The Narragansett Electric Company
d/b/a National Grid

Distribution Adjustment Charge Filing

Testimony and Schedules of
Ann E. Leary and Jeffrey D. Oliveira

August 1, 2018

Submitted to:
Rhode Island Public Utilities Commission
RIPUC Docket No. 4846

Submitted by:

nationalgrid

Filing Letter

Robert J. Humm
Senior Counsel

August 1, 2018

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4846 - 2018 Distribution Adjustment Charge (DAC)

Dear Ms. Massaro:

In accordance with the provisions of the Distribution Adjustment Clause of National Grid's[1] gas tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, enclosed please find 10 copies of National Grid's annual Distribution Adjustment Charge (DAC) filing. The DAC was established in Docket No. 3401 to provide for the recovery and reconciliation of the costs of identifiable special programs. Thus, the DAC is comprised of several factors relative to those specific programs.[2]

The 2018 DAC includes rate-specific Infrastructure, Safety, and Reliability (ISR) reconciliation factors based on the reconciliation of the fiscal year (FY) 2018 revenue requirement contained in National Grid's FY 2018 Gas ISR Plan Reconciliation filing submitted today under separate cover in Docket No. 4678, and revenue billed through the ISR Plan factors during the same period. Additionally, the proposed 2018 DAC includes a Revenue Decoupling Adjustment (RDA) factor to reconcile actual revenue-per-customer by rate class with the target revenue-per-customer as set forth in National Grid's annual Revenue Decoupling Mechanism filing that National Grid submitted on June 29, 2018, pursuant to the RDA factor approved by the Public Utilities Commission (PUC) in Docket No. 4206.

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[1] The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

[2] The DAC includes a System Pressure factor; an Advanced Gas Technology factor; an Environmental Response Cost factor; a Pension Adjustment Factor; a Service Quality Performance factor; a Revenue Decoupling Adjustment factor; rate-class specific Infrastructure, Safety, and Reliability factors; two Reconciliation factors; a Firm Revenue Credit factor; an Earnings Sharing Mechanism factor; and an Arrearage Management Adjustment Factor.

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This filing consists of the pre-filed direct testimony and schedules of Ann E. Leary and the pre-filed direct testimony and schedule of Jeffrey D. Oliveira. Mr. Oliveira's testimony provides the calculation of the Pension and Postretirement Benefits Other than Pensions costs to be reconciled in the Pension Adjustment Factor. Ms. Leary's testimony provides the reconciliation of the various components of the DAC in support of the proposed factors to be effective November 1, 2018. Additionally, as requested by the PUC in last year's DAC proceeding, Docket No. 4708, Ms. Leary's testimony explains that the Company has recently provided the Division of Public Utilities and Carriers (Division) its proposed changes and efforts to simplify the Advanced Gas Technology (AGT) Program over the last year, and anticipates continued collaboration with the Division regarding the AGT Program; and that the Company has recently provided the Division with further clarification of the costs incurred to maintain system pressure to other parts of the Rhode Island distribution system.

As the underlying data for certain components of the DAC become available only after August 1, National Grid will supplement this filing on or around September 1, 2018. The supplemental filing will provide proposed DAC rates for effect November 1, 2018, which incorporate factors for all updated DAC components and will include a bill impact analysis. Also, National Grid is not including information concerning the Service Quality Performance factor or the Earnings Sharing Mechanism factor in this filing. National Grid will submit those components, if applicable, as part of its supplemental filing on or around September 1.

Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me at 401-784-7415.

Very truly yours,

Robert J. Humm

Enclosures

cc: Leo Wold, Esq.
Al Mancini, Division
John Bell, Division
Bruce Oliver, Division

Testimony of
Ann E. Leary

DIRECT TESTIMONY

OF

ANN E. LEARY

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I. Introduction and Qualifications

Q. Please state your name and business address.

A. My name is Ann E. Leary and my business address is Reservoir Woods, 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. What is your position at National Grid and responsibilities within that position?

A. I am the Manager of New England Gas Pricing for National Grid USA Service Company, Inc. In this position, I am responsible for preparing and submitting various regulatory filings with the Rhode Island Public Utilities Commission (PUC) on behalf of The Narragansett Electric Company d/b/a National Grid (Company), and the Massachusetts Department of Public Utilities on behalf of Boston Gas Company and Colonial Gas Company, each d/b/a National Grid.

Q. Please provide your educational background.

A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in 1983.

Q. Please provide your professional background.

A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I became a planning analyst and later accepted the position of Manager of Rates at Essex. Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing for Boston Gas Company (Boston). After Boston merged with KeySpan Energy Delivery, subsequently National Grid, I became the Manager of New England Gas Pricing, the position I hold today.

Q. Have you previously testified before the PUC?

A. Yes, I have testified before the PUC on numerous occasions, most recently in the Company's 2017 rate case filing in Docket No. 4770. In addition, I have testified extensively in several ratemaking and regulatory proceedings before the Massachusetts Department of Public Utilities and the New Hampshire Public Utilities Commission.

II. <u>Purpose of Testimony</u>

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to describe the reconciliation of the various components of the Distribution Adjustment Clause (DAC) and to propose new factors to become effective November 1, 2018. This filing is submitted pursuant to the Company's currently effective tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A (DAC Provision).

Q. Are you sponsoring any schedules with your testimony?

A. Yes. I am sponsoring the following schedules that accompany my testimony:

- Schedule AEL-1 Summary of DAC Factors
- Schedule AEL-2 System Pressure Factor
- Schedule AEL-3 Advanced Gas Technology Factor
- Schedule AEL-4 Environmental Response Cost Factor
- Schedule AEL-5 Pensions and Postretirement Benefits Other than Pension Factor
- Schedule AEL-6 Arrearage Management Adjustment Factor
- Schedule AEL-7 Revenue Decoupling Adjustment Factor
- Schedule AEL-8 ISR Reconciliation Factors
- Schedule AEL-9 Firm Revenue Credit Factor
- Schedule AEL-10 Reconciliation Factors
- Schedule AEL-11 Reconciliations for FY 18
- Schedule AEL-12 Earnings Sharing Mechanism Factor

III. DAC Summary

Q. Please provide an overview of the DAC and its components.

A. The DAC was established in Docket No. 3401 to provide for the recovery and reconciliation of the costs of identifiable special programs. As described in the Company's DAC Provision, the DAC includes the following components: an annual System Pressure factor; an Advanced Gas Technology (AGT) factor; an Environmental Response Cost factor; a Pension Adjustment Factor; a Service Quality Performance factor; a Revenue Decoupling Adjustment (RDA) factor; rate class specific Infrastructure, Safety, and Reliability (ISR) factors; an Earnings Sharing Mechanism factor; a Firm Revenue Credit factor; and two Reconciliation factors for last year's DAC factors. The Company is also proposing a new DAC factor in this filing, an Arrearage Management Adjustment Factor, which I will explain later in my testimony.

Q. What is the Company proposing for its DAC factors?

A. As in prior years, the proposed DAC factors are not final as of August 1 because certain underlying data for the development of all of the component factors is not yet available. Based upon the data that is available, the preliminary rates (including ISR rates that became effective April 1, 2018) are shown in Schedule AEL-1.

As discussed later in my testimony, the Company will supplement this filing with updated information in a supplemental DAC filing on or around September 1, 2018. The supplemental DAC filing will incorporate all proposed DAC factors and include a bill impact analysis to reflect the final proposed DAC factors. Consistent with the Company's DAC Provision, the proposed DAC factors are to become effective with consumption beginning November 1, 2018.

Q. Do the proposed preliminary DAC factors set forth in this testimony incorporate any changes resulting from the Settlement Agreement in Docket No. 4770?

A. No. The Company will reflect the impact of the PUC's decision on the Company's compliance filing in Docket No. 4770 in its supplemental DAC filing on or around September 1.

IV. DAC Component Details

1. System Pressure

Q. What is the System Pressure component of the DAC?

A. Maintaining proper operating pressure of the Company's distribution system requires the occasional use of various Company facilities. Historically, the Company had relied on the use of its liquefied natural gas (LNG) facilities to maintain system pressure. However, with the operation of the Algonquin Crary Street Gate Station (Crary Street Gate Station) effective July 17, 2017, the Company no longer needs to rely on LNG for system pressure. As described in Company witness Nancy G. Culliford's pre-filed direct testimony in the Company's 2017-18 Gas Cost Recovery (GCR) filing, Docket No. 4719, the Crary Street Gate Station eliminated the Company's need to rely on LNG to maintain pressure in its distribution system. Therefore, because LNG is no longer required for system pressure, the Company agreed to assign 100 percent of the costs associated with the Crary Street Gate Station to the DAC.[1]

[1] See Company's Reply Comments dated October 23, 2017 in Docket No. 4708.

Q. What is the Company proposing for the System Pressure factor effective November 1, 2018?

A. The Company is proposing a System Pressure factor of $0.0079 per therm, as shown in Schedule AEL-2. The proposed factor is calculated by dividing the annual costs of the Crary Street Gate Station by the forecasted throughput of 39,668,606 dekatherms (dth) for the 12 months beginning November 1, 2018. This result is then divided by 10 to derive the amount per therm factor mentioned above.

Q. During last year's DAC hearing, the PUC directed as follows: ". . . prior to next year's DAC filing National Grid will provide the Division [of Public Utilities and Carriers] with further clarification of the costs incurred to maintain system pressure to other parts of the Rhode Island distribution system to determine the extent to which such costs warrant incorporation into the system pressure factor." Has the Company provided this information to the Division of Public Utilities and Carriers (Division)?

A. Yes, the Company recently provided the Division with further clarification of the costs incurred to maintain system pressure to other parts of the Rhode Island distribution system.

2. AGT Program

Q. What is the AGT Program?

A. The AGT Program was established in Docket No. 2025 to promote the development of energy-efficient natural gas technologies that increase utilization of natural gas during periods of low demand. Increased off-peak usage reduces the unit cost of the gas delivery system for all customers by generating distribution revenue to support fixed costs associated with resources needed during peak periods. The AGT Program provides rebates for technologies such as combined heat and power (CHP) systems, natural gas powered fleet vehicles, chilling systems, electrical generators, process heating, desiccant dehumidifiers, and residential high efficiency space heating equipment.

Q. Please provide an update with respect to the AGT Program's rebate activity over the past year and any known potential future rebates.

A. In 2013, the PUC approved a $1.8 million AGT Program rebate to Toray Plastics (America), Inc. (Toray) associated with a large cogeneration system to be paid out over four years, with three annual installments of $500,000 and a final installment of $300,000. The first payment of $500,000 was made in June 2015, the second payment of $500,000 was made in August 2016, the third payment of $500,000 was made in August 2017, and the fourth and final payment of $300,000 is scheduled to be made in August 2018. In September 2017, another AGT Program rebate of $300,000 was paid to a second customer.

Q. What level of funds is available for new AGT projects in 2018-19?

A. As shown on Schedule AEL-3, Page 2, at the end of March 2018, the AGT Program had a balance of $974,131. In addition to the $300,000 rebate to Toray slated to be paid in August 2018, the Company is also scheduled to pay out a $50,000 rebate to another customer in August 2018. In addition, consistent with the DAC Settlement in Docket No. 4339, the balance does not include interest earned of $23,792 calculated for the 12 month period from April 2017 through March 2018, because interest on the balance is to be credited to customers through the DAC's reconciliation factor. See Schedule AEL-3, Page 2 for the calculation of interest and Schedule AEL-10, Page 1, Line 10 for the credit to be provided to customers.

Q. The AGT fund balance shown in Schedule AEL-3, Page 2 includes an adjustment that increases the AGT fund balance by $92,898. What is the reason for this adjustment?

A. The Company determined that beginning in Docket No. 4573 and continuing through Docket Nos. 4634 and 4708, the Company had inadvertently reduced the AGT fund balance by the interest on the AGT fund balance, which was refunded to all customers through the Reconciliation factor[2]. The calculation of the AGT fund balance shown on Schedule AEL-3, Page 2 does not include the interest and, therefore, the Company should not have reduced the balance by the interest returned to customers through the

[2] In the Settlement Agreement in Docket No. 4339, the Company agreed to refund the interest associated with the AGT fund balance to all customers through the Reconciliation factor.

Reconciliation factor. In addition, the Company also determined that in Docket No. 4514, the Company had inadvertently reduced the AGT fund balance by the true-up between the forecasted and actual AGT reconciliation recovered through the DAC (not base rate related) as of October 2012. These corrections resulted in an increase in the AGT fund balance by $92,898.

Q. What is the status of the Company and the Division's continued collaboration regarding their efforts to improve the AGT Program, as directed by the PUC during last year's DAC hearing.

A. The Company recently provided the Division its proposed changes and efforts to simplify the AGT Program over the last year, and anticipates continued collaboration with the Division regarding the AGT Program.

Q. What is the Company proposing for recovery for the AGT Program this year?

A. For 2018-19, the Company is proposing to keep the AGT factor in the DAC at zero, as shown on Schedule AEL-3, Page 1, while continuing to recover $300,000 through its base rates. In addition, in its general rate case pending before the PUC in Docket No. 4770, the Company proposed to eliminate the annual base rate funding of $300,000 to the AGT Program. As part of the Company's proposal in the rate case, any funding for the AGT Program would be included in the AGT factor of the DAC.

3. Environmental Response Costs

Q. What is the purpose of the Environmental Response Cost factor?

A. The Environmental Response Cost factor is designed to provide the Company recovery of its reasonable and prudently incurred costs for evaluation, remediation, and clean-up of sites associated with the Company's ownership and/or operation of manufactured gas plants (MGP), manufactured gas storage facilities, and MGP-related off-site waste disposal locations. In addition, the Environmental Response Costs factor includes recovery of environmental costs for removing and replacing mercury regulators and addressing meter disposal issues, among other work.

Q. Please describe the proposed Environmental Response Costs factor.

A. Consistent with the Company's DAC Provision at Item 3.5, the Environmental Response Costs factor reflects recovery of the 10-year amortization of annual environmental response costs in excess of the annual amount recovered in base distribution rates. As shown on Schedule AEL-4, Page 1, the proposed Environmental Response Costs factor reflects annual amortization of $2,398,331 for the period April 2018 through March 2019 that would be recovered over the 12 months beginning November 2018. A yearly breakdown of this amortization is provided on Pages 2 and 3 of Schedule AEL-4. Environmental project-specific expenses for the 12 months ending March 31, 2018 are provided on Page 4 of Schedule AEL-4. In-depth descriptions of the environmental projects and fiscal year (FY) 2018 activities can be found in the annual environmental report filed with the PUC on July 27, 2018. The Company currently recovers $1,310,000 annually for the recovery of environmental costs in base distribution rates. Netting the annual base rate allowance of $1,310,000 against the amortization expenses of $2,398,331 leaves environmental costs of $1,088,331 to be recovered from customers over the November 2018 through October 2019 period through the DAC. This amount is divided by forecasted throughput of 39,668,606 dth for the 12-month period and divided by 10 to derive a factor of $0.0027 per therm.

4. <u>Pension and PBOP Costs</u>

Q. What do the Pension and Postretirement Benefits Other than Pensions (PBOP) reconciliation entail?

A. In accordance with the Company's DAC Provision at Item 3.6, the Pension Adjustment Factor is designed to recover from or credit to customers the prior year's reconciliation balance that results from the comparison of the Company's actual Pension and PBOP expenses to the Company's Pension and PBOP allowances included in base distribution rates, plus carrying charges. The adjustment factor is based on this difference.

Q. Is the Company providing Pension and PBOP costs in this filing?

A. Yes. The schedules that present the reconciliation of the Company's actual Pension and PBOP expenses and the base rate allowances for the 12-month period ending March 31, 2018 are set forth in Company witness Jeffrey D. Oliveira's pre-filed direct testimony and schedules included in this filing. Mr. Oliveira supports the derivation of such amounts. Based on the amounts determined by Mr. Oliveira, the Pension Adjustment Factor is a credit of $0.0157 per therm and is calculated by dividing the net over-recovery of actual Pension and PBOP expenses by the forecasted throughput of 39,668,606 dth for the 12 months beginning November 1, 2018. This result is then divided by 10 to derive a per-therm factor, as shown on Schedule AEL-5, Page 1.

5. Arrearage Management Program Costs

Q. What is the purpose of the Arrearage Management Adjustment Factor (AMAF)?

A. The proposed AMAF is designed to recover the entire balance of arrearages owed by Arrearage Management Program (AMP) participants who have not satisfied the conditions of R.I. Gen. Laws § 39-2-1(d)(2) in the calendar year, as well as the amount of arrearages of customers who have successfully satisfied the conditions of R.I. Gen. Laws § 39-2-1(d)(2) subject to the bad debt test prescribed in the AMP Provision in the Company’s tariff, RIPUC NG-GAS No. 101, Section 7, Schedule C, Sheets 6-11 (the AMP Provision).

Q. Please describe the Company’s calculation of the amount of recoverable arrearage forgiveness.

A. Pursuant to Section XII of the AMP Provision, at the end of each calendar year ending December 31, the Company is required to perform the calculation of the amount of arrearage forgiveness eligible for recovery each year for the calendar year. The arrearage amounts eligible for recovery consists of the following two components: (1) amounts for AMP participants who did not successfully complete the AMP; and (2) amounts for AMP participants who successfully completed the AMP, which is subject to a bad debt test (discussed in more detail later in my testimony).

Q. Has the Company prepared such a calculation for calendar year 2017?

A. Yes, the calendar year (CY) 2017 calculation of recoverable arrearage forgiveness is presented in Schedule AEL-6.

Q. What does the Company mean when it refers to a customer who has not successfully completed the AMP, or an "unsuccessful participant"?

A. The AMP Provision sets forth several reasons why an AMP participant may be deemed unsuccessful, such as:

a. An AMP participant who misses more than two payments of the 12-month payment plan.
b. An AMP participant who does not pay the entire amount due under the 12-month payment by the conclusion of the 12 months.
c. An AMP participant who opts out of the payment plan prior to its conclusion.
d. An AMP participant who moves out of the Company service territory prior to the conclusion of the payment plan.

Q. How does the Company treat the amounts forgiven for unsuccessful AMP participants?

A. Section XII (Cost Recovery), subsection i., of the AMP Provision provides as follows: "If a customer does not satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), the amount of arrearage forgiven by the Company to that point shall remain forgiven and be written off by the Company. However, the amount of arrearage forgiven by the Company is recoverable in full."

Q. How much arrearage did the Company forgive for unsuccessful AMP participants in CY 2017?

A. As shown on Schedule AEL-6, Page 2, Lines (10) and (11), a total of $80,079 in arrearages was forgiven during CY 2017 for unsuccessful participants. Of that amount, $68,033 was due to participants who defaulted from the AMP, and an additional $12,045 was due to customers who voluntarily opted out of the AMP prior to successful completion.

Q. What constitutes a successful participant under the AMP?

A. A successful AMP participant is a participating customer who pays the full balance of his or her payment plan within the 12-month period, or whose payment plan has been extended beyond the initial 12-month period.

Q. How does the Company treat the amounts of arrearage forgiven for successful AMP participants?

A. Section XII (Cost Recovery), subsection ii., of the AMP Provision currently provides as follows: "If a customer does satisfy the conditions of R.I. Gen. Laws § 39-2-1(d)(2), all arrearage amounts forgiven will be treated as bad debt. At the end of each calendar year, the Company will perform a test to determine if the amount of bad debt for the year exceeds the adjusted allowable bad debt from the Company's most recent general rate case. This adjusted allowable bad debt will be calculated using the distribution uncollectible amount determined in the last general rate case, updated for the current calendar year Gas Cost Recovery, Distribution Adjustment Charge, and energy efficiency-related bad debt. Should the actual amount of bad debt incurred by the Company for the year exceed this adjusted allowable bad debt amount, the Company will be entitled to recover, in the following year, all amounts of arrearage forgiven under R.I. Gen. Laws § 39-2-1(d)(2)(xiv) in the prior year in excess of the allowable bad debt. If, however, the amount of the arrearage forgiven under § 39-2-1(d)(2)(xiv) in excess of the adjusted allowable bad debt for a given year is not significant enough to calculate an annual reconciling factor for that year, the Company may reflect such amount in its next Revenue Decoupling Mechanism reconciliation filing."

Q. How much arrearage was forgiven in CY 2017 for successful AMP participants?

A. Schedule AEL-6 at Page 2, Line (8) demonstrates that a total of $11,961 of arrearage was forgiven for successful participants in CY 2017.

Q. How much of the arrearage forgiven for successful AMP participants is for allowable recovery after performing the bad debt test?

A. Schedule AEL-6 at Page 2, Line (7) demonstrates that the Company experienced $5,640,714 less bad debt in CY 2017 than the adjusted allowable bad debt of $11,199,231 shown on Line (5). Therefore, none of the arrearage forgiven for successful participants is recoverable.

Q. How was the CY 2017 AMAF calculated?

A. As demonstrated on Schedule AEL-6 at Page 1, the Company divided the total amount of recoverable arrearage forgiveness of $80,079, as shown in Schedule AEL-6, Page 2, Line (12), by the forecasted dekatherms for November 2018 through October 2019, and then divided by 10, to come to the proposed AMAF of $0.0002 per therm.

6. Service Quality Plan

Q. Please provide a brief description of the Service Quality Plan and its current impact on the DAC.

A. Any penalty resulting from the operation of the approved Service Quality Plan is credited to customers through the DAC.[3] The Company's FY 2018 Annual Service Quality Report filed on July 31, 2018 indicates that the Company did incur a penalty for its performance for On-Cycle Meter Reads during FY 2018. However, on June 22, 2018, the Company filed with the PUC a request for relief from the penalty as a result of an exogenous and/or force majeure event in Docket No. 3476. At the time of this initial DAC filing, the PUC has not ruled on the Company's request for relief from the penalty. Therefore, the Company has not proposed a Service Quality Performance factor for November 1, 2018 in this filing. The Company plans to update the Service Quality Performance factor in the supplemental DAC filing, to be submitted on or around September 1, 2018, should the PUC rule on the Company's request before September 1.

7. Revenue Decoupling Adjustment

Q. What is the RDA component of the DAC?

A. Pursuant to its DAC Provision, the Company operates under a Revenue Decoupling Mechanism (RDM). The RDM provides for an annual reconciliation of actual base revenue-per-customer by rate class against a benchmark revenue-per-customer. The

[3] Service Quality Plan, Docket No. 3476.

Company filed the FY 2018 RDM reconciliation with the PUC on June 29, 2018. As shown on Schedule AEL-7, Page 1, the RDA identifies an over-recovery of $5,661,116 and a credit RDA factor of ($0.0200) per therm. The Company derived this per-therm factor by dividing the over-recovery by the throughput associated with the Residential and Small and Medium Commercial and Industrial (C&I) rate classes of 28,195,590 dth and then dividing the result by 10.

Q. Did the Company transfer Residential customers from the Non-Heating rate class to the Heating rate class during the RDM reconciliation period, as it identified last year in Docket No. 4708?

A. No. For the past three years, the Company has been revising the benchmark Target Revenue-Per-Customer due to the transfer of significant numbers of customers between the Residential Heating and Residential Non-Heating rate classes. The transfers resulted from the Company refining the criteria used to identify Residential customers who should have received service on the Residential Heating rate classes, but were actually billed on the Residential Non-Heating rate classes, during the rate year of the Company's rate case filed in 2012, Docket No. 4323. The Company believes it has identified all the Residential Heating customers who were on the Residential Non-Heating rate classes, but should have been on the Residential Heating rate classes, for the rate year February 2013 through January 2014, so it is unnecessary to make any further revisions to Target

Revenue-Per-Customers for these two rate classes. Therefore, no further updates to the Target Revenue-Per-Customer values are necessary.

8. Earnings Sharing Mechanism

Q. Is the Company reflecting an amount in the proposed DAC factors associated with the Earnings Sharing Mechanism?

A. No. The Company files its annual earnings report at the end of August. Therefore, this DAC component will be addressed in the supplemental DAC filing to be submitted on or around September 1, 2018. Schedule AEL-12 in this filing is a placeholder for the Earnings Sharing Mechanism factor to be proposed, if applicable, on or around September 1.

9. ISR Plan

Q. What is the ISR Plan reconciliation?

A. The reconciliation associated with the ISR Plan factors is designed to reconcile the actual FY 2018 revenue requirement on actual cumulative capital investment and actual operation and maintenance (O&M) expense covered by the ISR Plan. The Company submitted its FY 2018 ISR Plan reconciliation filing for the Company's gas business in Docket No. 4678 on August 1, 2018. In that filing, Company witness Melissa A. Little presented the actual FY 2018 revenue requirement on actual cumulative capital investment plus O&M expense. In addition, the ISR Plan reconciliation includes a final balance of the recovery of FY 2017 reconciliation balance to capture any over- or under-billing of that amount.

Q. How is the ISR Plan reconciliation reflected in this filing?

A. The ISR Plan reconciliation set forth in Schedule AEL-8 results in an over-recovery of $2,163,915. To derive the ISR reconciliation factor per rate class, the Company allocated the FY 2018 revenue requirement on actual cumulative capital investment and O&M to rate classes based on the rate base allocation from the Company's 2012 rate case. This was then compared to billed revenue from the billing of the ISR factors by rate class to arrive at the over- or under-recovery of ISR Plan capital investment and O&M expense by rate class in accordance with the Company's DAC Provision. The Company then divided the total over-recovery for each rate class by the forecasted throughput for each rate class. Schedule AEL-8 shows the ISR reconciliation factors per rate class.

Q. Has the Company reallocated a portion of FY 2018 ISR revenue between the Residential Non-Heating and Residential Heating rate classes to address the impact resulting from the transfer of customers between these rate classes?

A. Yes, the Company has transferred $632,502 of FY 2018 ISR revenue from the Residential Heating rate classes to the Residential Non-Heating rate classes.

