

Schedule SAB-3 (C)

O&M Summary Totals

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a RHODE ISLAND ENERGY
RIPUC Docket No. 25-45-GE
Schedule SAB-3 (C)
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The Narragansett Electric Company d/b/a Rhode Island Energy
Operating Expenses by Component
Summary (ELECTRIC & GAS)

			Test Year Ended August 31, 2025 (Per Books)			Normalizing Adjustments			Test Year Ended August 31, 2025 (as Adjusted)		
Schedule Reference			Total	Electric	Gas	Total	Electric	Gas	Total	Electric	Gas
			(a) = (b) + (c)	(b)	(c)	(d) = (e) + (f)	(e)	(f)	(g) = (h) + (i)	(h) = (b) + (e)	(i) = (c) + (f)
Operation & Maintenance Expenses:											
1	Labor	Schedule SAB- 12 (C)	\$136,384,296	\$80,490,227	\$55,894,069	(\$24,140,223)	(\$15,964,681)	(\$8,175,542)	\$112,244,073	\$64,525,546	\$47,718,526
2	Health, Insurance, Thrift & Other Benefits	Schedule SAB- 13 (C)	\$23,776,297	\$12,471,432	\$11,304,865	(\$644,465)	(\$644,465)	\$0	\$23,131,833	\$11,826,968	\$11,304,865
3	Consultants	Schedule SAB- 14 (C)	\$17,126,303	\$12,045,024	\$5,081,279	(\$7,020,722)	(\$5,671,804)	(\$1,348,918)	\$10,105,581	\$6,373,219	\$3,732,361
4	Contractors	Schedule SAB- 15 (C)	\$79,249,141	\$64,490,228	\$14,758,913	(\$34,742,638)	(\$34,340,917)	(\$401,721)	\$44,506,503	\$30,149,311	\$14,357,192
5	Employee Expenses	Schedule SAB- 16 (C)	\$3,299,109	\$2,658,342	\$640,767	(\$1,527,708)	(\$1,501,878)	(\$25,831)	\$1,771,400	\$1,156,464	\$614,936
6	Allocated Depreciation	Schedule SAB- 17 (C)	\$3,977,700	\$2,891,732	\$1,085,968	(\$333,958)	(\$333,958)	\$0	\$3,643,743	\$2,557,775	\$1,085,968
7	Rents	Schedule SAB- 18 (C)	\$7,086,064	\$5,556,214	\$1,529,850	(\$449,458)	(\$447,510)	(\$1,948)	\$6,636,606	\$5,108,705	\$1,527,902
8	Uninsured Claims	Schedule SAB- 19 (C)	\$2,413,276	\$1,840,615	\$572,660	(\$212,567)	(\$212,567)	\$0	\$2,200,709	\$1,628,048	\$572,660
9	Insurance Premium	Schedule SAB- 20 (C)	\$5,681,353	\$4,541,274	\$1,140,079	(\$1,012,769)	(\$1,012,769)	\$0	\$4,668,584	\$3,528,505	\$1,140,079
10	Regulatory Assessment Fees	Schedule SAB- 21 (C)	\$9,319,504	\$6,893,369	\$2,426,135	(\$114,439)	(\$114,439)	\$0	\$9,205,065	\$6,778,930	\$2,426,135
11	Uncollectible Accounts	Schedule SAB- 22 (C)	\$59,140,725	\$43,987,220	\$15,153,504	(\$46,162,010)	(\$37,132,673)	(\$9,029,338)	\$12,978,714	\$6,854,548	\$6,124,166
12	Printing and Postage	Schedule SAB- 23 (C)	\$6,659,527	\$4,176,349	\$2,483,178	(\$94,227)	(\$42,456)	(\$51,771)	\$6,565,300	\$4,133,893	\$2,431,407
13	Software Maintenance and Expenses	Schedule SAB- 24 (C)	\$15,633,488	\$9,109,041	\$6,524,447	(\$6,193,609)	(\$4,257,200)	(\$1,936,409)	\$9,439,879	\$4,851,841	\$4,588,038
14	Environmental Response Fund	Schedule SAB- 25 (C)	\$3,078,000	\$3,078,000	\$0	\$0	\$0	\$0	\$3,078,000	\$3,078,000	\$0
15	Paperless Bill Credit	Schedule SAB- 26 (C)	\$0	\$0	\$0	\$1,328,270	\$875,089	\$453,181	\$1,328,270	\$875,089	\$453,181
