

The Narragansett Electric Company

d/b/a National Grid

INVESTIGATION AS TO THE
PROPRIETY OF PROPOSED TARIFF
CHANGES

Testimony and Schedules of:

Paul M. Normand

Ann E. Leary

Book 9 of 11

April 27, 2012

Submitted to:

Rhode Island Public Utilities Commission

Docket No. R.I.P.U.C. _____

Submitted by:

nationalgrid

THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

PRE-FILED DIRECT TESTIMONY

OF

PAUL M. NORMAND

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1 **I. Introduction and Qualifications**

2 **Q. Please state your name, address and position.**

3 A. My name is Paul M. Normand. I am a management consultant and President of
4 Management Applications Consulting, Inc. (“MAC”), 1103 Rocky Drive, Suite
5 201, Reading, Pennsylvania 19609.

6
7 **Q. Please state your qualifications.**

8 A. My qualifications are provided in Schedule PMN-1.

9
10 **II. Purpose of Testimony**

11 **Q. What is your responsibility in connection with this proceeding?**

12 A. I am responsible for preparing the allocated cost of service study (“ACOSS”)
13 submitted on behalf of the gas operations of The Narragansett Electric Company
14 d/b/a National Grid (the “Company”). In addition to these studies, I am also
15 responsible for developing the class revenue targets and rate design for each of
16 the Company’s proposed rates.

17
18 **Q. Please outline the organization of your testimony and schedules.**

19 A. Aside from the introductory material provided in Sections I and II, my testimony
20 is organized into three major sections. Section III presents the ACOSS and the
21 methods I have employed to calculate costs by class of service, including the
22 more significant allocation factors. In the final section, Section IV, I discuss the

1 development of the proposed class revenue targets and the individual class
2 proposed rate designs and tariffs.

3
4 I have provided a total of eight accounting schedules using a “PMN” designation.
5 Schedule PMN-1 details my qualifications and experience. The schedules
6 relating to the accounting cost of service study are labeled sequentially beginning
7 with Schedule PMN-2. Schedule PMN-2 provides a summary of the results of my
8 Total Company ACOSS for the rate year ending January 31, 2014 (Pages 1 and 2)
9 and a revenue requirement summary (Pages 3 and 4), and it also provides a
10 reconciliation of revenues to the Company’s cost of service schedules (Page 5).
11 In the cost of service schedules, the supply-related costs to be recovered through
12 the Company’s Gas Cost Recovery (“GCR”) mechanism have been removed. In
13 addition to these traditional total Company class cost of service study summary
14 results, Schedule PMN-3 presents the more detailed line-by-line results of my
15 class ACOSS for the delivery function only. Schedule PMN-4 presents a similar
16 level of cost detail as Schedule PMN-3 for the total unbundled (functional) costs
17 of the delivery functions instead of by rate class as shown on the horizontal.
18 Schedule PMN-5 presents a detailed functional unbundled summary of the costs
19 to serve for each rate class at both present (Pages 1 - 4) and uniform equalized
20 (Pages 5 - 8) rates of return (“ROR”). Schedule PMN-6 contains a description of
21 the allocation factors, both externally developed and those developed internal to

1 the ACOSS to provide a complete reference and understanding of the allocation
2 methods employed in my study.

3
4 Schedule PMN-7 presents the details of the proposed rate design calculations
5 along with the summaries from all of the ACOSS results discussed earlier
6 (Schedule PMN-3 and Schedule PMN-5). Lastly, Schedule PMN-8 presents the
7 bill impacts for various usage levels for each of the proposed pricing changes to
8 the Company's existing rates.

9
10 In order to facilitate a thorough review of my cost study, I have also included a
11 complete set of workpapers with this filing, labeled as "Gas Accounting Cost of
12 Service Workpapers."

13

14 **III. Allocated Cost of Service Study**

15 **Billing Determinants**

16 **Q. Could you describe the billing units for the rate design?**

17 A. The development of billing units was straight forward. The number of customers,
18 weather normalized sales, and, for the large customer classes, weather normalized
19 billing demands for each class were segregated between sales and transportation
20 service. The Company's rate classes are:

Rate Designation	Description
R10	Residential Non-Heating Regular
R11	Residential Non-Heating Low-Income
R12	Residential Heating Regular
R13	Residential Heating Low-Income
G21	General Service Small
G22	General Service Medium
G33	General Service Large Low Load Factor
G23	General Service Large High Load Factor
G34	General Service Extra Large Low Load Factor
G24	General Service Extra Large High Load Factor

1

2 **Allocated Cost of Service Study**

3 **Q. Would you briefly define an Allocated Cost of Service Study?**

4 A. The cost to serve the customers of any utility company consists generally of
5 operating expenses and return. For a historical test period, these costs are
6 recorded on the books and records of the utility, and the overall cost to serve the
7 collective customers of the utility can be readily established. On the other hand,
8 the unique cost to serve customers in the various service classifications is much
9 less apparent. Costs can vary significantly between customer classes depending
10 upon the nature of their demands upon the system and the facilities required to
11 serve them. The purpose of an ACOSS is to assign or allocate each relevant
12 component of the Company's overall costs of service on an appropriate basis in
13 order to determine the proper cost to serve the Company's respective classes. The
14 result is a cost matrix displaying, for each cost category, the detailed costs of
15 serving each customer class.

16

1 **Q. Please describe the procedure that you used in preparing your Allocated**
2 **Cost of Service Study.**

3 A. Through the application of a microcomputer cost model developed by MAC
4 specifically for the Company's gas operations, it was possible to address each
5 element of rate base, revenue and operating expense in detail and to assign or
6 allocate each element to customer classes. The complete class cost of service
7 process is summarized in Schedule PMN-2 with a detailed revenue reconciliation
8 (Page 5) and mirrors the total Company costs to serve as presented by the
9 Company for the rate year.

10
11 **Description of Cost Model**

12 **Q. How does the computerized cost model operate?**

13 A. The cost model is essentially a matrix. The vertical dimension of the study
14 consists of the detailed costs to serve as provided by the Company. The
15 development of the cost of service study begins with rate base and continues with
16 revenues, operating expenses, taxes, and the computation of a labor allocator.
17 The cost model includes three additional reports, a summary of costs to serve, a
18 list of the allocation factors employed in the study and a revenue requirements
19 section.

1 The horizontal dimension of the study consists of either customer classes or cost
2 functions. Since the customer classes cannot all fit on a single page, two sub-
3 pages are required to list all customer classes.

4
5 Each page, starting with Page 1, has a column immediately preceding the
6 numerical data marked "ALLOC," an abbreviation for ALLOCATOR. The
7 ALLOC column contains an acronym to indicate the allocation factor used to
8 allocate the costs shown in the Total Company column to individual customer
9 classes. A tabulation of these allocators, typically total dollars or volumes and as a
10 percent of total, has been provided at the end of each study beginning on Page 22
11 of Schedule PMN-3. In addition to a simple tabulation, these allocation factors
12 are further presented as a unitized ratio of Total Company beginning on Page 30
13 of Schedule PMN-3. Schedule PMN-6 further describes each of these allocators.

14
15 Using these allocation factors, costs shown in the Total Company column are
16 assigned to each customer class or function shown on the horizontal of the cost
17 study. The cost of service information provided in the vertical column is the rate
18 year balances as identified in the Company's revenue requirement schedules.

19
20 **Cost of Service Model Allocation Methodology**

21 **Q. How did you choose allocation factors for your cost study?**

1 A. Generally speaking, I use a hierarchal approach to assigning costs to customer
2 classes, choosing the highest level available to assign or allocate cost elements in
3 the cost study. The first or highest level is to identify a direct relationship
4 between the cost under study and the individual classes. For example, present
5 revenue is booked by customer class, so in the cost study, I directly assign present
6 revenues to customer classes. The second level in the hierarchy employs the
7 results of special studies. When costs cannot be directly assigned to a specific
8 class, a special study can be undertaken to replicate the intended use of specific
9 plant investments or expenses and then assign costs based on the specific use of
10 these assets in the test year. The next level in the hierarchy employs an external
11 allocator to serve as a basis for cost assignment. For example, the cost of
12 processing a computer generated bill is the same for all classes. An external
13 allocator representing the number of bills produced for each customer class in the
14 rate year was developed to allocate these costs. The final alternative, using an
15 internal allocator for cost assignment, involves selecting some combination of
16 cost elements previously allocated in the cost study to assign certain remaining
17 costs appropriately to customer classes. An internal allocator is a relationship
18 computed from combining more than one cost already allocated in the cost study.
19 As an example, property taxes are assessed by individual taxing authorities based
20 primarily on the plant in service within their jurisdictions. In order to allocate
21 property taxes, I develop an internal allocator for the total of all plant. In this case,
22 total **PLANT** is an internal allocator composed of the sum of each individual item

1 of plant in service, each of which has been previously allocated to customer
2 classes on some rational basis. Using this costing approach, I assigned each rate
3 base operating expense item to customer classes.
4

5 **Rate Base Allocation**

6 **Q. Please describe the allocation of rate base to customer classes.**

7 A. Rate base allocations are shown on Pages 2 through 7 of Schedule PMN-3. Plant
8 is shown sequentially at the 3-digit Uniform System of Accounts level. The
9 Company's intangible plant was shown as the first items allocated followed by
10 production plant investment. Since intangible plant could not be assigned to
11 classes using any of the first three levels in the hierarchy of allocation methods,
12 intangible plant was assigned on two internally developed allocators, total plant
13 and total labor.
14

15 Production plant is primarily assigned using Design Day and Design Winter
16 allocation factors, which are based on adjusting the total Design Winter and
17 Design Day demands lower by removing a base use component for each rate
18 class.
19

20 Next, distribution capacity-related plant was assigned to classes on the basis of
21 allocation factor **DISTR**. This allocation factor was developed externally and is
22 used for the allocation of distribution plant capacity-related costs such as

1 distribution land and land rights, structures and improvements, compressor station
2 equipment, measuring and regulating station equipment, and mains. The allocator
3 **DISTR** itself is based on the Proportional Responsibility or RSUM method
4 whereby the normalized monthly system loads carried by the distribution system
5 are weighted so that costs are assigned to classes based on the variation of sales
6 level from peak to off-peak months.

7

8 **Q. Please describe briefly the Proportional Responsibility or RSUM method.**

9 A. This method, often abbreviated as the “PR” or “RSUM” method, has a long
10 history of acceptance as an appropriate distribution capacity allocator for gas
11 distribution utilities.

12

13 This method uses monthly normalized system throughput whereby the calculation
14 recognizes the monthly sendout levels for the test year and calculates a weighting
15 for each month. The resulting monthly ratios are then allocated to each customer
16 class use for that month and then summed to arrive at a final composite allocation
17 by class for the test year. A more complete discussion with our example and
18 calculations has been provided in the accounting cost study Workpapers.

19

20 **Q. Please describe your summary results of the PR or RSUM allocation**
21 **procedure.**

1 A. The PR or RSUM procedure essentially results in an overall weighting of 87.7
2 percent to the winter period and a complementary 12.3 percent to the summer
3 period as shown in the Workpapers. The winter period consists of the months of
4 November through April with the remaining months being included in the
5 summer period.

6
7 **Q. What are the customer-related plant allocation factors included in your cost**
8 **study?**

9 A. Customer-related distribution plant items were allocated using **CUST**-prefixed
10 allocators for services, meters, and other such customer-related items. These
11 factors, taken from the Company's continuing property records, general
12 accounting records, and any other available sources, serve to allocate the specific
13 customer-related costs incurred for each customer class.

14
15 The allocation of Services (Account 380) was based on current installed-cost-per-
16 customer class using historical Company data with recognition of the total
17 number of services in arriving at the final number of services per class. Similarly,
18 the allocation of Meters (Account 381) was developed by identifying the typical
19 replacement cost new for meters used to serve each rate class and customer.

20

1 A list of the direct customer-related allocation factors is presented on Page 24 of
2 Schedule PMN-3 of the cost of service study with an explanation of each also
3 presented in Schedule PMN-6.
4

5 **Q. How was general plant allocated on Page 3 of Schedule PMN-3?**

6 A. The items of general plant were allocated on an internally developed labor
7 allocation factor (**LABOR**), which was based on labor expensed and capitalized
8 for each account in the test year and total Distribution Plant (DISTRPLT). The
9 labor portion of each Operation and Maintenance function was identified and
10 allocated separately in the same manner as the corresponding total expense
11 accounts were allocated. Similarly capitalized labor costs were assigned to
12 classes on the same basis as the plant function. The allocated labor costs were
13 then subtotaled by class to arrive at the composite allocation factor, **LABOR**.
14 The detailed development of this allocator is presented on Pages 18 through 20 of
15 Schedule PMN-3 of the cost of service studies. The Total Distribution Plant
16 (DISTRPLT) allocator represents the total allocated Distribution Plant developed
17 on Page 3, lines 1 to 16.
18

19 **Q. How was each account of reserves for depreciation allocated?**

20 A. Each account of reserves was allocated on the subtotal of the corresponding
21 allocated costs of its respective plant item.
22

1 **Q. What other elements of rate base were included in your study?**

2 A. Additions to net plant included materials and supplies, an allowance for cash
3 working capital, and Deferred Debits. The deductions from net plant were
4 customer deposits, Merger Adjustment Reserve, and a reserve for deferred federal
5 income taxes. Each item was allocated on the most appropriate allocation factor.
6 Customer Deposits were directly assigned to rate classes.

7

8 **Operating Revenue Allocations**

9 **Q. Could you discuss the allocation of operating revenues?**

10 A. Revenue details are shown on Pages 8 and 29 of my cost studies in Schedule
11 PMN-3. The rate year sales and revenues for each firm rate class are detailed in
12 the filed Workpapers. Non-firm revenue margins are also shown and allocated on
13 the distribution **DISTR** factor and credited to final revenue requirements for firm
14 sales.

15

16 Late payment charges represent charges for paying bills beyond their normally
17 scheduled due date. The rules of the Rhode Island Public Utilities Commission
18 (the “Commission”) prohibit late payment charges to residential customers. The
19 Company provided an assignment of these charges by customer class for use in
20 the cost of service study.

21

1 **Operating Expense Allocation**

2 **Q. How were operating and maintenance (“O&M”) expenses allocated?**

3 A. The allocation of O&M expenses follows the method by which these expenses
4 were incurred. Therefore, the plant-related capacity expenses are allocated using
5 the same allocators used for their associated plant investment.

6
7 **Q. How were the remaining O&M expenses allocated?**

8 A. Distribution O&M expenses follow the corresponding allocation of distribution
9 plant. Customer Accounts, Customer Service and Information Expenses, Sales
10 Expenses, and Administrative and General (“A&G”) Expenses were allocated
11 using a variety of methods based on direct assignments, revenues, sales, number
12 of bills, and number of customers. Whenever possible, specific information
13 detailing class cost responsibilities was utilized in order to develop the most
14 accurate cost study possible. A&G expenses are allocated partly on labor,
15 revenue requirements, and plant in service, all developed internally.

16
17 Schedule PMN-6 contains a complete description of each allocator utilized in the
18 cost of service study.

19

1 **Q. What are the remaining operating expenses?**

2 A. The remaining operating expenses consist of depreciation and amortization
3 expenses, taxes other than income taxes, federal income taxes, and Interest on
4 Customer Deposits.

5
6 **Q. How were they allocated?**

7 A. Depreciation and amortization expenses were allocated on the basis of plant in
8 service similar to the allocation of depreciation reserves. Taxes Other Than
9 Income Taxes that are plant-related were allocated on **PLANT**, and those that are
10 labor-related were allocated on the **LABOR** allocator discussed earlier. Federal
11 income taxes were computed for each customer class at existing and equalized
12 revenue requirement levels based on their individual revenues less allocated
13 expenses. Interest on Customer Deposits was directly assigned to rate classes.