Q. Why did the Company make these adjustments?

A. In the FY 2018 ISR Plan filing in Docket No. 4678, the Company derived the ISR factors for each rate class using forecasted billing determinants. At the time, this forecast did not reflect the transfer of Residential customers from the Residential Non-Heating rate classes to the Residential Heating rate classes. As a result, the forecasted billing determinants for the Residential Non-Heating rate classes were significantly higher than the actual billing determinants. This resulted in a large under-recovery for the Residential Non Heating rate classes in the FY 2018 of $577,059. The Company does not believe it is equitable to require the remaining customers in the Residential Non-Heating rate classes to pay this large under-recovery as a result of a transfer of a group of Residential Non-Heating customers to the Residential Heating rate classes. To address this concern, the Company has transferred a portion of the FY 2018 ISR Plan revenue from the Residential Heating rate classes to the Residential Non-Heating rate classes to better align the revenue credited in the reconciliations with the forecasted billing units used in the calculation of the initial ISR factors. The Company included a similar reallocation between the Residential Non-Heating and Residential Heating rate classifications in last year's DAC filing (Docket No. 4708). While the Company does not believe such a transfer is warranted for smaller numbers of customers transferred between the four Residential rate classes, the earlier transfers of customers and the timing of when these transfers were reflected in the forecast were an anomaly that the Company believes needed to be addressed, which resulted in a necessary reconciliation for the Residential Non-Heating rate classes.

Q. How did the Company calculate this adjustment?

A. As shown on Schedule AEL-8, Page 2, Lines (27)-(31), the Company calculated the adjustment by first identifying the difference between the forecasted throughput for the Residential Non-Heating rate classes for the period April 2017 through March 2018 reflected in Docket No. 4678 and their actual billing determinants. The Company then multiplied this difference of 342,263 dth by the approved Residential Non-Heating FY 2018 ISR Factor (before uncollectible adjustment) of $1.848 per dth to derive a revenue adjustment of $632,502. The Company then removed this revenue amount from the Residential Heating rate classes' reconciliation and added the revenue amount to the Residential Non-Heating rate classes' reconciliation presented on Page 1 of Schedule AEL-8.

Q. What is the impact to the proposed DAC if the Company did not make this adjustment?

A. Without this adjustment, the proposed DAC for the Residential Non-Heating rate class for November 2018 would have been $0.3046 per therm, or $0.1933 per therm higher than what the Company is proposing, which reflects the transfer of revenue as discussed above. For a typical Residential Non-Heating customer using 214 therms annually, this difference of $0.1933 per therm would result in an annual increase of approximately $42.60, or a bill increase of more than 9.1 percent. The impact of this adjustment on the proposed DAC for the Residential Heating rate class for November 2018 is that the proposed DAC is slightly higher than without the adjustment, by only $0.0033 per therm. Therefore, the adjustment has a minimal bill impact on the Residential Heating rate class, while resulting in a significant benefit to the Residential Non-Heating rate class.

10. Revenue Credit

Q. Please explain the revenue credit included in this filing originating from the settlement agreement in the Company's 2012 Rate Case in Docket No. 4323 (2012 Rate Case Settlement Agreement).

A. The Company is including the revenue credit associated with a large C&I customer, as specified in Article III, Section A.4 of the Rate Case Settlement Agreement. Pursuant to the 2012 Rate Case Settlement Agreement, 50 percent of any incremental distribution revenue billed to this customer is to be credited back to all customers through the reconciliation of the DAC until the Company's next general rate case. In Schedule AEL-9, the Company details the distribution revenue that will be credited back to customers. The Company included this revenue credit as part of its Reconciliation factor, as shown on AEL-10, Page 1, Line (11).

V. DAC Reconciliation

Q. What is the reconciliation component of the DAC?

A. The reconciliation component of the DAC allows for the reconciliation of the actual amounts approved to be reflected in the DAC factors from the prior year and revenue billed through the DAC, along with a true-up for those items requiring a forecast of their balances at October 31 in order to calculate the DAC factors for November 1. In this filing, the individual items that are being reconciled fall into one of the following three general groupings, which are rate class specific: (1) those associated with the reconciliation of factors that are related to all rate classes; (2) those associated with the reconciliation of factors that are specific to the Residential and Small and Medium C&I rate classes; and (3) those associated with the reconciliation of factors related solely to the Large and Extra Large rate classes.

A summary of the various items being reconciled is shown on Schedule AEL-10, Page 1, Sections 1, 2, and 3.

Q. What reconciliation components are applicable to all rate classes?

A. The items applicable to all rate classes include those that are being reconciled on the basis of the gas year, from November 2017 through October 2018. They include the following components: (1) System Pressure reconciliation,[4] (2) AGT reconciliation, (3) Environmental Response Cost reconciliation, (4) Pension reconciliation, (5) PBOP reconciliation, and (6) prior reconciliation factors. Each component reconciles the amounts approved for recovery or refund and actual revenue billed through June 2018 and forecasted revenue through October 2018.[5] In addition, a true-up amount representing the difference between the forecasted balance and the actual balance as of October 31, 2017 is reflected in the Reconciliation factor, as well as the interest on the AGT fund balance and revenue credit as described earlier in my testimony.

The Company derives the Reconciliation factor applicable to all rate classes by adding up the 12-month balance ending October 2018 of these components, which represents a net amount due from customers of $46,513, plus the net 2017 true up surcharge of $13,009, the AGT interest credit of $23,792, and the revenue credit amount of $318,672, for a total of $282,942 to be credited to customers. The total is divided by the forecasted throughput for the November 1, 2018 through October 31, 2019 period, or 39,668,606 dth. This result is then divided by 10 to derive a per-therm credit of $0.0007 per therm for the 12-month period beginning November 1, 2018. A summary of the various items being reconciled that are applicable to all rate classes is shown on Schedule AEL-10,

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[4] The System Pressure reconciliation has been calculated in accordance with the Company and Division's agreement in last year's DAC proceeding, Docket No. 4708, to assign 100 percent of the costs associated with the Crary Street Gate Station to the DAC.

[5] Factors reconciled based on the gas year can also include the Earnings Sharing Mechanism factor and AGT factor, when applicable.

Page 1, Section 1, while the details are set forth on Pages 2, 3, and 8. The Reconciliation factor applicable to all rate classes will be added to the factor applicable to the Large and Extra Large rate class customers' reconciliation to derive two distinct Reconciliation factors among the two groups of customers.

Q. What is the reconciliation component applicable only to the Residential and Small and Medium C&I rate classes?

A. The reconciliation of the RDA balance through the RDA factors that are only applicable to Residential and Small and Medium C&I customers results in a separate Reconciliation factor for this group of customers. This factor was derived by taking the RDM reconciliation ending balance as of October 31, 2018, which represents an under-recovery of the amount to be recovered through the RDA factor and RDA reconciliation factor of $107,647, as shown on Schedule AEL-10, Page 1, Line (18), and dividing that total by the forecasted throughput of 28,195,590 dth for the Residential and Small and Medium C&I rate classes. This factor is then divided by 10 to derive a per-therm surcharge. The summary of this derivation is shown on Schedule AEL-10, Page 1, Section 2.

Q. What reconciliation components are applicable to the Large and Extra Large Rate classes?

A. The Large and Extra Large Reconciliation factor includes the following components: (1) the prior reconciliation factor applicable to the Large and Extra Large rate classes;

and (2) the reconciliation of the base rate allowances for the AGT Program, Environmental Response Costs, and low income programs for the April 2017 through March 2018 period, which are subject to reconciliation in the DAC. For Residential and Small and Medium C&I customers, the reconciliation of these base rate allowances to billed revenue is completed as part of the RDM reconciliation, where actual revenue is reconciled to targets that include these base rate allowances. Therefore, the recoveries for the base rate components for these DAC components need be separately reconciled only for the Large and Extra Large rate classes, which are excluded from the Company's RDM.

The base rate reconciliation factors for these programs are calculated by dividing the total annual base rate allowances approved by the PUC for each program by the total annual forecasted firm throughput from the Company's 2012 Rate Case. The Company then multiplies the base rate reconciliation factors by the forecasted throughput for Large and Extra Large rate classes from the Company's 2012 Rate Case to obtain the forecasted monthly revenues. The forecasted monthly revenues are then compared to the actual revenues to derive the annual over- or under-recoveries for the 12 months ending March 31, 2018 for each program.

The reconciliation of these four components for customers receiving delivery service on only the Large and Extra Large rate classes results in a reconciliation credit factor of

$0.0015 per therm. This factor was calculated by taking the ending balances of the base rate allowances at the end of March 2018, which is a credit balance of $177,571, and adding to it the balance of the Reconciliation factor associated with the previous reconciliation for these rate classes, which is an over-recovery of $1,358; and then dividing the total amount by the forecasted throughput of 11,473,015 dth associated with the Large and Extra Large customers. This factor was then divided by 10 to derive a credit factor of $0.0015 per therm. Finally, this credit factor was added to the Reconciliation factor applicable to all rate classes, as described earlier in my testimony, to derive a net credit Reconciliation factor applicable to the Large and Extra Large rate classes of $0.0022 per therm for the 12-month period beginning November 1, 2018. A summary of these items is shown in Attachment AEL-10, Page 1, Section 3, while the details are set forth on Attachment AEL-10, Page 3, Line (41) and Page 4.

The Company will be updating the ending balances with one additional month of actual revenue for each of these reconciliation items in its supplemental DAC filing on or around September 1.

Q. Did the Company provide DAC reconciliations over the historical fiscal year as it did last year?

A. Yes. In Schedule AEL-11, the Non-Base Rate components, the RDM, and the ISR Plan reconciliations are provided for the fiscal year ending March 31, 2018. Although such rates are not designed over the period of the fiscal year, Schedule AEL-11 is provided for informational purposes.

Q. What is the basis of the forecast utilized in the preliminary DAC?

A. The preliminary DAC factors are based on the current projected throughput of 39,668,606 dth for the November 1, 2018 to October 31, 2019 period. This forecast will also be used in the Company's GCR filing on or around September 1 and will be supported in that filing.

VI. Bill Impacts

Q. Is the Company providing bill impacts in this filing?

A. No, the Company is not presenting bill impacts at this time. As any earnings that may be subject to sharing or potential Service Quality Performance penalties are not reflected in this filing, a bill impact analysis at this time would provide limited information as to the overall impact of the change in the DAC factors. Rather, the Company will submit bill impacts for the cumulative impact of all of its proposed DAC factors with its supplemental DAC filing submitted on or around September 1, 2018.

Q. Does this conclude your testimony?

A. Yes.

Schedules of
Ann E. Leary

Schedules of Ann E. Leary

Schedule AEL-1	Summary of DAC Factors
Schedule AEL-2	System Pressure Factor
Schedule AEL-3	Advanced Gas Technology Program Factor
Schedule AEL-4	Environmental Response Cost Factor
Schedule AEL-5	Pensions and Postretirement Benefits Other than Pensions Factor
Schedule AEL-6	Arrearage Management Adjustment Factor
Schedule AEL-7	Revenue Decoupling Adjustment Factor
Schedule AEL-8	ISR Reconciliation Factors
Schedule AEL-9	Firm Revenue Credit Factor
Schedule AEL-10	Reconciliation Factors
Schedule AEL-11	Reconciliations for FY 18
Schedule AEL-12	Earnings Sharing Mechanism Factor

Schedule
AEL-1

Schedule AEL-1
Summary of DAC Factors

National Grid - RI Gas
Summary of DAC Factors
Effective November 1, 2018

Section 1: DAC factor (not including annual ISR component) November 1, 2018 - October 31, 2019

	Description	Reference	Amount	Factor: Residential/ Small/ Medium C&I	Factor: Large/ X-Large	
(1)	System Pressure (SP)	AEL-2	$3,153,600	$0.0079	$0.0079	
(2)	Advanced Gas Technology Program (AGT)	AEL-3	$0	$0.0000	$0.0000	
(3)	Low Income Assistance Program (LIAP)		$0	$0.0000	$0.0000	
(4)	Environmental Response Cost Factor (ERCF)	AEL-4	$1,088,331	$0.0027	$0.0027	
(5)	Pension Adjustment Factor (PAF)	AEL-5	($6,239,962)	($0.0157)	($0.0157)	
(6)	Arrearage Management Adjustment Factor (AMAF)	AEL-6	$80,079	$0.0002	$0.0002	
(7)	Reconciliation Factor (R)	AEL-10	($461,872)	($0.0007)	($0.0022)	
(8)	Service Quality Factor (SQP)		$0	$0.0000	$0.0000	
(9)	Earnings Sharing Mechanism (ESM)	AEL-12	$0 (TBD)	$0.0000	$0.0000	
(10)	Subtotal	Sum [(1):(10)]	($2,379,824)	($0.0056)	($0.0071)	
(11)	Uncollectible Percentage	Dkt 4323	3.18%	3.18%	3.18%	
(12)	DAC factors grossed up for uncollectible	(11) ÷ [1-(12)]	($2,457,988)	($0.0057)	($0.0073)	per therm
(13)	Revenue Decoupling Adjustment (RDA)	AEL-7	($5,661,116)	($0.0200)	$0.0000	
(14)	Revenue Decoupling Adjustment Reconciliation	AEL-10	$107,647	$0.0003	$0.0000	
(15)	DAC factor	(13)+(14)+(15)	($8,011,458)	**($0.0254)**	**($0.0073)**	**per therm**

Section 2: DAC factors including annual ISR component

		ISR Reconciliation w/o uncollectible[1] (therms) (a)	Uncollectible Percentage[2] (b)	ISR Reconciliation* (therms) (c) = (a) x [1+(b)]	Base DAC Component*[3] (therms) (d)	DAC Component Subtotal Rates* (therms) (e) = (c) + (d)	ISR Component*[4] (therms) (f)	November 1, 2018 DAC Rates* (therms) (g)
(16)	Res-NH	($0.0130)	3.18%	($0.0134)	($0.0254)	($0.0388)	$0.1501	$0.1113
(17)	Res-NH-LI	($0.0130)	3.18%	($0.0134)	($0.0254)	($0.0388)	$0.1501	$0.1113
(18)	Res-H	($0.0056)	3.18%	($0.0058)	($0.0254)	($0.0312)	$0.1501	$0.1189
(19)	Res-H-LI	($0.0056)	3.18%	($0.0058)	($0.0254)	($0.0312)	$0.1501	$0.1189
(20)	Small	($0.0140)	3.18%	($0.0144)	($0.0254)	($0.0398)	$0.1493	$0.1095
(21)	Medium	($0.0052)	3.18%	($0.0054)	($0.0254)	($0.0308)	$0.1114	$0.0806
(22)	Large LL	($0.0081)	3.18%	($0.0084)	($0.0073)	($0.0157)	$0.1030	$0.0873
(23)	Large HL	($0.0068)	3.18%	($0.0070)	($0.0073)	($0.0143)	$0.0842	$0.0699
(24)	XL-LL	($0.0010)	3.18%	($0.0010)	($0.0073)	($0.0083)	$0.0290	$0.0207
(25)	XL-HL	($0.0006)	3.18%	($0.0006)	($0.0073)	($0.0079)	$0.0255	$0.0176

***Factors Include Uncollectible Allowance**

[1] AEL-8
[2] Per Docket 4323
[3] Section 1, Line (15)
[4] FY 19 ISR component per Docket 4781

Schedule AEL-2
System Pressure Factor

National Grid - RI Gas
System Pressure Factor
Effective November 1, 2018

(1)	Nov-17		$262,800	
(2)	Dec-17		$262,800	
(3)	Jan-18		$262,800	
(4)	Feb-18		$262,800	
(5)	Mar-18		$262,800	
(6)	Apr-18		$262,800	
(7)	May-18		$262,800	
(8)	Jun-18		$262,800	
(9)	Jul-18		$262,800	
(10)	Aug-18		$262,800	
(11)	Sep-18		$262,800	
(12)	Oct-18		$262,800	
(13)				
(14)		Total	$3,153,600	
(15)	System Balancing Factor		100.00%	
(16)	LNG GCR Costs allocated to DAC		$3,153,600	
(17)	Firm Throughput		39,668,606	dths
(18)	System Pressure Factor per dekatherm		$0.0790	per dth
(19)	System Pressure Factor per therm		**$0.0079**	**per therm**

(1) - (12) Monthly cost associated with the Algonquin Crary Street Gate Station
(14) Sum of Lines (1) to (12)
(16) Line (14) x Line (15)
(17) Company Forecast
(18) Line (16) ÷ Line (17)
(19) Line (18) ÷ 10, truncated to 4 decimal places

Schedule
AEL-3

Schedule AEL-3
Advanced Gas Technology Program Factor

National Grid - RI Gas
AGT Factor
Effective November 1, 2018

(1)	AGT collected through DAC	$0	
(2)	Firm Throughput	39,668,606	dths
(3)	AGT Factor per dekatherm	$0.0000	per dth
(4)	AGT Factor per therm	**$0.0000**	**per therm**

(2) Company Forecast
(3) Line (1) ÷ Line (2)
(4) Line (3) ÷ 10, truncated to 4 decimal places

National Grid - RI Gas
AGT Account Balance and Interest Calculation

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
		30	31	30	31	31	30	31	30	31	31	28	31	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(1)	Beginning Balance	$1,381,233	$1,413,407	$1,432,927	$1,445,587	$1,455,930	$964,869	$674,757	$686,456	$799,598	$833,691	$880,586	$929,066	
(2)	Rebate Disbursements	$0	$0	$0	$0	$500,000	$300,000	$0	$0	$0	$0	$0	$0	
(3)	Other Disbursements	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
(4)	Sub-total Disbursements	$0	$0	$0	$0	$500,000	$300,000	$0	$0	$0	$0	$0	$0	
(5)	Forecasted Throughput from Docket 4323 (dth)	3,826,443	2,321,424	1,505,558	1,230,159	1,063,069	1,175,941	1,391,267	2,407,560	4,054,661	5,577,080	5,765,550	5,359,362	35,678,072
	L/XL Classes	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
	Res H, NH, Small & Medium C&I Classes	2,834,155	1,601,409	952,282	699,582	585,919	627,326	803,356	1,637,426	2,990,996	4,413,512	4,500,868	4,164,009	25,810,840
(6)	Base Rates Revenue													
(7)	Forecasted L/XL Classes	$8,344	$6,054	$4,652	$4,461	$4,012	$4,613	$4,943	$6,476	$8,944	$9,784	$10,634	$10,051	$82,969
(8)	Forecasted Res H, NH, Small & Medium C&I Classes	$23,831	$13,465	$8,007	$5,882	$4,927	$5,275	$6,755	$13,768	$25,150	$37,111	$37,846	$35,013	$217,031
(9)	Sub-total Revenue	$32,175	$19,520	$12,660	$10,344	$8,939	$9,888	$11,699	$20,244	$34,094	$46,895	$48,480	$45,064	$300,000
(10)	AGT Balance Refund	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(11)	AGT Balance Reconciliation													$0
(12)	AGT Interest Refund								$92,898					$92,898
(13)	Ending Balance	$1,413,407	$1,432,927	$1,445,587	$1,455,930	$964,869	$674,757	$686,456	$799,598	$833,691	$880,586	$929,066	$974,131	
	Interest Calculation													
(14)	Month's Average Balance	$1,397,320	$1,423,167	$1,439,257	$1,450,758	$1,210,400	$819,813	$680,606	$743,027	$816,645	$857,139	$904,826	$951,598	
(15)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%	
(16)	Calculated Interest (not applied to balance)	$2,297	$2,417	$2,514	$2,772	$2,313	$1,516	$1,301	$1,374	$1,647	$1,820	$1,735	$2,086	$23,792

(1) Column (a) Ending Balance per Docket 4708, AEL-3, Page 2 of 2
(2) Column (e): Rebate to Toray Plastics of America. Column (f): Rebate to Aspen Aerogels
(4) Line (2) + Line (3)
(5) Rate year forecast as presented in Docket 4323
(7) Large and Extra Large C&I throughput from Line (5) x $0.0084 (AGT base rate). Actual revenue for these rate classes are reconciled through the Reconciliation Factor for Large and Extra Large C&I.
(8) Res H, NH, Small & Medium throughput from Line (5) x $0.0084 (AGT base rate). Actual revenue for these rate classes are reconciled through the Revenue Decoupling Mechanism (RDM).
(9) Line (7) + Line (8)
(12) Adjustment to remove the interest that was inadvertently applied to the AGT Fund ending balance in Docket No. 4573, 4634, and 4708.
(13) Lines (1) - (4) + (9) + (10)
(14) Lines [(1)+(13)] ÷ 2
(15) Per RIPUC NG-Gas No. 101, Section 3, Schedule A
(16) Column (m), total interest refunded to customers at AEL-10, Page 1, line 10 per Docket 4339 Settlement of Issues

Schedule
AEL-4

Schedule AEL-4
Environmental Response Cost Factor

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
Effective November 1, 2018

	Description	Reference	Amount	
(1)	Amortization of Pre-FY2008 expenses	Page 3, Col L, Ln (3)	$0	
(2)	Amortization of FY2008 expenses	Page 3, Col L, Ln (3)	$0	
(3)	Amortization of FY2009 expenses - year 10 of 10	Page 3, Col L, Ln (6)	$96,579	
(4)	Amortization of FY2010 expenses - year 9 of 10	Page 3, Col L, Ln (9)	$208,826	
(5)	Amortization of FY2011 expenses - year 8 of 10	Page 3, Col L, Ln (12)	$452,295	
(6)	Amortization of FY2012 expenses - year 7 of 10	Page 3, Col L, Ln (15)	$558,394	
(7)	Amortization of FY2013 expenses - year 6 of 10	Page 3, Col L, Ln (18)	$136,852	
(8)	Amortization of FY2014 expenses - year 5 of 10	Page 3, Col L, Ln (21)	$300,824	
(9)	Amortization of FY2015 expenses - year 4 of 10	Page 3, Col L, Ln (24)	$112,908	
(10)	Amortization of FY2016 expenses - year 3 of 10	Page 3, Col L, Ln (27)	$111,792	
(11)	Amortization of FY2017 expenses - year 2 of 10	Page 3, Col L, Ln (30)	$303,756	
(12)	Amortization of FY2018 expenses - year 1 of 10	Page 3, Col L, Ln (33)	$116,105	
(13)		Subtotal	$2,398,331	
(14)	Base Rate Environmental Cost Allowance		$1,310,000	
(15)	Cost in excess of Allowance		$1,088,331	
(16)	Firm Throughput		39,668,606	dths
(17)	Environmental Response Cost Factor per dekatherm		$0.0270	per dth
(18)	Environmental Response Cost Factor per therm		**$0.0027**	**per therm**

(13) Sum of Lines (1) to (12)
(14) Docket 4323
(15) Line (13) - Line (14)
(16) Company Forecast
(17) Line (15) ÷ Line (16)
(18) Line (17) ÷ 10, truncated to 4 decimal places

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

			FY2009 (a)	FY2010 (b)	FY2011 (c)	FY2012 (d)	FY2013 (e)	FY2014 (f)	FY2015 (g)	FY2016 (h)	FY2017 (i)	FY2018 (j)
	ENVIRONMENTAL AMORTIZATION											
(1)	FY 2002-FY 2008 NET ERC Costs Net of Insurance	$5,793,300										
(2)	Amortization Period (years)	10	$579,331	$579,331	$579,331	$579,333	($671,697)	($70,427)	($23,134)	($36,802)	($80,405)	($4,580)
(3)	FY 2009 NET ERC Costs Net of Insurance	$965,754										
(4)	Amortization Period (years)	10		$96,575	$96,575	$96,575	$96,575	$96,575	$96,575	$96,575	$96,575	$96,575
(5)	FY 2010 NET ERC Costs Net of Insurance	$2,088,264										
(6)	Amortization Period (years)	10			$208,826	$208,826	$208,826	$208,826	$208,826	$208,826	$208,826	$208,826
(7)	FY 2011 NET ERC Costs Net of Insurance	$4,522,947										
(8)	Amortization Period (years)	10				$452,295	$452,295	$452,295	$452,295	$452,295	$452,295	$452,295
(9)	FY 2012 NET ERC Costs Net of Insurance	$5,583,936										
(10)	Amortization Period (years)	10					$558,394	$558,394	$558,394	$558,394	$558,394	$558,394
(11)	FY 2013 NET ERC Costs Net of Insurance	$1,368,521										
(12)	Amortization Period (years)	10						$136,852	$136,852	$136,852	$136,852	$136,852
(13)	FY 2014 NET ERC Costs Net of Insurance	$3,008,237										
(14)	Amortization Period (years)	10							$300,824	$300,824	$300,824	$300,824
(15)	FY 2015 NET ERC Costs Net of Insurance	$1,129,080										
(16)	Amortization Period (years)	10								$112,908	$112,908	$112,908
(17)	FY 2016 NET ERC Costs Net of Insurance	$1,117,923										
(18)	Amortization Period (years)	10									$111,792	$111,792
(19)	FY 2017 NET ERC Costs Net of Insurance	$3,037,565										
(20)	Amortization Period (years)	10										$303,756
(21)	FY 2018 NET ERC Costs Net of Insurance	$1,161,052										
(22)	Amortization Period (years)	10										
(23)	Amortization Expense sub-total		$579,331	$675,906	$884,732	$1,337,029	$644,393	$1,382,515	$1,730,632	$1,829,872	$1,898,061	$2,277,642
(24)	ENVIRONMENTAL REMEDIATION COSTS											
(25)	Beginning Balance		$5,793,300	$6,759,054	$8,847,318	$13,370,265	$18,954,201	$20,322,722	$23,330,959	$24,460,039	$25,577,962	$28,615,527
(26)	Environmental Expenditures, net of Insurance		$965,754	$2,088,264	$4,522,947	$5,583,936	$1,368,521	$3,008,237	$1,129,080	$1,117,923	$3,037,565	$1,161,052
(27)	Ending Balance		$6,759,054	$8,847,318	$13,370,265	$18,954,201	$20,322,722	$23,330,959	$24,460,039	$25,577,962	$28,615,527	$29,776,579
(28)	ACCUMULATED ENVIRONMENTAL REMEDIATION											
(29)	Beginning Balance		$4,363,019	$4,942,350	$5,618,256	$6,502,988	$7,840,017	$8,484,410	$9,866,925	$11,597,557	$13,427,429	$15,325,490
(30)	Amortization Expense (1)		$579,331	$675,906	$884,732	$1,337,029	$644,393	$1,382,515	$1,730,632	$1,829,872	$1,898,061	$2,277,642
(31)	Ending Balance		$4,942,350	$5,618,256	$6,502,988	$7,840,017	$8,484,410	$9,866,925	$11,597,557	$13,427,429	$15,325,490	$17,603,132
(32)	NET ENVIRONMENTAL REMEDIATION COSTS		$1,816,704	$3,229,062	$6,867,277	$11,114,184	$11,838,312	$13,464,034	$12,862,482	$12,150,533	$13,290,037	$12,173,447