16	PBOP	Schedule SAB- 27 (C)	(\$4,874,521)	(\$3,574,282)	(\$1,300,239)	\$454,318	\$453,983	\$335	(\$4,420,203)	(\$3,120,299)	(\$1,299,904)
17	Pension	Schedule SAB- 28 (C)	(\$11,409,901)	(\$7,966,466)	(\$3,443,435)	\$1,092,077	\$1,093,424	(\$1,347)	(\$10,317,825)	(\$6,873,043)	(\$3,444,782)
18	Energy Efficiency Program	Schedule SAB- 29 (C)	\$126,465,318	\$86,699,864	\$39,765,454	(\$126,465,318)	(\$86,699,864)	(\$39,765,454)	\$0	\$0	\$0
19	Other O&M Expense	Schedule SAB- 30 (C)	\$46,908,635	\$38,339,977	\$8,568,658	(\$45,127,780)	(\$36,986,280)	(\$8,141,500)	\$1,780,855	\$1,353,697	\$427,158
20	Storm Cost Recovery	Schedule SAB- 31 (C)	\$7,311,132	\$7,311,132	\$0	\$0	\$0	\$0	\$7,311,132	\$7,311,132	\$0
21	Gas Commodity OM	Schedule SAB- 32 (C)	\$0	\$0	\$0	\$2,307,088	\$0	\$2,307,088	\$0	\$0	\$2,307,088
22	Materials	Schedule SAB- 33 (C)	\$2,328,431	\$1,305,563	\$1,022,868	(\$291,287)	(\$226,343)	(\$64,944)	\$2,037,144	\$1,079,220	\$957,924
23	Materials Stores Handling	Schedule SAB- 34 (C)	\$249,316	\$167,929	\$81,387	(\$24,756)	(\$24,756)	\$0	\$224,561	\$143,174	\$81,387
24	Transportation	Schedule SAB- 35 (C)	\$9,608,149	\$5,337,354	\$4,270,795	(\$353,178)	(\$279,246)	(\$73,932)	\$9,254,971	\$5,058,108	\$4,196,863
25	Information Technology	Schedule SAB- 36 (C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	Paving	Schedule SAB- 37 (C)	\$8,561,720	\$9,474	\$8,552,246	(\$7,499,359)	\$0	(\$7,499,359)	\$1,062,361	\$9,474	\$1,052,888
27	Other Benefits	Schedule SAB- 38 (C)	\$4,001,712	\$3,964,049	\$37,663	(\$2,480,402)	(\$1,867,869)	(\$612,533)	\$1,521,310	\$2,096,180	(\$574,870)
28	Construction Reimbursement	Schedule SAB- 39 (C)	(\$1,749,367)	(\$1,650,510)	(\$98,857)	\$215,023	\$215,023	\$0	(\$1,534,344)	(\$1,435,487)	(\$98,857)
29	Wheeling	Schedule SAB- 40 (C)	\$305,181,933	\$305,181,933	\$0	(\$305,181,933)	(\$305,181,933)	\$0	\$0	\$0	\$0
30											
31											
32											
33											
29	Sub Total		<u>\$865,407,340</u>	<u>\$689,355,085</u>	<u>\$176,052,255</u>	<u>(\$604,676,030)</u>	<u>(\$530,306,087)</u>	<u>(\$74,369,943)</u>	<u>\$260,731,310</u>	<u>\$159,048,998</u>	<u>\$101,682,312</u>
30											
31	Purchased Power/ Purchased Gas	Schedule SAB- 41 (C)	\$913,113,926	\$709,191,356	\$203,922,570	(\$913,113,926)	(\$709,191,356)	(\$203,922,570)	\$0	\$0	\$0
32											
33	Sub Total		<u>\$913,113,926</u>	<u>\$709,191,356</u>	<u>\$203,922,570</u>	<u>(\$913,113,926)</u>	<u>(\$709,191,356)</u>	<u>(\$203,922,570)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
34											
35	TOTAL		<u><u>\$1,778,521,266</u></u>	<u><u>\$1,398,546,441</u></u>	<u><u>\$379,974,825</u></u>	<u><u>(\$1,517,789,956)</u></u>	<u><u>(\$1,239,497,443)</u></u>	<u><u>(\$278,292,513)</u></u>	<u><u>\$260,731,310</u></u>	<u><u>\$159,048,998</u></u>	<u><u>\$101,682,312</u></u>