14
15 **Q. Could you summarize the results of your overall Schedule PMN-2 cost of**
16 **service study at present class revenue levels?**

17 A. The results of this summary study demonstrate that the rates presently in effect
18 generate very different rates of return for each customer class (reference lines 20
19 and 21). As Schedule PMN-2 demonstrates, the Company's current rates produce
20 large inequities between rate classes. Although not shown directly in the ACOSS,
21 the residential low-income classes (R11 and R13) would also generate a more
22 extreme or much lower rate of return as a result of their approved discounts. In

1 the analysis of present rates and revenues, my cost studies have included these
2 subsidies which directly impact and lower the Residential RORs.

3

4 **Unbundled Costs to Serve**

5 **Q. How does your accounting cost of service study relate to the development of**
6 **unbundled cost to serve the gas supply and transportation functions?**

7 A. My cost of service study addresses cost to serve as a three-dimensional array. So
8 far, I have discussed only two dimensions: the accounting cost dimension,
9 showing the details of the rate base and expense items, which determine total cost
10 to serve, and the second dimension, the class dimension, showing how each of
11 these costs is allocated to customer classes, which are the more traditional cost of
12 service studies well recognized by the Commission.

13

14 In order to provide a useful guide to delivery rate design efforts at a uniform class
15 ROR, the cost of service study must also identify costs by major functions.

16 Allocations to the class and function dimensions are performed automatically and
17 simultaneously within the ACOSS model. For example, the allocation of

18 metering investment was determined to be related to the customer function alone.

19 The meter allocator was defined as 100 percent customer-related and at the same
20 time these costs were allocated to individual customer classes. Although many of
21 the allocators used in the cost study were assigned directly to one function or
22 another, other allocators were developed internally in the cost study as composites

1 of other allocated costs and result in allocations to more than one functional cost
2 category. This sub-detail is simply a matrix of cost recognition throughout the
3 allocation process for each identified cost element.
4

5 **Q. Have you prepared any unbundling functional cost of service studies as part**
6 **of your efforts to analyze the Company's overall costs?**

7 A. Yes, I have. Following the standard cost allocation procedures outlined earlier in
8 my testimony, I have aggregated costs and prepared complete unbundled
9 functional cost of service results for Delivery (Schedule PMN-4).
10

11 This completed functional cost study results, Schedule PMN-4, shows the
12 allocation of each item contributing to revenue requirements, summarized into the
13 Delivery cost functions. The allocation factor ratios used to develop this study are
14 listed beginning on Page 30 of the functional cost of service study.
15

16 **Q. What are the indicated results from your unbundled class cost study**
17 **presented in Schedule PMN-5?**

18 A. The unbundled class cost results from this study detail clearly show that the
19 delivery costs to serve the Company's gas customers are essentially fixed in
20 nature and are either capacity or customer related. These results suggest that the
21 cost recovery and pricing should emphasize fixed monthly charges through the
22 use of separate customer and facilities charges, especially for smaller customers

1 where comparable investments are necessary regardless of total consumption.
2 Pages 5 through 8 provide the class revenues and unit costs detail that was used as
3 a guide for customer costs and overall initial revenue targets.
4

5 **IV. Rate Design**

6 **Q. Your cost studies provide a wealth of information. Could you highlight the**
7 **most relevant cost data that will be considered in the overall rate design**
8 **process?**

9 A. Yes, these can be reviewed as follows:

<u>Schedule</u>	<u>Description</u>	<u>Page</u>
PMN-2	Class ROR Results at Existing Revenues	1 & 2
	Revenue Requirements at a Uniform Equalized ROR	3 & 4
	Revenue Reconciliation Details	5
PMN-3	Delivery Class Cost of Service Study	
PMN-5	Unbundled Class Cost of Service	
	– Existing Rate of Return	1 to 4
	– Uniform Rate of Return	5 to 8

11
12 The above schedules provide all of the detail required to properly design rates that
13 will produce the overall class revenue requirements for delivery of \$167,094,776
14 based on an equalized 8.24 percent ROR.
15

16 **Revenue Targets**

17 **Q. How have you determined the target class revenue requirements you are**
18 **proposing in the rate designs?**

1 A. The overall class rate design calculations are presented on Schedule PMN-7. My
2 initial derivation of class revenue targets was based on the goal of setting all
3 customer classes to produce an equalized rate of return (Page 2 of 5). This
4 approach results in some rather large increases and decreases to existing revenue
5 levels, which necessitated a more moderate level of increase. In addition, I am
6 also proposing that all rates receive an increase leading to the proposed rate
7 design as detailed on Schedule PMN-7.

8

9 This schedule contains five pages of detail calculations as follows:

10	<u>Page</u>	<u>Description</u>
11	1	Class Summary of Billing Units and Blocking Levels
12	2	Summary of Cost of Service Results and Derivation of Class Revenue
13		Targets (Schedule PMN-2, Pages 1 - 4, and Schedule PMN-5, Pages 5 - 8)
14	3	Summary of Proposed Charges and Realized ROR Results
15	4	Final Class Proposed Revenues and Comparison to Target Levels
16	5	Non-Firm Proposed Volumetric Rates with 20% Discount

17

18 **Q. How did you establish your class revenue targets?**

19 A. I limited or capped the proposed revenue increases using a ratio applied to the
20 overall Company increase requested for distribution rates and then recovered any
21 resulting class revenue shortfall from capping or limiting the increase by
22 allocating their revenue deficiency on the basis of the test year uniform base
23 revenues for the remaining uncapped classes. Specifically, the class revenue
24 targets for Residential Non-Heating and Large HLF C&I were all based on
25 establishing a capped level of revenue increase of 15.26 percent, derived by

1 multiplying the Company's proposed overall average increase of 13.27 percent by
2 1.15. (Reference Schedule PMN-7, Page 2, columns R - V). Their (Residential
3 Hon-Heat and Large C&I HLF) resulting capped revenue shortfall was then
4 recovered from the remaining larger rate classes using a fixed factor applied to
5 test year base revenues at uniform equalized revenue levels (Schedule PMN-7,
6 Page 3 of 5, column L). This approach to limiting the increase for certain classes
7 is well recognized and is reasonable to minimizing rate impacts while achieving
8 some level of gradualism towards full cost of service as evidenced by the typical
9 bill analysis shown as Schedule PMN-8. In addition to setting an upper limit or
10 cap, I also set a lower or floor level increase which would be the minimum
11 increase for any rate class which was equal to one-half or 50 percent of the overall
12 increase.

13
14 The following Table 1 details the overall existing cost of service results as well as
15 the proposed class revenue targets and resulting ROR (Schedule PMN-7):
16

Table 1
Summary Results and Target Revenues

<u>Customer Class/Rate</u>	<u>Existing ROR</u>	<u>Increase to Uniform ROR</u>	<u>Proposed Increase*</u>	<u>Proposed ROR</u>
*Residential Non-Heat	-6.06%	57.09%	15.23%	-2.26%
Residential Heat	4.26%	14.74%	14.75%	8.22%
Small C&I	5.15%	11.32%	11.31%	8.24%
Medium C&I	8.01%	1.00%	9.32%	10.22%
Large C&I LLF	7.24%	4.66%	9.39%	9.26%
*Large C&I HLF	3.10%	29.93%	15.24%	5.72%
Extra Large C&I LLF	14.65%	-21.39%	8.76%	17.27%
Extra Large C&I HLF	9.14%	-3.73%	9.16%	11.35%
Total Company	4.80%	13.27%	13.27%	8.24%

**Proposed Revenue Increase Cap 13.27% * 1.15 = 15.26%*

1

2 **Individual Rate Designs**

3 **Q. Could you please summarize your approach to the design of individual rates?**

4 A. My process employed five steps. First, I established class revenue targets, as
5 previously discussed. Second, I determined the rate structure for the proposed
6 rates. Here, I maintained the existing structure as approved in the Company's last
7 rate case for its gas distribution operations, Docket No. 3943. The third step was
8 to establish customer charges. The fourth step was to establish proposed demand
9 charges. The final step was to compute the residual class revenue requirements
10 and then compute any applicable head or block pricing for each proposed rate.

11

12 **Q. How did you establish customer charges?**

13 A. I determined customer charges with consideration of two conflicting goals – to
14 establish customer charges at the levels indicated in the class cost of service

1 study. For those smaller rate classes that exhibit a very deficient level of fixed
2 customer cost recovery (Residential and Small C&I), I proposed an increase of
3 125 percent to the existing customer charge levels. This approach ensures that the
4 proposed intraclass revenue recovery achieves a more equitable class recovery
5 responsibility (Schedule PMN-7, Page 3 of 5). For all the remaining C&I rates, I
6 proposed monthly customer charges approaching the calculated levels as shown
7 on Schedule PMN-7, Page 3 of 5, columns C, D and E. The following Table 2
8 summarizes the customer costs from my study:
9

Table 2
Summary of Monthly Customer Costs

<u>Customer Class/Rate</u>	<u>Existing</u>	<u>Proposed</u>	<u>Cost of Service</u>
Residential Non-Heat	\$10.00	\$12.50	\$25.01
Residential Heat	12.00	15.00	26.27
Small C&I	18.60	23.25	35.30
Medium C&I	60.00	70.00	85.67
Large C&I LLF	120.00	175.00	203.59
Large C&I HLF	120.00	175.00	178.07
Extra Large C&I LLF	300.00	425.00	436.21
Extra Large C&I HLF	300.00	425.00	521.43

10
11 **Q. Were there any other fixed revenue recovery rate components that you**
12 **adjusted in your rate design proposal?**

13 A. Yes, there were with respect to the existing Demand rate components for all C&I
14 rates except Small C&I. My rate proposal for these fixed cost recoveries was to
15 increase all demand rates by a uniform 13.27 percent which is equal to the
16 Company's overall request. (Schedule PMN-7, Page 3 of 5, column (J).)

1 **Q. How did you establish the applicable remaining block pricing for each rate?**

2 **A. Residential**

3 Once I established the proposed customer charges for non-heating and heating at
4 125 percent of existing levels, these amounts were subtracted from the total
5 capped target revenue levels to determine the remaining revenue target which was
6 derived by simply increasing each block at the same percentage increase for
7 heating (Schedule PMN-7, Page 3, column (N)). The non-heating rate was
8 developed by simply dividing the remaining revenue requirement by the
9 appropriate sales (therms). Finally, each of the remaining low income rates was
10 set at a 10 percent discount to the corresponding rate. The resulting discounted
11 revenues were recovered from non-capped C&I rates using a fixed percent as
12 shown on Page 3 of 5 of Schedule PMN-7, column (L).

13
14 **Small C&I**

15 Using the same approach as Residential, the proposed customer charge was set at
16 125 percent of the existing level with the remaining target revenues recovered
17 through the existing block pricing increased at a uniform level as shown on Page
18 3, column (N) of Schedule PMN-7.

19

1 **Medium C&I**

2 The pricing was determined by initially establishing a proposed customer charge
3 close to cost of service and subtracting these revenues along with the proposed
4 demand charges to obtain a residual or remaining revenue requirement which was
5 then divided by the rate class sales (therms) to derive the proposed distribution
6 charge.

8 **Large and Extra Large C&I**

9 Each Large and Extra Large C&I rate was determined by setting the proposed
10 customer and demand prices and subtracting these proposed revenue recoveries
11 from the targeted revenue levels for each rate class. Each remaining or residual
12 revenue requirement was then divided by its corresponding rate class sales
13 (therms) to derive its respective proposed distribution charges.

14
15 **Q. Have you calculated the realized class rate of return levels based on your**
16 **proposed rate levels and revenues?**

17 A. Yes, I have. Schedule PMN-7, Page 3 of 5, shows the comparison of the
18 proposed (M) versus the existing (O) ROR (see Table 1). Overall individual class
19 RORs have moved considerably closer towards system average RORs. The level
20 of the revenue shortfall due to capping (limiting) increases further magnified the
21 increase to the remaining C&I classes resulting in their overall class ROR
22 remaining much greater than the Company's overall 8.24 percent. Their final

1 proposed revenue increases (C&I) are, however, much lower than the capped rate
2 class increases as shown on Schedule PMN-7, Page 4 of 5, column Z.

3

4 **Bill Impact Analysis**

5 **Q. Have you prepared an analysis of the impact of your proposed rates?**

6 A. Yes, this analysis is shown on the 10 pages of Schedule PMN-8. For each rate
7 class, I have shown the total charges under present and proposed rates for a
8 variety of usage levels. In the case of low-income residential rates, I have shown
9 the impact of the rates including the current level of low-income discounts.
10 Present rates reflect discounts in the customer charge and distribution charge as
11 approved in Docket No. 3943. These low income residential rates were designed
12 based on overall class discounts of 10 percent.

13

14 **Q. Please describe the GCR, DAC, and Energy Efficiency (“EE”) rates used in**
15 **the bill impact analysis.**

16 A. For the current rates, the Company used the GCR rates approved in Docket No.
17 4283 (effective November 1, 2011) and the EE rate approved in Docket No. 4295
18 (effective January 1, 2012). For the DAC, the Company used a combination
19 approach which consisted of the DAC factor approved in Docket No. 4269
20 (effective November 1, 2011) and updated it to include the fiscal year 2013
21 Infrastructure, Safety and Reliability (“ISR”) factors approved in Docket No.
22 4306 (effective April 1, 2012). In addition, the Company included in the DAC a

1 projected 2013-14 Revenue Decoupling Adjustment factor, which was based upon
2 the difference between the forecasted billed rate revenue (for all residential and
3 small and medium commercial customers) and the target revenue based upon
4 thresholds approved in Docket No. 3943. Please see Company Witness Ann E.
5 Leary's testimony for a more detailed explanation.

6

7 For the proposed rates, the Company adjusted the GCR and EE factors contained
8 in the current rate analysis to reflect the rate year uncollectible rate presented in
9 Company Witness Michael D. Laflamme's testimony. The Company also
10 adjusted the GCR to include recovery of Company Use and the updated LNG
11 Operations and Maintenance costs identified in Mr. Laflamme's testimony.
12 Finally, for the DAC, the Company only adjusted the DAC rate approved in
13 Docket No. 4269 by the proposed rate year uncollectible rate and zeroed out the
14 ISR adjustment and the RDA consistent with incorporating them into base rates as
15 described by Mr. Laflamme.

16

17 **Q. Does this conclude your testimony?**

18 **A.** Yes, it does.

Index of Schedules

Schedule PMN-1	Qualifications of Paul M. Normand
Schedule PMN-2	– Total Delivery Only Cost of Service Study (Pages 1 - 2) – Total Class Revenue Requirements (Pages 3 - 4) – Revenue Reconciliation (Page 5)
Schedule PMN-3	Total Delivery Only Cost of Service Study
Schedule PMN-4	Total Functional Cost of Service Study
Schedule PMN-5	Total Class Unbundled Revenue Requirements and Unit Cost Results – Existing Rate of Return (Pages 1 - 4) – Uniform Proposed Rate of Return (Pages 5 - 8)
Schedule PMN-6	Tabulation of External and Internal Allocators
Schedule PMN-7	Rate Design Summary
Schedule PMN-8	Bill Impacts at the Proposed Pricing Changes

List of Tables

Table 1	Existing and Proposed Revenue Increases and Rate of Return (Page 19)
Table 2	Existing and Proposed Monthly Customer Charges (Page 20)

THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

SCHEDULE PMN-1

Qualifications of Paul M. Normand

QUALIFICATIONS OF PAUL M. NORMAND

Q. Mr. Normand, what is your present position?

A. I am a principal in the consulting firm of Management Applications Consulting, Inc. (MAC), 1103 Rocky Drive, Suite 201, Reading, PA 19609. This company provides consulting services to the utility industry in such field as loss studies, econometric studies, cost analyses, rate design, expert testimony, and regulatory assistance.