(1) Amortization Expense is shown on a June 30 basis

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC Amortization Schedule

			FY2019 (k)	FY2020 (l)	FY2021 (m)	FY2022 (n)	FY2023 (o)	FY2024 (p)	FY2025 (q)	FY2026 (r)	FY2027 (s)	FY2028 (t)
	ENVIRONMENTAL AMORTIZATION											
(1)	FY 2002-FY 2008 NET ERC Costs Net of Insurance	$5,793,300										
(2)	Amortization Period (years)	10	$0									
(3)	FY 2009 NET ERC Costs Net of Insurance	$965,754										
(4)	Amortization Period (years)	10	$96,579	$0								
(5)	FY 2010 NET ERC Costs Net of Insurance	$2,088,264										
(6)	Amortization Period (years)	10	$208,826	$208,830	$0							
(7)	FY 2011 NET ERC Costs Net of Insurance	$4,522,947										
(8)	Amortization Period (years)	10	$452,295	$452,295	$452,292	$0						
(9)	FY 2012 NET ERC Costs Net of Insurance	$5,583,936										
(10)	Amortization Period (years)	10	$558,394	$558,394	$558,394	$558,390	$0					
(11)	FY 2013 NET ERC Costs Net of Insurance	$1,368,521										
(12)	Amortization Period (years)	10	$136,852	$136,852	$136,852	$136,852	$136,853	$0				
(13)	FY 2014 NET ERC Costs Net of Insurance	$3,008,237										
(14)	Amortization Period (years)	10	$300,824	$300,824	$300,824	$300,824	$300,824	$300,821	$0			
(15)	FY 2015 NET ERC Costs Net of Insurance	$1,129,080										
(16)	Amortization Period (years)	10	$112,908	$112,908	$112,908	$112,908	$112,908	$112,908	$112,908	$0		
(17)	FY 2016 NET ERC Costs Net of Insurance	$1,117,923										
(18)	Amortization Period (years)	10	$111,792	$111,792	$111,792	$111,792	$111,792	$111,792	$111,792	$111,795	$0	
(19)	FY 2017 NET ERC Costs Net of Insurance	$3,037,565										
(20)	Amortization Period (years)	10	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,756	$303,761	$0
(21)	FY 2018 NET ERC Costs Net of Insurance	$1,161,052										
(22)	Amortization Period (years)	10	$116,105	$116,105	$116,105	$116,105	$116,105	$116,105	$116,105	$116,105	$116,105	$116,107
(23)	Amortization Expense sub-total		$2,398,331	$2,301,756	$2,092,923	$1,640,627	$1,082,238	$945,382	$644,561	$531,656	$419,866	$116,107
(24)	ENVIRONMENTAL REMEDIATION COSTS											
(25)	Beginning Balance		$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579
(26)	Environmental Expenditures, net of Insurance		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(27)	Ending Balance		$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579	$29,776,579
(28)	ACCUMULATED ENVIRONMENTAL REMEDIATION											
(29)	Beginning Balance		$17,603,132	$20,001,463	$22,303,219	$24,396,142	$26,036,769	$27,119,007	$28,064,389	$28,708,950	$29,240,606	$29,660,471
(30)	Amortization Expense (1)		$2,398,331	$2,301,756	$2,092,923	$1,640,627	$1,082,238	$945,382	$644,561	$531,656	$419,866	$116,107
(31)	Ending Balance		$20,001,463	$22,303,219	$24,396,142	$26,036,769	$27,119,007	$28,064,389	$28,708,950	$29,240,606	$29,660,471	$29,776,578
(32)	NET ENVIRONMENTAL REMEDIATION COSTS		$9,775,116	$7,473,360	$5,380,437	$3,739,810	$2,657,572	$1,712,190	$1,067,629	$535,973	$116,107	$0

(1) Amortization Expense is shown on a June 30 basis

National Grid - RI Gas
Environmental Response Cost (ERC) Factor
ERC FY 2018 Detail

			Total Costs at 3/31/2017 (a)	FY 2018 Costs (b)	Total Costs at 3/31/2018 (c) = (a) + (b)
(1)	Environmental Expenses				
(2)	907 & 908	Allens Avenue	$22,706,620	$368,640	$23,075,260
(3)	307	PCB Reg Pipe Abandon.	$1,588,744	$362,689	$1,951,433
(4)	379	Petroleum Site	$8,065,474	$49,827	$8,115,301
(5)	700	18 & 21 Holders COR	$2,776,743	$0	$2,776,743
(6)	161	Canal Street, Westerly	$29,133	$0	$29,133
(7)	178	Site Inv Connell Hwy Newp	$44,092	$0	$44,092
(8)	144	Westerly Soil Investigation	$82,184	$0	$82,184
(9)	171	Contaminated Regulators	$3,098,876	$5,858	$3,104,734
(10)	781	Mendon Road	$121,355	$0	$121,355
(11)	782	Tidewater	$1,661,227	$150,372	$1,811,599
(12)	783	Hamlet	$158,378	$17,697	$176,075
(13)	--	Thames & Wellington	$6,076,557	$105,244	$6,181,801
(14)	--	Misc MGP (NEG)	$418,144	$44,066	$462,210
(15)	--	Insurance Recovery	$1,348,558	$34,244	$1,382,802
(16)	--	East Providence (First Ave) Holder	$346,682	$16,120	$362,802
(17)	--	560 Thames Street Newp	$157,906	$6,295	$164,201
(18)		Sub-Total	$48,680,675	$1,161,052	$49,841,727
(19)	Insurance Recovery/Settlement				
(20)	910	Environmental Insurance Settlement		$0	
(21)	Net FY 2018 Environmental Response Costs			$1,161,052	

(1)-(18) Col (a): Docket 4708, AEL-4, Page 4, Col (c)
(1)-(18) Col (b): Annual Environmental Report for Gas Service, Period of April 1, 2017 - March 31, 2018
(21) Line (18), Col (b) + Line (20)

Schedule
AEL-5

Schedule AEL-5
Pensions and Postretirement Benefits Other than Pensions Factor

National Grid - RI Gas
Pension Adjustment Factors
Effective November 1, 2018

	Pension Factor		
(1)	Pension Reconciliation	($2,811,656)	
(2)	Carrying Charges	($10,931)	
(3)	Total Pension Cost	($2,822,587)	
(4)	Firm Throughput	39,668,606	dths
(5)	Pension Factor per dth	($0.0710)	per dth
(6)	Pension Factor per therm	($0.0071)	per therm
	PBOP Factor		
(7)	PBOP Reconciliation	($3,417,375)	
(8)	Carrying Charges	$0	
(9)	Total PBOP Cost	($3,417,375)	
(10)	Firm Throughput	39,668,606	dths
(11)	PBOP Factor per dth	($0.0860)	per dth
(12)	PBOP Factor per therm	($0.0086)	per therm
	Pension & PBOP Factor Combined		
(13)	Pension & PBOP Factor per dth	($0.1570)	per dth
(14)	Pension & PBOP Factor per therm	**($0.0157)**	**per therm**

(1) WRR-1, Page 1, Line (11)
(2) WRR-1, Page 1, Line (12)
(3) Line (1) + Line (2)
(4) Company Forecast
(5) Line (3) ÷ Line (4)
(6) Line (5) ÷ 10
(7) WRR-1, Page 2, Line (11)
(8) WRR-1, Page 2, Line (12)
(9) Line (7) + Line (8)
(10) Company Forecast
(11) Line (9) ÷ Line (10)
(12) Line (11) ÷ 10
(13) Line (5) + Line (11)
(14) Line (6) + Line (12)

**Schedule
AEL-6**

Schedule AEL-6
Arrearage Management Adjustment Factor

The Narragansett Electric Company
Arrearage Management Adjustment Factor Calculation

(1)	Total Recoverable Arrearage Forgiveness Amount	$80,079	
(2)	Firm Throughput	39,668,606	dths
(3)	Arrearage Management Adjustment Factor per dekatherm	$0.0020	per dth
(4)	Arrearage Management Adjustment Factor per therm	$0.0002	per therm

(1) Page 2, Line (12)
(2) Company forecast
(3) Line (1) ÷ Line (2)
(4) Line (3) ÷ 10, truncated to 4 decimal places

The Narragansett Electric Company
Calculation of Recoverable Arrearagement Foregiveness Amount

	Uncollectible Recovery from:	
(1)	Rate Year Base Distribution Rates	$5,114,039
(2)	Calendar Year Commodity Rates	$3,952,919
(3)	Calendar Year DAC	$1,165,424
(4)	Calendar Year Energy Efficiency (EE)	$966,849
(5)	Total Allowable Bad Debt	$11,199,231
(6)	Total Actual Net Charge Offs	$5,558,517
(7)	Actual Above / (Below) Allowable Bad Debt	($5,640,714)
(8)	Amount of AMP Successful Participants Arrearage Foregiveness	$11,961
(9)	Recoverable Arrearage Foregiveness Due to AMP Successful Participants	$0
(10)	Recoverable Arrearage Foregiveness Due to AMP Unsuccessful Participants (Cancelled)	$12,045
(11)	Recoverable Arrearage Foregiveness Due to AMP Unsuccessful Participants (Default)	$68,033
(12)	Total Recoverable Arrearage Foregiveness Amount	$80,079

(1) RIPUC Docket No. 4323, Compliance (Book 1) Compliance Attachment 1 (Schedule MDL-3-GAS), Page 6. Line (8), Col (e) + Page 7, Line (29), Col (e)
(2) Page 3, Section 1, Line (3)
(3) Page 3, Section 2, Line (3)
(4) Page 3, Section 3, Line (3)
(5) Sum of Lines (1) to (4)
(6) Page 4, Column (d), Line (1)
(7) Line (6) - Line (5)
(8) Page 5, Line (6)
(9) If Line (7) > 0 then Min of Line (7) or Line (8), Else 0
(10) Page 5, Line (4)
(11) Page 5, Line (2)
(12) Sum of Lines (9) to (11)

The Narragansett Electric Company
Calculation of Recoverable Arrearagement Foregiveness Amount

Section 1: Gas Cost Recovery

(1)	Gas Cost Recovery Billings	$124,305,626
(2)	Uncollectible Percentage	3.18%
(3)	Commodity Rate Allowable Bad Debt	$3,952,919

(1) Per Company Revenue Reports for calendar year 2017
(2) Uncollectible percentage approved in RIPUC Docket No. 4323
(3) Line (1) x Line (2)

Section 2: Distribution Adjustment Clause

(1)	Distribution Adjustment Clause Billings	$36,648,565
(2)	Uncollectible Percentage	3.18%
(3)	DAC Rate Allowable Bad Debt	$1,165,424

(1) Per Company Revenue Reports for calendar year 2017
(2) Uncollectible percentage approved in RIPUC Docket No. 4323
(3) Line (1) x Line (2)

Section 3: Energy Efficiency

(1)	Enery Efficiency Billings	$30,404,062
(2)	Uncollectible Percentage	3.18%
(3)	Energy Efficiency Allowable Bad Debt	$966,849

(1) Per Company Revenue Reports for calendar year 2017
(2) Uncollectible percentage approved in RIPUC Docket No. 4323
(3) Line (1) x Line (2)

The Narragansett Electric Company
Calculation of Recoverable Arrearagement Foregiveness Amount
Calendar Year 2017 Net Charge - Offs

	Beginning Balance FERC 144 (a)	Adjustments to Reserve FERC 904 (b)	Ending Balance FERC 144 (c)	Net Charge Offs (d)
(1)	$10,547,625.09	$5,683,198.48	$10,672,306.28	$5,558,517

(a) Per Company's Financial Statements
(b) Per Company's Financial Statements
(c) Per Company's Financial Statements
(d) Column (a) + Column (b) - Column (c)

The Narragansett Electric Company
Calculation of Recoverable Arrearagement Foregiveness Amount
Arrearage Forgiveness Amounts

	Unsuccessful Accounts (Default)	
(1)	Number of accounts not successful as of 12/31/2017	648
(2)	Amount forgiven prior to defaulting	$68,033
	Unsuccessful Accounts (Cancelled)	
(3)	Number of accounts not successful as of 12/31/2017	115
(4)	Amount forgiven prior to defaulting	$12,045
	Successful Accounts	
(5)	Number of accounts successfully completing the first year of the program	10
(6)	Amount forgiven during 2017	$11,961
	Enrolled Accounts	
(7)	Number of accounts enrolled as of 12/31/2017	1,113
(8)	Amount forgiven during 2017	$234,948
	Total Enrolled Accounts	
(9)	Number of accounts enrolled as of 12/31/2017	1,886
(10)	Amount forgiven during 2017	$326,988

(1) Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2017
(2) Per Company Records
(3) Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2017
(4) Per Company Records
(5) Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2017
(6) Per Company Records
(7) Per Docket No. 4290 - Arrearage Management Program Monthly Report - December 2017
(8) Per Company Records
(9) Sum of Lines (1), (3), (5), and (7)
(10) Sum of Lines (2), (4), (6), and (8)

Schedule AEL-7

Schedule AEL-7
Revenue Decoupling Adjustment Factor

The Narragansett Electric Company Annual Gas RDM Reconciliation Balance

(1)	Residential Non-Heat (incl Low Income)	$535,269	
(2)	Residential Heat (incl Low Income)	($6,879,336)	
(3)	Small C&I	($139,560)	
(4)	Medium C&I	$822,510	
(5)	Net Over Recovery of Target Recovery	($5,661,116)	
(6)	Firm Therm Throughput Forecast for RDM Rate Classes (Nov 2018-Oct 2019)	28,195,590	dths
(7)	Proposed RDA Factor per dth	($0.2008)	per dth
(8)	Proposed RDA Factor per therm	($0.0200)	per therm

(1) Schedule AEL-2, Page 1, Column (l), Line (36)
(2) Schedule AEL-2, Page 2, Column (l), Line (72)
(3) Schedule AEL-2, Page 3, Column (l), Line (84)
(4) Schedule AEL-2, Page 3, Column (l), Line (96)
(5) Sum [Lines (1):(4)]
(6) Firm throughput (in therms) forecast for Residential Heat and Non-Heat, Small and Medium C&I rate classes.
(7) Line (5) ÷ Line (6)
(8) Line (7) ÷ 10, truncated to 4 decimal places.

Robert Humm
Senior Counsel

June 29, 2018

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: National Grid's Gas Revenue Decoupling Mechanism Reconciliation Filing
For April 1, 2017 to March 31, 2018
Docket No. _______**

Dear Ms. Massaro:

On behalf of National Grid,[1] enclosed please find the Company's annual Gas Revenue Decoupling Mechanism (RDM) reconciliation filing for the period April 1, 2017 to March 31, 2018. National Grid submits this filing pursuant to the provisions of the Distribution Adjustment Clause of its gas tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Sheet 9, subpart 3.9 (Revenue Decoupling Adjustment Factor), which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment (RDA) factor to be included in National Grid's annual Distribution Adjustment Charge (DAC) filing.

This filing consists of the pre-filed direct testimony and schedules of Ann E. Leary. Ms. Leary provides an overview of National Grid's RDM reconciliation, and describes the actual RDM results for the period April 1, 2017 to March 31, 2018.

As a result of National Grid's RDM reconciliation, National Grid over-recovered revenue of $5,661,116 under its RDM during the period April 1, 2017 to March 31, 2018. This over-recovery will be credited to customers through the RDA factor, which will go into effect November 1, 2018 with the rest of the DAC factors. National Grid is not presenting a proposed RDA factor at this time because the RDA factor is just one of several factors included in the DAC. Rather, National Grid will submit the RDA factor in its August 1, 2018 annual DAC filing.

[1] The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

280 Melrose Street, Providence, RI 02907
T: 401-784-7415 ■ robert.humm@nationalgrid.com ■ www.nationalgrid.com

Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7415.

Very truly yours,

Robert Humm

Enclosures

cc: Leo Wold, Esq.
John Bell, Division
Al Mancini, Division

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET NO. ______
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: ANN E. LEARY
JUNE 29, 2018

DIRECT TESTIMONY

OF

ANN E. LEARY

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET NO. ______
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: ANN E. LEARY
JUNE 29, 2018

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I. Introduction and Qualifications

Q. Please state your name and business address.

A. My name is Ann E. Leary. My business address is 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. What is your position at National Grid and responsibilities within that position?

A. I am the Manager of New England Gas Pricing for National Grid USA Service Company, Inc. In this position, I am responsible for preparing and submitting various regulatory filings with the Rhode Island Public Utilities Commission (PUC) on behalf of The Narragansett Electric Company d/b/a National Grid (Company or National Grid), and with the Massachusetts Department of Public Utilities on behalf of Boston Gas Company and Colonial Gas Company, each d/b/a National Grid.

Q. Please provide your educational background.

A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in 1983.

Q. Please provide your professional background.

A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I became a planning analyst and later accepted the position of Manager of Rates at Essex.

Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing for Boston Gas Company (Boston). After Boston merged with KeySpan Energy Delivery, subsequently National Grid, I became the Manager of New England Gas Pricing, the position I hold today.

Q. Have you previously testified before the PUC?

A. Yes. I have testified before the PUC on numerous occasions, most recently in the Company's 2017 rate case filing in Docket No. 4770. In addition, I have testified extensively in several ratemaking and regulatory proceedings before the Massachusetts Department of Public Utilities and the New Hampshire Public Utilities Commission.

II. <u>Purpose of Testimony</u>

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present the Company's March 31, 2018 Revenue Decoupling Mechanism (RDM) reconciliation balance, which will be used to compute the proposed Revenue Decoupling Adjustment (RDA) factor to be incorporated in the Company's upcoming August 1, 2018 annual Distribution Adjustment Charge (DAC) filing. Specifically, I provide an overview of the Company's RDM reconciliation and explain the RDM results for the reconciliation period April 1, 2017 through March 31, 2018.

This filing is submitted pursuant to the Company's Distribution Adjustment Clause provision contained in its tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Sheet 9, subpart 3.9 (Revenue Decoupling Adjustment Factor).

Q. Are you sponsoring any schedules with your testimony?

A. Yes, I am sponsoring the following schedules that accompany my testimony:

Schedule AEL-1	Annual Gas RDM Reconciliation Balance
Schedule AEL-2	Monthly RDM Reconciliation by Rate Class for the Period April 1, 2017 through March 31, 2018
Schedule AEL-3	Actual vs. Normal Billing Heating Degree Day Comparison for April 2017 through March 2018
Schedule AEL-4	Revenue-Per-Customer Targets

III. <u>RDM Reconciliation</u>

Q. Please provide an overview of the Company's RDM reconciliation.

A. In Docket No. 4206, the PUC approved a Revenue-Per-Customer RDM that provides for an annual reconciliation, by rate class, between a target level of base distribution rate revenue and actual base distribution rate revenue billed during the reconciliation period. The reconciliation is driven by the comparison of the Actual Revenue-Per-Customer during the reconciliation period and the Target Revenue-Per-Customer. The reconciliation is performed on a monthly basis and covers the Company's fiscal year (the period April 1 through March 31 of the following year) for all Residential and Small and

Medium Commercial and Industrial (C&I) firm rate classes. Under the RDM, customers subject to the RDM receive any net over-recovery of target revenue and are surcharged for any net under-recovery of target revenue through the RDA factor, which is one of several components of the DAC, effective November 1 each year.

Q. What are the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer?

A. The Target Revenue-Per-Customer is the Revenue-Per-Customer that the Company is allowed to earn applicable to the customers in each rate class included in the RDM. The Actual Revenue-Per-Customer is the actual average Revenue-Per-Customer resulting from the customers in each rate class included in the RDM based upon the base distribution rate revenue billed by the Company divided by the actual number of customers billed.

Q. What is the result of the RDM reconciliation presented in this filing?

A. The RDM reconciliation results in a net over-recovery balance of $5,661,116 for the period April 1, 2017 through March 31, 2018, as shown in Schedule AEL-1.

Q. How did the Company determine the RDM reconciliation balance at the end of March 2018?

A. On a monthly basis and for each rate class, the Company calculated the difference between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company has over-recovered its RDM target revenue and must credit customers the excess amount. If the Actual Revenue-Per-Customer is less than the Target Revenue-Per-Customer, the Company has under-recovered its RDM target revenue and must surcharge customers the deficiency. The monthly difference between the Actual and Target Revenue-Per-Customers is multiplied by the number of customers billed in the month to derive the amount of revenue the Company has either over-recovered or under-recovered for the month. For each month, the monthly revenue over- or under-recovery accumulates and the balance accrues interest, which is also reflected in the final monthly balance.[1] The Company presents this annual reconciliation in Schedule AEL-2.

Q. Has the Company made any adjustment to the Target Revenue-Per-Customer for the adjustments to the Residential Heating and Residential Non-Heating customer classes approved in Docket No. 4708?[2]

---

[1] Interest on the average monthly balance is calculated at the same interest rate used to calculate interest on the Company's other DAC balances, which is the Bank of America Prime Rate less 200 basis points.

[2] In Docket No. 4708, the Company adjusted the Target Revenue-Per-Customer for the Residential Heating and Residential Non-Heating customer classes to normalize for the end of July 2016 transfer of 684 customers from Non-Heating rate classes to the Heating rate classes. As a result, such customers were in their new rate classes at the beginning of the RDM reconciliation period in Docket No. 4708 (i.e., April 1, 2016).

A. No. For the past three years, the Company has been revising the benchmark Target Revenue-Per-Customer due to the transfer of significant numbers of customers between the Residential Heating and Residential Non-Heating rate classes as a result of the Company refining the criteria used to identify Residential customers who should have received service on the Residential Heating rate classes, but were actually billed on the Residential Non-Heating rate classes, during the rate year of the Company's rate case filed in 2012, Docket No. 4323 .[3] The Company has identified all the Residential Heating customers who were on the Residential Non-Heating rate classes, but should have been on the Residential Heating rate classes, for the period February 2013 through January 2014, so it is unnecessary to make any further revisions to Target Revenue-Per-Customers for these two rate classes. The transfer of 684 customers from Residential Non-Heating to Residential Heating at the end of July 2016, as presented in Docket No. 4708, was the final update to the Target Revenue-Per-Customers.

Q. Does the Company anticipate updating the Target Revenue-Per-Customer for any of its RDM groups in future filings?

A. No. The Company believes the statistical analysis it has developed best identifies all Residential Heating customers that should have been transferred from the Residential Non-Heating rate classes to the Residential Heating rate classes based on their annual load profile.

[3] The rate year in Docket No. 4323 was February 2013 through January 2014.

IV. Results of the RDM Reconciliation

Q. What are the results of the RDM reconciliation for the year ending March 31, 2018?

A. For the reconciliation period April 1, 2017 through March 31, 2018, the Company has calculated a net over-recovery of target revenue of $5,661,116, as summarized in Schedule AEL-1. This over-recovery will be credited to customers through the RDA factor, which will go into effect November 1, 2018 with the rest of the DAC factors.

Q. What are the drivers for the net under-recovery?

A. As shown in Schedule AEL-1, the Company's net over-recovery of $5,661,116 was driven by a $6.3 million combined over-recovery for the Residential RDM groups and a $0.7 million combined under-recovery for the Small and Medium C&I RDM groups. For the Small and Medium C&I RDM groups, the $0.7 million under-recovery was driven by a reduction in actual revenue due to warmer than normal weather.[4] Schedule AEL-3 shows the billing heating degree day comparison for this reconciliation period.

For the Residential RDM groups, the over-recovery is the result of two factors. First, the Actual Revenue-Per-Customer declined due to warmer than normal weather, similar to the weather's impact on the Small and Medium C&I RDM groups. Warmer weather would typically generate an under-recovery; however, the weather's impact was offset by the adjustments the Company made to the Residential Non-Heating and Residential

[4] Overall Fiscal Year 2018 weather was approximately 4.5 percent warmer than normal, but 3.5 percent colder than in Fiscal Year 2017.

Heating Target Revenue-Per-Customers, which reduced the Target Revenue-Per-Customer for the Residential Heating rate classes. The lower Target Revenue-Per-Customer – which is a function of revenue based on normal forecasted sales volumes and numbers of customers, as adjusted in Docket Nos. 4514, 4573, 4634, and 4708 – when compared to weather-normal Actual Revenue-Per-Customers, will inherently generate an over-recovery as compared to the original Target Revenue-Per-Customer in Docket No. 4514. This result is to the customers' benefit.

V. **<u>Bill Impacts</u>**

Q. Does the Company include bill impacts resulting from the RDM reconciliation in this filing?

A. No, the Company is not presenting bill impact information at this time. Because the RDA factor will be proposed in the DAC filing along with several other factors, the bill impact of a RDA factor on a stand-alone basis provides limited information as to the cumulative impact of the change in the overall DAC factors. Rather, the Company will submit bill impacts for the cumulative impact of all of its proposed DAC factors, including the RDA factor, with its August 1, 2018 DAC filing.

