

December 9, 2004

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

**RE: Docket 3648 – The Narragansett Electric Company’s Annual Rate Reconciliation Responses to Commission Data Requests**

Dear Ms. Massaro:

Enclosed please find ten copies of The Narragansett Electric Company’s responses to the Public Utilities Commission’s first set of data requests in the above-captioned proceeding.

It should be noted that in response to Commission Data Request 1-3, Schedules JAL-1, JAL-7, JAL-8, JAL-12 and MJH-4 have been updated based on fuel prices as reported in the *Wall Street Journal* on November 22, 23, and 24, and are attached. Based on this updated fuel forecast, the Company is proposing that the Standard Offer charge effective January 1, 2005 remain at its current level of 6.7¢ per kWh, rather than the 7.5¢ per kWh proposed in the November 10, 2004 filing in this docket.

Thank you for your attention to this transmittal. Should you have any questions regarding this filing, please do not hesitate to contact me at (401) 784-7667.

Very truly yours,



Laura S. Olton

Enclosures

cc: Docket 3648 Service List  
John Farley, TEC-RI

THE NARRAGANSETT ELECTRIC COMPANY  
R.I.P.U.C. No. 3648 – Annual Reconciliation Filing  
Responses to Commission’s First Set of Data Requests

Commission Data Request 1-1

Request:

Please provide a calculation showing what Rhode Island’s share of the RMR contract payments would be in 2004 and 2005 if SMD had not been implemented.

Response:

Prior to SMD being implemented, RMR costs would have been socialized across New England. The calculation below illustrates an estimate of what Rhode Island’s share of the RMR contract payments would have been in 2004 had they been socialized. Forecasts of 2005 RMR contract payments are not available.

Jan. – Sept. 2004 Actual RMR Payments	\$137,754,311	ISO-NE Monthly Market Operations Reports
Plus: Oct. - Dec. 2004 Estimated RMR Payments	\$45,918,105	Monthly Average Jan.–Sept. Actuals x 3 (\$15,306,035 x 3)
Equals: Total 2004 Estimated RMR Payments	\$183,672,416	Jan.-Sept. Actuals + Oct.-Dec. Estimate
Times: NECO’s NEPOOL Load Ratio Share	6.26%	NECO’s Y/E 2003 Network Load Ratio Share (7/31/04 NEPOOL Informational Filing)
Equals	\$11,497,893	Est. Rhode Island share of 2004 RMR payments if SMD not implemented

Prepared by or under the supervision of: Carol A. Currier

THE NARRAGANSETT ELECTRIC COMPANY  
R.I.P.U.C. No. 3648 – Annual Reconciliation Filing  
Responses to Commission’s First Set of Data Requests

Commission Data Request 1-2

Request:

Please provide an opinion, with analysis as to whether or not SMD has resulted in an overall savings to Rhode Island customers.

Response:

SMD appears to have resulted in an overall savings to all New England customers, including customers in Rhode Island.

Among the many findings in the ISO-NE's 2003 Annual Markets Report, a copy of which is available at [http://www.iso-ne.com/smd/market\\_analysis\\_and\\_reports/public\\_forum\\_and\\_annual\\_report/2004\\_Annual\\_Forum/2003\\_Annual\\_Markets\\_Report\\_Final.pdf](http://www.iso-ne.com/smd/market_analysis_and_reports/public_forum_and_annual_report/2004_Annual_Forum/2003_Annual_Markets_Report_Final.pdf), ISO-NE found that "[e]nergy prices were consistent with a competitive market. Electric energy market prices were high at SMD implementation (over \$100/MWh) because of high natural gas spot market prices (\$10 - \$12/MMBtu) due, in part, to cold weather. By mid-March, gas prices fell to approximately \$6/MMBtu, with electric energy prices decreasing to the \$50-\$60/MWh range. Average electric energy prices ranged between \$40 and \$50/MWh until December, when cold weather and higher fuel costs caused another rise in electricity prices. The average electric energy price, which rose over 40% relative to the 2002 level on a nominal basis, fell by over 6% when the effect of input fuel prices is accounted for. Fuel is the largest portion of generators’ variable cost of operation, and gas and oil-fired units are generally the marginal units on the system."

The 2003 Annual Market Report also states that "[a] review of SMD's first six months of operation conducted by the ISO’s Independent Market Advisor, David B. Patton, Ph.D. (“the Patton Report”), found that SMD operates as designed, substantially improves the efficiency of the marketplace, and increases participation in the markets for the six-state New England region. The six-month review shows that the introduction of SMD in New England provides benefits, marks an important step in the evolution of wholesale electricity markets in the region, and lays the foundation for future market enhancements." The Patton Report is available at [http://www.iso-ne.com/special\\_studies/Patton\\_Six-Month\\_Review\\_of\\_SMD\\_Electricity\\_Markets/Patton\\_Six-Month\\_Review\\_of\\_SMD\\_Electricity\\_Markets\\_in\\_New\\_England\\_Final\\_02-17-04.pdf](http://www.iso-ne.com/special_studies/Patton_Six-Month_Review_of_SMD_Electricity_Markets/Patton_Six-Month_Review_of_SMD_Electricity_Markets_in_New_England_Final_02-17-04.pdf).

Prepared by or under the supervision of: Michael J. Hager

THE NARRAGANSETT ELECTRIC COMPANY  
R.I.P.U.C. No. 3648 – Annual Reconciliation Filing  
Responses to Commission's First Set of Data Requests

Commission Data Request 1-3

Request:

On the day of the hearing, please provide updated forecasts and schedules at the hearing regarding fuel adjustment payments for 2005. Please specifically provide updated Schedules JAL-1, JAL-7, JAL-8, and JAL-12.

Response:

Schedules JAL-1, JAL-7, JAL-8, JAL-12 and MJH-4 have been updated based on fuel prices as reported in the Wall Street Journal on November 22, 23, and 24 and are attached to this response. Based on this updated fuel forecast, the revised Standard Offer charge effective January 1, 2005 would remain at its current level of 6.7¢ per kWh, rather than the 7.5¢ per kWh proposed in the November 10, 2004 filing in this docket. The Company has also calculated fuel index payments based on fuel prices as reported in the Wall Street Journal on December 7, 8 and 9. That calculation would produce projected fuel index payments that would result in a Standard Offer charge of 6.4¢ per kWh in 2005. (Revised schedules based on the December 7, 8 and 9 fuel prices are *not* attached to this response.) Because of the significant recent volatility in fuel prices, the Company proposes to maintain its current Standard Offer charge of 6.7¢ per kWh effective January 1, 2005, rather than adjust the rate at this time. The Company will continue to monitor its projected Standard Offer reconciliation account balance, report that information to the Commission monthly, and propose changes in the Standard Offer charge in the future if warranted under the circumstances. However, at this time, given the degree of volatility in the fuel markets, the Company believes maintaining the stability of the current Standard Offer charge into 2005 is appropriate.

Prepared by or under the supervision of: Jeanne A. Lloyd and Michael J. Hager

THE NARRAGANSETT ELECTRIC COMPANY  
Re: Rate Changes for January 1, 2005  
Witness: Jeanne A. Lloyd

**Exhibit JAL-1 - Update  
Summary of Proposed Rate Changes**

The Narragansett Electric Company  
 Summary of Proposed Rate Changes for January 1, 2005  
 Effective for All Rate Classes

		<u>Current Rate</u> (a)	<u>Proposed Change in Rate</u> (b)	<u>Proposed Rate</u> (c)
(1)	Standard Offer Rate	\$0.06700	\$0.00000	\$0.06700
(2)	Transition Charge	\$0.00855	(\$0.00010)	\$0.00845
(3)	Transmission Adjustment Factor	\$0.00042	<u>\$0.00197</u>	\$0.00239
			\$0.00187	

Column (a):

- (1) per current tariff
- (2) per current tariff
- (3) per current tariff

Column (b):

- (1) Line (1), Column (c) - Line (1), Column (a)
- (2) Line (2), Column (c) - Line (2), Column (a)
- (3) Line (3), Column (c) - Line (3), Column (a)

Column (c):

- (1) Exhibit JAL-8, Update
- (2) Exhibit JAL-2, page 2
- (3) Exhibit JAL-4, Line (11)

THE NARRAGANSETT ELECTRIC COMPANY  
Re: Rate Changes for January 1, 2005  
Witness: Jeanne A. Lloyd

**Exhibit JAL-7 - Update  
Standard Offer Service Reconciliation**

**The Narragansett Electric Company**  
 Standard Offer Reconciliation

Actual Balance for the Period October 2003 through September 2004 and Projected Balance through December 2004