Q. What is your educational background?

A. I graduated from Northeastern University in 1975, with a Bachelor of Science Degree and a Master of Science Degree in Electrical Engineering-Power System Analysis. I have attended various conferences and meeting concerning engineering and cost analysis.

Q. What is your professional background?

A. I was employed by the Massachusetts Electric Company in the Distribution Engineering Department while attending Northeastern University. My principal areas of assignment included new service, voltage conversions, and system planning. Upon graduation from Northeastern University, I joined Westinghouse Electric Corporation Nuclear Division in Pittsburgh, Pennsylvania. In that position, I assisted in the procurement and economic analysis of electrical/electronic control equipment for the nuclear reactor system.

In 1976, I joined Gilbert Associates as an Engineer providing consulting services in the rate and regulatory area to utility companies. I was promoted to Senior Engineer in 1977, Manager of the Austin office 1980, and Director of Rate Regulatory Service in 1981.

In June, 1983, I left Gilbert to form a separate consulting firm and I am now a principal and President of Management Applications Consulting, Inc. My principal areas of concentration have been in loss studies, economic analyses, and pricing.

Q. Have you testified in support of any cost studies that you participated in or performed?

A. Yes, I have testified about such studies before the following regulatory agencies: the Maine Public Utility Commission, the Public Utility Commission of Texas, Illinois Commerce Commission, New Hampshire Public Utilities Commission, New Jersey Board of Public Utilities, New York Public Service Commission, Pennsylvania Public Utility Commission, the Massachusetts Department of Public Utilities, the Kentucky Public Service Commission, the Arkansas Public Service Commission, the Public Service Commission of Louisiana, the Public Utilities Commission of Ohio, the Public Service Commission of Missouri, the Delaware Public Service Commission, the Maryland Public Service Commission, the Indiana Utility Regulatory Commission, the North Carolina Utilities Commission, the Kansas Corporation Commission, and the Federal Energy Regulatory Commission.

Q. Could you please briefly discuss your technical experience?

A. I have performed numerous accounting and marginal cost of service studies, time differentiated bundled and fully unbundled cost studies for both electric and gas utilities since 1979. I have also used such studies in the design and presentation of detailed rate proposals before regulatory agencies. My additional experience has been in the area of unaccounted for loss evaluations for electric and gas utilities for over 35 years. These studies include a detailed review of each system and the calculation of appropriate recovery factors.

SCHEDULE PMN-2

- Total Delivery Only Cost of Service Study (Pages 1 and 2)
- Total Class Revenue Requirements (Pages 3 and 4)
- Revenue Reconciliation (Page 5)

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

SUMMARY OF RESULTS-1

ALLOC

TOTAL
COMPANY

RATE BASE

- 1 GAS PLANT IN SERVICE
- 2 LESS: DEPREC & AMORT RES
- 3 NET UTILITY PLANT IN SERVICE

773,551,949
338,626,962
434,924,987

497,896,855
229,121,378
268,775,478

- 4 PLUS: CWIP
- 5 LESS: CONTRIB IN AID OF CONST
- 6 NET PLANT

66,070,148
5,584,444
495,410,691

42,445,992
3,610,760
307,610,709

ADD:

- 7 MATERIALS & SUPPLIES
- 8 PREPAID EXPENSES
- 9 DEFERRED DEBITS
- 10 CASH WORKING CAPITAL

3,257,435
0
404,000
8,974,216

2,092,701
0
260,035
5,879,737

DEDUCT:

- 11 ACCUMULATED DEFERRED FIT
- 12 MERGER HOLD HARMLESS ADJ
- 13 CUSTOMER DEPOSITS
- 14 INJURIES & DAMAGES RESERVE

108,004,321
25,475,687
4,620,876
0

69,517,001
16,397,431
21,770
0

- 15 RATE BASE

369,945,458

229,906,980

DEVELOPMENT OF RETURN

- 9 SALES OF GAS TO ULTIMATE CUST
- 10 OTHER OPERATING REVENUES
- 11 TOTAL GAS OPERATING REVENUES

149,213,074
2,914,691
152,127,765

96,559,959
1,342,656
97,902,615

LESS:

- 12 PURCHASED GAS COSTS
- 13 OTHER OPER & MAINT EXPENSE
- 14 DEPRECIATION & AMORTIZATION EXP
- 15 OTHER TAXES
- 16 INCOME TAXES
- 17 INTEREST ON CUSTOMER DEPOSITS
- 18 TOTAL OPERATING EXPENSE

0
84,434,192
29,811,204
16,196,620
3,787,749
127,506
134,357,272

0
56,744,418
19,232,669
10,466,880
1,675,089
601
88,119,656

- 19 OPERATING INCOME

17,770,494

9,782,958

- 20 RATE OF RETURN

4.80%

4.26%

- 21 RELATIVE RATE OF RETURN

1.000

0.886

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
SUMMARY OF RESULTS-1								
RATE BASE								
1	GAS PLANT IN SERVICE		68,664,929	88,144,463	39,448,179	15,106,391	5,077,637	20,903,595
2	LESS: DEPREC & AMORT RES		30,226,199	31,666,763	13,198,820	4,935,662	1,759,708	7,046,586
3	NET UTILITY PLANT IN SERVICE		38,438,730	56,477,700	26,249,359	10,170,729	3,317,930	13,857,009
4	PLUS: CWIP		5,842,419	7,523,929	3,378,980	1,320,868	433,600	1,808,606
5	LESS: CONTRIB IN AID OF CONST		466,146	632,996	307,468	121,806	34,412	150,755
6	NET PLANT		43,815,003	63,368,633	29,320,870	11,369,791	3,717,118	15,514,859
ADD:								
7	MATERIALS & SUPPLIES		288,047	370,950	166,593	65,122	21,378	89,169
8	PREPAID EXPENSES		0	0	0	0	0	0
9	DEFERRED DEBITS		35,861	46,035	20,602	7,890	2,652	10,917
10	CASH WORKING CAPITAL		799,425	974,810	412,385	141,024	70,751	256,089
DEDUCT:								
11	ACCUMULATED DEFERRED FIT		9,587,086	12,306,844	5,507,806	2,109,174	708,946	2,918,587
12	MERGER HOLD HARMLESS ADJ		2,261,369	2,902,896	1,299,162	497,505	167,224	688,426
13	CUSTOMER DEPOSITS		2,365,617	1,817,778	285,807	69,254	0	60,550
14	INJURIES & DAMAGES RESERVE		0	0	0	0	0	0
15	RATE BASE		30,724,264	47,732,910	22,827,675	8,907,894	2,935,729	12,203,471
DEVELOPMENT OF RETURN								
9	SALES OF GAS TO ULTIMATE CUST		13,054,830	17,737,460	7,658,963	2,408,833	1,392,721	4,707,665
10	OTHER OPERATING REVENUES		445,535	609,100	226,332	69,817	31,054	117,074
11	TOTAL GAS OPERATING REVENUES		13,500,366	18,346,560	7,885,295	2,478,650	1,423,775	4,824,739
LESS:								
12	PURCHASED GAS COSTS		0	0	0	0	0	0
13	OTHER OPER & MAINT EXPENSE		7,398,182	7,983,665	3,381,242	1,306,430	507,617	2,061,171
14	DEPRECIATION & AMORTIZATION EXP		2,645,907	3,364,557	1,500,820	575,157	194,940	801,876
15	OTHER TAXES		1,437,427	1,815,215	807,729	309,713	105,617	434,187
16	INCOME TAXES		371,676	1,311,701	533,799	9,424	185,642	410,088
17	INTEREST ON CUSTOMER DEPOSITS		65,276	50,159	7,886	1,911	0	1,671
18	TOTAL OPERATING EXPENSE		11,918,468	14,525,298	6,231,477	2,202,635	993,815	3,708,993
19	OPERATING INCOME		1,581,898	3,821,263	1,653,818	276,015	429,960	1,115,746
20	RATE OF RETURN		5.15%	8.01%	7.24%	3.10%	14.65%	9.14%
21	RELATIVE RATE OF RETURN		1.072	1.667	1.508	0.645	3.049	1.903

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

REVENUE REQUIREMENTS-21

PRESENT RATES

1	RATE BASE	369,945,458	
2	NET OPER INC (PRESENT RATES)	17,770,494	
3	RATE OF RETURN (PRES RATES)	4.80%	
4	RELATIVE RATE OF RETURN	1.000	
5	SALES REVENUE (PRE RATES)	147,518,783	
6	ANNUAL BOOKED CCF SALES	344,207,103	
7	SALE REV \$/CCF (PRE RATES)	\$0.4286	

CLAIMED RATE OF RETURN

8	CLAIMED RATE OF RETURN	8.24%	
9	RETURN REQ FOR CLAIMED ROR	30,494,889	
10	SALES REVENUE REQ CLAIMED ROR	167,094,776	
11	REVENUE DEFICIENCY SALES REV	19,575,993	
12	PERCENT INCREASE REQUIRED	13.27%	
13	ANNUAL BOOKED CCF SALES	344,207,103	
14	SALES REV REQUIRED \$/CCF	\$0.4854	
15	REVENUE DEFICIENCY \$/CCF	\$0.0569	

PROPOSED REVENUES

16	PROPOSED SALES REVENUES	167,093,787	
17	REVENUE DEFICIENCY SALES REV	19,575,004	
18	PERCENT INCREASE PROPOSED	13.27%	
19	PROPOSED RATE OF RETURN	8.24%	
20	RETURN REQ FOR PROPOSED REV	30,494,246	
21	ANNUAL BOOKED CCF SALES	344,207,103	
22	SALES REV REQUIRED \$/CCF	\$0.4854	
23	REVENUE DEFICIENCY \$/CCF	\$0.0569	

14,706,535	
(891,165)	
-6.06%	
-1.261	
5,667,862	
5,418,049	
\$1.0461	

229,906,980	
9,782,958	
4.26%	
0.886	
95,683,304	
170,964,989	
\$0.5597	

8.24%	
1,212,271	
8,903,917	
3,236,055	
57.09%	
5,418,049	
\$1.6434	
\$0.5973	

8.24%	
18,951,410	
109,788,614	
14,105,310	
14.74%	
170,964,989	
\$0.6422	
\$0.0825	

6,527,893	
860,031	
15.17%	
-2.26%	
(332,145)	
5,418,049	
\$1.2048	
\$0.1587	

109,708,322	
14,025,018	
14.66%	
8.22%	
18,899,220	
170,964,989	
\$0.6417	
\$0.0820	

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUE REQUIREMENTS-21		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
PRESENT RATES								
1	RATE BASE		30,724,264	47,732,910	22,827,675	8,907,894	2,935,729	12,203,471
2	NET OPER INC (PRESENT RATES)		1,581,898	3,821,263	1,653,818	276,015	429,960	1,115,746
3	RATE OF RETURN (PRES RATES)		5.15%	8.01%	7.24%	3.10%	14.65%	9.14%
4	RELATIVE RATE OF RETURN		1.072	1.667	1.508	0.645	3.049	1.903
5	SALES REVENUE (PRE RATES)		12,926,597	17,479,846	7,525,883	2,355,908	1,351,881	4,527,502
6	ANNUAL BOOKED CCF SALES		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
7	SALE REV \$/CCF (PRE RATES)		\$0.5217	\$0.3333	\$0.2906	\$0.1911	\$0.1626	\$0.1028
CLAIMED RATE OF RETURN								
8	CLAIMED RATE OF RETURN		8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
9	RETURN REQ FOR CLAIMED ROR		2,532,625	3,934,661	1,881,703	734,285	241,994	1,005,942
10	SALES REVENUE REQ CLAIMED ROR		14,389,253	17,654,305	7,876,475	3,060,937	1,062,703	4,358,572
11	REVENUE DEFICIENCY SALES REV		1,462,656	174,459	350,591	705,029	(289,178)	(168,929)
12	PERCENT INCREASE REQUIRED		11.32%	1.00%	4.66%	29.93%	-21.39%	-3.73%
13	ANNUAL BOOKED CCF SALES		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
14	SALES REV REQUIRED \$/CCF		\$0.5808	\$0.3366	\$0.3041	\$0.2483	\$0.1278	\$0.0989
15	REVENUE DEFICIENCY \$/CCF		\$0.0590	\$0.0033	\$0.0135	\$0.0572	-\$0.0348	-\$0.0038
PROPOSED REVENUES								
16	PROPOSED SALES REVENUES		14,388,557	19,108,578	8,232,838	2,715,029	1,470,319	4,942,251
17	REVENUE DEFICIENCY SALES REV		1,461,960	1,628,732	706,954	359,121	118,437	414,749
18	PERCENT INCREASE PROPOSED		11.31%	9.32%	9.39%	15.24%	8.76%	9.16%
19	PROPOSED RATE OF RETURN		8.24%	10.22%	9.26%	5.72%	17.27%	11.35%
20	RETURN REQ FOR PROPOSED REV		2,532,172	4,879,938	2,113,339	509,444	506,944	1,385,333
21	ANNUAL BOOKED CCF SALES		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
22	SALES REV REQUIRED \$/CCF		\$0.5807	\$0.3643	\$0.3179	\$0.2202	\$0.1768	\$0.1122
23	REVENUE DEFICIENCY \$/CCF		\$0.0590	\$0.0311	\$0.0273	\$0.0291	\$0.0142	\$0.0094

NATIONAL GRID - RHODE ISLAND
Summary of Cost Study Results
Derivation of Base Rate Increase

**TOTAL
COMPANY**

REVENUES GAS SALES

1	BASE REVENUE SALES	118,427,919
2	BASE REVENUE F-1 TRANSP	10,943,705
3	BASE REVENUE F-2 TRANSP	7,314,621
4	GAS LIGHTING REVENUES	19,303
5	INFRASTRUCURE, SAF & RELIAB (ISR)	6,924,425
6	RDA REVENUES	3,888,810
7	TOTAL REVENUES FOR BASE RATES	147,518,783
8		
9	<u>OTHER OPERATING REVENUES</u>	
10	SPECIAL CONTRACT	182,083
11	NON FIRM MARGINS	1,512,209
12	LATE PAYMENT CHARGES	807,755
13	ALGONQUIN LNG DISPLACEMNT	841,139
14	RENTAL EXPENSE	305,178
15	AFUDC - EQUITY/DEBT	960,168
16	OTHER	451
17	TOTAL OTHER OPERATING REVENUES	4,608,982
18		
19	TOTAL REVENUES PER COST OF SERVICE	152,127,765

REVENUES PER REVENUE REQUIREMENT

20	TOTAL REVENUES PER COST OF SERVICE	Line 19	152,127,765	
21	LESS: ISR REVENUES	Line 5	6,924,425	
22	LESS: RDA REVENUES	Line 6	3,888,810	
23	TOTAL PRESENT RATE REV PER REV REQ		141,314,530	Schedule MDL-2-GAS Page 3 of 65, Line 5 less Line31

BASE RATE REV PER REVENUE REQUIRE

24	COST OF SERVICE BASE RATE REVENUES	Line 7	147,518,783	
25	LESS: GAS LIGHTING REVENUES	Line 4	19,303	
26	LESS: ISR REVENUES	Line 5	6,924,425	
27	LESS: RDA REVENUES	Line 6	3,888,810	
28	TOTAL BASE RATE REV PER REV REQ		136,686,245	Schedule MDL-2-GAS Page 3 of 65, Line 5

BASE RATE INCREASE

29	CLAIMED REVENUES PER COST OF SERVICE		167,094,776	COS Page 21, Line 10
30	LESS: TOTAL REVENUES FOR BASE RATES	Line 7	147,518,783	
31	INCREASE PER COS		19,575,993	
32	PLUS: ISR REVENUES	Line 5	6,924,425	
33	PLUS: RDA REVENUES	Line 6	3,888,810	
34	TOTAL INCREASE PER REV REQUIR		30,389,228	Schedule MDL-2-GAS Page 3 of 65, Line 35

THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

SCHEDULE PMN-3

Total Delivery Only Cost of Service Study

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

SUMMARY OF RESULTS-1

TOTAL
COMPANY

ALLOC

RATE BASE

- 1 GAS PLANT IN SERVICE
- 2 LESS: DEPREC & AMORT RES
- 3 NET UTILITY PLANT IN SERVICE

- 4 PLUS: CWIP
- 5 LESS: CONTRIB IN AID OF CONST
- 6 NET PLANT

ADD:

- 7 MATERIALS & SUPPLIES
- 8 PREPAID EXPENSES
- 9 DEFERRED DEBITS
- 10 CASH WORKING CAPITAL

DEDUCT:

- 11 ACCUMULATED DEFERRED FIT
- 12 MERGER HOLD HARMLESS ADJ
- 13 CUSTOMER DEPOSITS
- 14 INJURIES & DAMAGES RESERVE

- 15 RATE BASE

DEVELOPMENT OF RETURN

- 9 SALES OF GAS TO ULTIMATE CUST
- 10 OTHER OPERATING REVENUES
- 11 TOTAL GAS OPERATING REVENUES

LESS:

- 12 PURCHASED GAS COSTS
- 13 OTHER OPER & MAINT EXPENSE
- 14 DEPRECIATION & AMORTIZATION EXP
- 15 OTHER TAXES
- 16 INCOME TAXES
- 17 INTEREST ON CUSTOMER DEPOSITS
- 18 TOTAL OPERATING EXPENSE

- 19 OPERATING INCOME

- 20 RATE OF RETURN
- 21 RELATIVE RATE OF RETURN

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338,626,962
434,924,987

66,070,148
5,584,444
495,410,691

3,257,435
0
404,000
8,974,216

108,004,321
25,475,687
4,620,876
0

369,945,458

149,213,074
2,914,691
152,127,765

0
84,434,192
29,811,204
16,196,620
3,787,749
127,506
134,357,272

17,770,494

4.80%
1.000

497,896,855
229,121,378
268,775,478

42,445,992
3,610,760
307,610,709

2,092,701
0
260,035
5,879,737

69,517,001
16,397,431
21,770
0

229,906,980

96,559,959
1,342,656
97,902,615

0
56,744,418
19,232,669
10,466,880
1,675,089
601
88,119,656

9,782,958

4.26%
0.886

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

SUMMARY OF RESULTS-1		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
RATE BASE								
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ADD:								
7	MATERIALS & SUPPLIES		288,047	370,950	166,593	65,122	21,378	89,169
8	PREPAID EXPENSES		0	0	0	0	0	0
9	DEFERRED DEBITS		35,861	46,035	20,602	7,890	2,652	10,917
10	CASH WORKING CAPITAL		799,425	974,810	412,385	141,024	70,751	256,089
DEDUCT:								
11	ACCUMULATED DEFERRED FIT		9,587,086	12,306,844	5,507,806	2,109,174	708,946	2,918,587
12	MERGER HOLD HARMLESS ADJ		2,261,369	2,902,896	1,299,162	497,505	167,224	688,426
13	CUSTOMER DEPOSITS		2,365,617	1,817,778	285,807	69,254	0	60,550
14	INJURIES & DAMAGES RESERVE		0	0	0	0	0	0
15	RATE BASE		30,724,264	47,732,910	22,827,675	8,907,894	2,935,729	12,203,471
DEVELOPMENT OF RETURN								
9	SALES OF GAS TO ULTIMATE CUST		13,054,830	17,737,460	7,658,963	2,408,833	1,392,721	4,707,665
10	OTHER OPERATING REVENUES		445,535	609,100	226,332	69,817	31,054	117,074
11	TOTAL GAS OPERATING REVENUES		13,500,366	18,346,560	7,885,295	2,478,650	1,423,775	4,824,739
LESS:								
12	PURCHASED GAS COSTS		0	0	0	0	0	0
13	OTHER OPER & MAINT EXPENSE		7,398,182	7,983,665	3,381,242	1,306,430	507,617	2,061,171
14	DEPRECIATION & AMORTIZATION EXP		2,645,907	3,364,557	1,500,820	575,157	194,940	801,876
15	OTHER TAXES		1,437,427	1,815,215	807,729	309,713	105,617	434,187
16	INCOME TAXES		371,676	1,311,701	533,799	9,424	185,642	410,088
17	INTEREST ON CUSTOMER DEPOSITS		65,276	50,159	7,886	1,911	0	1,671
18	TOTAL OPERATING EXPENSE		11,918,468	14,525,298	6,231,477	2,202,635	993,815	3,708,993
19	OPERATING INCOME		1,581,898	3,821,263	1,653,818	276,015	429,960	1,115,746
20	RATE OF RETURN		5.15%	8.01%	7.24%	3.10%	14.65%	9.14%
21	RELATIVE RATE OF RETURN		1.072	1.667	1.508	0.645	3.049	1.903

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
DEVELOPMENT OF RATE BASE-2					
GAS PLANT IN SERVICE					
INTANGIBLE PLANT					
1	302-GAS FRANCHISES & CONSENTS	PLANT	213,499	10,573	137,418
2	303-MISC INTANGIBLE PLT - CIS	LABOR	1,240,160	71,399	821,840
3	303-MISC INTANGIBLE PLT - SL	LABOR	28,673,625	1,650,818	19,001,687
4	TOTAL INTANGIBLE PLANT		30,127,284	1,732,791	19,960,945
PRODUCTION PLANT LPG					
5	304-LAND & LAND RIGHTS	DEMLPG	208,196	2,687	148,203
6	305-STRUCTURES & IMPROVEMENTS	DEMLPG	1,446,351	18,669	1,029,579
7	307-OTHER POWER EQUIP	DEMLPG	45,873	592	32,655
8	311-LPG GAS EQUIPMENT	DEMLPG	1,057,412	13,649	752,714
9	320-OTHER EQUIPMENT	DEMLPG	313,197	4,043	222,948
10	TOTAL PRODUCTION PLANT LPG		3,071,029	39,639	2,186,099
PRODUCTION PLANT LNG					
11	360-LAND & LAND RIGHTS	DSWNLNG	249,472	3,095	156,577
12	361-STRUCTURES & IMPROVEMENTS	DSWNLNG	5,122,410	63,544	3,214,986
13	362-GAS HOLDERS & LNG EQUIP	DSWNLNG	5,486,864	68,065	3,443,728
14	363-PURIFICATION EQUIP	DSWNLNG	9,543,177	118,383	5,989,598
15	TOTAL PRODUCTION PLANT LNG		20,401,924	253,086	12,804,889

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVELOPMENT OF RATE BASE-2								
GAS PLANT IN SERVICE								
INTANGIBLE PLANT								
1	302-GAS FRANCHISES & CONSENTS	PLANT	18,951	24,328	10,888	4,169	1,401	5,769
2	303-MISC INTANGIBLE PLT - CIS	LABOR	109,927	124,218	52,972	20,510	7,747	31,546
3	303-MISC INTANGIBLE PLT - SL	LABOR	2,541,698	2,872,043	1,224,770	474,216	179,113	729,371
4	TOTAL INTANGIBLE PLANT		2,670,486	3,020,589	1,288,630	498,895	188,261	766,686
PRODUCTION PLANT LPG								
5	304-LAND & LAND RIGHTS	DEMLPG	22,932	24,663	7,172	1,247	343	948
6	305-STRUCTURES & IMPROVEMENTS	DEMLPG	159,313	171,336	49,824	8,664	2,382	6,584
7	307-OTHER POWER EQUIP	DEMLPG	5,053	5,434	1,580	275	76	209
8	311-LPG GAS EQUIPMENT	DEMLPG	116,472	125,262	36,426	6,334	1,741	4,814
9	320-OTHER EQUIPMENT	DEMLPG	34,498	37,102	10,789	1,876	516	1,426
10	TOTAL PRODUCTION PLANT LPG		338,269	363,797	105,790	18,396	5,057	13,980
PRODUCTION PLANT LNG								
11	360-LAND & LAND RIGHTS	DSWNLNG	24,312	37,395	17,226	3,272	2,030	5,566
12	361-STRUCTURES & IMPROVEMENTS	DSWNLNG	499,196	767,838	353,696	67,183	41,687	114,281
13	362-GAS HOLDERS & LNG EQUIP	DSWNLNG	534,713	822,469	378,861	71,963	44,653	122,411
14	363-PURIFICATION EQUIP	DSWNLNG	930,014	1,430,502	658,944	125,164	77,663	212,907
15	TOTAL PRODUCTION PLANT LNG		1,988,235	3,058,205	1,408,727	267,583	166,033	455,165

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-3			ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
DISTRIBUTION PLANT						
1	374-LAND & LAND RIGHTS	DISTR		768,799	11,245	397,789
2	375-GAS DIST STATION STRUCTURES	DISTR		8,463,024	123,782	4,378,910
3	376-MAINS 4' AND BELOW	DISTR L4		211,248,644	3,548,507	125,724,228
4	376-MAINS ABOVE 4"	DISTR		140,832,429	2,059,846	72,869,053
5	377-DIST COMP STATION EQ	DISTR		248,656	3,637	128,659
6	378-GAS MEAS & REG STATION EQ	DISTR		14,063,183	205,691	7,276,526
7	379-DIST MEAS & REG GS EQ	DISTR		7,311,159	106,935	3,782,916
8	380-SERVICES	CUST380		206,086,825	20,388,716	162,303,961
9	381-METERS	CUST381		55,074,476	4,403,454	36,264,048
10	382-METER INSTALLATION	CUST382		49,794,015	3,981,257	32,787,104
11	383-HOUSE REGULATORS	CUST383		469,616	37,548	309,221
12	384-HOUSE REGULATORS INSTALLS	CUST384		614,691	49,147	404,746
13	385-IND MEAS & REG STA EQUIP	CUST385		317,555	4,645	164,308
14	386-OTHER PROP CUST PREM	CUST386		381,896	5,586	197,599
15	387-DIST OTHER EQUIP	DISTR		486,647	7,118	251,799
16	TOTAL DISTRIBUTION PLANT			696,161,615	34,937,113	447,240,868
GENERAL PLANT						
17	389-LAND & LAND RIGHTS	LABOR		285,357	16,429	189,103
18	390-STRUCTURES & IMPROV	LABOR		3,822,301	220,060	2,532,996
19	391-OFFICE EQUIPMENT	LABOR		8,729,632	502,588	5,785,028
20	392-TRANSPORTATION EQUIP	LABOR		2,106,980	121,305	1,396,272
21	393-STORES EQUIPMENT	DISTRPLT		56,255	2,823	36,141
22	394-TOOLS, SHOP & GARAGE EQ	DISTRPLT		2,635,609	132,269	1,693,216
23	395-LABORATORY EQUIPMENT	DISTRPLT		338,874	17,006	217,705
24	396-POWER OPERATED EQUIP	DISTRPLT		0	0	0
25	397-COMMUNICATION EQUIP	LABOR		2,883,149	165,991	1,910,630
26	398-MISCELLANEOUS EQUIP	LABOR		2,931,941	168,800	1,942,964
27	399-OTHER INTANGIBLE PLANT	LABOR		0	0	0
28	TOT GENERAL PLANT			23,790,097	1,347,271	15,704,054
29	TOTAL GAS PLANT IN SERVICE			773,551,949	38,309,900	497,896,855

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVELOPMENT OF RATE BASE CONT-3								
DISTRIBUTION PLANT								
1	374-LAND & LAND RIGHTS	DISTR	58,187	116,894	60,386	24,015	18,531	81,751
2	375-GAS DIST STATION STRUCTURES	DISTR	640,531	1,286,786	664,737	264,362	203,996	899,919
3	376-MAINS 4" AND BELOW	DISTR L4	18,394,364	36,925,456	19,086,444	7,569,646	0	0
4	376-MAINS ABOVE 4"	DISTR	10,659,016	21,413,294	11,061,835	4,399,223	3,394,683	14,975,479
5	377-DIST COMP STATION EQ	DISTR	18,820	37,808	19,531	7,767	5,994	26,441
6	378-GAS MEAS & REG STATION EQ	DISTR	1,064,383	2,138,279	1,104,608	439,296	338,985	1,495,415
7	379-DIST MEAS & REG GS EQ	DISTR	553,351	1,111,647	574,263	228,381	176,231	777,435
8	380-SERVICES	CUST380	17,538,153	4,929,520	583,326	205,716	44,846	92,586
9	381-METERS	CUST381	6,520,016	5,789,234	1,224,145	385,767	185,498	302,313
10	382-METER INSTALLATION	CUST382	5,894,887	5,234,171	1,106,776	348,780	167,713	273,328
11	383-HOUSE REGULATORS	CUST383	55,596	49,364	10,438	3,289	1,582	2,578
12	384-HOUSE REGULATORS INSTALLS	CUST384	72,770	64,614	13,663	4,306	2,070	3,374
13	385-IND MEAS & REG STA EQUIP	CUST385	24,034	48,284	24,943	9,920	7,654	33,767
14	386-OTHER PROP CUST PREM	CUST386	28,904	58,067	29,996	11,929	9,205	40,609
15	387-DIST OTHER EQUIP	DISTR	36,832	73,994	38,224	15,202	11,730	51,748
16	TOTAL DISTRIBUTION PLANT		61,559,845	79,277,412	35,603,315	13,917,599	4,568,720	19,056,744
GENERAL PLANT								
17	389-LAND & LAND RIGHTS	LABOR	25,294	28,582	12,189	4,719	1,783	7,259
18	390-STRUCTURES & IMPROV	LABOR	338,806	382,854	163,266	63,215	23,876	97,228
19	391-OFFICE EQUIPMENT	LABOR	773,788	874,388	372,879	144,374	54,531	222,056
20	392-TRANSPORTATION EQUIP	LABOR	186,761	211,042	89,998	34,846	13,161	53,595
21	393-STORES EQUIPMENT	DISTRPLT	4,975	6,406	2,877	1,125	369	1,540
22	394-TOOLS, SHOP & GARAGE EQ	DISTRPLT	233,060	300,138	134,791	52,691	17,297	72,147
23	395-LABORATORY EQUIPMENT	DISTRPLT	29,966	38,590	17,331	6,775	2,224	9,276
24	396-POWER OPERATED EQUIP	DISTRPLT	0	0	0	0	0	0
25	397-COMMUNICATION EQUIP	LABOR	255,560	288,786	123,151	47,683	18,010	73,339
26	398-MISCELLANEOUS EQUIP	LABOR	259,885	293,673	125,235	48,490	18,315	74,580
27	399-OTHER INTANGIBLE PLANT	LABOR	0	0	0	0	0	0
28	TOT GENERAL PLANT		2,108,094	2,424,459	1,041,717	403,917	149,566	611,019
29	TOTAL GAS PLANT IN SERVICE		68,664,929	88,144,463	39,448,179	15,106,391	5,077,637	20,903,595

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
DEVELOPMENT OF RATE BASE CONT-4					
DEPRECIATION & AMORTIZATION RESERVE					
INTANGIBLE PLANT RESERVE					
1	302-GAS FRANCHISES & CONSENTS	PLT302	2,690	133	1,731
2	303-MISC INTANGIBLE PLT - CIS	PLT303	2,390,372	137,620	1,584,073
3	303-MISC INTANGIBLE PLT - SL	PLT303SL	21,768,850	1,253,291	14,425,970
4	TOT INTANGIBLE PLT RESERVE		24,161,912	1,391,045	16,011,774
PRODUCTION PLANT LPG					
5	304-LAND & LAND RIGHTS	PLT304	3,519	45	2,505
6	305-STRUCTURES	PLT305	3,013,096	38,892	2,144,859
7	307-OTHER POWER EQUIP	PLT307	86,677	1,119	61,701
8	311-LPG GAS EQUIPMENT	PLT311	142,117	1,834	101,165
9	320-OTHER EQUIPMENT	PLT320	70,668	912	50,305
10	TOTAL PRODUCTION RESERVE		3,316,076	42,802	2,360,535
PRODUCTION PLANT LNG					
11	360-LAND & LAND RIGHTS	PLT360	13,351	166	8,379
12	361-STRUCTURES & IMPROVEMENTS	PLT361	2,040,418	25,311	1,280,631
13	362-GAS HOLDERS & LNG EQUIP	PLT362	5,347,486	66,336	3,356,250
14	363-PURIFICATION EQUIP	PLT363	4,462,858	55,362	2,801,030
15	TOTAL PRODUCTION PLANT LNG		11,864,113	147,174	7,446,290