Q. Does this conclude your testimony?

A. Yes.

The Narragansett Electric Company Annual Gas RDM Reconciliation Balance

(1)	Residential Non-Heat (incl Low Income)	$535,269
(2)	Residential Heat (incl Low Income)	($6,879,336)
(3)	Small C&I	($139,560)
(4)	Medium C&I	$822,510
(5)	Net Over Recovery of Target Recovery	($5,661,116)

(1) Schedule AEL-2, Page 1, Column (l), Line (36)
(2) Schedule AEL-2, Page 2, Column (l), Line (72)
(3) Schedule AEL-2, Page 3, Column (l), Line (84)
(4) Schedule AEL-2, Page 3, Column (l), Line (96)
(5) Sum [Lines (1):(4)]

RDM Reconciliation by Rate Class by Month

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
		30	31	30	31	31	30	31	30	31	31	28	31
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Residential Non-Heat												
(1)	Benchmark Revenue Per Customer (RPC)	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46
(2)	Beginning Balance Under/(Over) Recovery	$0	$41,230	$86,212	$118,056	$156,109	$182,582	$204,455	$267,613	$299,809	$373,029	$403,077	$462,924
(3)	Actual Number of Customers	19,292	19,196	19,125	19,086	19,067	18,725	18,333	18,380	18,400	18,420	18,389	18,373
(4)	Actual Base Revenue	$443,365	$376,584	$354,344	$332,296	$329,037	$333,123	$296,417	$362,948	$385,278	$483,435	$458,855	$418,201
(5)	Actual Base Revenue Per Customer	$22.98	$19.62	$18.53	$17.41	$17.26	$17.79	$16.17	$19.75	$20.94	$26.25	$24.95	$22.76
(6)	RPC Variance (Benchmark- Actual)	$2.14	$2.34	$1.66	$1.98	$1.37	$1.15	$3.42	$1.72	$3.94	$1.59	$3.21	$4.69
(7)	Monthly Under/(Over) Recovery of RPC	$41,196	$44,874	$31,665	$37,792	$26,150	$21,515	$62,707	$31,671	$72,542	$29,225	$59,018	$86,247
(8)	Preliminary Ending Balance	$41,196	$86,104	$117,877	$155,848	$182,259	$204,098	$267,163	$299,285	$372,351	$402,254	$462,095	$549,172
(9)	Average Balance	$20,598	$63,667	$102,045	$136,952	$169,184	$193,340	$235,809	$283,449	$336,080	$387,641	$432,586	$506,048
(10)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(11)	Interest Applied	$34	$108	$178	$262	$323	$358	$451	$524	$678	$823	$830	$1,109
(12)	Ending Balance Under/(Over) Recovery	$41,230	$86,212	$118,056	$156,109	$182,582	$204,455	$267,613	$299,809	$373,029	$403,077	$462,924	$550,281
	Residential Non-Heat Low Income												
(13)	Benchmark Revenue Per Customer (RPC)	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46
(14)	Beginning Balance Under/(Over) Recovery	$0	($2,911)	($4,642)	($5,264)	($5,282)	($5,415)	($10,584)	($6,519)	($7,222)	($8,562)	($11,895)	($13,545)
(15)	Actual Number of Customers	262	306	318	321	320	281	211	206	212	219	232	238
(16)	Actual Base Revenue	$9,489	$8,443	$7,032	$6,232	$6,084	$10,476	$51	$5,113	$6,599	$9,407	$8,159	$7,970
(17)	Actual Base Revenue Per Customer	$36.22	$27.59	$22.11	$19.41	$19.01	$37.28	$0.24	$24.82	$31.13	$42.95	$35.17	$33.49
(18)	RPC Variance (Benchmark- Actual)	($11.10)	($5.64)	($1.93)	($0.02)	($0.38)	($18.34)	$19.35	($3.35)	($6.24)	($15.12)	($7.01)	($6.03)
(19)	Monthly Under/(Over) Recovery of RPC	($2,908)	($1,725)	($614)	($7)	($123)	($5,154)	$4,082	($691)	($1,324)	($3,312)	($1,625)	($1,436)
(20)	Preliminary Ending Balance	($2,908)	($4,636)	($5,256)	($5,272)	($5,405)	($10,569)	($6,502)	($7,209)	($8,546)	($11,873)	($13,520)	($14,980)
(21)	Average Balance	($1,454)	($3,773)	($4,949)	($5,268)	($5,343)	($7,992)	($8,543)	($6,864)	($7,884)	($10,217)	($12,708)	($14,262)
(22)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(23)	Interest Applied	($2)	($6)	($9)	($10)	($10)	($15)	($16)	($13)	($16)	($22)	($24)	($31)
(24)	Ending Balance Under/(Over) Recovery	($2,911)	($4,642)	($5,264)	($5,282)	($5,415)	($10,584)	($6,519)	($7,222)	($8,562)	($11,895)	($13,545)	($15,012)
	Residential Non-Heat (incl Low Income)												
(25)	Benchmark Revenue Per Customer (RPC)	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46
(26)	Beginning Balance Under/(Over) Recovery	$0	$38,319	$81,570	$112,791	$150,828	$177,167	$193,871	$261,095	$292,587	$364,467	$391,182	$449,380
(27)	Actual Number of Customers	19,554	19,502	19,443	19,407	19,387	19,006	18,544	18,586	18,612	18,639	18,621	18,611
(28)	Actual Base Revenue	$452,854	$385,027	$361,376	$338,528	$335,121	$343,600	$296,468	$368,061	$391,877	$492,842	$467,013	$426,171
(29)	Actual Base Revenue Per Customer	$23.16	$19.74	$18.59	$17.44	$17.29	$18.08	$15.99	$19.80	$21.06	$26.44	$25.08	$22.90
(30)	RPC Variance (Benchmark- Actual)	$1.96	$2.21	$1.60	$1.95	$1.34	$0.86	$3.60	$1.67	$3.83	$1.39	$3.08	$4.56
(31)	Monthly Under/(Over) Recovery of RPC	$38,288	$43,149	$31,052	$37,785	$26,026	$16,361	$66,789	$30,981	$71,218	$25,913	$57,392	$84,812
(32)	Preliminary Ending Balance	$38,288	$81,468	$112,622	$150,576	$176,854	$193,528	$260,660	$292,075	$363,805	$390,381	$448,574	$534,191
(33)	Average Balance	$19,144	$59,894	$97,096	$131,684	$163,841	$185,348	$227,266	$276,585	$328,196	$377,424	$419,878	$491,785
(34)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(35)	Interest Applied	$31	$102	$170	$252	$313	$343	$434	$511	$662	$801	$805	$1,078
(36)	Ending Balance Under/(Over) Recovery	$38,319	$81,570	$112,791	$150,828	$177,167	$193,871	$261,095	$292,587	$364,467	$391,182	$449,380	$535,269

(1) AEL-4, Line (4)
(2) Line (12)
(3) Company's billing system
(4) Company's billing system
(5) Line (4) / Line (3)
(6) Line (1) - Line (5)
(7) Line (3) * Line (6)
(8) Line (2) + Line (7)
(9) [Line (2) + Line (8)] / 2
(11) [Line (9) * Line (10)] / 365 * # days
(12) Line (8) + Line (11)

(13) AEL-4, Line (4)
(14) Line (24)
(15) Company's billing system
(16) Company's billing system
(17) Line (16) / Line (15)
(18) Line (13) - Line (17)
(19) Line (15) * Line (18)
(20) Line (14) + Line (19)
(21) [Line (14) + Line (20)] / 2
(23) [Line (21) * Line (22)] / 365 * # days
(24) Line (20) + Line (23)

(25) AEL-4, Line (4)
(26) Line (36)
(27) Line (3) + Line (15)
(28) Line (4) + Line (16)
(29) Line (28) / Line (27)
(30) Line (25) - Line (29)
(31) Line (27) * Line (30)
(32) Line (26) + Line (31)
(33) [Line (26) + Line (32)] / 2
(35) [Line (33) * Line (34)] / 365 * # days
(36) Line (32) + Line (35)

RDM Reconciliation by Rate Class by Month

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
		30	31	30	31	31	30	31	30	31	31	28	31
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Residential Heating												
(37)	Benchmark Revenue Per Customer (RPC)	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59
(38)	Beginning Balance Under/(Over) Recovery	$0	($1,706,541)	($1,695,931)	($2,152,787)	($2,278,935)	($2,511,864)	($2,651,301)	($2,253,069)	($2,641,411)	($3,088,015)	($7,057,081)	($7,524,076)
(39)	Actual Number of Customers	203,897	201,692	200,727	200,418	200,583	201,524	204,611	206,954	208,274	208,959	209,430	209,526
(40)	Actual Base Revenue	$12,498,379	$6,910,294	$5,346,284	$4,450,551	$4,315,132	$4,303,779	$4,186,990	$7,299,117	$11,782,756	$18,575,561	$15,906,038	$13,060,230
(41)	Actual Base Revenue Per Customer	$61.30	$34.26	$26.63	$22.21	$21.51	$21.36	$20.46	$35.27	$56.57	$88.90	$75.95	$62.33
(42)	RPC Variance (Benchmark- Actual)	($8.36)	$0.07	($2.26)	($0.61)	($1.14)	($0.67)	$1.97	($1.85)	($2.12)	($18.94)	($2.16)	$6.25
(43)	Monthly Under/(Over) Recovery of RPC	($1,705,140)	$13,497	($453,497)	($121,918)	($228,356)	($134,667)	$402,913	($383,820)	($440,831)	($3,958,307)	($453,026)	$1,310,199
(44)	Preliminary Ending Balance	($1,705,140)	($1,693,044)	($2,149,429)	($2,274,705)	($2,507,291)	($2,646,531)	($2,248,388)	($2,636,890)	($3,082,242)	($7,046,322)	($7,510,107)	($6,213,876)
(45)	Average Balance	($852,570)	($1,699,793)	($1,922,680)	($2,213,746)	($2,393,113)	($2,579,198)	($2,449,844)	($2,444,979)	($2,861,827)	($5,067,168)	($7,283,594)	($6,868,976)
(46)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(47)	Interest Applied	($1,401)	($2,887)	($3,358)	($4,230)	($4,573)	($4,770)	($4,682)	($4,522)	($5,773)	($10,759)	($13,969)	($15,055)
(48)	Ending Balance Under/(Over) Recovery	($1,706,541)	($1,695,931)	($2,152,787)	($2,278,935)	($2,511,864)	($2,651,301)	($2,253,069)	($2,641,411)	($3,088,015)	($7,057,081)	($7,524,076)	($6,228,932)
	Residential Heating - Low Income												
(49)	Benchmark Revenue Per Customer (RPC)	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59
(50)	Beginning Balance Under/(Over) Recovery	$0	($79,957)	($88,714)	($139,310)	($164,347)	($211,980)	($271,314)	($278,087)	($324,958)	($410,249)	($692,050)	($716,526)
(51)	Actual Number of Customers	19,038	20,347	20,312	20,163	19,817	19,422	17,282	16,717	16,424	16,373	16,380	16,318
(52)	Actual Base Revenue	$1,087,664	$707,096	$545,508	$460,229	$451,035	$460,688	$393,924	$604,907	$978,948	$1,425,967	$1,231,742	$1,051,559
(53)	Actual Base Revenue Per Customer	$57.13	$34.75	$26.86	$22.83	$22.76	$23.72	$22.79	$36.19	$59.60	$87.09	$75.20	$64.44
(54)	RPC Variance (Benchmark- Actual)	($4.20)	($0.42)	($2.48)	($1.23)	($2.39)	($3.03)	($0.36)	($2.77)	($5.15)	($17.14)	($1.41)	$4.14
(55)	Monthly Under/(Over) Recovery of RPC	($79,892)	($8,614)	($50,396)	($24,748)	($47,273)	($58,887)	($6,249)	($46,314)	($84,550)	($280,631)	($23,127)	$67,618
(56)	Preliminary Ending Balance	($79,892)	($88,571)	($139,111)	($164,057)	($211,621)	($270,867)	($277,562)	($324,401)	($409,509)	($690,881)	($715,176)	($648,908)
(57)	Average Balance	($39,946)	($84,264)	($113,912)	($151,683)	($187,984)	($241,424)	($274,438)	($301,244)	($367,233)	($550,565)	($703,613)	($682,717)
(58)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(59)	Interest Applied	($66)	($143)	($199)	($290)	($359)	($446)	($524)	($557)	($741)	($1,169)	($1,349)	($1,496)
(60)	Ending Balance Under/(Over) Recovery	($79,957)	($88,714)	($139,310)	($164,347)	($211,980)	($271,314)	($278,087)	($324,958)	($410,249)	($692,050)	($716,526)	($650,404)
	Residential Heat (incl Low Income)												
(61)	Benchmark Revenue Per Customer (RPC)	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59
(62)	Beginning Balance Under/(Over) Recovery	$0	($1,786,498)	($1,784,646)	($2,292,096)	($2,443,282)	($2,723,844)	($2,922,615)	($2,531,156)	($2,966,369)	($3,498,264)	($7,749,130)	($8,240,601)
(63)	Actual Number of Customers	222,935	222,039	221,039	220,581	220,400	220,946	221,893	223,671	224,698	225,332	225,810	225,844
(64)	Actual Base Revenue	$13,586,043	$7,617,390	$5,891,792	$4,910,780	$4,766,167	$4,764,468	$4,580,914	$7,904,024	$12,761,704	$20,001,528	$17,137,780	$14,111,789
(65)	Actual Base Revenue Per Customer	$60.94	$34.31	$26.65	$22.26	$21.63	$21.56	$20.64	$35.34	$56.79	$88.76	$75.89	$62.48
(66)	RPC Variance (Benchmark- Actual)	($8.01)	$0.02	($2.28)	($0.66)	($1.25)	($0.88)	$1.79	($1.92)	($2.34)	($18.81)	($2.11)	$6.10
(67)	Monthly Under/(Over) Recovery of RPC	($1,785,031)	$4,883	($503,894)	($146,666)	($275,629)	($193,555)	$396,665	($430,135)	($525,381)	($4,238,938)	($476,153)	$1,377,817
(68)	Preliminary Ending Balance	($1,785,031)	($1,781,615)	($2,288,539)	($2,438,762)	($2,718,911)	($2,917,399)	($2,525,950)	($2,961,291)	($3,491,751)	($7,737,202)	($8,225,283)	($6,862,784)
(69)	Average Balance	($892,516)	($1,784,057)	($2,036,592)	($2,365,429)	($2,581,097)	($2,820,621)	($2,724,282)	($2,746,223)	($3,229,060)	($5,617,733)	($7,987,207)	($7,551,693)
(70)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(71)	Interest Applied	($1,467)	($3,030)	($3,557)	($4,520)	($4,932)	($5,216)	($5,206)	($5,079)	($6,513)	($11,928)	($15,318)	($16,552)
(72)	Ending Balance Under/(Over) Recovery	($1,786,498)	($1,784,646)	($2,292,096)	($2,443,282)	($2,723,844)	($2,922,615)	($2,531,156)	($2,966,369)	($3,498,264)	($7,749,130)	($8,240,601)	($6,879,336)

(37) AEL-4, Line (8)
(38) Line (48)
(39) Company's billing system
(40) Company's billing system
(41) Line (40) / Line (39)
(42) Line (37) - Line (41)
(43) Line (39) * Line (42)
(44) Line (38) + Line (43)
(45) [Line (38) + Line (44)] / 2
(47) [Line (45) * Line (46)] / 365 * # days
(48) Line (44) + Line (47)

(49) AEL-4, Line (8)
(50) Line (60)
(51) Company's billing system
(52) Company's billing system
(53) Line (52) / Line (51)
(54) Line (49) - Line (53)
(55) Line (51) * Line (54)
(56) Line (50) + Line (55)
(57) [Line (50) + Line (56)] / 2
(59) [Line (57) * Line (58)] / 365 * # days
(60) Line (56) + Line (59)

(61) AEL-4, Line (8)
(62) Line (72)
(63) Line (39) + Line (51)
(64) Line (40) + Line (52)
(65) Line (64) / Line (63)
(66) Line (61) - Line (65)
(67) Line (63) * Line (66)
(68) Line (62) + Line (67)
(69) [Line (62) + Line (68)] / 2
(71) [Line (69) * Line (70)] / 365 * # days
(72) Line (68) + Line (71)

RDM Reconciliation by Rate Class by Month

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
		30	31	30	31	31	30	31	30	31	31	28	31
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Small C&I												
(73)	Benchmark Revenue Per Customer (RPC)	$77.93	$50.14	$33.47	$31.72	$29.56	$29.40	$32.02	$46.85	$78.12	$116.16	$101.17	$104.13
(74)	Beginning Balance Under/(Over) Recovery	$0	($191,546)	($100,213)	($108,397)	($81,033)	($73,602)	($65,879)	$13,922	$25,989	($5,853)	($271,861)	($420,534)
(75)	Actual Number of Customers	19,154	18,983	18,835	18,748	18,668	18,640	18,702	18,986	19,149	19,255	19,283	19,263
(76)	Actual Base Revenue	$1,684,121	$860,287	$638,485	$567,236	$544,186	$540,251	$518,992	$877,507	$1,527,751	$2,502,280	$2,098,784	$1,724,237
(77)	Actual Base Revenue Per Customer	$87.93	$45.32	$33.90	$30.26	$29.15	$28.98	$27.75	$46.22	$79.78	$129.95	$108.84	$89.51
(78)	RPC Variance (Benchmark- Actual)	($9.99)	$4.82	($0.42)	$1.47	$0.41	$0.42	$4.27	$0.63	($1.66)	($13.80)	($7.68)	$14.62
(79)	Monthly Under/(Over) Recovery of RPC	($191,388)	$91,580	($8,002)	$27,544	$7,579	$7,852	$79,850	$12,031	($31,863)	($265,714)	($148,009)	$281,587
(80)	Preliminary Ending Balance	($191,388)	($99,965)	($108,215)	($80,852)	($73,454)	($65,750)	$13,971	$25,952	($5,873)	($271,567)	($419,871)	($138,947)
(81)	Average Balance	($95,694)	($145,756)	($104,214)	($94,625)	($77,244)	($69,676)	($25,954)	$19,937	$10,058	($138,710)	($345,866)	($279,740)
(82)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(83)	Interest Applied	($157)	($248)	($182)	($181)	($148)	($129)	($50)	$37	$20	($295)	($663)	($613)
(84)	Ending Balance Under/(Over) Recovery	($191,546)	($100,213)	($108,397)	($81,033)	($73,602)	($65,879)	$13,922	$25,989	($5,853)	($271,861)	($420,534)	($139,560)
	Medium C&I												
(85)	Benchmark Revenue Per Customer (RPC)	$390.91	$306.74	$258.99	$228.10	$215.25	$227.59	$250.75	$319.05	$401.46	$503.80	$518.03	$496.12
(86)	Beginning Balance Under/(Over) Recovery	$0	($136,235)	$86,155	($8,247)	$74,430	$90,374	$168,757	$375,134	$569,725	$588,758	$248,161	$370,126
(87)	Actual Number of Customers	5,063	5,051	5,042	5,038	5,056	5,074	5,080	5,109	5,123	5,131	5,132	5,140
(88)	Actual Base Revenue	$2,115,299	$1,326,892	$1,400,282	$1,066,572	$1,072,541	$1,076,637	$1,067,964	$1,436,313	$2,038,815	$2,926,459	$2,537,177	$2,098,971
(89)	Actual Base Revenue Per Customer	$417.80	$262.70	$277.72	$211.71	$212.13	$212.19	$210.23	$281.13	$397.97	$570.35	$494.38	$408.36
(90)	RPC Variance (Benchmark- Actual)	($26.89)	$44.04	($18.74)	$16.40	$3.12	$15.40	$40.52	$37.92	$3.49	($66.55)	$23.65	$87.76
(91)	Monthly Under/(Over) Recovery of RPC	($136,124)	$222,433	($94,470)	$82,613	$15,788	$78,143	$205,859	$193,718	$17,865	($341,484)	$121,373	$451,079
(92)	Preliminary Ending Balance	($136,124)	$86,198	($8,315)	$74,366	$90,217	$168,517	$374,615	$568,852	$587,590	$247,273	$369,534	$821,205
(93)	Average Balance	($68,062)	($25,019)	$38,920	$33,060	$82,323	$129,446	$271,686	$471,993	$578,658	$418,015	$308,847	$595,665
(94)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(95)	Interest Applied	($112)	($42)	$68	$63	$157	$239	$519	$873	$1,167	$888	$592	$1,306
(96)	Ending Balance Under/(Over) Recovery	($136,235)	$86,155	($8,247)	$74,430	$90,374	$168,757	$375,134	$569,725	$588,758	$248,161	$370,126	$822,510

(73) AEL-4, Line (12)
(74) Line (84)
(75) Company's billing system
(76) Company's billing system
(77) Line (76) / Line (75)
(78) Line (73) - Line (77)
(79) Line (75) * Line (78)
(80) Line (74) + Line (79)
(81) [Line (74) + Line (80)] / 2
(83) [Line (81) * Line (82)] / 365 * # days
(84) Line (80) + Line (83)

(85) AEL-4, Line (16)
(86) Line (96)
(87) Company's billing system
(88) Company's billing system
(89) Line (88) / Line (87)
(90) Line (85) - Line (89)
(91) Line (87) * Line (90)
(92) Line (86) + Line (91)
(93) [Line (86) + Line (92)] / 2
(95) [Line (93) * Line (94)] / 365 * # days
(96) Line (92) + Line (95)

Actual vs. Normal Billing Degree Day Comparison for April 2017 - March 2018

	Month/Year	Actual Billing Degree Days	Normal Billing Degree Days
		(a)	(b)
(1)	Apr-17	704	652
(2)	May-17	300	356
(3)	Jun-17	159	118
(4)	Jul-17	13	16
(5)	Aug-17	5	0
(6)	Sep-17	14	17
(7)	Oct-17	70	143
(8)	Nov-17	337	463
(9)	Dec-17	782	761
(10)	Jan-18	1,197	995
(11)	Feb-18	903	1,038
(12)	Mar-18	737	909
(13)	Total	5,221	5,468
(14)	Degree Day Difference	247	
(15)	Degree Day Difference (%)	-4.5%	

Source: Normal Heating Degree Day Report
Line (13): Sum [Lines (1):(12)]
Line (14): Abs [Column (b), Line (13) - Column (a), Line (13)]
Line (15): [Column (a), Line (13) / Column (b), Line (13)] - 1

Gas Revenue Decoupling Targets Approved in Docket No. 4708

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(1)	Residential Non-Heat (incl Low-Income)													
(2)	Number of Customers	21,943	21,886	21,831	21,761	21,710	21,715	21,726	21,804	21,853	21,871	21,980	22,001	
(3)	Final Revenue Requirement	$551,147	$480,518	$440,626	$421,958	$404,421	$411,267	$425,590	$468,132	$543,736	$608,707	$619,002	$604,058	$5,979,163
(4)	**RPC**	$25.12	$21.96	$20.18	$19.39	$18.63	$18.94	$19.59	$21.47	$24.88	$27.83	$28.16	$27.46	
(5)	Residential Heating (incl Low-Income)													
(6)	Number of Customers	210,780	209,814	209,107	208,472	207,967	208,172	209,183	211,033	212,290	213,118	210,778	210,988	
(7)	Final Revenue Requirement	$11,157,590	$7,202,607	$5,097,052	$4,502,584	$4,237,221	$4,306,645	$4,692,464	$7,051,595	$11,560,624	$14,908,187	$15,552,475	$14,470,701	$104,739,746
(8)	**RPC**	$52.93	$34.33	$24.38	$21.60	$20.37	$20.69	$22.43	$33.41	$54.46	$69.95	$73.79	$68.59	
(9)	Small													
(10)	Number of Customers	18,697	18,524	18,381	18,270	18,221	18,243	18,367	18,680	18,856	18,995	18,800	18,800	
(11)	Final Revenue Requirement	$1,457,117	$928,852	$615,286	$579,616	$538,554	$536,429	$588,115	$875,201	$1,472,999	$2,206,366	$1,901,912	$1,957,612	$13,658,058
(12)	**RPC**	$77.93	$50.14	$33.47	$31.72	$29.56	$29.40	$32.02	$46.85	$78.12	$116.16	$101.17	$104.13	
(13)	Medium C&I													
(14)	Number of Customers	4,702	4,691	4,694	4,684	4,665	4,678	4,700	4,734	4,758	4,773	4,696	4,705	
(15)	Final Revenue Requirement	$1,838,057	$1,438,900	$1,215,685	$1,068,436	$1,004,164	$1,064,655	$1,178,537	$1,510,387	$1,910,148	$2,404,616	$2,432,687	$2,334,238	$19,400,509
(16)	**RPC**	$390.91	$306.74	$258.99	$228.10	$215.25	$227.59	$250.75	$319.05	$401.46	$503.80	$518.03	$496.12	

Schedule
AEL-8

Schedule AEL-8
ISR Reconciliation Factors

National Grid - RI Gas
FY 18 ISR Reconciliation Factors
Effective November 1, 2018

(1)	Revenue Requirement (a)	Rate Class (b)	Rate Base Allocator % (c)	Allocation to Rate Class (d)	Actual Revenue (e)	Difference (f)	ISR Recon Under/(Over) Recovery (g)	Total Over Recovery by Rate Class (h)	Forecasted Throughput (dth) (i)	ISR Recon (dth) (j)	ISR Recon (therm) (k)
(2)	**$34,438,608**										
(3)		Res-NH	3.73%	$1,284,908	$1,340,352	($55,444)	$11,301	($44,143)	337,218	($0.1309)	($0.0130)
(4)		Res-H	61.56%	$21,199,769	$22,096,291	($896,521)	($213,829)	($1,110,351)	19,645,113	($0.0565)	($0.0056)
(5)		Small	8.19%	$2,819,497	$3,136,156	($316,659)	($34,022)	($350,681)	2,492,721	($0.1406)	($0.0140)
(6)		Medium	13.58%	$4,677,909	$4,903,392	($225,483)	($77,110)	($302,593)	5,720,538	($0.0528)	($0.0052)
(7)		Large LL	6.04%	$2,079,053	$2,255,142	($176,090)	($47,598)	($223,688)	2,751,890	($0.0812)	($0.0081)
(8)		Large HL	2.35%	$810,798	$888,460	($77,663)	($1,144)	($78,807)	1,148,945	($0.0685)	($0.0068)
(9)		XL-LL	0.77%	$264,808	$277,976	($13,168)	$249	($12,919)	1,212,598	($0.0106)	($0.0010)
(10)		XL-HL	3.78%	$1,301,867	$1,346,801	($44,935)	$4,202	($40,733)	$6,359,583	($0.0064)	($0.0006)
(11)		Total	100.00%	$34,438,608	$36,244,570	($1,805,962)	($357,953)	($2,163,915)	39,668,606		