**Section 1. Balance @ September 30, 2004**

Month	Over(Under) Beginning Balance (a)	Standard Offer Revenue (b)	Standard Offer Base Expense (c)	Fuel Index Payments (d)	Total Standard Offer Expenses (e)	Monthly Over(Under) (f)	Adjustments (g)	Over(Under) Ending Monthly Balance (h)	Monthly Balance Including Unbilled (i)
(1) Oct-03	\$22,825,747	\$11,207,288	\$24,816,572	\$8,224,546	\$33,041,118	(\$21,833,830)	(\$546,718)	\$445,199	\$14,476,731
(1) Nov-03	\$445,199	\$28,063,064	\$24,577,110	\$8,233,798	\$32,810,907	(\$4,747,843)		(\$4,302,644)	\$11,650,255
(1) Dec-03	(\$4,302,644)	\$31,905,799	\$27,227,305	\$9,324,229	\$36,551,534	(\$4,645,735)	\$573,639	(\$8,374,740)	\$9,120,339
(1) Jan-04	(\$8,374,740)	\$34,990,158	\$32,424,687	\$7,215,687	\$39,640,374	(\$4,650,217)		(\$13,024,957)	\$3,967,549
(1) Feb-04	(\$13,024,957)	\$33,985,011	\$28,128,580	\$6,108,978	\$34,237,558	(\$252,547)		(\$13,277,504)	\$2,881,603
(1) Mar-04	(\$13,277,504)	\$32,318,214	\$27,962,040	\$5,201,038	\$33,163,078	(\$844,864)		(\$14,122,367)	\$1,085,312
(1) Apr-04	(\$14,122,367)	\$30,415,360	\$25,578,070	\$4,789,030	\$30,367,100	\$48,259		(\$14,074,108)	\$283,512
(1) May-04	(\$14,074,108)	\$28,715,240	\$26,016,900	\$5,251,443	\$31,268,343	(\$2,553,104)		(\$16,627,212)	(\$837,617)
(1) Jun-04	(\$16,627,212)	\$31,579,189	\$28,592,085	\$6,383,025	\$34,975,109	(\$3,395,921)		(\$20,023,132)	(\$2,521,257)
(1) Jul-04	(\$20,023,132)	\$35,003,751	\$32,429,598	\$7,840,133	\$40,269,730	(\$5,265,980)		(\$25,289,112)	(\$6,147,103)
(1) Aug-04	(\$25,289,112)	\$38,284,019	\$34,047,175	\$8,581,579	\$42,628,754	(\$4,344,735)		(\$29,633,847)	(\$8,280,365)
(1) Sep-04	(\$29,633,847)	\$42,706,963	\$28,824,375	\$7,456,459	\$36,280,834	\$6,426,129		(\$23,207,718)	(\$818,031)
* (1) Oct-04	(\$23,207,718)	\$22,389,687				\$22,389,687		(\$818,031)	
Totals	\$22,825,747	\$401,563,742	\$340,624,496	\$84,609,944	\$425,234,441	(\$23,670,699)	\$26,921	(\$818,031)	
Interest (3)								\$468,764	
Ending Balance@ September 30, 2004 with Interest								(\$349,267)	

- (1) Actual revenues and expenses
- (2) Estimated revenues and expenses
- (3) Interest expense calculation :  $(22,825,747 + -818,031)/2 * (4.61\% * 5/12 + 4.01\% * 7/12)$

\* For September usage billed in October

**Section 2. Projected Balance @ December 31, 2004**

Month	Over(Under) Beginning Balance (a)	Standard Offer Revenue (b)	Standard Offer Base Expense (c)	Fuel Index Payments (d)	Total Standard Offer Expenses (e)	Monthly Over(Under) (f)	Adjustments (g)	Over(Under) Ending Monthly Balance (h)	Monthly Balance Including Unbilled (i)
(2) Oct-04	(\$349,267)	\$14,152,972	\$26,642,385	\$7,381,956	\$34,024,340	(\$19,871,369)		(\$20,220,635)	(\$2,281,912)
(2) Nov-04	(\$20,220,635)	\$35,877,447	\$27,539,956	\$8,599,878	\$36,139,834	(\$262,387)		(\$20,483,022)	(\$1,239,141)
(2) Dec-04	(\$20,483,022)	\$38,487,763	\$29,543,666	\$10,024,052	\$39,567,718	(\$1,079,955)		(\$21,562,978)	(\$1,522,131)
* (2) Jan-05	(\$21,562,978)	\$20,040,847				\$20,040,847		(\$1,522,131)	
Totals	(\$349,267)	\$108,559,028	\$83,726,007	\$26,005,885	\$109,731,892	(\$1,172,864)	\$0	(\$1,522,131)	
Interest (3)								(\$9,380)	
Ending Balance@ December 31, 2004 with Interest								(\$1,531,511)	

\* For December usage billed in January

- (2) Estimated revenues and expenses
- (3) Interest expense calculation :  $(-349,267 + -1,522,131)/2 * (4.01\% * 3/12)$

Column Notes:

- Column (a) Column (g) from previous row; beginning balance from Exhibit JAL-6, RIPUC Docket No. 3571.
- Column (b) from Page 3
- Column (c) from Page 4
- Column (d) from Page 4
- Column (e) Column (c) + Column (d)
- Column (f) Column (b) - Column (e)
- Column (g) Oct 2003: Adjustment to correct entry in 2003 reconciliation. Expense adjustment in October 2002 of \$273,359 was inadvertently recorded as an expense offset.  
Dec: Ending balance from Last Resort Service reconciliation per Commission order in RIPUC Docket No. 3571
- Column (h) Column (a) + Column (f)
- Column (i) Column (g) + 50% of next month's Column (b)



The Narragansett Electric Company  
Summary of Standard Offer Revenue

	<u>Actual</u>		
	<u>Gross Revenue</u>	<u>HVM Discount</u>	<u>Net Revenue</u>
	(a)	(b)	(c)
Oct-03	\$28,731,005	(\$36,014)	\$28,694,991
Nov-03	\$28,097,951	(\$34,887)	\$28,063,064
Dec-03	\$31,941,394	(\$35,595)	\$31,905,799
Jan-04	\$35,025,505	(\$35,348)	\$34,990,158
Feb-04	\$34,020,866	(\$35,855)	\$33,985,011
Mar-04	\$32,352,063	(\$33,849)	\$32,318,214
Apr-04	\$30,451,422	(\$36,063)	\$30,415,360
May-04	\$28,752,238	(\$36,998)	\$28,715,240
Jun-04	\$31,615,697	(\$36,509)	\$31,579,189
Jul-04	\$35,039,896	(\$36,146)	\$35,003,751
Aug-04	\$38,325,406	(\$41,387)	\$38,284,019
Sep-04	\$42,753,996	(\$47,033)	\$42,706,963
Oct-04	\$36,559,139	(\$16,481)	\$36,542,658

Notes:

- (a) from Company SMB702 monthly revenue reports
- (b) Page 4
- (c) Column (a) + Column (b)

The Narragansett Electric Company  
Summary of Standard Offer Revenue - HVM Discount

	<u>kWh</u> <u>Subject to</u> <u>Discount</u> (a)	<u>Discounted</u> <u>kWhs</u> (b)	<u>Effective</u> <u>Standard</u> <u>Offer Rate</u> (c)	<u>Standard</u> <u>Offer HVM</u> <u>Discount</u> (d)
* Oct-03 Sept usage	37,708,701	377,087	\$0.05500	\$20,740
* Oct-03 Oct usage	27,771,361	277,714	\$0.05500	15,274
Nov-03	63,431,241	634,312	\$0.05500	34,887
Dec-03	64,717,377	647,174	\$0.05500	35,595
* Jan-04 Dec usage	32,959,839	329,598	\$0.05500	18,128
* Jan-04 Jan usage	29,186,284	291,863	\$0.05900	17,220
Feb-04	60,770,963	607,710	\$0.05900	35,855
Mar-04	57,370,976	573,710	\$0.05900	33,849
Apr-04	61,123,516	611,235	\$0.05900	36,063
May-04	62,708,596	627,086	\$0.05900	36,998
Jun-04	61,879,395	618,794	\$0.05900	36,509
Jul-04	61,263,704	612,637	\$0.05900	36,146
* Aug-04 July usage	43,105,148	431,051	\$0.05900	25,432
* Aug-04 Aug usage	23,813,627	238,136	\$0.06700	15,955
Sep-04	70,198,482	701,985	\$0.06700	47,033
* Oct-04 Sep usage	24,597,883	245,979	\$0.06700	16,481

\* Usage for these months prorated for rate changes effective for usage on and after the 1st day of the month.