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVELOPMENT OF RATE BASE CONT-4								
DEPRECIATION & AMORTIZATION RESERVE								
INTANGIBLE PLANT RESERVE								
1	302-GAS FRANCHISES & CONSENTS	PLT302	239	306	137	53	18	73
2	303-MISC INTANGIBLE PLT - CIS	PLT303	211,881	239,427	102,103	39,533	14,932	60,804
3	303-MISC INTANGIBLE PLT - SL	PLT303SL	1,929,574	2,180,439	929,838	360,022	135,982	553,734
4	TOT INTANGIBLE PLT RESERVE		2,141,694	2,420,173	1,032,078	399,607	150,931	614,611
PRODUCTION PLANT LPG								
5	304-LAND & LAND RIGHTS	PLT304	388	417	121	21	6	16
6	305-STRUCTURES	PLT305	331,887	356,935	103,794	18,049	4,962	13,716
7	307-OTHER POWER EQUIP	PLT307	9,547	10,268	2,986	519	143	395
8	311-LPG GAS EQUIPMENT	PLT311	15,654	16,835	4,896	851	234	647
9	320-OTHER EQUIPMENT	PLT320	7,784	8,371	2,434	423	116	322
10	TOTAL PRODUCTION RESERVE		365,260	392,826	114,232	19,864	5,461	15,096
PRODUCTION PLANT LNG								
11	360-LAND & LAND RIGHTS	PLT360	1,301	2,001	922	175	109	298
12	361-STRUCTURES & IMPROVEMENTS	PLT361	198,846	305,854	140,888	26,761	16,605	45,522
13	362-GAS HOLDERS & LNG EQUIP	PLT362	521,130	801,577	369,237	70,135	43,518	119,302
14	363-PURIFICATION EQUIP	PLT363	434,920	668,973	308,155	58,533	36,319	99,566
15	TOTAL PRODUCTION PLANT LNG		1,156,197	1,778,405	819,202	155,605	96,551	264,687

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-5		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
DISTRIBUTION PLANT RESERVE					
1	374-LAND & LAND RIGHTS	PLT374	12,993	190	6,723
2	375-GAS DIST STATION STRUCTURES	PLT375	6,309,398	92,283	3,264,588
3	376-MAINS	PLT376	101,006,359	1,608,946	56,973,197
4	377-DIST COMP STATION EQ	PLT377	678,826	9,929	351,236
5	378-GAS MEAS & REG STATION EQ	PLT378	1,777,381	25,996	919,647
6	379-DIST MEAS & REG GS EQ	PLT379	3,728,748	54,537	1,929,316
7	380-SERVICES	PLT380	135,941,898	13,449,092	107,061,228
8	381-METERS	PLT381	28,642,746	2,290,117	18,859,951
9	382-METER INSTALLATION	PLT382	14,346,000	1,147,028	9,446,191
10	383-HOUSE REGULATORS	PLT383	542,281	43,358	357,068
11	384-HOUSE REGULATORS INSTALLS	PLT384	454,005	36,300	298,942
12	385-IND MEAS & REG STA EQUIP	PLT385	301,913	4,416	156,215
13	386-OTHER PROP CUST PREM	PLT386	340,071	4,974	175,958
14	387-DIST OTHER EQUIP	PLT387	420,673	6,153	217,663
15	TOTAL DISTRIBUTION PLANT		294,503,291	18,773,318	200,017,922
GENERAL PLT RESERVE					
16	389-LAND & LAND RIGHTS	PLT389	(242,057)	(13,936)	(160,408)
17	390-STRUCTURES & IMPROV	PLT390	(261,348)	(15,046)	(173,192)
18	391-OFFICE EQUIPMENT	PLT391	6,297,885	362,586	4,173,537
19	392-TRANSPORTATION EQUIP	PLT392	978,876	56,357	648,690
20	393-STORES EQUIPMENT	PLT393	44,748	2,246	28,748
21	394-TOOLS, SHOP & GARAGE EQ	PLT394	529,342	26,565	340,069
22	395-LABORATORY EQUIPMENT	PLT395	192,087	9,640	123,404
23	396-POWER OPERATED EQUIP	DISTRPLT	(3,938)	(198)	(2,530)
24	397-COMMUNICATION EQUIP	PLT397	2,644,779	152,267	1,752,665
25	398-MISCELLANEOUS EQUIP	PLT398	1,091,208	62,824	723,131
26	TOTAL GENERAL PLT RESERVE		11,271,582	643,305	7,454,114
27	RWIP	DISTRPLT	(6,633,753)	(332,917)	(4,261,777)
28	RESERVE ADJUSTMENT	PLANT	143,742	7,119	92,519
29	TOTAL DEPRECIATION RESERVE		338,626,962	20,671,846	229,121,378

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVELOPMENT OF RATE BASE CONT-5								
DISTRIBUTION PLANT RESERVE								
1	374-LAND & LAND RIGHTS	PLT374	983	1,976	1,021	406	313	1,382
2	375-GAS DIST STATION STRUCTURES	PLT375	477,532	959,332	495,578	197,088	152,084	670,913
3	376-MAINS	PLT376	8,334,944	16,736,443	8,649,053	3,433,675	973,880	4,296,223
4	377-DIST COMP STATION EQ	PLT377	51,378	103,214	53,319	21,205	16,363	72,183
5	378-GAS MEAS & REG STATION EQ	PLT378	134,523	270,247	139,606	55,521	42,843	188,999
6	379-DIST MEAS & REG GS EQ	PLT379	282,213	566,949	292,879	116,476	89,879	396,498
7	380-SERVICES	PLT380	11,568,764	3,251,680	384,781	135,698	29,582	61,073
8	381-METERS	PLT381	3,390,884	3,010,824	636,645	200,627	96,473	157,225
9	382-METER INSTALLATION	PLT382	1,698,358	1,508,001	318,870	100,486	48,319	78,748
10	383-HOUSE REGULATORS	PLT383	64,198	57,003	12,053	3,798	1,826	2,977
11	384-HOUSE REGULATORS INSTALLS	PLT384	53,748	47,723	10,091	3,180	1,529	2,492
12	385-IND MEAS & REG STA EQUIP	PLT385	22,850	45,905	23,714	9,431	7,277	32,104
13	386-OTHER PROP CUST PREM	PLT386	25,739	51,707	26,711	10,623	8,197	36,162
14	387-DIST OTHER EQUIP	PLT387	31,839	63,962	33,042	13,141	10,140	44,732
15	TOTAL DISTRIBUTION PLANT		26,137,952	26,674,965	11,077,364	4,301,354	1,478,706	6,041,709
GENERAL PLT RESERVE								
16	389-LAND & LAND RIGHTS	PLT389	(21,456)	(24,245)	(10,339)	(4,003)	(1,512)	(6,157)
17	390-STRUCTURES & IMPROV	PLT390	(23,166)	(26,177)	(11,163)	(4,322)	(1,633)	(6,648)
18	391-OFFICE EQUIPMENT	PLT391	558,240	630,817	269,009	104,157	39,340	160,199
19	392-TRANSPORTATION EQUIP	PLT392	86,767	98,047	41,812	16,189	6,115	24,900
20	393-STORES EQUIPMENT	PLT393	3,957	5,096	2,289	895	294	1,225
21	394-TOOLS, SHOP & GARAGE EQ	PLT394	46,808	60,280	27,072	10,583	3,474	14,490
22	395-LABORATORY EQUIPMENT	PLT395	16,986	21,874	9,824	3,840	1,261	5,258
23	396-POWER OPERATED EQUIP	DISTRPLT	(348)	(448)	(201)	(79)	(26)	(108)
24	397-COMMUNICATION EQUIP	PLT397	234,431	264,910	112,969	43,740	16,521	67,275
25	398-MISCELLANEOUS EQUIP	PLT398	96,724	109,299	46,610	18,047	6,816	27,757
26	TOTAL GENERAL PLT RESERVE		998,943	1,139,452	487,880	189,046	70,650	288,192
27	RWIP	DISTRPLT	(586,606)	(755,438)	(339,265)	(132,621)	(43,536)	(181,593)
28	RESERVE ADJUSTMENT	PLANT	12,759	16,379	7,330	2,807	944	3,884
29	TOTAL DEPRECIATION RESERVE		30,226,199	31,666,763	13,198,820	4,935,662	1,759,708	7,046,586

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-6		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
1	TOTAL GAS PLANT IN SERVICE		773,551,949	38,309,900	497,896,855
2	LESS: ACCUM DEPREC RESERVE		338,626,962	20,671,846	229,121,378
3	NET UTILITY PLANT IN SERVICE		434,924,987	17,638,054	268,775,478
4	PLUS: CWIP	DISTRPLT	66,070,148	3,315,753	42,445,992
5	LESS: CONTRIB IN AID OF CONST	PLT37680	5,584,444	260,099	3,610,760
6	NET PLANT		495,410,691	20,693,708	307,610,709
7	ADDITIONS TO NET PLANT				
8	MATERIALS & SUPPLIES	DISTRPLT	3,257,435	163,476	2,092,701
9	PREPAID EXPENSES	PLANT	0	0	0
9	DEFERRED DEBITS	PLANT	404,000	20,008	260,035
10	CASH WORKING CAPITAL	CWCEXP	8,974,216	439,996	5,879,737
11	TOTAL ADDITIONS TO NET PLT		12,635,651	623,480	8,232,473

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVELOPMENT OF RATE BASE CONT-6								
1	TOTAL GAS PLANT IN SERVICE		68,664,929	88,144,463	39,448,179	15,106,391	5,077,637	20,903,595
2	LESS: ACCUM DEPREC RESERVE		30,226,199	31,666,763	13,198,820	4,935,662	1,759,708	7,046,586
3	NET UTILITY PLANT IN SERVICE		38,438,730	56,477,700	26,249,359	10,170,729	3,317,930	13,857,009
4	PLUS: CWIP	DISTRPLT	5,842,419	7,523,929	3,378,980	1,320,868	433,600	1,808,606
5	LESS: CONTRIB IN AID OF CONST	PLT37680	466,146	632,996	307,468	121,806	34,412	150,755
6	NET PLANT		43,815,003	63,368,633	29,320,870	11,369,791	3,717,118	15,514,859
ADDITIONS TO NET PLANT								
7	MATERIALS & SUPPLIES	DISTRPLT	288,047	370,950	166,593	65,122	21,378	89,169
8	PREPAID EXPENSES	PLANT	0	0	0	0	0	0
9	DEFERRED DEBITS	PLANT	35,861	46,035	20,602	7,890	2,652	10,917
10	CASH WORKING CAPITAL	CWCEXP	799,425	974,810	412,385	141,024	70,751	256,089
11	TOTAL ADDITIONS TO NET PLT		1,123,333	1,391,794	599,580	214,036	94,781	356,175

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-7		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
DEDUCTIONS TO NET PLANT					
1	ACCUMULATED DEFERRED FIT	PLANT	108,004,321	5,348,878	69,517,001
2	MERGER HOLD HARMLESS ADJ	PLANT	25,475,687	1,261,675	16,397,431
3	CUSTOMER DEPOSITS	CUSTDEP	4,620,876	100	21,770
4	INJURIES & DAMAGES RESERVE	EXP925	0	0	0
5	TOTAL DEDUCTIONS TO NET PLT		138,100,884	6,610,652	85,936,202
6	TOTAL RATE BASE		369,945,458	14,706,535	229,906,980

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-7		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEDUCTIONS TO NET PLANT								
1	ACCUMULATED DEFERRED FIT	PLANT	9,587,086	12,306,844	5,507,806	2,109,174	708,946	2,918,587
2	MERGER HOLD HARMLESS ADJ	PLANT	2,261,369	2,902,896	1,299,162	497,505	167,224	688,426
3	CUSTOMER DEPOSITS	CUSTDEP	2,365,617	1,817,778	285,807	69,254	0	60,550
4	INJURIES & DAMAGES RESERVE	EXP925	0	0	0	0	0	0
5	TOTAL DEDUCTIONS TO NET PLT		14,214,072	17,027,517	7,092,775	2,675,932	876,170	3,667,563
6	TOTAL RATE BASE		30,724,264	47,732,910	22,827,675	8,907,894	2,935,729	12,203,471

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUES-8		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
GAS OPERATING REVENUES					
1	TOTAL FIRM SALES OF GAS		147,518,783	5,667,862	95,683,304
2	SPECIAL CONTRACT	DISTR	182,083	2,663	94,213
3	NON FIRM MARGINS	DISTR	1,512,209	22,118	782,442
4	TOTAL REVENUE SALES OF GAS		149,213,074	5,692,643	96,559,959
OTHER OPERATING REVENUES					
LATE PAYMENT CHARGES					
5	C & I SMALL RATE 21	C488R21	251,204	0	0
6	C & I MEDIUM RATE 22	C488R22	338,781	0	0
7	C & I LARGE LLF RATE 33	C488R33	103,701	0	0
8	C & I LARGE HLF RATE 23	C488R23	34,066	0	0
9	C & I XLARGE LLF RATE 34	C488R34	15,900	0	0
10	C & I XLARGE HLF RATE 24	C488R24	64,103	0	0
11	TOTAL LATE PAYMENT CHARGES		807,755	0	0
12	ALGONQUIN LNG DISPLACEMENT	DSWNLNG	841,139	10,434	527,925
13	RENTAL EXPENSE	PLANT	305,178	15,114	196,428
14	AFUDC - EQUITY/DEBT	PLANT	960,168	47,552	618,012
15	OTHER	PLANT	451	22	290
16	TOTAL OTHER OPERATING REV		2,914,691	73,123	1,342,656
17	TOTAL GAS OPERATING REVENUE		152,127,765	5,765,766	97,902,615

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUES-8		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
GAS OPERATING REVENUES								
1	TOTAL FIRM SALES OF GAS		12,926,597	17,479,846	7,525,883	2,355,908	1,351,881	4,527,502
2	SPECIAL CONTRACT	DISTR	13,781	27,685	14,302	5,688	4,389	19,362
3	NON FIRM MARGINS	DISTR	114,453	229,928	118,778	47,237	36,451	160,801
4	TOTAL REVENUE SALES OF GAS		13,054,830	17,737,460	7,658,963	2,408,833	1,392,721	4,707,665
OTHER OPERATING REVENUES								
LATE PAYMENT CHARGES								
5	C & I SMALL RATE 21	C488R21	251,204	0	0	0	0	0
6	C & I MEDIUM RATE 22	C488R22	0	338,781	0	0	0	0
7	C & I LARGE LLF RATE 33	C488R33	0	0	103,701	0	0	0
8	C & I LARGE HLF RATE 23	C488R23	0	0	0	34,066	0	0
9	C & I XLARGE LLF RATE 34	C488R34	0	0	0	0	15,900	0
10	C & I XLARGE HLF RATE 24	C488R24	0	0	0	0	0	64,103
11	TOTAL LATE PAYMENT CHARGES		251,204	338,781	103,701	34,066	15,900	64,103
12	ALGONQUIN LNG DISPLACEMENT	DSWNLNG	81,972	126,085	58,080	11,032	6,845	18,766
13	RENTAL EXPENSE	PLANT	27,089	34,774	15,563	5,960	2,003	8,247
14	AFUDC - EQUITY/DEBT	PLANT	85,230	109,409	48,965	18,751	6,303	25,946
15	OTHER	PLANT	40	51	23	9	3	12
16	TOTAL OTHER OPERATING REV		445,535	609,100	226,332	69,817	31,054	117,074
17	TOTAL GAS OPERATING REVENUE		13,500,366	18,346,560	7,885,295	2,478,650	1,423,775	4,824,739