(a) Docket 4678, FY 18 ISR Cumulative Revenue Requirement filed August 2018.
(c) Docket 4323, 2012 Rate Case
(d) Col (a), Line (2) x Col (c), Lines (3) through (10) respectively
(e) Page 2, Col (m), Lines (24) through (31)
(f) Column (d) - Column (e)
(g) AEL-10 - Pages 6-7 Column (l) Lines (25), (33), (41), (49), (57), (65), (73), (81)
(h) Column (f) + Column (g)
(i) Per Company Forecast
(j) Column (h) ÷ Column (i)
(k) Column (j) ÷ 10

National Grid - RI Gas
FY 2018 Gas ISR

			Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
			Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
(1)	Res-NH		$1.5220	$1.9377	$1.8516	$1.8483	$1.8513	$1.8538	$1.8502	$1.8513	$1.8461	$1.8483	$1.8485	$1.8489	
(2)	Res-H		$0.9427	$1.2405	$1.1853	$1.1832	$1.1851	$1.1867	$1.1844	$1.1851	$1.1818	$1.1832	$1.1833	$1.1835	
(3)	Small		$0.9162	$1.3474	$1.2875	$1.2852	$1.2873	$1.2891	$1.2865	$1.2873	$1.2837	$1.2852	$1.2853	$1.2856	
(4)	Medium		$0.6505	$0.9039	$0.8637	$0.8621	$0.8635	$0.8647	$0.8630	$0.8636	$0.8611	$0.8621	$0.8622	$0.8624	
(5)	Large LL		$0.6099	$0.8598	$0.8216	$0.8201	$0.8215	$0.8226	$0.8210	$0.8215	$0.8192	$0.8201	$0.8202	$0.8204	
(6)	Large HL		$0.5821	$0.8210	$0.7845	$0.7831	$0.7844	$0.7855	$0.7839	$0.7844	$0.7822	$0.7831	$0.7832	$0.7834	
(7)	XL-LL		$0.1835	$0.2433	$0.2325	$0.2320	$0.2324	$0.2327	$0.2323	$0.2324	$0.2318	$0.2320	$0.2321	$0.2321	
(8)	XL-HL		$0.1815	$0.2212	$0.2114	$0.2110	$0.2114	$0.2117	$0.2113	$0.2114	$0.2108	$0.2110	$0.2111	$0.2111	
	RI Firm Throughput (dth)														
(9)	Res-NH		45,685	30,341	24,941	19,686	18,136	20,093	15,846	26,304	37,283	56,362	50,780	43,949	389,404
(10)	Res-H		2,470,609	1,086,418	723,631	458,490	407,982	416,197	422,553	1,134,674	2,297,654	4,213,704	3,393,879	2,629,662	19,655,450
(11)	Small		329,980	110,717	71,536	45,841	39,544	41,501	41,570	118,001	292,995	617,299	466,242	354,014	2,529,239
(12)	Medium		731,416	309,696	241,595	162,734	165,089	172,352	180,271	350,067	699,916	1,152,957	953,535	730,938	5,850,566
(13)	Large LL		405,972	96,214	63,411	47,986	39,689	47,556	59,683	146,658	406,104	642,702	538,291	354,564	2,848,829
(14)	Large HL		121,526	69,268	76,054	66,071	62,338	79,366	71,462	89,441	115,934	157,787	149,112	103,393	1,161,752
(15)	XL-LL		229,543	16,897	30,887	(4,087)	13,019	22,917	29,596	73,947	216,094	275,621	233,422	107,203	1,245,058
(16)	XL-HL		709,035	390,569	464,987	487,073	495,789	509,897	378,277	535,335	627,278	727,804	681,142	451,237	6,458,423
(17)	Total	Sum [(9):(16)]	5,043,765	2,110,119	1,697,042	1,283,793	1,241,585	1,309,880	1,199,259	2,474,426	4,693,257	7,844,235	6,466,403	4,774,959	40,138,721
	ISR Actual Revenue														
(18)	Res-NH	Line (1) x Line (9)	$69,533	$58,792	$46,179	$36,385	$33,575	$37,249	$29,318	$48,699	$68,829	$104,171	$93,865	$81,255	$707,850
(19)	Res-H	Line (2) x Line (10)	$2,329,116	$1,347,647	$857,709	$542,465	$483,494	$493,912	$500,480	$1,344,737	$2,715,359	$4,985,545	$4,015,997	$3,112,332	$22,728,793
(20)	Small	Line (3) x Line (11)	$302,318	$149,181	$92,102	$58,913	$50,904	$53,497	$53,481	$151,904	$376,116	$793,346	$599,276	$455,119	$3,136,156
(21)	Medium	Line (4) x Line (12)	$475,813	$279,922	$208,657	$140,296	$142,557	$149,036	$155,580	$302,302	$602,714	$993,995	$822,159	$630,360	$4,903,392
(22)	Large LL	Line (5) x Line (13)	$247,619	$82,726	$52,097	$39,354	$32,602	$39,119	$48,999	$120,476	$332,666	$527,093	$441,513	$290,878	$2,255,142
(23)	Large HL	Line (6) x Line (14)	$70,738	$56,871	$59,666	$51,740	$48,897	$62,340	$56,022	$70,159	$90,684	$123,565	$116,784	$80,995	$888,460
(24)	XL-LL	Line (7) x Line (15)	$42,126	$4,110	$7,180	($948)	$3,025	$5,334	$6,874	$17,187	$50,083	$63,953	$54,168	$24,883	$277,976
(25)	XL-HL	Line (8) x Line (16)	$128,684	$86,412	$98,302	$102,786	$104,796	$107,927	$79,912	$113,159	$132,221	$153,590	$143,758	$95,255	$1,346,801
(26)	Total	Sum ([18]:[25])	$3,665,947	$2,065,662	$1,421,892	$970,990	$899,851	$948,414	$930,666	$2,168,622	$4,368,671	$7,745,258	$6,287,520	$4,771,075	$36,244,570
	Res-H & Res-NH Revenue Adj.														
(27)	Projected Firm Throughput (dth)	Docket No. 4678	78,155	53,411	35,271	25,629	24,348	25,656	35,674	58,723	85,787	106,186	108,017	94,810	731,668
(28)	Actual Firm Throughput (dth)	Line (9)	45,685	30,341	24,941	19,686	18,136	20,093	15,846	26,304	37,283	56,362	50,780	43,949	389,404
(29)	Difference	Line (27) - Line (28)	32,471	23,071	10,330	5,943	6,212	5,563	19,828	32,419	48,504	49,825	57,237	50,861	342,263
(30)	ISR Rate w/o Uncollectibles	Docket No. 4678	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	$1.8480	
(31)	Adjusted Revenue	Line (29) x Line (30)	$60,006	$42,635	$19,091	$10,982	$11,479	$10,281	$36,643	$59,910	$89,636	$92,077	$105,774	$93,991	$632,502
	ISR Adjusted Revenue														
(32)	Res-NH	Line (18) + Line (31)	$129,538	$101,426	$65,270	$47,367	$45,054	$47,530	$65,961	$108,608	$158,464	$196,248	$199,639	$175,246	$1,340,352
(33)	Res-H	Line (19) - Line (31)	$2,269,110	$1,305,012	$838,618	$531,483	$472,015	$483,632	$463,837	$1,284,827	$2,625,723	$4,893,469	$3,910,223	$3,018,341	$22,096,291
(34)	Small	Line (20)	$302,318	$149,181	$92,102	$58,913	$50,904	$53,497	$53,481	$151,904	$376,116	$793,346	$599,276	$455,119	$3,136,156
(35)	Medium	Line (21)	$475,813	$279,922	$208,657	$140,296	$142,557	$149,036	$155,580	$302,302	$602,714	$993,995	$822,159	$630,360	$4,903,392
(36)	Large LL	Line (22)	$247,619	$82,726	$52,097	$39,354	$32,602	$39,119	$48,999	$120,476	$332,666	$527,093	$441,513	$290,878	$2,255,142
(37)	Large HL	Line (23)	$70,738	$56,871	$59,666	$51,740	$48,897	$62,340	$56,022	$70,159	$90,684	$123,565	$116,784	$80,995	$888,460
(38)	XL-LL	Line (24)	$42,126	$4,110	$7,180	($948)	$3,025	$5,334	$6,874	$17,187	$50,083	$63,953	$54,168	$24,883	$277,976
(39)	XL-HL	Line (25)	$128,684	$86,412	$98,302	$102,786	$104,796	$107,927	$79,912	$113,159	$132,221	$153,590	$143,758	$95,255	$1,346,801
(40)	Total	Sum [(32):(39)]	$3,665,947	$2,065,662	$1,421,892	$970,990	$899,851	$948,414	$930,666	$2,168,622	$4,368,671	$7,745,258	$6,287,520	$4,771,075	$36,244,570

Schedule
AEL-9

Schedule AEL-9
Firm Revenue Credit Factor

Revenue Credit per Docket 4323
FY 2018

	Month Bill Applies	Therms	Distribution Charges: Customer Charge	Distribution Charges: Distribution Charge	Distribution Charges: Demand Charge	Total	50% Credit
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
(1)	Mar-2018	626,986	$425	$16,051	$36,677	$53,153	$26,577
(2)	Feb-2018	588,236	$425	$15,059	$36,677	$52,161	$26,081
(3)	Jan-2018	636,372	$425	$16,291	$36,677	$53,393	$26,697
(4)	Dec-2017	635,040	$425	$16,257	$36,677	$53,359	$26,680
(5)	Nov-2017	630,661	$425	$16,145	$36,677	$53,247	$26,624
(6)	Oct-2017	639,172	$425	$16,363	$36,942	$53,730	$26,865
(7)	Sep-2017	310,717	$425	$7,954	$36,942	$45,321	$22,661
(8)	Aug-2017	701,763	$425	$17,965	$36,942	$55,332	$27,666
(9)	Jul-2017	712,859	$425	$18,249	$36,942	$55,616	$27,808
(10)	Jun-2017	661,135	$425	$16,925	$36,942	$54,292	$27,146
(11)	May-2017	672,168	$425	$17,208	$36,942	$54,575	$27,287
(12)	Apr-2017	617,013	$425	$15,796	$36,942	$53,163	$26,581
(13)	Total	7,432,123	$5,100	$190,262	$441,981	$637,344	$318,672

Lines (1)-(12) Columns (a) through (e): Data provided from the Company's billing system.
Col (g) As noted in the Settlement Agreement in Docket 4323, Article III, Section A.4, 50% of distribution revenue will be credited back to customers.

Schedule
AEL-10

Schedule AEL-10
Reconciliation Factors

National Grid - RI Gas
Reconciliation Factor effective November 1, 2018

	Description	Schedule	Page #	Ending Balance		Period
	Section 1: Reconciliation of Prior Year DAC Factors (All Rate Classes)					
(1)	System Pressure		Page 2, line (9)	($69,412)		Based on Nov 17-Oct 18
(2)	AGT Factor		Page 2, line (17)	$0		Based on Apr 17 - Mar 18
(3)	Environmental - DAC		Page 2, line (25)	($2,606)		Based on Nov 17-Oct 18
(4)	On-System Margin Credits		Page 3, line (49)	$1,399		Based on Nov 17-Oct 18
(5)	Pension		Page 3, line (57)	$1,685		Based on Nov 17-Oct 18
(6)	PBOP		Page 3, line (65)	$70,109		Based on Nov 17-Oct 18
(7)	Previous Reconciliation Factor		Page 2, line (33)	$45,336		Based on Nov 17-Oct 18
(8)	Earnings Sharing Mechanism		Page 3, line (73)	$0		Based on Nov 17-Oct 18
(9)	True-up October 17		Page 8, line (24)	$13,009		Based on Actual Oct 17 vs. Oct 17 Forecast
(10)	AGT Interest on Fund balance		AEL-3, page 2, line (16), col (m)	($23,792)		Based on Apr 17 - Mar 18
(11)	Revenue Credit per Docket 4323		AEL-9, line (13), col (g)	($318,672)		
(12)	Sub Total		Sum [(1):(11)]	($282,942)		
(13)	Firm Throughput		Nov 2018 - Oct 2019	39,668,606	dth	
(14)	Reconciliation Factor		Line (12) ÷ Line (13)	($0.0071)	per dth	
(15)	Reconciliation Factor		Line (14) ÷ 10, truncated to 4 decimal places	**($0.0007)**	**per therm**	

	Section 2: Revenue Decoupling Mechanism Reconciliation				
(16)	RDA Reconciliation	Page 5, line (13)	$22,065		Based on Nov 17-Oct 18
(17)	RDM Recon Reconciliation	Page 5, line (27)	$85,582		Based on Nov 17-Oct 18
(18)	Sub Total	Line (16) + Line (17)	$107,647		
(19)	Firm Throughput, Residential, Small & Medium C&I	Nov 2018 - Oct 2019	28,195,590	dth	
(20)	RDA Reconciliation Factor	Line (18) ÷ Line (19)	$0.0038	per dth	
(21)	RDA Reconciliation Factor	Line (20) ÷ 10, truncated to 4 decimal places	**$0.0003**	**per therm**	

	Section 3: Reconciliation of Prior year DAC Factors (Large & X-Large Only)				
(22)	AGT Factor - Base Rates	Page 4, line (18)	($15,620)		Based on Apr 17 - Mar 18
(23)	LIAP Factor - Base Rates	Page 4, line (30)	($93,403)		Based on Apr 17 - Mar 18
(24)	Environmental - Base Rates	Page 4, line (41)	($68,548)		Based on Apr 17 - Mar 18
(25)	Previous Reconciliation Factor	Page 3, line (41)	($1,358)		Based on Nov 17-Oct 18
(26)	Sub Total	Sum [(22):(25)]	($178,929)		
(27)	Firm Throughput, Large and Extra Large C&I	Nov 2018 - Oct 2019	11,473,015	dth	
(28)	L / XL Reconciliation Factor	Line (26) ÷ Line (27)	($0.0155)	per dth	
(29)	L / XL Reconciliation Factor[1]	Line (28) ÷ 10, truncated to 4 decimal places	**($0.0015)**	**per therm**	

[1] This rate will be combined with the Reconciliation factor of ($0.0007) per therm for an overall Large and Extra Large Reconciliation factor of ($0.0022) per therm

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	
	30	31	31	28	31	30	31	30	31	31	30	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	12 month End
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
(1) **System Pressure Recon Adjust.**													
(2) System Pressure Acct Beg. Balance Under/(Over) Recovery	$0	$124,346	$16,898	($340,431)	($589,500)	($705,514)	($853,281)	($828,063)	($668,984)	($516,047)	($355,617)	($200,302)	$0
(3) Actual Costs	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$262,800	$3,153,600
(4) Actual Revenue	$138,569	$370,390	$619,786	$510,978	$377,397	$408,807	$235,621	$101,954	$108,355	$101,261	$106,801	$131,566	$3,211,485
(5) Ending Balance Under/(Over) Recovery	$124,231	$16,756	($340,088)	($588,609)	($704,097)	($851,521)	($826,102)	($667,217)	($514,539)	($354,508)	($199,618)	($69,068)	($57,885)
(6) Average Monthly Balance Under/(Over) Recovery	$62,116	$70,551	($161,595)	($464,520)	($646,798)	($778,518)	($839,692)	($747,640)	($591,761)	($435,277)	($277,617)	($134,685)	
(7) Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(8) Interest Applied	$115	$142	($343)	($891)	($1,418)	($1,760)	($1,961)	($1,767)	($1,508)	($1,109)	($685)	($343)	($11,527)
(9) Sys Pressure End Balance Under/(Over) Recovery	$124,346	$16,898	($340,431)	($589,500)	($705,514)	($853,281)	($828,063)	($668,984)	($516,047)	($355,617)	($200,302)	$\boxed{(\$69,412)}$	($69,412)
(10) **Advanced Gas Technology**													
(11) AGT Acct Beg. Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(12) Actual AGT Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(13) Ending AGT Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(14) Average Monthly Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
(15) Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(16) Interest Applied	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(17) AGT End Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$\boxed{\$0}$	$0
(18) **Environmental Recon. Adjust - DAC**													
(19) Environmental Acct Beg. Balance Under/(Over) Recovery	$967,642	$923,530	$812,757	$625,992	$471,810	$358,067	$234,542	$163,425	$132,801	$100,180	$69,633	$37,319	$967,642
(20) Actual Environmental Revenue	$45,859	$112,523	$188,290	$155,234	$114,652	$124,194	$71,581	$30,973	$32,918	$30,763	$32,446	$39,969	$979,402
(21) Ending Environmental Balance Under/(Over) Recovery	$921,783	$811,007	$624,467	$470,758	$357,158	$233,873	$162,961	$132,452	$99,883	$69,417	$37,187	($2,650)	($11,760)
(22) Average Monthly Balance Under/(Over) Recovery	$944,713	$867,269	$718,612	$548,375	$414,484	$295,970	$198,751	$147,938	$116,342	$84,798	$53,410	$17,334	
(23) Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(24) Interest Applied	$1,747	$1,749	$1,526	$1,052	$908	$669	$464	$350	$296	$216	$132	$44	$9,154
(25) Environmental Recon End Balance Under/(Over) Recovery	$923,530	$812,757	$625,992	$471,810	$358,067	$234,542	$163,425	$132,801	$100,180	$69,633	$37,319	$\boxed{(\$2,606)}$	($2,606)
(26) **Reconciliation Factor (Applicable to all) - DAC**													
(27) Recon Factor Acct Beg. Balance Under/(Over) Recovery	$34,587	$44,204	$44,293	$44,387	$44,472	$44,570	$44,671	$44,775	$44,881	$44,995	$45,110	$45,221	$34,587
(28) Actual Recon Revenue	($9,544)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($9,544)
(29) Ending Recon Balance Under/(Over) Recovery	$44,131	$44,204	$44,293	$44,387	$44,472	$44,570	$44,671	$44,775	$44,881	$44,995	$45,110	$45,221	$44,131
(30) Average Monthly Balance Under/(Over) Recovery	$39,359	$44,204	$44,293	$44,387	$44,472	$44,570	$44,671	$44,775	$44,881	$44,995	$45,110	$45,221	
(31) Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(32) Interest Applied	$73	$89	$94	$85	$97	$101	$104	$106	$114	$115	$111	$115	$1,205
(33) Reconciliation End Balance Under/(Over) Recovery	$44,204	$44,293	$44,387	$44,472	$44,570	$44,671	$44,775	$44,881	$44,995	$45,110	$45,221	$\boxed{\$45,336}$	$45,336

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

		Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	
		30	31	31	28	31	30	31	30	31	31	30	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	12 month End
(34)	**Reconciliation Factor (L & XL)- DAC**													
(35)	Recon Factor Acct Beg. Balance Under/(Over) Recovery	($135,578)	($126,037)	($111,272)	($91,642)	($74,174)	($63,139)	($47,692)	($37,789)	($32,656)	($25,083)	($17,701)	($10,246)	($135,578)
(36)	Actual Recon Revenue (L & XL)	($9,782)	($15,004)	($19,846)	($17,627)	($11,185)	($15,572)	($10,003)	($5,216)	($7,646)	($7,437)	($7,489)	($8,903)	($135,710)
(37)	Ending Recon Balance Under/(Over) Recovery	($125,796)	($111,033)	($91,426)	($74,015)	($62,989)	($47,567)	($37,689)	($32,573)	($25,010)	($17,646)	($10,212)	($1,343)	$132
(38)	Average Monthly Balance Under/(Over) Recovery	($130,687)	($118,535)	($101,349)	($82,828)	($68,581)	($55,353)	($42,690)	($35,181)	($28,833)	($21,365)	($13,956)	($5,795)	
(39)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(40)	Interest Applied	($242)	($239)	($215)	($159)	($150)	($125)	($100)	($83)	($73)	($54)	($34)	($15)	($1,490)
(41)	Reconciliation End Balance Under/(Over) Recovery	($126,037)	($111,272)	($91,642)	($74,174)	($63,139)	($47,692)	($37,789)	($32,656)	($25,083)	($17,701)	($10,246)	($1,358)	($1,358)
(42)	**On-system Credits Recon. Adjust. - DAC**													
(43)	On-system Credit Acct Beg. Balance Under/(Over) Recovery	$0	$1,364	$1,367	$1,370	$1,373	$1,376	$1,379	$1,382	$1,385	$1,389	$1,392	$1,396	$0
(44)	Actual On-system Revenue	($1,363)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	($1,363)
(45)	Ending On-system Balance Under/(Over) Recovery	$1,363	$1,364	$1,367	$1,370	$1,373	$1,376	$1,379	$1,382	$1,385	$1,389	$1,392	$1,396	$1,363
(46)	Average Monthly Balance Under/(Over) Recovery	$682	$1,364	$1,367	$1,370	$1,373	$1,376	$1,379	$1,382	$1,385	$1,389	$1,392	$1,396	
(47)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(48)	Interest Applied	$1	$3	$3	$3	$3	$3	$3	$3	$4	$4	$3	$4	$36
(49)	On-system Credit End Balance Under/(Over) Recovery	$1,364	$1,367	$1,370	$1,373	$1,376	$1,379	$1,382	$1,385	$1,389	$1,392	$1,396	$1,399	$1,399
(50)	**Pension Adjustment**													
(51)	Pen Acct Beg. Balance Under/(Over) Recovery	($2,108,263)	($2,043,433)	($1,798,815)	($1,386,388)	($1,045,910)	($794,735)	($521,958)	($364,918)	($297,300)	($225,271)	($157,823)	($86,473)	($2,108,263)
(52)	Actual Pension Revenue	($68,665)	($248,490)	($415,805)	($342,808)	($253,190)	($274,263)	($158,074)	($68,400)	($72,694)	($67,935)	($71,651)	($88,266)	($2,130,241)
(53)	Ending Pension Balance Under/(Over) Recovery	($2,039,598)	($1,794,943)	($1,383,010)	($1,043,580)	($792,720)	($520,472)	($363,884)	($296,518)	($224,606)	($157,336)	($86,172)	$1,793	$21,978
(54)	Average Monthly Balance Under/(Over) Recovery	($2,073,930)	($1,919,188)	($1,590,912)	($1,214,984)	($919,315)	($657,603)	($442,921)	($330,718)	($260,953)	($191,303)	($121,998)	($42,340)	
(55)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(56)	Interest Applied	($3,835)	($3,871)	($3,378)	($2,330)	($2,015)	($1,486)	($1,034)	($781)	($665)	($487)	($301)	($108)	($20,293)
(57)	Pension Adjustment End Balance Under/(Over) Recovery	($2,043,433)	($1,798,815)	($1,386,388)	($1,045,910)	($794,735)	($521,958)	($364,918)	($297,300)	($225,271)	($157,823)	($86,473)	$1,685	$1,685
(58)	**PBOP Adjustment**													
(59)	PBOP Acct Beg. Balance Under/(Over) Recovery	($2,571,711)	($2,439,754)	($2,139,616)	($1,633,667)	($1,215,972)	($907,781)	($573,093)	($380,340)	($297,253)	($208,743)	($125,853)	($38,181)	($2,571,711)
(60)	Actual PBOP Revenue	($136,587)	($304,752)	($509,950)	($420,425)	($310,516)	($336,360)	($193,865)	($83,887)	($89,153)	($83,316)	($87,874)	($108,250)	($2,664,935)
(61)	Ending PBOP Balance Under/(Over) Recovery	($2,435,124)	($2,135,002)	($1,629,666)	($1,213,242)	($905,456)	($571,421)	($379,228)	($296,453)	($208,100)	($125,427)	($37,979)	$70,069	$93,224
(62)	Average Monthly Balance Under/(Over) Recovery	($2,503,418)	($2,287,378)	($1,884,641)	($1,423,455)	($1,060,714)	($739,601)	($476,160)	($338,397)	($252,676)	($167,085)	($81,916)	$15,944	
(63)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(64)	Interest Applied	($4,630)	($4,614)	($4,002)	($2,730)	($2,325)	($1,672)	($1,112)	($800)	($644)	($426)	($202)	$41	($23,114)
(65)	PBOP Adjustment End Balance Under/(Over) Recovery	($2,439,754)	($2,139,616)	($1,633,667)	($1,215,972)	($907,781)	($573,093)	($380,340)	($297,253)	($208,743)	($125,853)	($38,181)	$70,109	$70,109
(66)	**Earnings Sharing Mechanism**													
(67)	ESM Acct Beg. Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(68)	Actual ESM Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(69)	Ending ESM Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(70)	Average Monthly Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	
(71)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(72)	Interest Applied	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(73)	ESM Adjustment End Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0

Column (a), Line (11), per Docket 4708, AEL-1S, Page 1, Line (2).
Column (a), Line (19), per Docket 4708, AEL-1S, Page 1, Line (4).
Column (a), Line (27), per Docket 4708, AEL-10S, Page 1, Line (12).
Column (a), Line (35), per Docket 4708, AEL-10S, Page 1, Line (26).
Column (a), Line (43), per Docket 4708, AEL-1S, Page 1 , Line (6).
Column (a), Line (51), per Docket 4708, AEL-5S, Page 1, Line (3).
Column (a), Line (59), per Docket 4708, AEL-5S, Page 1, Line (9).
Column (a), Line (67), per Docket 4708, AEL-1S, Page 1, Line (9).