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The Narragansett Electric Company d/b/a Rhode Island Energy
Operating Expenses by Component
Summary (ELECTRIC & GAS)

			Test Year Ended August 31, 2025 (as Adjusted)			Proforma Adjustments			Rate Year 1 Ending July 31, 2027		
Schedule Reference			Total	Electric	Gas	Total	Electric	Gas	Total	Electric	Gas
			(a) = (b) + (c)	(b)	(c)	(d) = (e) + (f)	(e)	(f)	(g) = (h) + (i)	(h) = (b) + (c)	(i) = (c) + (f)
Operation & Maintenance Expenses:											
1	Labor	Schedule SAB- 12 (C)	\$112,244,073	\$64,525,546	\$47,718,526	\$6,935,854	\$1,253,334	\$5,682,519	\$119,179,926	\$65,778,881	\$53,401,046
2	Health, Insurance, Thrift & Other Benefits	Schedule SAB- 13 (C)	\$23,131,833	\$11,826,968	\$11,304,865	\$601,655	\$229,725	\$371,930	\$23,733,488	\$12,056,693	\$11,676,795
3	Consultants	Schedule SAB- 14 (C)	\$10,105,581	\$6,373,219	\$3,732,361	\$0	\$0	\$0	\$10,105,581	\$6,373,219	\$3,732,361
4	Contractors	Schedule SAB- 15 (C)	\$44,506,503	\$30,149,311	\$14,357,192	\$0	\$0	\$0	\$44,506,503	\$30,149,311	\$14,357,192
5	Employee Expenses	Schedule SAB- 16 (C)	\$1,771,400	\$1,156,464	\$614,936	\$98,276	\$64,160	\$34,116	\$1,869,676	\$1,220,624	\$649,052
6	Allocated Depreciation	Schedule SAB- 17 (C)	\$3,643,743	\$2,557,775	\$1,085,968	(\$1,928,879)	(\$1,434,099)	(\$494,780)	\$1,714,863	\$1,123,676	\$591,187
	Rents	Schedule SAB- 18 (C)	\$6,636,606	\$5,108,705	\$1,527,902	\$1,305,144	\$1,199,316	\$105,829	\$7,941,751	\$6,308,020	\$1,633,730
8	Uninsured Claims	Schedule SAB- 19 (C)	\$2,200,709	\$1,628,048	\$572,660	\$0	\$0	\$0	\$2,200,709	\$1,628,048	\$572,660
9	Insurance Premium	Schedule SAB- 20 (C)	\$4,668,584	\$3,528,505	\$1,140,079	\$371,060	\$308,060	\$63,000	\$5,039,644	\$3,836,565	\$1,203,079
10	Regulatory Assessment Fees	Schedule SAB- 21 (C)	\$9,205,065	\$6,778,930	\$2,426,135	\$0	\$0	\$0	\$9,205,065	\$6,778,930	\$2,426,135
11	Uncollectible Accounts	Schedule SAB- 22 (C)	\$12,978,714	\$6,854,548	\$6,124,166	\$324,022	\$238,196	\$85,826	\$13,302,736	\$7,092,744	\$6,209,993
12	Postage	Schedule SAB- 23 (C)	\$6,565,300	\$4,133,893	\$2,431,407	\$364,238	\$229,345	\$134,893	\$6,929,538	\$4,363,238	\$2,566,300
13	Software Maintenance and Expenses	Schedule SAB- 24 (C)	\$9,439,879	\$4,851,841	\$4,588,038	\$17,757,486	\$7,603,591	\$10,153,895	\$27,197,365	\$12,455,432	\$14,741,933
14	Environmental Response Fund	Schedule SAB- 25 (C)	\$3,078,000	\$3,078,000	\$0	\$0	\$0	\$0	\$3,078,000	\$3,078,000	\$0
15	Paperless Bill Credit	Schedule SAB- 26 (C)	\$1,328,270	\$875,089	\$453,181	\$1,076,976	\$709,532	\$367,444	\$2,405,246	\$1,584,620	\$820,625