Notes:

- (a) CIS System Data
- (b) Column (a) x 1%
- (c) Currently effective tariff
- (d) Column (b) x Column (c)

**The Narragansett Electric Company**  
 Standard Offer Reconciliation  
 Projected Balance at Year Ending December 31, 2005

**Section 1. Projected Balance @ September 30, 2005**

Month	Over(Under) Beginning Balance (a)	Standard Offer Revenue (b)	Standard Offer Base Expense (c)	Fuel Index Payments (d)	Total Standard Offer Expenses (e)	Monthly Over(Under) (f)	Adjustments (g)	Over(Under) Ending Monthly Balance (h)	Monthly Balance Including Unbilled (i)
(2) Oct-04	(\$349,267)	\$14,152,972	\$26,642,385	\$7,381,956	\$34,024,340	(\$19,871,369)		(\$20,220,635)	(\$2,281,912)
(2) Nov-04	(\$20,220,635)	\$35,877,447	\$27,539,956	\$8,599,878	\$36,139,834	(\$262,387)		(\$20,483,022)	(\$1,239,141)
(2) Dec-04	(\$20,483,022)	\$38,487,763	\$29,543,666	\$10,024,052	\$39,567,718	(\$1,079,955)		(\$21,562,978)	(\$1,522,131)
(2) Jan-05	(\$21,562,978)	\$40,081,693	\$33,160,123	\$5,707,155	\$38,867,278	\$1,214,415		(\$20,348,562)	(\$1,355,871)
(2) Feb-05	(\$20,348,562)	\$37,985,383	\$31,425,818	\$5,879,230	\$37,305,048	\$680,335		(\$19,668,227)	(\$1,311,525)
(2) Mar-05	(\$19,668,227)	\$36,713,404	\$30,373,492	\$6,257,718	\$36,631,210	\$82,194		(\$19,586,033)	(\$2,110,496)
(2) Apr-05	(\$19,586,033)	\$34,951,074	\$28,915,493	\$6,249,461	\$35,164,953	(\$213,880)		(\$19,799,912)	(\$2,941,257)
(2) May-05	(\$19,799,912)	\$33,717,310	\$27,894,783	\$6,043,954	\$33,938,737	(\$221,427)		(\$20,021,339)	(\$2,153,061)
(2) Jun-05	(\$20,021,339)	\$35,736,557	\$29,565,334	\$6,272,566	\$35,837,899	(\$101,342)		(\$20,122,682)	(\$61,087)
(2) Jul-05	(\$20,122,682)	\$40,123,189	\$33,194,453	\$7,030,541	\$40,224,994	(\$101,805)		(\$20,224,487)	\$792,372
(2) Aug-05	(\$20,224,487)	\$42,033,718	\$34,775,060	\$7,434,322	\$42,209,382	(\$175,663)		(\$20,400,150)	(\$600,249)
(2) Sep-05	(\$20,400,150)	\$39,599,802	\$32,761,448	\$7,228,441	\$39,989,890	(\$390,088)		(\$20,790,238)	(\$3,247,335)
* (2) Oct-05	(\$20,790,238)	\$17,542,903				\$17,542,903		(\$3,247,335)	
Totals	(\$349,267)	\$447,003,214	\$365,792,012	\$84,109,271	\$449,901,283	(\$2,898,069)	\$0	(\$3,247,335)	
Interest (3)								(\$72,112)	
Ending Balance@ September 30, 2005 with Interest								(\$3,319,447)	

- (1) Actual revenues and expenses
- (2) Estimated revenues and expenses
- (3) Interest expense calculation :  $(-349,267 + -3,247,335)/2 * (4.01\%)$

\* For September usage billed in October

**Section 2. Projected Balance @ December 31, 2005**

Month	Over(Under) Beginning Balance (a)	Standard Offer Revenue (b)	Standard Offer Base Expense (c)	Fuel Index Payments (d)	Total Standard Offer Expenses (e)	Monthly Over(Under) (f)	Adjustments (g)	Over(Under) Ending Monthly Balance (h)	Monthly Balance Including Unbilled (i)
(2) Oct-05	(\$3,319,447)	\$17,542,903	\$29,026,958	\$6,388,759	\$35,415,716	(\$17,872,814)		(\$21,192,261)	(\$3,064,908)
(2) Nov-05	(\$21,192,261)	\$36,254,707	\$29,994,006	\$6,276,934	\$36,270,940	(\$16,233)		(\$21,208,495)	(\$1,755,955)
(2) Dec-05	(\$21,208,495)	\$38,905,080	\$32,186,695	\$6,712,578	\$38,899,273	\$5,807		(\$21,202,688)	(\$861,228)
* (2) Jan-06	(\$21,202,688)	\$20,341,459				\$20,341,459		(\$861,228)	
Totals	(\$3,319,447)	\$113,044,148	\$91,207,659	\$19,378,271	\$110,585,930	\$2,458,219	\$0	(\$861,228)	
Interest (3)								(\$20,956)	
Ending Balance@ December 31, 2005 with Interest								(\$882,184)	

\* For December usage billed in January

- (2) Estimated revenues and expenses
- (3) Interest expense calculation :  $(-3,319,447 + -861,228)/2 * (4.01\% * 3/12)$

Column Notes:

- Column (a) Column (g) from previous row; beginning balance from Page 1.
- Column (b) from Page 3
- Column (c) from Page 4
- Column (d) from Page 4
- Column (e) Column (c) + Column (d)
- Column (f) Column (b) - Column (e)
- Column (g)
  
- Column (h) Column (a) + Column (f)
- Column (i) Column (g) + 50% of next month's Column (b)

The Narragansett Electric Company  
Standard Offer Reconciliation  
Estimated Revenue through January 2006

(1) Estimated Standard Offer kWh Deliveries 85.9%

<u>Month</u>	Estimated Total Company kWh <u>Deliveries</u> (a)	Estimated Standard Offer <u>Deliveries</u> (b)	Standard Offer <u>Rate</u> (c)	Total Estimated <u>Revenues</u> (d)
			\$0.06700	
Oct-04	603,064,000	518,031,976	\$0.06700	\$34,708,142
Nov-04	623,381,000	535,484,279	\$0.06700	\$35,877,447
Dec-04	668,736,000	574,444,224	\$0.06700	\$38,487,763
Jan-05	696,431,000	598,234,229	\$0.06700	\$40,081,693
Feb-05	660,007,000	566,946,013	\$0.06700	\$37,985,383
Mar-05	637,906,000	547,961,254	\$0.06700	\$36,713,404
Apr-05	607,285,000	521,657,815	\$0.06700	\$34,951,074
May-05	585,848,000	503,243,432	\$0.06700	\$33,717,310
Jun-05	620,933,000	533,381,447	\$0.06700	\$35,736,557
Jul-05	697,152,000	598,853,568	\$0.06700	\$40,123,189
Aug-05	730,348,000	627,368,932	\$0.06700	\$42,033,718
Sep-05	688,058,000	591,041,822	\$0.06700	\$39,599,802
Oct-05	609,626,000	523,668,734	\$0.06700	\$35,085,805
Nov-05	629,936,000	541,115,024	\$0.06700	\$36,254,707
Dec-05	675,987,000	580,672,833	\$0.06700	\$38,905,080
Jan-06	706,877,465	607,207,742	\$0.06700	\$40,682,919

Column Notes:

- (a) Per Company forecast  
(b) Column (a) x Line (1)  
(c) Per currently effective tariff  
(d) Column (b) x Column (c)
- (1) From Page 3, Line (3)

The Narragansett Electric Company  
 Standard Offer Reconciliation  
 Estimated Standard Offer Expenses through December 2005

**Section 1. Estimation of Standard Offer kWh Deliveries**

	<u>Oct-04</u>
(1) Standard Offer kWhs	545,445,628
(2) Total kWh Deliveries	634,731,915
(3) Percentage of Standard Offer kWhs to Total kWhs	85.9%

Notes:

- (1) Company revenue reports
- (2) Company revenue reports
- (3) Line (1) ÷ Line (2)

**Section 2. Calculation of Estimated Expenses**

	Estimated Total Company kWh Deliveries (a)	% of Standard Offer kWhs to Total kWhs (b)	Estimated Standard Offer kWh Deliveries (c)	Estimated Base Standard Offer Charge (d)	Estimated Base Standard Offer Expenses (e)	Estimated Fuel Index Value per kWh (f)	Estimated Fuel Index Payments (g)	Total Estimated Standard Offer Expenses (h)
Oct-04	603,064,000	85.9%	518,031,976	\$0.05143	\$26,642,385	\$0.01425	\$7,381,956	\$34,024,340
Nov-04	623,381,000	85.9%	535,484,279	\$0.05143	\$27,539,956	\$0.01606	\$8,599,878	\$36,139,834
Dec-04	668,736,000	85.9%	574,444,224	\$0.05143	\$29,543,666	\$0.01745	\$10,024,052	\$39,567,718
Jan-05	696,431,000	85.9%	598,234,229	\$0.05543	\$33,160,123	\$0.00954	\$5,707,155	\$38,867,278
Feb-05	660,007,000	85.9%	566,946,013	\$0.05543	\$31,425,818	\$0.01037	\$5,879,230	\$37,305,048
Mar-05	637,906,000	85.9%	547,961,254	\$0.05543	\$30,373,492	\$0.01142	\$6,257,718	\$36,631,210
Apr-05	607,285,000	85.9%	521,657,815	\$0.05543	\$28,915,493	\$0.01198	\$6,249,461	\$35,164,953
May-05	585,848,000	85.9%	503,243,432	\$0.05543	\$27,894,783	\$0.01201	\$6,043,954	\$33,938,737
Jun-05	620,933,000	85.9%	533,381,447	\$0.05543	\$29,565,334	\$0.01176	\$6,272,566	\$35,837,899
Jul-05	697,152,000	85.9%	598,853,568	\$0.05543	\$33,194,453	\$0.01174	\$7,030,541	\$40,224,994
Aug-05	730,348,000	85.9%	627,368,932	\$0.05543	\$34,775,060	\$0.01185	\$7,434,322	\$42,209,382
Sep-05	688,058,000	85.9%	591,041,822	\$0.05543	\$32,761,448	\$0.01223	\$7,228,441	\$39,989,890
Oct-05	609,626,000	85.9%	523,668,734	\$0.05543	\$29,026,958	\$0.01220	\$6,388,759	\$35,415,716
Nov-05	629,936,000	85.9%	541,115,024	\$0.05543	\$29,994,006	\$0.01160	\$6,276,934	\$36,270,940
Dec-05	675,987,000	85.9%	580,672,833	\$0.05543	\$32,186,695	\$0.01156	\$6,712,578	\$38,899,273
Total Expected Payments through December 2005 .....							\$103,487,542	\$560,487,213

