)	(\$2,999,176)	(\$3,063,675)	(\$3,102,175)	(\$3,104,301)	\$28,101	(\$98,798)	(\$194,945)	(\$262,723)	(\$304,175)
31	Year End Rate Base before Deferred Tax Proration Sum of Lines 28 through 30	\$28,594,342	\$27,155,527	\$25,744,894	\$24,360,260	\$24,158,979	\$26,144,402	\$24,671,369	\$23,229,088	\$21,815,176	\$20,427,590
Revenue Requirement Calculation:											
32	Average Rate Base before Deferred Tax Proration Adjustment Year 1 = Current Year Line 31 + 2; Then = (Prior Year Line 31 + Current Year Line 31) = 2 4/	\$14,297,171	\$27,874,935	\$26,450,210	\$25,052,577	\$25,252,331	\$25,252,331	\$25,407,885	\$23,950,228	\$22,522,132	\$21,121,383
33	Proration Adjustment Page 7 of 46, Line 42	\$0	\$0	\$0	(\$492)	(\$944)	(\$944)	\$7,161	\$1,727	\$3,938	\$1,779
34	Average ISR Rate Base after Deferred Tax Proration Line 32 + Line 33	\$14,297,171	\$27,874,935	\$26,450,210	\$25,052,085	\$25,251,386	\$25,251,386	\$25,415,046	\$23,951,955	\$22,526,070	\$21,123,162
35	Pre-Tax ROR Page 45 of 46, Line 35	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
36	Promotion Percentage Line 14					14.79%	85.21%				
37	Return and Taxes Cols (a) through (d) and (g): L 34 * L 35; Cols (e) and (f): L 34 * L 35 * L 36	\$1,176,657	\$2,294,107	\$2,176,852	\$2,061,787	\$307,458	\$1,770,731	\$2,091,658	\$1,971,246	\$1,853,896	\$1,738,436
38	Book Depreciation Line 19	\$694,367	\$1,346,134	\$1,346,134	\$1,346,134	\$199,154	\$1,146,980	\$1,346,134	\$1,346,134	\$1,346,134	\$1,346,134
39	Annual Revenue Requirement Line 37 + Line 38	\$1,871,024	\$3,640,241	\$3,522,986	\$3,407,921	\$506,612	\$2,917,711	\$3,437,792	\$3,317,380	\$3,200,029	\$3,084,570
40	Revenue Requirement of Plant Year 1 = Line 39 * 7/12; Then = Line 39	\$1,691,631	\$3,640,241	\$3,522,986	\$3,407,921	\$506,612	\$2,917,711	\$3,437,792	\$3,317,380	\$3,200,029	\$3,084,570
41	Revenue Requirement of Intangible Page 8 of 46, Line 36, Column (i) - (m)	\$434,302	\$705,779	\$655,914	\$617,127	\$81,808	\$520,669	\$562,455	\$522,426	\$499,666	\$0
42	Revenue Requirement Line 40 + Line 41	\$1,525,733	\$4,346,020	\$4,178,901	\$4,025,047	\$588,421	\$3,437,780	\$4,000,247	\$3,839,805	\$3,729,695	\$3,084,570

1/ 3.4%, Composite Book Depreciation Rate approved per RIPUC Docket No. 4323, in effect until Aug 31, 2018

2/ 3.16%, Composite Book Depreciation Rate for ISR plant, approved per RIPUC Docket No. 4770, effective on Sep 1, 2018

3/ FY 19 Composite Book Depreciation Rate = 3.4% x 5/12 + 3.16% x 7/12

2/ Columns (a) 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(b)(1). 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 reset the book/tax timing difference as if PPL purchased a new asset in the year of acquisition and will begin depreciating the new tax basis. Book cost, book accumulated depreciation and book depreciation continue as if the acquisition never took place.

4/ Columns (a) 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 31, Column (f). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2019 Incremental Capital Investments

Line No.		Fiscal Year 2019 (a)	(b)	(c)	(d)	(e)	(f)	
	<u>Capital Repairs Deduction</u>							
1	Plant Additions	Page 5 of 46, Line 3	\$31,949,697	20 Year MACRS Depreciation				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 9.68%					
3	Capital Repairs Deduction	Line 1 * Line 2	\$3,092,755	MACRS basis:	Line 22, Column (a)	\$24,760,699		
4						Annual	Cumulative	
5	<u>Bonus Depreciation</u>			Fiscal Year	Prorated	MACRS	Tax Depr	
6	Plant Additions	Line 1	\$31,949,697	FY Mar-2019	3.750%	\$928,526	\$9,812,806	
7	Plant Additions		\$0	FY Mar-2020	7.219%	\$1,787,475	\$11,600,281	
8	Less Capital Repairs Deduction	Line 3	\$3,092,755	FY Mar-2021	6.677%	\$1,653,272	\$13,253,553	
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$28,856,942	FY Mar-2022	6.177%	\$1,529,468	\$14,783,021	
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	FY Mar-2023 (Apr-May 2022)	5.713%	0.85%	\$209,280	\$14,992,301
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$28,856,942	PPL Acquisition - May 25, 2022				
12	Bonus Depreciation Rate	1 * 11.65% * 30%	2/ 3.50%	Book Cost	Line 1, Column (a)	\$31,949,697		
13	Bonus Depreciation Rate	1 * 26.75% * 40%	2/ 10.70%	Cumulative Book Depreciation	- Page 5 of 46, Line 20, Col (e)	(\$4,931,922)		
14	Total Bonus Depreciation Rate	Line 12 + Line 13	14.20%	PPL MACRS basis:	Line 13(e) + Line 14(e)	\$27,017,774		
15	Bonus Depreciation	Line 11 * Line 14	\$4,096,243	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$1,013,167	\$1,013,167	
16				Mar-2024	7.219%	\$1,950,413	\$2,963,580	
17	<u>Remaining Tax Depreciation</u>			Mar-2025	6.677%	\$1,803,977	\$4,767,556	
18	Plant Additions	Line 1	\$31,949,697	Mar-2026	6.177%	\$1,668,888	\$6,436,444	
19	Less Capital Repairs Deduction	Line 3	\$3,092,755	Mar-2027	5.713%	\$1,543,525	\$7,979,970	
20	Less Bonus Depreciation	Line 15	\$4,096,243	Mar-2028	5.285%	\$1,427,889	\$9,407,859	
	Remaining Plant Additions Subject to 20 YR MACRS Tax			Mar-2029	4.888%	\$1,320,629	\$10,728,488	
21	Depreciation	Line 18 - Line 19 - Line 20	\$24,760,699	Mar-2030	4.522%	\$1,221,744	\$11,950,232	
22	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	Mar-2031	4.462%	\$1,205,533	\$13,155,765	
23	Remaining Tax Depreciation	Line 21 * Line 22	\$928,526	Mar-2032	4.461%	\$1,205,263	\$14,361,028	
24				Mar-2033	4.462%	\$1,205,533	\$15,566,561	
25	FY19 (Gain)/Loss incurred due to retirements	Per Tax Department	3/ \$1,449,776	Mar-2034	4.461%	\$1,205,263	\$16,771,824	
26	Cost of Removal	Page 5 of 46, Line 10	\$245,506	Mar-2035	4.462%	\$1,205,533	\$17,977,357	
27				Mar-2036	4.461%	\$1,205,263	\$19,182,620	
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25, and 26	\$9,812,806	Mar-2037	4.462%	\$1,205,533	\$20,388,153	
29				Mar-2038	4.461%	\$1,205,263	\$21,593,416	
30				Mar-2039	4.462%	\$1,205,533	\$22,798,949	
31				Mar-2040	4.461%	\$1,205,263	\$24,004,212	
32				Mar-2041	4.462%	\$1,205,533	\$25,209,745	
33				Mar-2042	4.461%	\$1,205,263	\$26,415,008	
34				Mar-2043	2.231%	\$602,767	\$27,017,774	
35					100.000%	\$27,017,774		

1/ Capital Repairs percentage is the actual result of FY 2019 tax return
2/ Percent of Plant Eligible for Bonus Depreciation is the actual result of FY 2019 tax return
3/ Actual Loss for FY 2019
Column (d), Line 10 = MACRS Rate 5.713% / 365 days x 54 days

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The Narragansett Electric Company
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FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2019 Incremental Capital Investment

Line No.			FY22 (a)	FY23 (b)	FY24 (c)	FY25 (d)	FY26 (e)	FY27 (f)	
1	Book Depreciation - Excl. Intangibles	See the corresponding Fiscal Year on Page 5 of 46, Line 19. Note there are 2 columns to sum for FY23.	\$1,346,134	\$1,346,134	\$1,346,134	\$1,346,134	\$1,346,134	\$1,346,134	
2	Book Depreciation - Intangibles	See the corresponding Fiscal Year on Page 8 of 46, Line 23 - Line 22. Note there are 2 columns to sum for FY23.	\$494,375	\$494,375	\$494,375	\$494,375	\$0	\$0	
3	Bonus Depreciation		\$0	\$0	\$0	\$0	\$0	\$0	
4	Remaining MACRS Tax Depreciation - Excl. Intangibles	See the corresponding Fiscal Year on Page 5 of 46, Line 16. Note there are 2 columns to sum for FY23.	(\$1,529,468)	(\$1,222,447)	(\$1,950,413)	(\$1,803,977)	(\$1,668,888)	(\$1,543,525)	
5	Remaining MACRS Tax Depreciation - Intangibles	See the corresponding Fiscal Year on Page 8 of 46, Line 19 - Line 17. Note there are 2 columns to sum for FY23.	(\$256,432)	(\$513,297)	(\$684,550)	(\$228,081)	(\$114,117)	\$0	
6	FY 2019 tax (gain)/loss on retirements		\$0	\$0	\$0	\$0	\$0	\$0	
7	Cumulative Book / Tax Timer	Sum of Lines 1 through 6	\$54,608	\$104,765	(\$794,454)	(\$191,548)	(\$436,871)	(\$197,391)	
8	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
9	Deferred Tax Reserve	Line 7 * Line 8	\$11,468	\$22,001	(\$166,835)	(\$40,225)	(\$91,743)	(\$41,452)	
Deferred Tax Not Subject to Proration									
10	Capital Repairs Deduction								
11	Cost of Removal								
12	Cumulative Book / Tax Timer	Line 10 + Line 11	\$0	\$0	\$0	\$0	\$0	\$0	
13	Effective Tax Rate		21%	21%	21%	21%	21%	21%	
14	Deferred Tax Reserve	Line 12 * Line 13	\$0	\$0	\$0	\$0	\$0	\$0	
15	Total Deferred Tax Reserve	Line 9 + Line 14	\$11,468	\$22,001	(\$166,835)	(\$40,225)	(\$91,743)	(\$41,452)	
16	Net Operating Loss		\$0	\$0	\$0	\$0	\$0	\$0	
17	Net Deferred Tax Reserve	Line 15 + Line 16	\$11,468	\$22,001	(\$166,835)	(\$40,225)	(\$91,743)	(\$41,452)	
Allocation of FY 2019 Estimated Federal NOL									
18	Cumulative Book/Tax Timer Subject to Proration	Line 7	\$54,608	\$104,765	(\$794,454)	(\$191,548)	(\$436,871)	(\$197,391)	
19	Cumulative Book/Tax Timer Not Subject to Proration	Line 12	\$0	\$0	\$0	\$0	\$0	\$0	
20	Total Cumulative Book/Tax Timer	Line 18 + Line 19	\$54,608	\$104,765	(\$794,454)	(\$191,548)	(\$436,871)	(\$197,391)	
21	Total FY 2019 Federal NOL		\$0	\$0	\$0	\$0	\$0	\$0	
22	Allocated FY 2019 Federal NOL Not Subject to Proration	(Line 19 + Line 20) * Line 21	\$0	\$0	\$0	\$0	\$0	\$0	
23	Allocated FY 2019 Federal NOL Subject to Proration	(Line 18 + Line 20) * Line 21	\$0	\$0	\$0	\$0	\$0	\$0	
24	Effective Tax Rate		21%	21%	21%	21%	21%	21%	
25	Deferred Tax Benefit subject to proration	Line 23 * Line 24	\$0	\$0	\$0	\$0	\$0	\$0	
26	Net Deferred Tax Reserve subject to proration	Line 9 + Line 25	\$11,468	\$22,001	(\$166,835)	(\$40,225)	(\$91,743)	(\$41,452)	
Proration Calculation									
		(g) Number of Days in Month	(h) Proration Percentage	(i) FY22	(j) FY23	(k) FY24	(l) FY25	(m) FY26	(n) FY27
27	April	30	91.78%	\$877	\$1,683	(\$12,760)	(\$3,077)	(\$7,017)	(\$3,170)
28	May	31	83.29%	\$796	\$1,527	(\$11,579)	(\$2,792)	(\$6,368)	(\$2,877)
29	June	30	75.07%	\$717	\$1,376	(\$10,437)	(\$2,516)	(\$5,739)	(\$2,593)
30	July	31	66.58%	\$636	\$1,221	(\$9,256)	(\$2,232)	(\$5,090)	(\$2,300)
31	August	31	58.08%	\$555	\$1,065	(\$8,075)	(\$1,947)	(\$4,441)	(\$2,006)
32	September	30	49.86%	\$477	\$914	(\$6,932)	(\$1,671)	(\$3,812)	(\$1,722)
33	October	31	41.37%	\$395	\$758	(\$5,752)	(\$1,387)	(\$3,163)	(\$1,429)
34	November	30	33.15%	\$317	\$608	(\$4,609)	(\$1,111)	(\$2,534)	(\$1,145)
35	December	31	24.66%	\$236	\$452	(\$3,428)	(\$827)	(\$1,885)	(\$852)
36	January	31	16.16%	\$154	\$296	(\$2,247)	(\$542)	(\$1,236)	(\$558)
37	February	28	8.49%	\$81	\$156	(\$1,181)	(\$285)	(\$649)	(\$293)
38	March	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
39	Total	365		\$5,242	\$10,056	(\$76,257)	(\$18,386)	(\$41,934)	(\$18,947)
40	Deferred Tax Without Proration	Line 26	\$11,468	\$22,001	(\$166,835)	(\$40,225)	(\$91,743)	(\$41,452)	
41	Average Deferred Tax without Proration	Line 39 * 50%	\$5,734	\$11,000	(\$83,418)	(\$20,113)	(\$45,871)	(\$20,726)	
42	Proration Adjustment	Line 39 - Line 41	(\$492)	(\$944)	\$7,161	\$1,727	\$3,938	\$1,779	

Column Notes:

(h) Sum of remaining days in the year (Col (g)) ÷ 365
(i) through (n) Current Year Line 26 ÷ 12 * Current Month Col (h)

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2019 Intangible Investment

Line No.	Reference	FY 19 Total (c) = (a) + (b)	FY 20 Total (f) = (d) + (e)	FY 21 Total (i) = (g) + (h)	FY 22 Total (l) = (j) + (k)	FY Mar-2023 (Apr-May 2022) (o) = (m) + (n)	FY Mar-2023 (Jun 2022 -Mar 2023) (r) = (p) + (q)	FY 24 Total (u) = (s) + (t)	FY 25 Total (x) = (v) + (w)	FY 2026 (aa) = (y) + (z)	FY 2027 (ad) = (ab) + (ac)	
<u>Capital Investment</u>												
1	Start of Rev. Req. Period	09/01/18	04/01/19	04/01/20	04/01/21	04/01/22	05/25/22	04/01/23	04/01/24	04/01/25	04/01/26	
2	End of Rev. Req. Period	03/31/19	03/31/20	03/31/21	03/31/22	05/24/22	03/31/23	03/31/24	03/31/25	03/31/26	03/31/27	
3	Investment Name	Per Company's Book										
4	Work Order	Per Company's Book										
5	Total Spend	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	\$3,460,626	
6	In ServiceDate	Per Company's Book										
7	Book AmortizationPeriod	Per Company's Book										
8	Beginning Book Balance	\$3,378,230	\$3,089,845	\$2,595,470	\$2,101,094	\$1,606,719	\$1,540,045	\$1,112,344	\$617,969	\$123,594	\$0	
9	Ending Book Balance	\$3,089,845	\$2,595,470	\$2,101,094	\$1,606,719	\$1,540,045	\$1,112,344	\$617,969	\$123,594	\$0	\$0	
10	Average Book Balance	\$3,234,038	\$2,842,657	\$2,348,282	\$1,853,907	\$1,573,382	\$1,326,195	\$865,157	\$370,781	\$61,797	\$0	
<u>Deferred Tax Calculation:</u>												
11	Total Spend											
12	In Service Date											
13	Tax Amortization Period	Page 9 of 46										
14	Tax Expensing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
15	Tax Bonus Rate	Per Tax Department										
16	Bonus Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
17	Beginning Acc. Tax Balance	\$1,153,427	\$1,153,427	\$2,691,675	\$3,204,194	\$3,460,626	\$0	\$513,297	\$1,197,847	\$1,425,928	\$1,540,045	
18	Beginning Acc. Tax Balance Adjustment for Step-up in Tax Basis							\$1,920,581	\$1,920,581	\$1,920,581	\$1,920,581	\$1,920,581
19	Ending Acc. Tax Balance	\$1,153,427	\$2,691,675	\$3,204,194	\$3,460,626	\$3,460,626	\$513,297	\$1,197,847	\$1,425,928	\$1,540,045	\$1,540,045	
20	Ending Acc. Tax Balance Adjustment for Step-up in Tax Basis							\$1,920,581	\$1,920,581	\$1,920,581	\$1,920,581	
21	Average Acc. Tax Balance	\$1,153,427	\$1,922,551	\$2,947,934	\$3,332,410	\$3,460,626	\$2,177,230	\$2,776,153	\$3,232,468	\$3,403,567	\$3,460,626	
22	Beginning Acc. Dep. Balance	\$82,396	\$370,781	\$865,157	\$1,359,532	\$1,853,907	\$1,920,581	\$2,348,282	\$2,842,657	\$3,460,626	\$3,460,626	
23	Ending Acc. Dep. Balance	\$370,781	\$865,157	\$1,359,532	\$1,853,907	\$1,920,581	\$2,348,282	\$2,842,657	\$3,337,032	\$3,460,626	\$3,460,626	
24	Average Acc. Dep. Balance	\$226,589	\$617,969	\$1,112,344	\$1,606,719	\$1,887,244	\$2,134,432	\$2,595,470	\$3,089,845	\$3,460,626	\$3,460,626	
25	Number of days											
26	Proration Percentage											
27	Average Book / Tax Timer	\$926,838	\$1,304,582	\$1,835,590	\$1,725,691	\$232,774	\$36,466	\$180,683	\$142,624	(\$57,059)	\$0	
28	Effective Tax Rate											
29	Deferred Tax Reserve	\$194,636	\$273,962	\$385,474	\$362,395	\$48,883	\$7,658	\$37,944	\$29,951	(\$11,982)	\$0	
<u>Rate Base Calculation:</u>												
30	Average Book Balance	\$3,234,038	\$2,842,657	\$2,348,282	\$1,853,907	\$232,774	\$1,129,991	\$865,157	\$370,781	\$61,797	\$0	
31	Deferred Tax Reserve	\$194,636	\$273,962	\$385,474	\$362,395	\$48,883	\$7,658	\$37,944	\$29,951	(\$11,982)	\$0	
32	Average Rate Base	\$3,039,402	\$2,568,695	\$1,962,808	\$1,491,512	\$183,892	\$1,122,333	\$827,213	\$340,830	\$73,779	\$0	
<u>Revenue Requirement Calculation:</u>												
33	Pre-Tax ROR	year 1 = Page 45 of 46, Line 27, column (e)×7÷12 Then = Page 45 of 46, Line 27(e)										
34	Return and Taxes	\$145,917	\$211,404	\$161,539	\$122,751	\$15,134	\$92,368	\$68,080	\$28,050	\$6,072	\$0	
35	Book Depreciation	\$288,386	\$494,375	\$494,375	\$494,375	\$66,674	\$427,701	\$494,375	\$494,375	\$123,594	\$0	
36	Annual Revenue Requirement	\$434,302	\$705,779	\$655,914	\$617,127	\$81,808	\$520,069	\$562,455	\$522,426	\$129,666	\$0	

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
MACRS Tables For Information Systems**

Line No.	Annual Rate			Monthly Cumulative Rate				
	Year			Year	Period	Cumulative Rate		
1	Yr 1	33.33%	33.33%	1	1	33.33%	2.78%	Yr 1 - Monthly rate
2	Yr 2	44.45%	77.78%	1	2	33.33%		
3	Yr 3	14.81%	92.59%	1	3	33.33%		
4	Net Salvage Value	7.41%	100.00%	1	4	33.33%		
11				1	11	33.33%		
12				1	12	33.33%		
13				2	13	77.78%	3.70%	Yr 2 - Monthly rate
25				3	25	92.59%	1.23%	Yr 3 - Monthly rate
36				3	36	92.59%	0.62%	Yr 3 - Monthly rate
48				4	48	100.00%		
60				5	60	100.00%		
72				6	72	100.00%		
84				7	84	100.00%		
96				8	96	100.00%		
108				9	108	100.00%		
120				10	120	100.00%		
132				11	132	100.00%		
144				12	144	100.00%		
156				13	156	100.00%		
168				14	168	100.00%		
180				15	180	100.00%		
192				16	192	100.00%		
204				17	204	100.00%		
216				18	216	100.00%		
228				19	228	100.00%		
240				20	240	100.00%		
252				21	252	100.00%		
264				22	264	100.00%		
276				23	276	100.00%		
288				24	288	100.00%		
300				25	300	100.00%		

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 25-54-EL
Proposed FY 2027 Electric Infrastructure, Safety, and Reliability Plan Filing
Section 4: Attachment 1 (Compliance)
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The Narragansett Electric Company d/b/a Rhode Island Energy FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan Fiscal Year 2027 Revenue Requirement on FY 2020 Actual Incremental Capital Investment										
Line No.		Fiscal Year	Fiscal Year	Fiscal Year	NG	PPL	Fiscal Year	Fiscal Year	Fiscal Year	Fiscal Year
		2020	2021	2022	4/1/22 - 5/24/22	5/25/22 - 3/31/23	2024	2025	2026	2027
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Capital Investment Allowance										
1	Non-Discretionary Capital	\$27,406,375								
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending	\$39,597,335								
3	Total Allowed Capital Included in Rate Base Page 35 of 46, Line 4(c)	\$67,003,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base										
4	Total Allowed Capital Included in Rate Base in Current Year Line 3	\$67,003,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Retirements Page 35 of 46, Line 10, Col (c)	\$4,015,632	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$62,988,078	\$62,988,078	\$62,988,078	\$62,988,078	\$62,988,078	\$62,988,078	\$62,988,078	\$62,988,078	\$62,988,078
Change in Net Capital Included in Rate Base										
7	Capital Included in Rate Base Line 3	\$67,003,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Depreciation Expense Page 39 of 46, Line 41, Col (d) *7 ÷ 12	\$29,112,370	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Incremental Capital Amount Year 1 = Line 7 - Line 8; then = Prior Year Line 9	\$37,891,340	\$37,891,340	\$37,891,340	\$37,891,340	\$37,891,340	\$37,891,340	\$37,891,340	\$37,891,340	\$37,891,340
10	Cost of Removal Page 35 of 46, Line 7, Col (c)	\$11,264,831								
11	Total Net Plant in Service Year 1 = Line 9 + Line 10; Then = Prior year	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170
Deferred Tax Calculation:										
12	Composite Book Depreciation Rate Page 37 of 46, Line 3, Col (c)	1/	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
13	Number of days	2/				54	311			
14	Proration Percentage	2/				14.79%	85.21%			
15	Vintage Year Tax Depreciation:									
16	Tax Depreciation and Year 1 Basis Adjustments Year 1 = Page 11 of 46, Line 28, Then = Page 11 of 46, Column (c)	\$23,371,948	\$4,278,204	\$3,956,998	\$541,580	\$2,314,994	\$4,456,518	\$4,121,924	\$3,813,258	\$3,526,816
17	Cumulative Tax Depreciation-NG Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16	\$23,371,948	\$27,650,152	\$31,607,149	\$32,148,729					
18	Cumulative Tax Depreciation-PPL Year 1 = Line 16; then = Prior Year Line 18 + Current Year Line 16					\$2,314,994	\$6,771,512	\$10,893,437	\$14,706,695	\$18,233,512
19	Book Depreciation Year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12 Year 1 = Line 16; Then = Prior Year Line 17 + Current Year Line 16	\$995,212	\$1,990,423	\$1,990,423	\$294,474	\$1,695,950	\$1,990,423	\$1,990,423	\$1,990,423	\$1,990,423
20	Cumulative Book Depreciation Columns (c) & (d); Line 17 - Line 20, Then Line 18 - Line 20	\$22,376,736	\$24,664,517	\$26,631,091	\$26,878,198	(\$4,651,487)	(\$2,185,392)	(\$53,891)	\$1,768,944	\$3,305,337
21	Cumulative Book / Tax Timer Line 20 Column (d)	3/				\$5,270,532	\$5,270,532	\$5,270,532	\$5,270,532	\$5,270,532
22	Less: Cumulative Book Depreciation at Acquisition Line 21 + Line 22					\$619,044	\$3,085,139	\$5,216,640	\$7,039,476	\$8,575,869
23	Effective Tax Rate Columns (c) & (d); Line 21 * Line 24, Then Line 23 * Line 24		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
24	Deferred Tax Reserve Add: FY 2020 Federal NOL (Generation) / Utilization Net Deferred Tax Reserve before Proration Adjuster Sum of Lines 25 through 26	\$4,699,115	\$5,179,548	\$5,592,529	\$5,644,422	\$129,999	\$647,879	\$1,095,494	\$1,478,290	\$1,800,932
25		(\$1,462,980)	(\$1,462,980)	(\$1,462,980)	(\$1,462,980)	\$0	\$0	\$0	\$0	\$0
26		\$3,236,134	\$3,716,568	\$4,129,549	\$4,181,441	\$129,999	\$647,879	\$1,095,494	\$1,478,290	\$1,800,932
27										
Rate Base Calculation:										
28	Cumulative Incremental Capital Included in Rate Base Line 11	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170	\$49,156,170
29	Accumulated Depreciation -Line 20	(\$995,212)	(\$2,985,635)	(\$4,976,058)	(\$5,270,532)	(\$6,966,481)	(\$8,956,905)	(\$10,947,328)	(\$12,937,751)	(\$14,928,174)
30	Deferred Tax Reserve -Line 27	(\$3,236,134)	(\$3,716,568)	(\$4,129,549)	(\$4,181,441)	(\$129,999)	(\$647,879)	(\$1,095,494)	(\$1,478,290)	(\$1,800,932)
31	Year End Rate Base before Deferred Tax Proration Sum of Lines 28 through 30	\$44,924,825	\$42,453,967	\$40,050,563	\$39,704,197	\$42,059,689	\$39,551,386	\$37,113,348	\$34,740,129	\$32,427,063
Revenue Requirement Calculation:										
32	Average Rate Base before Deferred Tax Proration Adjustment Page 12 of 46, Line 40	\$16,364,035	\$43,689,396	\$41,252,265	\$41,055,126	\$41,055,126	\$40,805,538	\$38,332,367	\$35,926,738	\$33,583,596
33	Proration Adjustment Line 12 of 46, Line 34	\$30,912	\$18,700	\$17,726	\$7,807	\$7,807	\$22,229	\$19,213	\$16,430	\$13,849
34	Average ISR Rate Base after Deferred Tax Proration Page 45 of 46, Line 35	\$16,394,947	\$43,708,096	\$41,269,991	\$41,062,934	\$41,062,934	\$40,827,767	\$38,351,580	\$35,943,169	\$33,597,445
35	Pre-Tax ROR	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
36	Proration Line 14	2/				14.79%	85.21%			
37	Return and Taxes Cols (a) through (c) and (f); L 34 * L 35;	\$1,349,304	\$3,597,176	\$3,396,520	\$499,978	\$2,879,502	\$3,360,125	\$3,156,335	\$2,958,123	\$2,765,070
38	Book Depreciation Cols (d) and (e); L 34 * L 35 * L 36	\$995,212	\$1,990,423	\$1,990,423	\$294,474	\$1,695,950	\$1,990,423	\$1,990,423	\$1,990,423	\$1,990,423
39	Annual Revenue Requirement Line 37 + Line 38	\$2,344,516	\$5,587,600	\$5,386,944	\$794,451	\$4,575,451	\$5,350,548	\$5,146,758	\$4,948,546	\$4,755,493

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (c))
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 reset the book/tax timing difference as if PPL purchased a new asset in the year of acquisition and will begin depreciating the new tax basis. Book cost, book accumulated depreciation and book depreciation continue as if the acquisition never took place.
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 31, 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 2027 Electric Infrastructure, Safety, and Reliability (ISR) 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)						
<u>Capital Repairs Deduction</u>									
1	Plant Additions	Page 10 of 46, Line 3	\$67,003,710	20 Year MACRS Depreciation					
2	Capital Repairs Deduction Rate	Per Tax Department 1/	8.51%						
3	Capital Repairs Deduction	Line 1 * Line 2	\$5,702,016	NG MACRS basis:	Line 22, Column (a)	\$59,263,106			
4				Fiscal Year	Proration	Annual	Cumulative		
5				FY Mar-2020	3.750%	\$2,222,366	Tax Depr		
6	<u>Bonus Depreciation</u>	Line 1	\$67,003,710	FY Mar-2021	7.219%	\$4,278,204	\$23,371,948		
7	Plant Additions		\$0	FY Mar-2022	6.677%	\$3,956,998	\$27,650,151		
8	Less Capital Repairs Deduction	Line 3	\$5,702,016	FY Mar-2023 (Apr-May 2022)	6.177%	\$541,580	\$31,607,149		
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$61,301,694		0.914%		\$32,148,729		
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	100.00%	PPL Acquisition - May 25, 2022					
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$61,301,694	Book Cost	Line 1, Column (a)	\$67,003,710			
12	Bonus Depreciation Rate	1 * 14.78% * 30% * 75%	3.33%	Cumulative Book Depreciation	- Page 10 of 46, Line 20, Col (d)	(\$5,270,532)			
13	Bonus Depreciation Rate	1 * 0% * 25%	0.00%	PPL MACRS basis:	Line 12(e) + Line 13(e)	\$61,733,178			
14	Total Bonus Depreciation Rate	Line 12 + Line 13	3.33%						
15	Bonus Depreciation	Line 11 * Line 14	\$2,038,588	FY Mar-2023 (Jun-Mar 2023)	3.750%	\$2,314,994	\$2,314,994		
16				Mar-2024	7.219%	\$4,456,518	\$6,771,512		
17	<u>Remaining Tax Depreciation</u>	Line 1	\$67,003,710	Mar-2025	6.677%	\$4,121,924	\$10,893,437		
18	Plant Additions	Line 3	\$5,702,016	Mar-2026	6.177%	\$3,813,258	\$14,706,695		
19	Less Capital Repairs Deduction	Line 15	\$2,038,588	Mar-2027	5.713%	\$3,526,816	\$18,233,512		
20	Less Bonus Depreciation			Mar-2028	5.285%	\$3,262,598	\$21,496,110		
21	Remaining Plant Additions Subject to 20 YR MACRS Tax	Line 18 - Line 19 - Line 20	\$59,263,106	Mar-2029	4.888%	\$3,017,518	\$24,513,628		
22	Depreciation	Per IRS Publication 946	3.750%	Mar-2030	4.522%	\$2,791,574	\$27,305,202		
23	20 YR MACRS Tax Depreciation Rates	Line 21 * Line 22	\$2,222,366	Mar-2031	4.462%	\$2,754,534	\$30,059,736		
24	Remaining Tax Depreciation			Mar-2032	4.461%	\$2,753,917	\$32,813,654		
25	FY20 Loss incurred due to retirements	Per Tax Department	\$2,144,147	Mar-2033	4.462%	\$2,754,534	\$35,568,188		
26	Cost of Removal	Page 10 of 46, Line 10	\$11,264,831	Mar-2034	4.461%	\$2,753,917	\$38,322,105		
27				Mar-2035	4.462%	\$2,754,534	\$41,076,639		
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25, and 26	\$23,371,948	Mar-2036	4.461%	\$2,753,917	\$43,830,557		
29				Mar-2037	4.462%	\$2,754,534	\$46,585,091		
30				Mar-2038	4.461%	\$2,753,917	\$49,339,008		
31				Mar-2039	4.462%	\$2,754,534	\$52,093,542		
32				Mar-2040	4.461%	\$2,753,917	\$54,847,459		
33				Mar-2041	4.462%	\$2,754,534	\$57,601,994		
34				Mar-2042	4.461%	\$2,753,917	\$60,355,911		
35				Mar-2043	2.231%	\$1,377,267	\$61,733,178		
36					100.000%	\$61,733,178			
37									
38									

1/ Per Tax Department
2/ Per Tax Department
3/ Per Tax Department

Column (d), Line 9 = MACRS Rate 6.177% / 365 days x 54 days

The Narragansett Electric Company
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2020 Incremental Capital Investment**

Line No.			FY22 (a)	FY23 (b)	FY24 (c)	FY25 (d)	FY26 (e)	FY27 (f)	
1	Book Depreciation	See the corresponding Fiscal Year on Page 10 of 46, Line 19. Note there are 2 columns to sum for FY23.	\$1,990,423	\$1,990,423	\$1,990,423	\$1,990,423	\$1,990,423	\$1,990,423	
2	Bonus Depreciation		\$0	\$0	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 10 of 46, Line 16. Note there are 2 columns to sum for FY23.	(\$3,956,998)	(\$2,856,575)	(\$4,456,518)	(\$4,121,924)	(\$3,813,258)	(\$3,526,816)	
4	FY 2020 tax (gain)/loss on retirements	Year 1 = Docket No. 4915, R.S. 3, Att. 1R, page 10 Col (a); then = 0							
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,966,574)	(\$866,151)	(\$2,466,095)	(\$2,131,501)	(\$1,822,835)	(\$1,536,393)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$412,981)	(\$181,892)	(\$517,880)	(\$447,615)	(\$382,795)	(\$322,643)	
Deferred Tax Not Subject to Proration									
8	Capital Repairs Deduction	Year 1 = Docket no. 4915, R.S. 3, Att. 1R, page 10 Col (a); then = 0							
9	Cost of Removal	Year 1 = Docket no. 4915, R.S. 3, Att. 1R, page 10 Col (a); then = 0							
10	Cumulative Book / Tax Timer	Line 8 + Line 9	\$0	\$0	\$0	\$0	\$0	\$0	
11	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
12	Deferred Tax Reserve	Line 10 * Line 11	\$0	\$0	\$0	\$0	\$0	\$0	
13	Total Deferred Tax Reserve	Line 7 + Line 12	(\$412,981)	(\$181,892)	(\$517,880)	(\$447,615)	(\$382,795)	(\$322,643)	
14	Net Operating Loss	Docket No. 4915, R. S. 5, Att. 1S, P 10 of 19, Col (a)	\$0	\$0	\$0	\$0	\$0	\$0	
15	Net Deferred Tax Reserve	Line 13 + Line 14	(\$412,981)	(\$181,892)	(\$517,880)	(\$447,615)	(\$382,795)	(\$322,643)	
Allocation of FY 2020 Estimated Federal NOL									
16	Cumulative Book/Tax Timer Subject to Proration	Col (a) = Line 5	(\$1,966,574)	(\$866,151)	(\$2,466,095)	(\$2,131,501)	(\$1,822,835)	(\$1,536,393)	
17	Cumulative Book/Tax Timer Not Subject to Proration	Line 10	\$0	\$0	\$0	\$0	\$0	\$0	
18	Total Cumulative Book/Tax Timer	Line 16 + Line 17	(\$1,966,574)	(\$866,151)	(\$2,466,095)	(\$2,131,501)	(\$1,822,835)	(\$1,536,393)	
19	Total FY 2020 Federal NOL (Utilization)	Docket No. 4915, R. S. 5, Att. 1S, P 10 of 19, Col (a)	\$0	\$0	\$0	\$0	\$0	\$0	
20	Allocated FY 2020 Federal NOL Not Subject to Proration	(Line 17 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0	
21	Allocated FY 2020 Federal NOL Subject to Proration	(Line 16 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0	
22	Effective Tax Rate		21%	21%	21%	21%	21%	21%	
23	Deferred Tax Benefit subject to proration	Line 21 * Line 22	\$0	\$0	\$0	\$0	\$0	\$0	
24	Net Deferred Tax Reserve subject to proration	Line 7 + Line 23	(\$412,981)	(\$181,892)	(\$517,880)	(\$447,615)	(\$382,795)	(\$322,643)	
		(g)	(h)	(i)	(j)	(k)	(l)	(m)	
Proration Calculation									
		Number of Days in Month	Proration Percentage	FY22	FY23	FY24	FY25	FY26	FY27
25	April	30	91.78%	(\$31,586)	(\$13,912)	(\$39,610)	(\$34,235)	(\$29,278)	(\$24,677)
26	May	31	83.29%	(\$28,663)	(\$12,624)	(\$35,944)	(\$31,067)	(\$26,568)	(\$22,393)
27	June	30	75.07%	(\$25,835)	(\$11,379)	(\$32,397)	(\$28,002)	(\$23,947)	(\$20,184)
28	July	31	66.58%	(\$22,912)	(\$10,091)	(\$28,732)	(\$24,833)	(\$21,237)	(\$17,900)
29	August	31	58.08%	(\$19,989)	(\$8,804)	(\$25,066)	(\$21,665)	(\$18,528)	(\$15,616)
30	September	30	49.86%	(\$17,160)	(\$7,558)	(\$21,519)	(\$18,600)	(\$15,906)	(\$13,407)
31	October	31	41.37%	(\$14,237)	(\$6,271)	(\$17,854)	(\$15,431)	(\$13,197)	(\$11,123)
32	November	30	33.15%	(\$11,409)	(\$5,025)	(\$14,307)	(\$12,366)	(\$10,575)	(\$8,913)
33	December	31	24.66%	(\$8,486)	(\$3,738)	(\$10,641)	(\$9,198)	(\$7,866)	(\$6,630)
34	January	31	16.16%	(\$5,563)	(\$2,450)	(\$6,976)	(\$6,030)	(\$5,156)	(\$4,346)
35	February	28	8.49%	(\$2,923)	(\$1,287)	(\$3,665)	(\$3,168)	(\$2,709)	(\$2,284)
36	March	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
37	Total	365		(\$188,764)	(\$83,139)	(\$236,711)	(\$204,595)	(\$174,967)	(\$147,473)
38	Deferred Tax Without Proration	Line 24		(\$412,981)	(\$181,892)	(\$517,880)	(\$447,615)	(\$382,795)	(\$322,643)
39	Average Deferred Tax without Proration	Year 1=Line 38 * Page 16 of 46, Line 16, Col (e); then = Line 38 * 50%		(\$206,490)	(\$90,946)	(\$258,940)	(\$223,808)	(\$191,398)	(\$161,321)
40	Proration Adjustment	Line 37 - Line 39		\$17,726	\$7,807	\$22,229	\$19,213	\$16,430	\$13,849