16	PBOP	Schedule SAB- 27 (C)	(\$4,420,203)	(\$3,120,299)	(\$1,299,904)	\$2,054,914	\$1,517,659	\$537,255	(\$2,365,289)	(\$1,602,640)	(\$762,650)
17	Pension	Schedule SAB- 28 (C)	(\$10,317,825)	(\$6,873,043)	(\$3,444,782)	\$5,399,445	\$3,789,285	\$1,610,161	(\$4,918,379)	(\$3,083,758)	(\$1,834,622)
18	Energy Efficiency Program	Schedule SAB- 29 (C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Other O&M Expense	Schedule SAB- 30 (C)	\$1,780,855	\$1,353,697	\$427,158	\$0	\$0	\$0	\$1,780,855	\$1,353,697	\$427,158
20	Storm Cost Recovery	Schedule SAB- 31 (C)	\$7,311,132	\$7,311,132	\$0	(\$776,231)	(\$776,231)	\$0	\$6,534,901	\$6,534,901	\$0
21	Gas Commodity OM	Schedule SAB- 32 (C)	\$2,307,088	\$0	\$2,307,088	(\$2,537,399)	\$0	(\$2,537,399)	(\$230,311)	\$0	(\$230,311)
22	Materials	Schedule SAB- 33 (C)	\$2,037,144	\$1,079,220	\$957,924	\$113,019	\$59,874	\$53,145	\$2,150,163	\$1,139,095	\$1,011,069
23	Materials Stores Handling	Schedule SAB- 34 (C)	\$224,561	\$143,174	\$81,387	\$12,459	\$7,943	\$4,515	\$237,019	\$151,117	\$85,902
24	Transportation	Schedule SAB- 35 (C)	\$9,254,971	\$5,058,108	\$4,196,863	\$513,459	\$280,620	\$232,839	\$9,768,430	\$5,338,728	\$4,429,702
25	Information Technology	Schedule SAB- 36 (C)	\$0	\$0	\$0	\$1,632,544	\$971,789	\$660,755	\$1,632,544	\$971,789	\$660,755
26	Paving	Schedule SAB- 37 (C)	\$1,062,361	\$9,474	\$1,052,888	\$58,939	\$526	\$58,413	\$1,062,887	\$9,999	\$1,111,301
27	Other Benefits	Schedule SAB- 38 (C)	\$1,521,310	\$2,096,180	(\$574,870)	(\$27,579)	\$40,716	(\$68,295)	\$1,493,731	\$2,136,896	(\$643,165)
28	Construction Reimbursement	Schedule SAB- 39 (C)	(\$1,534,344)	(\$1,435,487)	(\$98,857)	(\$85,124)	(\$79,640)	(\$5,485)	(\$1,619,468)	(\$1,515,127)	(\$104,341)
29	Wheeling	Schedule SAB- 40 (C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30											
31											
32											
33											
29	Sub Total		<u>\$260,731,310</u>	<u>\$159,048,998</u>	<u>\$101,682,312</u>	<u>\$33,264,278</u>	<u>\$16,213,702</u>	<u>\$17,050,576</u>	<u>\$292,932,701</u>	<u>\$175,262,699</u>	<u>\$118,732,888</u>
30											
31	Purchased Power/ Purchased Gas	Schedule SAB- 41 (C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32											
33	Sub Total		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
34											
35	TOTAL		<u>\$260,731,310</u>	<u>\$159,048,998</u>	<u>\$101,682,312</u>	<u>\$33,264,278</u>	<u>\$16,213,702</u>	<u>\$17,050,576</u>	<u>\$292,932,701</u>	<u>\$175,262,699</u>	<u>\$118,732,888</u>

The Narragansett Electric Company d/b/a Rhode Island Energy
Calculation of Inflation
Occurring Between The Test Year And The Rate Year