National Grid - RI Gas
Base Rate / Fiscal Year Reconciling Components

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	12 month End
		30	31	30	31	31	30	31	30	31	31	28	31	
		Actual	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	**Actual**	
	DAC FACTORS: $/dth													
(1)	AGT Factor - Base Rates	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	$0.0084	
(2)	LIAP Factor - Base Rates	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	$0.0500	
(3)	LIHEAP Factor - Base Rates	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	$0.0444	
(4)	Low Income Weatherization Factor - Base Rates	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	$0.0056	
(5)	Environmental - Base Rates	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	$0.0367	
	RI Firm Forecasted Throughput (dth) Feb 13 - Jan 14 (Rate Year)	3,826,443	2,321,424	1,505,558	1,230,159	1,063,069	1,175,941	1,391,267	2,407,560	4,054,661	5,577,080	5,765,550	5,359,362	35,678,072
(6)	RI Firm L-XL Forecasted Throughput (dth)	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
(7)	**Actual RI Firm L-XL Firm through-put (dth)**	**1,466,076**	**572,948**	**635,339**	**597,043**	**610,835**	**659,736**	**539,018**	**845,381**	**1,365,409**	**1,803,913**	**1,601,967**	**1,016,397**	9,039,699
	AGT Recon. Adjustment - Base Rates L-XL											**Target Collection L-XL**		**$82,980**
(8)	AGT Recon. Acct Beg. Balance Under/(Over) Recovery	$0	($3,987)	($2,754)	($3,447)	($4,009)	($5,138)	($6,078)	($5,672)	($6,310)	($8,856)	($14,255)	($17,108)	
(9)	Fcst Firm Through-put L-XL	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
(10)	Fcst L/XL AGT Collections	$8,344	$6,054	$4,652	$4,461	$4,012	$4,613	$4,943	$6,476	$8,944	$9,784	$10,634	$10,051	$82,968
(11)	Actual Firm Through-put L-XL	1,466,076	572,948	635,339	597,043	610,835	659,736	539,018	845,381	1,365,409	1,803,913	1,601,967	1,016,397	11,714,062
(12)	Actual AGT Collections	$12,328	$4,818	$5,342	$5,020	$5,136	$5,547	$4,532	$7,108	$11,481	$15,168	$13,470	$8,546	$98,496
(13)	Collection Variance	($3,984)	$1,236	($690)	($559)	($1,124)	($934)	$411	($632)	($2,537)	($5,384)	($2,836)	$1,505	
(14)	Ending Balance Under/(Over) Recovery	($3,984)	($2,751)	($3,444)	($4,006)	($5,133)	($6,072)	($5,667)	($6,304)	($8,847)	($14,240)	($17,091)	($15,603)	
(15)	Average Balance Under/(Over) Recovery	($1,992)	($1,376)	($1,722)	($2,003)	($2,567)	($3,036)	($2,833)	($3,152)	($4,424)	($7,120)	($8,546)	($7,801)	
(16)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%	
(17)	Interest Applied	($3)	($2)	($3)	($4)	($5)	($6)	($5)	($6)	($9)	($15)	($16)	($17)	($92)
(18)	AGT End Balance Under/(Over) Recovery	($3,987)	($2,754)	($3,447)	($4,009)	($5,138)	($6,078)	($5,672)	($6,310)	($8,856)	($14,255)	($17,108)	($15,620)	**($15,620)**
	LIAP Recon. Adjustment - Base Rates L-XL											**Target Collection L-XL**		**$493,731**
(19)	LIAP Recon. Acct Beg. Balance Under/(Over) Recovery	$0	($23,722)	($16,399)	($20,537)	($23,905)	($30,645)	($36,266)	($33,887)	($37,718)	($52,905)	($85,089)	($102,142)	
(20)	Fcst Firm Through-put L-XL	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
(21)	Fcst LIAP Collections	$49,645	$36,023	$27,681	$26,545	$23,872	$27,448	$29,414	$38,530	$53,216	$58,214	$63,273	$59,804	$493,665
(22)	Actual Firm Through-put L-XL	1,466,076	572,948	635,339	597,043	610,835	659,736	539,018	845,381	1,365,409	1,803,913	1,601,967	1,016,397	11,714,062
(23)	Actual LIAP Collections No EE	$65,130	$25,453	$28,225	$26,524	$27,136	$29,309	$23,946	$37,556	$60,658	$80,139	$71,167	$45,153	$520,396
(24)	Actual LIAP Collections EE Only	$8,218	$3,212	$3,562	$3,347	$3,424	$3,698	$3,022	$4,739	$7,654	$10,112	$8,980	$5,698	$65,666
(25)	Collection Variance	($23,703)	$7,358	($4,106)	($3,326)	($6,688)	($5,559)	$2,446	($3,765)	($15,096)	($32,037)	($16,874)	$8,953	
(26)	Ending Balance Under/(Over) Recovery	($23,703)	($16,364)	($20,505)	($23,863)	($30,593)	($36,204)	($33,820)	($37,652)	($52,814)	($84,942)	($101,963)	($93,189)	
(27)	Average Balance Under/(Over) Recovery	($11,852)	($20,043)	($18,452)	($22,200)	($27,249)	($33,425)	($35,043)	($35,770)	($45,266)	($68,924)	($93,526)	($97,666)	
(28)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%	
(29)	Interest Applied	($19)	($34)	($32)	($42)	($52)	($62)	($67)	($66)	($91)	($146)	($179)	($214)	($1,006)
(30)	LIAP End Balance Under/(Over) Recovery	($23,722)	($16,399)	($20,537)	($23,905)	($30,645)	($36,266)	($33,887)	($37,718)	($52,905)	($85,089)	($102,142)	($93,403)	**($93,403)**
	Environmental Recon. Adjust - Base Rates L-XL											**Target Collection L-XL**		**$362,346**
(31)	Environmental Recon. Acct Beg. Balance Under/(Over) Recovery	$0	($17,410)	($12,035)	($15,072)	($17,544)	($22,490)	($26,616)	($24,870)	($27,681)	($38,827)	($62,447)	($74,962)	
(32)	Fcst Firm Through-put L-XL	992,288	720,015	553,276	530,577	477,149	548,615	587,911	770,135	1,063,665	1,163,568	1,264,681	1,195,353	9,867,232
(33)	Fcst Environmental Collections	$36,434	$26,437	$20,315	$19,481	$17,520	$20,144	$21,586	$28,277	$39,055	$42,723	$46,436	$43,890	$362,298
(34)	Actual Firm Through-put L-XL	1,466,076	572,948	635,339	597,043	610,835	659,736	539,018	845,381	1,365,409	1,803,913	1,601,967	1,016,397	11,714,062
(35)	Actual Environmental Collections	$53,830	$21,037	$23,328	$21,922	$22,428	$24,224	$19,791	$31,040	$50,134	$66,235	$58,820	$37,319	$430,108
(36)	Collection Variance	($17,396)	$5,400	($3,013)	($2,441)	($4,908)	($4,080)	$1,795	($2,763)	($11,079)	($23,512)	($12,384)	$6,571	
(37)	Ending Environmental Balance Under/(Over) Recovery	($17,396)	($12,010)	($15,048)	($17,513)	($22,452)	($26,570)	($24,821)	($27,633)	($38,760)	($62,339)	($74,831)	($68,391)	
(38)	Average Balance Under/(Over) Recovery	($8,698)	($14,710)	($13,542)	($16,292)	($19,998)	($24,530)	($25,718)	($26,251)	($33,221)	($50,583)	($68,639)	($71,677)	
(39)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%	
(40)	Interest Applied	($14)	($25)	($24)	($31)	($38)	($45)	($49)	($49)	($67)	($107)	($132)	($157)	($738)
(41)	Environmental End Balance Under/(Over) Recovery	($17,410)	($12,035)	($15,072)	($17,544)	($22,490)	($26,616)	($24,870)	($27,681)	($38,827)	($62,447)	($74,962)	($68,548)	**($68,548)**

Lines (1)-(6): Docket 4323
Line (7): Company's Classified Sales Report

National Grid - RI Gas
RDA Reconciliation

	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Total
	30	31	31	28	31	30	31	30	31	31	30	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(1) Actual Firm Throughput - decatherms													
(2) Res-NH	26,304	37,283	56,362	50,780	43,949	42,785	31,770	21,426	16,157	14,197	15,072	17,788	373,873
(3) Res-H	1,134,674	2,297,654	4,213,704	3,393,879	2,629,662	2,640,658	1,423,779	552,038	439,872	378,733	439,199	549,175	20,093,026
(4) Small	118,001	292,995	617,299	466,242	354,014	338,241	164,875	55,343	48,438	44,471	51,076	64,219	2,615,213
(5) Medium	350,067	699,916	1,152,957	953,535	730,938	738,673	417,514	186,669	171,990	168,314	165,735	224,869	5,961,175
(6) Total	1,629,045	3,327,848	6,040,321	4,864,436	3,758,562	3,760,357	2,037,937	815,476	676,457	605,715	671,082	856,051	29,043,287
(7) **RDM Acct Beg. Balance**	$179,860	$185,007	$165,413	$129,479	$100,505	$78,139	$55,735	$43,411	$38,609	$34,644	$31,093	$27,138	
(8) Actual RDM Revenue	($4,810)	$19,947	$36,247	$29,195	$22,561	$22,555	$12,439	$4,899	$4,059	$3,634	$4,026	$5,136	
(9) Ending RDM Balance Under/(Over) Recovery	$184,670	$165,060	$129,166	$100,284	$77,943	$55,584	$43,296	$38,513	$34,551	$31,010	$27,067	$22,002	
(10) Average Monthly Balance	$182,265	$175,034	$147,290	$114,881	$89,224	$66,861	$49,515	$40,962	$36,580	$32,827	$29,080	$24,570	
(11) Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(12) Interest Applied	$337	$353	$313	$220	$196	$151	$116	$97	$93	$84	$72	$63	$4,356
(13) RDM Recon End Balance Under/(Over) Recovery	$185,007	$165,413	$129,479	$100,505	$78,139	$55,735	$43,411	$38,609	$34,644	$31,093	$27,138	$22,065	
(14) RDM Revenue per rate class													
(15) Res-NH	($78)	$223	$338	$305	$264	$257	$194	$129	$97	$85	$90	$107	$2,011
(16) Res-H	($3,350)	$13,772	$25,286	$20,369	$15,785	$15,839	$8,691	$3,316	$2,639	$2,272	$2,635	$3,295	$110,549
(17) Small	($348)	$1,756	$3,704	$2,798	$2,125	$2,029	$1,006	$332	$291	$267	$306	$385	$14,652
(18) Medium	($1,034)	$4,195	$6,919	$5,723	$4,388	$4,431	$2,548	$1,121	$1,032	$1,010	$994	$1,349	$32,677
(19) Total	($4,810)	$19,947	$36,247	$29,195	$22,561	$22,555	$12,439	$4,899	$4,059	$3,634	$4,026	$5,136	$159,889
(20) **RDM Recon Adjustment**													
(21) RDM Recon Acct Beg.Balance Under/(Over) Recovery	$298,047	$355,933	$323,373	$263,584	$215,386	$178,213	$140,982	$120,556	$112,667	$106,180	$100,386	$93,915	$298,047
(22) Actual RDM Recon Revenue	($57,282)	$33,244	$60,412	$48,657	$37,603	$37,592	$20,731	$8,164	$6,765	$6,057	$6,711	$8,561	$217,215
(23) Ending RDM Recon Balance Under/(Over) Recovery	$355,329	$322,689	$262,961	$214,927	$177,783	$140,621	$120,251	$112,392	$105,902	$100,123	$93,675	$85,354	$80,832
(24) Average Monthly Balance Under/(Over) Recovery	$326,688	$339,311	$293,167	$239,255	$196,584	$159,417	$130,616	$116,474	$109,285	$103,152	$97,031	$89,634	
(25) Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(26) Interest Applied	$604	$684	$622	$459	$431	$360	$305	$275	$278	$263	$239	$228	$4,750
(27) RDM Recon Adjustment End Balance Under/(Over) Recovery	$355,933	$323,373	$263,584	$215,386	$178,213	$140,982	$120,556	$112,667	$106,180	$100,386	$93,915	$85,582	$85,582
(28) RDM Recon and Recon Adj End Balance Under/(Over) Recovery												**$107,647**	

(6) Sum Lines (2) through (5).
(7) (a) Beginning balance, Docket 4708, Schedule AEL-1S, Line (13) + monthly interest calculated from April - October at Bk America rate less 200 basis points.
(19) Sum Lines (14) through (18).
(21) (a) Beginning balance, Docket 4708, AEL-1S, Line (14).
(28) Line (13) + Line (27).

National Grid - RI Gas
ISR Reconciliation for FY 17

		Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Total
		30	31	31	28	31	30	31	30	31	31	30	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	ISR Recon Rates $/decatherm	Prorated												
(1)	Res-NH	$0.5452	$0.4645	$0.4651	$0.4651	$0.4652	$0.4648	$0.4730	$0.4655	$0.4650	$0.4650	$0.4650	$0.4650	
(2)	Res-H	$0.2679	$0.2018	$0.2020	$0.2021	$0.2021	$0.2019	$0.2055	$0.2022	$0.2020	$0.2020	$0.2020	$0.2020	
(3)	Small	$0.3513	$0.2987	$0.2990	$0.2991	$0.2991	$0.2989	$0.3042	$0.2993	$0.2990	$0.2990	$0.2990	$0.2990	
(4)	Medium	$0.2014	$0.1948	$0.1950	$0.1951	$0.1951	$0.1949	$0.1984	$0.1952	$0.1950	$0.1950	$0.1950	$0.1950	
(5)	Large LL	$0.2026	$0.1608	$0.1610	$0.1610	$0.1611	$0.1609	$0.1638	$0.1612	$0.1610	$0.1610	$0.1610	$0.1610	
(6)	Large HL	$0.1604	$0.1199	$0.1200	$0.1200	$0.1201	$0.1200	$0.1221	$0.1201	$0.1200	$0.1200	$0.1200	$0.1200	
(7)	XL-LL	$0.0227	$0.0210	$0.0210	$0.0210	$0.0210	$0.0210	$0.0214	$0.0210	$0.0210	$0.0210	$0.0210	$0.0210	
(8)	XL-HL	$0.0104	$0.0060	$0.0060	$0.0060	$0.0060	$0.0060	$0.0061	$0.0060	$0.0060	$0.0060	$0.0060	$0.0060	
	Actual Firm Throughput - decatherms													
(9)	Res-NH	26,304	37,283	56,362	50,780	43,949	42,785	31,770	21,426	16,157	14,197	15,072	17,788	373,873
(10)	Res-H	1,134,674	2,297,654	4,213,704	3,393,879	2,629,662	2,640,658	1,423,779	552,038	439,872	378,733	439,199	549,175	20,093,026
(11)	Small	118,001	292,995	617,299	466,242	354,014	338,241	164,875	55,343	48,438	44,471	51,076	64,219	2,615,213
(12)	Medium	350,067	699,916	1,152,957	953,535	730,938	738,673	417,514	186,669	171,990	168,314	165,735	224,869	5,961,175
(13)	Large LL	146,658	406,104	642,702	538,291	354,564	430,928	220,237	7,632	41,947	39,409	55,337	96,300	2,980,109
(14)	Large HL	89,441	115,934	157,787	149,112	103,393	132,531	94,591	76,764	81,771	74,186	78,236	86,545	1,240,290
(15)	XL-LL	73,947	216,094	275,621	233,422	107,203	203,878	89,426	(32,888)	20,131	18,769	25,559	78,316	1,309,477
(16)	XL-HL	535,335	627,278	727,804	681,142	451,237	648,733	489,666	422,105	551,277	543,710	521,696	548,179	6,748,160
(17)	Total sum([8]:[15])	2,474,426	4,693,257	7,844,235	6,466,403	4,774,959	5,176,426	2,931,856	1,289,087	1,371,584	1,281,789	1,351,911	1,665,391	41,321,324
(18)	**ISR Res-NH Acct Beg. Balance Under/(Over-Recovery)**	$175,278	$171,446	$154,455	$128,543	$105,148	$84,910	$65,191	$50,297	$40,430	$33,010	$26,484	$19,533	
(19)	**FY 2016 Recon**	$10,188												
(20)	Actual Res-NH Revenue	$14,341	$17,319	$26,212	$23,619	$20,445	$19,889	$15,028	$9,974	$7,513	$6,602	$7,009	$8,271	
(21)	Ending Res-NH Balance Under/(Over) Recovery	$171,125	$154,126	$128,243	$104,924	$84,702	$65,022	$50,163	$40,323	$32,917	$26,409	$19,476	$11,261	
(22)	Average Monthly Balance Under/(Over) Recovery	$173,202	$162,786	$141,349	$116,733	$94,925	$74,966	$57,677	$45,310	$36,674	$29,710	$22,980	$15,397	
(23)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(24)	Interest Applied	$320	$328	$300	$224	$208	$169	$135	$107	$93	$76	$57	$39	
(25)	ISR Res-NH Recon End Balance Under/(Over) Recovery	$171,446	$154,455	$128,543	$105,148	$84,910	$65,191	$50,297	$40,430	$33,010	$26,484	$19,533	$11,301	
(26)	**ISR Res-H Acct Beg. Balance Under/(Over) Recovery**	$3,505,943	$3,598,422	$3,141,560	$2,296,033	$1,614,038	$1,085,555	$554,163	$262,541	$151,391	$62,809	($13,632)	($102,494)	
(27)	**FY 2016 Recon**	$389,931												
(28)	Actual Res-H Revenue	$304,015	$463,654	$851,293	$685,741	$531,438	$533,242	$292,575	$111,639	$88,854	$76,504	$88,718	$110,933	
(29)	Ending Res-H Balance Under/(Over) Recovery	$3,591,859	$3,134,769	$2,290,266	$1,610,292	$1,082,599	$552,312	$261,589	$150,902	$62,537	($13,695)	($102,351)	($213,427)	
(30)	Average Monthly Balance Under/(Over) Recovery	$3,548,901	$3,366,596	$2,715,913	$1,953,162	$1,348,319	$818,934	$407,876	$206,722	$106,964	$24,557	($57,992)	($157,960)	
(31)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(32)	Interest Applied	$6,563	$6,791	$5,767	$3,746	$2,955	$1,851	$953	$488	$273	$63	($143)	($402)	
(33)	ISR Res-H Recon End Balance Under/(Over) Recovery	$3,598,422	$3,141,560	$2,296,033	$1,614,038	$1,085,555	$554,163	$262,541	$151,391	$62,809	($13,632)	($102,494)	($213,829)	
(34)	**ISR Small C&I Acct Beg. Balance Under/(Over) Recovery**	$699,257	$709,216	$623,042	$439,570	$300,837	$195,481	$94,707	$44,720	$28,239	$13,809	$531	-$14,759	
(35)	**FY 2016 Recon**	$50,116												
(36)	Actual Small C&I Revenue	$41,458	$87,517	$184,599	$139,442	$105,899	$101,102	$50,150	$16,567	$14,483	$13,297	$15,272	$19,202	
(37)	Ending Small C&I Balance Under/(Over) Recovery	$707,915	$621,700	$438,443	$300,128	$194,938	$94,380	$44,557	$28,153	$13,756	$512	-$14,741	-$33,960	
(38)	Average Monthly Balance Under/(Over) Recovery	$703,586	$665,458	$530,742	$369,849	$247,887	$144,930	$69,632	$36,436	$20,997	$7,161	-$7,105	-$24,359	
(39)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(40)	Interest Applied	$1,301	$1,342	$1,127	$709	$543	$328	$163	$86	$53	$18	-$18	-$62	
(41)	ISR Small C&I Recon End Balance Under/(Over) Recovery	$709,216	$623,042	$439,570	$300,837	$195,481	$94,707	$44,720	$28,239	$13,809	$531	-$14,759	($34,022)	
(42)	**ISR Medium Acct Beg. Balance Under/(Over) Recovery**	$1,007,019	$1,011,900	$877,459	$654,223	$469,312	$327,586	$184,168	$101,679	$65,435	$32,021	-$760	-$33,120	
(43)	**FY 2016 Recon**	$73,524												
(44)	Actual Medium Revenue	$70,508	$136,345	$224,860	$185,987	$142,599	$143,995	$82,822	$36,442	$33,538	$32,821	$32,318	$43,849	
(45)	Ending Medium Balance Under/(Over) Recovery	$1,010,035	$875,555	$652,599	$468,236	$326,713	$183,591	$101,346	$65,238	$31,897	-$800	-$33,079	-$76,970	
(46)	Average Monthly Balance Under/(Over) Recovery	$1,008,527	$943,728	$765,029	$561,229	$398,013	$255,588	$142,757	$83,459	$48,666	$15,610	-$16,919	-$55,045	
(47)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(48)	Interest Applied	$1,865	$1,904	$1,624	$1,076	$872	$578	$333	$197	$124	$40	-$42	-$140	
(49)	ISR Medium Recon End Balance Under/(Over) Recovery	$1,011,900	$877,459	$654,223	$469,312	$327,586	$184,168	$101,679	$65,435	$32,021	-$760	-$33,120	($77,110)	

National Grid - RI Gas
ISR Reconciliation for FY 17

		Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Total
		30	31	31	28	31	30	31	30	31	31	30	31	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
(50)	**ISR Large LL Acct Beg. Balance Under/(Over) Recovery**	$427,497	$407,266	$342,705	$239,833	$153,522	$96,684	$27,468	-$8,581	-$9,833	-$16,620	-$23,016	-$31,993	
(51)	**FY 2016 Recon**	$8,712												
(52)	Actual Large LL Revenue	$29,714	$65,316	$103,490	$86,687	$57,111	$69,357	$36,071	$1,230	$6,754	$6,345	$8,909	$15,504	
(53)	Ending Large LL Balance Under/(Over) Recovery	$406,495	$341,949	$239,215	$153,145	$96,411	$27,328	-$8,603	-$9,812	-$16,587	-$22,965	-$31,925	-$47,497	
(54)	Average Monthly Balance Under/(Over) Recovery	$416,996	$374,608	$290,960	$196,489	$124,966	$62,006	$9,432	-$9,196	-$13,210	-$19,793	-$27,470	-$39,745	
(55)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(56)	Interest Applied	$771	$756	$618	$377	$274	$140	$22	-$22	-$34	-$50	-$68	-$101	
(57)	ISR Large LL Recon End Balance Under/(Over) Recovery	$407,266	$342,705	$239,833	$153,522	$96,684	$27,468	-$8,581	-$9,833	-$16,620	-$23,016	-$31,993	($47,598)	
(58)	**ISR Large HL Acct Beg. Balance Under/(Over) Recovery**	$147,892	$135,751	$122,112	$103,415	$85,698	$73,460	$57,709	$46,283	$37,159	$27,429	$18,585	$9,231	
(59)	**FY 2016 Recon**	$1,946												
(60)	Actual Large HL Revenue	$14,350	$13,898	$18,937	$17,898	$12,413	$15,899	$11,547	$9,223	$9,813	$8,902	$9,388	$10,385	
(61)	Ending Large HL Balance Under/(Over) Recovery	$135,489	$121,853	$103,176	$85,517	$73,286	$57,561	$46,162	$37,061	$27,347	$18,527	$9,197	($1,155)	
(62)	Average Monthly Balance Under/(Over) Recovery	$141,690	$128,802	$112,644	$94,466	$79,492	$65,510	$51,935	$41,672	$32,253	$22,978	$13,891	$4,038	
(63)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(64)	Interest Applied	$262	$260	$239	$181	$174	$148	$121	$98	$82	$59	$34	$10	
(65)	ISR Large HL Recon End Balance Under/(Over) Recovery	$135,751	$122,112	$103,415	$85,698	$73,460	$57,709	$46,283	$37,159	$27,429	$18,585	$9,231	($1,144)	
(66)	**ISR XL LL Acct Beg. Balance Under/(Over) Recovery**	$28,489	$26,036	$21,551	$15,802	$10,924	$8,694	$4,429	$2,526	$3,225	$2,810	$2,422	$1,891	
(67)	**FY 2016 Recon**	($825)												
(68)	Actual XL LL Revenue	$1,678	$4,533	$5,789	$4,903	$2,252	$4,280	$1,910	($692)	$423	$394	$537	$1,645	
(69)	Ending XL LL Balance Under/(Over) Recovery	$25,986	$21,503	$15,762	$10,899	$8,672	$4,414	$2,518	$3,218	$2,802	$2,416	$1,886	$246	
(70)	Average Monthly Balance Under/(Over) Recovery	$27,238	$23,770	$18,657	$13,350	$9,798	$6,554	$3,474	$2,872	$3,014	$2,613	$2,154	$1,069	
(71)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(72)	Interest Applied	$50	$48	$40	$26	$21	$15	$8	$7	$8	$7	$5	$3	
(73)	ISR XL LL Recon End Balance Under/(Over) Recovery	$26,036	$21,551	$15,802	$10,924	$8,694	$4,429	$2,526	$3,225	$2,810	$2,422	$1,891	$249	
(74)	**ISR XL HL Acct Beg. Balance Under/(Over) Recovery**	$41,225	$41,002	$37,321	$33,028	$28,999	$26,351	$22,516	$19,576	$17,083	$13,815	$10,584	$7,476	
(75)	**FY 2016 Recon**	$5,278												
(76)	Actual XL HL Revenue	$5,577	$3,760	$4,368	$4,088	$2,708	$3,891	$2,989	$2,536	$3,308	$3,262	$3,130	$3,289	
(77)	Ending XL HL Balance Under/(Over) Recovery	$40,926	$37,242	$32,953	$28,939	$26,291	$22,460	$19,527	$17,040	$13,776	$10,553	$7,454	$4,187	
(78)	Average Monthly Balance Under/(Over) Recovery	$41,075	$39,122	$35,137	$30,984	$27,645	$24,406	$21,021	$18,308	$15,429	$12,184	$9,019	$5,831	
(79)	Bk America Rate less 200 Basis Points	2.25%	2.38%	2.50%	2.50%	2.58%	2.75%	2.75%	2.88%	3.00%	3.00%	3.00%	3.00%	
(80)	Interest Applied	$76	$79	$75	$59	$61	$55	$49	$43	$39	$31	$22	$15	
(81)	ISR XL HL Recon End Balance Under/(Over) Recovery	$41,002	$37,321	$33,028	$28,999	$26,351	$22,516	$19,576	$17,083	$13,815	$10,584	$7,476	$4,202	
													Approved Amount to be Recovered[1]	$5,956,711
													Under/ (Over) Recovery	($357,953)

[1]Docket 4708, AEL-8S, Page 1 of 2

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components

	Description	Forecast[1]	Actual	Variance
		October 31, 2017 Ending Deferred Balances		
		(a)	(b)	(c) = (b) - (a)
(1)	System Pressure	$475,081	$486,853	$11,772
(2)	Advanced Gas Technology	$0	$0	$0
(3)	Environmental - DAC	$53,584	$58,038	$4,454
(4)	Previous Reconciliation Factor - Applicable to All	($47,396)	($49,624)	($2,228)
(5)	Previous Reconciliation Factor - Large & Extra Large	($3,721)	($6,890)	($3,169)
(6)	On-System Margin Credits	($31,823)	($32,141)	($319)
(7)	Pension	$11,892	$9,664	($2,228)
(8)	PBOP	($36,103)	($51,057)	($14,954)
(9)	Earnings Sharing Mechanism	$12,001	$12,001	$0
(10)	RDM			
(11)	RDA Reconciliation	$460,167	$459,611	($555)
(12)	RDM Recon Reconciliation	($162,120)	($166,010)	($3,889)
(13)	Sub-Total RDM	$298,047	$293,602	($4,445)
(14)	ISR Recon			
(15)	Residential Non-Heating	$10,188	$10,099	($89)
(16)	Residential Heating	$389,931	$428,124	$38,194
(17)	Small C&I	$50,116	$20,752	($29,365)
(18)	Medium C&I	$73,524	$81,423	$7,899
(19)	Large Low Load C&I	$8,712	$12,239	$3,527
(20)	Large High Load C&I	$1,946	$2,072	$125
(21)	Extra Large Low Load C&I	($825)	$28	$853
(22)	Extra Large High Load C&I	$5,278	$8,260	$2,982
(23)	Sub-Total ISR	$538,871	$562,996	$24,126
(24)	**Total**	$1,270,432	$1,283,442	$13,009

[1]Docket 4708, AEL-10S, Pages 2-3, 5-7 filed on September 1, 2017.