Column Notes:

- (h) Sum of remaining days in the year (Col (g)) ÷ 365
(i) through (n) Current Year Line 24 ÷ 12 × Current Month Col (h)

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The Narragansett Electric Company d/b/a Rhode Island Energy FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan Fiscal Year 2027 Revenue Requirement on FY 2021 Actual Incremental Capital Investment									
Line No.		Fiscal Year 2021 (a)	Fiscal Year 2022 (b)	NG 4/1/22 - 5/24/22 2023 (c)	PPL 5/25/22 - 3/31/23 2023 (d)	Fiscal Year 2024 (e)	Fiscal Year 2025 (f)	Fiscal Year 2026 (g)	Fiscal Year 2027 (h)
Capital Investment Allowance									
1	Non-Discretionary Capital	\$34,595,920							
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non- intangible)	\$80,041,254							
3	Total Allowed Capital Included in Rate Base (non intangible) Page 35 of 46, Line 4(d)	\$114,637,174	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base									
4	Total Allowed Capital Included in Rate Base in Current Year Line 3	\$114,637,174	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Retirements Page 35 of 46, Line 10, Col (d)	\$21,996,026	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$92,641,148	\$92,641,148	\$92,641,148	\$92,641,148	\$92,641,148	\$92,641,148	\$92,641,148	\$92,641,148
Change in Net Capital Included in Rate Base									
7	Capital Included in Rate Base Line 3	\$114,637,174	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Depreciation Expense Page 39 of 46, Line 41, Col (d) * 5 + 12 * Line 62 Column (d) * 7 + 12	\$49,906,920	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Incremental Capital Amount Year 1 = Line 7 - Line 8; Then = Prior Year Line 9	\$64,730,253	\$64,730,253	\$64,730,253	\$64,730,253	\$64,730,253	\$64,730,253	\$64,730,253	\$64,730,253
10	Cost of Removal Page 35 of 46, Line 7, Col (d)	\$10,220,721							
11	Total Net Plant in Service Line 9 + Line 10	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974
Deferred Tax Calculation:									
12	Composite Book Depreciation Rate Page 37 of 46, Line 3, Col (c)	1/	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
13	Number of days 2/			54	311				
14	Proration Percentage 2/			14.79%	85.21%				
15	Vintage Year Tax Depreciation:								
16	Tax Depreciation and Year 1 Basis Adjustments Year 1 = Page 14 of 46, Line 28, Column (a), Then = Line Page 14 of 46, Column (c)	\$43,972,493	\$6,332,113	\$866,471	\$4,117,983	\$7,927,392	\$7,332,206	\$6,783,142	\$6,273,610
17	Cumulative Tax Depreciation-NG Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16 3/	\$43,972,493	\$50,304,606	\$51,171,077					
18	Cumulative Tax Depreciation-PPL Year 1 = Line 16; then = Prior Year Line 18 + Current Year Line 16 3/				\$4,117,983	\$12,045,375	\$19,377,581	\$26,160,722	\$32,434,332
19	Book Depreciation year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12 Year 1 = Line 19;	\$1,463,730	\$2,927,460	\$433,104	\$2,494,357	\$2,927,460	\$2,927,460	\$2,927,460	\$2,927,460
20	Cumulative Book Depreciation then = Prior Year Line 20 + Current Year Line 19	\$1,463,730	\$4,391,190	\$4,824,294	\$7,318,651	\$10,246,111	\$13,173,571	\$16,101,031	\$19,028,492
21	Cumulative Book / Tax Timer Columns (a) through (c): Line 17 - Line 20, Then Line 18 - Line 20	\$42,508,763	\$45,913,416	\$46,346,783	(\$3,200,668)	\$1,799,264	\$6,204,010	\$10,059,691	\$13,405,840
22	Less: Cumulative Book Depreciation at Acquisition Line 20 Column (c) 3/				\$4,824,294	\$4,824,294	\$4,824,294	\$4,824,294	\$4,824,294
23	Cumulative Book / Tax Timer - PPL Line 21 + Line 22				\$1,623,626	\$6,623,558	\$11,028,304	\$14,883,985	\$18,230,135
24	Effective Tax Rate Columns (a) through (c): Line 21 * Line 24, Then Line 23 * Line 24	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
25	Deferred Tax Reserve \$8,926,840 \$9,641,817 \$9,732,824 \$340,962 \$1,390,947 \$2,315,944 \$3,125,637 \$3,828,328								
26	Add: FY 2021 Federal NOL (Generation) / Utilization Page 35 of 46, Line 15, Col (d) 3/				\$0	\$0	\$0	\$0	\$0
27	Net Deferred Tax Reserve before Proration Adjustment Sum of Lines 25 through 26	\$3,287,693	\$4,002,670	\$4,093,677	\$340,962	\$1,390,947	\$2,315,944	\$3,125,637	\$3,828,328
Rate Base Calculation:									
28	Cumulative Incremental Capital Included in Rate Base Line 11	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974	\$74,950,974
29	Accumulated Depreciation -Line 20	(\$1,463,730)	(\$4,391,190)	(\$4,824,294)	(\$7,318,651)	(\$10,246,111)	(\$13,173,571)	(\$16,101,031)	(\$19,028,492)
30	Deferred Tax Reserve -Line 27	(\$3,287,693)	(\$4,002,670)	(\$4,093,677)	(\$340,962)	(\$1,390,947)	(\$2,315,944)	(\$3,125,637)	(\$3,828,328)
31	Year End Rate Base before Deferred Tax Proration Sum of Lines 28 through 30	\$70,199,551	\$66,557,114	\$66,033,003	\$67,291,362	\$63,313,916	\$59,461,459	\$55,724,306	\$52,094,154
Revenue Requirement Calculation:									
32	Average Rate Base before Deferred Tax Proration Year 1 = Current Year, Line 31 * 50%; Then = (Prior Year Line 31 + Current Year Line 31) * 2 4/	\$35,099,776	\$68,378,333	\$66,924,238	\$66,924,238	\$65,302,639	\$61,387,688	\$57,592,883	\$53,909,230
33	Proration Adjustment Page 15 of 46, Line 40	\$16,455	\$30,689	\$18,541	\$18,541	\$45,068	\$39,703	\$34,754	\$30,161
34	Average ISR Rate Base after Deferred Tax Proration Line 32 + Line 33	\$35,116,231	\$68,409,021	\$66,942,779	\$66,942,779	\$65,347,707	\$61,427,391	\$57,627,637	\$53,939,391
35	Pre-Tax ROR Page 45 of 46, Line 35	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
36	Proration Line 14 2/			14.79%	85.21%				
37	Return and Taxes Cols (a),(b) and (c): L 34 * L 35; Cols (c) and (d): L 34 * L 35 * L 36 2/	\$2,890,066	\$5,630,062	\$815,088	\$4,694,303	\$5,378,116	\$5,055,474	\$4,742,754	\$4,439,212
38	Book Depreciation Line 19	\$1,463,730	\$2,927,460	\$433,104	\$2,494,357	\$2,927,460	\$2,927,460	\$2,927,460	\$2,927,460
39	Revenue Requirement of Intangible Assets								
40	Annual Revenue Requirement Line 37 + Line 38 + Line 39	\$4,353,796	\$8,557,523	\$1,248,192	\$7,188,659	\$8,305,577	\$7,982,935	\$7,670,215	\$7,366,672

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))

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(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 reset the book/tax timing difference as if PPL purchased a new asset in the year of acquisition and will begin depreciating the new tax basis. Book cost, book accumulated depreciation and book depreciation continue as if the acquisition never took place.

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 31, Column (b) and the end of the fiscal year on Line 31, Column (d). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) 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)
	<u>Capital Repairs Deduction</u>							
1	Plant Additions	Page 13 of 46, Line 3(a)	\$114,637,174					
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 23.49%					
3	Capital Repairs Deduction	Line 1 * Line 2	\$26,922,627					
4								
5	<u>Bonus Depreciation</u>							
6	Plant Additions	Line 1	\$114,637,174					
7	Plant Additions		\$0					
8	Less Capital Repairs Deduction	Line 3	\$26,922,627					
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$87,714,547					
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	1 * 14.78% * 75% * 30%	0.00%					
13	Bonus Depreciation Rate	1 * 25% * 0%	0.00%					
14	Total Bonus Depreciation Rate	Line 12 + Line 13	0.00%					
15	Bonus Depreciation	Line 11 * Line 14	\$0					
16								
17	<u>Remaining Tax Depreciation</u>							
18	Plant Additions	Line 1	\$114,637,174					
19	Less Capital Repairs Deduction	Line 3	\$26,922,627					
20	Less Bonus Depreciation	Line 15	\$0					
21	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 18 - Line 19 - Line 20	\$87,714,547					
22	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%					
23	Remaining Tax Depreciation	Line 21 * Line 22	\$3,289,296					
24								
25	FY21 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$3,539,849					
26	Cost of Removal	Page 13 of 46, Line 10	\$10,220,721					
27								
28	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 15, 23, 25, and 26	\$43,972,493					
29								
30								
31								
32								
33								
34								
35								
36								
37								

20 Year MACRS Depreciation				
MACRS basis:	Line 21, Column (a)		\$87,714,547	
Fiscal Year		Prorated	Annual MACRS	Cumulative Tax Depr
FY Mar-2021	3.750%		\$3,289,296	\$43,972,493
FY Mar-2022	7.219%		\$6,332,113	\$50,304,606
FY Mar-2023 (Apr-May 2022)	6.677%	0.988%	\$866,471	\$51,171,077
PPL Acquisition - May 25, 2022				
Book Cost	Line 1, Column (a)		\$114,637,174	
Cumulative Book Depreciation	- Page 13 of 46, Line 20, Col (c)		(\$4,824,294)	
PPL MACRS basis:	Line 11(e) + Line 12(e)		\$109,812,880	
FY Mar-2023 (Jun-Mar 2023)	3.750%		\$4,117,983	\$4,117,983
Mar-2024	7.219%		\$7,927,392	\$12,045,375
Mar-2025	6.677%		\$7,332,206	\$19,377,581
Mar-2026	6.177%		\$6,783,142	\$26,160,722
Mar-2027	5.713%		\$6,273,610	\$32,434,332
Mar-2028	5.285%		\$5,803,611	\$38,237,943
Mar-2029	4.888%		\$5,367,654	\$43,605,596
Mar-2030	4.522%		\$4,965,738	\$48,571,335
Mar-2031	4.462%		\$4,899,851	\$53,471,186
Mar-2032	4.461%		\$4,898,753	\$58,369,938
Mar-2033	4.462%		\$4,899,851	\$63,269,789
Mar-2034	4.461%		\$4,898,753	\$68,168,541
Mar-2035	4.462%		\$4,899,851	\$73,068,392
Mar-2036	4.461%		\$4,898,753	\$77,967,145
Mar-2037	4.462%		\$4,899,851	\$82,866,995
Mar-2038	4.461%		\$4,898,753	\$87,765,748
Mar-2039	4.462%		\$4,899,851	\$92,665,599
Mar-2040	4.461%		\$4,898,753	\$97,564,351
Mar-2041	4.462%		\$4,899,851	\$102,464,202
Mar-2042	4.461%		\$4,898,753	\$107,362,954
Mar-2043	2.231%		\$2,449,925	\$109,812,880
	100.00%		\$109,812,880	

1/ Per Tax Department

2/ Per Tax Department

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

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FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2021 Incremental Capital Investment

Line No.			FY22 (a)	FY23 (b)	FY24 (c)	FY25 (d)	FY26 (e)	FY27 (f)	
	Deferred Tax Subject to Proration								
1	Book Depreciation	See the corresponding Fiscal Year on Page 13 of 46, Line 19. Note there are 2 columns to sum for FY23.	\$2,927,460	\$2,927,460	\$2,927,460	\$2,927,460	\$2,927,460	\$2,927,460	
2	Bonus Depreciation	Page 14 of 46, Line 20	\$0	\$0	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	See the corresponding Fiscal Year on Page 13 of 46, Line 16. Note there are 2 columns to sum for FY23.	(\$6,332,113)	(\$4,984,454)	(\$7,927,392)	(\$7,332,206)	(\$6,783,142)	(\$6,273,610)	
4	FY 2021 tax (gain)/loss on retirements	- Page 14 of 46, Line 25							
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$3,404,653)	(\$2,056,993)	(\$4,999,932)	(\$4,404,746)	(\$3,855,681)	(\$3,346,150)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$714,977)	(\$431,969)	(\$1,049,986)	(\$924,997)	(\$809,693)	(\$702,691)	
	Deferred Tax Not Subject to Proration								
8	Capital Repairs Deduction	- Page 14 of 46, Line 3							
9	Cost of Removal	- Page 14 of 46, Line 26							
10	Cumulative Book / Tax Timer	Line 8 + Line 9	\$0	\$0	\$0	\$0	\$0	\$0	
11	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
12	Deferred Tax Reserve	Line 10 * Line 11	\$0	\$0	\$0	\$0	\$0	\$0	
13	Total Deferred Tax Reserve	Line 7 + Line 12	(\$714,977)	(\$431,969)	(\$1,049,986)	(\$924,997)	(\$809,693)	(\$702,691)	
14	Net Operating Loss	Page 13 of 46, Line 26	\$0	\$0	\$0	\$0	\$0	\$0	
15	Net Deferred Tax Reserve	Line 13 + Line 14	(\$714,977)	(\$431,969)	(\$1,049,986)	(\$924,997)	(\$809,693)	(\$702,691)	
	Allocation of FY 2021 Estimated Federal NOL								
16	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$3,404,653)	(\$2,056,993)	(\$4,999,932)	(\$4,404,746)	(\$3,855,681)	(\$3,346,150)	
17	Cumulative Book/Tax Timer Not Subject to Proration	Line 10	\$0	\$0	\$0	\$0	\$0	\$0	
18	Total Cumulative Book/Tax Timer	Line 16 + Line 17	(\$3,404,653)	(\$2,056,993)	(\$4,999,932)	(\$4,404,746)	(\$3,855,681)	(\$3,346,150)	
19	Total FY 2021 Federal NOL (Utilization)	- Page 13 of 46, Line 26 / 21%	\$0	\$0	\$0	\$0	\$0	\$0	
20	Allocated FY 2021 Federal NOL Not Subject to Proration	(Line 17 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0	
21	Allocated FY 2021 Federal NOL Subject to Proration	(Line 16 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0	
22	Effective Tax Rate		21%	21%	21%	21%	21%	21%	
23	Deferred Tax Benefit subject to proration	Line 21 * Line 22	\$0	\$0	\$0	\$0	\$0	\$0	
24	Net Deferred Tax Reserve subject to proration	Line 7 + Line 23	(\$714,977)	(\$431,969)	(\$1,049,986)	(\$924,997)	(\$809,693)	(\$702,691)	
		(f)	(g)	(h)	(i)	(j)	(k)	(l)	
		(m)							
	Proration Calculation	<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>
25	April	30	91.78%	(\$54,684)	(\$33,039)	(\$80,307)	(\$70,747)	(\$61,929)	(\$53,745)
26	May	31	83.29%	(\$49,624)	(\$29,981)	(\$72,876)	(\$64,201)	(\$56,198)	(\$48,771)
27	June	30	75.07%	(\$44,727)	(\$27,023)	(\$65,684)	(\$57,865)	(\$50,652)	(\$43,958)
28	July	31	66.58%	(\$39,667)	(\$23,965)	(\$58,253)	(\$51,318)	(\$44,921)	(\$38,985)
29	August	31	58.08%	(\$34,606)	(\$20,908)	(\$50,821)	(\$44,772)	(\$39,191)	(\$34,012)
30	September	30	49.86%	(\$29,709)	(\$17,949)	(\$43,630)	(\$38,436)	(\$33,645)	(\$29,199)
31	October	31	41.37%	(\$24,649)	(\$14,892)	(\$36,198)	(\$31,889)	(\$27,914)	(\$24,225)
32	November	30	33.15%	(\$19,752)	(\$11,933)	(\$29,006)	(\$25,554)	(\$22,368)	(\$19,412)
33	December	31	24.66%	(\$14,691)	(\$8,876)	(\$21,575)	(\$19,007)	(\$16,638)	(\$14,439)
34	January	31	16.16%	(\$9,631)	(\$5,819)	(\$14,144)	(\$12,460)	(\$10,907)	(\$9,465)
35	February	28	8.49%	(\$5,060)	(\$3,057)	(\$7,431)	(\$6,547)	(\$5,731)	(\$4,973)
36	March	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0
37	Total	365		(\$326,800)	(\$197,443)	(\$479,925)	(\$422,795)	(\$370,093)	(\$321,185)
38	Deferred Tax Without Proration	Line 24		(\$714,977)	(\$431,969)	(\$1,049,986)	(\$924,997)	(\$809,693)	(\$702,691)
39	Average Deferred Tax without Proration	Line 38 x 0.5		(\$357,489)	(\$215,984)	(\$524,993)	(\$462,498)	(\$404,847)	(\$351,346)
40	Proration Adjustment	Line 37 - Line 39		\$30,689	\$18,541	\$45,068	\$39,703	\$34,754	\$30,161

Column Notes:

- (g) Sum of remaining days in the year (Col (f)) ÷ 365
(h) through (m) Current Year Line 24 ÷ 12 × Current Month Col (g)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
ISR Additions April 2020 through March 2021**

<u>Line No.</u>	<u>Month No.</u>	<u>Month</u>	<u>FY 2021 Plant Additions</u> (a)	<u>In Rates</u> (b)	<u>Not In Rates</u> (c) = (a) - (b)	<u>Weight for Days</u> (d)	<u>Weighted Average</u> (e) = (d) * (c)	<u>Weight for Not in Rates</u> (f)=(c)/Total(c)
1								
2	1	Apr-20	8,182,358	6,236,917	1,945,441	0.958	1,864,381	2.90%
3	2	May-20	8,182,358	6,236,917	1,945,441	0.875	1,702,261	2.90%
4	3	Jun-20	8,182,358	6,236,917	1,945,441	0.792	1,540,141	2.90%
5	4	Jul-20	8,182,358	6,236,917	1,945,441	0.708	1,378,021	2.90%
6	5	Aug-20	8,182,358	6,236,917	1,945,441	0.625	1,215,901	2.90%
7	6	Sep-20	8,182,358	-	8,182,358	0.542	4,432,110	12.21%
8	7	Oct-20	8,182,358	-	8,182,358	0.458	3,750,247	12.21%
9	8	Nov-20	8,182,358	-	8,182,358	0.375	3,068,384	12.21%
10	9	Dec-20	8,182,358	-	8,182,358	0.292	2,386,521	12.21%
11	10	Jan-21	8,182,358	-	8,182,358	0.208	1,704,658	12.21%
12	11	Feb-21	8,182,358	-	8,182,358	0.125	1,022,795	12.21%
13	12	Mar-21	8,182,358	-	8,182,358	0.042	340,932	12.21%
14		Total	\$98,188,293	\$31,184,583	\$67,003,710		\$24,406,351	100.00%
15	Total September 2020 through March 2021				\$ 57,276,504			
16	FY 2020 Weighted Average Incremental Rate Base Percentage						36.43%	

Column (a)=Page 35 of 46, Line 1(c)
Column(b)=Page 35 of 46, Line 3(c)
Line 15 = sum of Line 7(c) through Line 13(c)
Line 16 = Line 14(f)/Line 14(c)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2022 Actual Incremental 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)	Fiscal Year 2026 (f)	Fiscal Year 2027 (g)	
Capital Investment Allowance									
1	Non-Discretionary Capital	Docket 5098, P 29 of 29, Line 1(a)	\$44,269,338						
2	Discretionary Capital Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non-intangible)	Docket 5098, P 29 of 29, Line 2(a)	\$42,200,430				\$0	\$0	
3	Total Allowed Capital Included in Rate Base (non-intangible)	Page 35 of 46, Line 4(e)	\$86,469,768	\$0	\$0	\$0	\$0	\$0	
Depreciable Net Capital Included in Rate Base									
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$86,469,768	\$0	\$0	\$0	\$0	\$0	
5	Retirements	Page 35 of 46, Line 10, Col (e)	\$34,853,004	\$0	\$0	\$0	\$0	\$0	
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$51,616,764	\$51,616,764	\$51,616,764	\$51,616,764	\$51,616,764	\$51,616,764	
Change in Net Capital Included in Rate Base									
7	Capital Included in Rate Base	Line 3	\$86,469,768	\$0	\$0	\$0	\$0	\$0	
8	Depreciation Expense	Page 39 of 46, Line 62, Col (d)	\$49,906,920	\$0	\$0	\$0	\$0	\$0	
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; Then = Prior Year Line 9	\$36,562,848	\$36,562,848	\$36,562,848	\$36,562,848	\$36,562,848	\$36,562,848	
10	Cost of Removal	Page 35 of 46, Line 7, Col (e)	\$7,612,192	\$0	\$0	\$0	\$0	\$0	
11	Total Net Plant in Service	Line 9 + Line 10	\$44,175,039	\$44,175,039	\$44,175,039	\$44,175,039	\$44,175,039	\$44,175,039	
Deferred Tax Calculation:									
12	Composite Book Depreciation Rate	Page 37 of 46, Line 3, Col (e) 1/	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%	
13	Number of days	2/		54	311				
14	Proration Percentage	2/		14.79%	85.21%				
15	Vintage Year Tax Depreciation:								
16	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 18 of 46, Line 27, Column (a), Then = Line Page 18 of 46, Column (e) Year 1 = Line 16; then = Prior Year Line 17 + Current Year Line 16	\$41,652,259	\$649,506	\$3,202,984	\$6,165,958	\$5,703,020	\$5,275,956	\$4,879,640
17	Cumulative Tax Depreciation-NG	Year 1 = Line 16; then = Prior Year Line 18 + Current Year Line 16	\$41,652,259	\$42,301,764					
18	Cumulative Tax Depreciation-PPL	Year 1 = Line 16; then = Prior Year Line 18 + Current Year Line 16			\$3,202,984	\$9,368,942	\$15,071,962	\$20,347,918	\$25,227,557
19	Book Depreciation	Year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12	\$815,545	\$241,312	\$1,389,778	\$1,631,090	\$1,631,090	\$1,631,090	
20	Cumulative Book Depreciation	Prior Year Line 20 + Current Year Line 19	\$815,545	\$1,056,857	\$2,446,635	\$4,077,724	\$5,708,814	\$7,339,904	\$8,970,994
21	Cumulative Book / Tax Timer	Columns (a) & (b): Line 17 - Line 20, Then Line 18 - Line 20	\$40,836,714	\$41,244,907	\$756,350	\$5,291,218	\$9,363,148	\$13,008,014	\$16,256,564
22	Less: Cumulative Book Depreciation at Acquisition	Line 20 Column (b)			\$1,056,857	\$1,056,857	\$1,056,857	\$1,056,857	
23	Cumulative Book / Tax Timer - PPL	Line 21 + Line 22			\$1,813,206	\$6,348,075	\$10,420,005	\$14,064,871	\$17,313,421
24	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%	
25	Deferred Tax Reserve	Then Line 23 * Line 24	\$8,575,710	\$8,661,431	\$380,773	\$1,333,096	\$2,188,201	\$2,953,623	\$3,635,818
26	Add: FY 2022 Federal NOL (Generation) / Utilization	Page 35 of 46, Line 15, Col (e)	(\$3,602,966)	(\$3,602,966)	\$0	\$0	\$0	\$0	
27	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 25 through 26	\$4,972,744	\$5,058,465	\$380,773	\$1,333,096	\$2,188,201	\$2,953,623	\$3,635,818
Rate Base Calculation:									
28	Cumulative Incremental Capital Included in Rate Base	Line 11	\$44,175,039	\$44,175,039	\$44,175,039	\$44,175,039	\$44,175,039	\$44,175,039	
29	Accumulated Depreciation	-Line 20	(\$815,545)	(\$1,056,857)	(\$2,446,635)	(\$4,077,724)	(\$5,708,814)	(\$7,339,904)	(\$8,970,994)
30	Deferred Tax Reserve	-Line 27	(\$4,972,744)	(\$5,058,465)	(\$380,773)	(\$1,333,096)	(\$2,188,201)	(\$2,953,623)	(\$3,635,818)
31	Year End Rate Base before Deferred Tax Proration	Sum of Lines 28 through 30	\$38,386,750	\$38,059,718	\$41,347,631	\$38,764,219	\$36,278,024	\$33,881,513	\$31,568,227
Revenue Requirement Calculation:									
32	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year, Line 31 * 50%; Then = (Prior Year Line 31 + Current Year Line 31) ÷ 2	\$19,193,375	\$39,867,191	\$39,867,191	\$40,055,925	\$37,521,122	\$35,079,768	\$32,724,870
33	Proration Adjustment	Page 19 of 46, Line 40	\$13,205	\$20,023	\$20,023	\$40,876	\$36,703	\$32,854	\$29,281
34	Average ISR Rate Base after Deferred Tax Proration	Line 33 + Line 34	\$19,206,580	\$39,887,214	\$39,887,214	\$40,096,801	\$37,557,825	\$35,112,622	\$32,754,151
35	Pre-Tax ROR	Page 45 of 46, Line 35	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
36	Proration	Line 14		14.79%	85.21%				
37	Return and Taxes	Col (a) and (d): L 34 * L 35; Cols (b) through (c): L 34 * L 35 * L 36	\$1,580,702	\$485,662	\$2,797,055	\$3,299,967	\$3,091,009	\$2,889,769	\$2,695,667
38	Book Depreciation	Line 19	\$815,545	\$241,312	\$1,389,778	\$1,631,090	\$1,631,090	\$1,631,090	
39	Annual Revenue Requirement	Line 37 + Line 38	\$2,396,246	\$726,974	\$4,186,833	\$4,931,056	\$4,722,099	\$4,520,859	\$4,326,756

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))
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 reset the book/tax timing difference as if PPL purchased a new asset in the year of acquisition and will begin depreciating the new tax basis. Book cost, book accumulated depreciation and book depreciation continue as if the acquisition never took place.
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 31, Column (a) and the end of the fiscal year on Line 31, Column (c). See note 2.

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) 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)																																																																																																																																																											
	<u>Capital Repairs Deduction</u>																																																																																																																																																																	
1	Plant Additions	Page 17 of 46, Line 3	\$86,469,768																																																																																																																																																															
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 29.67%																																																																																																																																																															
3	Capital Repairs Deduction	Line 1 * Line 2	\$25,655,580	<table border="1"> <thead> <tr> <th colspan="5">20 Year MACRS Depreciation</th> </tr> <tr> <th>NG MACRS basis:</th> <th>Line 22, Column (a)</th> <th></th> <th>\$60,814,188</th> <th></th> </tr> <tr> <th>Fiscal Year</th> <th></th> <th>Prorated</th> <th>Annual MACRS</th> <th>Cumulative Tax Depr</th> </tr> </thead> <tbody> <tr> <td>FY Mar-2022</td> <td></td> <td>3.750%</td> <td>\$2,280,532</td> <td>\$41,652,259</td> </tr> <tr> <td>FY Mar-2023 (Apr-May 2022)</td> <td></td> <td>7.219%</td> <td>\$649,506</td> <td>\$42,301,764</td> </tr> <tr> <td colspan="5">PPL Acquisition - May 25, 2022</td> </tr> <tr> <td>Book Cost</td> <td>Line 1, Column (a)</td> <td></td> <td>\$86,469,768</td> <td></td> </tr> <tr> <td>Cumulative Book Depreciation</td> <td>- Page 17 of 46, Line 20, Col (b)</td> <td></td> <td>(\$1,056,857)</td> <td></td> </tr> <tr> <td>PPL MACRS basis:</td> <td>Line 10(e) + Line 11(e)</td> <td></td> <td><u>\$85,412,911</u></td> <td></td> </tr> <tr> <td>FY Mar-2023 (Jun-Mar 2023)</td> <td></td> <td>3.750%</td> <td>\$3,202,984</td> <td>\$3,202,984</td> </tr> <tr> <td>Mar-2024</td> <td></td> <td>7.219%</td> <td>\$6,165,958</td> <td>\$9,368,942</td> </tr> <tr> <td>Mar-2025</td> <td></td> <td>6.677%</td> <td>\$5,703,020</td> <td>\$15,071,962</td> </tr> <tr> <td>Mar-2026</td> <td></td> <td>6.177%</td> <td>\$5,275,956</td> <td>\$20,347,918</td> </tr> <tr> <td>Mar-2027</td> <td></td> <td>5.713%</td> <td>\$4,879,640</td> <td>\$25,227,557</td> </tr> <tr> <td>Mar-2028</td> <td></td> <td>5.285%</td> <td>\$4,514,072</td> <td>\$29,741,630</td> </tr> <tr> <td>Mar-2029</td> <td></td> <td>4.888%</td> <td>\$4,174,983</td> <td>\$33,916,613</td> </tr> <tr> <td>Mar-2030</td> <td></td> <td>4.522%</td> <td>\$3,862,372</td> <td>\$37,778,985</td> </tr> <tr> <td>Mar-2031</td> <td></td> <td>4.462%</td> <td>\$3,811,124</td> <td>\$41,590,109</td> </tr> <tr> <td>Mar-2032</td> <td></td> <td>4.461%</td> <td>\$3,810,270</td> <td>\$45,400,379</td> </tr> <tr> <td>Mar-2033</td> <td></td> <td>4.462%</td> <td>\$3,811,124</td> <td>\$49,211,503</td> </tr> <tr> <td>Mar-2034</td> <td></td> <td>4.461%</td> <td>\$3,810,270</td> <td>\$53,021,773</td> </tr> <tr> <td>Mar-2035</td> <td></td> <td>4.462%</td> <td>\$3,811,124</td> <td>\$56,832,897</td> </tr> <tr> <td>Mar-2036</td> <td></td> <td>4.461%</td> <td>\$3,810,270</td> <td>\$60,643,167</td> </tr> <tr> <td>Mar-2037</td> <td></td> <td>4.462%</td> <td>\$3,811,124</td> <td>\$64,454,291</td> </tr> <tr> <td>Mar-2038</td> <td></td> <td>4.461%</td> <td>\$3,810,270</td> <td>\$68,264,561</td> </tr> <tr> <td>Mar-2039</td> <td></td> <td>4.462%</td> <td>\$3,811,124</td> <td>\$72,075,685</td> </tr> <tr> <td>Mar-2040</td> <td></td> <td>4.461%</td> <td>\$3,810,270</td> <td>\$75,885,955</td> </tr> <tr> <td>Mar-2041</td> <td></td> <td>4.462%</td> <td>\$3,811,124</td> <td>\$79,697,079</td> </tr> <tr> <td>Mar-2042</td> <td></td> <td>4.461%</td> <td>\$3,810,270</td> <td>\$83,507,349</td> </tr> <tr> <td>Mar-2043</td> <td></td> <td>2.231%</td> <td>\$1,905,562</td> <td>\$85,412,911</td> </tr> <tr> <td></td> <td></td> <td></td> <td><u>100.000%</u></td> <td><u>\$85,412,911</u></td> </tr> </tbody> </table>				20 Year MACRS Depreciation					NG MACRS basis:	Line 22, Column (a)		\$60,814,188		Fiscal Year		Prorated	Annual MACRS	Cumulative Tax Depr	FY Mar-2022		3.750%	\$2,280,532	\$41,652,259	FY Mar-2023 (Apr-May 2022)		7.219%	\$649,506	\$42,301,764	PPL Acquisition - May 25, 2022					Book Cost	Line 1, Column (a)		\$86,469,768		Cumulative Book Depreciation	- Page 17 of 46, Line 20, Col (b)		(\$1,056,857)		PPL MACRS basis:	Line 10(e) + Line 11(e)		<u>\$85,412,911</u>		FY Mar-2023 (Jun-Mar 2023)		3.750%	\$3,202,984	\$3,202,984	Mar-2024		7.219%	\$6,165,958	\$9,368,942	Mar-2025		6.677%	\$5,703,020	\$15,071,962	Mar-2026		6.177%	\$5,275,956	\$20,347,918	Mar-2027		5.713%	\$4,879,640	\$25,227,557	Mar-2028		5.285%	\$4,514,072	\$29,741,630	Mar-2029		4.888%	\$4,174,983	\$33,916,613	Mar-2030		4.522%	\$3,862,372	\$37,778,985	Mar-2031		4.462%	\$3,811,124	\$41,590,109	Mar-2032		4.461%	\$3,810,270	\$45,400,379	Mar-2033		4.462%	\$3,811,124	\$49,211,503	Mar-2034		4.461%	\$3,810,270	\$53,021,773	Mar-2035		4.462%	\$3,811,124	\$56,832,897	Mar-2036		4.461%	\$3,810,270	\$60,643,167	Mar-2037		4.462%	\$3,811,124	\$64,454,291	Mar-2038		4.461%	\$3,810,270	\$68,264,561	Mar-2039		4.462%	\$3,811,124	\$72,075,685	Mar-2040		4.461%	\$3,810,270	\$75,885,955	Mar-2041		4.462%	\$3,811,124	\$79,697,079	Mar-2042		4.461%	\$3,810,270	\$83,507,349	Mar-2043		2.231%	\$1,905,562	\$85,412,911				<u>100.000%</u>	<u>\$85,412,911</u>
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6	Plant Additions	Line 1	\$86,469,768																																																																																																																																																															
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8	Less Capital Repairs Deduction	Line 3	\$25,655,580																																																																																																																																																															
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$60,814,188																																																																																																																																																															
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%																																																																																																																																																															
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0																																																																																																																																																															
12	Bonus Depreciation Rate	at 0%	0.00%																																																																																																																																																															
13	Total Bonus Depreciation Rate	Line 12	0.00%																																																																																																																																																															
14	Bonus Depreciation	Line 11 * Line 13	\$0																																																																																																																																																															
15																																																																																																																																																																		
16	<u>Remaining Tax Depreciation</u>																																																																																																																																																																	
17	Plant Additions	Line 1	\$86,469,768																																																																																																																																																															
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19	Less Bonus Depreciation	Line 14	\$0																																																																																																																																																															
20	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$60,814,188																																																																																																																																																															
21	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%																																																																																																																																																															
22	Remaining Tax Depreciation	Line 20 * Line 21	\$2,280,532																																																																																																																																																															
23																																																																																																																																																																		
24	FY22 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$6,103,955																																																																																																																																																															
25	Cost of Removal	Page 17 of 46, Line 10	\$7,612,192																																																																																																																																																															
26																																																																																																																																																																		
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	<u>\$41,652,259</u>																																																																																																																																																															
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1/ Per Tax Department