Column Notes:

- (a) Per Company forecast
- (b) Section 1, Line (3)
- (c) Column (a) x Column (b)
- (d) Per standard offer contract (includes estimate for base SO adjustment for contract amendment as approved in RIPUC Docket No. 3496)
- (e) Column (c) x Column (d)
- (f) Company estimate based on fuel futures prices as reported on 11/22/04, 11/23/04 & 11/24/04
- (g) Column (c) x Column (f)
- (h) Column (e) + Column (g)

THE NARRAGANSETT ELECTRIC COMPANY  
Re: Rate Changes for January 1, 2005  
Witness: Jeanne A. Lloyd

**Exhibit JAL-8 - Update  
Calculation of Proposed Standard Offer Rate  
for January 2005**

**The Narragansett Electric Company  
Calculation of Proposed Standard Offer Charge  
Based on Most Recent Fuel Price Estimates**

**Proposed Standard Offer Charge**

Designed to Collect Entire Under Recovery through December 2005

Effective  
01-Jan-2005

1. Estimated Under/(Over) Recovery @ December 2005	\$882,184
2. Estimated Standard Offer kWhs for the period	<u>6,734,145,103</u>
3. Estimated Fuel Adjustment for the period	\$0.00000
4. Current Standard Offer Charge	<u>\$0.06700</u>
<b>5. Standard Offer Charge</b>	<b>\$0.06700</b>

1. from Exhibit JAL-7 - Update, Page 4, Section 2.
2. from Exhibit JAL-7 - Update, Page 6, Column (c), kWh deliveries on and after the effective date
3. Line 1 ÷ Line 2, truncated to three places
4. per tariff
5. Line 3 + Line 4

THE NARRAGANSETT ELECTRIC COMPANY  
Re: Rate Changes for January 1, 2005  
Witness: Jeanne A. Lloyd

**Exhibit JAL-12 - Update  
Typical Bill Analysis**



File: S:\RADATA\1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-16 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
120	\$17.01	\$8.38	\$8.63	\$17.25	\$8.38	\$8.87	\$0.24	1.4%	8%
240	\$31.15	\$16.75	\$14.40	\$31.62	\$16.75	\$14.87	\$0.47	1.5%	14%
500	\$61.80	\$34.90	\$26.90	\$62.77	\$34.90	\$27.87	\$0.97	1.6%	34%
700	\$85.36	\$48.85	\$36.51	\$86.72	\$48.85	\$37.87	\$1.36	1.6%	18%
950	\$114.82	\$66.30	\$48.52	\$116.67	\$66.30	\$50.37	\$1.85	1.6%	13%
1,000	\$120.72	\$69.79	\$50.93	\$122.67	\$69.79	\$52.88	\$1.95	1.6%	2%

Present Rates: A-16

Customer Charge		\$2.75
Transmission Energy Charge (1)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03380
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: A-16

Customer Charge		\$2.75
Transmission Energy Charge (2)	kWh x	\$0.00675
Distribution Energy Charge	kWh x	\$0.03380
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-16(former A-32) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
500	\$59.24	\$34.90	\$24.34	\$60.21	\$34.90	\$25.31	\$0.97	1.6%	15%
1,000	\$115.60	\$69.79	\$45.81	\$117.55	\$69.79	\$47.76	\$1.95	1.7%	35%
2,500	\$284.71	\$174.48	\$110.23	\$289.58	\$174.48	\$115.10	\$4.87	1.7%	13%
5,000	\$566.56	\$348.96	\$217.60	\$576.30	\$348.96	\$227.34	\$9.74	1.7%	24%
7,500	\$848.41	\$523.44	\$324.97	\$863.02	\$523.44	\$339.58	\$14.61	1.7%	8%

Present Rates:

A-16(former A-32)

Customer Charge		\$2.75
Transmission Energy Charge (1)	kWh x	\$0.00478
Distribution Energy Charge	kWh x	\$0.03380
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00820

Proposed Rates:

A-16(former A-32)

Customer Charge		\$2.75
Transmission Energy Charge (2)	kWh x	\$0.00675
Distribution Energy Charge	kWh x	\$0.03380
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00820

Gross Earnings Tax 4.00%

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Standard Offer Charge kWh x \$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - Winter (December through March)  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$9.92	\$6.98	\$2.94	\$10.12	\$6.98	\$3.14	\$0.20	2.0%	2%
200	\$19.84	\$13.96	\$5.88	\$20.23	\$13.96	\$6.27	\$0.39	2.0%	10%
300	\$29.77	\$20.94	\$8.83	\$30.35	\$20.94	\$9.41	\$0.58	1.9%	18%
500	\$50.32	\$34.90	\$15.42	\$51.29	\$34.90	\$16.39	\$0.97	1.9%	31%
750	\$78.67	\$52.34	\$26.33	\$80.14	\$52.34	\$27.80	\$1.47	1.9%	20%
1250	\$135.14	\$87.24	\$47.90	\$137.57	\$87.24	\$50.33	\$2.43	1.8%	18%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge (over 1200 kWh)	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00577
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge (over 1200 kWh)	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

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Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - Winter (December through March)  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Difference		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$9.37	\$6.98	\$2.39	\$9.57	\$6.98	\$2.59	\$0.20	2.1%	1%
200	\$18.74	\$13.96	\$4.78	\$19.13	\$13.96	\$5.17	\$0.39	2.1%	4%
300	\$28.12	\$20.94	\$7.18	\$28.70	\$20.94	\$7.76	\$0.58	2.1%	8%
500	\$47.57	\$34.90	\$12.67	\$48.54	\$34.90	\$13.64	\$0.97	2.0%	19%
750	\$74.55	\$52.34	\$22.21	\$76.01	\$52.34	\$23.67	\$1.46	2.0%	22%
1250	\$131.01	\$87.24	\$43.77	\$133.45	\$87.24	\$46.21	\$2.44	1.9%	48%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge (over 1200 kWh)	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	-\$0.00528
Customer Credit	kWh x	-\$0.00329

Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00577
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (next 750 kWh)	kWh x	\$0.03055
Tail Block Energy Charge (over 1200 kWh)	kWh x	\$0.02548
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	-\$0.00528
Customer Credit	kWh x	-\$0.00329

Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

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Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - April through November  
Without Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$9.92	\$6.98	\$2.94	\$10.12	\$6.98	\$3.14	\$0.20	2.0%	3%
200	\$19.84	\$13.96	\$5.88	\$20.23	\$13.96	\$6.27	\$0.39	2.0%	12%
300	\$29.77	\$20.94	\$8.83	\$30.35	\$20.94	\$9.41	\$0.58	1.9%	19%
500	\$50.32	\$34.90	\$15.42	\$51.29	\$34.90	\$16.39	\$0.97	1.9%	30%
750	\$78.67	\$52.34	\$26.33	\$80.14	\$52.34	\$27.80	\$1.47	1.9%	20%
1250	\$135.40	\$87.24	\$48.16	\$137.84	\$87.24	\$50.60	\$2.44	1.8%	15%

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (over 450 kWhs)	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000
Customer Credit		(\$0.00329)
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00577
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (over 450 kWh)	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	\$0.00000
Customer Credit		(\$0.00329)
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

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Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on A-60 Rate Customers - April through November  
With Control Credit for Water Heater

Monthly kWh	Present Rates			Proposed Rates			Difference		
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
100	\$9.37	\$6.98	\$2.39	\$9.57	\$6.98	\$2.59	\$0.20	2.1%	2
200	\$18.74	\$13.96	\$4.78	\$19.13	\$13.96	\$5.17	\$0.39	2.1%	7
300	\$28.12	\$20.94	\$7.18	\$28.70	\$20.94	\$7.76	\$0.58	2.1%	11
500	\$47.57	\$34.90	\$12.67	\$48.54	\$34.90	\$13.64	\$0.97	2.0%	25
750	\$74.55	\$52.34	\$22.21	\$76.01	\$52.34	\$23.67	\$1.46	2.0%	23
1250	\$131.28	\$87.24	\$44.04	\$133.71	\$87.24	\$46.47	\$2.43	1.9%	34