(1) See AEL-11, Page 1, Line (9)
(2) See AEL-11, Page 1, Line (20)
(3) See AEL-11, Page 1, Line (32)
(4) See AEL-11, Page 2, Line (44)
(5) See AEL-11, Page 2, Line (56)
(6) See AEL-11, Page 2, Line (68)
(7) See AEL-11, Page 3, Line (80)
(8) See AEL-11, Page 3, Line (92)
(9) See AEL-11, Page 3, Lines (104)
(10) See AEL-11, Page 4, Lines (18) and (36)
(14) See AEL-11, Pages 5-8, Lines (12), (24), (36), (48), (60), (72), (84), (96)
(24) Net owed to Company, sum[Lines[(1):(9)] + Line (13) + Line (23)

Schedule
AEL-11

Schedule AEL-11
Reconciliations for FY 18

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2016 - March 2017)

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1)	**System Pressure Recon Adjust.**												
(2)	System Pressure Acct Beg. Balance Under/(Over) Recovery	$133,287	$70,905	$113,261	$174,666	$251,632	$330,234	$406,361	$0	$124,346	$16,898	($340,431)	($589,500)
(3)	Actual Costs	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$124,066	$262,800	$262,800	$262,800	$262,800	$262,800
(4)	Actual Revenue	$186,616	$81,866	$62,912	$47,506	$46,020	$48,619	$44,426	$138,569	$370,390	$619,786	$510,978	$377,397
(5)	Ending Balance Under/(Over) Recovery	$70,737	$113,105	$174,415	$251,226	$329,678	$405,680	$486,001	$124,231	$16,756	($340,088)	($588,609)	($704,097)
(6)	Average Monthly Balance Under/(Over) Recovery	$102,012	$92,005	$143,838	$212,946	$290,655	$367,957	$446,181	$62,116	$70,551	($161,595)	($464,520)	($646,798)
(7)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(8)	Interest Applied	$168	$156	$251	$407	$555	$680	$853	$115	$142	($343)	($891)	($1,418)
(9)	Sys Pressure End Balance Under/(Over) Recovery	$70,905	$113,261	$174,666	$251,632	$330,234	$406,361	$486,853	$124,346	$16,898	($340,431)	($589,500)	($705,514)
(10)	**Advanced Gas Technology**												
(11)	AGT Acct Beg. Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(12)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(13)	AGT DAC True-up	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(14)	Subtotal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(15)	Actual AGT Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(16)	Ending AGT Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(17)	Average Monthly Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(18)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(19)	Interest Applied	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(20)	AGT End Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(21)	**Environmental Recon. Adjust - DAC**												
(22)	Environmental Acct Beg. Balance Under/(Over) Recovery	$252,439	$182,184	$151,490	$127,929	$110,182	$92,963	$74,721	$58,038	$923,530	$812,757	$625,992	$471,810
(23)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($53,584)	$0	$0	$0	$0
(24)	Environmental DAC True-up	$0	$0	$0	$0	$0	$0	$0	($4,454)	$0	$0	$0	$0
(25)	Environmental Response Cost	$0	$0	$0	$0	$0	$0	$0	$967,642	$0	$0	$0	$0
(26)	Subtotal	$0	$0	$0	$0	$0	$0	$0	$967,642	$0	$0	$0	$0
(27)	Actual Environmental Revenue	$70,612	$30,977	$23,805	$17,975	$17,413	$18,396	$16,810	$45,859	$112,523	$188,290	$155,234	$114,652
(28)	Ending Environmental Balance Under/(Over) Recovery	$181,827	$151,207	$127,685	$109,954	$92,769	$74,567	$57,911	$921,783	$811,007	$624,467	$470,758	$357,158
(29)	Average Monthly Balance Under/(Over) Recovery	$217,133	$166,696	$139,588	$118,942	$101,475	$83,765	$66,316	$944,713	$867,269	$718,612	$548,375	$414,484
(30)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(31)	Interest Applied	$357	$283	$244	$227	$194	$155	$127	$1,747	$1,749	$1,526	$1,052	$908
(32)	Environmental Recon End Balance Under/(Over) Recovery	$182,184	$151,490	$127,929	$110,182	$92,963	$74,721	$58,038	$923,530	$812,757	$625,992	$471,810	$358,067

(12) Docket 4708, AEL-10S, Page 1, Ln (2)
(13) AEL-10, Page 8, Ln (2)
(14) Col (h): Sum Lines [(11):(13)]
(23) Docket 4708, AEL-10S, Page 1, Ln (3)
(24) AEL-10, Page 8, Ln (3)
(25) Col (h) per Docket 4708, AEL-1S, Pg 1, Ln (4)
(26) Col (h): Sum Lines[(22):(25)]

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2016 - March 2017)

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(33)	**Reconciliation Factor (Applicable to all) - DAC**												
(34)	Recon Factor Acct Beg. Balance Under/(Over) Recovery	($146,563)	($111,470)	($96,158)	($84,414)	($75,579)	($67,009)	($57,926)	($49,624)	$44,204	$44,293	$44,387	$44,472
(35)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$47,396	$0	$0	$0	$0
(36)	Reconciliation (All) DAC True-up	$0	$0	$0	$0	$0	$0	$0	$2,228	$0	$0	$0	$0
(37)	Reconciliation (All) Factor Balance Under/(Over) Recovery	$0	$0	$0	$0	$0	$0	$0	$34,587	$0	$0	$0	$0
(38)	Subtotal	$0	$0	$0	$0	$0	$0	$0	$34,587	$0	$0	$0	$0
(39)	Actual Recon Revenue	($35,305)	($15,488)	($11,902)	($8,988)	($8,706)	($9,198)	($8,405)	($9,544)	$0	$0	$0	$0
(40)	Ending Recon Balance Under/(Over) Recovery	($111,258)	($95,982)	($84,256)	($75,426)	($66,873)	($57,811)	($49,521)	$44,131	$44,204	$44,293	$44,387	$44,472
(41)	Average Monthly Balance Under/(Over) Recovery	($128,911)	($103,726)	($90,207)	($79,920)	($71,226)	($62,410)	($53,724)	$39,359	$44,204	$44,293	$44,387	$44,472
(42)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(43)	Interest Applied	($212)	($176)	($158)	($153)	($136)	($115)	($103)	$73	$89	$94	$85	$97
(44)	Reconciliation End Balance Under/(Over) Recovery	($111,470)	($96,158)	($84,414)	($75,579)	($67,009)	($57,926)	($49,624)	$44,204	$44,293	$44,387	$44,472	$44,570
(45)	**Reconciliation Factor (L & XL)- DAC**												
(46)	Recon Factor Acct Beg. Balance Under/(Over) Recovery	($67,853)	($50,357)	($43,227)	($35,657)	($28,552)	($21,257)	($13,347)	($6,890)	($126,037)	($111,272)	($91,642)	($74,174)
(47)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$3,721	$0	$0	$0	$0
(48)	Reconcilation (L & XL) DAC True-up	$0	$0	$0	$0	$0	$0	$0	$3,169	$0	$0	$0	$0
(49)	Reconciliation (L & XL)Factor Balance Under/(Over) Reco	$0	$0	$0	$0	$0	$0	$0	($135,578)	$0	$0	$0	$0
(50)	Subtotal	$0	$0	$0	$0	$0	$0	$0	($135,578)	$0	$0	$0	$0
(51)	Actual Recon Revenue (L & XL)	($17,593)	($7,209)	($7,639)	($7,166)	($7,343)	($7,942)	($6,476)	($9,782)	($15,004)	($19,846)	($17,627)	($11,185)
(52)	Ending Recon Balance Under/(Over) Recovery	($50,260)	($43,148)	($35,588)	($28,491)	($21,209)	($13,315)	($6,871)	($125,796)	($111,033)	($91,426)	($74,015)	($62,989)
(53)	Average Monthly Balance Under/(Over) Recovery	($59,056)	($46,752)	($39,408)	($32,074)	($24,881)	($17,286)	($10,109)	($130,687)	($118,535)	($101,349)	($82,828)	($68,581)
(54)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(55)	Interest Applied	($97)	($79)	($69)	($61)	($47)	($32)	($19)	($242)	($239)	($215)	($159)	($150)
(56)	Reconciliation End Balance Under/(Over) Recovery	($50,357)	($43,227)	($35,657)	($28,552)	($21,257)	($13,347)	($6,890)	($126,037)	($111,272)	($91,642)	($74,174)	($63,139)
(57)	**On-system Credits Recon. Adjust. - DAC**												
(58)	On-system Credit Acct Beg. Balance Under/(Over) Recovery	($45,674)	($40,701)	($38,556)	($36,922)	($35,707)	($34,530)	($33,279)	($32,141)	$1,364	$1,367	$1,370	$1,373
(59)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$31,823	$0	$0	$0	$0
(60)	On-system DAC True-up	$0	$0	$0	$0	$0	$0	$0	$319	$0	$0	$0	$0
(61)	On-system Credit Cost	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(62)	Subtotal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(63)	Actual On-system Revenue	($5,044)	($2,212)	($1,700)	($1,284)	($1,244)	($1,314)	($1,200)	($1,363)	$0	$0	$0	$0
(64)	Ending On-system Balance Under/(Over) Recovery	($40,630)	($38,489)	($36,856)	($35,638)	($34,463)	($33,216)	($32,079)	$1,363	$1,364	$1,367	$1,370	$1,373
(65)	Average Monthly Balance Under/(Over) Recovery	($43,152)	($39,595)	($37,706)	($36,280)	($35,085)	($33,873)	($32,679)	$682	$1,364	$1,367	$1,370	$1,373
(66)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(67)	Interest Applied	($71)	($67)	($66)	($69)	($67)	($63)	($62)	$1	$3	$3	$3	$3
(68)	On-system Credit End Balance Under/(Over) Recovery	($40,701)	($38,556)	($36,922)	($35,707)	($34,530)	($33,279)	($32,141)	$1,364	$1,367	$1,370	$1,373	$1,376

(35) Docket 4708, AEL-10S, Page 1, Ln (7)
(36) AEL-10, Page 8, Ln (4)
(37) Col (h) per Docket 4708, AEL-10S, Pg 1, Ln (12)
(38) Col (h): Sum Lines[(34):(37)]
(47) Docket 4708, AEL-10S, Page 1, Ln (25)
(48) AEL-10, Page 8, Ln (5)
(49) Col (h) per Docket 4708, AEL-10S, Pg 1, Ln (26)
(50) Col (h): Sum Lines [(46):(49)]
(59) Docket 4708, AEL-10S, Page 1, Ln (4)
(60) AEL-10, Page 8, Ln (6)
(61) Col (h) per Docket 4708, AEL-1S, Pg 1 , Ln (6)
(62) Col (h): Sum Lines [(58):(61)]

National Grid - RI Gas
Non-Base Rate / Gas Year Reconciling Components (April 2016 - March 2017)

		Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
		30	31	30	31	31	30	31	30	31	31	28	31
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(69)	**Pension Adjustment**												
(70)	Pen Acct Beg. Balance Under/(Over) Recovery	($88,021)	($52,832)	($37,421)	($25,573)	($16,626)	($7,943)	$1,249	$9,664	($2,043,433)	($1,798,815)	($1,386,388)	($1,045,910)
(71)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($11,892)	$0	$0	$0	$0
(72)	Pension DAC True-up	$0	$0	$0	$0	$0	$0	$0	$2,228	$0	$0	$0	$0
(73)	Pension Cost	$0	$0	$0	$0	$0	$0	$0	($2,108,263)	$0	$0	$0	$0
(74)	Subtotal	$0	$0	$0	$0	$0	$0	$0	($2,108,263)	$0	$0	$0	$0
(75)	Actual Pension Revenue	($35,305)	($15,488)	($11,902)	($8,988)	($8,706)	($9,198)	($8,405)	($68,665)	($248,490)	($415,805)	($342,808)	($253,190)
(76)	Ending Pension Balance Under/(Over) Recovery	($52,716)	($37,344)	($25,519)	($16,585)	($7,920)	$1,255	$9,654	($2,039,598)	($1,794,943)	($1,383,010)	($1,043,580)	($792,720)
(77)	Average Monthly Balance Under/(Over) Recovery	($70,369)	($45,088)	($31,470)	($21,079)	($12,273)	($3,344)	$5,451	($2,073,930)	($1,919,188)	($1,590,912)	($1,214,984)	($919,315)
(78)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(79)	Interest Applied	($116)	($77)	($55)	($40)	($23)	($6)	$10	($3,835)	($3,871)	($3,378)	($2,330)	($2,015)
(80)	Pension Adjustment End Balance Under/(Over) Recovery	($52,832)	($37,421)	($25,573)	($16,626)	($7,943)	$1,249	$9,664	($2,043,433)	($1,798,815)	($1,386,388)	($1,045,910)	($794,735)
(81)	**PBOP Adjustment**												
(82)	PBOP Acct Beg. Balance Under/(Over) Recovery	($705,494)	($469,406)	($366,123)	($286,778)	($226,922)	($168,842)	($107,339)	($51,057)	($2,439,754)	($2,139,616)	($1,633,667)	($1,215,972)
(83)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$36,103	$0	$0	$0	$0
(84)	PBOP DAC True-up	$0	$0	$0	$0	$0	$0	$0	$14,954	$0	$0	$0	$0
(85)	PBOP Cost	$0	$0	$0	$0	$0	$0	$0	($2,571,711)	$0	$0	$0	$0
(86)	Subtotal	$0	$0	$0	$0	$0	$0	$0	($2,571,711)	$0	$0	$0	$0
(87)	Actual PBOP Revenue	($237,053)	($103,992)	($79,915)	($60,346)	($58,458)	($61,758)	($56,433)	($136,587)	($304,752)	($509,950)	($420,425)	($310,516)
(88)	Ending PBOP Balance Under/(Over) Recovery	($468,441)	($365,414)	($286,208)	($226,432)	($168,464)	($107,084)	($50,906)	($2,435,124)	($2,135,002)	($1,629,666)	($1,213,242)	($905,456)
(89)	Average Monthly Balance Under/(Over) Recovery	($586,968)	($417,410)	($326,166)	($256,605)	($197,693)	($137,963)	($79,123)	($2,503,418)	($2,287,378)	($1,884,641)	($1,423,455)	($1,060,714)
(90)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(91)	Interest Applied	($965)	($709)	($570)	($490)	($378)	($255)	($151)	($4,630)	($4,614)	($4,002)	($2,730)	($2,325)
(92)	PBOP Adjustment End Balance Under/(Over) Recovery	($469,406)	($366,123)	($286,778)	($226,922)	($168,842)	($107,339)	($51,057)	($2,439,754)	($2,139,616)	($1,633,667)	($1,215,972)	($907,781)
(93)	**Earnings Sharing Mechanism**												
(94)	ESM Acct Beg. Balance Under/(Over) Recovery	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$12,001	$0	$0	$0	$0
(95)	Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($12,001)	$0	$0	$0	$0
(96)	ESM DAC True-up	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(97)	ESM Cost	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(98)	Subtotal	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(99)	Actual ESM Revenue	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
(100)	Ending ESM Balance Under/(Over) Recovery	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$0	$0	$0	$0	$0
(101)	Average Monthly Balance Under/(Over) Recovery	$11,850	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$0	$0	$0	$0	$0
(102)	Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(103)	Interest Applied	$19	$20	$21	$23	$23	$22	$23	$0	$0	$0	$0	$0
(104)	ESM Adjustment End Balance Under/(Over) Recovery	$11,869	$11,889	$11,910	$11,933	$11,956	$11,978	$12,001	$0	$0	$0	$0	$0

(71) Docket 4708, AEL-10S, Page 1, Ln (5)
(72) AEL-10, Page 8, Ln (7)
(73) Col (h) per Docket 4708, AEL-5S, Pg 1, Ln (3)
(74) Col (h): Sum Lines [(70):(73)]
(83) Docket 4708, AEL-10S, Page 1, Ln (6)
(84) AEL-10, Page 8, Ln (8)
(85) Col (h) per Docket 4708, AEL-5S, Pg 1, Ln (9)
(86) Col (h): Sum Lines [(82):(85)]
(94) Col (h) per Docket 4708, AEL-10S, Pg 1, Ln (8)

National Grid - RI Gas
RDA Reconciliation (April 2016 - March 2017)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total
	30	31	30	31	31	30	31	30	31	31	28	31	
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Actual Firm Throughput - dekatherms													
(1) Res-NH	45,685	30,341	24,941	19,686	18,136	20,093	15,846	26,304	37,283	56,362	50,780	43,949	389,404
(2) Res-H	2,470,609	1,086,418	723,631	458,490	407,982	416,197	422,553	1,134,674	2,297,654	4,213,704	3,393,879	2,629,662	19,655,450
(3) Small	329,980	110,717	71,536	45,841	39,544	41,501	41,570	118,001	292,995	617,299	466,242	354,014	2,529,239
(4) Medium	731,416	309,696	241,595	162,734	165,089	172,352	180,271	350,067	699,916	1,152,957	953,535	730,938	5,850,566
(5) Total	3,577,689	1,537,171	1,061,702	686,750	630,751	650,144	660,240	1,629,045	3,327,848	6,040,321	4,864,436	3,758,562	28,424,660
(6) **RDM Reconciliation**													
(7) RDM Acct Beg. Balance Under/(Over) Recovery	$362,957	$400,318	$417,561	$429,222	$437,101	$444,430	$451,954	$459,611	$185,007	$165,413	$129,479	$100,505	
(8) Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	($460,167)	$0	$0	$0	$0	
(9) RDM DAC True-up	$0	$0	$0	$0	$0	$0	$0	$555	$0	$0	$0	$0	
(10) RDM Balance November 2017	$0	$0	$0	$0	$0	$0	$0	$177,598	$0	$0	$0	$0	
(11) Interest on RDM Balance	$0	$0	$0	$0	$0	$0	$0	$2,263	$0	$0	$0	$0	
(12) Subtotal	$0	$0	$0	$0	$0	$0	$0	$179,860	$0	$0	$0	$0	
(13) Actual RDM Revenue	($36,733)	($16,549)	($10,922)	($7,052)	($6,487)	($6,696)	($6,787)	($4,810)	$19,947	$36,247	$29,195	$22,561	
(14) Ending RDM Balance Under/(Over) Recovery	$399,691	$416,867	$428,483	$436,274	$443,588	$451,126	$458,741	$184,670	$165,060	$129,166	$100,284	$77,943	
(15) Average Monthly Balance Under/(Over) Recovery	$381,324	$408,592	$423,022	$432,748	$440,345	$447,778	$455,348	$182,265	$175,034	$147,290	$114,881	$89,224	
(16) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%	
(17) Interest Applied	$627	$694	$739	$827	$841	$828	$870	$337	$353	$313	$220	$196	$6,845
(18) RDM Recon End Balance Under/(Over) Recovery	$400,318	$417,561	$429,222	$437,101	$444,430	$451,954	$459,611	$185,007	$165,413	$129,479	$100,505	$78,139	
(19) RDM Revenue per rate class													
(20) Res-NH	($469)	($327)	($257)	($202)	($187)	($207)	($163)	($78)	$223	$338	$305	$264	($758)
(21) Res-H	($25,367)	($11,697)	($7,444)	($4,708)	($4,196)	($4,287)	($4,344)	($3,350)	$13,772	$25,286	$20,369	$15,785	$9,820
(22) Small	($3,388)	($1,192)	($736)	($471)	($407)	($427)	($427)	($348)	$1,756	$3,704	$2,798	$2,125	$2,987
(23) Medium	($7,510)	($3,334)	($2,485)	($1,671)	($1,698)	($1,775)	($1,853)	($1,034)	$4,195	$6,919	$5,723	$4,388	($136)
(24) Total	($36,733)	($16,549)	($10,922)	($7,052)	($6,487)	($6,696)	($6,787)	($4,810)	$19,947	$36,247	$29,195	$22,561	$11,913
(25) **RDM Recon Adjustment**													
(26) RDM Recon Acct Beg. Balance Under/(Over) Recovery	($801,159)	($544,675)	($429,450)	($353,542)	($304,718)	($259,763)	($213,241)	($166,010)	$355,933	$323,373	$263,584	$215,386	
(27) Transfer to 2017-2018 Recon Factor	$0	$0	$0	$0	$0	$0	$0	$162,120	$0	$0	$0	$0	
(28) RDM DAC True-up	$0	$0	$0	$0	$0	$0	$0	$3,889	$0	$0	$0	$0	
(29) RDM Balance November 2017	$0	$0	$0	$0	$0	$0	$0	$298,047	$0	$0	$0	$0	
(30) Subtotal	$0	$0	$0	$0	$0	$0	$0	$298,047	$0	$0	$0	$0	
(31) Actual RDM Recon Revenue	($257,590)	($116,051)	($76,591)	($49,453)	($45,494)	($46,958)	($47,594)	($57,282)	$33,244	$60,412	$48,657	$37,603	
(32) Ending RDM Recon Balance Under/(Over) Recovery	($543,569)	($428,624)	($352,859)	($304,089)	($259,224)	($212,805)	($165,647)	$355,329	$322,689	$262,961	$214,927	$177,783	
(33) Average Monthly Balance Under/(Over) Recovery	($672,364)	($486,649)	($391,155)	($328,816)	($281,971)	($236,284)	($189,444)	$326,688	$339,311	$293,167	$239,255	$196,584	
(34) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%	
(35) Interest Applied	($1,105)	($827)	($683)	($628)	($539)	($437)	($362)	$604	$684	$622	$459	$431	
(36) RDM Recon Adjustment End Balance Under/(Over) Recovery	($544,675)	($429,450)	($353,542)	($304,718)	($259,763)	($213,241)	($166,010)	$355,933	$323,373	$263,584	$215,386	$178,213	

(8) Docket 4708, AEL-10S, Page 1, Line (16)
(9) AEL-10, Page 8, Line (11)
(10) Docket 4708, AEL-1S, Page 1, Line (13)
(11) Beginning balance, Docket 4708, Schedule AEL-1S, Line (13) + monthly interest calculated from April - October at Bk America rate less 200 basis points
(12) Col (h): Sum Lines [(7):(11)]
(27) Docket 4708, AEL-10S, Page 1, Line (17)
(28) AEL-10, Page 8, Line (12)
(29) Docket 4708, AEL-10S, Page 1, Line (18)
(30) Col (h): Sum Lines [(26):(29)]

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(1) **ISR Res-NH Acct Beg. Balance Under/(Over) Recovery**	$332,900	$305,603	$286,732	$272,001	$260,518	$249,941	$238,117	$228,901	$171,445	$154,454	$128,543	$105,147
(2) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	$89	$0	$0	$0	$0
(3) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$10,188	$0	$0	$0	$0
(4) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$173,073	$0	$0	$0	$0
(5) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$2,205	$0	$0	$0	$0
(6) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$175,278	$0	$0	$0	$0
(7) Actual Res-NH Revenue	$27,822	$19,374	$15,218	$11,991	$11,065	$12,276	$9,662	$14,341	$17,319	$26,212	$23,619	$20,445
(8) Ending Res-NH Balance Under/(Over) Recovery	$305,079	$286,229	$271,513	$260,010	$249,454	$237,666	$228,455	$171,125	$154,126	$128,243	$104,924	$84,702
(9) Average Monthly Balance Under/(Over) Recovery	$318,990	$295,916	$279,122	$266,005	$254,986	$243,803	$233,286	$173,202	$162,786	$141,349	$116,733	$94,925
(10) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(11) Interest Applied	$524	$503	$488	$508	$487	$451	$446	$320	$328	$300	$224	$208
(12) ISR Res-NH Recon End Balance Under/(Over) Recovery	$305,603	$286,732	$272,001	$260,518	$249,941	$238,117	$228,901	$171,445	$154,454	$128,543	$105,147	$84,910
(13) **ISR Res-H Acct Beg. Balance Under/(Over) Recovery**	$2,139,007	$1,348,819	$985,124	$753,907	$608,013	$477,856	$344,596	$209,322	$3,598,422	$3,141,559	$2,296,033	$1,614,037
(14) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($38,194)	$0	$0	$0	$0
(15) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$389,931	$0	$0	$0	$0
(16) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$3,461,838	$0	$0	$0	$0
(17) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$44,105	$0	$0	$0	$0
(18) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$3,505,943	$0	$0	$0	$0
(19) Actual Res-H Revenue	$793,052	$365,676	$232,734	$147,195	$131,193	$134,020	$135,803	$304,015	$463,654	$851,293	$685,741	$531,438
(20) Ending Res-H Balance Under/(Over) Recovery	$1,345,955	$983,143	$752,390	$606,713	$476,819	$343,836	$208,793	$3,591,859	$3,134,768	$2,290,266	$1,610,291	$1,082,599
(21) Average Monthly Balance Under/(Over) Recovery	$1,742,481	$1,165,981	$868,757	$680,310	$542,416	$410,846	$276,695	$3,548,901	$3,366,595	$2,715,913	$1,953,162	$1,348,318
(22) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(23) Interest Applied	$2,864	$1,981	$1,517	$1,300	$1,037	$760	$529	$6,563	$6,791	$5,767	$3,746	$2,955
(24) ISR Res-H Recon End Balance Under/(Over) Recovery	$1,348,819	$985,124	$753,907	$608,013	$477,856	$344,596	$209,322	$3,598,422	$3,141,559	$2,296,033	$1,614,037	$1,085,554