2/ Per Tax Department

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2022 Incremental Capital Investment

Line No.			FY22 (a)	FY23 (b)	FY24 (c)	FY25 (d)	FY26 (e)	FY27 (f)		
1	Book Depreciation	See the corresponding Fiscal Year on Page 17 of 46, Line 19. Note there are 2 columns to sum for FY23.	\$815,545	\$1,631,090	\$1,631,090	\$1,631,090	\$1,631,090	\$1,631,090		
2	Bonus Depreciation	Page 14 of 46, Line 20	\$0	\$0	\$0	\$0	\$0	\$0		
3	Remaining MACRS Tax Depreciation	Col (a): - Page 18 of 46, Line 22, column (a), thereafter, see the corresponding Fiscal Year on Page 17 of 46, Line 16. Note there are 2 columns to sum for FY23.	(\$2,280,532)	(\$3,852,490)	(\$6,165,958)	(\$5,703,020)	(\$5,275,956)	(\$4,879,640)		
4	FY 2022 tax (gain)/loss on retirements	- Page 18 of 46, Line 24								
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,464,987)	(\$2,221,400)	(\$4,534,868)	(\$4,071,930)	(\$3,644,866)	(\$3,248,550)		
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
7	Deferred Tax Reserve	Line 5 * Line 6	(\$307,647)	(\$466,494)	(\$952,322)	(\$855,105)	(\$765,422)	(\$682,195)		
Deferred Tax Not Subject to Proration										
8	Capital Repairs Deduction	- Page 18 of 46, Line 3	(\$25,655,580)							
9	Cost of Removal	- Page 18 of 46, Line 25	(\$7,612,192)							
10	Cumulative Book / Tax Timer	Line 8 + Line 9	(\$33,267,772)	\$0	\$0	\$0	\$0	\$0		
11	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
12	Deferred Tax Reserve	Line 10 * Line 11	(\$6,986,232)	\$0	\$0	\$0	\$0	\$0		
13	Total Deferred Tax Reserve	Line 7 + Line 12	(\$7,293,879)	(\$466,494)	(\$952,322)	(\$855,105)	(\$765,422)	(\$682,195)		
14	Net Operating Loss	Page 17 of 46, Line 26	\$0	\$0	\$0	\$0	\$0	\$0		
15	Net Deferred Tax Reserve	Line 13 + Line 14	(\$7,293,879)	(\$466,494)	(\$952,322)	(\$855,105)	(\$765,422)	(\$682,195)		
Allocation of FY 2022 Estimated Federal NOL										
16	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,464,987)	(\$2,221,400)	(\$4,534,868)	(\$4,071,930)	(\$3,644,866)	(\$3,248,550)		
17	Cumulative Book/Tax Timer Not Subject to Proration	Line 10	(\$33,267,772)	\$0	\$0	\$0	\$0	\$0		
18	Total Cumulative Book/Tax Timer	Line 16 + Line 17	(\$34,732,759)	(\$2,221,400)	(\$4,534,868)	(\$4,071,930)	(\$3,644,866)	(\$3,248,550)		
19	Total FY 2022 Federal NOL (Utilization)	- Page 17 of 46, Line 26 / 21%	\$0	\$0	\$0	\$0	\$0	\$0		
20	Allocated FY 2022 Federal NOL Not Subject to Proration	(Line 17 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0		
21	Allocated FY 2022 Federal NOL Subject to Proration	(Line 16 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0		
22	Effective Tax Rate		21%	21%	21%	21%	21%	21%		
23	Deferred Tax Benefit subject to proration	Line 21 * Line 22	\$0	\$0	\$0	\$0	\$0	\$0		
24	Net Deferred Tax Reserve subject to proration	Line 7 + Line 23	(\$307,647)	(\$466,494)	(\$952,322)	(\$855,105)	(\$765,422)	(\$682,195)		
			(g)	(h)	(i)	(j)	(k)	(l)		
			(m)	(n)						
Proration Calculation										
			Number of Days in Month	Proration Percentage	FY22	FY23	FY24	FY25	FY26	FY27
25	April	30	91.78%	(\$23,530)	(\$35,679)	(\$72,837)	(\$65,402)	(\$58,543)	(\$52,177)	
26	May	31	83.29%	(\$21,353)	(\$32,378)	(\$66,097)	(\$59,350)	(\$53,125)	(\$47,349)	
27	June	30	75.07%	(\$19,246)	(\$29,183)	(\$59,575)	(\$53,493)	(\$47,883)	(\$42,676)	
28	July	31	66.58%	(\$17,068)	(\$25,881)	(\$52,834)	(\$47,441)	(\$42,465)	(\$37,848)	
29	August	31	58.08%	(\$14,891)	(\$22,579)	(\$46,094)	(\$41,389)	(\$37,048)	(\$33,020)	
30	September	30	49.86%	(\$12,784)	(\$19,384)	(\$39,571)	(\$35,532)	(\$31,805)	(\$28,347)	
31	October	31	41.37%	(\$10,606)	(\$16,082)	(\$32,831)	(\$29,480)	(\$26,388)	(\$23,519)	
32	November	30	33.15%	(\$8,499)	(\$12,887)	(\$26,308)	(\$23,623)	(\$21,145)	(\$18,846)	
33	December	31	24.66%	(\$6,322)	(\$9,585)	(\$19,568)	(\$17,571)	(\$15,728)	(\$14,018)	
34	January	31	16.16%	(\$4,144)	(\$6,284)	(\$12,828)	(\$11,519)	(\$10,310)	(\$9,189)	
35	February	28	8.49%	(\$2,177)	(\$3,302)	(\$6,740)	(\$6,052)	(\$5,417)	(\$4,828)	
36	March	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	
37	Total	365		(\$140,619)	(\$213,224)	(\$435,285)	(\$390,850)	(\$349,857)	(\$311,816)	
38	Deferred Tax Without Proration	Line 24	(\$307,647)	(\$466,494)	(\$952,322)	(\$855,105)	(\$765,422)	(\$682,195)		
39	Average Deferred Tax without Proration	Line 38 * 0.5	(\$153,824)	(\$233,247)	(\$476,161)	(\$427,553)	(\$382,711)	(\$341,098)		
40	Proration Adjustment	Line 37 - Line 39	\$13,205	\$20,023	\$40,876	\$36,703	\$32,854	\$29,281		

Column Notes:
(h) Sum of remaining days in the year (Col (g)) ÷ 365
(i) through (n) Current Year Line 24 ÷ 12 × Current Month Col (h)

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 25-54-EL
Proposed FY 2027 Electric Infrastructure, Safety, and Reliability Plan Filing
Section 4: Attachment 1 (Compliance)
Page 20 of 46

**The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2023 Actual Incremental Capital Investment**

Line No.				NG	PPL	Fiscal Year 2024 (c)	Fiscal Year 2025 (d)	Plan Year 2026 (e)	Plan Year 2027 (f)
				4/1/22 - 5/24/2022 2023 (a)	5/25/22 - 3/31/23 2023 (b)				
Capital Investment Allowance									
1	Non-Discretionary Capital	Docket 5209, P 33 of 33. Line 1	2/	\$6,130,225	\$35,305,558				
	Discretionary Capital								
2	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non-intangible)	Docket 5209, P 33 of 33. Line 13	2/	\$7,632,024	\$43,954,804				
3	Total Allowed Capital Included in Rate Base (non-intangible)	Sum of Lines 1 through 2		\$13,762,249	\$79,260,362	\$0	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base									
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3		\$13,762,249	\$79,260,362				
5	Retirements	Company's Record	2/	\$2,633,153	\$15,165,012				
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6		\$11,129,096	\$64,095,350	\$75,224,446	\$75,224,446	\$75,224,446	\$75,224,446
Change in Net Capital Included in Rate Base									
7	Capital Included in Rate Base	Line 3		\$13,762,249	\$79,260,362	\$0	\$0	\$0	\$0
8	Depreciation Expense	Page 39 of 46, Line 62, Col (d)	2/	\$7,383,490	\$42,523,431	\$0	\$0	\$0	\$0
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; Then = Prior Year Line 9		\$6,378,760	\$36,736,931	\$43,115,691	\$43,115,691	\$43,115,691	\$43,115,691
10	Cost of Removal	Company's Record	2/	\$1,142,377	\$6,579,244				
11	Total Net Plant in Service	Line 9 + Line 10		\$7,521,136	\$43,316,175	\$50,837,312	\$50,837,312	\$50,837,312	\$50,837,312
Deferred Tax Calculation:									
12	Composite Book Depreciation Rate	Page 37 of 46, Line 3, Col (e)	1/	3.16%	3.16%	3.16%	3.16%	3.16%	3.16%
13	Proration Percentage								
14	Vintage Year Tax Depreciation:								
15	Tax Depreciation and Year 1 Basis Adjustments	Col (a) = Page 21 of 46, Column (a), Line 27; Col (b) = Page 21 of 46, Col (b), Lines 18,24,25 + Col (e), Line 15, Then remaining years from Page 21 of 46, Col (e)		\$5,945,572	\$34,751,583	\$5,553,098	\$5,136,173	\$4,751,556	\$4,394,632
16	Cumulative Tax Depreciation-NG	Col (a) = Line 15; then 0	3/	\$5,945,572					
17	Cumulative Tax Depreciation-PPL	Col (b) = Line 15; then = Prior Year Line 17 + Current Year Line 15	3/		\$34,751,583	\$40,304,680	\$45,440,853	\$50,192,410	\$54,587,041
18	Book Depreciation	Year 1 (Columns (a) and (b)) = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12		\$175,840	\$1,012,707	\$2,377,093	\$2,377,093	\$2,377,093	\$2,377,093
19	Cumulative Book Depreciation	Year 1 = Line 18; then = Prior Year Line 19 + Current Year Line 18		\$175,840	\$1,188,546	\$3,565,639	\$5,942,731	\$8,319,824	\$10,696,916
20	Book / Tax Timer	Line 15 - Line 18		\$5,769,733	\$33,738,876	\$3,176,005	\$2,759,081	\$2,374,464	\$2,017,539
21	Cumulative Book / Tax Timer -NG	Col (a) = Line 20, Column (a), Then = 0	3/	\$5,769,733					
22	Cumulative Book / Tax Timer - PPL	Col (a) = 0; Col (b) = Line 20, Column (b); then = Prior Year Line 22 + Current Year Line 20	3/		\$33,738,876	\$36,914,881	\$39,673,962	\$42,048,426	\$44,065,965
23	Cumulative Book / Tax Timer - Total	Line 21 + Line 22		\$5,769,733	\$33,738,876	\$36,914,881	\$39,673,962	\$42,048,426	\$44,065,965
24	Effective Tax Rate			21.00%	21.00%	21.00%	21.00%	21.00%	21.00%
25	Deferred Tax Reserve	Line 23 x Line 24		\$1,211,644	\$7,085,164	\$7,752,125	\$8,331,532	\$8,830,169	\$9,253,853
26	Add: FY 2023 Federal NOL (Generation) / Utilization	Page 35 of 46, Line 13, Col (f)	3/	\$23,627,830	\$0	\$0	\$0	\$0	\$0
27	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 25 through 26		\$24,839,474	\$7,085,164	\$7,752,125	\$8,331,532	\$8,830,169	\$9,253,853
Rate Base Calculation:									
28	Cumulative Incremental Capital Included in Rate Base	Line 11		\$7,521,136	\$43,316,175	\$50,837,312	\$50,837,312	\$50,837,312	\$50,837,312
29	Accumulated Depreciation	Year 1 (Cols (a) and (b)) = -Line 18; Then = -Line 19		(\$175,840)	(\$1,012,707)	(\$3,565,639)	(\$5,942,731)	(\$8,319,824)	(\$10,696,916)
30	Deferred Tax Reserve	-Line 27		(\$24,839,474)	(\$7,085,164)	(\$7,752,125)	(\$8,331,532)	(\$8,830,169)	(\$9,253,853)
31	Year End Rate Base before Deferred Tax Proration	Sum of Lines 28 through 30		(\$17,494,177)	\$35,218,304	\$39,519,548	\$36,563,048	\$33,687,318	\$30,886,543
Revenue Requirement Calculation:									
32	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 (Cols (a) and (b)) = Current Year, Line 31 * 50%; Then = (Prior Year Line 31 + Current Year Line 31) ÷ 2	4/	(\$8,747,088)	\$17,609,152	\$28,621,838	\$38,041,298	\$35,125,183	\$32,286,931
33	Proration Adjustment	Page 22 of 46, Line 40	2/	\$108,647	\$30,004	\$28,628	\$24,870	\$21,403	\$18,185
34	Average ISR Rate Base after Deferred Tax Proration	Line 32 + Line 33		(\$8,638,441)	\$17,639,156	\$28,650,465	\$38,066,167	\$35,146,586	\$32,305,116
35	Pre-Tax ROR	Page 45 of 46, Line 35		8.23%	8.23%	8.23%	8.23%	8.23%	8.23%
36	Proration	Line 13							
37	Return and Taxes	Line 34 x Line 35		(\$710,944)	\$1,451,703	\$2,357,933	\$3,132,846	\$2,892,564	\$2,658,711
38	Book Depreciation	Line 18		\$175,840	\$1,012,707	\$2,377,093	\$2,377,093	\$2,377,093	\$2,377,093
39	Annual Revenue Requirement	Line 37 + Line 38		(\$535,104)	\$2,464,409	\$4,735,026	\$5,509,938	\$5,269,657	\$5,035,804

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))

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(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 reset the book/tax timing difference as if PPL purchased a new asset in the year of acquisition and will begin depreciating the new tax basis. Book cost, book accumulated depreciation and book depreciation continue as if the acquisition never took place.

4/ Column (c) takes the average of the "Year End Rate Base before Deferred Tax Proration" at the beginning of the fiscal year on Line 32, Columns (a) and (b) and the end of the fiscal year on Line 31, Column (c). See note 2.

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FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2023-NG Incremental Capital Investments

Line No.			NG	PPL	(c)	(d)	(e)	(f)
			Apr 1-May 24, 2022	May 25-Mar 31, 2023				
			Fiscal Year 2023 (a)	Fiscal Year 2023 (b)				
	<u>Capital Repairs Deduction</u>							
		Page 20 of 46, Line 3, Columns (a) through (c)						
1	Plant Additions		\$13,762,249	\$79,260,362				
2	Capital Repairs Deduction Rate	Per Tax Department 1/	20.09%	20.09%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$2,764,836	\$15,923,407				
4								
5	<u>Bonus Depreciation</u>							
6	Plant Additions	Line 1	\$13,762,249	\$79,260,362				
7	Plant Additions		\$0	\$0				
8	Less Capital Repairs Deduction	Line 3	\$2,764,836	\$15,923,407				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$10,997,413	\$63,336,955				
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	at 0%	0.00%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0	\$0				
15								
16	<u>Remaining Tax Depreciation</u>							
17	Plant Additions	Line 1	\$13,762,249	\$79,260,362				
18	Less Capital Repairs Deduction	Line 3	\$2,764,836	\$15,923,407				
19	Less Bonus Depreciation	Line 14	\$0	\$0				
20	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$10,997,413	\$63,336,955				
21	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	3.750%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$412,403	\$2,375,136				
23								
24	FY23 (Gain)/Loss incurred due to retirements	Per Tax Department 1/	\$1,625,957	\$9,364,305				
25	Cost of Removal	Page 20 of 46, Line 10	\$1,142,377	\$6,579,244				
26								
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$5,945,572	\$34,242,093				
28								
29	<u>Reconciliation of MACRS Tax Depreciation:</u>							
30	Apr 1 -May 24, 2022 Plant Additions	Line 1, Column (a)		\$13,762,249				
31	Cumulative Book Depreciation through May 24, 2022	Page 20 of 46, Line 18, Col (a)		(\$175,840)				
32	2023 Plant Additions (Net Book) through Acquisition	Line 30 + Line 31		\$13,586,410				
33	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%				
34	Tax Depreciation	Line 32 * Line 33		\$509,489				
35								
36	MACRS Basis in May 25-Mar 2023 Plant Additions	Line 20, Column (b)		\$63,336,955				
37	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946		3.750%				
38	Tax Depreciation	Line 36 * Line 37		\$2,375,135				
39								
40	Total MACRS Tax Depreciation	Sum of Lines 34, 38, Column (b)		\$2,884,624				
41								

20 Year MACRS Depreciation			
MACRS basis:	Line 20, Column (a)	\$10,997,413	
Fiscal Year	MACRS	Annual	Cumulative
FY Mar-2023 (Apr-May 2022)	3.750%	\$412,403	\$5,945,572
PPL Acquisition - May 25, 2022			
Book Cost	Line 1, Column (a)	\$13,762,249	
Cumulative Book Depreciation	- Page 20 of 46, Line 18, Col (a)	(\$175,840)	
MACRS basis from Acquisition:	Line 9(e) + Line 10(e)	\$13,586,410	
MACRS basis (Jun-Mar 2023)	Line 20, Column (b)	\$63,336,955	
Total MACRS Basis in 2022	Line 11(e) + Line 12(e)	\$76,923,364	
FY Mar-2023 (Jun-Mar 2023)	3.750%	\$2,884,626	\$34,751,583
Mar 2024	7.219%	\$5,553,098	\$40,304,680
Mar 2025	6.677%	\$5,136,173	\$45,440,853
Mar 2026	6.177%	\$4,751,556	\$50,192,410
Mar 2027	5.713%	\$4,394,632	\$54,587,041
Mar 2028	5.285%	\$4,065,400	\$58,652,441
Mar 2029	4.888%	\$3,760,014	\$62,412,455
Mar 2030	4.522%	\$3,478,475	\$65,890,930
Mar 2031	4.462%	\$3,432,321	\$69,323,250
Mar 2032	4.461%	\$3,431,551	\$72,754,802
Mar 2033	4.462%	\$3,432,321	\$76,187,122
Mar 2034	4.461%	\$3,431,551	\$79,618,673
Mar 2035	4.462%	\$3,432,321	\$83,050,994
Mar 2036	4.461%	\$3,431,551	\$86,482,545
Mar 2037	4.462%	\$3,432,321	\$89,914,866
Mar 2038	4.461%	\$3,431,551	\$93,346,417
Mar 2039	4.462%	\$3,432,321	\$96,778,738
Mar 2040	4.461%	\$3,431,551	\$100,210,289
Mar 2041	4.462%	\$3,432,321	\$103,642,609
Mar 2042	4.461%	\$3,431,551	\$107,074,161
Mar 2043	2.231%	\$1,716,160	\$108,790,321
	100.00%	\$76,923,364	

1/ The capital repairs percentage and tax loss on retirements are 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 2022; and one-fourth (January 2023 thru March 2023) of PPL's CY2023 tax return.

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The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2023 Incremental Capital Investment

Line No.			NG		PPL		FY24	FY25	FY26	FY27
			4/1/22 - 5/24/2022	5/25/22 - 3/31/23						
			FY23	FY23	FY24	FY25				
			(a)	(b)	(c)	(d)	(e)	(f)		
	Deferred Tax Subject to Proration									
1	Book Depreciation	See the corresponding Fiscal Year on Page 20 of 46, Line 18	\$175,840	\$1,012,707	\$2,377,093	\$2,377,093	\$2,377,093	\$2,377,093	\$2,377,093	
2	Bonus Depreciation	- Page 21 of 46, Line 14	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	- Page 21 of 46, column (e), Lines 6 and 15 through 18	(\$412,403)	(\$2,884,626)	(\$5,553,098)	(\$5,136,173)	(\$4,751,556)	(\$4,394,632)		
4	FY 2023 tax (gain)/loss on retirements	- Page 21 of 46, Line 24	(\$1,625,957)	(\$9,364,305)						
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,862,520)	(\$11,236,225)	(\$3,176,005)	(\$2,759,081)	(\$2,374,464)	(\$2,017,539)		
6	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
7	Deferred Tax Reserve	Line 5 * Line 6	(\$391,129)	(\$2,359,607)	(\$666,961)	(\$579,407)	(\$498,637)	(\$423,683)		
	Deferred Tax Not Subject to Proration									
8	Capital Repairs Deduction	- Page 21 of 46, Line 3 ,Cols (a) and (b), Then = 0	(\$2,764,836)	(\$15,923,407)						
9	Cost of Removal	- Page 21 of 46, Line 25 ,Cols (a) and (b), Then = 0	(\$1,142,377)	(\$6,579,244)						
10	Cumulative Book / Tax Timer	Line 8 + Line 9	(\$3,907,213)	(\$22,502,651)	\$0	\$0	\$0	\$0		
11	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%	21.00%	21.00%		
12	Deferred Tax Reserve	Line 10 * Line 11	(\$820,515)	(\$4,725,557)	\$0	\$0	\$0	\$0		
13	Total Deferred Tax Reserve	Line 7 + Line 12	(\$1,211,644)	(\$7,085,164)	(\$666,961)	(\$579,407)	(\$498,637)	(\$423,683)		
14	Net Operating Loss	- Page 20 of 46, Line 26	\$0	\$0	\$0	\$0	\$0	\$0		
15	Net Deferred Tax Reserve	Line 13 + Line 14	(\$1,211,644)	(\$7,085,164)	(\$666,961)	(\$579,407)	(\$498,637)	(\$423,683)		
	Allocation of FY 2023 Estimated Federal NOL									
16	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,862,520)	(\$11,236,225)	(\$3,176,005)	(\$2,759,081)	(\$2,374,464)	(\$2,017,539)		
17	Cumulative Book/Tax Timer Not Subject to Proration	Line 10	(\$3,907,213)	(\$22,502,651)	\$0	\$0	\$0	\$0		
18	Total Cumulative Book/Tax Timer	Line 16 + Line 17	(\$5,769,733)	(\$33,738,876)	(\$3,176,005)	(\$2,759,081)	(\$2,374,464)	(\$2,017,539)		
19	Total FY 2023 Federal NOL (Utilization)	- Page 20 of 46, Line 26 / 21%	\$0	\$0	\$0	\$0	\$0	\$0		
20	Allocated FY 2023 Federal NOL Not Subject to Proration	(Line 17 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0		
21	Allocated FY 2023 Federal NOL Subject to Proration	(Line 16 / Line 18) * Line 19	\$0	\$0	\$0	\$0	\$0	\$0		
22	Effective Tax Rate		21%	21%	21%	21%	21%	21%		
23	Deferred Tax Benefit subject to proration	Line 21 * Line 22	\$0	\$0	\$0	\$0	\$0	\$0		
24	Net Deferred Tax Reserve subject to proration	Line 7 + Line 23	(\$391,129)	(\$2,359,607)	(\$666,961)	(\$579,407)	(\$498,637)	(\$423,683)		
	Proration Calculation									
		(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	
		<u>Number of Days in</u>	<u>Proration</u>							
		<u>Month</u>	<u>Percentage</u>	<u>FY23</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	
25	April	30	91.78%	(\$86,918)	\$0	(\$51,012)	(\$44,315)	(\$38,138)	(\$32,405)	
26	May	31	83.29%	\$0	(\$209,682)	(\$46,291)	(\$40,215)	(\$34,609)	(\$29,406)	
27	June	30	75.07%	\$0	(\$188,989)	(\$41,723)	(\$36,246)	(\$31,193)	(\$26,504)	
28	July	31	66.58%	\$0	(\$167,607)	(\$37,003)	(\$32,145)	(\$27,664)	(\$23,506)	
29	August	31	58.08%	\$0	(\$146,225)	(\$32,282)	(\$28,044)	(\$24,135)	(\$20,507)	
30	September	30	49.86%	\$0	(\$125,533)	(\$27,714)	(\$24,076)	(\$20,720)	(\$17,605)	
31	October	31	41.37%	\$0	(\$104,151)	(\$22,993)	(\$19,975)	(\$17,190)	(\$14,606)	
32	November	30	33.15%	\$0	(\$83,459)	(\$18,425)	(\$16,006)	(\$13,775)	(\$11,704)	
33	December	31	24.66%	\$0	(\$62,077)	(\$13,705)	(\$11,906)	(\$10,246)	(\$8,706)	
34	January	31	16.16%	\$0	(\$40,695)	(\$8,984)	(\$7,805)	(\$6,717)	(\$5,707)	
35	February	28	8.49%	\$0	(\$21,382)	(\$4,721)	(\$4,101)	(\$3,529)	(\$2,999)	
36	March	31	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	
37	Total	365		(\$86,918)	(\$1,149,800)	(\$304,853)	(\$264,834)	(\$227,916)	(\$193,656)	
38	Deferred Tax Without Proration	Line 24		(\$391,129)	(\$2,359,607)	(\$666,961)	(\$579,407)	(\$498,637)	(\$423,683)	
39	Average Deferred Tax without Proration	Line 38 ÷ 0.5		(\$195,565)	(\$1,179,804)	(\$333,481)	(\$289,703)	(\$249,319)	(\$211,842)	
40	Proration Adjustment	Line 37 - Line 39		\$108,647	\$30,004	\$28,628	\$24,870	\$21,403	\$18,185	

Column Notes:

- (h) Sum of remaining days in the year (Col (g)) ÷ 365
- (i) through (n) Current Year Line 24 ÷ 12 × Current Month Col (h)

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**The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2024 Actual Incremental Capital Investment**

Line No.			Fiscal Year 2024 (a)	Fiscal Year 2025 (b)	Fiscal Year 2026 (c)	Fiscal Year 2027 (d)
Capital Investment Allowance						
1	Non-Discretionary Capital	Docket 22-53-EL, Page 35 of 36, Line 1	\$45,412,440			
<i>Discretionary Capital</i>						
2	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non-intangible)	Docket 22-53-EL, Page 35 of 36, Line 13	\$51,836,809	\$0	\$0	\$0
3	Total Allowed Capital Included in Rate Base (non-intangible)	Sum of Lines 1 through 2	\$97,249,249	\$0	\$0	\$0
Depreciable Net Capital Included in Rate Base						
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$97,249,249	\$0	\$0	\$0
5	Retirements	Company's Record	\$35,642,212	\$0	\$0	\$0
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$61,607,037	\$61,607,037	\$61,607,037	\$61,607,037
Change in Net Capital Included in Rate Base						
7	Capital Included in Rate Base	Line 3	\$97,249,249	\$0	\$0	\$0
8	Depreciation Expense	Page 39 of 46, Line 62, Col (d)	\$49,906,920	\$0	\$0	\$0
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; Then = Prior Year Line 9	\$47,342,329	\$47,342,329	\$47,342,329	\$47,342,329
10	Cost of Removal	Company's Record	\$9,246,273			
11	Total Net Plant in Service	Line 9 + Line 10	\$56,588,602	\$56,588,602	\$56,588,602	\$56,588,602
Deferred Tax Calculation:						
12	Composite Book Depreciation Rate	Page 37 of 46, Line 3, Col (e)	1/	3.16%	3.16%	3.16%
13	Proration Percentage					
14	Vintage Year Tax Depreciation:					
15	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 24 of 46, Line 27, Column (a), Then = Page 24 of 46, Column (d)	\$69,885,547	\$4,203,829	\$3,888,207	\$3,597,043
16	Cumulative Tax Depreciation	Prior Year Line 16 + Current Year Line 15	\$69,885,547	\$74,089,376	\$77,977,584	\$81,574,627
17	Book Depreciation	Year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12	\$973,391	\$1,946,782	\$1,946,782	\$1,946,782
18	Cumulative Book Depreciation	Prior Year Line 18 + Current Year Line 17	\$973,391	\$2,920,174	\$4,866,956	\$6,813,738
19	Cumulative Book / Tax Timer	Line 16 - Line 18	\$68,912,156	\$71,169,203	\$73,110,628	\$74,760,889
20	Effective Tax Rate		21.00%	21.00%	21.00%	21.00%
21	Deferred Tax Reserve	Line 19 * Line 20	\$14,471,553	\$14,945,533	\$15,353,232	\$15,699,787
22	Add: CY 2024 Federal NOL (Generation) / Utilization	Company's Record	\$0	\$0	\$0	\$0
23	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 21 through 22	\$14,471,553	\$14,945,533	\$15,353,232	\$15,699,787
Rate Base Calculation:						
24	Cumulative Incremental Capital Included in Rate Base	Line 11	\$56,588,602	\$56,588,602	\$56,588,602	\$56,588,602
25	Accumulated Depreciation	-Line 18	(\$973,391)	(\$2,920,174)	(\$4,866,956)	(\$6,813,738)
26	Deferred Tax Reserve	-Line 23	(\$14,471,553)	(\$14,945,533)	(\$15,353,232)	(\$15,699,787)
27	Year End Rate Base before Deferred Tax Proration	Sum of Lines 24 through 26	\$41,143,658	\$38,722,895	\$36,368,414	\$34,075,077
Revenue Requirement Calculation:						
28	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year, Line 27 * 50%; Then = (Prior Year Line 27 + Current Year Line 27) ÷ 2	\$20,571,829	\$39,933,276	\$37,545,655	\$35,221,745
29	Proration Adjustment	Page 25 of 46, Line 40	\$186,128	\$20,344	\$17,499	\$14,875
30	Average ISR Rate Base after Deferred Tax Proration	Line 29 + Line 30	\$20,757,957	\$39,953,621	\$37,563,154	\$35,236,620
31	Pre-Tax ROR	Page 45 of 46, Line 33	8.23%	8.23%	8.23%	8.23%
32	Proration	Line 13	100.00%	100.00%	100.00%	100.00%
33	Return and Taxes	Year 1 = Lines 30 * 31 * 32	\$1,708,380	\$3,288,183	\$3,091,448	\$2,899,974
34	Book Depreciation	Line 17	\$973,391	\$1,946,782	\$1,946,782	\$1,946,782
35	Annual Revenue Requirement	Line 33 + Line 34	\$2,681,771	\$5,234,965	\$5,038,230	\$4,846,756

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2024 Incremental Capital Investments

Line No.		Fiscal Year 2024	(a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 23 of 46, Line 3	\$97,249,249	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 40.12%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$39,016,399				
4				MACRS basis:	Line 20	\$58,232,850	
5	<u>Bonus Depreciation</u>			Calendar Year		Annual	Cumulative
6	Plant Additions	Line 1	\$97,249,249	Mar-2024	3.750%	\$2,183,732	\$69,885,547
7	Plant Additions		\$0	Mar-2025	7.219%	\$4,203,829	\$74,089,376
8	Less Capital Repairs Deduction	Line 3	\$39,016,399	Mar-2026	6.677%	\$3,888,207	\$77,977,584
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$58,232,850	Mar-2027	6.177%	\$3,597,043	\$81,574,627
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Mar-2028	5.713%	\$3,326,843	\$84,901,470
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	Mar-2029	5.285%	\$3,077,606	\$87,979,076
12	Bonus Depreciation Rate	at 0%	0.00%	Mar-2030	4.888%	\$2,846,422	\$90,825,498
13	Total Bonus Depreciation Rate	Line 12	0.00%	Mar-2031	4.522%	\$2,633,289	\$93,458,787
14	Bonus Depreciation	Line 11 * Line 13	\$0	Mar-2032	4.462%	\$2,598,350	\$96,057,137
15				Mar-2033	4.461%	\$2,597,767	\$98,654,904
16	<u>Remaining Tax Depreciation</u>			Mar-2034	4.462%	\$2,598,350	\$101,253,254
17	Plant Additions	Line 1	\$97,249,249	Mar-2035	4.461%	\$2,597,767	\$103,851,021
18	Less Capital Repairs Deduction	Line 3	\$39,016,399	Mar-2036	4.462%	\$2,598,350	\$106,449,371
19	Less Bonus Depreciation	Line 14	\$0	Mar-2037	4.461%	\$2,597,767	\$109,047,139
20	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$58,232,850	Mar-2038	4.462%	\$2,598,350	\$111,645,488
21	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	Mar-2039	4.461%	\$2,597,767	\$114,243,256
22	Remaining Tax Depreciation	Line 20 * Line 21	\$2,183,732	Mar-2040	4.462%	\$2,598,350	\$116,841,606
23				Mar-2041	4.461%	\$2,597,767	\$119,439,373
24	FY24 (Gain)/Loss incurred due to retirements	Per Tax Department	1/ \$19,439,143	Mar-2042	4.462%	\$2,598,350	\$122,037,723
25	Cost of Removal	Page 23 of 46, Line 10	\$9,246,273	Mar-2043	4.461%	\$2,597,767	\$124,635,490
26				Mar-2044	2.231%	\$1,299,175	\$125,934,665
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$69,885,547		100.00%	\$58,232,850	

1/ The capital repairs percentage and tax loss on retirements are based on on three-fourths (April 2023 thru December 2023) of PPL's CY2023 tax return and one-fourth (January 2024 thru March 2024) of PPL's CY2024 tax return.