Present Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (1)	kWh x	\$0.00380
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (over 450 kWhs)	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	-\$0.00528
Customer Credit	kWh x	-\$0.00329
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: A-60

Customer Charge		\$0.00
Transmission Energy Charge (2)	kWh x	\$0.00577
Initial Block Energy Charge (1st 450 kWh)	kWh x	\$0.01688
Second Block Energy Charge (over 450 kWh)	kWh x	\$0.03055
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Credit for 1st 750 kWh	kWh x	-\$0.00528
Customer Credit	kWh x	-\$0.00329
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on C-06 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
250	\$36.62	\$17.45	\$19.17	\$37.10	\$17.45	\$19.65	\$0.48	1.3%	34%
500	\$66.98	\$34.90	\$32.08	\$67.96	\$34.90	\$33.06	\$0.98	1.5%	17%
1,000	\$127.71	\$69.79	\$57.92	\$129.65	\$69.79	\$59.86	\$1.94	1.5%	19%
1,500	\$188.44	\$104.69	\$83.75	\$191.36	\$104.69	\$86.67	\$2.92	1.5%	11%
2,000	\$249.16	\$139.58	\$109.58	\$253.06	\$139.58	\$113.48	\$3.90	1.6%	5%

Present Rates: C-06

Customer Charge		\$6.00
Transmission Energy Charge (1)	kWh x	\$0.00578
Distribution Energy Charge	kWh x	\$0.03662
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00365
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: C-06

Customer Charge		\$6.00
Transmission Energy Charge (2)	kWh x	\$0.00775
Distribution Energy Charge	kWh x	\$0.03662
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00365
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on R-02 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
250	\$24.18	\$17.45	\$6.73	\$24.66	\$17.45	\$7.21	\$0.48	2.0%	16%
500	\$47.98	\$34.90	\$13.08	\$48.95	\$34.90	\$14.05	\$0.97	2.0%	23%
1,000	\$95.57	\$69.79	\$25.78	\$97.52	\$69.79	\$27.73	\$1.95	2.0%	49%
1,500	\$143.17	\$104.69	\$38.48	\$146.10	\$104.69	\$41.41	\$2.93	2.0%	10%
2,000	\$190.77	\$139.58	\$51.19	\$194.66	\$139.58	\$55.08	\$3.89	2.0%	2%

Present Rates: R-02

Unmetered Charge		\$0.36
Transmission Energy Charge	kWh x	\$0.00301
Distribution Energy Charge	kWh x	\$0.01418
Transition Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00365

Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: R-02

Unmetered Charge		\$0.36
Transmission Energy Charge	kWh x	\$0.00498
Distribution Energy Charge	kWh x	\$0.01418
Transition Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00365

Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.  
Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.



File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on E-30 Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Number of Custs
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
1,000	\$103.90	\$69.79	\$34.11	\$105.85	\$69.79	\$36.06	\$1.95	1.9%	15%
2,500	\$255.47	\$174.48	\$80.99	\$260.34	\$174.48	\$85.86	\$4.87	1.9%	15%
5,000	\$508.07	\$348.96	\$159.11	\$517.81	\$348.96	\$168.85	\$9.74	1.9%	38%
10,000	\$1,013.28	\$697.92	\$315.36	\$1,032.76	\$697.92	\$334.84	\$19.48	1.9%	0%
25,000	\$2,528.90	\$1,744.79	\$784.11	\$2,577.60	\$1,744.79	\$832.81	\$48.70	1.9%	8%
50,000	\$5,054.94	\$3,489.58	\$1,565.36	\$5,152.34	\$3,489.58	\$1,662.76	\$97.40	1.9%	23%

Present Rates: E-30

Customer Charge		\$2.75
Transmission Energy Charge	kWh x	\$0.00303
Distribution Energy Charge	kWh x	\$0.01941
Transition Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: E-30

Customer Charge		\$2.75
Transmission Energy Charge	kWh x	\$0.00500
Distribution Energy Charge	kWh x	\$0.01941
Transition Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	4,000	\$502.91	\$279.17	\$223.74	\$510.70	\$279.17	\$231.53	\$7.79	1.5%
50	10,000	\$1,168.03	\$697.92	\$470.11	\$1,187.51	\$697.92	\$489.59	\$19.48	1.7%
100	20,000	\$2,276.57	\$1,395.83	\$880.74	\$2,315.53	\$1,395.83	\$919.70	\$38.96	1.7%
150	30,000	\$3,385.11	\$2,093.75	\$1,291.36	\$3,443.55	\$2,093.75	\$1,349.80	\$58.44	1.7%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	6,000	\$676.39	\$418.75	\$257.64	\$688.07	\$418.75	\$269.32	\$11.68	1.7%
50	15,000	\$1,601.73	\$1,046.88	\$554.85	\$1,630.95	\$1,046.88	\$584.07	\$29.22	1.8%
100	30,000	\$3,143.97	\$2,093.75	\$1,050.22	\$3,202.41	\$2,093.75	\$1,108.66	\$58.44	1.9%
150	45,000	\$4,686.21	\$3,140.63	\$1,545.58	\$4,773.87	\$3,140.63	\$1,633.24	\$87.66	1.9%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	8,000	\$849.86	\$558.33	\$291.53	\$865.44	\$558.33	\$307.11	\$15.58	1.8%
50	20,000	\$2,035.42	\$1,395.83	\$639.59	\$2,074.38	\$1,395.83	\$678.55	\$38.96	1.9%
100	40,000	\$4,011.37	\$2,791.67	\$1,219.70	\$4,089.28	\$2,791.67	\$1,297.61	\$77.91	1.9%
150	60,000	\$5,987.30	\$4,187.50	\$1,799.80	\$6,104.18	\$4,187.50	\$1,916.68	\$116.88	2.0%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	10,000	\$1,023.35	\$697.92	\$325.43	\$1,042.83	\$697.92	\$344.91	\$19.48	1.9%
50	25,000	\$2,469.12	\$1,744.79	\$724.33	\$2,517.82	\$1,744.79	\$773.03	\$48.70	2.0%
100	50,000	\$4,878.76	\$3,489.58	\$1,389.18	\$4,976.15	\$3,489.58	\$1,486.57	\$97.39	2.0%
150	75,000	\$7,288.40	\$5,234.38	\$2,054.02	\$7,434.49	\$5,234.38	\$2,200.11	\$146.09	2.0%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-02 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
20	12,000	\$1,196.82	\$837.50	\$359.32	\$1,220.20	\$837.50	\$382.70	\$23.38	2.0%
50	30,000	\$2,902.82	\$2,093.75	\$809.07	\$2,961.26	\$2,093.75	\$867.51	\$58.44	2.0%
100	60,000	\$5,746.16	\$4,187.50	\$1,558.66	\$5,863.03	\$4,187.50	\$1,675.53	\$116.87	2.0%
150	90,000	\$8,589.49	\$6,281.25	\$2,308.24	\$8,764.80	\$6,281.25	\$2,483.55	\$175.31	2.0%

Present Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: G-02

Customer Charge		\$103.41
Transmission Demand Charge-xcs 10 kW	kW x	\$1.40
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge-xcs 10 kW	kW x	\$3.23
Distribution Energy Charge	kWh x	\$0.00777
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00277
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	100,000	\$10,840.03	\$6,979.17	\$3,860.86	\$11,034.83	\$6,979.17	\$4,055.66	\$194.80	1.8%
1,000	200,000	\$21,433.78	\$13,958.33	\$7,475.45	\$21,823.36	\$13,958.33	\$7,865.03	\$389.58	1.8%
1,500	300,000	\$32,027.53	\$20,937.50	\$11,090.03	\$32,611.91	\$20,937.50	\$11,674.41	\$584.38	1.8%
2,000	400,000	\$42,621.28	\$27,916.67	\$14,704.61	\$43,400.45	\$27,916.67	\$15,483.78	\$779.17	1.8%
2,500	500,000	\$53,215.03	\$34,895.83	\$18,319.20	\$54,188.99	\$34,895.83	\$19,293.16	\$973.96	1.8%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	150,000	\$15,259.30	\$10,468.75	\$4,790.55	\$15,551.49	\$10,468.75	\$5,082.74	\$292.19	1.9%
1,000	300,000	\$30,272.32	\$20,937.50	\$9,334.82	\$30,856.70	\$20,937.50	\$9,919.20	\$584.38	1.9%
1,500	450,000	\$45,285.34	\$31,406.25	\$13,879.09	\$46,161.91	\$31,406.25	\$14,755.66	\$876.57	1.9%
2,000	600,000	\$60,298.36	\$41,875.00	\$18,423.36	\$61,467.11	\$41,875.00	\$19,592.11	\$1,168.75	1.9%
2,500	750,000	\$75,311.39	\$52,343.75	\$22,967.64	\$76,772.32	\$52,343.75	\$24,428.57	\$1,460.93	1.9%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700