Line	<u>Calculation of Inflation Rate:</u>	(a)
1		CPI-U
2	Index - Average of Test Year August 2025	131.04
3		
4	Index - Average of Rate Year July 2027	138.31
5		
6	Increase in Index From Average Of The Test Year	
7	To The Average of Rate Year	
8	Inflation Factor %	5.55%
9		
10	Source: Blue Chip Financial Forecast	
11		
12		
13		CPI-U
14	Index - Average of Rate Year July 2027	138.31
15		
16	Index - Average of Rate Year July 2028	141.54
17		
18	Increase in Index From Midpoint Of The Test Year	
19	To The Midpoint of Rate Year	
20	Inflation Factor %	2.34%
21		
22	Source: Blue Chip Financial Forecast	
23		
24		CPI-U
25	Index - Midpoint of Rate Year Aug 2019	141.54
26		
27	Index - Midpoint of Rate YearAug 2020	144.70
28		
29	Increase in Index From Midpoint Of The Test Year	
30	To The Midpoint of Rate Year	
31	Inflation Factor %	2.23%

CPI-U - URBAN Consumer Price Index

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The Narragansett Electric Company d/b/a Rhode Island Energy
Adjustments to Operating Expenses
Normalizing Adjustments to Other O & M Expenses (ELECTRIC & GAS)

	Test Year Ended August 31, 2025 (Per Books)	Transmission	Vegetation Management (ISR)	Inspection & Maintenance (ISR) & O&M	ReGrowth	Storms	Paving	Gas Cost Recovery (GCR)	Other	Total Normalizing Adjustments sum (b through i)	Test Year Ended August 31, 2025 (as Adjusted) (k) = (a)+(j)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	Test Year Amounts that are Specifically Adjusted:										
2											
3											
4											
5	Operating & Maintenance Expense										
6	Labor	\$136,384,296	(\$6,305,808)	(\$106,832)	(\$653,480)	(\$289,643)	(\$3,768,663)	\$0	(\$1,615,834)	(\$6,559,709)	\$112,244,073
7	Health, Insurance, Thrift & Other Benefits	\$23,776,297	(\$644,465)	\$0	\$0	\$0	\$0	\$0	\$0	(\$644,465)	\$23,131,833
8	Consultants	\$17,126,303	(\$2,345,532)	\$0	(\$867)	(\$234,773)	\$0	\$0	(\$11,088)	(\$1,337,830)	\$10,105,581
9	Contractors	\$79,249,141	(\$8,388,725)	(\$13,290,590)	(\$32,094)	(\$101,087)	(\$12,528,421)	\$0	(\$401,721)	\$0	\$44,506,503
10	Employee Expenses	\$3,299,109	(\$195,977)	(\$7,701)	\$0	\$0	(\$1,274,770)	\$0	\$0	(\$25,831)	\$1,771,400
11	Allocated Depreciation	\$3,977,700	(\$333,958)	\$0	\$0	\$0	\$0	\$0	\$0	(\$333,958)	\$3,643,743
12	Rents	\$7,086,064	(\$426,025)	(\$2,144)	(\$11,316)	\$0	(\$8,026)	\$0	(\$1,948)	(\$449,458)	\$6,636,606
13	Uninsured Claims	\$2,413,276	(\$212,567)	\$0	\$0	\$0	\$0	\$0	\$0	(\$212,567)	\$2,200,709
14	Insurance Premium	\$5,681,353	(\$1,012,769)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,012,769)	\$4,668,584