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 25-54-EL
Proposed FY 2027 Electric Infrastructure, Safety, and Reliability Plan Filing
Section 4: Attachment 1 (Compliance)
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2024 Incremental Capital Investment**

Line No.	Description	FY24 (a)	FY25 (b)	FY26 (c)	FY27 (d)		
Deferred Tax Subject to Proration							
1	Book Depreciation						
2	Bonus Depreciation	\$973,391	\$1,946,782	\$1,946,782	\$1,946,782		
3	Remaining MACRS Tax Depreciation	\$0					
4	FY 2024 tax (gain)/loss on retirements	(\$2,183,732)	(\$4,203,829)	(\$3,888,207)	(\$3,597,043)		
5	Cumulative Book / Tax Timer	(\$19,439,143)					
6	Effective Tax Rate	21.00%	21.00%	21.00%	21.00%		
7	Deferred Tax Reserve	(\$4,336,392)	(\$473,980)	(\$407,699)	(\$346,555)		
Deferred Tax Not Subject to Proration							
8	Capital Repairs Deduction	(\$39,016,399)					
9	Cost of Removal	(\$9,246,273)					
10	Cumulative Book / Tax Timer	(\$48,262,672)	\$0	\$0	\$0		
11	Effective Tax Rate	21.00%	21.00%	21.00%	21.00%		
12	Deferred Tax Reserve	(\$10,135,161)	\$0	\$0	\$0		
13	Total Deferred Tax Reserve	(\$14,471,553)	(\$473,980)	(\$407,699)	(\$346,555)		
14	Net Operating Loss	\$0	\$0	\$0	\$0		
15	Net Deferred Tax Reserve	(\$14,471,553)	(\$473,980)	(\$407,699)	(\$346,555)		
Allocation of Plan Year 2024 Estimated Federal NOL							
16	Cumulative Book/Tax Timer Subject to Proration	(\$20,649,484)	(\$2,257,047)	(\$1,941,425)	(\$1,650,261)		
17	Cumulative Book/Tax Timer Not Subject to Proration	(\$48,262,672)	\$0	\$0	\$0		
18	Total Cumulative Book/Tax Timer	(\$68,912,156)	(\$2,257,047)	(\$1,941,425)	(\$1,650,261)		
19	Total Plan Year 2024 Federal NOL (Utilization)	\$0	\$0	\$0	\$0		
20	Allocated Plan Year 2024 Federal NOL Not Subject to Proration	\$0	\$0	\$0	\$0		
21	Allocated Plan Year 2024 Federal NOL Subject to Proration	\$0	\$0	\$0	\$0		
22	Effective Tax Rate	21%	21%	21%	21%		
23	Deferred Tax Benefit subject to proration	\$0	\$0	\$0	\$0		
24	Net Deferred Tax Reserve subject to proration	(\$4,336,392)	(\$473,980)	(\$407,699)	(\$346,555)		
(e) (f) (g) (h) (i) (j)							
Proration Calculation							
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>
25	April	30	91.78%	(\$331,665)	(\$36,252)	(\$31,182)	(\$26,506)
26	May	31	83.29%	(\$300,973)	(\$32,897)	(\$28,297)	(\$24,053)
27	June	30	75.07%	(\$271,272)	(\$29,651)	(\$25,504)	(\$21,679)
28	July	31	66.58%	(\$240,581)	(\$26,296)	(\$22,619)	(\$19,227)
29	August	31	58.08%	(\$209,889)	(\$22,941)	(\$19,733)	(\$16,774)
30	September	30	49.86%	(\$180,188)	(\$19,695)	(\$16,941)	(\$14,400)
31	October	31	41.37%	(\$149,497)	(\$16,340)	(\$14,055)	(\$11,947)
32	November	30	33.15%	(\$119,795)	(\$13,094)	(\$11,263)	(\$9,574)
33	December	31	24.66%	(\$89,104)	(\$9,739)	(\$8,377)	(\$7,121)
34	January	31	16.16%	(\$58,413)	(\$6,385)	(\$5,492)	(\$4,668)
35	February	28	8.49%	(\$30,691)	(\$3,355)	(\$2,886)	(\$2,453)
36	March	31	0.00%	\$0	\$0	\$0	\$0
37	Total	365		(\$1,982,068)	(\$216,646)	(\$186,350)	(\$158,402)
38	Deferred Tax Without Proration	Line 24		(\$4,336,392)	(\$473,980)	(\$407,699)	(\$346,555)
39	Average Deferred Tax without Proration	Line 38 × 0.5		(\$2,168,196)	(\$236,990)	(\$203,850)	(\$173,277)
40	Proration Adjustment	Line 37 - Line 39		\$186,128	\$20,344	\$17,499	\$14,875

Column Notes:
(f) Sum of remaining days in the Apr 1-Dec 31 period (Col (e)) ÷ 275
(g) through (j) Current Year Line 24 ÷ 12 × Current Month Col (f)

The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2025 Actual Incremental Capital Investment

Line No.		Fiscal Year 2025 (a)	Fiscal Year 2026 (b)	Fiscal Year 2027 (c)
<u>Capital Investment Allowance</u>				
1	Non-Discretionary Capital	Docket 23-48-EL, Page 38 of 38, Line 1	\$63,286,991	
<i>Discretionary Capital</i>				
2	Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non-intangible)	Docket 23-48-EL, Page 38 of 38, Line 13	\$51,867,959	\$0
3	Total Allowed Capital Included in Rate Base (non-intangible)	Sum of Lines 1 through 2	\$115,154,950	\$0
<u>Depreciable Net Capital Included in Rate Base</u>				
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$115,154,950	\$0
5	Retirements	Company's Record	\$18,549,222	\$0
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$96,605,728	\$96,605,728
<u>Change in Net Capital Included in Rate Base</u>				
7	Capital Included in Rate Base	Line 3	\$115,154,950	\$0
8	Depreciation Expense	Page 39 of 46, Line 62, Col (d)	\$49,906,920	\$0
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; Then = Prior Year Line 9	\$65,248,030	\$65,248,030
10	Cost of Removal	Company's Record	\$22,657,398	\$22,657,398
11	Total Net Plant in Service	Line 9 + Line 10	\$87,905,428	\$87,905,428
<u>Deferred Tax Calculation:</u>				
12	Composite Book Depreciation Rate	Page 37 of 46, Line 3, Col (e)	1/ 3.16%	3.16%
13	Vintage Year Tax Depreciation:			3.16%
14	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 27 of 46, Line 27, Column (a), Then = Line Page 27 of 46, Column (d)	\$67,164,379	\$5,792,523
15	Cumulative Tax Depreciation-PPL	Prior Year Line 15 + Current Year Line 14	\$67,164,379	\$72,956,902
16	Book Depreciation	year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12	\$1,526,371	\$3,052,741
17	Cumulative Book Depreciation	Prior Year Line 17 + Current Year Line 16	\$1,526,371	\$4,579,112
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$65,638,008	\$68,377,791
19	Effective Tax Rate		21.00%	21.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$13,783,982	\$14,359,336
21	Add: CY 2025 Federal NOL (Generation) / Utilization	Company's Record	\$0	\$0
22	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 20 through 21	\$13,783,982	\$14,359,336
<u>Rate Base Calculation:</u>				
23	Cumulative Incremental Capital Included in Rate Base	Line 11	\$87,905,428	\$87,905,428
24	Accumulated Depreciation	-Line 17	(\$1,526,371)	(\$4,579,112)
25	Deferred Tax Reserve	-Line 22	(\$13,783,982)	(\$14,843,361)
26	Year End Rate Base before Deferred Tax Proration	Sum of Lines 23 through 25	\$72,595,075	\$68,966,980
<u>Revenue Requirement Calculation:</u>				
27	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year, Line 26 * 50%; Then = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$36,297,538	\$70,781,028
28	Proration Adjustment	Page 28 of 46, Line 40	\$72,701	\$24,696
29	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$36,370,239	\$70,805,723
30	Pre-Tax ROR	Page 45 of 46, Line 33	8.23%	8.23%
31	Return and Taxes	Line 29 * Line 30	\$2,993,271	\$5,827,311
32	Book Depreciation	Line 16	\$1,526,371	\$3,052,741
33	Annual Revenue Requirement	Line 31 + Line 32	\$4,519,641	\$8,880,052

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2025 Incremental Capital Investments

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			2025				
			(a)				
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 26 of 46, Line 3	\$115,154,950	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 30.32%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$34,914,981				
4				MACRS basis:	Line 20	\$80,239,969	
5	<u>Bonus Depreciation</u>			Calendar Year		Annual	Cumulative
6	Plant Additions	Line 1	\$115,154,950	Dec-2025	3.750%	\$3,008,999	\$67,164,379
7	Plant Additions		\$0	Dec-2026	7.219%	\$5,792,523	\$72,956,902
8	Less Capital Repairs Deduction	Line 3	\$34,914,981	Dec-2027	6.677%	\$5,357,623	\$78,314,525
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$80,239,969	Dec-2028	6.177%	\$4,956,423	\$83,270,948
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Dec-2029	5.713%	\$4,584,109	\$87,855,057
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	Dec-2030	5.285%	\$4,240,682	\$92,095,740
12	Bonus Depreciation Rate	at 0%	0.00%	Dec-2031	4.888%	\$3,922,130	\$96,017,869
13	Total Bonus Depreciation Rate	Line 12	0.00%	Dec-2032	4.522%	\$3,628,451	\$99,646,321
14	Bonus Depreciation	Line 11 * Line 13	\$0	Dec-2033	4.462%	\$3,580,307	\$103,226,628
15				Dec-2034	4.461%	\$3,579,505	\$106,806,133
16	<u>Remaining Tax Depreciation</u>			Dec-2035	4.462%	\$3,580,307	\$110,386,441
17	Plant Additions	Line 1	\$115,154,950	Dec-2036	4.461%	\$3,579,505	\$113,965,946
18	Less Capital Repairs Deduction	Line 3	\$34,914,981	Dec-2037	4.462%	\$3,580,307	\$117,546,253
19	Less Bonus Depreciation	Line 14	\$0	Dec-2038	4.461%	\$3,579,505	\$121,125,758
20	Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$80,239,969	Dec-2039	4.462%	\$3,580,307	\$124,706,066
21	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	Dec-2040	4.461%	\$3,579,505	\$128,285,571
22	Remaining Tax Depreciation	Line 20 * Line 21	\$3,008,999	Dec-2041	4.462%	\$3,580,307	\$131,865,878
23				Dec-2042	4.461%	\$3,579,505	\$135,445,383
24	FY25 (Gain)/Loss incurred due to retirements	Per Tax Department	1/ \$6,583,001	Dec-2043	4.462%	\$3,580,307	\$139,025,690
25	Cost of Removal	Page 26 of 46, Line 10	\$22,657,398	Dec-2044	4.461%	\$3,579,505	\$142,605,195
26				Dec-2045	2.231%	\$1,790,154	\$144,395,349
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$67,164,379		100.00%	\$80,239,969	

1/

The capital repairs percentage and tax loss on retirements are based on on three-fourths (April 2024 thru December 2024) of PPL's CY2024 consolidated tax return. When PPL's CY2025 consolidated tax return is finalized in year 2026, these tax items will be updated to include one-fourth (January thru March 2025) of the CY 2025 tax return.

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2025 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration		FY25 (a)	FY26 (b)	FY27 (c)	
1	Book Depreciation	Page 26 of 46, Line 16	\$1,526,371	\$3,052,741	\$3,052,741	
2	Bonus Depreciation	Page 27 of 46, Line 14	\$0	\$0	\$0	
3	Remaining MACRS Tax Depreciation	- Page 27 of 46, Col (d), starting with Line 6	(\$3,008,999)	(\$5,792,523)	(\$5,357,623)	
4	FY 2025 tax (gain)/loss on retirements	- Page 27 of 46, Line 24, Col (a), Then = 0	(\$6,583,001)			
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$8,065,629)	(\$2,739,782)	(\$2,304,882)	
6	Effective Tax Rate		21.00%	21.00%	21.00%	
7	Deferred Tax Reserve	Line 5 * Line 6	(\$1,693,782)	(\$575,354)	(\$484,025)	
Deferred Tax Not Subject to Proration						
8	Capital Repairs Deduction	- Page 27 of 46, Line 3, Col (a), Then = 0	(\$34,914,981)			
9	Cost of Removal	- Page 27 of 46, Line 25, Col (a), Then = 0	(\$22,657,398)			
10	Cumulative Book / Tax Timer	Line 8 + Line 9	(\$57,572,379)	\$0	\$0	
11	Effective Tax Rate		21.00%	21.00%	21.00%	
12	Deferred Tax Reserve	Line 10 * Line 11	(\$12,090,200)	\$0	\$0	
13	Total Deferred Tax Reserve	Line 7 + Line 12	(\$13,783,982)	(\$575,354)	(\$484,025)	
14	Net Operating Loss	- Page 26 of 46, Line 21	\$0	\$0	\$0	
15	Net Deferred Tax Reserve	Line 13 + Line 14	(\$13,783,982)	(\$575,354)	(\$484,025)	
Allocation of FY 2025 Estimated Federal NOL						
16	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$8,065,629)	(\$2,739,782)	(\$2,304,882)	
17	Cumulative Book/Tax Timer Not Subject to Proration	Line 10	(\$57,572,379)	\$0	\$0	
18	Total Cumulative Book/Tax Timer	Line 16 + Line 17	(\$65,638,008)	(\$2,739,782)	(\$2,304,882)	
19	Total FY 2025 Federal NOL (Utilization)	- Page 26 of 46, Line 21 / 21%	\$0	\$0	\$0	
20	Allocated FY 2025 Federal NOL Not Subject to Proration	(Line 17 / Line 18) * Line 19	\$0	\$0	\$0	
21	Allocated FY 2025 Federal NOL Subject to Proration	(Line 16 / Line 18) * Line 19	\$0	\$0	\$0	
22	Effective Tax Rate		21%	21%	21%	
23	Deferred Tax Benefit subject to proration	Line 21 * Line 22	\$0	\$0	\$0	
24	Net Deferred Tax Reserve subject to proration	Line 7 + Line 23	(\$1,693,782)	(\$575,354)	(\$484,025)	
(d) (e) (f) (g) (h)						
Proration Calculation						
		<u>Number of Days in</u>				
		Month	Proration Percentage	FY25	FY26	FY27
25	April	30	91.78%	(\$129,547)	(\$44,005)	(\$37,020)
26	May	31	83.29%	(\$117,559)	(\$39,933)	(\$33,594)
27	June	30	75.07%	(\$105,958)	(\$35,992)	(\$30,279)
28	July	31	66.58%	(\$93,970)	(\$31,920)	(\$26,853)
29	August	31	58.08%	(\$81,982)	(\$27,848)	(\$23,428)
30	September	30	49.86%	(\$70,381)	(\$23,907)	(\$20,112)
31	October	31	41.37%	(\$58,393)	(\$19,835)	(\$16,687)
32	November	30	33.15%	(\$46,792)	(\$15,894)	(\$13,371)
33	December	31	24.66%	(\$34,804)	(\$11,822)	(\$9,946)
34	January	31	16.16%	(\$22,816)	(\$7,750)	(\$6,520)
35	February	28	8.49%	(\$11,988)	(\$4,072)	(\$3,426)
36	March	31	0.00%	\$0	\$0	\$0
37	Total	365		(\$774,190)	(\$262,982)	(\$221,237)
38	Deferred Tax Without Proration	Line 24	(\$1,693,782)	(\$575,354)	(\$484,025)	
39	Average Deferred Tax without Proration	Line 38 × 0.5	(\$846,891)	(\$287,677)	(\$242,013)	
40	Proration Adjustment	Line 37 - Line 39	\$72,701	\$24,696	\$20,776	

Column Notes:

- (e) Sum of remaining days in the year (Col (d)) ÷ 365
(f) through (h) Current Year Line 24 ÷ 12 × Current Month Col (e)

The Narragansett Electric Company
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Proposed FY 2027 Electric Infrastructure, Safety, and Reliability Plan Filing
Section 4: Attachment 1 (Compliance)
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2026 Actual Incremental Capital Investment**

Line No.		Fiscal Year 2026 (a)	Fiscal Year 2027 (b)
<u>Capital Investment Allowance</u>			
1	<i>Non-Discretionary Capital</i>	RIPUC Docket No.24-54-EL, Section 4: Attachment 1 (Compliance) Page 42 of 42, Line 1, Column (a)	\$46,480,000
2	<i>Discretionary Capital</i> Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non-intangible)	RIPUC Docket No.24-54-EL, Section 4: Attachment 1 (Compliance) Page 42 of 42, Line 3, Column (a)	\$35,083,000
3	Total Allowed Capital Included in Rate Base (non-intangible)	Sum of Lines 1 through 2	\$81,563,000
<u>Depreciable Net Capital Included in Rate Base</u>			
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$81,563,000
5	Retirements	Company's Record	\$25,156,091
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$56,406,909
<u>Change in Net Capital Included in Rate Base</u>			
7	Capital Included in Rate Base	Line 3	\$81,563,000
8	Depreciation Expense	Page 39 of 46, Line 62, Col (d)	\$49,906,920
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; Then = Prior Year Line 9	\$31,656,080
10	Cost of Removal	Company's Record	\$12,650,000
11	Total Net Plant in Service	Line 9 + Line 10	\$44,306,080
<u>Deferred Tax Calculation:</u>			
12	Composite Book Depreciation Rate	Page 37 of 46, Line 3, Col (e)	1/ 3.16%
13	Vintage Year Tax Depreciation:		3.16%
14	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 30 of 46, Line 27, Column (a), Then = Line Page 30 of 46, Column (d)	\$50,745,121
15	Cumulative Tax Depreciation-PPL	Prior Year Line 15 + Current Year Line 14	\$54,005,325
16	Book Depreciation	year 1 = Line 6 * Line 12 * 50% ; Then = Line 6 * Line 12	\$891,229
17	Cumulative Book Depreciation	Prior Year Line 17 + Current Year Line 16	\$891,229
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$49,853,892
19	Effective Tax Rate	Line 15 - Line 17	21.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$10,469,317
21	Add: CY 2025 Federal NOL (Generation) / Utilization	Company's Record	\$0
22	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 20 through 21	\$10,469,317
<u>Rate Base Calculation:</u>			
23	Cumulative Incremental Capital Included in Rate Base	Line 11	\$44,306,080
24	Accumulated Depreciation	-Line 17	(\$891,229)
25	Deferred Tax Reserve	-Line 22	(\$10,469,317)
26	Year End Rate Base before Deferred Tax Proration	Sum of Lines 23 through 25	\$32,945,533
<u>Revenue Requirement Calculation:</u>			
27	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year, Line 26 * 50%; Then = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$16,472,767
28	Proration Adjustment	Page 31 of 46, Line 41	\$7,232
29	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$16,479,998
30	Pre-Tax ROR	Page 45 of 46, Line 33	8.23%
31	Return and Taxes	Line 29 * Line 30	\$1,356,304
32	Book Depreciation	Line 16	\$891,229
33	Annual Revenue Requirement	Line 31 + Line 32	\$2,247,533

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Tax Depreciation and Repairs Deduction on FY 2026 Incremental Capital Investments

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			2026				
			(a)				
<u>Capital Repairs Deduction</u>							
1	Plant Additions	Page 29 of 46, Line 3	\$81,563,000	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 44.63%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$36,401,567				
4				MACRS basis:	Line 20	\$45,161,433	
5	<u>Bonus Depreciation</u>					Annual	Cumulative
6	Plant Additions	Line 1	\$81,563,000	Calendar Year			
7	Plant Additions		\$0	Mar-2026	3.750%	\$1,693,554	\$50,745,121
8	Less Capital Repairs Deduction	Line 3	\$36,401,567	Mar-2027	7.219%	\$3,260,204	\$54,005,325
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$45,161,433	Mar-2028	6.677%	\$3,015,429	\$57,020,754
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Mar-2029	6.177%	\$2,789,622	\$59,810,375
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	Mar-2030	5.713%	\$2,580,073	\$62,390,448
12	Bonus Depreciation Rate	at 0%	0.00%	Mar-2031	5.285%	\$2,386,782	\$64,777,230
13	Total Bonus Depreciation Rate	Line 12	0.00%	Mar-2032	4.888%	\$2,207,491	\$66,984,721
14	Bonus Depreciation	Line 11 * Line 13	\$0	Mar-2033	4.522%	\$2,042,200	\$69,026,921
15				Mar-2034	4.462%	\$2,015,103	\$71,042,024
16	<u>Remaining Tax Depreciation</u>			Mar-2035	4.461%	\$2,014,652	\$73,056,675
17	Plant Additions	Line 1	\$81,563,000	Mar-2036	4.462%	\$2,015,103	\$75,071,778
18	Less Capital Repairs Deduction	Line 3	\$36,401,567	Mar-2037	4.461%	\$2,014,652	\$77,086,430
19	Less Bonus Depreciation	Line 14	\$0	Mar-2038	4.462%	\$2,015,103	\$79,101,533
	Remaining Plant Additions Subject to 20 YR MACRS Tax			Mar-2039	4.461%	\$2,014,652	\$81,116,185
20	Depreciation	Line 17 - Line 18 - Line 19	\$45,161,433	Mar-2040	4.462%	\$2,015,103	\$83,131,288
21	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	Mar-2041	4.461%	\$2,014,652	\$85,145,939
22	Remaining Tax Depreciation	Line 20 * Line 21	\$1,693,554	Mar-2042	4.462%	\$2,015,103	\$87,161,042
23				Mar-2043	4.461%	\$2,014,652	\$89,175,694
24	FY26 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0	Mar-2044	4.462%	\$2,015,103	\$91,190,797
25	Cost of Removal	Page 29 of 46, Line 10	\$12,650,000	Mar-2045	4.461%	\$2,014,652	\$93,205,449
26				Mar-2046	2.231%	\$1,007,552	\$94,213,000
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$50,745,121		100.00%	\$45,161,433	

1/ Per Tax Department

2/ Per Tax Department

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2026 Incremental Capital Investment**

Line No.	Deferred Tax Subject to Proration	Fiscal Year <u>2026</u> (a)	Fiscal Year <u>2027</u> (b)		
1	Book Depreciation Page 29 of 46, Line 16	\$891,229	\$1,782,458		
2	Bonus Depreciation Page 30 of 46, Line 14	\$0	\$0		
3	Remaining MACRS Tax Depreciation - Page 30 of 46, Col (d), starting with Line 6	(\$1,693,554)	(\$3,260,204)		
4	FY 2026 tax (gain)/loss on retirements - Page 30 of 46, Line 24	\$0	\$0		
5	Cumulative Book / Tax Timer Sum of Lines 1 through 4	(\$802,325)	(\$1,477,746)		
6	Effective Tax Rate	21.00%	21.00%		
7	Deferred Tax Reserve Line 5 * Line 6	(\$168,488)	(\$310,327)		
Deferred Tax Not Subject to Proration					
8	Capital Repairs Deduction - Page 30 of 46, Line 3, Col (a), Then = 0	(\$36,401,567)	\$0		
9	Cost of Removal - Page 30 of 46, Line 25, Col (a), Then = 0	(\$12,650,000)			
10	Book/Tax Depreciation Timing Difference at 3/31/2026				
11	Cumulative Book / Tax Timer Line 8 + Line 9 + Line 10	(\$49,051,567)	\$0		
12	Effective Tax Rate	21.00%	21.00%		
13	Deferred Tax Reserve Line 11 * Line 12	(\$10,300,829)	\$0		
14	Total Deferred Tax Reserve Line 7 + Line 13	(\$10,469,317)	(\$310,327)		
15	Net Operating Loss - Page 29 of 46, Line 21	\$0	\$0		
16	Net Deferred Tax Reserve Line 14 + Line 15	(\$10,469,317)	(\$310,327)		
Allocation of FY 2026 Estimated Federal NOL					
17	Cumulative Book/Tax Timer Subject to Proration Col (b) = Line 5	(\$802,325)	(\$1,477,746)		
18	Cumulative Book/Tax Timer Not Subject to Proration Line 11	(\$49,051,567)	\$0		
19	Total Cumulative Book/Tax Timer Line 17 + Line 18	(\$49,853,892)	(\$1,477,746)		
20	Total FY 2026 Federal NOL (Utilization) - Page 29 of 46, Line 21 / 21%	\$0	\$0		
21	Allocated FY 2026 Federal NOL Not Subject to Proration (Line 18 / Line 19) * Line 20	\$0	\$0		
22	Allocated FY 2026 Federal NOL Subject to Proration (Line 17 / Line 19) * Line 20	\$0	\$0		
23	Effective Tax Rate	21%	21%		
24	Deferred Tax Benefit subject to proration Line 22 * Line 23	\$0	\$0		
25	Net Deferred Tax Reserve subject to proration Line 7 + Line 24	(\$168,488)	(\$310,327)		
(c) (d) (e) (f)					
Proration Calculation					
		<u>Number of Days in</u>			
		<u>Month</u>	<u>Proration Percentage</u>		
26	April	30	91.78%	2026	2027
27	May	31	83.29%	(\$12,887)	(\$23,735)
28	June	30	75.07%	(\$11,694)	(\$21,539)
29	July	31	66.58%	(\$10,540)	(\$19,413)
30	August	31	58.08%	(\$9,348)	(\$17,217)
31	September	31	58.08%	(\$8,155)	(\$15,020)
32	October	30	49.86%	(\$7,001)	(\$12,895)
33	November	31	41.37%	(\$5,809)	(\$10,698)
34	December	30	33.15%	(\$4,655)	(\$8,573)
35	January	31	24.66%	(\$3,462)	(\$6,377)
36	February	28	16.16%	(\$2,270)	(\$4,180)
37	March	31	8.49%	(\$1,192)	(\$2,196)
38	Total	365	0.00%	\$0	\$0
39	Deferred Tax Without Proration Line 25			(\$168,488)	(\$310,327)
40	Average Deferred Tax without Proration Line 39 × 0.5			(\$84,244)	(\$155,163)
41	Proration Adjustment Line 38 - Line 40			\$7,232	\$13,320

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
Electric Infrastructure, Safety, and Reliability (ISR) Plan
Fiscal Year 2027 Revenue Requirement on FY 2027 Actual Incremental Capital Investment**

Line No.			Fiscal Year <u>2027</u> (a)
	<u>Capital Investment Allowance</u>		
1	<i>Non-Discretionary Capital</i>	Page 46 of 46, Line 1	\$51,840,000
2	<i>Discretionary Capital</i> Lesser of Actual Cumulative Non-Discretionary Capital Additions or Spending, or Approved Spending (non-intangible)	Page 46 of 46, Line 13	\$84,553,000
3	Total Allowed Capital Included in Rate Base (non-intangible)	Sum of Lines 1 through 2	\$136,393,000
	<u>Depreciable Net Capital Included in Rate Base</u>		
4	Total Allowed Capital Included in Rate Base in Current Year	Line 3	\$136,393,000
5	Retirements	Company's Record	\$31,197,867
6	Net Depreciable Capital Included in Rate Base	Year 1 = Line 4 - Line 5; Then = Prior Year Line 6	\$105,195,133
	<u>Change in Net Capital Included in Rate Base</u>		
7	Capital Included in Rate Base	Line 3	\$136,393,000
8	Depreciation Expense	Page 39 of 46, Line 62, Col (d)	\$49,906,920
9	Incremental Capital Amount	Year 1 = Line 7 - Line 8; Then = Prior Year Line 9	\$86,486,080
10	Cost of Removal	Section 2, Table 9, Column (d)	\$14,064,000
11	Total Net Plant in Service	Line 9 + Line 10	\$100,550,080
	<u>Deferred Tax Calculation:</u>		
12	Composite Book Depreciation Rate	Page 37 of 46, Line 3, Col (e)	1/ 3.16%
13	Vintage Year Tax Depreciation:		
14	Tax Depreciation and Year 1 Basis Adjustments	Year 1 = Page 33 of 46, Line 27, Column (a), Then = Line Page 30 of 46, Column (d)	\$71,847,577
15	Cumulative Tax Depreciation-PPL	Prior Year Line 15 + Current Year Line 14	\$71,847,577
16	Book Depreciation	year 1 = Line 6 * Line 12 * 50%; Then = Line 6 * Line 12	\$1,662,083
17	Cumulative Book Depreciation	Prior Year Line 17 + Current Year Line 16	\$1,662,083
18	Cumulative Book / Tax Timer	Line 15 - Line 17	\$70,185,494
19	Effective Tax Rate		21.00%
20	Deferred Tax Reserve	Line 18 * Line 19	\$14,738,954
21	Add: CY 2027 Federal NOL (Generation) / Utilization	Company's Record	\$0
22	Net Deferred Tax Reserve before Proration Adjustment	Sum of Lines 20 through 21	\$14,738,954
	<u>Rate Base Calculation:</u>		
23	Cumulative Incremental Capital Included in Rate Base	Line 11	\$100,550,080
24	Accumulated Depreciation	-Line 17	(\$1,662,083)
25	Deferred Tax Reserve	-Line 22	(\$14,738,954)
26	Year End Rate Base before Deferred Tax Proration	Sum of Lines 23 through 25	\$84,149,043
	<u>Revenue Requirement Calculation:</u>		
27	Average Rate Base before Deferred Tax Proration Adjustment	Year 1 = Current Year, Line 26 * 50%; Then = (Prior Year Line 26 + Current Year Line 26) ÷ 2	\$42,074,521
28	Proration Adjustment	Page 31 of 46, Line 41	\$12,625
29	Average ISR Rate Base after Deferred Tax Proration	Line 28 + Line 29	\$42,087,146
30	Pre-Tax ROR	Page 45 of 46, Line 33	8.23%
31	Return and Taxes	Line 29 * Line 30	\$3,463,772
32	Book Depreciation	Line 16	\$1,662,083
33	Annual Revenue Requirement	Line 31 + Line 32	\$5,125,855

1/ 3.16% = Composite Book Depreciation Rate for ISR plant per RIPUC Docket No. 4770 (Page 37 of 46, Line 3, Col (e))

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

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			<u>2027</u>				
			(a)				
<u>Capital Repairs Deduction</u>							
1	Plant Additions	Page 32 of 46, Line 3	\$136,393,000	20 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 40.12%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$54,720,872				
4				MACRS basis:	Line 20	\$81,672,128	
5	<u>Bonus Depreciation</u>					Annual	Cumulative
6	Plant Additions	Line 1	\$136,393,000	Calendar Year			
7	Plant Additions		\$0	Mar-2027	3.750%	\$3,062,705	\$71,847,577
8	Less Capital Repairs Deduction	Line 3	\$54,720,872	Mar-2028	7.219%	\$5,895,911	\$77,743,488
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$81,672,128	Mar-2029	6.677%	\$5,453,248	\$83,196,736
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	Mar-2030	6.177%	\$5,044,887	\$88,241,623
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	Mar-2031	5.713%	\$4,665,929	\$92,907,552
12	Bonus Depreciation Rate	at 0%	0.00%	Mar-2032	5.285%	\$4,316,372	\$97,223,924
13	Total Bonus Depreciation Rate	Line 12	0.00%	Mar-2033	4.888%	\$3,992,134	\$101,216,058
14	Bonus Depreciation	Line 11 * Line 13	\$0	Mar-2034	4.522%	\$3,693,214	\$104,909,271
15				Mar-2035	4.462%	\$3,644,210	\$108,553,481
16	<u>Remaining Tax Depreciation</u>			Mar-2036	4.461%	\$3,643,394	\$112,196,875
17	Plant Additions	Line 1	\$136,393,000	Mar-2037	4.462%	\$3,644,210	\$115,841,085
18	Less Capital Repairs Deduction	Line 3	\$54,720,872	Mar-2038	4.461%	\$3,643,394	\$119,484,479
19	Less Bonus Depreciation	Line 14	\$0	Mar-2039	4.462%	\$3,644,210	\$123,128,689
	Remaining Plant Additions Subject to 20 YR MACRS Tax			Mar-2040	4.461%	\$3,643,394	\$126,772,083
20	Depreciation	Line 17 - Line 18 - Line 19	\$81,672,128	Mar-2041	4.462%	\$3,644,210	\$130,416,293
21	20 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	3.750%	Mar-2042	4.461%	\$3,643,394	\$134,059,687
22	Remaining Tax Depreciation	Line 20 * Line 21	\$3,062,705	Mar-2043	4.462%	\$3,644,210	\$137,703,897
23				Mar-2044	4.461%	\$3,643,394	\$141,347,291
24	FY26 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0	Mar-2045	4.462%	\$3,644,210	\$144,991,501
25	Cost of Removal	Page 32 of 46, Line 10	\$14,064,000	Mar-2046	4.461%	\$3,643,394	\$148,634,895
26				Mar-2047	2.231%	\$1,822,105	\$150,457,000
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$71,847,577		100.00%	\$81,672,128	

1/ Per Tax Department

2/ Per Tax Department

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Net Deferred Tax Reserve Proration on FY 2027 Incremental Capital Investment**

Line No.			Fiscal Year <u>2027</u> (a)
Deferred Tax Subject to Proration			
1	Book Depreciation	Page 32 of 46, Line 16	\$1,662,083
2	Bonus Depreciation	Page 33 of 46, Line 14	\$0
3	Remaining MACRS Tax Depreciation	- Page 33 of 46, Col (d), starting with Line 7	(\$3,062,705)
4	FY 2027 tax (gain)/loss on retirements	- Page 33 of 46, Line 24	<u>\$0</u>
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,400,622)
6	Effective Tax Rate		<u>21.00%</u>
7	Deferred Tax Reserve	Line 5 * Line 6	(\$294,131)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction	- Page 33 of 46, Line 3, Col (a), Then = 0	(\$54,720,872)
9	Cost of Removal	- Page 33 of 46, Line 25, Col (a), Then = 0	(\$14,064,000)
10	Book/Tax Depreciation Timing Difference at 3/31/2027		<u>\$0</u>
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	(\$68,784,872)
12	Effective Tax Rate		<u>21.00%</u>
13	Deferred Tax Reserve	Line 11 * Line 12	(\$14,444,823)
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$14,738,954)
15	Net Operating Loss	- Page 32 of 46, Line 21	<u>\$0</u>
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$14,738,954)
Allocation of FY 2027 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,400,622)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	<u>(\$68,784,872)</u>
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$70,185,494)
20	Total FY 2027 Federal NOL (Utilization)	- Page 32 of 46, Line 21 / 21%	<u>\$0</u>
21	Allocated FY 2027 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2027 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0
23	Effective Tax Rate		<u>21%</u>
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$294,131)
(b) (c) (d)			
Proration Calculation			
		<u>Number of Days in</u>	<u>Proration Percentage</u>
		<u>Month</u>	<u>2027</u>
26	April	30	91.78% (\$22,496)
27	May	31	83.29% (\$20,415)
28	June	30	75.07% (\$18,400)
29	July	31	66.58% (\$16,318)
30	August	31	58.08% (\$14,236)
31	September	30	49.86% (\$12,222)
32	October	31	41.37% (\$10,140)
33	November	30	33.15% (\$8,126)
34	December	31	24.66% (\$6,044)
35	January	31	16.16% (\$3,962)
36	February	28	8.49% (\$2,082)
37	March	31	0.00% \$0
38	Total	365	<u>(\$134,440)</u>
39	Deferred Tax Without Proration	Line 25	(\$294,131)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$147,065)
41	Proration Adjustment	Line 38 - Line 40	\$12,625

Column Notes:

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
FY 2018 - 2025 Incremental Capital Investment Summary

Line No.		Fiscal Year 2018 (a)	Fiscal Year 2019 (b)	Fiscal Year 2020 (c)	Fiscal Year 2021 (d)	Fiscal Year 2022 (e)	Fiscal Year 2023 (f)	Fiscal Year 2024 (g)	Fiscal Year 2025 (h)		
Capital Investment											
1	ISR - Eligible Capital Investment	Col (a) = FY 2018 ISR Docket No.4682, Att MAL-1 P2, L3; Col (b)=FY 2019 ISR Docket No.4783, Att PCE-1 P3, Table 1; Col (c)= Section I of Att. PCE-1, Table 2		\$91,040,276	\$110,253,323	\$98,188,293	\$114,637,174	\$86,469,768	\$93,022,611	\$97,249,249	\$115,154,950
2	Intangible Asset included in Total Allowed Discretionary Capital	Col (a) =0; Col (b) = FY 2019 ISR Docket No. 4783, Att. MAL-1,Page 30 of 38, Line13; Col (c) = Actual per Operation		\$0	\$3,460,626	\$0	\$0	\$0	\$0	\$0	\$0
3	ISR - Eligible Capital Additions included in Rate Base per RIPUC Docket No. 4770	Docket No. 4770, S. C. Att. 2, Sch 11-ELEC, P5, L1, Col (a) = Col(a)+Col(b); Col(b)=Col(c)+Col(d); Col(c)=Col(e), Col(d)=Col(j)+Col(k)		\$74,843,000	\$74,843,000	\$31,184,583	\$0	\$0	\$0	\$0	\$0
4	Incremental ISR Capital Investment (non-intangible)	Line 1 - Line 2 - Line 3		\$16,197,276	\$31,949,697	\$67,003,710	\$114,637,174	\$86,469,768	\$93,022,611	\$97,249,249	\$115,154,950
Cost of Removal											
5	ISR - Eligible Cost of Removal	Col (a) =FY 2018 ISR Docket No. 4682; Col (b) = FY 2019 ISR Docket No. 4783, Att PCE-1 P3, Table 2, Col (c) = Section 1 of Att. PCE-1, Table 3		\$9,945,454	\$8,093,515	\$14,702,756	\$10,426,121	\$7,697,775	\$7,721,621	\$9,246,273	\$22,657,398
6	ISR - Eligible Cost of Removal in Rate Base per RIPUC Docket No. 4770	Schedule 6-ELEC, Docket No. 4770: Col(a)=Docket No. 4682, FY2018 ISR Elec Rec, [P2]L10×3÷12, [P1]L26+L45×7÷12; Col(b)=[P1]L45×5÷12+[P2]L18×7÷12; Col (c) = [P2]L18×5÷12+L39×7÷12		\$8,259,707	\$7,848,009	\$3,437,925	\$205,400	\$85,583	\$0	\$0	\$0
7	Incremental Cost of Removal	Line 5 - Line 6		\$1,685,747	\$245,506	\$11,264,831	\$10,220,721	\$7,612,192	\$7,721,621	\$9,246,273	\$22,657,398
Retirements											
8	ISR - Eligible Retirements/Actual	Col (a) =FY 2018 ISR Docket No. 4682; Col (b) = FY 2019 ISR Docket No. 4783, Att PCE-1 P3, Table 2, Col (c) =Per Company's Book		\$15,206,748	\$12,015,754	\$13,944,441	\$22,589,226	\$35,100,171	\$17,798,165	\$35,642,212	\$18,549,222
9	ISR - Eligible Retirements in Rate Base per RIPUC Docket No. 4770	Schedule 6-ELEC, Docket No. 4770: Col(a)=Docket No. 4682, FY2018 ISR Elec Rec, [P2]L5×3÷12+[P1]L25+L27+L46×7÷12; Col(b)=[P1]L46×5÷12+[P2]L19×7÷12; Col (c)=[P2]L19×5÷12+L40×7÷12		\$20,451,820	\$22,665,233	\$9,928,809	\$593,200	\$247,167	\$0	\$0	\$0
10	Incremental Retirement:	Line 8 - Line 9		(\$5,245,072)	(\$10,649,479)	\$4,015,632	\$21,996,026	\$34,853,004	\$17,798,165	\$35,642,212	\$18,549,222
Net NOL Position											
11	ISR - (NOL)/Utilization	Col (a) =FY 2018 ISR Docket No. 4682; Col (b) = FY 2021 ISR Plan Docket No. 4995, Col (c) =Per Tax Department		(\$4,571,409)	\$1,506,783	\$0	\$1,695,589	\$730,905	\$35,805,866	\$0	\$0
12	less: (NOL)/Utilization recovered in transmission rates	Quarterly average transmission plant allocator per Integrated Facilities Agreement (IFA) * Line 11		(\$1,572,911)	\$515,161	\$0	\$570,357	\$248,590	\$12,178,036	\$0	\$0
13	Distribution-related (NOL)/Utilization	Maximum of (Line 11 - Line 12) or -Page 36 of 46, Line 12		(\$2,998,499)	\$991,622	\$0	\$1,125,232	\$482,315	\$23,627,830	\$0	\$0
14	(NOL)/Utilization in Rate Base per RIPUC Docket No. 4770	Docket No. 4770, S. C. Att. 2, Sch 11-ELEC, P. 12: Col (c) = L39×7÷12		\$0	\$0	\$1,462,980	\$6,764,379	\$4,085,281	\$0	\$0	\$0
15	Incremental (NOL)/Utilizator	Line 13 - Line 14		(\$2,998,499)	\$991,622	(\$1,462,980)	(\$5,639,147)	(\$3,602,966)	\$23,627,830	\$0	\$0