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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	200,000	\$19,678.57	\$13,958.33	\$5,720.24	\$20,068.15	\$13,958.33	\$6,109.82	\$389.58	2.0%
1,000	400,000	\$39,110.87	\$27,916.67	\$11,194.20	\$39,890.03	\$27,916.67	\$11,973.36	\$779.16	2.0%
1,500	600,000	\$58,543.16	\$41,875.00	\$16,668.16	\$59,711.91	\$41,875.00	\$17,836.91	\$1,168.75	2.0%
2,000	800,000	\$77,975.44	\$55,833.33	\$22,142.11	\$79,533.78	\$55,833.33	\$23,700.45	\$1,558.34	2.0%
2,500	1,000,000	\$97,407.74	\$69,791.67	\$27,616.07	\$99,355.66	\$69,791.67	\$29,563.99	\$1,947.92	2.0%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	250,000	\$24,097.85	\$17,447.92	\$6,649.93	\$24,584.83	\$17,447.92	\$7,136.91	\$486.98	2.0%
1,000	500,000	\$47,949.40	\$34,895.83	\$13,053.57	\$48,923.36	\$34,895.83	\$14,027.53	\$973.96	2.0%
1,500	750,000	\$71,800.97	\$52,343.75	\$19,457.22	\$73,261.91	\$52,343.75	\$20,918.16	\$1,460.94	2.0%
2,000	1,000,000	\$95,652.53	\$69,791.67	\$25,860.86	\$97,600.45	\$69,791.67	\$27,808.78	\$1,947.92	2.0%
2,500	1,250,000	\$119,504.09	\$87,239.58	\$32,264.51	\$121,938.99	\$87,239.58	\$34,699.41	\$2,434.90	2.0%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

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The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-32 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
500	300,000	\$28,517.11	\$20,937.50	\$7,579.61	\$29,101.49	\$20,937.50	\$8,163.99	\$584.38	2.0%
1,000	600,000	\$56,787.95	\$41,875.00	\$14,912.95	\$57,956.70	\$41,875.00	\$16,081.70	\$1,168.75	2.1%
1,500	900,000	\$85,058.78	\$62,812.50	\$22,246.28	\$86,811.91	\$62,812.50	\$23,999.41	\$1,753.13	2.1%
2,000	1,200,000	\$113,329.61	\$83,750.00	\$29,579.61	\$115,667.11	\$83,750.00	\$31,917.11	\$2,337.50	2.1%
2,500	1,500,000	\$141,600.45	\$104,687.50	\$36,912.95	\$144,522.32	\$104,687.50	\$39,834.82	\$2,921.87	2.1%

Present Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-32

Customer Charge		\$236.43
Transmission Demand Charge	kW x	\$1.27
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.10
Distribution Energy Charge	kWh x	\$0.00889
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00231

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 200

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	600,000	\$77,082.00	\$41,875.00	\$35,207.00	\$78,250.75	\$41,875.00	\$36,375.75	\$1,168.75	1.5%
4,000	800,000	\$96,832.00	\$55,833.33	\$40,998.67	\$98,390.33	\$55,833.33	\$42,557.00	\$1,558.33	1.6%
5,000	1,000,000	\$116,582.00	\$69,791.67	\$46,790.33	\$118,529.92	\$69,791.67	\$48,738.25	\$1,947.92	1.7%
6,000	1,200,000	\$136,332.00	\$83,750.00	\$52,582.00	\$138,669.50	\$83,750.00	\$54,919.50	\$2,337.50	1.7%
7,000	1,400,000	\$156,082.00	\$97,708.33	\$58,373.67	\$158,809.08	\$97,708.33	\$61,100.75	\$2,727.08	1.7%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 300

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	900,000	\$100,878.88	\$62,812.50	\$38,066.38	\$102,632.00	\$62,812.50	\$39,819.50	\$1,753.12	1.7%
4,000	1,200,000	\$128,561.17	\$83,750.00	\$44,811.17	\$130,898.67	\$83,750.00	\$47,148.67	\$2,337.50	1.8%
5,000	1,500,000	\$156,243.46	\$104,687.50	\$51,555.96	\$159,165.33	\$104,687.50	\$54,477.83	\$2,921.87	1.9%
6,000	1,800,000	\$183,925.75	\$125,625.00	\$58,300.75	\$187,432.00	\$125,625.00	\$61,807.00	\$3,506.25	1.9%
7,000	2,100,000	\$211,608.04	\$146,562.50	\$65,045.54	\$215,698.67	\$146,562.50	\$69,136.17	\$4,090.63	1.9%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 400

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	1,200,000	\$124,675.75	\$83,750.00	\$40,925.75	\$127,013.25	\$83,750.00	\$43,263.25	\$2,337.50	1.9%
4,000	1,600,000	\$160,290.34	\$111,666.67	\$48,623.67	\$163,407.00	\$111,666.67	\$51,740.33	\$3,116.66	1.9%
5,000	2,000,000	\$195,904.91	\$139,583.33	\$56,321.58	\$199,800.75	\$139,583.33	\$60,217.42	\$3,895.84	2.0%
6,000	2,400,000	\$231,519.50	\$167,500.00	\$64,019.50	\$236,194.50	\$167,500.00	\$68,694.50	\$4,675.00	2.0%
7,000	2,800,000	\$267,134.09	\$195,416.67	\$71,717.42	\$272,588.25	\$195,416.67	\$77,171.58	\$5,454.16	2.0%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 500

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	1,500,000	\$148,472.63	\$104,687.50	\$43,785.13	\$151,394.50	\$104,687.50	\$46,707.00	\$2,921.87	2.0%
4,000	2,000,000	\$192,019.50	\$139,583.33	\$52,436.17	\$195,915.33	\$139,583.33	\$56,332.00	\$3,895.83	2.0%
5,000	2,500,000	\$235,566.38	\$174,479.17	\$61,087.21	\$240,436.17	\$174,479.17	\$65,957.00	\$4,869.79	2.1%
6,000	3,000,000	\$279,113.25	\$209,375.00	\$69,738.25	\$284,957.00	\$209,375.00	\$75,582.00	\$5,843.75	2.1%
7,000	3,500,000	\$322,660.12	\$244,270.83	\$78,389.29	\$329,477.83	\$244,270.83	\$85,207.00	\$6,817.71	2.1%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

File: S:\RADATA1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on G-62 Rate Customers

Hours Use: 600

Monthly Power		Present Rates			Proposed Rates			Increase/(Decrease)	
kW	kWh	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total
3,000	1,800,000	\$172,269.50	\$125,625.00	\$46,644.50	\$175,775.75	\$125,625.00	\$50,150.75	\$3,506.25	2.0%
4,000	2,400,000	\$223,748.67	\$167,500.00	\$56,248.67	\$228,423.67	\$167,500.00	\$60,923.67	\$4,675.00	2.1%
5,000	3,000,000	\$275,227.83	\$209,375.00	\$65,852.83	\$281,071.58	\$209,375.00	\$71,696.58	\$5,843.75	2.1%
6,000	3,600,000	\$326,707.00	\$251,250.00	\$75,457.00	\$333,719.50	\$251,250.00	\$82,469.50	\$7,012.50	2.1%
7,000	4,200,000	\$378,186.17	\$293,125.00	\$85,061.17	\$386,367.42	\$293,125.00	\$93,242.42	\$8,181.25	2.2%

Present Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00042
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700

Proposed Rates: G-62

Customer Charge		\$17,118.72
Transmission Demand Charge	kW x	\$1.39
Transmission Adjustment Factor	kWh x	\$0.00239
Distribution Demand Charge	kW x	\$2.34
Distribution Energy Charge	kWh x	\$0.00000
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00212

Gross Earnings Tax 4.00%

Standard Offer Charge kWh x \$0.06700



File: S:\RADATA\1\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on T-06 (Res) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
500	\$56.68	\$34.90	\$21.78	\$57.66	\$34.90	\$22.76	\$0.98	1.7%	30%
1,000	\$110.49	\$69.79	\$40.70	\$112.44	\$69.79	\$42.65	\$1.95	1.8%	25%
2,000	\$218.11	\$139.58	\$78.53	\$222.01	\$139.58	\$82.43	\$3.90	1.8%	14%
5,000	\$540.99	\$348.96	\$192.03	\$550.73	\$348.96	\$201.77	\$9.74	1.8%	15%
10,000	\$1,079.12	\$697.92	\$381.20	\$1,098.60	\$697.92	\$400.68	\$19.48	1.8%	7%
20,000	\$2,155.36	\$1,395.83	\$759.53	\$2,194.32	\$1,395.83	\$798.49	\$38.96	1.8%	9%

Present Rates: T-06 (Res)

Customer Charge		\$2.75
Transmission Energy Charge (1)	kWh x	\$0.00403
Distribution Energy Charge	kWh x	\$0.02473
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: T-06 (Res)

Customer Charge		\$2.75
Transmission Energy Charge (2)	kWh x	\$0.00600
Distribution Energy Charge	kWh x	\$0.02473
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00329
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