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
OPER & MAINT EXPENSE-9					
OPERATION & MAINTENANCE EXPENSE					
LIQUEFIED PROPANE GAS PRODUCTION					
OPERATION EXPENSE					
1	710-SUPERVISION	TLABPO	0	0	0
2	717-LP GAS EXPENSES	DEMLPG	50	1	35
3	718-OTHER PROCESS PROD EXP	DEMLPG	0	0	0
4	723-FUEL LPG GAS PROCESS	EGAS	0	0	0
5	728-LIQUID PETROLEUM GAS	EGAS	0	0	0
6	735-MISCELLANEOUS	DEMLPG	14,649	189	10,428
7	736-RENTS	DEMLPG	0	0	0
8	TOTAL OPERATION EXPENSE		14,698	190	10,463
MAINTENANCE					
9	740-SUPERVISION	TLABPM	0	0	0
10	741-MAINTENANCE OF PLANT	DEMLPG	(14,605)	(189)	(10,396)
11	742-MAINT OF EQUIPMENT	DEMLPG	0	0	0
12	743-GAS SYSTEM PROD TRAINING	DEMLPG	0	0	0
13	TOTAL MAINTENANCE EXPENSE		(14,605)	(189)	(10,396)
14	TOTAL MANUF GAS PROD EXP		94	1	67

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

	ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
OPER & MAINT EXPENSE-9							
OPERATION & MAINTENANCE EXPENSE							
LIQUEFIED PROPANE GAS PRODUCTION							
OPERATION EXPENSE							
1		0	0	0	0	0	0
2	TLABPO						
3	DEMLPG	5	6	2	0	0	0
4	DEMLPG	0	0	0	0	0	0
5	EGAS	0	0	0	0	0	0
6	EGAS	0	0	0	0	0	0
7	DEMLPG	1,614	1,735	505	88	24	67
8	DEMLPG	0	0	0	0	0	0
9	DEMLPG	1,619	1,741	506	88	24	67
TOTAL OPERATION EXPENSE							
MAINTENANCE							
10	TLABPM	0	0	0	0	0	0
11	DEMLPG	(1,609)	(1,730)	(503)	(87)	(24)	(66)
12	DEMLPG	0	0	0	0	0	0
13	DEMLPG	0	0	0	0	0	0
14	DEMLPG	(1,609)	(1,730)	(503)	(87)	(24)	(66)
TOTAL MAINTENANCE EXPENSE							
15		10	11	3	1	0	0
TOTAL MANUF GAS PROD EXP							

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
OPER & MAINT EXPENSE CONT-10					
PURCHASED GAS SUPPLY EXPENSES					
PURCHASED GAS SUPPLY					
804 PURCHASED GAS COSTS					
1	TOTAL DIRECT GAS COSTS	EGAS	0	0	0
2	TOTAL DIRECT GAS COSTS		0	0	0
3	812-GAS USED OTHER UTILITY OP	EGAS	0	0	0
4	813-OTH GAS SUPPLY EXP	EGAS	0	0	0
5	TOTAL GAS SUPPLY EXPENSE		0	0	0
6	TOTAL PRODUCTION EXPENSE		94	1	67
LOCAL STORAGE EXPENSES					
7	840-OPERATION LABOR & EXPENSES	DISTRPS	200,454	2,932	103,718
8	844-LNG PROC TERMINAL LAB & EXP	DISTRPS	1,032,073	15,095	534,012
9	845-LNG TERM & PROC EXP FUEL	DISTRPS	(901)	(13)	(466)
10	847-MAINT OF LNG PLT BLDGS	DISTRPS	223,540	3,270	115,663
11	LNG ADJUSTMENT GCR COSTS	DISTRPS	(1,148,276)	(16,795)	(594,137)
12	TOTAL STORAGE EXPENSES		306,891	4,489	158,791

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

	ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARG LOW LOAD FAC RATE 33	C & I LARG HIGH LOAD FAC RATE 23	C & I X LARG LOW LOAD FAC RATE 34	C & I X LARG HIGH LOAD FAC RATE 24
OPER & MAINT EXPENSE CONT-10							
PURCHASED GAS SUPPLY EXPENSES							
PURCHASED GAS SUPPLY							
804 PURCHASED GAS COSTS							
1	EGAS	0	0	0	0	0	0
2	TOTAL DIRECT GAS COSTS	0	0	0	0	0	0
3	812-GAS USED OTHER UTILITY OP	0	0	0	0	0	0
4	813-OTH GAS SUPPLY EXP	0	0	0	0	0	0
5	TOTAL GAS SUPPLY EXPENSE	0	0	0	0	0	0
6	TOTAL PRODUCTION EXPENSE	10	11	3	1	0	0
LOCAL STORAGE EXPENSES							
7	840-OPERATION LABOR & EXPENSES	15,172	30,479	15,745	6,262	4,832	21,315
8	844-LNG PROC TERMINAL LAB & EXP	78,113	156,925	81,065	32,239	24,878	109,746
9	845-LNG TERM & PROC EXP FUEL	(68)	(137)	(71)	(28)	(22)	(96)
10	847-MAINT OF LNG PLT BLDGS	16,919	33,989	17,558	6,983	5,388	23,770
11	LNG ADJUSTMENT GCR COSTS	(86,908)	(174,593)	(90,193)	(35,869)	(27,679)	(122,102)
12	TOTAL STORAGE EXPENSES	23,227	46,662	24,105	9,586	7,397	32,633

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

ALLOC

OPER & MAINT EXPENSE CONT-11

DISTRIBUTION EXPENSES

1	850-OPER SUPER & ENGINEERING	TLABDO	154	97	
2	863-MAINTENANCE OF MAINS	PLT376	13,600	217	7,671
3	870-SUPER & ENGINEERING	TLABDO	952,012	54,067	597,404
4	871-SYS CONTROL & LOAD DISP	DISTR	497,156	7,272	257,237
5	873-COMP STATION FUEL & POWER	PLT377	(8,157)	(119)	(4,221)
6	874-MAINS & SERVICE EXPENSE	PLT37680	2,553,769	118,944	1,651,203
7	875-OPER STATION EXP - GENERAL	PLT3789	728,731	10,659	377,058
8	876-OPER STATION EXP - INDUST	PLT385	245,079	3,585	126,808
9	878-METER & HOUSE REG EXP	PLT3814	3,381,890	270,397	2,226,822
10	879-CUSTOMER INSTALL EXP	PLT3804	2,621	242	1,949
11	880-OTHER EXPENSES	EXP8719	4,473,786	248,427	2,802,871
12	882-TRANSPORTATION EXPENSE	PLT392	0	0	0
13	TOTAL OPERATION EXPENSE		12,840,642	713,698	8,044,898
	MAINTENANCE				
14	885-SUPERVISION	TLABDM	1,212,009	60,830	778,398
15	886-MAINT STRUCT & IMPROVE	PLT375	0	0	0
16	887-MAINTENANCE OF MAINS	PLT376	6,036,267	96,153	3,404,790
17	889-MT OF MEAS & REG STA EQ	PLT3789	313,438	4,584	162,178
18	890-MT OF REG EQ (INDUST)	PLT385	4,669	68	2,416
19	891-MT OF REG EQ (CITY GATE)	PLT3789	134,264	1,964	69,470
20	892-MAINTENANCE OF SERVICES	PLT380	4,466,537	441,886	3,517,628
21	893-MAINT METER & HOUSE REG	PLT3814	1,401,686	112,071	922,947
22	894-MAINT OTHER EQUIP	PLT387	62,651	916	32,417
23	TOTAL MAINTENANCE EXPENSE		13,631,520	718,473	8,890,243
24	TOTAL DISTRIBUTION EXPENSES		26,472,162	1,432,171	16,935,141

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
OPER & MAINT EXPENSE CONT-11								
DISTRIBUTION EXPENSES								
OPERATION EXPENSE								
1	850-OPER SUPER & ENGINEERING	TLABDO	15	18	7	3	1	5
2	863-MAINTENANCE OF MAINS	PLT376	1,122	2,253	1,165	462	131	578
3	870-SUPER & ENGINEERING	TLABDO	94,333	111,150	41,391	15,579	7,857	30,232
4	871-SYS CONTROL & LOAD DISP	DISTR	37,628	75,592	39,050	15,530	11,984	52,865
5	873-COMP STATION FUEL & POWER	PLT377	(617)	(1,240)	(641)	(255)	(197)	(867)
6	874-MAINS & SERVICE EXPENSE	PLT37680	213,169	289,469	140,605	55,702	15,737	68,940
7	875-OPER STATION EXP - GENERAL	PLT3789	55,155	110,802	57,239	22,764	17,566	77,490
8	876-OPER STATION EXP - INDUST	PLT385	18,549	37,264	19,250	7,656	5,907	26,061
9	878-METER & HOUSE REG EXP	PLT3814	400,367	355,492	75,170	23,688	11,391	18,564
10	879-CUSTOMER INSTALL EXP	PLT3804	253	135	25	8	3	6
11	880-OTHER EXPENSES	EXP8719	437,945	524,392	199,899	75,615	37,714	146,923
12	882-TRANSPORTATION EXPENSE	PLT392	0	0	0	0	0	0
13	TOTAL OPERATION EXPENSE		1,257,917	1,505,327	573,159	216,752	108,095	420,797
MAINTENANCE								
14	885-SUPERVISION	TLABDM	107,106	137,870	61,921	24,206	8,054	33,624
15	886-MAINT STRUCT & IMPROVE	PLT375	0	0	0	0	0	0
16	887-MAINTENANCE OF MAINS	PLT376	498,107	1,000,191	516,878	205,201	58,200	256,748
17	889-MT OF MEAS & REG STA EQ	PLT3789	23,723	47,658	24,619	9,791	7,555	33,330
18	890-MT OF REG EQ (INDUST)	PLT385	353	710	367	146	113	496
19	891-MT OF REG EQ (CITY GATE)	PLT3789	10,162	20,415	10,546	4,194	3,236	14,277
20	892-MAINTENANCE OF SERVICES	PLT380	380,106	106,838	12,642	4,459	972	2,007
21	893-MAINT METER & HOUSE REG	PLT3814	165,939	147,340	31,155	9,818	4,721	7,694
22	894-MAINT OTHER EQUIP	PLT387	4,742	9,526	4,921	1,957	1,510	6,662
23	TOTAL MAINTENANCE EXPENSE		1,190,237	1,470,547	663,050	259,771	84,362	354,837
24	TOTAL DISTRIBUTION EXPENSES		2,448,154	2,975,874	1,236,208	476,523	192,456	775,634

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
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RESIDENTIAL
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RESIDENTIAL
HEATING
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TOTAL
COMPANY

OPER & MAINT EXPENSE CONT-12

CUSTOMER ACCOUNT				
1 901-SUPERVISION	TLABCA	401,568	35,920	327,708
2 902-METER READING EXPENSE	CUST902	654,140	64,151	511,406
3 903-BILLING, POSTAGE & CALLS	CUST903	5,915,013	598,070	4,767,743
4 903-CUST CREDIT & COLLECTION	CUST903C	2,298,340	128,398	1,967,590
904-UNCOLLECTIBLE ACCTS				
5 RESID NON HTG RATE 10,11 & 80	REVCLAIM	304,262	16,213	199,913
6 RESID HEATING RATE 12 & 13	REVCLAIM	4,662,565	248,452	3,063,510
7 COMM & IND SMALL RATE 21	REVCLAIM	305,202	16,263	200,531
8 COMM & IND MEDIUM RATE 22	REVCLAIM	86,145	4,590	56,601
9 C & I LARGE LLF RATE 33	REVCLAIM	53,965	2,876	35,457
10 C & I LARGE HLF RATE 23	REVCLAIM	11,053	589	7,262
11 C & I XLARGE LLF RATE 34	REVCLAIM	7,648	408	5,025
12 C & I XLARGE HLF RATE 24	REVCLAIM	15,499	826	10,183
13 BAD DEBT EXPENSE ADJ	EXP904B	756,189	40,295	496,849
14 TOTAL ACCOUNT 904		6,202,527	330,512	4,075,333
15 905-MISC CUSTOMER ACCTS EXP	EXP9023	165,084	14,719	134,911
16 TOTAL CUSTOMER ACCTS EXP		15,636,670	1,171,770	11,784,690

CUSTOMER SERVICES & INFO EXP				
17 907-CUST SERV & INFO SUPRV	TLABSE	12,764	1,126	8,975
18 908-CUST ASSISTANCE EXP & DSM	CUST908	652,148	57,522	458,560
19 909-INFO & INST ADV EXP & EE	CUST908	9,277	818	6,523
20 910-CUST SERVICE MISC EXP	CUST908	411,991	36,339	289,693
21 TOT CUST SERV & INFO EXP		1,086,181	95,806	763,752

SALES EXPENSES				
22 911-SUPERVISION	TLABSA	695	41	453
23 912-DEMO & SELLING EXP	CUST912	777,497	45,426	506,436
24 913-ADVERTISING EXP	CUST912	4,507	263	2,936
25 916-MISCELLANEOUS SALES EXP	CUST912	85,623	5,003	55,772
26 TOTAL SALES EXPENSE		868,322	50,732	565,596

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
OPER & MAINT EXPENSE CONT-12								
CUSTOMER ACCOUNT								
1	901-SUPERVISION	TLABCA	27,540	7,665	1,670	467	197	400
2	902-METER READING EXPENSE	CUST902	46,370	25,640	3,906	1,545	372	749
3	903-BILLING, POSTAGE & CALLS	CUST903	432,296	101,253	9,663	3,746	732	1,510
4	903-CUST CREDIT & COLLECTION	CUST903C	128,795	36,353	22,773	4,664	3,228	6,540
904-UNCOLLECTIBLE ACCTS								
5	RESID NON HTG RATE 10.11 & 80	REVCLAIM	26,201	32,147	14,342	5,574	1,935	7,936
6	RESID HEATING RATE 12 & 13	REVCLAIM	401,514	492,621	219,783	85,412	29,653	121,620
7	COMM & IND SMALL RATE 21	REVCLAIM	26,282	32,246	14,387	5,591	1,941	7,961
8	COMM & IND MEDIUM RATE 22	REVCLAIM	7,418	9,102	4,061	1,578	548	2,247
9	C & I LARGE LLF RATE 33	REVCLAIM	4,647	5,702	2,544	989	343	1,408
10	C & I LARGE HLF RATE 23	REVCLAIM	952	1,168	521	202	70	288
11	C & I X LARGE LLF RATE 34	REVCLAIM	659	808	361	140	49	199
12	C & I X LARGE HLF RATE 24	REVCLAIM	1,335	1,637	731	284	99	404
13	BAD DEBT EXPENSE ADJ	EXP904B	65,119	79,895	35,645	13,852	4,809	19,725
14	TOTAL ACCOUNT 904		534,126	655,324	292,373	113,621	39,447	161,789
15	905-MISC CUSTOMER ACCTS EXP	EXP9023	11,309	3,039	677	185	81	164
16	TOTAL CUSTOMER ACCTS EXP		1,180,436	829,274	331,062	124,230	44,057	171,152
CUSTOMER SERVICES & INFO EXP								
17	907-CUST SERV & INFO SUPRV	TLABSE	1,622	380	409	158	31	64
18	908-CUST ASSISTANCE EXP & DSM	CUST908	82,847	19,404	20,878	8,095	1,580	3,262
19	909-INFO & INST ADV EXP & EE	CUST908	1,179	276	297	115	22	46
20	910-CUST SERVICE MISC EXP	CUST908	52,338	12,259	13,189	5,114	998	2,060
21	TOT CUST SERV & INFO EXP		137,985	32,319	34,773	13,482	2,631	5,432
SALES EXPENSES								
22	911-SUPERVISION	TLABSA	50	59	27	13	8	45
23	912-DEMO & SELLING EXP	CUST912	56,395	65,892	29,885	14,171	9,440	49,854
24	913-ADVERTISING EXP	CUST912	327	382	173	82	55	289
25	916-MISCELLANEOUS SALES EXP	CUST912	6,211	7,256	3,291	1,561	1,040	5,490
26	TOTAL SALES EXPENSE		62,983	73,589	33,376	15,826	10,542	55,677