The Narragansett Electric Company
d/b/a Rhode Island Energy
RIPUC Docket No. 25-54-EL
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Deferred Income Tax ("DIT") Provisions and Net Operating Losses ("NOL")**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
		Test Year July 2016 - June 2017					Jul & Aug 2017	12 Mths Aug 31 2018	12 Mths Aug 31 2019	12 Mths Aug 31 2020	12 Mths Aug 31 2021	12 Mths Aug 31 2022	
1	Total Base Rate Plant DIT Provision	\$18,265,666					\$2,580,654	\$5,847,765	\$4,355,117	\$707,056	\$3,826,291	\$0	
2	Excess DIT Amortization								(\$3,074,665)	(\$3,074,665)	(\$3,074,665)	\$0	
		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023-NG	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023-NG
3	Total Base Rate Plant DIT Provision							\$10,558,267	\$3,183,499	(\$847,583.55)	(\$548,055)	\$313,177	\$0
4	Incremental FY 18	\$4,261,399	\$4,223,434	\$4,181,310	\$4,130,879	\$4,072,741	\$4,063,088	\$4,261,399	(\$37,965)	(\$42,125)	(\$50,431)	(\$58,138)	(\$9,653)
5	Incremental FY 19		\$2,128,597	\$2,305,665	\$2,485,863	\$2,504,666	\$2,193,670		\$2,128,597	\$177,068	\$180,198	\$18,803	(\$310,996)
6	Incremental FY 20			\$4,774,661	\$5,289,496	\$5,731,763	\$5,787,291			\$4,774,661	\$514,834	\$442,268	\$55,528
7	Incremental FY 21				\$9,206,417	\$9,930,574	\$10,022,701				\$9,206,417	\$724,158	\$92,127
8	Incremental FY 22					\$4,105,561	\$4,234,773				\$4,105,561	\$129,212	\$129,212
9	Incremental FY 23					\$981,448	\$981,448						\$981,448
10	TOTAL Plant DIT Provision	\$4,261,399	\$6,352,031	\$11,261,635	\$21,112,654	\$26,345,306	\$27,282,971	\$14,819,666	\$5,274,131	\$4,062,021	\$9,302,963	\$5,545,830	\$937,665
11	Distribution-related NOL							\$2,998,499	(\$991,622)	\$0	(\$1,125,232)	(\$482,315)	23,722,289.55
12	Lesser of Distribution-related NOL or DIT Provision							\$2,998,499	(\$991,622)	\$0	(\$1,125,232)	(\$482,315)	\$937,665
13	Total NOL												35,805,866.00
14	NOL recovered in transmission rates												12,083,576.45
15	Distribution-related NOL												23,722,289.55

Line Notes:

- 1(b) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 2 of 23, Line 29, Col (e) - (a)
- 1(g) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 11 of 20, Line 3
- 1(h) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 11 of 20, Line 7
- 1(i) RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Schedule 11-ELEC, Page 11 of 20, Line 50
- 2 RIPUC Docket Nos. 4770/4780, Compliance, Revised Rebuttal Attachment 1, Sch. 11-ELEC, P.11 of 20, L. 51; P. 12 of 20, L. 42 & 5

- 3 Col(e) = Line 1(b)+12*3+ Line1(d) + Line1(e)=12*7; Col (f) = (Line1(e) + Line2(e))÷12*5 + (Line1(f) + Line2(f))÷12*7; Col (g) = (Line1(f) + Line2(f))÷12*5 + (Line1(g) + Line2(g))÷12*7
- 4(a)-(f) Cumulative DIT per vintage year ISR revenue requirement calculations (P.2, L.25(a)+L.27(a); P.2, L.25(b)+L.27(b); P.2, L.25(c)+L.27(c); P.2, L.25(d)+L.27(d); P.2, L.25(e)+L.27(e); P.2, L.25(f)+L.27(f))
- 5(b)-(f) Cumulative DIT per vintage year ISR revenue requirement calculations (P.5, L.25(a)+P.8, L.27(c); P.5, L.25(b)+P.8, L.27(f); P.5, L.25(c)+P.8, L.27(i); P.5, L.25(d)+P.8, L.27(l); P.5, L.25(e)+P.8, L.27(o))
- 6(c)-(f) Cumulative DIT per vintage year ISR revenue requirement calculations (P.10, L.25(a); P.10, L.25(b); P.10, L.25(c); P.10, L.25(d))
- 7(d)-(f) Cumulative DIT per vintage year ISR revenue requirement calculations (P.13, L.25(a); P.13, L.25(b); P.13, L.25(c))
- 8(e)-(f) Cumulative DIT per vintage year ISR revenue requirement calculations (P.17, L.25(a)+P.17, L.25(b))
- 9(f) Cumulative DIT per vintage year ISR revenue requirement calculations (P.20, L.25(a))
- 4(g) -9(l) Year over year change in cumulative DIT shown in Cols (a) through (f)
- 10 Sum of Lines 3 through 9
- 11 Page 35 of 46, Line 13
- 12 Lesser of Line 10 or Line 11
- 13 Per Tax Department
- 14 Quarterly average transmission plant allocator per Integrated Facilities Agreement (IFA) * Line 13
- 15 Line 13 - Line 14

The Narragansett Electric Company
d/b/a Rhode Island Energy
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THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID RIPUC Docket Nos. 4770/4780 Compliance Attachment 2 Schedule 6-ELEC Page 1 of 5				The Narragansett Electric Company d/b/a National Grid Depreciation Expense - Electric 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 ISR Depreciation Expense in Base Rates less non-ISR eligible plant	
Line No.	Description	Reference (a)	Amount (b)	(c)	(d)	Amount	Amount
1	Total Company Rate Year Distribution Depreciation Expense	Sum of Page 2, Line 16 and Line 17	\$50,128,332				
2	Test Year Depreciation Expense	Per Company Books	\$69,031,187				
3	Less : Test Year IFA related Depreciation Expense	Page 4, Line 30, Column (c)	(\$19,814,202)				
4	Less: ARO and other adjustments	Page 4, Line 30, Column (b) + Column (d)	(\$55,610)				
5	Adjusted Total Company Test Year Distribution Depreciation Expense	Sum of Line 2 through Line 4	\$49,161,375				
6	Depreciation Expense Adjustment	Line 1 - Line 5	\$966,957				
7							
8			Per Book				
9	Test Year Depreciation Expense 12 Months Ended 06/30/17:		Amount				
10	Total Distribution Utility Plant 06/30/17	Page 4, Line 28, Column (e)	\$2,141,474,644	(\$39,763,450)		\$2,101,711,193	
11	Less Non Depreciable Plant	Page 4, Line 26, Column (e)	(\$627,567,742)			(\$627,567,742)	
12	Depreciable Utility Plant 6/30/17	Line 10 + Line 11	\$1,513,906,902	(\$39,763,450)		\$1,474,143,451	
13							
14	Plus: Added Plant 2 Mos Ended 08/31/17	Schedule 11-ELEC, Page 6, Line 7	\$12,473,833			\$0	\$12,473,833
15	Less: Streetlights retired in the 2 Mos Ended 08/31/17	Per Company Books	(\$1,057,011)			\$0	(\$1,057,011)
16	Less: Retired Plant 2 Months Ended 08/31/17	1/ Line 14 x Retirement Rate	(\$3,699,739)			\$0	(\$3,699,739)
17	Depreciable Utility Plant 08/31/17	Line 12 + Line 14 + Line 16	\$1,521,623,985	(\$39,763,450)		\$1,481,860,535	
18							
19	Average Depreciable Plant from 06/30/17 to 08/31/17	(Line 12 + Line 17)/2	\$1,517,765,443				\$1,478,001,993
20							
21	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.40%				3.40%
22							
23	Book Depreciation Reserve 06/30/17	Page 5, Line 69, Column (e)	\$652,405,159				
24	Plus: Book Depreciation Expense excluding Streetlight Retirement	1/6 of (Line 19 excl. Line 15 x Line 21)	\$8,603,666				\$8,381,334
25	Less: Streetlights retired in the 2 Mos Ended 08/31/17 and Dep. for 2 Mos	1/12 of (Line 15 x SL Dep Rate)	(\$1,307)				(\$1,307)
26	Less: Net Cost of Removal/(Salvage)	2/ Line 14 x Cost of Removal Rate	(\$1,281,063)				
27	Less: Retired Plant	Line 16	(\$3,699,739)				
28	Book Depreciation Reserve 08/31/17	Sum of Line 23 through Line 27	\$656,026,715				
29							
30	Depreciation Expense 12 Months Ended 08/31/18						
31	Total Utility Plant 08/31/17	Line 10 + Line 14 + Line 15 + Line 16	\$2,149,191,727	(\$39,763,450)		\$2,109,428,277	
32	Less Non Depreciable Plant	Line 11	(\$627,567,742)			\$0	(\$627,567,742)
33	Depreciable Utility Plant 08/31/17	Line 31 + Line 32	\$1,521,623,985	(\$39,763,450)		\$1,481,860,535	
34							
35	Plus: Plant Added in 12 Months Ended 08/31/18	Schedule 11-ELEC, Page 6, Line 14	\$74,843,000			\$0	\$74,843,000
36	Less: Plant Retired in 12 Months Ended 08/31/18	1/ Line 35 x Retirement rate	(\$22,198,434)			\$0	(\$22,198,434)
37	Depreciable Utility Plant 08/31/18	Sum of Line 33 through Line 36	\$1,574,268,551	(\$39,763,450)		\$1,534,505,101	
38							
39	Average Depreciable Plant for 12 Months Ended 08/31/18	(Line 33 + Line 37)/2	\$1,547,946,268	(\$39,763,450)		\$1,508,182,818	
40							
41	Composite Book Rate %	As Approved in RIPUC Docket No. 4323	3.40%				3.40%
42							
43	Book Depreciation Reserve 08/31/17	Line 28	\$656,026,715				
44	Plus: Book Depreciation 08/31/18	Line 39 x Line 41	\$52,630,173				\$51,278,216
45	Less: Net Cost of Removal/(Salvage)	2/ Line 35 x Cost of Removal Rate	(\$7,686,376)				
46	Less: Retired Plant	Line 36	(\$22,198,434)				
47	Book Depreciation Reserve 08/31/18	Sum of Line 43 through Line 46	\$678,772,079				
1/	3 year average retirement over plant addition in service FY 15 ~ FY17		29.66%				
2/	3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		10.27%				

The Narragansett Electric Company
d/b/a Rhode Island Energy
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Compliance Attachment 2
Schedule 6-ELEC
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The Narragansett Electric Company d/b/a National Grid
Depreciation Expense - Electric

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
ISR Depreciation Expense in Base Rates
(Continued)**

Line No.	Description	Reference	Amount (b)	less non-ISR eligible plant (c)	ISR Eligible Amount (d)
1	Rate Year Depreciation Expense 12 Months Ended 08/31/19:				
2	Total Utility Plant 08/31/18	Page 1, Line 31 + Line 35 + Line 36	\$2,201,836,293	(\$39,763,450)	\$2,162,072,843
3	Less Non-Depreciable Plant	Page 1, Line 11	(\$627,567,742)	\$0	(\$627,567,742)
4	Depreciable Utility Plant 08/31/18	Line 2 + Line 3	\$1,574,268,551	(\$39,763,450)	\$1,534,505,101
5					
6	Plus: Added Plant 12 Months Ended 08/31/19	Schedule 11-ELEC, Page 6, Line 38	\$77,541,000	(\$2,698,000)	\$74,843,000
7	Less: Depreciable Retired Plant	1/ Line 6 x Retirement rate	(\$22,998,661)	\$800,227	(\$22,198,434)
8					
9	Depreciable Utility Plant 08/31/19	Sum of Line 4 through Line 7	\$1,628,810,891	(\$41,661,224)	\$1,587,149,667
10					
11	Average Depreciable Plant for Rate Year Ended 08/31/19	(Line 4 + Line 9)/2	\$1,601,539,721	(\$40,712,337)	\$1,560,827,384
12					
13	Proposed Composite Rate %	Page 4, Line 18, Columnn (f)	3.15%		3.16%
14					
15	Book Depreciation Reserve 08/31/18	Page 1, Line 47	\$678,772,079		
16	Plus: Book Depreciation Expense	Line 11 x Line 13	\$50,375,341		\$49,322,145
17	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-ELECTRIC, Part VI, Page 6	(\$247,009)		(\$247,009)
18	Less: Net Cost of Removal/(Salvage)	2/ Line 6 x Cost of Removal Rate	(\$7,963,461)		
19	Less: Retired Plant	Line 7	(\$22,998,661)		
20	Book Depreciation Reserve 08/31/19	Sum of Line 15 through Line 19	\$697,938,290		\$49,075,136
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	\$2,256,378,633	(\$41,661,224)	\$2,214,717,409
24	Less Non-Depreciable Plant	Page 1, Line 11	(\$627,567,742)	\$0	(\$627,567,742)
25	Depreciable Utility Plant 08/31/19	Line 23 + Line 24	\$1,628,810,891	(\$41,661,224)	\$1,587,149,667
26					
27	Plus: Added Plant 12 Months Ended 08/31/20	Schedule 11-ELEC, Page 5, Line 15(i)	\$2,000,000	(\$2,000,000)	\$0
28	Less: Depreciable Retired Plant	1/ Line 27 x Retirement rate	(\$593,200)	\$593,200	\$0
29					
30	Depreciable Utility Plant 08/31/20	Sum of Line 25 through Line 28	\$1,630,217,691	(\$43,068,024)	\$1,587,149,667
31					
32	Average Depreciable Plant for Rate Year Ended 08/31/20	(Line 25 + Line 30)/2	\$1,629,514,291	(\$42,364,624)	\$1,587,149,667
33					
34	Proposed Composite Rate %	Page 4, Line 18, Column (f)	3.15%		3.16%
35					
36	Book Depreciation Reserve 08/31/20	Line 20	\$697,938,290		
37	Plus: Book Depreciation Expense	Line 32 x Line 34	\$51,255,262		\$50,153,929
38	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-ELECTRIC, Part VI, Page 6	(\$247,009)		(\$247,009)
39	Less: Net Cost of Removal/(Salvage)	2/ Line 27 x Cost of Removal Rate	(\$205,400)		
40	Less: Retired Plant	Line 28	(\$593,200)		
41	Book Depreciation Reserve 08/31/20	Sum of Line 36 through Line 40	\$748,147,943	7 mos FY20 \$ 436,419,633	12 mos \$49,906,920
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	\$2,257,785,433	(\$43,068,024)	\$2,214,717,409
45	Less Non-Depreciable Plant	Page 1, Line 11	(\$627,567,742)	\$0	(\$627,567,742)
46	Depreciable Utility Plant 08/31/20	Line 44 + Line 45	\$1,630,217,691	(\$43,068,024)	\$1,587,149,667
47					
48	Plus: Added Plant 12 Months Ended 08/31/21	Schedule 11-ELEC, Page 5, Line 15(l)	\$2,000,000	(\$2,000,000)	\$0
49	Less: Depreciable Retired Plant	1/ Line 48 x Retirement rate	(\$593,200)	\$593,200	\$0
50					
51	Depreciable Utility Plant 08/31/21	Sum of Line 46 through Line 49	\$1,631,624,491	(\$44,474,824)	\$1,587,149,667
52					
53	Average Depreciable Plant for Rate Year Ended 08/31/21	(Line 46 + Line 51)/2	\$1,630,921,091	(\$43,771,424)	\$1,587,149,667
54					
55	Proposed Composite Rate %	Page 4, Line 18, Columnn (f)	3.15%		3.16%
56					
57	Book Depreciation Reserve 08/31/20	Line 41	\$748,147,943		
58	Plus: Book Depreciation Expense	Line 53 x Line 55	\$51,299,512		\$50,153,929
59	Plus: Unrecovered Reserve Adjustment	Schedule NWA-1-ELECTRIC, Part VI, Page 6	(\$247,009)		(\$247,009)
60	Less: Net Cost of Removal/(Salvage)	2/ Line 48 x Cost of Removal Rate	(\$205,400)		
61	Less: Retired Plant	Line 49	(\$593,200)		
62	Book Depreciation Reserve 08/31/21	Sum of Line 57 through Line 61	\$798,401,846		\$49,906,920
63					
64	1/ 3 year average retirement over plant addition in service FY 15 ~ FY17		29.66%	Retirements	
65	2/ 3 year average Cost of Removal over plant addition in service FY 15 ~ FY17		10.27%	COR	
66					
67	Book Depreciation RY2	Line 37 (a) + Line 38 (b)			\$51,008,253
68	Less: General Plant Depreciation (assuming add=retirement)	- Page 37 of 46, Line 66 (c)			(\$1,435,572)
69	Plus: Comm Equipment Depreciation	Page 37 of 46, sum of Lines 59 (c) through 61 (c)			\$368,062
70	Total				\$49,940,743
71	7 Months				x7/12
72	FY 2020 Depreciation Expense	Line 66 (d) x7 ÷12			\$29,132,100
73					
74	Book Depreciation RY3	Line 58 (a) + Line 59 (b)			\$51,052,503
75	Less: General Plant Depreciation	- Page 37 of 46, Line 66 (c)			(\$1,435,572)
76	Plus: Comm Equipment Depreciation	Page 37 of 46, sum of Lines 59 (c) through 61 (c)			\$368,062
77	Total				\$49,984,993
78	FY 2021 Depreciation Expense	Line 66 (d) x5 ÷12 + Line 73 (d) x7 ÷12			\$49,966,556

The Narragansett Electric Company
d/b/a Rhode Island Energy
Fiscal Year Year 2027 ISR Property Tax Recovery Adjustment 3 (continued)
(000s)

	Property Tax Recovery Calculation								
	<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>	<u>(f)</u>	<u>(g)</u>	<u>(h)</u>	<u>(i)</u>
	Cumulative Increm. ISR Prop. Tax for FY2018			Cumulative Increm. ISR Prop. Tax for FY2019			Cumulative Increm. ISR Prop. Tax for FY2019		
				1st 5 months			7 months		
41	Incremental ISR Additions		\$92,660			\$111,243			\$35,410
42	Book Depreciation: base allowance on ISR eligible plant		(\$43,032)			(\$43,032)			\$0
43	Book Depreciation: current year ISR additions		(\$1,317)			(\$1,628)			(\$983)
44	COR		\$9,980			\$7,949			\$246
45	Net Plant Additions		\$58,291			\$74,532			\$34,673
46	RY Effective Tax Rate		3.98%			3.98%			3.28%
47	ISR Year Effective Tax Rate	3.29%		3.23%					1.91%
48	RY Effective Tax Rate	3.98%	-0.69%	3.98%	-0.75%		3.23%		
49	RY Effective Tax Rate 5 mos for FY 2019		-0.69%	5 month	-0.31%		3.28%	-0.05%	
50	RY Net Plant times 5 mo rate	\$746,900	(\$5,191)	\$746,900	(\$2,338)			-0.03% 7 mos	
51	FY 2014 Net Adds times ISR Year Effective Tax rate	\$1,566	\$51	\$1,232	\$17		\$930,873		(\$279)
52	FY 2015 Net Adds times ISR Year Effective Tax rate	\$34,308	\$1,128	\$32,324	\$435				
53	FY 2016 Net Adds times ISR Year Effective Tax rate	\$33,535	\$1,102	\$32,090	\$432		\$16,819	1.88%	\$317
54	FY 2017 Net Adds times ISR Year Effective Tax rate	\$38,200	\$1,256	\$37,040	\$499		\$34,673	1.88%	\$653
55	FY 2018 Net Adds times ISR Year Effective Tax rate	\$58,291	\$1,916	\$55,850	\$752				
56	FY 2019 Net Adds times ISR Year Effective Tax rate			\$74,532	\$1,003				
57	Total ISR Property Tax Recovery		\$263		\$800				\$691
	<u>(j)</u>	<u>(k)</u>	<u>(l)</u>	<u>(m)</u>	<u>(n)</u>	<u>(o)</u>	<u>(p)</u>	<u>(q)</u>	<u>(r)</u>
	Cumulative Increm. ISR Prop. Tax for FY2020			Cumulative Increm. ISR Prop. Tax for FY2021			Cumulative Increm. ISR Prop. Tax for FY2022		
58	Incremental ISR Additions		\$67,004			\$114,637			\$86,470
59	Book Depreciation: base allowance on ISR eligible plant		\$0			\$0			(\$29,112)
60	Book Depreciation: current year ISR additions		(\$995)			(\$1,464)			(\$816)
61	COR		\$11,265			\$10,221			\$7,612
62	Net Plant Additions		\$77,273			\$123,394			\$64,154
63	RY Effective Tax Rate		3.38%			3.58%			3.66%
64	ISR Property Tax Recovery on non-ISR								
65	ISR Year Effective Tax Rate	3.07%		2.94%			2.88%		
66	RY Effective Tax Rate	3.38%	-0.31%	3.58%	-0.64%		3.66%	-0.79%	
67	RY Effective Tax Rate 7 mos for FY 2019								
68	RY Net Plant times Rate Difference	\$902,404	(\$2,825)	\$853,576	(\$5,427)		\$833,223	* -0.79%	(\$6,574)
69	Non-ISR plant times rate difference	(\$2,269)	\$7	(\$4,269)	\$27		(\$6,269)	* -0.79%	\$49
70	FY 2018 Net Incremental times rate difference	\$16,142	\$496	\$15,464	\$455		\$14,787	* 2.88%	\$425
71	FY 2019 Net Incremental times rate difference	\$32,833	\$1,008	\$30,992	\$911		\$29,152	* 2.88%	\$838
72	FY 2020 Net Incremental times rate difference	\$77,273	\$2,372	\$75,283	\$2,214		\$73,292	* 2.88%	\$2,107
73	FY 2021 Net Incremental times rate difference			\$123,394	\$3,629		\$120,467	* 2.88%	\$3,463
74	FY 2022 Net Adds times rate difference						\$64,154	* 2.88%	\$1,844
75	Total ISR Property Tax Recovery		\$1,059		\$1,810				\$2,154

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The Narragansett Electric Company
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Fiscal Year Year 2027 ISR Property Tax Recovery Adjustment 4 (continued)
(000s)

		(s)	(t)	(u)	(v)	(w)	(x)	(y)	(z)	(aa)
		<u>Cumulative Increm. ISR Prop. Tax for FY2023</u>			<u>Cumulative Increm. ISR Prop. Tax for FY2024</u>			<u>Cumulative Increm. ISR Prop. Tax for FY2025</u>		
76	Incremental ISR Additions			\$93,023			\$97,249			\$115,155
77	Book Depreciation: base allowance on ISR eligible plant			(\$49,907)			(\$49,907)			(\$49,907)
78	Book Depreciation: current year ISR additions			(\$1,189)			(\$973)			(\$1,526)
79	COR			<u>\$7,722</u>			<u>\$9,246</u>			<u>\$22,657</u>
80	Net Plant Additions			\$49,649			\$55,615			\$86,379
81	RY Effective Tax Rate			<u>3.66%</u>			3.66%			3.66%
82	ISR Property Tax Recovery on non-ISR									
83	ISR Year Effective Tax Rate	2.81%			3.13%			3.10%		
84	RY Effective Tax Rate	3.66%		-0.86%	3.66%		-0.53%	3.66%		-0.57%
85	RY Effective Tax Rate 7 mos for FY 2019									
86	RY Net Plant times Rate Difference	\$833,223		* -0.86% (\$7,141)	\$833,223		* -0.53% (\$4,424)	\$833,223		* -0.57% (\$4,708)
87	Non-ISR plant times rate difference	(\$8,269)		* -0.86% \$71	(\$10,269)		* -0.53% \$55	(\$12,269)		* -0.57% \$69
88	FY 2018 Net Incremental times rate difference	\$14,109		* 2.81% \$396	\$13,432		* 3.13% \$421	\$12,754		* 3.1% \$395
89	FY 2019 Net Incremental times rate difference	\$27,311		* 2.81% \$767	\$25,471		* 3.13% \$798	\$23,630		* 3.1% \$732
90	FY 2020 Net Incremental times rate difference	\$71,302		* 2.81% \$2,001	\$69,312		* 3.13% \$2,172	\$67,321		* 3.1% \$2,086
91	FY 2021 Net Incremental times rate difference	\$117,539		* 2.81% \$3,299	\$114,612		* 3.13% \$3,591	\$111,684		* 3.1% \$3,461
92	FY 2022 Net Incremental times rate difference	\$62,523		* 2.81% \$1,755	\$60,892		* 3.13% \$1,908	\$59,261		* 3.1% \$1,836
93	FY 2023 Net Incremental times rate difference	\$49,649		* 2.81% \$1,394	\$47,272		* 3.13% \$1,481	\$44,895		* 3.1% \$1,391
94	FY 2024 Net Incremental times rate difference				\$55,615		* 3.13% \$1,742	\$53,668		* 3.1% \$1,663
95	FY 2025 Net Incremental times rate difference							\$86,379		* 3.1% \$2,677
96	Total ISR Property Tax Recovery			<u>\$2,542</u>			<u>\$7,742</u>			<u>\$9,604</u>
		(ab)	(ac)	(ad)	(ae)	(af)	(ag)			
		<u>Cumulative Increm. ISR Prop. Tax for FY2026</u>			<u>Cumulative Increm. ISR Prop. Tax for FY2027</u>					
97	Incremental ISR Additions			\$81,563			\$136,393			
98	Book Depreciation: base allowance on ISR eligible plant			(\$49,907)			(\$49,907)			
99	Book Depreciation: current year ISR additions			(\$891)			(\$1,662)			
100	COR			<u>\$12,650</u>			<u>\$14,064</u>			
101	Net Plant Additions			\$43,415			\$98,888			
102	RY Effective Tax Rate			<u>3.66%</u>			<u>3.66%</u>			
103	ISR Property Tax Recovery on non-ISR									
104	ISR Year Effective Tax Rate	3.13%			3.10%					
105	RY Effective Tax Rate	3.66%		-0.53%	3.66%		-0.57%			
106	RY Effective Tax Rate 7 mos for FY 2019									
107	RY Net Plant times Rate Difference	\$833,223		* -0.53% (\$4,424)	\$833,223		* -0.57% (\$4,708)			
108	Non-ISR plant times rate difference	(\$14,269)		* -0.53% \$76	(\$16,269)		* -0.57% \$92			
109	FY 2018 Net Incremental times rate difference	\$12,076		* 3.13% \$378	\$11,399		* 3.1% \$353			
110	FY 2019 Net Incremental times rate difference	\$22,160		* 3.13% \$694	\$20,814		* 3.1% \$645			
111	FY 2020 Net Incremental times rate difference	\$65,331		* 3.13% \$2,047	\$63,340		* 3.1% \$1,963			
112	FY 2021 Net Incremental times rate difference	\$108,757		* 3.13% \$3,407	\$105,829		* 3.1% \$3,280			
113	FY 2022 Net Incremental times rate difference	\$57,630		* 3.13% \$1,806	\$55,999		* 3.1% \$1,735			
114	FY 2023 Net Incremental times rate difference	\$42,517		* 3.13% \$1,332	\$40,140		* 3.1% \$1,244			
115	FY 2024 Net Incremental times rate difference	\$51,722		* 3.13% \$1,620	\$49,775		* 3.1% \$1,543			
116	FY 2025 Net Incremental times rate difference	\$83,326		* 3.13% \$2,611	\$80,274		* 3.1% \$2,488			
117	FY 2026 Net Incremental times rate difference	\$43,415		* 3.13% \$1,360	\$41,632		* 3.1% \$1,290			
118	FY 2027 Net Incremental times rate difference				\$98,888		* 3.1% \$3,065			
119	Total ISR Property Tax Recovery			<u>\$10,907</u>			<u>\$12,989</u>			

The Narragansett Electric Company
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Fiscal Year Year 2027 ISR Property Tax Recovery Adjustment 5 (continued)
(000s)

<u>Line Notes</u>	<u>Line Notes</u>
1(a) - 15(h) Per Docket No. 4915, FY2020 Rec, Part 1 -Attachment MAL-1, Compliance Page 20,	84(s) =81(t)
16(a) - 20(a) =11(h) - 15(h)	84(t) 83(s) -84(s)
16(b) - 16(d) Docket No. 5098 Attachment 1C, Page 26 of 29, 16(b) to 16(d)	86(s) Docket No. 4770, R. Rebuttal Att. 1, Sch 6-E, P2, (L51-L62)/1000]
16(c) Docket 5098, C. Att. 2, Sch 6-ELEC, P2: (L37(b) + L38(b)) + ((Page 2 of 46, L 6(a) + Page 5 of 46, L 6(a)+Page 10 of 46, L(a)+, L6(a)) × 0.0316+Page 8 of 4635(d)+, L(b))/1000 + (L1(c)+L6(c)+L11(c))×0.0301+, L6(a) × 0.0316× 0.5)/1000+L16(c)×0.5×0.0301	
16(f) - 17(g) Docket No. 5098 Attachment 1C, Page 26 of 29, 16(f) to 17(g)	87(s) =69(p) - 2000
16(h) Sum of Lines 16(a) through 16(g)	88(s) =70(p) - Page 2 of 46, Line 19(i) / 1000
17(h) Sum of Lines 17(a) through 17(g)	89(s) =71(p) - (Page 5 of 46, Line 19(e) + Page 8 of 46, Line 35(c))/1000
18(h) =16(h)-17(h)	
19(h) Per Company's Book	90(s) =72(p) - (Page 10 of 46, Line 19(d) through 19(f)) / 1000
20(h) Line 19(h) ÷ 18(h)	91(s) =73(p) - (Page 13 of 46, Line 19(c) through 19(e)) / 1000
21(a) - 25(a) =16(h) - 20(h)	92(s) =74(p) - (Page 17 of 46, Line 19(b) through 19(d)) / 1000
21(b) Page 20 of 46, Line 3(a) through 3(c) / 1000	93(s) =80(t)
21(c) Per Company's Book	86(t)-87(t) =84(t)
21(d) Line 21(b) + Line 21(c)	88(t)-93(t) =83(s)
21(f), 22(f) Per Company's Book	86(u) - 93(u) =86(s) to 93(s) x 86(t) to 93(t)
21(h) Line21(a) + 21(d) + 21(f)	96(u) Sum of Lines 86(u) through 93(u)
22(c) Per Company's Book	97(ac) Page 29 of 46, Line 3(a) / 1000
22(h) Line22(a) + 22(e) + 22(f) + 22(g)	98(ac) Page 29 of 46, Line 8(a) / 1000
23(h) 21(h)-22(h)	99(ac) Page 29 of 46, Line 16(a) / 1000
24(h) Per Company's Book	100(ac) Page 29 of 46, Line 10(a) / 1000
25(h) Line 24(h) ÷ 23(h)	101(ac) Sum of Lines 76(ac) through 79(ac)
41(a) - 57(i) Per Docket No. 4915, FY2020 Rec, Part 1 -Attachment MAL-1, Compliance Page 21, Line 28(a)-Line 44(g)	102(ac) =81(z)
	104(ab) =40(h)
	105(ab) =102(ac)
58(j) - 75(o) Per Docket No. 4915, FY2020 Rec, Part 1 -Attachment MAL-1, Compliance Page 21, Line 28(a)-Line 44(g)	105(ac) 104(ab) -105(ab)
58(q) - 72(r) Docket No. 5098 Attachment 1C, Page 26 of 29, 38(j) to 50(k)	107(ab) Docket No. 4770, R. Rebuttal Att. 1, Sch 6-E, P2, (L51-L62)/1000]
73(p) =73(m) - (Page 13 of 46, Line 19(b) ÷ 1000	108(ab) =87(y) - 2000
74(p) =62(q)	109(ab) =88(y) - Page 2 of 46, Line 19(j) / 1000
73(q) - 74(q) =65(p)	110(ab) =89(y) - (Page 5 of 46, Line 19(i) + Page 8 of 46, Line 35(aa))/1000
73(r) - 74(r) =73(p) to 74(p) x 73(q) to 74(q)	111(ab) =90(y) - Page 10 of 46, Line 19(h) / 1000
75(r) Sum of Lines 68(r) through 74(r)	112(ab) =91(y) - Page 13 of 46, Line 19(g) / 1000
76(t) Page 20 of 46, Line 3(a) through 3(c) / 1000	113(ab) =92(y) - Page 17 of 46, Line 19(f) / 1000
77(t) Page 20 of 46, Line 8(a) through 8(c) / 1000	114(ab) =93(y) - Page 20 of 46, Line 18(c) / 1000
78(t) Page 20 of 46, Line 19(a) through 19(c) /1000	115(ab) =94(y) - Page 23 of 46, Line 17(c) / 1000
79(t) Page 20 of 46, Line 10(a) through 10(c) / 1000	116(ab) =95(y) - Page 26 of 46, Line 16(b) / 1000
80(t) Sum of Lines 76(t) through 79(t)	117(ab) =101(ac)
81(t) =63(q)	107(ac)-108(ac) =105(ac)
83(s) =25(h)	109(ac)-117(ac) =104(ab)
	107(ad)-117(ad) =107(ab) to 117(ab) x 107(ac) to 117(ac)
	119(ad) Sum of Lines 97(ad) through 100(ad)

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan
Calculation of Weighted Average Cost of Capital

<u>Line No.</u>	(a)	(b)	(c)	(d)	(e)
Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 35% income tax rate effective					
1	April 1, 2013				
2	Ratio	Rate	Weighted Rate	Taxes	Return
3	Long Term Debt	49.95%	4.96%	2.48%	2.48%
4	Short Term Debt	0.76%	0.79%	0.01%	0.01%
5	Preferred Stock	0.15%	4.50%	0.01%	0.01%
6	Common Equity	49.14%	9.50%	4.67%	2.51%
7		<u>100.00%</u>	<u>7.17%</u>	<u>2.51%</u>	<u>9.68%</u>
8					
9	(d) - Column (c) x 35% divided by (1 - 35%)				
10					
Weighted Average Cost of Capital as approved in RIPUC Docket No. 4323 at 21% income tax rate effective					
11	January 1, 2018				
12	Ratio	Rate	Weighted Rate	Taxes	Return
13	Long Term Debt	49.95%	4.96%	2.48%	2.48%
14	Short Term Debt	0.76%	0.79%	0.01%	0.01%
15	Preferred Stock	0.15%	4.50%	0.01%	0.01%
16	Common Equity	49.14%	9.50%	4.67%	1.24%
17		<u>100.00%</u>	<u>7.17%</u>	<u>1.24%</u>	<u>8.41%</u>
18					
19	(d) - Column (c) x 21% divided by (1 - 21%)				
20					
Weighted Average Cost of Capital as approved in RIPUC Docket No. 4770 effective September 1, 2018					
22	Ratio	Rate	Weighted Rate	Taxes	Return
23	Long Term Debt	48.35%	4.62%	2.23%	2.23%
24	Short Term Debt	0.60%	1.76%	0.01%	0.01%
25	Preferred Stock	0.10%	4.50%	0.00%	0.00%
26	Common Equity	50.95%	9.28%	4.73%	1.26%
27		<u>100.00%</u>	<u>6.97%</u>	<u>1.26%</u>	<u>8.23%</u>
28					
29	(d) - Column (c) x 21% divided by (1 - 21%)				
30					
31	FY18 Blended Rate	Line 7(e) x 75% + Line 17(e) x 25%			9.36%
32					
33	FY19 Blended Rate	Line 17 x 5 ÷ 12 + Line 27 x 7 ÷ 12			8.31%
34					
35	FY20 and after Rate	Line 27(e)			8.23%

The Narragansett Electric Company
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**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Incremental Capital Investment**

Line No.		<u>Fiscal Year 2027</u> (a)	<u>In Base Rates Included In Docket No. 4770</u> (b)	<u>Amount to be Included in FY 2026 ISR</u> (c) = (a) - (b)
	<u>Non Discretionary Capital</u>			
1	Fiscal Year 2027 Proposed Non-Discretionary Capital Additions	Section 2, Table 9, Col (c), Line 1 + Line 2	\$51,840,000	\$0
	<u>Discretionary Capital</u>			
2	Cumulative CY 2026 Discretionary Capital ADDITIONS	RIPUC Docket No.23-48-EL, Attachment JDO-1-Corrected, Page 39 of 39, Line 4 + RIPUC Docket No.24-54-EL, Section 4: Attachment 1 (Compliance) Page 42 of 42, Line 3	\$703,495,947	
3	FY 2027 Proposed Discretionary Capital ADDITIONS	Section 2, Table 9, Col (c), Line 3 + Line 4 + Line 5 + Line 7	<u>\$84,553,000</u>	
4	Cumulative Actual Discretionary Capital Additions	Line 2 + Line 3	<u>\$788,048,947</u>	
5	Cumulative FY 2026 Discretionary Capital SPENDING	RIPUC Docket No.23-48-EL, Attachment JDO-1-Corrected, Page 39 of 39, Line 7 + RIPUC Docket No.24-54-EL, Section 4: Attachment 1 (Compliance) Page 42 of 42, Line 6	\$835,293,968	
6	FY 2027 Proposed Discretionary Capital SPENDING	Section 2, Table 1, Col (c), Line 3 + Line 4 + Line 5 + Line 7	<u>\$64,438,000</u>	
7	Cumulative Actual Discretionary Capital Spending	Line 5 + Line 6	<u>\$899,731,968</u>	
8	Cumulative FY 2026 Approved Discretionary Capital SPENDING	RIPUC Docket No.23-48-EL, Attachment JDO-1-Corrected, Page 39 of 39, Line 10 + RIPUC Docket No.24-54-EL, Section 4: Attachment 1 (Compliance) Page 42 of 42, Line 9	\$836,809,471	
9	FY 2027 Proposed Discretionary Capital SPENDING	Section 2, Table 1, Col (c), Line 3 + Line 4 + Line 5 + Line 7	<u>\$64,438,000</u>	
10	Cumulative Actual Approved Discretionary Capital Spending	Line 8 + Line 9	<u>\$901,247,471</u>	
11	Cumulative Allowed Discretionary Capital Included in Rate Base	Lesser of Line 4, Line 7, or Line 10	\$788,048,947	
12	Prior Year Cumulative Allowed Discretionary Capital Included in Rate Base	Page do not print of 46, Line 11	<u>\$703,495,947</u>	
13	Total Allowed Discretionary Capital Included in Rate Base Current Year	Line 11 - Line 12	<u>\$84,553,000</u>	\$0
14	Total Allowed Capital Included in Rate Base Current Year	Line 1 + Line 13	<u>\$136,393,000</u>	\$0
15	Intangible Assets included in Total Allowed Discretionary Capital	Section 2, Chart 10, Column 2 note		<u>\$0</u>
16	Total Allowed Discretionary Capital Included in non-Intangible Rate Base Current Year	Line 14 - Line 15		<u>\$136,393,000</u>

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Section 4: Attachment 2 (Compliance)
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Impact of Elimination of ADIT and Hold Harmless Commitment
Plan Year 2027 - April 2026 - March 2027

Inputs					
		(a)	(b)	(c)	(d)
1	Tax Rate	21.00%			
		<u>Capital Structure (%)</u>	<u>Debt Rate (%)</u>	<u>Cost (%)</u>	<u>Cost Ratios (%)</u> Lines 5 and 6 (a) x (c)
2	Long Term Debt	48.350%	4.620%	4.563%	
3	Short Term Debt	0.600%	1.760%	0.022%	
4	Preferred Stock	0.100%		0.000%	
5	Debt Weighting	Cols (a) & (c) = Lines 2+3+4		4.585%	2.249%
6	Equity Weighting			9.275%	4.726%
7	Total	Lines 5+6		100.00%	
8	WACC (after-tax)	Lines 4+5+6, Col (d) Line 6(d) *			6.975%
9	Tax Gross-up on Common Equity	Line 1(a) / (1 - Line 1(a))			1.260%
10	Revenue WACC (pre-tax)	Lines 8+9, Col (d)			8.23%
11	Rate Base - PPL (after purchase)	\$	184,021,944		
12	Rate Base - NG (before sale)	\$	156,041,771		
13	Deferred Taxes / Hold Harmless	Lines 11 - 12		\$	27,980,173 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 21.
- 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 27 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 28 is the revenue credit reflected on Line 21.