File: S:\RADATA\2004 neco\Year End Filing\Hearing updates\Nov fuel\TYPBILLS.XLS\Input Section

Date: 9-Dec-04  
Time: 11:57 AM

The Narragansett Electric Company  
Calculation of Monthly Typical Bill  
Comparison of Present and Proposed Rates  
Impact on T-06 (C&I) Rate Customers

Monthly kWh	Present Rates			Proposed Rates			Increase/(Decrease)		Percent of Bills
	Total	Standard Offer	"Wires"	Total	Standard Offer	"Wires"	Amount	% of Total	
500	\$60.13	\$34.90	\$25.23	\$61.11	\$34.90	\$26.21	\$0.98	1.6%	3%
1,000	\$114.01	\$69.79	\$44.22	\$115.96	\$69.79	\$46.17	\$1.95	1.7%	8%
2,000	\$221.77	\$139.58	\$82.19	\$225.66	\$139.58	\$86.08	\$3.89	1.8%	17%
5,000	\$545.05	\$348.96	\$196.09	\$554.79	\$348.96	\$205.83	\$9.74	1.8%	19%
10,000	\$1,083.86	\$697.92	\$385.94	\$1,103.34	\$697.92	\$405.42	\$19.48	1.8%	17%
20,000	\$2,161.46	\$1,395.83	\$765.63	\$2,200.41	\$1,395.83	\$804.58	\$38.95	1.8%	36%

Present Rates: T-06 (C&I)

Customer Charge		\$6.00
Transmission Energy Charge (1)	kWh x	\$0.00403
Distribution Energy Charge	kWh x	\$0.02522
Transition Energy Charge	kWh x	\$0.00855
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00365
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Proposed Rates: T-06 (C&I)

Customer Charge		\$6.00
Transmission Energy Charge (2)	kWh x	\$0.00600
Distribution Energy Charge	kWh x	\$0.02522
Transition Energy Charge	kWh x	\$0.00845
C&LM Adjustment	kWh x	\$0.00230
S.O. Adj.	kWh x	\$0.00000
Customer Credit	kWh x	-\$0.00365
Gross Earnings Tax		4.00%
Standard Offer Charge	kWh x	\$0.06700

Note (1): Includes Transmission Adjustment Factor of \$.00042/kWh.

Note (2): Includes Transmission Adjustment Factor of \$.00239/kWh.

THE NARRAGANSETT ELECTRIC COMPANY  
Re: Rate Changes for January 1, 2005  
Witness: Michael J. Hager

## **Exhibit MJH-4 - Update**

Prices published in WSJ on: 22-Nov-04 23-Nov-04 24-Nov-04

**The Narragansett Electric Company**  
**DETERMINATION OF MARKET GAS PRICE**

(Col. A)	(Col. B)	(Col. C)	(Col. D)	(Col. E)	(Col. F)	(Col. G)	(Col. H)	(Col. I)
Contract Month	Last Month of Trading	Settlement Prices (\$/mmBtu)			Gas Index	NGrid's Market Gas Price	EUA's Market Gas Price	SOS Delivery Month
		3rd Last	2nd Last	Last				
Feb-03	Jan-03	\$5.396	\$5.444	\$5.660	\$5.500	\$3.731	\$3.901	Feb-03
Mar-03	Feb-03	\$9.137	\$9.577	\$9.133	\$9.282	\$4.306	\$4.328	Mar-03
Apr-03	Mar-03	\$5.077	\$5.097	\$5.146	\$5.107	\$4.446	\$5.298	Apr-03
May-03	Apr-03	\$5.474	\$5.477	\$5.123	\$5.358	\$4.615	\$5.542	May-03
Jun-03	May-03	\$6.119	\$5.900	\$5.945	\$5.988	\$4.835	\$5.750	Jun-03
Jul-03	Jun-03	\$5.697	\$5.757	\$5.291	\$5.582	\$5.018	\$6.045	Jul-03
Aug-03	Jul-03	\$4.706	\$4.700	\$4.693	\$4.700	\$5.165	\$6.136	Aug-03
Sep-03	Aug-03	\$5.083	\$5.038	\$4.927	\$5.016	\$5.295	\$6.003	Sep-03
Oct-03	Sep-03	\$4.588	\$4.542	\$4.430	\$4.520	\$5.368	\$5.292	Oct-03
Nov-03	Oct-03	\$4.512	\$4.486	\$4.459	\$4.486	\$5.399	\$5.194	Nov-03
Dec-03	Nov-03	\$4.634	\$4.682	\$4.860	\$4.725	\$5.441	\$5.049	Dec-03
Jan-04	Dec-03	\$6.143	\$6.379	\$6.150	\$6.224	\$5.541	\$4.838	Jan-04
Feb-04	Jan-04	\$5.727	\$5.716	\$5.775	\$5.739	\$5.561	\$4.945	Feb-04
Mar-04	Feb-04	\$5.127	\$5.077	\$5.150	\$5.118	\$5.214	\$5.118	Mar-04
Apr-04	Mar-04	\$5.336	\$5.395	\$5.365	\$5.365	\$5.235	\$5.135	Apr-04
May-04	Apr-04	\$5.764	\$5.874	\$5.935	\$5.858	\$5.277	\$5.276	May-04
Jun-04	May-04	\$6.705	\$6.684	\$6.680	\$6.690	\$5.335	\$5.505	Jun-04
Jul-04	Jun-04	\$6.485	\$6.353	\$6.141	\$6.326	\$5.397	\$5.832	Jul-04
Aug-04	Jul-04	\$5.957	\$5.989	\$6.048	\$5.998	\$5.505	\$5.849	Aug-04
Sep-04	Aug-04	\$5.298	\$5.189	\$5.082	\$5.190	\$5.520	\$5.893	Sep-04
Oct-04	Sep-04	\$5.392	\$5.262	\$5.723	\$5.459	\$5.598	\$5.904	Oct-04
Nov-04	Oct-04	\$7.890	\$8.402	\$7.626	\$7.973	\$5.889	\$5.920	Nov-04
Dec-04	Nov-04	\$6.762	\$6.793	\$7.976	\$7.177	\$6.093	\$6.273	Dec-04
Jan-05	Dec-04	\$7.540	\$7.621	\$8.639	\$7.933	\$6.236	n/a	Jan-05
Feb-05	Jan-05	\$7.655	\$7.731	\$8.709	\$8.032	\$6.427	n/a	Feb-05
Mar-05	Feb-05	\$7.475	\$7.536	\$8.359	\$7.790	\$6.649	n/a	Mar-05
Apr-05	Mar-05	\$6.695	\$6.741	\$7.249	\$6.895	\$6.777	n/a	Apr-05
May-05	Apr-05	\$6.570	\$6.601	\$7.019	\$6.730	\$6.849	n/a	May-05
Jun-05	May-05	\$6.604	\$6.636	\$7.049	\$6.763	\$6.855	n/a	Jun-05
Jul-05	Jun-05	\$6.638	\$6.671	\$7.079	\$6.796	\$6.895	n/a	Jul-05
Aug-05	Jul-05	\$6.658	\$6.691	\$7.094	\$6.814	\$6.963	n/a	Aug-05
Sep-05	Aug-05	\$6.638	\$6.671	\$7.069	\$6.793	\$7.096	n/a	Sep-05
Oct-05	Sep-05	\$6.663	\$6.694	\$7.089	\$6.815	\$7.209	n/a	Oct-05
Nov-05	Oct-05	\$6.943	\$6.975	\$7.364	\$7.094	\$7.136	n/a	Nov-05
Dec-05	Nov-05	\$7.213	\$7.256	\$7.639	\$7.369	\$7.152	n/a	Dec-05

Notes:

- Col. A - Contract refers to the NYMEX Natural Gas Futures Contract, as approved by the CFTC, for the purchase and sale of natural gas at Henry Hub.
- Col. B - Month that trading for the Contract ends (the month before the delivery month)
- Col. C - Settlement price for the third last trading day as reported in the Wall Street Journal. (Jan-99 - Dec-05)  
- Settlement price as reported in the Wall Street Journal on 22-Nov-04. (Dec-04 - Dec-05)
- Col. D - Settlement price for the second last trading day as reported in the Wall Street Journal. (Jan-99 - Dec-05)  
- Settlement price as reported in the Wall Street Journal on 23-Nov-04. (Dec-04 - Dec-05)
- Col. E - Settlement price for the last trading day as reported in the Wall Street Journal. (Jan-99 - Dec-05)  
- Settlement price as reported in the Wall Street Journal on 24-Nov-04. (Dec-04 - Dec-05)
- Col. F - Average value of Col. C, Col. D and Col. E (=AVERAGE(Col. C.,Col. E))
- Col. G - Average of the most recent twelve months of values in Col. F (including current SOS delivery month)
- Col. H - Average of the most recent six months of values in Col. F (ending month prior to SOS delivery month)
- Col. I - month in which SOS was delivered at wholesale.