15	Regulatory Assessment Fees	\$9,319,504	(\$114,439)	\$0	\$0	\$0	\$0	\$0	\$0	(\$114,439)	\$9,205,065
16	Uncollectible Accounts	\$59,140,725	\$0	\$0	\$0	\$0	\$0	\$0	(\$9,029,338)	(\$46,162,010)	\$12,978,714
17	Printing and Postage	\$6,659,527	(\$39,234)	(\$2,447)	\$0	\$0	(\$534)	\$0	(\$51,688)	(\$83)	\$6,565,300
18	Software Maintenance and Expenses	\$15,633,488	(\$904,693)	\$0	\$0	\$0	\$0	\$0	(\$1,936,409)	(\$6,193,609)	\$9,439,879
19	Environmental Response Fund	\$3,078,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,078,000
20	Paperless Bill Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$453,181	\$1,328,270	\$1,328,270
21	PBOP	(\$4,874,521)	\$453,302	\$0	\$0	\$0	\$0	\$0	\$335	\$454,318	(\$4,420,203)
22	Pension	(\$11,409,901)	\$1,083,098	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,347)	\$10,317,825)
23	Energy Efficiency Program	\$126,465,318	\$0	\$0	\$0	\$0	\$0	\$0	(\$39,765,454)	(\$126,465,318)	\$0
24	Other O&M Expense	\$46,908,635	(\$742,263)	(\$11,118)	(\$18,665)	(\$6,131)	\$17,618,015	\$0	(\$635,674)	(\$7,505,826)	\$1,780,855
25	Storm Cost Recovery	\$7,311,132	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,311,132
26	Gas Commodity OM	\$0	\$0	\$0	\$0	\$0	\$0	\$408,915	\$1,898,173	\$2,307,088	\$2,307,088
27	Materials	\$2,328,431	(\$187,332)	(\$1,228)	(\$182)	\$0	(\$37,601)	\$0	(\$64,944)	(\$291,287)	\$2,037,144
28	Materials Stores Handling	\$249,316	(\$24,756)	\$0	\$0	\$0	\$0	\$0	\$0	(\$24,756)	\$224,561
29	Transportation	\$9,608,149	(\$173,047)	(\$18,022)	(\$88,177)	\$0	\$0	\$0	(\$73,932)	(\$353,178)	\$9,254,971
30	Information Technology	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Paving	\$8,561,720	\$0	\$0	\$0	\$0	(\$7,499,359)	\$0	\$0	(\$7,499,359)	\$1,062,361
32	Other Benefits	\$4,001,712	(\$620,636)	\$0	\$0	\$6,937	\$0	\$0	(\$612,533)	(\$2,480,402)	\$1,521,310
33	Construction Reimbursement	(\$1,749,367)	\$215,023	\$0	\$0	\$0	\$0	\$0	\$0	\$215,023	(\$1,534,344)
34	Wheeling	\$305,181,933	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$305,181,933)	\$0
37		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	Sub Total Operating & Maintenance Expense	\$865,407,340	(\$20,920,801)	(\$13,440,081)	(\$804,782)	(\$624,697)	\$0	(\$2,307,088)	(\$64,563,496)	(\$604,676,030)	\$260,731,310
39											
40	Purchased Power/ Purchased Gas	\$913,113,926	\$0	\$0	\$0	\$0	\$0	\$0	(\$913,113,926)	(\$913,113,926)	\$0
41											
42	Sub Total	\$913,113,926	\$0	\$0	\$0	\$0	\$0	\$0	(\$913,113,926)	(\$913,113,926)	\$0
43											
44	TOTAL	\$1,778,521,266	(\$20,920,801)	(\$13,440,081)	(\$804,782)	(\$624,697)	\$0	(\$2,307,088)	(\$977,677,422)	(\$1,517,789,956)	\$260,731,310