		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)	
14	Rate Base after Acquisition	Line 11	184,021,944	-	
15	ADIT Adjustment	- Line 13	-	(27,980,173)	
16	Adjusted Rate Base	Lines 14 + 15	184,021,944	156,041,771	27,980,173
17	Debt Return (4.576%)	Lines 16 * 5(d)	4,138,497	3,509,247	629,250
18	Equity Return (9.275%)	Lines 16 * 6(d)	8,696,164	7,373,929	1,322,235
19	Taxes on Equity (21%)	(Line 18 / (1 - Line 1)) * Line 1	2,311,639	1,960,158	351,481
20	Total Unadjusted Revenue	Sum of Lines 17 , 18 , 19	15,146,300	12,843,334	2,302,966
21	Revenue Adjustment	- Line 13 * Line 10(d)	(2,302,768)	-	(2,302,768) Note 1
22	Total Revenue	Lines 20 + 21	12,843,532	12,843,334	198
23	Interest Expense	Lines 16, Col (b) * Line 5(d)	3,509,247	3,509,247	-
24	Tax Expense	(Lines 22 - 23) * Line 1	1,960,200	1,960,158	42
25	Net Income	Lines 22 - 23 - 24	7,374,085	7,373,929	156
Impact of Transaction					
26	Transaction-related Tax Deduction	- Line 21 *			
		(1-Line 1) / Line 1	8,662,794		
27	Cash Tax Benefit at 21%	Line 26 * Line 1	1,819,187		
28	Cash Tax Benefit Grossed Up	Line 27 / (1-Line 1)	2,302,768		

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

Average ISR Rate Base after Deferred Tax Proration

	Post-Acquisition (a)	Prorated (b)	Post-Acquisition After Proration (c)	No Acquisition (d)	Prorated (e)	No Acquisition After Proration (f)
1 Plan Year 2027						
2 FY 2018	10,302,679	100%	10,302,679	11,267,834	100%	11,267,834
3 FY 2019	21,123,162	100%	21,123,162	18,395,408	100%	18,395,408
4 FY 2019 Intangible	-	100%	-	-	100%	-
5 FY 2020	33,597,445	100%	33,597,445	29,953,640	100%	29,953,640
6 FY 2021	53,939,391	100%	53,939,391	51,318,514	100%	51,318,514
7 FY 2022	32,754,151	100%	32,754,151	28,971,897	100%	28,971,897
8 FY 2023	32,305,116	100%	32,305,116	16,134,478	100%	16,134,478
9 Total	<u>184,021,944</u>		<u>184,021,944</u>	<u>156,041,771</u>		<u>156,041,771</u>

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Page 1, Line 12

The Narragansett Electric Company
Infrastructure, Safety and Reliability Plan Factors Calculations - Summary
Summary of Proposed Factors
(for the 12 months beginning April 1, 2026)

	<u>Residential</u> <u>A-16 / A-60</u> (a)	<u>Small C&I</u> <u>C-06</u> (b)	<u>General C&I</u> <u>G-02</u> (c)	<u>Large Demand</u> <u>B-32</u> (d)	<u>Large Demand</u> <u>G-32</u> (e)	<u>Lighting</u> <u>S-05 / S-06</u> <u>S-10 / S-14</u> (f)	<u>Propulsion</u> <u>X-01</u> (g)
(1) O&M Factor per kWh	\$0.00229	\$0.00217	\$0.00195	\$0.00100	\$0.00100	\$0.02249	\$0.00028
(2) O&M Factor per kW	n/a	n/a	n/a	\$0.06	n/a	n/a	n/a
(3) CapEx kWh Charge	\$0.01044	\$0.00842	n/a	n/a	n/a	\$0.02326	\$0.00068
(4) CapEx kW Charge	n/a	n/a	\$2.71	\$2.78	\$2.78	n/a	n/a
(5) Back-Up Service CapEx kW Charge	n/a	n/a	n/a	\$0.27	n/a	n/a	n/a
(6) AMF Factor per Customer Charge	\$0.72	\$1.13	\$11.23	\$91.11	\$91.11	\$3.06	\$166.70

- (1) Page 2, Line (6); Column (d) applicable to supplemental kWh deliveries only
- (2) Page 5, Line (4), applicable to backup service only
- (3) Page 3, Line (6) + Page 4, Line (6)
- (4) Page 3, Line (8) + Page 4, Line (8); Column (d) applicable to supplemental service only
- (5) Page 5, Line (10), applicable to backup service only

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The Narragansett Electric Company
Plan Year 2027 Proposed Operations & Maintenance Factors
(for the 12 months beginning April 1, 2026)

	<u>Total</u> (a)	Residential <u>A-16 / A60</u> (b)	Small C&I <u>C-06</u> (c)	General C&I <u>G-02</u> (d)	Large Demand <u>B-32 / G-32</u> (e)	Lighting S-05 / S-06 <u>S-10 / S-14</u> (f)	Propulsion <u>X-01</u> (g)
(1) Plan Year 2027 Forecasted Vegetation Management (VM) and Inspection & Maintenance (I&M) O&M Expense	\$14,265,000						
(2) Operating & Maintenance Expense - Rate Year Allowance (\$000s)	\$44,205	\$22,620	\$4,919	\$7,563	\$ 7,045	\$2,036	\$22
(3) Percentage of Total	100.00%	51.17%	11.13%	17.11%	15.94%	4.61%	0.05%
(4) Allocated Vegetation Management (VM) and Inspection & Maintenance (I&M) O&M Expense	\$14,265,000	\$7,299,498	\$1,587,366	\$2,440,588	\$2,273,429	\$657,019	\$7,099
(5) Forecasted kWh - April 2026 through March 2027	7,461,864,799	3,176,080,816	728,780,519	1,250,263,935	2,252,620,776	29,209,041	24,909,711
(6) Proposed Vegetation Management (VM) and Inspection & Maintenance (I&M) O&M Expense Charge per kWh		\$0.00229	\$0.00217	\$0.00195	\$0.00100	\$0.02249	\$0.00028

- (1) per Section 4: Attachment 1 (Compliance), Page 1, Line (4), Column (b):
Total O&M Expense Component of Revenue Requirement: \$ 14,265,000
- (2) per R.I.P.U.C. 4770, Compliance Attachment 6 (August 16, 2018), (Schedule 1B), Page 3, Line 88
- (3) Line (2), Columns (b) through (g) ÷ Line (2) Total
- (4) Line (1) x Line (3)
- (5) per Company forecasts
- (6) Line (4) ÷ Line (5), truncated to 5 decimal places

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The Narragansett Electric Company
Plan Year 2027 Proposed CapEx Factors
(for the 12 months beginning April 1, 2026)

	<u>Total</u> (a)	<u>Residential</u> <u>A-16 / A60</u> (b)	<u>Small C&I</u> <u>C-06</u> (c)	<u>General C&I</u> <u>G-02</u> (d)	<u>Large Demand</u> <u>B-32 / G-32</u> (e)	<u>Lighting</u> <u>S-05 / S-06</u> <u>S-10 / S-14</u> (f)	<u>Propulsion</u> <u>X-01</u> (g)
(1) Plan Year 2027 Capital Investment Component of Revenue Requirement Including Tax Hold Harmless Adjustment	\$ 59,747,715						
(2) Total Rate Base (\$000s)	\$729,511	\$404,995	\$75,009	\$117,155	\$123,849	\$8,296	\$208
(3) Percentage of Total	100.00%	55.52%	10.28%	16.06%	16.98%	1.14%	0.03%
(4) Allocated Revenue Requirement	\$59,747,715	\$33,169,489	\$6,143,294	\$9,595,133	\$10,143,369	\$679,419	\$17,011
(5) Forecasted kWh - April 2026 through March 2027	7,461,864,799	3,176,080,816	728,780,519	1,250,263,935	2,252,620,776	29,209,041	24,909,711
(6) Proposed CapEx Factor - kWh Charge		\$0.01044	\$0.00842	n/a	n/a	\$0.02326	\$0.00068
(7) Forecasted kW - April 2026 through March 2027				3,533,505	3,635,932		
(8) Proposed CapEx Factor - kW Charge		n/a	n/a	\$2.71	\$2.78	n/a	n/a

- (1) per Section 4: Attachment 1 (Compliance), Page 1, Line (18), Column (b) plus Line (21), Column (b):
- | | |
|--|----------------|
| Total Capital Investment Component of Revenue Requirement | \$ 62,050,483 |
| Tax Hold Harmless Adjustment | \$ (2,302,768) |
| Total Capital Investment Component of Revenue Requirement Including Tax Hold Harmless Adjustment | \$ 59,747,715 |
- (2) R.I.P.U.C. 4770, Compliance Attachment 6 (August 16, 2018), (Schedule 1A), Page 1, Line 9
- (3) Line (2), Columns (b) through (g) ÷ Line (2) Total
- (4) Line (1) x Line (3)
- (5) per Company forecasts
- (6) For non demand-based rate classes, Line (4) ÷ Line (5), truncated to 5 decimal places
- (7) per Company forecasts
- (8) For demand-based rate classes, Line (4) ÷ Line (7), truncated to 2 decimal places
- Note: charges apply to kW>10 for rate class G-02 and kW>200 for rate class B-32/G-32

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The Narragansett Electric Company
Plan Year 2027 Proposed AMF Factors
(for the 12 months beginning April 1, 2026)

	<u>Total</u> (a)	<u>Residential</u> <u>A-16 / A60</u> (b)	<u>Small C&I</u> <u>C-06</u> (c)	<u>General C&I</u> <u>G-02</u> (d)	<u>Large Demand</u> <u>B-32 / G-32</u> (e)	<u>Lighting</u> <u>S-05 / S-06</u> <u>S-10 / S-14</u> (f)	<u>Propulsion</u> <u>X-01</u> (g)
(1) Plan Year 2027 AMF Capital Investment Component of Revenue Requirement	\$ 7,025,763						
(2) Total Rate Base (\$000s)	\$729,511	\$404,995	\$75,009	\$117,155	\$123,849	\$8,296	\$208
(3) Percentage of Total	100.00%	55.52%	10.28%	16.06%	16.98%	1.14%	0.03%
(4) Allocated Revenue Requirement	\$7,025,763	\$3,900,417	\$722,393	\$1,128,296	\$1,192,764	\$79,893	\$2,000
(5) Forecasted Number of Bills	6,217,997	5,438,812	639,529	100,464	13,092	26,088	12
(6) Proposed AMF Factor - Customer Charge		\$0.72	\$1.13	\$11.23	\$91.11	\$3.06	\$166.70

- (1) per Attachment SAB-1, Page 1, Line (12), Column (b):
Total AMF Capital Investment Component of Revenue Requirement \$ 7,025,763
- (2) R.I.P.U.C. 4770, Compliance Attachment 6 (August 16, 2018), (Schedule 1A), Page 1, Line 9
- (3) Line (2), Columns (b) through (g) ÷ Line (2) Total
- (4) Line (1) x Line (3)
- (5) per Company forecasts
- (6) Line (4) ÷ Line (5)

The Narragansett Electric Company
Calculation of Operations & Maintenance and CapEx Factors
and Base Distribution Charge for Back-up Service Rates

Large Demand
B-32

Operations & Maintenance Factors

(1)	Allocated Vegetation Management (VM) and Inspection & Maintenance (I&M) O&M Expense	\$2,273,429
(2)	Forecasted kW - April 2026 through March 2027	3,635,932
(3)	Vegetation Management (VM) and Inspection & Maintenance (I&M) O&M Expense Charge per kW	\$0.62
(4)	Proposed Discounted O&M kW Factor Charge	\$0.06

CapEx Factors

(5)	Proposed CapEx kW Factor Charge	\$2.78
(6)	Proposed Discounted CapEx kW Factor Charge	\$0.27

- (1) Page 2, Line (4), Column (e)
- (2) per Company forecasts
- (3) Line (1) ÷ Line (2), truncated to 2 decimal places
- (4) Line (3) x 0.10, truncated to 2 decimal places
- (5) Page 3, Line (8), Column (e)
- (6) Line (5) x 0.10, truncated to 2 decimal places

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The Narragansett Electric Company
Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to A-16 Rate Customers

Monthly kWh (a)	Rates Effective October 1, 2025				Proposed Rates Effective April 1, 2026				\$ Increase (Decrease)				Increase (Decrease) % of Total Bill				Percentage of Customers (r)
	Delivery Services (b)	Supply Services (c)	GET (d)	Total (e) = (a) + (b) + (c)	Delivery Services (f)	Supply Services (g)	GET (h)	Total (i) = (f) + (g) + (h)	Delivery Services (j) = (f) - (b)	Supply Services (k) = (g) - (c)	GET (l) = (h) - (d)	Total (m) = (j) + (k) + (l)	Delivery Services (n) = (j) / (e)	Supply Services (o) = (k) / (e)	GET (p) = (l) / (e)	Total (q) = (m) / (e)	
150	\$31.24	\$22.16	\$2.23	\$55.63	\$32.28	\$22.16	\$2.27	\$56.71	\$1.04	\$0.00	\$0.04	\$1.08	1.9%	0.0%	0.1%	1.9%	30.1%
300	\$52.47	\$44.31	\$4.03	\$100.81	\$53.84	\$44.31	\$4.09	\$102.24	\$1.37	\$0.00	\$0.06	\$1.43	1.4%	0.0%	0.1%	1.4%	12.9%
400	\$66.62	\$59.08	\$5.24	\$130.94	\$68.21	\$59.08	\$5.30	\$132.59	\$1.59	\$0.00	\$0.06	\$1.65	1.2%	0.0%	0.0%	1.3%	11.6%
500	\$80.77	\$73.85	\$6.44	\$161.06	\$82.58	\$73.85	\$6.52	\$162.95	\$1.81	\$0.00	\$0.08	\$1.89	1.1%	0.0%	0.0%	1.2%	9.6%
600	\$94.92	\$88.62	\$7.65	\$191.19	\$96.95	\$88.62	\$7.73	\$193.30	\$2.03	\$0.00	\$0.08	\$2.11	1.1%	0.0%	0.0%	1.1%	7.7%
700	\$109.07	\$103.39	\$8.85	\$221.31	\$111.32	\$103.39	\$8.95	\$223.66	\$2.25	\$0.00	\$0.10	\$2.35	1.0%	0.0%	0.0%	1.1%	19.0%
1,200	\$179.83	\$177.24	\$14.88	\$371.95	\$183.17	\$177.24	\$15.02	\$375.43	\$3.34	\$0.00	\$0.14	\$3.48	0.9%	0.0%	0.0%	0.9%	6.8%
2,000	\$293.05	\$295.40	\$24.52	\$612.97	\$298.13	\$295.40	\$24.73	\$618.26	\$5.08	\$0.00	\$0.21	\$5.29	0.8%	0.0%	0.0%	0.9%	2.3%

	Rates Effective October 1, 2025 (s)	Proposed Rates Effective April 1, 2026 (t)	Line Item on Bill
(1) Distribution Customer Charge	\$6.00	\$6.72	Customer Charge
(2) LIHEAP Enhancement Charge	\$0.79	\$0.79	LIHEAP Enhancement Charge
(3) Renewable Energy Growth Program Charge	\$3.22	\$3.22	RE Growth Program
(4) Distribution Charge (per kWh)	\$0.04580	\$0.04580	
(5) Operating & Maintenance Expense Charge	\$0.00223	\$0.00229	
(6) Operating & Maintenance Expense Reconciliation Factor	\$0.00004	\$0.00004	
(7) CapEx Factor Charge	\$0.00832	\$0.01044	
(8) CapEx Reconciliation Factor	\$0.00094	\$0.00094	
(9) Revenue Decoupling Adjustment Factor	(\$0.00272)	(\$0.00272)	Distribution Energy Charge
(10) Pension Adjustment Factor	(\$0.00339)	(\$0.00339)	
(11) Storm Fund Replenishment Factor	\$0.00788	\$0.00788	
(12) Arrearage Management Adjustment Factor	\$0.00006	\$0.00006	
(13) Performance Incentive Factor	\$0.00000	\$0.00000	
(14) Low Income Discount Recovery Factor	\$0.00251	\$0.00251	
(15) Long-term Contracting for Renewable Energy Charge	\$0.00656	\$0.00656	Renewable Energy Distribution Charge
(16) Net Metering Charge	\$0.01457	\$0.01457	
(17) Base Transmission Charge	\$0.04411	\$0.04411	
(18) Transmission Adjustment Factor	\$0.00300	\$0.00300	Transmission Charge
(19) Transmission Uncollectible Factor	\$0.00062	\$0.00062	
(20) Base Transition Charge	\$0.00000	\$0.00000	Transition Charge
(21) Transition Adjustment	\$0.00001	\$0.00001	
(22) Energy Efficiency Program Charge	\$0.01098	\$0.01098	Energy Efficiency Programs
(23) Last Resort Service Base Charge	\$0.13408	\$0.13408	
(24) LRS Adjustment Factor	(\$0.00355)	(\$0.00355)	Supply Services Energy Charge
(25) LRS Administrative Cost Adjustment Factor	\$0.00256	\$0.00256	
(26) Renewable Energy Standard Charge	\$0.01461	\$0.01461	
Line Item on Bill			
(27) Customer Charge	\$6.00	\$6.72	
(28) LIHEAP Enhancement Charge	\$0.79	\$0.79	
(29) RE Growth Program	\$3.22	\$3.22	
(30) Transmission Charge	kWh x \$0.04773	\$0.04773	
(31) Distribution Energy Charge	kWh x \$0.06167	\$0.06385	
(32) Transition Charge	kWh x \$0.00001	\$0.00001	
(33) Energy Efficiency Programs	kWh x \$0.01098	\$0.01098	
(34) Renewable Energy Distribution Charge	kWh x \$0.02113	\$0.02113	
(35) Supply Services Energy Charge	kWh x \$0.14770	\$0.14770	

Column (s): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096, effective 10/1/2025
Column (t): Line (1) per Section (5) (Compliance), Page 1, Line (6), Column (a) plus Distribution Customer Charge already in effect. Line (5) per Section 5 (Compliance), Page 1, Line (1), Column (a). Line (7) per Section 5 (Compliance), Page 1, Line (3), Column (a). All other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096 effective 10/1/2025.

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The Narragansett Electric Company
Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to A-60 Rate Customers

Monthly kWh	Rates Effective October 1, 2025						Proposed Rates Effective April 1, 2026						\$ Increase (Decrease)				Increase (Decrease) % of Total Bill				Percentage of Customers
	Delivery Services	Supply Services	Low Income Discount	Discounted Total (e) = (b) + (c) + (d)	GET	Total (f) = (e) + (f)	Delivery Services	Supply Services	Low Income Discount	Discounted Total (k) = (h) + (i) + (j)	GET	Total (l) = (k) + (l)	Delivery Services (n) = [(h)+(i)] - [(b)+(d)]	Supply Services (o) = (i) - (c)	GET (p) = (l) - (f)	Total (q) = (n) + (o) + (p)	Delivery Services (r) = (n) / (g)	Supply Services (s) = (o) / (g)	GET (t) = (p) / (g)	Total (u) = (q) / (g)	
(a)	(b)	(c)	(d) = [(b)+(c)] x-.25	(e)	(f)	(g) = (e) + (f)	(h)	(i)	(j) = [(h)+(i)] x-.25	(k)	(l)	(m) = (k) + (l)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)
150	\$30.86	\$22.16	(\$13.26)	\$39.76	\$1.66	\$41.42	\$31.91	\$22.16	(\$13.52)	\$40.55	\$1.69	\$42.24	\$0.79	\$0.00	\$0.03	\$0.82	1.9%	0.0%	0.1%	2.0%	32.1%
300	\$51.71	\$44.31	(\$24.01)	\$72.01	\$3.00	\$75.01	\$53.08	\$44.31	(\$24.35)	\$73.04	\$3.04	\$76.08	\$1.03	\$0.00	\$0.04	\$1.07	1.4%	0.0%	0.1%	1.4%	15.4%
400	\$65.61	\$59.08	(\$31.17)	\$93.52	\$3.90	\$97.42	\$67.20	\$59.08	(\$31.57)	\$94.71	\$3.95	\$98.66	\$1.19	\$0.00	\$0.05	\$1.24	1.2%	0.0%	0.1%	1.3%	12.5%
500	\$79.52	\$73.85	(\$38.34)	\$115.03	\$4.79	\$119.82	\$81.32	\$73.85	(\$38.79)	\$116.38	\$4.85	\$121.23	\$1.35	\$0.00	\$0.06	\$1.41	1.1%	0.0%	0.1%	1.2%	9.6%
600	\$93.42	\$88.62	(\$45.51)	\$136.53	\$5.69	\$142.22	\$95.44	\$88.62	(\$46.02)	\$138.04	\$5.75	\$143.79	\$1.51	\$0.00	\$0.06	\$1.57	1.1%	0.0%	0.0%	1.1%	7.2%
700	\$107.32	\$103.39	(\$52.68)	\$158.03	\$6.58	\$164.61	\$109.56	\$103.39	(\$53.24)	\$159.71	\$6.65	\$166.36	\$1.68	\$0.00	\$0.07	\$1.75	1.0%	0.0%	0.0%	1.1%	16.4%
1,200	\$176.82	\$177.24	(\$88.52)	\$265.54	\$11.06	\$276.60	\$180.16	\$177.24	(\$89.35)	\$268.05	\$11.17	\$279.22	\$2.51	\$0.00	\$0.11	\$2.62	0.9%	0.0%	0.0%	0.9%	5.2%
2,000	\$288.03	\$295.40	(\$145.86)	\$437.57	\$18.23	\$455.80	\$293.11	\$295.40	(\$147.13)	\$441.38	\$18.39	\$459.77	\$3.81	\$0.00	\$0.16	\$3.97	0.8%	0.0%	0.0%	0.9%	1.6%

	Rates Effective October 1, 2025 (w)	Proposed Rates Effective April 1, 2026 (x)	Line Item on Bill
(1) Distribution Customer Charge	\$6.00	\$6.72	Customer Charge
(2) LIHEAP Enhancement Charge	\$0.79	\$0.79	LIHEAP Enhancement Charge
(3) Renewable Energy Growth Program Charge	\$3.22	\$3.22	RE Growth Program
(4) Distribution Charge (per kWh)	\$0.04580	\$0.04580	
(5) Operating & Maintenance Expense Charge	\$0.00223	\$0.00229	
(6) Operating & Maintenance Expense Reconciliation Factor	\$0.00004	\$0.00004	
(7) CapEx Factor Charge	\$0.00832	\$0.01044	
(8) CapEx Reconciliation Factor	\$0.00094	\$0.00094	
(9) Revenue Decoupling Adjustment Factor	(\$0.00272)	(\$0.00272)	Distribution Energy Charge
(10) Pension Adjustment Factor	(\$0.00339)	(\$0.00339)	
(11) Storm Fund Replenishment Factor	\$0.00788	\$0.00788	
(12) Arrearage Management Adjustment Factor	\$0.00006	\$0.00006	
(13) Performance Incentive Factor	\$0.00000	\$0.00000	
(14) Low Income Discount Recovery Factor	\$0.00000	\$0.00000	
(15) Long-term Contracting for Renewable Energy Charge	\$0.00656	\$0.00656	Renewable Energy Distribution Charge
(16) Net Metering Charge	\$0.01457	\$0.01457	
(17) Base Transmission Charge	\$0.04411	\$0.04411	
(18) Transmission Adjustment Factor	\$0.00300	\$0.00300	Transmission Charge
(19) Transmission Uncollectible Factor	\$0.00062	\$0.00062	
(20) Base Transition Charge	\$0.00000	\$0.00000	Transition Charge
(21) Transition Adjustment	\$0.00001	\$0.00001	
(22) Energy Efficiency Program Charge	\$0.01098	\$0.01098	Energy Efficiency Programs
(23) Last Resort Service Base Charge	\$0.13408	\$0.13408	
(24) LRS Adjustment Factor	(\$0.00355)	(\$0.00355)	
(25) LRS Administrative Cost Adjustment Factor	\$0.00256	\$0.00256	Supply Services Energy Charge
(26) Renewable Energy Standard Charge	\$0.01461	\$0.01461	
Line Item on Bill			
(27) Customer Charge	\$6.00	\$6.72	
(28) LIHEAP Enhancement Charge	\$0.79	\$0.79	
(29) RE Growth Program	\$3.22	\$3.22	
(30) Transmission Charge	\$0.04773	\$0.04773	
(31) Distribution Energy Charge	\$0.05916	\$0.06134	
(32) Transition Charge	\$0.00001	\$0.00001	
(33) Energy Efficiency Programs	\$0.01098	\$0.01098	
(34) Renewable Energy Distribution Charge	\$0.02113	\$0.02113	
(35) Supply Services Energy Charge	\$0.14770	\$0.14770	
(36) Discount percentage	25%	25%	

Column (w): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096, effective 10/1/2025
Column (x): Line (1) per Section 5 (Compliance), Page 1, Line (6), Column (a) plus Distribution Customer Charge already in effect. Line (5) per Section 5 (Compliance), Page 1, Line (1), Column (a), Line (7) per Section 5 (Compliance), Page 1, Line (3), Column (a). All other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096 effective 10/1/2025.

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The Narragansett Electric Company
Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to A-60 Rate Customers

Monthly kWh	Rates Effective October 1, 2025						Proposed Rates Effective April 1, 2026						\$ Increase (Decrease)				Increase (Decrease) % of Total Bill				Percentage of Customers
	Delivery Services	Supply Services	Low Income Discount	Discounted Total (e) = (b) + (c) + (d)	GET	Total (f) = (e) + (f)	Delivery Services	Supply Services	Low Income Discount	Discounted Total (k) = (h) + (i) + (j)	GET	Total (l) = (k) + (l)	Delivery Services (n) = [(h)+(i)] - [(b)+(d)]	Supply Services (o) = (i) - (c)	GET (p) = (l) - (f)	Total (q) = (n) + (o) + (p)	Delivery Services (r) = (n) / (g)	Supply Services (s) = (o) / (g)	GET (t) = (p) / (g)	Total (u) = (q) / (g)	
(a)	(b)	(c)	(d) = [(b)+(c)] x-.30	(e)	(f)	(g) = (e) + (f)	(h)	(i)	(j) = [(h)+(i)] x-.30	(k)	(l)	(m) = (k) + (l)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)
150	\$30.86	\$22.16	(\$15.91)	\$37.11	\$1.55	\$38.66	\$31.91	\$22.16	(\$16.22)	\$37.85	\$1.58	\$39.43	\$0.74	\$0.00	\$0.03	\$0.77	1.9%	0.0%	0.1%	2.0%	32.1%
300	\$51.71	\$44.31	(\$28.81)	\$67.21	\$2.80	\$70.01	\$53.08	\$44.31	(\$29.22)	\$68.17	\$2.84	\$71.01	\$0.96	\$0.00	\$0.04	\$1.00	1.4%	0.0%	0.1%	1.4%	15.4%
400	\$65.61	\$59.08	(\$37.41)	\$87.28	\$3.64	\$90.92	\$67.20	\$59.08	(\$37.88)	\$88.40	\$3.68	\$92.08	\$1.12	\$0.00	\$0.04	\$1.16	1.2%	0.0%	0.0%	1.3%	12.5%
500	\$79.52	\$73.85	(\$46.01)	\$107.36	\$4.47	\$111.83	\$81.32	\$73.85	(\$46.55)	\$108.62	\$4.53	\$113.15	\$1.26	\$0.00	\$0.06	\$1.32	1.1%	0.0%	0.1%	1.2%	9.6%
600	\$93.42	\$88.62	(\$54.61)	\$127.43	\$5.31	\$132.74	\$95.44	\$88.62	(\$55.22)	\$128.84	\$5.37	\$134.21	\$1.41	\$0.00	\$0.06	\$1.47	1.1%	0.0%	0.0%	1.1%	7.2%
700	\$107.32	\$103.39	(\$63.21)	\$147.50	\$6.15	\$153.65	\$109.56	\$103.39	(\$63.89)	\$149.06	\$6.21	\$155.27	\$1.56	\$0.00	\$0.06	\$1.62	1.0%	0.0%	0.0%	1.1%	16.4%
1,200	\$176.82	\$177.24	(\$106.22)	\$247.84	\$10.33	\$258.17	\$180.16	\$177.24	(\$107.22)	\$250.18	\$10.42	\$260.60	\$2.34	\$0.00	\$0.09	\$2.43	0.9%	0.0%	0.0%	0.9%	5.2%
2,000	\$288.03	\$295.40	(\$175.03)	\$408.40	\$17.02	\$425.42	\$293.11	\$295.40	(\$176.55)	\$411.96	\$17.17	\$429.13	\$3.56	\$0.00	\$0.15	\$3.71	0.8%	0.0%	0.0%	0.9%	1.6%

	Rates Effective October 1, 2025 (w)	Proposed Rates Effective April 1, 2026 (x)	Line Item on Bill
(1) Distribution Customer Charge	\$6.00	\$6.72	Customer Charge
(2) LIHEAP Enhancement Charge	\$0.79	\$0.79	LIHEAP Enhancement Charge
(3) Renewable Energy Growth Program Charge	\$3.22	\$3.22	RE Growth Program
(4) Distribution Charge (per kWh)	\$0.04580	\$0.04580	
(5) Operating & Maintenance Expense Charge	\$0.00223	\$0.00229	
(6) Operating & Maintenance Expense Reconciliation Factor	\$0.00004	\$0.00004	
(7) CapEx Factor Charge	\$0.00832	\$0.01044	
(8) CapEx Reconciliation Factor	\$0.00094	\$0.00094	
(9) Revenue Decoupling Adjustment Factor	(\$0.00272)	(\$0.00272)	Distribution Energy Charge
(10) Pension Adjustment Factor	(\$0.00339)	(\$0.00339)	
(11) Storm Fund Replenishment Factor	\$0.00788	\$0.00788	
(12) Arrearage Management Adjustment Factor	\$0.00006	\$0.00006	
(13) Performance Incentive Factor	\$0.00000	\$0.00000	
(14) Low Income Discount Recovery Factor	\$0.00000	\$0.00000	
(15) Long-term Contracting for Renewable Energy Charge	\$0.00656	\$0.00656	Renewable Energy Distribution Charge
(16) Net Metering Charge	\$0.01457	\$0.01457	
(17) Base Transmission Charge	\$0.04411	\$0.04411	
(18) Transmission Adjustment Factor	\$0.00300	\$0.00300	Transmission Charge
(19) Transmission Uncollectible Factor	\$0.00062	\$0.00062	
(20) Base Transition Charge	\$0.00000	\$0.00000	Transition Charge
(21) Transition Adjustment	\$0.00001	\$0.00001	
(22) Energy Efficiency Program Charge	\$0.01098	\$0.01098	Energy Efficiency Programs
(23) Last Resort Service Base Charge	\$0.13408	\$0.13408	
(24) LRS Adjustment Factor	(\$0.00355)	(\$0.00355)	
(25) LRS Administrative Cost Adjustment Factor	\$0.00256	\$0.00256	Supply Services Energy Charge
(26) Renewable Energy Standard Charge	\$0.01461	\$0.01461	
Line Item on Bill			
(27) Customer Charge	\$6.00	\$6.72	
(28) LIHEAP Enhancement Charge	\$0.79	\$0.79	
(29) RE Growth Program	\$3.22	\$3.22	
(30) Transmission Charge	\$0.04773	\$0.04773	
(31) Distribution Energy Charge	\$0.05916	\$0.06134	
(32) Transition Charge	\$0.00001	\$0.00001	
(33) Energy Efficiency Programs	\$0.01098	\$0.01098	
(34) Renewable Energy Distribution Charge	\$0.02113	\$0.02113	
(35) Supply Services Energy Charge	\$0.14770	\$0.14770	
(36) Discount percentage	30%	30%	

Column (w): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096, effective 10/1/2025
Column (x): Line (1) per Section (5) (Compliance), Page 1, Line (6), Column (a) plus Distribution Customer Charge already in effect. Line (5) per Section 5 (Compliance), Page 1, Line (1), Column (a), Line (7) per Section 5 (Compliance), Page 1, Line (3), Column (a). All other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096 effective 10/1/2025.