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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OPER & MAINT EXPENSE CONT-13		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
ADMINISTRATIVE & GENERAL EXPENSE					
1	920-ADMIN & GENERAL SALARY	LABOR	8,426,269	485,123	5,583,993
2	921-OFFICE SUPPLIES & EXP	LABOR	5,415,321	311,775	3,588,672
3	923-OUTSIDE SERV EMPLOYED	LABOR	1,829,962	105,356	1,212,695
4	924-PROPERTY INSURANCE	PLANT	10,823	536	6,966
5	925-INJURIES & DAMAGES	LABOR	1,944,483	111,949	1,288,587
6	926-EMPLOYED PENSION & BENF	LABOR	14,650,655	843,478	9,708,823
7	927-FRANCHISE REQUIREMENTS	REVCLAIM	(8)	(0)	(5)
8	928-REGULATORY COMM EXPENSE	REVCLAIM	2,103,208	112,073	1,381,900
9	929-DUPLICATE CHARGES - CREDIT	LABOR	779	45	516
10	930-MISCELLANEOUS GEN EXP	LABOR	2,067,479	119,030	1,370,095
11	931-RENTS	LABOR	3,316,863	190,961	2,198,047
12	TOTAL OPERATION EXPENSE		39,765,834	2,280,325	26,340,290
13	MAINTENANCE				
14	935-MAINT OF GENERAL PLT	GENPLT	87,083	4,932	57,484
15	TOTAL ADMIN & GEN EXPENSE		39,852,917	2,285,257	26,397,774
16	DONATIONS ADJUSTMENT	REVCLAIM	210,956	11,241	138,607
17	OTHER ADJUSTMENTS	REVCLAIM	0	0	0
18	TOTAL GAS O & M EXPENSE		84,434,192	5,051,467	56,744,418

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
OPER & MAINT EXPENSE CONT-13								
ADMINISTRATIVE & GENERAL EXPENSE								
1	920-ADMIN & GENERAL SALARY	LABOR	746,898	844,002	359,921	139,357	52,636	214,339
2	921-OFFICE SUPPLIES & EXP	LABOR	480,010	542,416	231,311	89,561	33,827	137,750
3	923-OUTSIDE SERV EMPLOYED	LABOR	162,206	183,295	78,165	30,265	11,431	46,549
4	924-PROPERTY INSURANCE	PLANT	961	1,233	552	211	71	292
5	925-INJURIES & DAMAGES	LABOR	172,357	194,766	83,057	32,159	12,146	49,462
6	926-EMPLOYED PENSION & BENF	LABOR	1,298,623	1,467,457	625,790	242,298	91,517	372,669
7	927-FRANCHISE REQUIREMENTS	REVCLAIM	(1)	(1)	(0)	(0)	(0)	(0)
8	928-REGULATORY COMM EXPENSE	REVCLAIM	181,116	222,213	99,141	38,528	13,376	54,861
9	929-DUPLICATE CHARGES - CREDIT	LABOR	69	78	33	13	5	20
10	930-MISCELLANEOUS GEN EXP	LABOR	183,260	207,085	88,311	34,193	12,915	52,590
11	931-RENTS	LABOR	294,004	332,228	141,677	54,856	20,719	84,371
12	TOTAL OPERATION EXPENSE		3,519,504	3,994,773	1,707,957	661,439	248,643	1,012,902
13	MAINTENANCE							
14	935-MAINT OF GENERAL PLT	GENPLT	7,717	8,875	3,813	1,479	547	2,237
15	TOTAL ADMIN & GEN EXPENSE		3,527,220	4,003,648	1,711,771	662,918	249,191	1,015,139
16	DONATIONS ADJUSTMENT	REVCLAIM	18,166	22,288	9,944	3,864	1,342	5,503
17	OTHER ADJUSTMENTS	REVCLAIM	0	0	0	0	0	0
18	TOTAL GAS O & M EXPENSE		7,398,182	7,983,665	3,381,242	1,306,430	507,617	2,061,171

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

DEPRECIATION & AMORTIZATION-14

ALLOC

DEPRECIATION & AMORTIZATION EXPENSE

AMORTIZATION EXPENSE				
1	Y2K & CIS LEGACY SYSTEM	LABOR	373,979	247,832
2	ENVIRONMENTAL COST	PLANT	1,310,000	843,182
3	TOTAL AMORTIZATION EXPENSE		1,683,979	1,091,013
DEPRECIATION EXPENSE				
INTANGIBLE PLANT				
4	302-GAS FRANCHISES & CONSENTS	PLT302	7,216	4,645
5	303-MISC INTANGIBLE PLT - CIS	PLT303	1,819,606	1,205,832
6	303-MISC INTANGIBLE PLT - SL	PLT303SL	1,171,064	776,051
7	TOTAL INTANGIBLE EXPENSE		2,997,886	1,986,528
PRODUCTION PLANT LPG				
8	304-LAND & LAND RIGHTS	PLT304	7,037	5,009
9	305-STRUCTURES	PLT305	48,887	34,800
10	307-OTHER POWER EQUIP	PLT307	1,551	1,104
11	311-LPG GAS EQUIPMENT	PLT311	35,741	25,442
12	320-OTHER EQUIPMENT	PLT320	10,586	7,536
13	TOTAL PRODUCTION PLANT		103,801	73,890
PRODUCTION PLANT LNG				
14	360-LAND & LAND RIGHTS	PLT360	8,432	5,292
15	361-STRUCTURES & IMPROVEMENTS	PLT361	173,137	108,667
16	362-GAS HOLDERS & LNG EQUIP	PLT362	185,456	116,398
17	363-PURIFICATION EQUIP	PLT363	322,559	202,448
18	TOTAL PRODUCTION PLANT LNG		689,585	432,805

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEPRECIATION & AMORTIZATION-14								
DEPRECIATION & AMORTIZATION EXPENSE								
AMORTIZATION EXPENSE								
1	Y2K & CIS LEGACY SYSTEM	LABOR	33,149	37,459	15,974	6,185	2,336	9,513
2	ENVIRONMENTAL COST	PLANT	116,283	149,271	66,805	25,582	8,599	35,400
3	TOTAL AMORTIZATION EXPENSE		149,432	186,730	82,779	31,767	10,935	44,913
DEPRECIATION EXPENSE								
INTANGIBLE PLANT								
4	302-GAS FRANCHISES & CONSENTS	PLT302	641	822	368	141	47	195
5	303-MISC INTANGIBLE PLT - CIS	PLT303	161,288	182,258	77,723	30,093	11,366	46,285
6	303-MISC INTANGIBLE PLT - SL	PLT303SL	103,802	117,298	50,021	19,368	7,315	29,788
7	TOTAL INTANGIBLE EXPENSE		265,731	300,377	128,112	49,602	18,729	76,269
PRODUCTION PLANT LPG								
8	304-LAND & LAND RIGHTS	PLT304	775	834	242	42	12	32
9	305-STRUCTURES	PLT305	5,385	5,791	1,684	293	81	223
10	307-OTHER POWER EQUIP	PLT307	171	184	53	9	3	7
11	311-LPG GAS EQUIPMENT	PLT311	3,937	4,234	1,231	214	59	163
12	320-OTHER EQUIPMENT	PLT320	1,166	1,254	365	63	17	48
13	TOTAL PRODUCTION PLANT		11,433	12,296	3,576	622	171	473
PRODUCTION PLANT LNG								
14	360-LAND & LAND RIGHTS	PLT360	822	1,264	582	111	69	188
15	361-STRUCTURES & IMPROVEMENTS	PLT361	16,873	25,953	11,955	2,271	1,409	3,863
16	362-GAS HOLDERS & LNG EQUIP	PLT362	18,073	27,799	12,806	2,432	1,509	4,138
17	363-PURIFICATION EQUIP	PLT363	31,434	48,351	22,272	4,231	2,625	7,196
18	TOTAL PRODUCTION PLANT LNG		67,202	103,367	47,615	9,044	5,612	15,385

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEPRECIATION & AMORTIZATION-15								
DISTRIBUTION EXPENSE								
1	374-LAND & LAND RIGHTS	PLT374	1,967	3,951	2,041	812	626	2,763
2	375-GAS DIST STATION STRUCTURES	PLT375	21,650	43,493	22,468	8,935	6,895	30,417
3	376-MAINS	PLT376	982,135	1,972,112	1,019,148	404,602	114,756	506,239
4	377-DIST COMP STATION EQ	PLT377	636	1,278	660	263	203	894
5	378-GAS MEAS & REG STATION EQ	PLT378	35,976	72,274	37,336	14,848	11,458	50,545
6	379-DIST MEAS & REG GS EQ	PLT379	18,703	37,574	19,410	7,719	5,957	26,277
7	380-SERVICES	PLT380	592,790	166,618	19,716	6,953	1,516	3,129
8	381-METERS	PLT381	220,377	195,676	41,376	13,039	6,270	10,218
9	382-METER INSTALLATION	PLT382	199,247	176,915	37,409	11,789	5,669	9,238
10	383-HOUSE REGULATORS	PLT383	1,879	1,669	353	111	53	87
11	384-HOUSE REGULATORS INSTALLS	PLT384	2,460	2,184	462	146	70	114
12	385-IND MEAS & REG STA EQUIP	PLT385	812	1,632	843	335	259	1,141
13	386-OTHER PROP CUST PREM	PLT386	977	1,963	1,014	403	311	1,373
14	387-DIST OTHER EQUIP	PLT387	1,245	2,501	1,292	514	396	1,749
15	TOTAL DISTRIBUTION PLANT		2,080,854	2,679,839	1,203,528	470,469	154,438	644,185
GENERAL PLANT EXP								
16	389-LAND & LAND RIGHTS	PLT389	855	966	412	160	60	245
17	390-STRUCTURES & IMPROV	PLT390	11,452	12,940	5,518	2,137	807	3,286
18	391-OFFICE EQUIPMENT	PLT391	26,154	29,554	12,603	4,880	1,843	7,505
19	392-TRANSPORTATION EQUIP	PLT392	6,313	7,133	3,042	1,178	445	1,812
20	393-STORES EQUIPMENT	PLT393	168	217	97	38	12	52
21	394-TOOLS, SHOP & GARAGE EQ	PLT394	7,877	10,145	4,556	1,781	585	2,439
22	395-LABORATORY EQUIPMENT	PLT395	1,013	1,304	586	229	75	314
23	396-POWER OPERATED EQUIP	PLT396	0	0	0	0	0	0
24	397-COMMUNICATION EQUIP	PLT397	8,638	9,761	4,163	1,612	609	2,479
25	398-MISCELLANEOUS EQUIP	PLT398	8,784	9,926	4,233	1,639	619	2,521
26	TOTAL GENERAL PLANT EXP		71,254	81,947	35,210	13,652	5,055	20,652
27	TOTAL DEPR & AMORT EXPENSE		2,645,907	3,364,557	1,500,820	575,157	194,940	801,876

STATE & FED TAXES & OTHER EXP-16		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
TAXES OTHER THAN INCOME					
1	PROPERTY TAX	PLANT	13,994,652	693,080	9,007,660
2	PAYROLL TAXES	LABOR	2,201,968	126,773	1,459,219
3	TOTAL TAXES OTHER THAN INC		16,196,620	819,854	10,466,880
4	TOTAL INCOME TAX EXPENSE		3,787,749	(709,671)	1,675,089
5	INTEREST ON CUSTOMER DEPOSITS	CUSTDEP	127,506	3	601
6	TOTAL EXPENSES		134,357,272	6,656,930	88,119,656

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
STATE & FED TAXES & OTHER EXP-16								
TAXES OTHER THAN INCOME								
1	PROPERTY TAX	PLANT	1,242,246	1,594,658	713,674	273,296	91,862	378,176
2	PAYROLL TAXES	LABOR	195,181	220,556	94,055	36,417	13,755	56,011
3	TOTAL TAXES OTHER THAN INC		1,437,427	1,815,215	807,729	309,713	105,617	434,187
4	TOTAL INCOME TAX EXPENSE		371,676	1,311,701	533,799	9,424	185,642	410,088
5	INTEREST ON CUSTOMER DEPOSITS	CUSTDEP	65,276	50,159	7,886	1,911	0	1,671
6	TOTAL EXPENSES		11,918,468	14,525,298	6,231,477	2,202,635	993,815	3,708,993

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

INCOME TAXES-17

FEDERAL & STATE TAX CALCULAT

1	OPERATING REVENUES	152,127,765	5,765,766	97,902,615
2	OPERATING EXPENSES			
3	OPERATION & MAINTENANCE EXP	84,434,192	5,051,467	56,744,418
4	DEPRECIATION & AMORTIZATION	29,811,204	1,495,278	19,232,669
5	TAXES OTHER THAN INCOME	16,196,620	819,854	10,466,880
6	INTEREST ON CUSTOMER DEPOSITS	127,506	3	601
7	ADJUSTMENT	0	0	0
8	OPERATING INC BEFORE FED TAX	21,558,243	(1,600,836)	11,458,048
9	LESS:			
10	INTEREST EXPENSE	10,736,102	426,795	6,672,078
11	NET OPERATING INC BEFORE TXS	10,822,141	(2,027,631)	4,785,970
12	LESS:			
13	STATE INCOME TAX @ 0.00%	0	0	0
14	FEDERAL TAXABLE BASIS	10,822,141	(2,027,631)	4,785,970
15	FEDERAL INCOME TAX @ 35.00%	3,787,749	(709,671)	1,675,089
16	ADJUSTMENT	0	0	0
17	ADJUSTMENT	0	0	0
18	TOTAL INCOME TAX EXPENSE	3,787,749	(709,671)	1,675,089
19	NET INCOME AFTER TAX	17,770,494	(891,165)	9,782,958
20	EFFECTIVE STATE TAX RATE	0.00%		
21	FEDERAL TAX RATE - CURRENT	35.00%		
22	1 - INCREMENTAL TAX RATE	0.65000		
23	INCREMENTAL TAX RATE	0.35000		
24	EFFECTIVE INCREMENTAL FEDERAL RATE	0.35000		
25	FACTOR FOR TAXABLE BASIS	1.53846		
26	INTEREST EXPENSE PERCENTAGE	2.9021%		