The Narragansett Electric Company  
DETERMINATION OF FUEL ADJUSTMENT VALUE

(Col. A)	(Col. B)	(Col. C)	(Col. D)	(Col. E)	(Col. F)	(Col. G)	(Col. H)	(Col. I)	(Col. J)	(Col. K)	(Col. L)	(Col. M)	(Col. N)
SOS Delivery Month	NGrid's Market Gas Price	NGrid's Market Oil Price	NGrid's Fuel Value	NGrid's Fuel Trigger	NGrid's Adjustment Value	EUA's Market Gas Price	EUA's Market Oil Price	EUA's Fuel Value	EUA's Fuel Trigger	EUA's Adjustment Value	Ngrid Adjustment e/kWh	EUA Adjustment e/kWh	Weighted Adjustment e/kWh
Jan-03	\$3.4375	\$3.7437	\$7.1812	\$7.01	1.02238	\$3.6262	\$3.9658	\$7.5920	\$7.01	1.07608	0.105	0.358	0.171
Feb-03	\$3.7305	\$4.0107	\$7.7412	\$7.01	1.09559	\$3.9006	\$4.2037	\$8.1043	\$7.01	1.14305	0.449	0.672	0.507
Mar-03	\$4.3056	\$4.1730	\$8.4786	\$7.01	1.19197	\$4.3276	\$4.4587	\$8.7863	\$7.01	1.23219	0.902	1.091	0.951
Apr-03	\$4.4463	\$4.1958	\$8.6421	\$7.01	1.21335	\$5.2976	\$4.6092	\$9.9068	\$7.01	1.37866	1.003	1.780	1.205
May-03	\$4.6154	\$4.2112	\$8.8266	\$7.01	1.23747	\$5.5419	\$4.5442	\$10.0861	\$7.01	1.40210	1.116	1.890	1.317
Jun-03	\$4.8354	\$4.2441	\$9.0794	\$7.01	1.27051	\$5.7499	\$4.5618	\$10.3117	\$7.01	1.43160	1.271	2.029	1.468
Jul-03	\$5.0184	\$4.3101	\$9.3285	\$7.01	1.30307	\$6.0445	\$4.5223	\$10.5668	\$7.01	1.46495	1.424	2.185	1.622
Aug-03	\$5.1652	\$4.3412	\$9.5063	\$7.01	1.32632	\$6.1361	\$4.4165	\$10.5526	\$7.01	1.46309	1.534	2.177	1.701
Sep-03	\$5.2946	\$4.3261	\$9.6207	\$7.01	1.34127	\$6.0027	\$4.2237	\$10.2264	\$7.01	1.42045	1.604	1.976	1.701
Oct-03	\$5.3679	\$4.3199	\$9.6877	\$7.01	1.35003	\$5.2917	\$4.0430	\$9.3347	\$7.01	1.30388	1.645	1.428	1.589
Nov-03	\$5.3992	\$4.3505	\$9.7497	\$7.01	1.35813	\$5.1939	\$4.0956	\$9.2894	\$7.01	1.29797	1.683	1.400	1.610
Dec-03	\$5.4413	\$4.3383	\$9.7796	\$7.01	1.36204	\$5.0485	\$4.1392	\$9.1877	\$7.01	1.28466	1.702	1.338	1.607
Jan-04	\$5.5406	\$4.2925	\$9.8331	\$7.74	1.24977	\$4.8381	\$4.1543	\$8.9923	\$7.74	1.14944	1.274	0.762	1.141
Feb-04	\$5.5606	\$4.1759	\$9.7364	\$7.74	1.23824	\$4.9451	\$4.1685	\$9.1136	\$7.74	1.16391	1.215	0.836	1.116
Mar-04	\$5.2135	\$4.0831	\$9.2966	\$7.74	1.18576	\$5.1184	\$4.1281	\$9.2465	\$7.74	1.17977	0.947	0.917	0.939
Apr-04	\$5.2351	\$4.1059	\$9.3410	\$7.74	1.19105	\$5.1354	\$4.1232	\$9.2586	\$7.74	1.18121	0.974	0.924	0.961
May-04	\$5.2767	\$4.1827	\$9.4594	\$7.74	1.20518	\$5.2763	\$4.1163	\$9.3926	\$7.74	1.19721	1.046	1.006	1.036
Jun-04	\$5.3352	\$4.2417	\$9.5769	\$7.74	1.21920	\$5.5049	\$4.2262	\$9.7312	\$7.74	1.23761	1.118	1.212	1.142
Jul-04	\$5.3973	\$4.2473	\$9.6445	\$7.74	1.22727	\$5.8323	\$4.3291	\$10.1614	\$7.74	1.28895	1.159	1.474	1.241
Aug-04	\$5.5054	\$4.2506	\$9.7561	\$7.74	1.24058	\$5.8494	\$4.3261	\$10.1755	\$7.74	1.29063	1.227	1.482	1.293
Sep-04	\$5.5199	\$4.2903	\$9.8103	\$7.74	1.24705	\$5.8925	\$4.3732	\$10.2657	\$7.74	1.30139	1.260	1.537	1.332
Oct-04	\$5.5982	\$4.3864	\$9.9845	\$7.74	1.26784	\$5.9044	\$4.4575	\$10.3620	\$7.74	1.31288	1.366	1.596	1.426
Nov-04	\$5.8888	\$4.4208	\$10.3095	\$7.74	1.30663	\$5.9201	\$4.6564	\$10.5764	\$7.74	1.33848	1.564	1.726	1.606
Dec-04	\$6.0931	\$4.4159	\$10.5090	\$7.74	1.33042	\$6.2726	\$4.6153	\$10.8879	\$7.74	1.37564	1.685	1.916	1.745
Jan-05	\$6.2355	\$4.3843	\$10.6198	\$8.48	1.23463	n/a	n/a	n/a	n/a	n/a	1.290	n/a	0.955
Feb-05	\$6.4265	\$4.3783	\$10.8048	\$8.48	1.25491	n/a	n/a	n/a	n/a	n/a	1.402	n/a	1.037
Mar-05	\$6.6492	\$4.3915	\$11.0407	\$8.48	1.28078	n/a	n/a	n/a	n/a	n/a	1.544	n/a	1.143
Apr-05	\$6.7767	\$4.3894	\$11.1661	\$8.48	1.29453	n/a	n/a	n/a	n/a	n/a	1.620	n/a	1.199
May-05	\$6.8494	\$4.3224	\$11.1718	\$8.48	1.29515	n/a	n/a	n/a	n/a	n/a	1.623	n/a	1.201
Jun-05	\$6.8555	\$4.2609	\$11.1163	\$8.48	1.28907	n/a	n/a	n/a	n/a	n/a	1.590	n/a	1.177
Jul-05	\$6.8946	\$4.2183	\$11.1129	\$8.48	1.28870	n/a	n/a	n/a	n/a	n/a	1.588	n/a	1.175
Aug-05	\$6.9626	\$4.1733	\$11.1359	\$8.48	1.29122	n/a	n/a	n/a	n/a	n/a	1.602	n/a	1.185
Sep-05	\$7.0962	\$4.1256	\$11.2218	\$8.48	1.30064	n/a	n/a	n/a	n/a	n/a	1.653	n/a	1.224
Oct-05	\$7.2093	\$4.0067	\$11.2160	\$8.48	1.29999	n/a	n/a	n/a	n/a	n/a	1.650	n/a	1.221
Nov-05	\$7.1360	\$3.9434	\$11.0795	\$8.48	1.28503	n/a	n/a	n/a	n/a	n/a	1.568	n/a	1.160
Dec-05	\$7.1521	\$3.9205	\$11.0726	\$8.48	1.28427	n/a	n/a	n/a	n/a	n/a	1.563	n/a	1.157

Notes:  
Forecast of fuel prices based on NYMEX futures as reported in the Wall Street Journal on September 24, 27 & 28, 2004

Notes:  
Col. A - month in which SOS was delivered at wholesale  
Col. B - Average of the values of Gas Index for the most recent 12 months. (Col. G - Determination of Market Gas Price)  
Col. C - Average of the values of Oil Index for the most recent 12 months. (Col. LL - Determination of Market Oil Price)  
Col. D - Col. B + Col. C  
Col. E - Applicable value from the Standard Offer Supply Contracts.  
Col. F - @if(Col. D > Col. E, (Col. B + \$0.60 + Col. C + \$0.04) / (Col. E + \$0.64), 1.000)  
Col. G - Average of the values of Gas Index for the most recent 6 months. (Col. H - Determination of Market Gas Price)  
Col. H - Average of the values of Oil Index for the most recent 6 months. (Col. MM - Determination of Market Oil Price)  
Col. I - Col. G + Col. H  
Col. J - Applicable value from the Standard Offer Supply Contracts.  
Col. K - @if(Col. I > Col. J, (Col. G + \$0.60 + Col. H + \$0.04) / (Col. J + \$0.64), 1.000)  
Col. L - (Col. F - 1.0) \* Applicable Contract Price from the Standard Offer Supply Contracts.  
Col. M - (Col. K - 1.0) \* Applicable Contract Price from the Standard Offer Supply Contracts.