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Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to C-06 Rate Customers

Monthly kWh (a)	Rates Effective October 1, 2025				Proposed Rates Effective April 1, 2026				\$ Increase (Decrease)				Increase (Decrease) % of Total Bill				Percentage of Customers (r)
	Delivery Services (b)	Supply Services (c)	GET (d)	Total (e) = (a) + (b) + (c)	Delivery Services (f)	Supply Services (g)	GET (h)	Total (i) = (f) + (g) + (h)	Delivery Services (j) = (f) - (b)	Supply Services (k) = (g) - (c)	GET (l) = (h) - (d)	Total (m) = (j) + (k) + (l)	Delivery Services (n) = (j) / (e)	Supply Services (o) = (k) / (e)	GET (p) = (l) / (e)	Total (q) = (m) / (e)	
250	\$46.38	\$36.69	\$3.46	\$86.53	\$47.87	\$36.69	\$3.52	\$88.08	\$1.49	\$0.00	\$0.06	\$1.55	1.7%	0.0%	0.1%	1.8%	56.3%
500	\$77.03	\$73.38	\$6.27	\$156.68	\$78.89	\$73.38	\$6.34	\$158.61	\$1.86	\$0.00	\$0.07	\$1.93	1.2%	0.0%	0.0%	1.2%	16.9%
1,000	\$138.33	\$146.76	\$11.88	\$296.97	\$140.92	\$146.76	\$11.99	\$299.67	\$2.59	\$0.00	\$0.11	\$2.70	0.9%	0.0%	0.0%	0.9%	8.1%
1,500	\$199.63	\$220.14	\$17.49	\$437.26	\$202.95	\$220.14	\$17.63	\$440.72	\$3.32	\$0.00	\$0.14	\$3.46	0.8%	0.0%	0.0%	0.8%	5.0%
2,000	\$260.93	\$293.52	\$23.10	\$577.55	\$264.98	\$293.52	\$23.27	\$581.77	\$4.05	\$0.00	\$0.17	\$4.22	0.7%	0.0%	0.0%	0.7%	13.6%

	Rates Effective October 1, 2025 (s)	Proposed Rates Effective April 1, 2026 (t)	Line Item on Bill
(1) Distribution Customer Charge	\$10.00	\$11.13	Customer Charge
(2) LIHEAP Enhancement Charge	\$0.79	\$0.79	LIHEAP Enhancement Charge
(3) Renewable Energy Growth Program Charge	\$4.94	\$4.94	RE Growth Program
(4) Distribution Charge (per kWh)	\$0.04482	\$0.04482	
(5) Operating & Maintenance Expense Charge	\$0.00219	\$0.00217	
(6) Operating & Maintenance Expense Reconciliation Factor	\$0.00004	\$0.00004	
(7) CapEx Factor Charge	\$0.00694	\$0.00842	
(8) CapEx Reconciliation Factor	\$0.00130	\$0.00130	
(9) Revenue Decoupling Adjustment Factor	(\$0.00272)	(\$0.00272)	Distribution Energy Charge
(10) Pension Adjustment Factor	(\$0.00339)	(\$0.00339)	
(11) Storm Fund Replenishment Factor	\$0.00788	\$0.00788	
(12) Arrearage Management Adjustment Factor	\$0.00006	\$0.00006	
(13) Performance Incentive Factor	\$0.00000	\$0.00000	
(14) Low Income Discount Recovery Factor	\$0.00251	\$0.00251	
(15) Long-term Contracting for Renewable Energy Charge	\$0.00656	\$0.00656	Renewable Energy Distribution Charge
(16) Net Metering Charge	\$0.01457	\$0.01457	
(17) Base Transmission Charge	\$0.03042	\$0.03042	
(18) Transmission Adjustment Factor	\$0.00009	\$0.00009	Transmission Charge
(19) Transmission Uncollectible Factor	\$0.00034	\$0.00034	
(20) Base Transition Charge	\$0.00000	\$0.00000	
(21) Transition Adjustment	\$0.00001	\$0.00001	Transition Charge
(22) Energy Efficiency Program Charge	\$0.01098	\$0.01098	Energy Efficiency Programs
(23) Last Resort Service Base Charge	\$0.13508	\$0.13508	
(24) LRS Adjustment Factor	(\$0.00600)	(\$0.00600)	Supply Services Energy Charge
(25) LRS Administrative Cost Adjustment Factor	\$0.00307	\$0.00307	
(26) Renewable Energy Standard Charge	\$0.01461	\$0.01461	
Line Item on Bill			
(27) Customer Charge	\$10.00	\$11.13	
(28) LIHEAP Enhancement Charge	\$0.79	\$0.79	
(29) RE Growth Program	\$4.94	\$4.94	
(30) Transmission Charge	\$0.03085	\$0.03085	
(31) Distribution Energy Charge	\$0.05963	\$0.06109	
(32) Transition Charge	\$0.00001	\$0.00001	
(33) Energy Efficiency Programs	\$0.01098	\$0.01098	
(34) Renewable Energy Distribution Charge	\$0.02113	\$0.02113	
(35) Supply Services Energy Charge	\$0.14676	\$0.14676	

Column (s): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096, effective 10/1/2025
Column (t): Line (1) per Section (5) (Compliance), Page 1, Line (6), Column (b) plus Distribution Customer Charge already in effect. Line (5) per Section 5 (Compliance), Page 1, Line (1), Column (b). Line (7) per Section 5 (Compliance), Page 1, Line (3), Column (b). All other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096 effective 10/1/2025.

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Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-02 Rate Customers

kW	Monthly Power Hours Use (a)	kWh	Rates Effective October 1, 2025				Proposed Rates Effective April 1, 2026				\$ Increase (Decrease)				Increase (Decrease) % of Total Bill			
			Delivery Services (b)	Supply Services (c)	GET (d)	Total (e) = (a) + (b) + (c)	Delivery Services (f)	Supply Services (g)	GET (h)	Total (i) = (f) + (g) + (h)	Delivery Services (j) = (f) - (b)	Supply Services (k) = (g) - (c)	GET (l) = (h) - (d)	Total (m) = (j) + (k) + (l)	Delivery Services (n) = (j) / (e)	Supply Services (o) = (k) / (e)	GET (p) = (l) / (e)	Total (q) = (m) / (e)
20	200	4,000	\$629.19	\$587.04	\$50.68	\$1,266.91	\$643.82	\$587.04	\$51.29	\$1,282.15	\$14.63	\$0.00	\$0.61	\$15.24	1.2%	0.0%	0.0%	1.2%
50	200	10,000	\$1,416.93	\$1,467.60	\$120.19	\$3,004.72	\$1,442.36	\$1,467.60	\$121.25	\$3,031.21	\$25.43	\$0.00	\$1.06	\$26.49	0.8%	0.0%	0.0%	0.9%
100	200	20,000	\$2,729.83	\$2,935.20	\$236.04	\$5,901.07	\$2,773.26	\$2,935.20	\$237.85	\$5,946.31	\$43.43	\$0.00	\$1.81	\$45.24	0.7%	0.0%	0.0%	0.8%
150	200	30,000	\$4,042.73	\$4,402.80	\$351.90	\$8,797.43	\$4,104.16	\$4,402.80	\$354.46	\$8,861.42	\$61.43	\$0.00	\$2.56	\$63.99	0.7%	0.0%	0.0%	0.7%
20	300	6,000	\$736.57	\$880.56	\$67.38	\$1,684.51	\$751.00	\$880.56	\$67.98	\$1,699.54	\$14.43	\$0.00	\$0.60	\$15.03	0.9%	0.0%	0.0%	0.9%
50	300	15,000	\$1,685.38	\$2,201.40	\$161.95	\$4,048.73	\$1,710.31	\$2,201.40	\$162.99	\$4,074.70	\$24.93	\$0.00	\$1.04	\$25.97	0.6%	0.0%	0.0%	0.6%
100	300	30,000	\$3,266.73	\$4,402.80	\$319.56	\$7,989.09	\$3,309.16	\$4,402.80	\$321.33	\$8,032.29	\$42.43	\$0.00	\$1.77	\$44.20	0.5%	0.0%	0.0%	0.6%
150	300	45,000	\$4,848.08	\$6,604.20	\$477.18	\$11,929.46	\$4,908.01	\$6,604.20	\$479.68	\$11,991.89	\$59.93	\$0.00	\$2.50	\$62.43	0.5%	0.0%	0.0%	0.5%
20	400	8,000	\$843.95	\$1,174.08	\$84.08	\$2,102.11	\$858.18	\$1,174.08	\$84.68	\$2,116.94	\$14.23	\$0.00	\$0.60	\$14.83	0.7%	0.0%	0.0%	0.7%
50	400	20,000	\$1,953.83	\$2,935.20	\$203.71	\$5,092.74	\$1,978.26	\$2,935.20	\$204.73	\$5,118.19	\$24.43	\$0.00	\$1.02	\$25.45	0.5%	0.0%	0.0%	0.5%
100	400	40,000	\$3,803.63	\$5,870.40	\$403.08	\$10,077.11	\$3,845.06	\$5,870.40	\$404.81	\$10,120.27	\$41.43	\$0.00	\$1.73	\$43.16	0.4%	0.0%	0.0%	0.4%
150	400	60,000	\$5,653.43	\$8,805.60	\$602.46	\$15,061.49	\$5,711.86	\$8,805.60	\$604.89	\$15,122.35	\$58.43	\$0.00	\$2.43	\$60.86	0.4%	0.0%	0.0%	0.4%
20	500	10,000	\$951.33	\$1,467.60	\$100.79	\$2,519.72	\$965.36	\$1,467.60	\$101.37	\$2,534.33	\$14.03	\$0.00	\$0.58	\$14.61	0.6%	0.0%	0.0%	0.6%
50	500	25,000	\$2,222.28	\$3,669.00	\$245.47	\$6,136.75	\$2,246.21	\$3,669.00	\$246.47	\$6,161.68	\$23.93	\$0.00	\$1.00	\$24.93	0.4%	0.0%	0.0%	0.4%
100	500	50,000	\$4,340.53	\$7,338.00	\$486.61	\$12,165.14	\$4,380.96	\$7,338.00	\$488.29	\$12,207.25	\$40.43	\$0.00	\$1.68	\$42.11	0.3%	0.0%	0.0%	0.3%
150	500	75,000	\$6,458.78	\$11,007.00	\$727.74	\$18,193.52	\$6,515.71	\$11,007.00	\$730.11	\$18,252.82	\$56.93	\$0.00	\$2.37	\$59.30	0.3%	0.0%	0.0%	0.3%
20	600	12,000	\$1,058.71	\$1,761.12	\$117.49	\$2,937.32	\$1,072.54	\$1,761.12	\$118.07	\$2,951.73	\$13.83	\$0.00	\$0.58	\$14.41	0.5%	0.0%	0.0%	0.5%
50	600	30,000	\$2,490.73	\$4,402.80	\$287.23	\$7,180.76	\$2,514.16	\$4,402.80	\$288.21	\$7,205.17	\$23.43	\$0.00	\$0.98	\$24.41	0.3%	0.0%	0.0%	0.3%
100	600	60,000	\$4,877.43	\$8,805.60	\$570.13	\$14,253.16	\$4,916.86	\$8,805.60	\$571.77	\$14,294.23	\$39.43	\$0.00	\$1.64	\$41.07	0.3%	0.0%	0.0%	0.3%
150	600	90,000	\$7,264.13	\$13,208.40	\$853.02	\$21,325.55	\$7,319.56	\$13,208.40	\$855.33	\$21,383.29	\$55.43	\$0.00	\$2.31	\$57.74	0.3%	0.0%	0.0%	0.3%

	Rates Effective October 1, 2025 (r)	Proposed Rates Effective April 1, 2026 (s)	Line Item on Bill
(1) Distribution Customer Charge	\$145.00	\$156.23	Customer Charge
(2) LIHEAP Enhancement Charge	\$0.79	\$0.79	LIHEAP Enhancement Charge
(3) Renewable Energy Growth Program Charge	\$50.54	\$50.54	RE Growth Program
(4) Base Distribution Demand Charge (per kW > 10kW)	\$6.90	\$6.90	Distribution Demand Charge
(5) CapEx Factor Demand Charge (per kW > 10kW)	\$2.33	\$2.71	
(6) Distribution Charge (per kWh)	\$0.00476	\$0.00476	
(7) Operating & Maintenance Expense Charge	\$0.00205	\$0.00195	
(8) Operating & Maintenance Expense Reconciliation Factor	\$0.00004	\$0.00004	
(9) CapEx Reconciliation Factor	\$0.00035	\$0.00035	
(10) Revenue Decoupling Adjustment Factor	(\$0.00272)	(\$0.00272)	Distribution Energy Charge
(11) Pension Adjustment Factor	(\$0.00339)	(\$0.00339)	
(12) Storm Fund Replenishment Factor	\$0.00788	\$0.00788	
(13) Arrearage Management Adjustment Factor	\$0.00006	\$0.00006	
(14) Performance Incentive Factor	\$0.00000	\$0.00000	
(15) Low Income Discount Recovery Factor	\$0.00251	\$0.00251	
(16) Long-term Contracting for Renewable Energy Charge	\$0.00656	\$0.00656	Renewable Energy Distribution Charge
(17) Net Metering Charge	\$0.01457	\$0.01457	
(18) Transmission Demand Charge	\$6.29	\$6.29	Transmission Demand Charge
(19) Base Transmission Charge	\$0.01187	\$0.01187	
(20) Transmission Adjustment Factor	(\$0.00226)	(\$0.00226)	Transmission Adjustment
(21) Transmission Uncollectible Factor	\$0.00042	\$0.00042	
(22) Base Transition Charge	\$0.00000	\$0.00000	Transition Charge
(23) Transition Adjustment	\$0.00001	\$0.00001	
(24) Energy Efficiency Program Charge	\$0.01098	\$0.01098	Energy Efficiency Programs
(25) Last Resort Service Base Charge	\$0.13508	\$0.13508	
(26) LRS Adjustment Factor	(\$0.00600)	(\$0.00600)	Supply Services Energy Charge
(27) LRS Administrative Cost Adjustment Factor	\$0.00307	\$0.00307	
(28) Renewable Energy Standard Charge	\$0.01461	\$0.01461	
Line Item on Bill			
(29) Customer Charge	\$145.00	\$156.23	
(31) LIHEAP Enhancement Charge	\$0.79	\$0.79	
(30) RE Growth Program	\$50.54	\$50.54	
(32) Transmission Adjustment	\$0.01003	\$0.01003	
(33) Distribution Energy Charge	\$0.01154	\$0.01144	
(34) Distribution Demand Charge	\$9.23	\$9.61	
(35) Transmission Demand Charge	\$6.29	\$6.29	
(34) Transition Charge	\$0.00001	\$0.00001	
(35) Energy Efficiency Programs	\$0.01098	\$0.01098	
(36) Renewable Energy Distribution Charge	\$0.02113	\$0.02113	
(37) Supply Services Energy Charge	\$0.14676	\$0.14676	

Column (r): per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096, effective 10/1/2025

Column (s): Line (1) per Section (5) (Compliance), Page 1, Line (6), Column (c) plus Distribution Customer Charge already in effect. Line (5) per Section 5 (Compliance), Page 1, Line (4), Column (c). Line (7) per Section 5 (Compliance), Page 1, Line (1), Column (c). All other rates per Summary of Retail Delivery Service Rates, R.I.P.U.C. No. 2095 effective 10/1/2025, and Summary of Rates Last Resort Service tariff, R.I.P.U.C. No. 2096 effective 10/1/2025.

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Calculation of Monthly Typical Bill
Total Bill Impact of Proposed
Rates Applicable to G-32 Rate Customers

kW	Monthly Power Hours Use (a)	kWh	Rates Effective October 1, 2025				Proposed Rates Effective April 1, 2026				\$ Increase (Decrease)				Increase (Decrease) % of Total Bill			
			Delivery Services (b)	Supply Services (c)	GET (d)	Total (e) = (a) + (b) + (c)	Delivery Services (f)	Supply Services (g)	GET (h)	Total (i) = (f) + (g) + (h)	Delivery Services (j) = (i) - (b)	Supply Services (k) = (g) - (c)	GET (l) = (d) - (h)	Total (m) = (j) + (k) + (l)	Delivery Services (n) = (j) / (e)	Supply Services (o) = (k) / (e)	GET (p) = (l) / (e)	Total (q) = (m) / (e)
200	200	40,000	\$5,455.69	\$5,254.13	\$446.24	\$11,156.06	\$5,545.20	\$5,254.13	\$449.97	\$11,249.30	\$89.51	\$0.00	\$3.73	\$93.24	0.8%	0.0%	0.0%	0.8%
750	200	150,000	\$20,490.49	\$19,703.00	\$1,674.73	\$40,868.22	\$20,806.60	\$19,703.00	\$1,087.90	\$42,597.50	\$316.11	\$0.00	\$13.17	\$29,29.28	0.8%	0.0%	0.0%	0.8%
1,000	200	200,000	\$27,324.49	\$26,270.67	\$2,233.13	\$55,828.29	\$27,743.60	\$26,270.67	\$2,250.59	\$56,264.86	\$419.11	\$0.00	\$17.46	\$456.57	0.8%	0.0%	0.0%	0.8%
1,500	200	300,000	\$40,992.49	\$39,406.00	\$3,349.94	\$83,748.43	\$41,617.60	\$39,406.00	\$3,375.98	\$84,399.58	\$625.11	\$0.00	\$26.04	\$651.15	0.7%	0.0%	0.0%	0.8%
2,500	200	500,000	\$68,328.49	\$65,676.67	\$5,583.55	\$139,588.71	\$69,366.60	\$65,676.67	\$5,626.76	\$140,669.03	\$1,037.11	\$0.00	\$43.21	\$1,080.32	0.7%	0.0%	0.0%	0.8%
5,000	200	1,000,000	\$136,668.49	\$131,353.33	\$11,167.58	\$279,189.40	\$138,735.60	\$131,353.33	\$11,253.71	\$281,342.64	\$2,067.11	\$0.00	\$86.13	\$2,153.24	0.7%	0.0%	0.0%	0.8%
7,500	200	1,500,000	\$205,008.49	\$197,030.00	\$16,751.61	\$418,790.10	\$208,105.60	\$197,030.00	\$16,880.65	\$422,016.25	\$3,097.11	\$0.00	\$129.04	\$3,226.15	0.7%	0.0%	0.0%	0.8%
10,000	200	2,000,000	\$273,348.49	\$262,706.67	\$22,335.63	\$558,390.79	\$277,475.60	\$262,706.67	\$22,507.60	\$562,689.87	\$4,127.11	\$0.00	\$177.97	\$4,299.08	0.7%	0.0%	0.0%	0.8%
20,000	200	4,000,000	\$546,708.49	\$525,413.33	\$44,671.75	\$1,116,793.57	\$554,955.60	\$525,413.33	\$45,015.38	\$1,125,384.31	\$8,247.11	\$0.00	\$343.63	\$8,590.74	0.7%	0.0%	0.0%	0.8%
200	300	60,000	\$6,666.29	\$7,881.20	\$606.15	\$15,153.64	\$6,755.00	\$7,881.20	\$609.94	\$15,246.04	\$88.71	\$0.00	\$3.69	\$92.40	0.6%	0.0%	0.0%	0.6%
750	300	225,000	\$25,020.24	\$29,554.50	\$2,724.36	\$57,300.10	\$25,343.35	\$29,554.50	\$2,287.41	\$57,185.26	\$313.11	\$0.00	\$13.05	\$326.16	0.6%	0.0%	0.0%	0.6%
1,000	300	300,000	\$33,377.49	\$39,406.00	\$3,032.65	\$75,816.14	\$33,792.60	\$39,406.00	\$3,049.94	\$76,248.54	\$415.11	\$0.00	\$17.29	\$432.40	0.5%	0.0%	0.0%	0.6%
1,500	300	450,000	\$50,071.99	\$59,109.00	\$4,549.21	\$113,730.20	\$50,691.10	\$59,109.00	\$4,575.00	\$114,375.10	\$619.11	\$0.00	\$25.79	\$644.90	0.5%	0.0%	0.0%	0.6%
2,500	300	750,000	\$83,460.99	\$98,515.00	\$7,582.33	\$189,558.32	\$84,488.10	\$98,515.00	\$7,625.13	\$190,628.23	\$1,027.11	\$0.00	\$42.80	\$1,069.91	0.5%	0.0%	0.0%	0.6%
5,000	300	1,500,000	\$166,933.49	\$197,030.00	\$15,165.15	\$379,128.64	\$168,990.60	\$197,030.00	\$15,250.44	\$381,261.04	\$2,047.11	\$0.00	\$85.29	\$2,132.40	0.5%	0.0%	0.0%	0.6%
7,500	300	2,250,000	\$250,405.99	\$295,545.00	\$22,747.96	\$568,698.95	\$253,471.10	\$295,545.00	\$22,875.76	\$571,893.86	\$3,067.11	\$0.00	\$127.80	\$3,194.91	0.5%	0.0%	0.0%	0.6%
10,000	300	3,000,000	\$333,878.49	\$394,060.00	\$30,330.77	\$758,269.26	\$337,965.60	\$394,060.00	\$30,501.07	\$762,526.67	\$4,087.11	\$0.00	\$170.30	\$4,257.41	0.5%	0.0%	0.0%	0.6%
20,000	300	6,000,000	\$667,768.49	\$788,120.00	\$60,662.03	\$1,516,550.52	\$675,935.60	\$788,120.00	\$61,002.32	\$1,525,057.92	\$8,167.11	\$0.00	\$340.29	\$8,507.40	0.5%	0.0%	0.0%	0.6%
200	400	80,000	\$7,876.89	\$10,508.27	\$766.05	\$19,151.21	\$7,964.80	\$10,508.27	\$769.71	\$19,242.78	\$87.91	\$0.00	\$3.66	\$91.57	0.5%	0.0%	0.0%	0.5%
750	400	300,000	\$29,569.99	\$39,406.00	\$2,874.00	\$71,849.99	\$29,890.10	\$39,406.00	\$2,886.92	\$72,173.02	\$310.11	\$0.00	\$12.92	\$323.03	0.4%	0.0%	0.0%	0.4%
1,000	400	400,000	\$39,430.49	\$52,541.33	\$3,832.16	\$95,803.98	\$39,841.60	\$52,541.33	\$3,849.29	\$96,232.22	\$411.11	\$0.00	\$17.13	\$428.24	0.4%	0.0%	0.0%	0.4%
1,500	400	600,000	\$59,151.49	\$78,812.00	\$5,748.48	\$143,711.97	\$59,764.60	\$78,812.00	\$5,774.03	\$144,350.63	\$613.11	\$0.00	\$25.55	\$638.66	0.4%	0.0%	0.0%	0.4%
2,500	400	1,000,000	\$89,593.49	\$131,353.33	\$9,581.12	\$239,527.94	\$90,160.60	\$131,353.33	\$9,623.50	\$240,587.43	\$1,017.11	\$0.00	\$42.38	\$1,059.49	0.4%	0.0%	0.0%	0.4%
5,000	400	2,000,000	\$197,198.49	\$262,706.67	\$19,162.72	\$479,067.88	\$199,225.60	\$262,706.67	\$19,247.18	\$481,179.45	\$2,027.11	\$0.00	\$84.46	\$2,111.57	0.4%	0.0%	0.0%	0.4%
7,500	400	3,000,000	\$295,803.49	\$394,060.00	\$28,744.31	\$718,607.80	\$298,840.60	\$394,060.00	\$28,870.86	\$721,771.46	\$3,017.11	\$0.00	\$126.55	\$3,163.66	0.4%	0.0%	0.0%	0.4%
10,000	400	4,000,000	\$394,408.49	\$525,413.33	\$38,325.91	\$958,147.73	\$398,455.60	\$525,413.33	\$38,494.54	\$962,363.47	\$4,047.11	\$0.00	\$168.63	\$4,211.74	0.4%	0.0%	0.0%	0.4%
20,000	400	8,000,000	\$788,828.49	\$1,050,826.67	\$76,652.30	\$1,916,307.46	\$796,915.60	\$1,050,826.67	\$76,989.27	\$1,924,731.54	\$8,087.11	\$0.00	\$336.97	\$8,424.08	0.4%	0.0%	0.0%	0.4%
200	500	100,000	\$9,087.49	\$13,135.33	\$925.95	\$23,148.77	\$9,174.60	\$13,135.33	\$929.58	\$23,239.51	\$87.11	\$0.00	\$3.63	\$90.74	0.4%	0.0%	0.0%	0.4%
750	500	375,000	\$34,109.74	\$49,257.50	\$3,473.64	\$86,840.88	\$34,416.85	\$49,257.50	\$3,486.43	\$87,160.78	\$307.11	\$0.00	\$12.79	\$319.90	0.4%	0.0%	0.0%	0.4%
1,000	500	500,000	\$45,483.49	\$65,676.67	\$4,631.67	\$115,791.83	\$45,990.60	\$65,676.67	\$4,644.64	\$116,215.91	\$407.11	\$0.00	\$16.97	\$424.08	0.4%	0.0%	0.0%	0.4%
1,500	500	750,000	\$68,230.99	\$98,515.00	\$6,947.75	\$173,693.74	\$68,838.10	\$98,515.00	\$6,973.05	\$174,326.15	\$607.11	\$0.00	\$25.30	\$632.41	0.3%	0.0%	0.0%	0.4%
2,500	500	1,250,000	\$113,725.99	\$164,191.67	\$11,579.90	\$289,497.56	\$114,733.10	\$164,191.67	\$11,621.87	\$290,546.64	\$1,007.11	\$0.00	\$41.97	\$1,049.08	0.3%	0.0%	0.0%	0.4%
5,000	500	2,500,000	\$227,463.49	\$338,383.33	\$23,160.29	\$579,007.11	\$229,470.60	\$338,383.33	\$23,243.92	\$581,097.85	\$2,007.11	\$0.00	\$83.63	\$2,090.74	0.3%	0.0%	0.0%	0.4%
7,500	500	3,750,000	\$341,200.99	\$492,575.00	\$34,740.67	\$868,516.66	\$344,208.10	\$492,575.00	\$34,865.97	\$871,649.07	\$3,007.11	\$0.00	\$125.30	\$3,132.41	0.3%	0.0%	0.0%	0.4%
10,000	500	5,000,000	\$454,938.49	\$656,766.67	\$46,321.05	\$1,158,026.21	\$458,945.60	\$656,766.67	\$46,488.01	\$1,162,200.28	\$4,007.11	\$0.00	\$166.96	\$4,174.07	0.3%	0.0%	0.0%	0.4%
20,000	500	10,000,000	\$909,888.49	\$1,313,533.33	\$92,642.58	\$2,316,064.40	\$917,895.60	\$1,313,533.33	\$92,976.21	\$2,324,405.14	\$8,007.11	\$0.00	\$333.63	\$8,340.74	0.3%	0.0%	0.0%	0.4%
200	600	120,000	\$10,298.09	\$15,762.40	\$1,085.85	\$27,146.34	\$10,384.40	\$15,762.40	\$1,089.45	\$27,236.25	\$86.31	\$0.00	\$3.60	\$89.91	0.3%	0.0%	0.0%	0.3%
750	600	450,000	\$38,649.49	\$59,109.00	\$4,073.27	\$101,831.76	\$38,953.60	\$59,109.00	\$4,085.94	\$102,148.54	\$304.11	\$0.00	\$12.67	\$316.78	0.3%	0.0%	0.0%	0.3%
1,000	600	600,000	\$51,536.49	\$78,812.00	\$5,531.19	\$135,799.68	\$51,939.60	\$78,812.00	\$5,547.98	\$136,199.58	\$403.11	\$0.00	\$16.79	\$419.90	0.3%	0.0%	0.0%	0.3%
1,500	600	900,000	\$77,310.49	\$118,218.00	\$8,147.02	\$203,675.51	\$77,911.60	\$118,218.00	\$8,172.07	\$204,301.67	\$601.11	\$0.00	\$25.05	\$626.16	0.3%	0.0%	0.0%	0.3%
2,500	600	1,500,000	\$128,858.49	\$197,030.00	\$13,578.69	\$339,467.18	\$129,855.60	\$197,030.00	\$13,620.23	\$340,905.83	\$997.11	\$0.00	\$41.54	\$1,038.65	0.3%	0.0%	0.0%	0.3%
5,000	600	3,000,000	\$257,728.49	\$394,060.00	\$27,157.86	\$678,946.35	\$259,715.60	\$394,060.00	\$27,240.65	\$681,016.25	\$1,987.11	\$0.00	\$82.79	\$2,069.90	0.3%	0.0%	0.0%	0.3%
7,500	600	4,500,000	\$386,598.49	\$591,090.00	\$40,737.02	\$1,018,425.51	\$389,575.60	\$591,090.00	\$40,861.07	\$1,021,526.67	\$2,977.11	\$0.00	\$124.05	\$3,101.16	0.3%	0.0%	0.0%	0.3%
10,000	600	6,000,000	\$515,468.49	\$788,120.00	\$54,116.19	\$1,357,704.68	\$519,435.60	\$788,120.00	\$54,481.49	\$1,362,037.09	\$3,967.11	\$0.00	\$165.30	\$4,132.41	0.3%	0.0%	0.0%	0.3%
20,000	600	12,000,000	\$1,030,948.49	\$1,576,240.00	\$108,632.86	\$2,715,821.35	\$1,038,875.60	\$1,576,240.00	\$108,963.16	\$2,724,078.76	\$9,727.11	\$0.00	\$330.30	\$9,572.41	0.3%	0.0%	0.0%	0.3%

	Rates Effective October 1, 2025 (e)	Proposed Rates Effective April 1, 2026 (e)	Line Item on Bill
(1) Distribution Customer Charge	\$1,100.00	\$1,191.11	Customer Charge
(2) LIHEAP Enhancement Charge	\$0.79	\$0.79	LIHEAP Enhancement Charge
(3) Renewable Energy Growth Program Charge	\$419.70	\$419.70	RE-Growth Program
(4) Base Distribution Demand Charge (per kW > 200kW)	\$5.30	\$5.30	Distribution Demand Charge
(5) CapEx Factor Demand Charge (per kW > 200kW)	\$2.36	\$2.78	
(6) Distribution Charge (per kWh)	\$0.00430	\$0.00430	
(7) Operating & Maintenance Expense Charge	\$0.00104	\$0.00100	
(8) Operating & Maintenance Expense Reconciliation Factor	\$0.00004	\$0.00004	
(9) CapEx Reconciliation Factor	\$0.00026	\$0.00026	
(10) Revenue Decoupling Adjustment Factor	\$(0.00273)	\$(0.00273)	
(11) Pension Adjustment Factor	\$(0.00339)	\$(0	

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

Line No.		Approved 4/1/25 - 3/31/26 <u>FY 2026</u> (a)	Proposed 4/1/26 - 3/31/27 <u>FY 2027</u> (b)
<u>AMF Incremental Capital Investment:</u>			
1	Meters - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$4,098,440	\$8,005,524
2	Software - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$1,475,065	\$2,845,533
3	Network - Forecasted Revenue Requirement on FY 2026 Incremental Capital included in ISR	\$745,380	\$1,447,976
4	Meters - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$2,075,441
5	Software - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$301,842
6	Network - Forecasted Revenue Requirement on FY 2027 Incremental Capital included in ISR	\$0	\$138,432
7	Subtotal	\$6,318,885	\$14,814,749
8	FY 2026 MDMS Software - Depreciation - No Return	\$25,891	\$51,782
9	FY 2027 MDMS Software - Depreciation - No Return	\$0	\$15,593
10	Total AMF Capital Investment Component of Revenue Requirement	\$6,344,776	\$14,882,124
11	Deferrals to Offset AMF Capital Investment Revenue Requirement	(6,344,776)	(7,856,360)
12	Net AMF Capital Investment Component of Revenue Requirement	\$0	\$7,025,763

Column b Line Notes:

- 1 Page 2, Col (c), Line 23
- 2 Page 5, Col (c) Line 23
- 3 Page 8, Col (c) Line 23
- 4 Page 12, Col (b) Line 23
- 5 Page 15, Col (b), Line 23
- 6 Page 18, Col (b) Line 23
- 7 Total Lines 1 through 6
- 8 Page 11, Line 23
- 9 Page 21, Line 23
- 10 Line 7 + Line 8 + Line 9
- 11 Page 22, Column AD, Line 5
- 12 Line 10 + Line 11

Col (a) Docket No. 24-54-EL, FY 2026 Electric ISR Plan, Attachment SAB-1 (C), Page 1 of 10, Column (a)

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - FY 2026 Meters**

	<u>Source</u>		<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)
FY 26 ISR Plan, Schedule PDC -1, Page				
1	370 - Meters		\$ 73,667,000	\$ -
2	Plant Capital Overheads	Input	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$73,667,000	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$73,667,000	\$73,667,000
5	370 - COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	Page 3	\$7,366,700	\$13,260,060
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$7,366,700	\$20,626,760
Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,				
9	Annual Book Depreciation	column a	3.16% \$1,163,939	\$2,327,877
10	Cumulative Book Depreciation	Line 9	\$1,163,939	\$3,491,816
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$1,302,580	\$3,598,338
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$73,667,000	\$73,667,000
13	Accumulated Reserve for Depreciation	- Line 10	(\$1,163,939)	(\$3,491,816)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$1,302,580)	(\$3,598,338)
15	Year End Rate Base	Sum of Lines 12 through 14	\$71,200,482	\$66,576,846
<u>Revenue Requirement Calculation</u>				
Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2				
16	Average Rate Base		\$35,600,241	\$68,888,664
17	Deferred Tax Proration Adjustment	Page 4, Line 41	\$55,910	\$98,539
18	Average Rate Base adjusted	Line 16 + Line 17	\$35,656,151	\$68,987,203
RIPUC Docket No. 4770, Compliance				
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%	8.23%
20	Return and Taxes	Line 18 x Line 19	\$2,934,501	\$5,677,647
21	Book Depreciation	Line 9	\$1,163,939	\$2,327,877
RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and				
22	Property Taxes	Reliability Plan Reconciliation Filing	3.13% \$0	\$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$4,098,440	\$8,005,524

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2026 Meters

Line No.			Fiscal Year <u>2026</u> (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$73,667,000	10 Year MACRS Depreciation			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4				MACRS basis:	Line 20	\$73,667,000	
5	<u>Bonus Depreciation</u>				Annual		Cumulative
6	Plant Additions	Line 1	\$73,667,000	Fiscal Year			
7	Plant Additions		\$0	March 2026	10.000%	\$7,366,700	\$7,366,700
8	Less Capital Repairs Deduction	Line 3	\$0	March 2027	18.000%	\$13,260,060	\$20,626,760
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$73,667,000	March 2028	14.400%	\$10,608,048	\$31,234,808
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%	March 2029	11.520%	\$8,486,438	\$39,721,246
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0	March 2030	9.220%	\$6,792,097	\$46,513,344
12	Bonus Depreciation Rate	at 0%	0.00%	March 2031	7.370%	\$5,429,258	\$51,942,602
13	Total Bonus Depreciation Rate	Line 12	0.00%	March 2032	6.550%	\$4,825,189	\$56,767,790
14	Bonus Depreciation	Line 11 * Line 13	\$0	March 2033	6.550%	\$4,825,189	\$61,592,979
15				March 2034	6.560%	\$4,832,555	\$66,425,534
16	<u>Remaining Tax Depreciation</u>			March 2035	6.550%	\$4,825,189	\$71,250,723
17	Plant Additions	Line 1	\$73,667,000	March 2036	3.280%	\$2,416,278	\$73,667,000
18	Less Capital Repairs Deduction	Line 3	\$0		100.00%	\$73,667,000	
19	Less Bonus Depreciation	Line 14	\$0				
20	Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation	Line 17 - Line 18 - Line 19	\$73,667,000				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$7,366,700				
23							
24	FY26 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$7,366,700				

1/ Per Tax Department
2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2026 Incremental Capital Investment - Meters