The Narragansett Electric Company d/b/a Rhode Island Energy
Adjustments to Electric Operating Expenses
Normalizing Adjustments to O & M Expenses (ELECTRIC)

	Test Year Ended August 31, 2025 (Per Books)	Transmission	Vegetation Management (ISR)	Inspection & Maintenance (ISR) & O&M	ReGrowth	Storms	Other	Total Normalizing Adjustments (h) sum (b through g)	Test Year Ended August 31, 2025 (as Adjusted) (i) = (a) + (i)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)		
1	Test Year Amounts that are Specifically Adjusted:								
2									
3									
4									
5	Operating & Maintenance Expense								
6	Labor	\$80,490,227	(\$6,305,808)	(\$106,832)	(\$653,480)	(\$289,643)	(\$3,768,663)	(\$4,840,255)	\$64,525,546
7	Health, Insurance, Thrift & Other Benefits	\$12,471,432	(\$644,465)	\$0	\$0	\$0	\$0	(\$644,465)	\$11,826,968
8	Consultants	\$12,045,024	(\$2,345,532)	\$0	(\$867)	(\$234,773)	\$0	(\$3,090,632)	\$6,373,219
9	Contractors	\$64,490,228	(\$8,388,725)	(\$13,290,590)	(\$32,094)	(\$101,087)	(\$12,528,421)	\$0	\$30,149,311
10	Employee Expenses	\$2,658,342	(\$195,977)	(\$7,701)	\$0	\$0	(\$1,274,770)	(\$23,430)	\$1,156,464
11	Allocated Depreciation	\$2,891,732	(\$333,958)	\$0	\$0	\$0	\$0	(\$333,958)	\$2,557,775
12	Rents	\$5,556,214	(\$426,025)	(\$2,144)	(\$11,316)	\$0	(\$8,026)	\$1	\$5,108,705
13	Uninsured Claims	\$1,840,615	(\$212,567)	\$0	\$0	\$0	\$0	(\$212,567)	\$1,628,048
14	Insurance Premium	\$4,541,274	(\$1,012,769)	\$0	\$0	\$0	\$0	(\$1,012,769)	\$3,528,505
15	Regulatory Assessment Fees	\$6,893,369	(\$114,439)	\$0	\$0	\$0	\$0	(\$114,439)	\$6,778,930
16	Uncollectible Accounts	\$43,987,220	\$0	\$0	\$0	\$0	(\$37,132,673)	(\$37,132,673)	\$6,854,548
17	Printing and Postage	\$4,176,349	(\$39,234)	(\$2,447)	\$0	\$0	(\$534)	(\$242)	\$4,133,893
18	Software Maintenance and Expenses	\$9,109,041	(\$904,693)	\$0	\$0	\$0	(\$3,352,506)	(\$4,257,200)	\$4,851,841
19	Environmental Response Fund	\$3,078,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,078,000
20	Paperless Bill Credit	\$0	\$0	\$0	\$0	\$0	\$875,089	\$875,089	\$875,089
21	PBOP	(\$3,574,282)	\$453,302	\$0	\$0	\$0	\$681	\$453,983	(\$3,120,299)
22	Pension	(\$7,966,466)	\$1,083,098	\$0	\$0	\$0	\$10,325	\$1,093,424	(\$6,873,043)
23	Energy Efficiency Program	\$86,699,864	\$0	\$0	\$0	\$0	(\$86,699,864)	(\$86,699,864)	\$0
24	Other O&M Expense	\$38,339,977	(\$742,263)	(\$11,118)	(\$18,665)	(\$6,131)	\$17,618,015	(\$53,826,118)	\$1,353,697
25	Storm Cost Recovery	\$7,311,132	\$0	\$0	\$0	\$0	\$0	\$0	\$7,311,132
26	Gas Commodity OM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	Materials	\$1,305,563	(\$187,332)	(\$1,228)	(\$182)	\$0	(\$37,601)	(\$0)	\$1,079,220
28	Materials Stores Handling	\$167,929	(\$24,756)	\$0	\$0	\$0	\$0	(\$24,756)	\$143,174
29	Transportation	\$5,337,354	(\$173,047)	(\$18,022)	(\$88,177)	\$0	\$0	(\$279,246)	\$5,058,108
30	Information Technology	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Paving	\$9,474	\$0	\$0	\$0	\$0	\$0	\$0	\$9,474
32	Other Benefits	\$3,964,049	(\$620,636)	\$0	\$0	\$6,937	\$0	(\$1,254,170)	\$2,096,180
33	Construction Reimbursement	(\$1,650,510)	\$215,023	\$0	\$0	\$0	\$0	\$215,023	(\$1,435,487)
34	Wheeling	\$305,181,933	\$0	\$0	\$0	\$0	(\$305,181,933)	(\$305,181,933)	\$0
37									
38	Sub Total Operating & Maintenance Expense	\$689,355,085	(\$20,920,801)	(\$13,440,081)	(\$804,782)	(\$624,697)	\$0	(\$494,515,726)	\$159,048,998
39									
40	Purchased Power/ Purchased Gas	\$709,191,356	\$0	\$0	\$0	\$0	(\$709,191,356)	(\$709,191,356)	\$0
41									
42	Sub Total	\$709,191,356	\$0	\$0	\$0	\$0	(\$709,191,356)	(\$709,191,356)	\$0
43									
44	TOTAL	\$1,398,546,441	(\$20,920,801)	(\$13,440,081)	(\$804,782)	(\$624,697)	\$0	(\$1,203,707,082)	\$159,048,998