(2) AEL-10, Pg 8, Line (15)
(3) Dkt 4708, AEL-8S, Pg 1, Line (3), Col (g)
(4) Dkt 4708, AEL-8S, Pg 1, Line (3), Col (f)
(5) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(6) Line (4) + Line (5)
(14) AEL-10, Pg 8, Line (16)
(15) Dkt 4708, AEL-8S, Pg 1, Line (4), Col (g)
(16) Dkt 4708, AEL-8S, Pg 1, Line (4), Col (f)
(17) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(18) Line (16) + Line (17)

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(25) **ISR Small C&I Acct Beg. Balance Under/(Over) Recovery**	$289,347	$160,037	$114,645	$86,652	$68,783	$53,331	$37,053	$20,752	$709,217	$623,042	$439,570	$300,837
(26) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	$29,365	$0	$0	$0	$0
(27) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$50,116	$0	$0	$0	$0
(28) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$690,460	$0	$0	$0	$0
(29) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$8,797	$0	$0	$0	$0
(30) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$699,257	$0	$0	$0	$0
(31) Actual Small C&I Revenue	$129,680	$45,625	$28,168	$18,017	$15,568	$16,361	$16,357	$41,458	$87,517	$184,599	$139,442	$105,899
(32) Ending Small C&I Balance Under/(Over) Recovery	$159,668	$114,411	$86,476	$68,635	$53,214	$36,970	$20,697	$707,916	$621,700	$438,443	$300,128	$194,938
(33) Average Monthly Balance Under/(Over) Recovery	$224,507	$137,224	$100,560	$77,643	$60,999	$45,150	$28,875	$703,586	$665,458	$530,743	$369,849	$247,888
(34) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(35) Interest Applied	$369	$233	$176	$148	$117	$83	$55	$1,301	$1,342	$1,127	$709	$543
(36) ISR Small C&I Recon End Balance Under/(Over) Recovery	$160,037	$114,645	$86,652	$68,783	$53,331	$37,053	$20,752	$709,217	$623,042	$439,570	$300,837	$195,482
(37) **ISR Medium Acct Beg. Balance Under/(Over) Recovery**	$486,469	$336,475	$270,095	$220,658	$187,520	$153,778	$118,413	$81,423	$1,011,900	$877,459	$654,223	$469,312
(38) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($7,899)	$0	$0	$0	$0
(39) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$73,524	$0	$0	$0	$0
(40) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$994,351	$0	$0	$0	$0
(41) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$12,668	$0	$0	$0	$0
(42) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$1,007,019	$0	$0	$0	$0
(43) Actual Medium Revenue	$150,670	$66,895	$49,865	$33,527	$34,068	$35,617	$37,181	$70,508	$136,345	$224,860	$185,987	$142,599
(44) Ending Medium Balance Under/(Over) Recovery	$335,800	$269,580	$220,230	$187,131	$153,452	$118,161	$81,232	$1,010,035	$875,555	$652,599	$468,236	$326,713
(45) Average Monthly Balance Under/(Over) Recovery	$411,134	$303,028	$245,162	$203,894	$170,486	$135,970	$99,822	$1,008,527	$943,728	$765,029	$561,230	$398,013
(46) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(47) Interest Applied	$676	$515	$428	$390	$326	$251	$191	$1,865	$1,904	$1,624	$1,076	$872
(48) ISR Medium Recon End Balance Under/(Over) Recovery	$336,475	$270,095	$220,658	$187,520	$153,778	$118,413	$81,423	$1,011,900	$877,459	$654,223	$469,312	$327,586

(26) AEL-10, Pg 8, Line (17)
(27) Dkt 4708, AEL-8S, Pg 1, Line (5), Col (g)
(28) Dkt 4708, AEL-8S, Pg 1, Line (5), Col (f)
(29) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(30) Line (28) + Line (29)
(38) AEL-10, Pg 8, Line (18)
(39) Dkt 4708, AEL-8S, Pg 1, Line (6), Col (g)
(40) Dkt 4708, AEL-8S, Pg 1, Line (6), Col (f)
(41) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(42) Line (40) + Line (41)

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(49) **ISR Large LL Acct Beg. Balance Under/(Over) Recovery**	$192,148	$96,578	$72,913	$58,033	$46,807	$37,504	$26,304	$12,239	$407,266	$342,705	$239,833	$153,522
(50) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($3,527)	$0	$0	$0	$0
(51) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$8,712	$0	$0	$0	$0
(52) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$422,119	$0	$0	$0	$0
(53) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$5,378	$0	$0	$0	$0
(54) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$427,497	$0	$0	$0	$0
(55) Actual Large LL Revenue	$95,807	$23,809	$14,994	$11,327	$9,384	$11,258	$14,102	$29,714	$65,316	$103,490	$86,687	$57,111
(56) Ending Large LL Balance Under/(Over) Recovery	$96,340	$72,769	$57,919	$46,707	$37,423	$26,245	$12,202	$406,495	$341,950	$239,215	$153,146	$96,411
(57) Average Monthly Balance Under/(Over) Recovery	$144,244	$84,673	$65,416	$52,370	$42,115	$31,874	$19,253	$416,996	$374,608	$290,960	$196,489	$124,967
(58) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(59) Interest Applied	$237	$144	$114	$100	$80	$59	$37	$771	$756	$618	$377	$274
(60) ISR Large LL Recon End Balance Under/(Over) Recovery	$96,578	$72,913	$58,033	$46,807	$37,504	$26,304	$12,239	$407,266	$342,705	$239,833	$153,522	$96,685
(61) **ISR Large HL Acct Beg. Balance Under/(Over) Recovery**	$107,607	$84,310	$70,423	$55,826	$43,167	$31,186	$15,863	$2,072	$135,751	$122,113	$103,415	$85,699
(62) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($125)	$0	$0	$0	$0
(63) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$1,946	$0	$0	$0	$0
(64) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$146,032	$0	$0	$0	$0
(65) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$1,860	$0	$0	$0	$0
(66) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$147,892	$0	$0	$0	$0
(67) Actual Large HL Revenue	$23,455	$14,018	$14,706	$12,754	$12,052	$15,366	$13,809	$14,350	$13,898	$18,937	$17,898	$12,413
(68) Ending Large HL Balance Under/(Over) Recovery	$84,152	$70,291	$55,716	$43,073	$31,115	$15,820	$2,055	$135,489	$121,853	$103,176	$85,518	$73,286
(69) Average Monthly Balance Under/(Over) Recovery	$95,879	$77,300	$63,069	$49,450	$37,141	$23,503	$8,959	$141,691	$128,802	$112,645	$94,467	$79,493
(70) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(71) Interest Applied	$158	$131	$110	$94	$71	$43	$17	$262	$260	$239	$181	$174
(72) ISR Large HL Recon End Balance Under/(Over) Recovery	$84,310	$70,423	$55,826	$43,167	$31,186	$15,863	$2,072	$135,751	$122,113	$103,415	$85,699	$73,460

(50) AEL-10, Pg 8, Line (19)
(51) Dkt 4708, AEL-8S, Pg 1, Line (7), Col (g)
(52) Dkt 4708, AEL-8S, Pg 1, Line (7), Col (f)
(53) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(54) Line (52) + Line (53)
(62) AEL-10, Pg 8, Line (20)
(63) Dkt 4708, AEL-8S, Pg 1, Line (8), Col (g)
(64) Dkt 4708, AEL-8S, Pg 1, Line (8), Col (f)
(65) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(66) Line (64) + Line (65)

National Grid - RI Gas
ISR Reconciliation (April 2016 - March 2017)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
	30	31	30	31	31	30	31	30	31	31	28	31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
(73) **ISR XL LL Acct Beg. Balance Under/(Over) Recovery**	$8,158	$2,658	$2,236	$1,497	$1,598	$1,288	$738	$28	$26,037	$21,551	$15,802	$10,924
(74) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($853)	$0	$0	$0	$0
(75) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	($825)	$0	$0	$0	$0
(76) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$28,131	$0	$0	$0	$0
(77) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$358	$0	$0	$0	$0
(78) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$28,489	$0	$0	$0	$0
(79) Actual XL LL Revenue	$5,509	$426	$742	($98)	$313	$552	$711	$1,678	$4,533	$5,789	$4,903	$2,252
(80) Ending XL LL Balance Under/(Over) Recovery	$2,649	$2,232	$1,494	$1,595	$1,285	$736	$27	$25,986	$21,503	$15,762	$10,899	$8,672
(81) Average Monthly Balance Under/(Over) Recovery	$5,403	$2,445	$1,865	$1,546	$1,442	$1,012	$383	$27,238	$23,770	$18,657	$13,350	$9,798
(82) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(83) Interest Applied	$9	$4	$3	$3	$3	$2	$1	$50	$48	$40	$26	$21
(84) ISR XL LL Recon End Balance Under/(Over) Recovery	$2,658	$2,236	$1,497	$1,598	$1,288	$738	$28	$26,037	$21,551	$15,802	$10,924	$8,694
(85) **ISR XL HL Acct Beg. Balance Under/(Over) Recovery**	$56,298	$46,456	$40,797	$34,340	$27,579	$20,672	$13,542	$8,260	$41,002	$37,320	$33,027	$28,999
(86) ISR Recon DAC True-up	$0	$0	$0	$0	$0	$0	$0	($2,982)	$0	$0	$0	$0
(87) **FY 2016 Recon**	$0	$0	$0	$0	$0	$0	$0	$5,278	$0	$0	$0	$0
(88) **FY 2017 Recon**	$0	$0	$0	$0	$0	$0	$0	$40,706	$0	$0	$0	$0
(89) Interest Applied on FY17 balance	$0	$0	$0	$0	$0	$0	$0	$519	$0	$0	$0	$0
(90) Total FY 2017 Recon	$0	$0	$0	$0	$0	$0	$0	$41,225	$0	$0	$0	$0
(91) Actual XL HL Revenue	$9,926	$5,734	$6,523	$6,820	$6,953	$7,161	$5,302	$5,577	$3,760	$4,368	$4,088	$2,708
(92) Ending XL HL Balance Under/(Over) Recovery	$46,372	$40,723	$34,274	$27,520	$20,626	$13,510	$8,239	$40,926	$37,241	$32,953	$28,939	$26,290
(93) Average Monthly Balance Under/(Over) Recovery	$51,335	$43,589	$37,535	$30,930	$24,102	$17,091	$10,891	$41,075	$39,122	$35,137	$30,983	$27,645
(94) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(95) Interest Applied	$84	$74	$66	$59	$46	$32	$21	$76	$79	$75	$59	$61
(96) ISR XL HL Recon End Balance Under/(Over) Recovery	$46,456	$40,797	$34,340	$27,579	$20,672	$13,542	$8,260	$41,002	$37,320	$33,027	$28,999	$26,351

(74) AEL-10, Pg 8, Line (21)
(75) Dkt 4708, AEL-8S, Pg 1, Line (9), Col (g)
(76) Dkt 4708, AEL-8S, Pg 1, Line (9), Col (f)
(77) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(78) Line (76) + Line (77)
(86) AEL-10, Pg 8, Line (22)
(87) Dkt 4708, AEL-8S, Pg 1, Line (10), Col (g)
(88) Dkt 4708, AEL-8S, Pg 1, Line (10), Col (f)
(89) Apr17-Oct17 @ BOA Rate less 200 Basis Points
(90) Line (88) + Line (89)

Schedule
AEL-12

Schedule AEL-12
Earnings Sharing Mechanism Factor

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Testimony of
Jeffrey D. Oliveira

DIRECT TESTIMONY

OF

JEFFREY D. OLIVEIRA

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II. Purpose of Testimony 2

III. Pension and PBOP Expense Reconciliation 3

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I. <u>Introduction and Qualifications</u>

Q. Please state your full name and business address.

A. My name is Jeffrey D. Oliveira and my business address is 40 Sylvan Road, Waltham, Massachusetts 02451.

Q. By whom are you employed and in what position?

A. I am employed by National Grid USA Service Company, Inc. (Service Company) as a Revenue Requirement Specialist in the Regulation and Pricing department. The Service Company provides engineering, financial, administrative, and other technical support to subsidiary companies of National Grid USA. My current duties include leading and overseeing the revenue requirement analyses and modeling that support regulatory filings, regulatory strategies, and rate cases for National Grid's distribution operations in New England, including The Narragansett Electric Company (the Company).

Q. Please describe your education and professional experience.

A. In 2000, I earned an Associate's degree in Business Administration from Bristol Community College in Fall River, Massachusetts. I have been employed by National Grid and its predecessor companies since 1999. From 1999 through 2000, I worked at Fall River Gas Company as a Staff Accountant. In 2001, after Fall River Gas Company merged with Southern Union Company, I continued as a Staff Accountant with increased responsibilities. In August 2006, National Grid USA acquired the Rhode Island operations of Southern Union Company, d/b/a New England Gas Company, at which time I joined the Service Company as a Senior Accounting Analyst. In January 2009, I became a Senior Revenue Requirement Analyst in the Service Company's Regulation and Pricing department. In July 2011, I was promoted to my current position.

Q. Have you previously testified before the Rhode Island Public Utilities Commission (PUC) or any other regulatory commission?

A. Yes. I testified before the PUC at the evidentiary hearings in Docket No. 4686 in support of the Company's settlement with the Rhode Island Division of Public Utilities and Carriers pertaining to the operation of the Company's Storm Fund. I have also submitted pre-filed testimony to the Massachusetts Department of Public Utilities on behalf of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, as a revenue requirement witness in annual pension adjustment mechanism proceedings.

II. <u>Purpose of Testimony</u>

Q. What is the purpose of your testimony in this proceeding?

A. My testimony describes the origin of the Company's Pension and Postretirement Benefits Other than Pensions (PBOP) expense reconciliation, and provides the calculation of the reconciliation of Pension and PBOP costs to the allowance for recovery in base distribution rates, as provided for in the Pension Adjustment Factor (PAF) provision in the Company's tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Item 3.6.

Q. Are there any schedules to your testimony?

A. Yes, I am sponsoring the following schedule that accompanies my testimony:

- Schedule JDO-1 - Pension and Post-Retirement Benefits Other than Pension (PBOP) Expense Reconciliation.

III. <u>Pension and PBOP Expense Reconciliation</u>

Q. Generally, how does the reconciliation of Pension and PBOP expense operate?

A. In the Company's 2008 general rate case in Docket No. 3943, the PUC approved the Company's proposal to reconcile its Pension and PBOP expenses against the allowance in base rates and recover or refund any difference annually through the Distribution Adjustment Charge (DAC). In accordance with the PAF provision in the Company's tariff, the PAF is designed to recover or refund the prior year's reconciliation of the Company's actual Pension and PBOP expenses to the Company's Pension and PBOP expenses included in base rates. The adjustment factor is based on this difference.

In the Company's general rate case filed in 2012 in Docket No. 4343, the rate allowances for both Pension and PBOP were established at then-current levels.

The PAF is based on the difference between the Company's actual Pension and PBOP expense for the prior 12-month period ended March 31, 2018 and the allowance included in base distribution rates. In addition, the Company will contribute to the Pension and PBOP plans at the "Minimum Funding Obligation" level. The Minimum Funding Obligation level is equal to the amount billed to customers plus the amounts of capitalized Pension and PBOP costs. The amount billed to customers includes (1) the Pension and PBOP allowance in base distribution rates, (2) plus or minus the amount billed or credited to customers through the PAF. If the Company does not fund its Pension and PBOP plans at the Minimum Funding Obligation level, the Company will pay a carrying charge to customers at the weighted average cost of capital. This payment would be applied to the cumulative five quarter average shortfall between the Minimum Funding Obligation level and amounts the Company contributes to the Pension and PBOP plans, plus amounts paid to the Service Company for allocated Pension and PBOP costs.

Q. Has the Company performed this reconciliation for the 12-month period ending March 2018?

A. Yes. This reconciliation is included as Schedule JDO-1.

Q. What is the result of the Company's reconciliation?

A. The Company's reconciliation indicates that it has over-recovered Pension expenses in the amount of $2,811,656 and over-recovered PBOP expenses in the amount of $3,417,375 for the 12 months ending March 2018. In addition, the Pension liability was slightly under-funded during this time, resulting in a carrying charge of $10,931. The PBOP liability was over-funded during this time, resulting in no carrying charge.

IV. Conclusion

Q. Does this conclude your testimony?

A. Yes.

Schedule JDO-1

Narragansett Electric - Gas Operations
Pension Costs
12 Months Ended March 31, 2018

Line No.		April 2017 thru March 2018
1	Rate Allowance:	
2	National Grid - RI Gas Pension Costs Allowance	$4,702,324
3	National Grid - Service Company Allocated Pension Costs Allowance	$2,977,528
4	Total Pension Costs in Base Rates	$7,679,852
5	Expense Reconciliation:	
6	Current Year actual Pension Expense Direct	$2,017,338
7	Current Year actual Service Company Allocated Pension Expense	$2,804,379
8	Current Year actual Affiliated Allocated Pension Expense	$46,479
9	Total Current Year Pension Expense Including Service Company-Allocated Expense	$4,868,196
10	Rate Allowance	$7,679,852
11	**Current Year Pension Expense Reconciliation**	($2,811,656)
12	**Funding Carrying Charge**	($10,931)

Line Notes

2	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 Line 1 (e)
3	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of Lines 2 (e) through 5 (e)
4	Line 2 plus Line 3
6-8	Per Company Books
9	Sum of Lines 6 through 8
10	Line 4
11	Line 9 minus Line 10
12	Minus Page 3 of 4 Line 18 (f)

Narragansett Electric - Gas Operations
Post-Retirement Benefits Other Than Pension (PBOP) Costs
12 Months Ended March 31, 2018

Line No.		April 2017 thru March 2018
1	Rate Allowance	
2	National Grid - RI Gas PBOP Costs Allowance	$2,470,365
3	National Grid - Service Company Allocated PBOP Costs Allowance	1,852,439
4	Total PBOP Costs	$4,322,804
5	Expense Reconciliation	
6	Current Year actual PBOP Expense Direct	$338,172
7	Current Year actual Service Company Allocated PBOP Expense	$540,094
8	Current Year actual Affiliated Allocated PBOP Expense	$27,163
9	Total Current Year PBOP Expense Including Service Company-Allocated Expense	$905,429
10	Rate Allowance	$4,322,804
11	**Current Year PBOP Expense Reconciliation**	($3,417,375)
12	**Total Funding Carrying Charge**	$0

Line Notes

2	Docket No. 4323 Attachment MDL-3-GAS page 35 of 65 Line 1 (e)
3	Docket No. 4323 Attachment MDL-3-GAS page 35 of 65 sum of Lines 2 (e) thru 5 (e)
4	Line 2 plus Line 3
6-8	Per Company Books
9	Sum of Lines 6 through 8
10	Line 4
11	Line 9 minus Line 10
12	Minus Page 4 of 4 Line 18 (f)

Narragansett Electric - Gas Operations
Pension Funding Carrying Charges
12 Months Ended March 31, 2018

		(a)	(b)	(c)	(d)	(e)	(f)
	Customer Funding	Dkt 4323	Mar-2017	Jun-2017	Sep-2017	Dec-2017	Mar-2018
1	Base Rate Recovery:						
2	Direct	$4,702,324	$1,175,581	$1,175,581	$1,175,581	$1,175,581	$1,175,581
3	Servco	$2,977,528	$744,382	$744,382	$744,382	$744,382	$744,382
4	PAF Surcharge Recovery:		($23,409)	($23,409)	($23,409)	($292,314)	($426,767)
5	Pension Capitalized Amount:						
6	Direct		$868,101	$689,468	$620,422	$811,885	$566,430
7	Servco/Other Affiliates		$419,352	$384,699	$404,550	$355,948	$372,751
8	Total Customer Funding:		$3,184,007	$2,970,721	$2,921,526	$2,795,482	$2,432,377
9	**Company Contributions**[1]		Jun-2017	Sep-2017	Dec-2017	Mar-2018	Jun-2018
10	Pension		7,431,039	$2,035,987	$2,035,987	$2,035,987	192,000
11	Service Company Allocated Costs		$1,163,734	$1,129,081	$1,148,932	$1,100,330	$1,117,133
12	**Total Contributions**		$8,594,773	$3,165,068	$3,184,919	$3,136,317	$1,309,133
13	Under/(Over) Funding		($5,410,766)	($194,347)	($263,393)	($340,835)	$1,123,244
14	Cumulative Under/(Over) Funding		$349,694	$155,347	($108,046)	($448,881)	$674,363
15	Five Quarter Average						$124,495
16	Base for Carrying Charge (greater of line 22 or zero)						$124,495
17	Pre-tax WACC						8.78%
18	Carrying Charge						$10,931

Company Contributions[1]-This amount represents dollars funded in the subsequent quarter

Line Notes

2(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 line 1 (e)
2(b) - 2(f)	Line 2 (a) divided by 12 times 3
3(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of lines 2 (e) through 5 (e)
3(b) - 3(f)	Line 3 (a) divided by 12 times 3
4(b) - 4(d)	Docket No. 4634 Schedule WRR-1 Revised, page 1 of 4, Line 11 divided by 12 times 3
4(e)	Docket No. 4634 Schedule WRR-1 Revised, page 1 of 4, Line 11 divided by 12 times 1 plus Docket No. 4708 Schedule WRR-1 , page 1 of 4, Line 11 divided by 12 times 2
4(f)	Docket No. 4708 Schedule WRR-1 , page 1 of 4, Line 11 divided by 12 times 3
6(b) - 6(f)	Per Company Books
7(b) - 7(f)	Per Company Books
8(b) - 8(f)	Sum of Line 2 through Line 7
10	Per Company Books
11	Line 3 plus line 7
12	Line 10 plus Line 11
13	Line 8 minus Line 12
14	Line 13 plus prior qtr Line 14
15	Average of column (b) through column (e)
16	If Line 15 is greater than zero, Line 15 if not, zero
17	Docket No 4323, adjusted to reflect the change in the federal income tax rate from 35% to 21% persuant to the Tax Cuts & Jobs act of 2017
18	Line 16 times Line 17

Narragansett Electric - Gas Operations
PBOP Funding - Carrying Charges
12 Months Ended March 31, 2018

		(a)	(b)	(c)	(d)	(e)	(f)
	Customer Funding	Dkt 4323	Mar-2017	Jun-2017	Sep-2017	Dec-2017	Mar-2018
1	Base Rate Recovery:						
2	Direct	$2,470,365	$617,591	$617,591	$617,591	$617,591	$617,591
3	Servco	$1,852,439	$463,110	$463,110	$463,110	$463,110	$463,110
4	PAF Surcharge Recovery:		($463,952)	($463,952)	($463,952)	($582,214)	($641,345)
5	PBOP Capitalized Amount:						
6	Direct		$197,659	$249,922	$139,564	($42,320)	$112,251
7	Servco/Other Affiliates		$143,604	$112,877	$81,390	$24,383	$74,328
8	Total Customer Funding:		$958,011	$979,548	$837,703	$480,549	$625,934
9	**Company Contributions[1]**		Jun-2017	Sep-2017	Dec-2017	Mar-2018	Jun-2018
10	PBOP		$500,000	$540,000	$540,000	$540,000	$0
11	Service Company Allocated Costs		606,714	575,987	544,500	487,493	537,438
12			$1,106,714	$1,115,987	$1,084,500	$1,027,493	$537,438
13	Under/(Over) Funding		($148,702)	($136,439)	($246,797)	($546,943)	$88,496
14	Cumulative Funding Under/(Over) Funding		$40,573	($95,866)	($342,663)	($889,607)	($801,110)
15	Five Quarter Average						($417,735)
16	Base for Carrying Charge (greater of line 22 or zero)						$0
17	Pre-tax WACC						8.78%
18	Carrying Charge						$0

Company Contributions[1]-This amount represents dollars funded in the subsequent quarter

Line Notes

2(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 line 1 (e)
2(b) - 2(f)	Line 2 (a) divided by 12 times 3
3(a)	Docket No. 4323 Attachment MDL-3-GAS page 36 of 65 sum of lines 2 (e) thru 5 (e)
3(b) - 3(f)	Line 3 (a) divided by 12 times 3
4(b) - 4(d)	Docket No. 4634 Schedule WRR-3 Revised, page 2 of 4, Line 11 divided by 12 times 3
4(e)	Docket No. 4634 Schedule WRR-3 Revised, page 2 of 4, Line 11 divided by 12 times 1 plus Docket No. 4708 Schedule WRR-1 , page 2 of 4, Line 11 divided by 12 times 2
4(f)	Docket No. 4708 Schedule WRR-1, page 2 of 4, Line 11 divided by 12 times 3
6(b) - 6(f)	Per Company Books
7(b) - 7(f)	Per Company Books
8 (b) - 8(f)	Sum of Line 2 through Line 7
10	Per Company Books
11	Line 3 plus line 7
12	Line 10 plus Line 11
13	Line 8 minus Line 12
14	Line 13 plus prior qtr Line 14
15	Average of column (b) through column (e)
16	If Line 15 is greater than zero, Line 15 if not, zero
17	Docket No 4323, adjusted to reflect the change in the federal income tax rate from 35% to 21% persuant to the Tax Cuts & Jobs act of 2017
18	Line 16 times Line 17