Line No.		<u>Meters</u>	<u>Meters</u>
	Deferred Tax Subject to Proration	FY 2026	FY 2027
		(a)	(b)
1	Book Depreciation Page 2 Line 9	\$1,163,939	\$2,327,877
2	Bonus Depreciation Page 3; Line 14	\$0	\$0
3	Remaining MACRS Tax Depreciation Page 3; Line 22	(\$7,366,700)	(\$13,260,060)
4	FY 2026 tax (gain)/loss on retirements Page 3; Line 24	\$0	\$0
5	Cumulative Book / Tax Timer Sum of Lines 1 through 4	(\$6,202,761)	(\$10,932,183)
6	Effective Tax Rate	21.00%	21.00%
7	Deferred Tax Reserve Line 5 * Line 6	(\$1,302,580)	(\$2,295,758)
Deferred Tax Not Subject to Proration			
8	Capital Repairs Deduction Page 3; Line 3	\$0	\$0
9	Cost of Removal Page 3; Line 25	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2026		
11	Cumulative Book / Tax Timer Line 8 + Line 9 + Line 10	\$0	\$0
12	Effective Tax Rate	21.00%	21.00%
13	Deferred Tax Reserve Line 11 * Line 12	\$0	\$0
14	Total Deferred Tax Reserve Line 7 + Line 13	(\$1,302,580)	(\$2,295,758)
15	Net Operating Loss	\$0	\$0
16	Net Deferred Tax Reserve Line 14 + Line 15	(\$1,302,580)	(\$2,295,758)
Allocation of FY 2026 Estimated Federal NOL			
17	Cumulative Book/Tax Timer Subject to Proration Col (b) = Line 5	(\$6,202,761)	(\$10,932,183)
18	Cumulative Book/Tax Timer Not Subject to Proration Line 11	\$0	\$0
19	Total Cumulative Book/Tax Timer Line 17 + Line 18	(\$6,202,761)	(\$10,932,183)
20	Total FY 2026 Federal NOL (Utilization)	\$0	\$0
21	Allocated FY 2026 Federal NOL Not Subject to Proration (Line 18 / Line 19) * Line 20	\$0	\$0
22	Allocated FY 2026 Federal NOL Subject to Proration (Line 17 / Line 19) * Line 20	\$0	\$0
23	Effective Tax Rate	21%	21%
24	Deferred Tax Benefit subject to proration Line 22 * Line 23	\$0	\$0
25	Net Deferred Tax Reserve subject to proration Line 7 + Line 24	(\$1,302,580)	(\$2,295,758)
	(d)	(e)	(f)
	(g)		
Proration Calculation			
	<u>Number of Days in Month</u>	<u>Proration Percentage</u>	<u>FY 2026</u>
			<u>FY 2027</u>
26	April	30 91.78%	(\$99,627)
27	May	31 83.29%	(\$159,340)
28	June	30 75.07%	(\$81,486)
29	July	31 66.58%	(\$72,266)
30	August	31 58.08%	(\$63,047)
31	September	30 49.86%	(\$54,125)
32	October	31 41.37%	(\$44,906)
33	November	30 33.15%	(\$35,985)
34	December	31 24.66%	(\$26,765)
35	January	31 16.16%	(\$17,546)
36	February	28 8.49%	(\$9,219)
37	March	31 0.00%	\$0
38	Total	365	(\$595,380)
			(\$1,049,340)
39	Deferred Tax Without Proration Line 25	(\$1,302,580)	(\$2,295,758)
40	Average Deferred Tax without Proration Line 39 × 0.5	(\$651,290)	(\$1,147,879)
41	Proration Adjustment Line 38 - Line 40	\$55,910	\$98,539

Column Notes:

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - FY 2026 Software (Excluding MDMS)**

	<u>Source</u>		<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)
	FY 26 ISR Plan, Schedule PDC -1, Page			
1	303 - Software		\$ 26,766,807	\$ -
2	Plant Capital Overheads	Input	\$0	\$0
3	Capital Spend - Annual	Line 1 + Line 2	\$26,766,807	\$0
4	Capital Spend - Cumulative	PY Line 4 + CY Line 3	\$26,766,807	\$26,766,807
5	303- COR - Annual	Input	\$0	\$0
6	Cumulative COR	Line 5	\$0	\$0
7	Annual Federal Tax Depreciation	Page 6	\$4,461,224	\$8,922,180
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$4,461,224	\$13,383,404
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,		
9	Annual Book Depreciation	column a	3.16% \$422,916	\$845,831
10	Cumulative Book Depreciation	Line 9	\$422,916	\$1,268,747
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$848,045	\$2,544,078
<u>Rate Base Calculation</u>				
12	Plant In Service	Line 4	\$26,766,807	\$26,766,807
13	Accumulated Reserve for Depreciation	- Line 10	(\$422,916)	(\$1,268,747)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$848,045)	(\$2,544,078)
15	Year End Rate Base	Sum of Lines 12 through 14	\$25,495,847	\$22,953,982
<u>Revenue Requirement Calculation</u>				
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2		
16	Average Rate Base		\$12,747,923	\$24,224,915
17	Deferred Tax Proration Adjustment	Page 7, Line 41	\$36,400	\$72,798
18	Average Rate Base adjusted	Line 16 + Line 17	\$12,784,323	\$24,297,712
		RIPUC Docket No. 4770, Compliance		
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%	8.23%
20	Return and Taxes	Line 18 x Line 19	\$1,052,150	\$1,999,702
21	Book Depreciation	Line 9	\$422,916	\$845,831
		RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and		
22	Property Taxes	Reliability Plan Reconciliation Filing	3.13% \$0	\$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$1,475,065	\$2,845,533

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2026 Software

Line No.			Fiscal Year 2026 (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 5, Line 4	\$26,766,807	3 Year MACRS Depreciation Straight Line MACRS basis: Line 20 \$26,766,807 Annual Cumulative Fiscal Year March 2026 16.667% \$4,461,224 \$4,461,224 March 2027 33.333% \$8,922,180 \$13,383,404 March 2028 33.333% \$8,922,180 \$22,305,584 March 2029 16.667% \$4,461,224 \$26,766,807 100.00% \$26,766,807			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
5	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$26,766,807				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$26,766,807				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
16	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$26,766,807				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
20	Remaining Plant Additions Subject to 3 YR MACRS Tax Depreciation Straight Line	Line 17 - Line 18 - Line 19	\$26,766,807				
21	3 YR MACRS Tax Depreciation Rates Straight Line	Per IRS Publication 946	16.667%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$4,461,224				
23							
24	FY26 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$4,461,224				

1/ Per Tax Department
2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2026 Incremental Capital Investment - Software

Line No.	Deferred Tax Subject to Proration		<u>Software</u> <u>FY 2026</u>	<u>Software</u> <u>FY 2027</u>
			(b)	(c)
1	Book Depreciation	Page 5; Line 9	\$422,916	\$845,831
2	Bonus Depreciation	Page 6; Line 14	\$0	\$0
3	Remaining MACRS Tax Depreciation	Page 6; Line 22	(\$4,461,224)	(\$8,922,180)
4	FY 2026 tax (gain)/loss on retirements	Page 6; Line 24	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$4,038,308)	(\$8,076,349)
6	Effective Tax Rate		21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$848,045)	(\$1,696,033)
Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	Page 6; Line 3	\$0	\$0
9	Cost of Removal	Page 6; Line 25	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2026			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$848,045)	(\$1,696,033)
15	Net Operating Loss		\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$848,045)	(\$1,696,033)
Allocation of FY 2026 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$4,038,308)	(\$8,076,349)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$4,038,308)	(\$8,076,349)
20	Total FY 2026 Federal NOL (Utilization)		\$0	\$0
21	Allocated FY 2026 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0
22	Allocated FY 2026 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0
23	Effective Tax Rate		21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$848,045)	(\$1,696,033)
		(d) (e)	(g)	(h)
Proration Calculation				
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	
26	April	30	91.78%	(\$64,862) (\$129,719)
27	May	31	83.29%	(\$58,860) (\$117,716)
28	June	30	75.07%	(\$53,051) (\$106,099)
29	July	31	66.58%	(\$47,049) (\$94,095)
30	August	31	58.08%	(\$41,047) (\$82,091)
31	September	30	49.86%	(\$35,238) (\$70,474)
32	October	31	41.37%	(\$29,236) (\$58,471)
33	November	30	33.15%	(\$23,428) (\$46,854)
34	December	31	24.66%	(\$17,426) (\$34,850)
35	January	31	16.16%	(\$11,423) (\$22,846)
36	February	28	8.49%	(\$6,002) (\$12,004)
37	March	31	0.00%	\$0 \$0
38	Total	365		(\$387,622) (\$775,219)
39	Deferred Tax Without Proration	Line 25	(\$848,045)	(\$1,696,033)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$424,022)	(\$848,017)
41	Proration Adjustment	Line 38 - Line 40	\$36,400	\$72,798

Column Notes:

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

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - FY 2026 Network

	<u>Source</u>	(a)	<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
			(b)	(c)
	FY 26 ISR Plan, Schedule PDC -1, Page			
1	397 - Network		\$ 13,479,873	\$ -
2	Plant Capital Overheads		\$0	\$0
3	Capital Spend - Annual	0%	\$13,479,873	\$0
4	Capital Spend - Cumulative		\$13,479,873	\$13,479,873
5	397 - COR - Annual		\$0	\$0
6	Cumulative COR		\$0	\$0
7	Annual Federal Tax Depreciation		\$1,926,274	\$3,301,221
8	Cumulative Federal Tax Depreciation		\$1,926,274	\$5,227,495
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line 9,			
9	Annual Book Depreciation	3.16%	\$212,982	\$425,964
10	Cumulative Book Depreciation		\$212,982	\$638,946
11	Accumulated Deferred Income Tax	21%	\$359,791	\$963,595
	<u>Rate Base Calculation</u>			
12	Plant In Service		\$13,479,873	\$13,479,873
13	Accumulated Reserve for Depreciation		(\$212,982)	(\$638,946)
14	Deferred Tax Reserve (ADIT)		(\$359,791)	(\$963,595)
15	Year End Rate Base		\$12,907,099	\$11,877,331
	<u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY			
16	Average Rate Base		\$6,453,550	\$12,392,215
17	Deferred Tax Proration Adjustment		\$15,443	\$25,917
18	Average Rate Base adjusted		\$6,468,993	\$12,418,132
19	Pre-Tax WACC		8.23%	8.23%
20	Return and Taxes		\$532,398	\$1,022,012
21	Book Depreciation		\$212,982	\$425,964
	RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and			
22	Property Taxes	3.13%	\$0	\$0
23	Annual Revenue Requirement		\$745,380	\$1,447,976

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Tax Depreciation and Repairs Deduction on FY 2026 Network

Line No.			Fiscal Year 2026 (a)	(b)	(c)	(d)	(e)																																																				
	<u>Capital Repairs Deduction</u>																																																										
1	Plant Additions	Page 8, Line 4	\$13,479,873	<table border="1"> <thead> <tr> <th colspan="4">7 Year MACRS Depreciation</th> </tr> <tr> <th>MACRS basis:</th> <th>Line 20</th> <th>\$13,479,873</th> <th></th> </tr> <tr> <th></th> <th></th> <th>Annual</th> <th>Cumulative</th> </tr> <tr> <th colspan="4">Fiscal Year</th> </tr> </thead> <tbody> <tr> <td>March 2026</td> <td>14.290%</td> <td>\$1,926,274</td> <td>\$1,926,274</td> </tr> <tr> <td>March 2027</td> <td>24.490%</td> <td>\$3,301,221</td> <td>\$5,227,495</td> </tr> <tr> <td>March 2028</td> <td>17.490%</td> <td>\$2,357,630</td> <td>\$7,585,125</td> </tr> <tr> <td>March 2029</td> <td>12.490%</td> <td>\$1,683,636</td> <td>\$9,268,761</td> </tr> <tr> <td>March 2030</td> <td>8.930%</td> <td>\$1,203,753</td> <td>\$10,472,513</td> </tr> <tr> <td>March 2031</td> <td>8.920%</td> <td>\$1,202,405</td> <td>\$11,674,918</td> </tr> <tr> <td>March 2032</td> <td>8.930%</td> <td>\$1,203,753</td> <td>\$12,878,671</td> </tr> <tr> <td>March 2033</td> <td>4.460%</td> <td>\$601,202</td> <td>\$13,479,873</td> </tr> <tr> <td></td> <td></td> <td><u>100.00%</u></td> <td><u>\$13,479,873</u></td> </tr> </tbody> </table>				7 Year MACRS Depreciation				MACRS basis:	Line 20	\$13,479,873				Annual	Cumulative	Fiscal Year				March 2026	14.290%	\$1,926,274	\$1,926,274	March 2027	24.490%	\$3,301,221	\$5,227,495	March 2028	17.490%	\$2,357,630	\$7,585,125	March 2029	12.490%	\$1,683,636	\$9,268,761	March 2030	8.930%	\$1,203,753	\$10,472,513	March 2031	8.920%	\$1,202,405	\$11,674,918	March 2032	8.930%	\$1,203,753	\$12,878,671	March 2033	4.460%	\$601,202	\$13,479,873			<u>100.00%</u>	<u>\$13,479,873</u>
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27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	<u>\$1,926,274</u>																																																								

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2026 Incremental Capital Investment - Network

Line No.			<u>Network FY 2026</u>	<u>Network FY 2027</u>
			(a)	(b)
Deferred Tax Subject to Proration				
1	Book Depreciation	Page 8; Line 9	\$212,982	\$425,964
2	Bonus Depreciation	Page 9; Line 14	\$0	\$0
3	Remaining MACRS Tax Depreciation	Page 9; Line 22	(\$1,926,274)	(\$3,301,221)
4	FY 2026 tax (gain)/loss on retirements	Page 9; Line 24	\$0	\$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4	(\$1,713,292)	(\$2,875,257)
6	Effective Tax Rate		21.00%	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6	(\$359,791)	(\$603,804)
Deferred Tax Not Subject to Proration				
8	Capital Repairs Deduction	Page 9; Line 3	\$0	\$0
9	Cost of Removal	Page 9; Line 25	\$0	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2026			
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10	\$0	\$0
12	Effective Tax Rate		21.00%	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12	\$0	\$0
14	Total Deferred Tax Reserve	Line 7 + Line 13	(\$359,791)	(\$603,804)
15	Net Operating Loss		\$0	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15	(\$359,791)	(\$603,804)
Allocation of FY 2026 Estimated Federal NOL				
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5	(\$1,713,292)	(\$2,875,257)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11	\$0	\$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18	(\$1,713,292)	(\$2,875,257)
20	Total FY 2026 Federal NOL (Utilization)		\$0	\$0
21	Allocated FY 2026 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20	\$0	\$0
22	Allocated FY 2026 Federal NOL Subject to Proration	(Line 17 / Line 19) * Line 20	\$0	\$0
23	Effective Tax Rate		21%	21%
24	Deferred Tax Benefit subject to proration	Line 22 * Line 23	\$0	\$0
25	Net Deferred Tax Reserve subject to proration	Line 7 + Line 24	(\$359,791)	(\$603,804)
		(d) (e)	(h)	(h)
Proration Calculation				
		<u>Number of Days in Month</u>	<u>Proration Percentage</u>	
26	April	30	91.78%	(\$27,518)
27	May	31	83.29%	(\$24,972)
28	June	30	75.07%	(\$22,507)
29	July	31	66.58%	(\$19,961)
30	August	31	58.08%	(\$17,415)
31	September	30	49.86%	(\$14,950)
32	October	31	41.37%	(\$12,404)
33	November	30	33.15%	(\$9,939)
34	December	31	24.66%	(\$7,393)
35	January	31	16.16%	(\$4,847)
36	February	28	8.49%	(\$2,546)
37	March	31	0.00%	\$0
38	Total	365		(\$164,453)
39	Deferred Tax Without Proration	Line 25	(\$359,791)	(\$603,804)
40	Average Deferred Tax without Proration	Line 39 × 0.5	(\$179,896)	(\$301,902)
41	Proration Adjustment	Line 38 - Line 40	\$15,443	\$25,917

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

**The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Annual Revenue Requirement - AMF Capital Investment - FY 2026 MDMS**

	<u>Source</u>		<u>Fiscal Year 2026</u>	<u>Fiscal Year 2027</u>
		(a)	(b)	(c)
	FY 26 ISR Plan, Schedule PDC -1, Page			
1	303 - Software		\$ 1,638,674	\$ -
2	Plant Capital Overheads	0%	\$0	\$0
3	Capital Spend - Annual		\$1,638,674	\$0
4	Capital Spend - Cumulative		\$1,638,674	\$1,638,674
5	303- COR - Annual		\$0	\$0
6	Cumulative COR		\$0	\$0
7	Annual Federal Tax Depreciation		\$0	\$0
8	Cumulative Federal Tax Depreciation		\$0	\$0
	Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line 9, column a			
9	Annual Book Depreciation	3.16%	\$25,891	\$51,782
10	Cumulative Book Depreciation		\$25,891	\$77,673
11	Accumulated Deferred Income Tax	21%	\$0	\$0
	<u>Rate Base Calculation</u>			
12	Plant In Service		\$0	\$0
13	Accumulated Reserve for Depreciation		\$0	\$0
14	Deferred Tax Reserve (ADIT)		\$0	\$0
15	Year End Rate Base		\$0	\$0
	<u>Revenue Requirement Calculation</u>			
	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2			
16	Average Rate Base		\$0	\$0
17	Deferred Tax Proration Adjustment		\$0	\$0
18	Average Rate Base adjusted		\$0	\$0
19	Pre-Tax WACC		0.00%	0.00%
20	Return and Taxes		\$0	\$0
21	Book Depreciation		\$25,891	\$51,782
	RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing			
22	Property Taxes	3.13%	\$0	\$0
23	Annual Revenue Requirement		\$25,891	\$51,782

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

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

	<u>Source</u>		<u>Fiscal Year 2027</u>
		(a)	(b)
	FY 27 ISR Plan, Testimony of Parker		
1	370 - Meters		\$ 37,304,809
2	Plant Capital Overheads	Capwell	
3	Capital Spend - Annual	Input	0% \$0
4	Capital Spend - Cumulative	Line 1 + Line 2 PY Line 4 + CY Line 3	<u>\$37,304,809</u> \$37,304,809
5	370 - COR - Annual	Input	\$0
6	Cumulative COR	Line 5	<u>\$0</u>
7	Annual Federal Tax Depreciation	Page 13	\$3,730,481
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	<u>\$3,730,481</u>
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	3.16% <u>\$589,416</u>
10	Cumulative Book Depreciation	Line 9	\$589,416
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% <u>\$659,624</u>
	<u>Rate Base Calculation</u>		
12	Plant In Service	Line 4	\$37,304,809
13	Accumulated Reserve for Depreciation	- Line 10	(\$589,416)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$659,624)
15	Year End Rate Base	Sum of Lines 12 through 14	<u>\$36,055,769</u>
	<u>Revenue Requirement Calculation</u>		
16	Average Rate Base	Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2	\$18,027,885
17	Deferred Tax Proration Adjustment	Page 14, Line 41	\$28,313
18	Average Rate Base adjusted	Line 16 + Line 17	<u>\$18,056,197</u>
		RIPUC Docket No. 4770, Compliance	
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%
20	Return and Taxes	Line 18 x Line 19	<u>\$1,486,025</u>
21	Book Depreciation	Line 9	\$589,416
		RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and	
22	Property Taxes	Reliability Plan Reconciliation Filing	3.13% <u>\$0</u>
23	Annual Revenue Requirement	Line 20 + 21 + 22	<u><u>\$2,075,441</u></u>

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

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

Line No.		Fiscal Year <u>2027</u>	(a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 2, Line 4	\$37,304,809				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
5	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$37,304,809				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$37,304,809				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
16	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$37,304,809				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
	Remaining Plant Additions Subject to 10 YR MACRS Tax						
20	Depreciation	Line 17 - Line 18 - Line 19	\$37,304,809				
21	10 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	10.000%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$3,730,481				
23							
24	FY27 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	<u>\$3,730,481</u>				

10 Year MACRS Depreciation			
MACRS basis:	Line 20	\$37,304,809	
		Annual	Cumulative
Fiscal Year			
March 2027	10.000%	\$3,730,481	\$3,730,481
March 2028	18.000%	\$6,714,866	\$10,445,347
March 2029	14.400%	\$5,371,892	\$15,817,239
March 2030	11.520%	\$4,297,514	\$20,114,753
March 2031	9.220%	\$3,439,503	\$23,554,257
March 2032	7.370%	\$2,749,364	\$26,303,621
March 2033	6.550%	\$2,443,465	\$28,747,086
March 2034	6.550%	\$2,443,465	\$31,190,551
March 2035	6.560%	\$2,447,195	\$33,637,746
March 2036	6.550%	\$2,443,465	\$36,081,211
March 2037	3.280%	\$1,223,598	\$37,304,809
	<u>100.00%</u>	<u>\$37,304,809</u>	

1/ Per Tax Department
2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2027 Incremental Capital Investment - Meters

Line No.	Deferred Tax Subject to Proration	Meters <u>FY 2027</u> (a)
1	Book Depreciation	Page 12 Line 9 \$589,416
2	Bonus Depreciation	Page 13; Line 14 \$0
3	Remaining MACRS Tax Depreciation	Page 13; Line 22 (\$3,730,481)
4	FY 2027 tax (gain)/loss on retirements	Page 13; Line 24 \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 (\$3,141,065)
6	Effective Tax Rate	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6 (\$659,624)
Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	Page 13; Line 3 \$0
9	Cost of Removal	Page 13; Line 25 \$0
10	Book/Tax Depreciation Timing Difference at 3/31/2027	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0
12	Effective Tax Rate	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12 \$0
14	Total Deferred Tax Reserve	Line 7 + Line 13 (\$659,624)
15	Net Operating Loss	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15 (\$659,624)
Allocation of FY 2027 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5 (\$3,141,065)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11 \$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 (\$3,141,065)
20	Total FY 2027 Federal NOL (Utilization)	\$0
21	Allocated FY 2027 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20 \$0
22	Allocated FY 2027 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 (\$659,624)
	(d)	(e)
		(f)
Proration Calculation		
	<u>Number of Days in Month</u>	<u>Proration Percentage</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 (\$301,499)
39	Deferred Tax Without Proration	Line 25 (\$659,624)
40	Average Deferred Tax without Proration	Line 39 × 0.5 (\$329,812)
41	Proration Adjustment	Line 38 - Line 40 \$28,313

Column Notes:

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

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

	<u>Source</u>	(a)	<u>Fiscal Year 2027</u>
			(b)
	FY 27 ISR Plan, Testimony of Parker		
1	303 - Software		\$ 5,477,285
2	Plant Capital Overheads	Capwell	\$0
3	Capital Spend - Annual	Input	0%
4	Capital Spend - Cumulative	Line 1 + Line 2	\$5,477,285
		PY Line 4 + CY Line 3	\$5,477,285
5	303- COR - Annual	Input	\$0
6	Cumulative COR	Line 5	\$0
7	Annual Federal Tax Depreciation	Page 16	\$912,899
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$912,899
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	3.16% \$86,541
10	Cumulative Book Depreciation	Line 9	\$86,541
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$173,535
	<u>Rate Base Calculation</u>		
12	Plant In Service	Line 4	\$5,477,285
13	Accumulated Reserve for Depreciation	- Line 10	(\$86,541)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$173,535)
15	Year End Rate Base	Sum of Lines 12 through 14	\$5,217,209
	<u>Revenue Requirement Calculation</u>		
	Year 1 = CY, Line 15 * 50%; Then = PY		
16	Average Rate Base	Line 15 + CY Line 15 / 2	\$2,608,604
17	Deferred Tax Proration Adjustment	Page 17, Line 41	\$7,449
18	Average Rate Base adjusted	Line 16 + Line 17	\$2,616,053
19	Pre-Tax WACC	RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4	8.23%
20	Return and Taxes	Line 18 x Line 19	\$215,301
21	Book Depreciation	Line 9	\$86,541
	RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and		
22	Property Taxes	Reliability Plan Reconciliation Filing	3.13% \$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$301,842

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

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

Line No.			Fiscal Year	(b)	(c)	(d)	(e)
			<u>2027</u>				
			(a)				
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 15, Line 4	\$5,477,285				
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
5	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$5,477,285				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$5,477,285				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
16	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$5,477,285				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
	Remaining Plant Additions Subject to 3 YR MACRS Tax						
20	Depreciation Straight Line	Line 17 - Line 18 - Line 19	\$5,477,285				
21	3 YR MACRS Tax Depreciation Rates Straight Line	Per IRS Publication 946	16.667%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$912,899				
23							
24	FY27 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$912,899				

3 Year MACRS Depreciation Straight Line			
MACRS basis:	Line 20	\$5,477,285	
	Annual		Cumulative
Fiscal Year			
March 2027	16.667%	\$912,899	\$912,899
March 2028	33.333%	\$1,825,743	\$2,738,642
March 2029	33.333%	\$1,825,743	\$4,564,386
March 2030	16.667%	\$912,899	\$5,477,285
	<u>100.00%</u>	<u>\$5,477,285</u>	

1/ Per Tax Department
2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2027 Incremental Capital Investment - Software

Line No.	Deferred Tax Subject to Proration	Software FY 2027 (b)
1	Book Depreciation	Page 15; Line 9 \$86,541
2	Bonus Depreciation	Page 16; Line 14 \$0
3	Remaining MACRS Tax Depreciation	Page 16; Line 22 (\$912,899)
4	FY 2027 tax (gain)/loss on retirements	Page 16; Line 24 \$0
5	Cumulative Book / Tax Timer	Sum of Lines 1 through 4 (\$826,358)
6	Effective Tax Rate	21.00%
7	Deferred Tax Reserve	Line 5 * Line 6 (\$173,535)
Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction	Page 16; Line 3 \$0
9	Cost of Removal	Page 16; Line 25 \$0
10	Book/Tax Depreciation Timing Difference at 3/31/2027	
11	Cumulative Book / Tax Timer	Line 8 + Line 9 + Line 10 \$0
12	Effective Tax Rate	21.00%
13	Deferred Tax Reserve	Line 11 * Line 12 \$0
14	Total Deferred Tax Reserve	Line 7 + Line 13 (\$173,535)
15	Net Operating Loss	\$0
16	Net Deferred Tax Reserve	Line 14 + Line 15 (\$173,535)
Allocation of FY 2027 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration	Col (b) = Line 5 (\$826,358)
18	Cumulative Book/Tax Timer Not Subject to Proration	Line 11 \$0
19	Total Cumulative Book/Tax Timer	Line 17 + Line 18 (\$826,358)
20	Total FY 2027 Federal NOL (Utilization)	\$0
21	Allocated FY 2027 Federal NOL Not Subject to Proration	(Line 18 / Line 19) * Line 20 \$0
22	Allocated FY 2027 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 (\$173,535)
	(d)	(e)
		(g)
Proration Calculation		
	<u>Number of Days in Month</u>	<u>Proration Percentage</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 (\$79,319)
39	Deferred Tax Without Proration	Line 25 (\$173,535)
40	Average Deferred Tax without Proration	Line 39 × 0.5 (\$86,768)
41	Proration Adjustment	Line 38 - Line 40 \$7,449

Column Notes:

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

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

	<u>Source</u>	(a)	<u>Fiscal Year 2027</u>
			(b)
	FY 27 ISR Plan, Testimony of Parker		
1	397 - Network		\$ 2,503,485
2	Plant Capital Overheads	Capwell	\$0
3	Capital Spend - Annual	Input	0%
4	Capital Spend - Cumulative	Line 1 + Line 2	\$2,503,485
		PY Line 4 + CY Line 3	\$2,503,485
5	397 - COR - Annual	Input	\$0
6	Cumulative COR	Line 5	\$0
7	Annual Federal Tax Depreciation	Page 17, Line 27	\$357,748
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$357,748
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	3.16% \$39,555
10	Cumulative Book Depreciation	Line 9	\$39,555
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$66,821
	<u>Rate Base Calculation</u>		
12	Plant In Service	Line 4	\$2,503,485
13	Accumulated Reserve for Depreciation	- Line 10	(\$39,555)
14	Deferred Tax Reserve (ADIT)	- Line 11	(\$66,821)
15	Year End Rate Base	Sum of Lines 12 through 14	\$2,397,109
	<u>Revenue Requirement Calculation</u>		
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2	
16	Average Rate Base		\$1,198,555
17	Deferred Tax Proration Adjustment	Page 20, Line 41	\$2,868
18	Average Rate Base adjusted	Line 16 + Line 17	\$1,201,423
		RIPUC Docket No. 4770, Compliance	
19	Pre-Tax WACC	Att 2, Schedule 1, Pg 4	8.23%
20	Return and Taxes	Line 18 x Line 19	\$98,877
21	Book Depreciation	Line 9	\$39,555
		RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	
22	Property Taxes		3.13% \$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$138,432

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

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

Line No.			Fiscal Year <u>2027</u> (a)	(b)	(c)	(d)	(e)
	<u>Capital Repairs Deduction</u>						
1	Plant Additions	Page 18, Line 4	\$2,503,485	7 Year MACRS Depreciation MACRS basis: Line 20 \$2,503,485 Annual Cumulative Fiscal Year March 2027 14.290% \$357,748 \$357,748 March 2028 24.490% \$613,103 \$970,851 March 2029 17.490% \$437,860 \$1,408,711 March 2030 12.490% \$312,685 \$1,721,396 March 2031 8.930% \$223,561 \$1,944,957 March 2032 8.920% \$223,311 \$2,168,268 March 2033 8.930% \$223,561 \$2,391,830 March 2034 4.460% \$111,655 \$2,503,485 <hr/> 100.00% \$2,503,485			
2	Capital Repairs Deduction Rate	Per Tax Department	1/ 0.00%				
3	Capital Repairs Deduction	Line 1 * Line 2	\$0				
4							
5	<u>Bonus Depreciation</u>						
6	Plant Additions	Line 1	\$2,503,485				
7	Plant Additions		\$0				
8	Less Capital Repairs Deduction	Line 3	\$0				
9	Plant Additions Net of Capital Repairs Deduction	Line 6 + Line 7 - Line 8	\$2,503,485				
10	Percent of Plant Eligible for Bonus Depreciation	Per Tax Department	0.00%				
11	Plant Eligible for Bonus Depreciation	Line 9 * Line 10	\$0				
12	Bonus Depreciation Rate	at 0%	0.00%				
13	Total Bonus Depreciation Rate	Line 12	0.00%				
14	Bonus Depreciation	Line 11 * Line 13	\$0				
15							
16	<u>Remaining Tax Depreciation</u>						
17	Plant Additions	Line 1	\$2,503,485				
18	Less Capital Repairs Deduction	Line 3	\$0				
19	Less Bonus Depreciation	Line 14	\$0				
	Remaining Plant Additions Subject to 7 YR MACRS Tax						
20	Depreciation	Line 17 - Line 18 - Line 19	\$2,503,485				
21	7 YR MACRS Tax Depreciation Rates	Per IRS Publication 946	14.290%				
22	Remaining Tax Depreciation	Line 20 * Line 21	\$357,748				
23							
24	FY27 (Gain)/Loss incurred due to retirements	Per Tax Department	2/ \$0				
25	Cost of Removal		\$0				
26							
27	Total Tax Depreciation and Repairs Deduction	Sum of Lines 3, 14, 22, 24, and 25	\$357,748				

1/ Per Tax Department

2/ Per Tax Department

The Narragansett Electric Company
d/b/a Rhode Island Energy
FY 2027 Electric Infrastructure, Safety, and Reliability (ISR) Plan - AMF
Calculation of Net Deferred Tax Reserve Proration on FY 2027 Incremental Capital Investment - Network

Line No.	Deferred Tax Subject to Proration	Network <u>FY 2027</u> (a)
1	Book Depreciation Page 18; Line 9	\$39,555
2	Bonus Depreciation Page 19; Line 14	\$0
3	Remaining MACRS Tax Depreciation Page 19; Line 22	(\$357,748)
4	FY 2027 tax (gain)/loss on retirements Page 19; Line 24	\$0
5	Cumulative Book / Tax Timer Sum of Lines 1 through 4	(\$318,193)
6	Effective Tax Rate	21.00%
7	Deferred Tax Reserve Line 5 * Line 6	(\$66,821)
Deferred Tax Not Subject to Proration		
8	Capital Repairs Deduction Page 19; Line 3	\$0
9	Cost of Removal Page 19; Line 25	\$0
10	Book/Tax Depreciation Timing Difference at 3/31/2027	
11	Cumulative Book / Tax Timer Line 8 + Line 9 + Line 10	\$0
12	Effective Tax Rate	21.00%
13	Deferred Tax Reserve Line 11 * Line 12	\$0
14	Total Deferred Tax Reserve Line 7 + Line 13	(\$66,821)
15	Net Operating Loss	\$0
16	Net Deferred Tax Reserve Line 14 + Line 15	(\$66,821)
Allocation of FY 2027 Estimated Federal NOL		
17	Cumulative Book/Tax Timer Subject to Proration Col (b) = Line 5	(\$318,193)
18	Cumulative Book/Tax Timer Not Subject to Proration Line 11	\$0
19	Total Cumulative Book/Tax Timer Line 17 + Line 18	(\$318,193)
20	Total FY 2027 Federal NOL (Utilization)	\$0
21	Allocated FY 2027 Federal NOL Not Subject to Proration (Line 18 / Line 19) * Line 20	\$0
22	Allocated FY 2027 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	(\$66,821)
	(d)	(e)
		(h)
Proration Calculation		
	<u>Number of Days in Month</u>	<u>Proration Percentage</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	(\$30,542)
39	Deferred Tax Without Proration Line 25	(\$66,821)
40	Average Deferred Tax without Proration Line 39 × 0.5	(\$33,410)
41	Proration Adjustment Line 38 - Line 40	\$2,868

Column Notes:

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

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

	<u>Source</u>		<u>Fiscal Year 2027</u>
		(a)	(b)
	FY 27 ISR Plan, Testimony of Parker		
1	303 - Software		\$ 986,902
2	Plant Capital Overheads	Capwell	\$0
3	Capital Spend - Annual	Input	0%
4	Capital Spend - Cumulative	Line 1 + Line 2	\$986,902
		PY Line 4 + CY Line 3	\$986,902
5	303- COR - Annual	Input	\$0
6	Cumulative COR	Line 5	\$0
7	Annual Federal Tax Depreciation	N/A	\$0
8	Cumulative Federal Tax Depreciation	PY Line 8 + CY Line 7	\$0
		Year 1 = Line 4 * Line 9, column a * 50%; Then = Line 4 * Line Line 9,	
9	Annual Book Depreciation	column a	3.16% \$15,593
10	Cumulative Book Depreciation	Line 9	\$15,593
11	Accumulated Deferred Income Tax	(Line 10 - Line 8) x 21%	21% \$0
<u>Rate Base Calculation</u>			
12	Plant In Service	Line 4	\$0
13	Accumulated Reserve for Depreciation	- Line 10	\$0
14	Deferred Tax Reserve (ADIT)	- Line 11	\$0
15	Year End Rate Base	Sum of Lines 12 through 14	\$0
<u>Revenue Requirement Calculation</u>			
		Year 1 = CY, Line 15 * 50%; Then = PY Line 15 + CY Line 15 / 2	
16	Average Rate Base		\$0
17	Deferred Tax Proration Adjustment		\$0
18	Average Rate Base adjusted	Line 16 + Line 17	\$0
19	Pre-Tax WACC	RIPUC Docket No. 4770, Compliance Att 2, Schedule 1, Pg 4	0.00%
20	Return and Taxes	Line 18 x Line 19	\$0
21	Book Depreciation	Line 9	\$15,593
		RIPUC Docket No. 22-53-EL FY 2024 Electric Infrastructure, Safety, and Reliability Plan Reconciliation Filing	
22	Property Taxes		3.13% \$0
23	Annual Revenue Requirement	Line 20 + 21 + 22	\$15,593

CY = Current Year

PY = Prior Year

Property Taxes - Zero for Year 1

Book Depreciation Rate - RIPUC Docket No. 4770

Calculation of Net O&M Costs Prior to New Base Rates from Rate Case

		(a)	(b)	(c)	(d)	(e) = (a)+(b)+(c)+(d)	
			April 2024 to March 2025 (Actuals)	April 2025 to March 2026 (Forecasted)	April 2026 to September 2026 (Forecasted)	Total Forecasted through FY 2027	
1	<u>O&M Expense</u> O&M Expense	Actuals/Forecasted	2,386,377	5,886,418	5,177,205	13,450,000	
		(f)	(g)	(h)	(i)	(j) = (f)+(g)+(h)+(i)	
	<u>MRP Rate Level Credits</u>	September 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to August 2026	Total MRP Credits Prior to New Base Rates	
2	Annual level of base rate recovery	Docket No. 22-49-EL, SAB/BLJ-1, Pg. 1, Line 16	(720,101)	(1,234,459)	(1,234,459)	(514,358)	(3,703,377)
3	Cumulative level of base rate recovery thru August 2023 since last rate case	Docket No. 22-49-EL, SAB/BLJ-1, Pg. 1, Line 18 thru 20	-	-	-	-	(4,975,989)
4	Total MRP Rate Level Credits	Line 2 + 3					(8,679,366)
5	Net O&M Expense Against Rate Level Credits	Line 1 + Line 4					4,770,634

Please note this does not reflect forecasted O&M Savings resulting from AMF which if any would also be used to offset the O&M expense until the next base distribution rate case

Certificate of Service

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

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

Caroline M. Breslin

Caroline M. Breslin

March 30, 2026

Date

**Docket No. 25-54-EL – RI Energy’s Electric ISR Plan FY 2027
Service List as of 1/21/2026**

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