

**The Narragansett Electric Company
d/b/a National Grid
FY 2019 Gas ISR Plan Revenue Requirement
Revision for Cumberland LNG Settlement**

Line No.		FY 2019 Revenue Requirement		
		As filed 2/21/18 (a)	As Updated 3/1/18 (b)	Variance (c)
Operation and Maintenance Expenses				
1	Forecasted Gas Infrastructure, Safety, and Reliability O&M Expenses	\$502,000	\$502,000	\$0
Capital Investment:				
2	Actual Revenue Requirement on Incremental FY 2012 Capital included in ISR Rate Base	\$958,187	\$958,187	\$0
3	Actual Revenue Requirement on Incremental FY 2013 Capital included in ISR Rate Base	\$210,394	\$210,394	(\$0)
4	Actual Revenue Requirement on Incremental FY 2014 Capital included in ISR Rate Base	\$3,085,893	\$3,085,893	(\$0)
5	Actual Annual Revenue Requirement on FY 2015 Capital Included in ISR Rate Base	\$5,826,786	\$5,826,786	(\$0)
6	Actual Annual Revenue Requirement on FY 2016 Capital Included in ISR Rate Base	\$6,797,242	\$6,797,242	\$0
7	Actual Annual Revenue Requirement on FY 2017 Capital Included in ISR Rate Base	\$5,298,285	\$5,189,647	(\$108,638) 1/
8	Forecasted Annual Revenue Requirement on FY 2018 Capital Included in ISR Rate Base	\$7,442,699	\$7,433,043	(\$9,656) 2/
9	Forecasted Annual Revenue Requirement on FY 2019 Capital Included in ISR Rate Base	\$4,353,572	\$4,353,572	\$0
10	Total Capital Investment Revenue Requirement	<u>\$33,973,059</u>	<u>\$33,854,764</u>	<u>(\$118,295)</u>
11	Forecasted Annual Property Tax Recovery Mechanism	\$9,519,797	\$9,517,495	(\$2,302) 3/
11a	True-Up for FY 2013 through FY 2016 Work Order Write Off: Capital Investment Related	\$0	\$0	\$0
11b	True-Up for FY 2013 through FY 2016 Work Order Write Off: Property Tax Related	\$0	\$0	\$0
11c	True-Up for Cumberland LNG Settlement		(\$61,849)	(\$61,849) 4/
12	Total Capital Investment Component of the Revenue Requirement	<u>\$43,492,856</u>	<u>\$43,310,410</u>	<u>(\$182,445)</u>
13	Total Fiscal Year Revenue Requirement	<u>\$43,994,856</u>	<u>\$43,812,412</u>	<u>(\$182,445)</u>
14	Total Incremental Fiscal Year Rate Adjustment	<u>\$7,443,904</u>	<u>\$7,261,460</u>	<u>(\$182,444)</u>
Adjustments Made to Revenue Requirements Model		As Filed 2/21/18	As Updated 3/1/18	Variance
1/	Reduced Vintage FY 17 Capital Investment, Page 6, Line 1	\$81,160,614	\$79,960,614	(\$1,200,000)
2/	Reduced Vintage FY 18 Capital Investment, Page 4, Line 1	\$93,177,000	\$93,077,000	(\$100,000)
				(\$1,300,000)
3/	Revised Property Tax Expense - Page 21			
4/	Annual Revenue Requirement - Less Cumberland LNG Settlement - Page 6, Line 30		\$2,960,033	
	Annual Revenue Requirement as previously reported - Page 6, Line 31		<u>\$3,021,881</u>	
	True Up Adjustment - Page 6, Line 32		(\$61,848)	