The Narragansett Electric Company d/b/a Rhode Island Energy
Adjustments to Gas Operating Expenses
Normalizing Adjustments to O & M Expenses (GAS)

	Test Year Ended August 31, 2025 (Per Books)	Paving	Gas Cost Recovery (GCR)	Other	Total Normalizing Adjustments	Test Year Ended August 31, 2025 (as Adjusted)
	(a)	(b)	(c)	(d)	(e) = (b) + (c) + (d)	(f) = (c) + (e)
1	Test Year Amounts that are Specifically Adjusted:					
2						
3						
4						
5	Operating & Maintenance Expense					
6	Labor	\$55,894,069	\$0	(\$1,615,834)	(\$6,559,709)	(\$8,175,542)
7	Health, Insurance, Thrift & Other Benefits	\$11,304,865	\$0	\$0	\$0	\$11,304,865
8	Consultants	\$5,081,279	\$0	(\$11,088)	(\$1,337,830)	\$3,732,361
9	Contractors	\$14,758,913	\$0	(\$401,721)	\$0	(\$401,721)
10	Employee Expenses	\$640,767	\$0	\$0	(\$25,831)	(\$25,831)
11	Allocated Depreciation	\$1,085,968	\$0	\$0	\$0	\$1,085,968
12	Rents	\$1,529,850	\$0	\$0	(\$1,948)	(\$1,948)
13	Uninsured Claims	\$572,660	\$0	\$0	\$0	\$572,660
14	Insurance Premium	\$1,140,079	\$0	\$0	\$0	\$1,140,079
15	Regulatory Assessment Fees	\$2,426,135	\$0	\$0	\$0	\$2,426,135
16	Uncollectible Accounts	\$15,153,504	\$0	\$0	(\$9,029,338)	(\$9,029,338)
17	Printing and Postage	\$2,483,178	\$0	(\$51,688)	(\$83)	(\$51,771)
18	Software Maintenance and Expenses	\$6,524,447	\$0	\$0	(\$1,936,409)	(\$1,936,409)
19	Environmental Response Fund	\$0	\$0	\$0	\$0	\$0
20	Paperless Bill Credit	\$0	\$0	\$0	\$453,181	\$453,181
21	PBOP	(\$1,300,239)	\$0	\$0	\$335	\$335
22	Pension	(\$3,443,435)	\$0	\$0	(\$1,347)	(\$1,347)
23	Energy Efficiency Program	\$39,765,454	\$0	\$0	(\$39,765,454)	(\$39,765,454)
24	Other O&M Expense	\$8,568,658	\$0	(\$635,674)	(\$7,505,826)	(\$8,141,500)
25	Storm Cost Recovery	\$0	\$0	\$0	\$0	\$0
26	Gas Commodity OM	\$0	\$0	\$408,915	\$1,898,173	\$2,307,088
27	Materials	\$1,022,868	\$0	\$0	(\$64,944)	(\$64,944)
28	Materials Stores Handling	\$81,387	\$0	\$0	\$0	\$0
29	Transportation	\$4,270,795	\$0	\$0	(\$73,932)	(\$73,932)
30	Information Technology	\$0	\$0	\$0	\$0	\$0
31	Paving	\$8,552,246	(\$7,499,359)	\$0	(\$7,499,359)	(\$7,499,359)
32	Other Benefits	\$37,663	\$0	\$0	(\$612,533)	(\$612,533)
33	Construction Reimbursement	(\$98,857)	\$0	\$0	\$0	\$0
34	Wheeling	\$0	\$0	\$0	\$0	\$0
35	0					
36						
37		\$0	\$0	\$0	\$0	\$0
38	Sub Total Operating & Maintenance Expense	\$176,052,255	(\$7,499,359)	(\$2,307,088)	(\$64,563,496)	(\$74,369,943)
39						
40	Purchased Power/ Purchased Gas	\$203,922,570	\$0	\$0	(\$203,922,570)	(\$203,922,570)
41						
42	Sub Total	\$203,922,570	\$0	\$0	(\$203,922,570)	(\$203,922,570)
43						
44	TOTAL	\$379,974,825	(\$7,499,359)	(\$2,307,088)	(\$268,486,066)	(\$278,292,513)