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INCOME TAXES-17		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
FEDERAL & STATE TAX CALCULAT								
1	OPERATING REVENUES		13,500,366	18,346,560	7,885,295	2,478,650	1,423,775	4,824,739
OPERATING EXPENSES								
2	OPERATION & MAINTENANCE EXP		7,398,182	7,983,665	3,381,242	1,306,430	507,617	2,061,171
3	DEPRECIATION & AMORTIZATION		2,645,907	3,364,557	1,500,820	575,157	194,940	801,876
4	TAXES OTHER THAN INCOME		1,437,427	1,815,215	807,729	309,713	105,617	434,187
5	INTEREST ON CUSTOMER DEPOSITS		65,276	50,159	7,886	1,911	0	1,671
6	ADJUSTMENT	PLANT	0	0	0	0	0	0
7	OPERATING INC BEFORE FED TAX		1,953,575	5,132,964	2,187,618	285,439	615,602	1,525,833
LESS:								
8	INTEREST EXPENSE		891,642	1,385,246	662,477	258,514	85,197	354,154
9	NET OPERATING INC BEFORE TXS		1,061,933	3,747,718	1,525,141	26,925	530,405	1,171,679
LESS:								
10	STATE INCOME TAX @ 0.00%		0	0	0	0	0	0
11	FEDERAL TAXABLE BASIS		1,061,933	3,747,718	1,525,141	26,925	530,405	1,171,679
12	FEDERAL INCOME TAX @ 35.00%		371,676	1,311,701	533,799	9,424	185,642	410,088
13	ADJUSTMENT	PLANT	0	0	0	0	0	0
14	ADJUSTMENT		0	0	0	0	0	0
12	TOTAL INCOME TAX EXPENSE		371,676	1,311,701	533,799	9,424	185,642	410,088
13	NET INCOME AFTER TAX		1,581,898	3,821,263	1,653,818	276,015	429,960	1,115,746
EFFECTIVE STATE TAX RATE								
FEDERAL TAX RATE - CURRENT								
1 - INCREMENTAL TAX RATE								
INCREMENTAL TAX RATE								
EFFECTIVE INCREMENTAL FEDERAL RATE								
FACTOR FOR TAXABLE BASIS								
INTEREST EXPENSE PERCENTAGE								

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

DEVELOPMENT OF LABOR ALLOC-18

DEVELOPMENT OF LABOR ALLOCATOR

LPG & LNG GAS PRODUCTION
OPERATION

1	710-SUPERVISION	LABPO	0	0
2	717-PROPANE EXPENSES	EXP717	0	0
3	718-OTHER PROCESS PROD EXP	EXP718	0	0
4	735-MISCELLANEOUS	EXP735	0	0
5	TOTAL OPERATION LABOR		0	0
6	MAINTENANCE			
7	740-SUPERVISION	LABPM	0	0
8	741-MAINTENANCE OF PLANT	EXP741	0	0
9	742-MAINTENANCE OF EQUIP	EXP742	0	0
10	743-GAS SYSTEM PROD TRAINING	EXP743	0	0
11	TOTAL MAINTENANCE LABOR		0	0
12	TOT MANUFACTURED GAS LABOR		0	0

LOCAL STORAGE LABOR

12	840-OPERATION LABOR	EXP840	513	18,132
13	844-LNG PROC TERMINAL LAB & EXP	EXP844	1,700	60,136
14	847-MAINT OF LNG PLT BLDGS	EXP847	194	6,846
15	TOTAL STORAGE LABOR		2,406	85,113
16	TOTAL PROD & STORAGE LABOR		2,406	85,113

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVELOPMENT OF LABOR ALLOC-18								
DEVELOPMENT OF LABOR ALLOCATOR								
LPG & LNG GAS PRODUCTION								
OPERATION								
1	710-SUPERVISION	LABPO	0	0	0	0	0	0
2	717-PROPANE EXPENSES	EXP717	0	0	0	0	0	0
3	718-OTHER PROCESS PROD EXP	EXP718	0	0	0	0	0	0
4	735-MISCELLANEOUS	EXP735	0	0	0	0	0	0
5	TOTAL OPERATION LABOR		0	0	0	0	0	0
MAINTENANCE								
6	740-SUPERVISION	LABPM	0	0	0	0	0	0
7	741-MAINTENANCE OF PLANT	EXP741	0	0	0	0	0	0
8	742-MAINTENANCE OF EQUIP	EXP742	0	0	0	0	0	0
9	743-GAS SYSTEM PROD TRAINING	EXP743	0	0	0	0	0	0
10	TOTAL MAINTENANCE LABOR		0	0	0	0	0	0
11	TOT MANUFACTURED GAS LABOR		0	0	0	0	0	0
LOCAL STORAGE LABOR								
12	840-OPERATION LABOR	EXP840	2,652	5,328	2,753	1,095	845	3,726
13	844-LNG PROC TERMINAL LAB & EXP	EXP844	8,796	17,671	9,129	3,630	2,801	12,359
14	847-MAINT OF LNG PLT BLDGS	EXP847	1,001	2,012	1,039	413	319	1,407
15	TOTAL STORAGE LABOR		12,450	25,011	12,921	5,138	3,965	17,492
16	TOTAL PROD & STORAGE LABOR		12,450	25,011	12,921	5,138	3,965	17,492

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

DEVEL OF LABOR ALLOC CONT-19

TRANSMISSION & DISTRIBUTION LABOR
OPERATION

1	870-SUPER & ENGINEERING	LABDO	126,008	7,156	79,072
2	871-SYSTEM CONTROL & DISP	EXP871	363,600	5,318	188,133
3	873-COMP STATION FUEL & POWER	EXP873	0	0	0
4	874-MAINS & SERVICE EXPENSE	EXP874	1,751,029	81,555	1,132,171
5	875-OPER STATION EXP - GENERAL	EXP875	538,943	7,883	278,858
6	876-OPER STATION EXP - INDUST	EXP876	210,705	3,082	109,022
7	878-METER & HOUSE REG EXP	EXP878	2,983,907	238,577	1,964,767
8	879-CUSTOMER INSTALL EXP	EXP879	3,476	321	2,585
9	880-OTHER EXPENSE	EXP880	3,493,450	193,990	2,188,681
10	TOTAL OPERATION LABOR		9,471,118	537,882	5,943,290
MAINTENANCE					
11	885-SUPERVISION	LABDM	712,302	35,750	457,467
12	886-MAINT STRUCT & IMPROVE	EXP886	0	0	0
13	887-MAINTENANCE OF MAINS	EXP887	3,571,733	56,895	2,014,656
14	889-MT OF MEAS & REG STA EQ	EXP889	206,050	3,014	106,614
15	890-MT OF REG EQ (INDUST)	EXP890	0	0	0
16	891-MT OF REG EQ (CITY GATE)	EXP891	115,034	1,683	59,521
17	892-MAINTENANCE OF SERVICES	EXP892	2,118,997	209,638	1,668,819
18	893-MAINT METER & HOUSE REG	EXP893	1,083,685	86,646	713,558
19	894-MAINT OF OTHER EQUIP	EXP894	49,406	723	25,564
20	TOTAL MAINTENANCE LABOR		7,857,207	394,347	5,046,198
21	TOTAL DISTRIB & TRANS LABOR		17,328,325	932,229	10,989,488

CUSTOMER ACCOUNTS LABOR

22	901-SUPERVISION	LABCA	387,385	34,651	316,134
23	902-METER READING EXPENSE	EXP902	514,351	50,442	402,119
24	903-CUSTOMER RECORDS & COLLECT	EXP903	4,402,344	389,386	3,610,128
25	905-MISC CUSTOMER ACCTS EXP	EXP905	109,239	9,740	89,273
26	TOTAL CUSTOMER ACCTS LABOR		5,413,319	484,219	4,417,654

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVEL OF LABOR ALLOC CONT-19								
TRANSMISSION & DISTRIBUTION LABOR								
OPERATION								
1	870-SUPER & ENGINEERING	LABDO	12,486	14,712	5,479	2,062	1,040	4,002
2	871-SYSTEM CONTROL & DISP	EXP871	27,519	55,285	28,559	11,358	8,764	38,664
3	873-COMP STATION FUEL & POWER	EXP873	0	0	0	0	0	0
4	874-MAINS & SERVICE EXPENSE	EXP874	146,162	198,479	96,408	38,193	10,790	47,270
5	875-OPER STATION EXP - GENERAL	EXP875	40,790	81,945	42,332	16,835	12,991	57,309
6	876-OPER STATION EXP - INDUST	EXP876	15,947	32,037	16,550	6,582	5,079	22,405
7	878-METER & HOUSE REG EXP	EXP878	353,251	313,658	66,324	20,901	10,050	16,379
8	879-CUSTOMER INSTALL EXP	EXP879	335	179	33	11	4	8
9	880-OTHER EXPENSE	EXP880	341,978	409,482	156,095	59,046	29,450	114,728
10	TOTAL OPERATION LABOR		938,470	1,105,777	411,779	154,987	78,169	300,764
MAINTENANCE								
11	885-SUPERVISION	LABDM	62,946	81,027	36,391	14,226	4,733	19,761
12	886-MAINT STRUCT & IMPROVE	EXP886	0	0	0	0	0	0
13	887-MAINTENANCE OF MAINS	EXP887	294,736	591,825	305,843	121,420	34,438	151,921
14	889-MT OF MEAS & REG STA EQ	EXP889	15,595	31,329	16,184	6,436	4,967	21,910
15	890-MT OF REG EQ (INDUST)	EXP890	0	0	0	0	0	0
16	891-MT OF REG EQ (CITY GATE)	EXP891	8,706	17,491	9,036	3,593	2,773	12,232
17	892-MAINTENANCE OF SERVICES	EXP892	180,328	50,686	5,998	2,115	461	952
18	893-MAINT METER & HOUSE REG	EXP893	128,293	113,913	24,087	7,591	3,650	5,949
19	894-MAINT OF OTHER EQUIP	EXP894	3,739	7,512	3,881	1,543	1,191	5,254
20	TOTAL MAINTENANCE LABOR		694,344	893,783	401,420	156,925	52,213	217,979
21	TOTAL DISTRIB & TRANS LABOR		1,632,814	1,999,560	813,199	311,912	130,381	518,742
CUSTOMER ACCOUNTS LABOR								
22	901-SUPERVISION	LABCA	26,568	7,394	1,611	451	190	386
23	902-METER READING EXPENSE	EXP902	36,461	20,161	3,071	1,215	292	589
24	903-CUST RECORDS & COLLECT	EXP903	300,744	73,756	17,386	4,508	2,122	4,315
25	905-MISC CUSTOMER ACCTS EXP	EXP905	7,483	2,011	448	123	53	108
26	TOTAL CUSTOMER ACCTS LABOR		371,255	103,322	22,516	6,296	2,658	5,398

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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DEVEL OF LABOR ALLOC CONT-20		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
CUSTOMER SERVICES & INFO EXP					
1	908-CUST ASSISTANCE EXP	EXP908	392,885	34,654	276,259
2	910-CUST SERVICE MISC EXP	EXP910	341,161	30,092	239,889
3	TOT CUST SERV & INFO LABOR		734,046	64,746	516,147
SALES EXPENSES					
4	911-SUPERVISION	LABSA	596	35	388
5	912-DEMO & SELLING EXP	EXP912	506,915	29,617	330,187
6	916-MISCELLANEOUS SALES EXP	EXP916	110,840	6,476	72,197
7	TOTAL SALES LABOR		618,351	36,128	402,773
ADMINISTRATIVE & GENERAL LABOR					
OPERATION LABOR					
8	920-ADMIN & GENERAL SALARY	EXP920	6,057,883	348,769	4,014,490
9	921-OFFICE SUPPLIES & EXP	EXP921	0	0	0
10	923-OUTSIDE SERV EMPLOYED	EXP923	272	16	180
11	924-PROPERTY INSURANCE	EXP924	41	2	27
12	925-INJURIES & DAMAGES	EXP925	205,374	11,824	136,099
13	926-EMPLOYED PENSION & BENF	EXP926	65,761	3,786	43,579
14	928-REGULATORY COMM EXPENSE	EXP928	347,884	18,538	228,575
15	929-DUPLICATE CHARGES - CREDIT	EXP929	620	36	411
16	930-MISCELLANEOUS GEN EXP	EXP930	322,229	18,552	213,538
17	931-RENTS	EXP931	3,286	189	2,177
18	TOTAL OPERATION EXPENSE		7,003,349	401,710	4,639,075
MAINTENANCE					
19	935-MAINT OF GENERAL PLT	EXP935	25,232	1,429	16,656
20	TOTAL ADMIN & GEN LABOR		7,028,581	403,139	4,655,731
21	TOTAL GAS O & M LABOR		31,287,119	1,922,867	21,066,906
22	CONSTRUCTION LABOR	DISTRPLT	15,070,179	756,302	9,681,660
23	RWIP LABOR	DISTRPLT	1,388,138	69,664	891,793
24	SUM OF ALLOCATED LABOR EXP		47,745,436	2,748,834	31,640,359

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEVEL OF LABOR ALLOC CONT-20								
CUSTOMER SERVICES & INFO EXP								
1	908-CUST ASSISTANCE EXP	EXP908	49,911	11,690	12,578	4,877	952	1,965
2	910-CUST SERVICE MISC EXP	EXP910	43,340	10,151	10,922	4,235	826	1,706
3	TOT CUST SERV & INFO LABOR		93,251	21,841	23,499	9,111	1,778	3,671
SALES EXPENSES								
4	911-SUPERVISION	LABSA	43	51	23	11	7	38
5	912-DEMO & SELLING EXP	EXP912	36,768	42,960	19,485	9,239	6,154	32,504
6	916-MISCELLANEOUS SALES EXP	EXP916	8,040	9,394	4,260	2,020	1,346	7,107
7	TOTAL SALES LABOR		44,851	52,404	23,768	11,270	7,507	39,649
ADMINISTRATIVE & GENERAL LABOR								
OPERATION LABOR								
8	920-ADMIN & GENERAL SALARY	EXP920	536,966	606,777	258,757	100,188	37,841	154,094
9	921-OFFICE SUPPLIES & EXP	EXP921	0	0	0	0	0	0
10	923-OUTSIDE SERV EMPLOYED	EXP923	24	27	12	4	2	7
11	924-PROPERTY INSURANCE	EXP924	4	5	2	1	0	1
12	925-INJURIES & DAMAGES	EXP925	18,204	20,571	8,772	3,397	1,283	5,224
13	926-EMPLOYED PENSION & BENF	EXP926	5,829	6,587	2,809	1,088	411	1,673
14	928-REGULATORY COMM EXPENSE	EXP928	29,958	36,755	16,398	6,373	2,213	9,074
15	929-DUPLICATE CHARGES - CREDIT	EXP929	55	62	26	10	4	16
16	930-MISCELLANEOUS GEN EXP	EXP930	28,562	32,276	13,764	5,329	2,013	8,197
17	931-RENTS	EXP931	291	329	140	54	21	84
18	TOTAL OPERATION EXPENSE		619,893	703,389	300,681	116,444	43,787	178,369
MAINTENANCE								
19	935-MAINT OF GENERAL PLT	EXP935	2,236	2,571	1,105	428	159	648
20	TOTAL ADMIN & GEN LABOR		622,129	705,960	301,786	116,872	43,945	179,018
21	TOTAL GAS O & M LABOR		2,776,750	2,908,099	1,197,690	460,600	190,236	763,970
22	CONSTRUCTION LABOR	DISTRPLT	1,332,619	1,716,160	770,724	301,282	98,902	412,531
23	RWIP LABOR	DISTRPLT	122,750	158,078	70,993	27,752	9,110	37,999
24	SUM OF ALLOCATED LABOR EXP		4,232,119	4,782,338	2,039,406	789,633	298,247	1,214,500

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

REVENUE REQUIREMENTS-21

PRESENT RATES

1	RATE BASE	369,945,458	
2	NET OPER INC (PRESENT RATES)	17,770,494	
3	RATE OF RETURN (PRES RATES)	4.80%	
4	RELATIVE RATE OF RETURN	1.000	
5	SALES REVENUE (PRE RATES)	147,518,783	
6	ANNUAL BOOKED CCF SALES	344,207,103	
7	SALE REV \$/CCF (PRE RATES)	\$0.4286	

CLAIMED RATE OF RETURN

8	CLAIMED RATE OF RETURN	8.24%	
9	RETURN REQ FOR CLAIMED ROR	30,494,889	
10	SALES REVENUE REQ CLAIMED ROR	167,094,776	
11	REVENUE DEFICIENCY SALES REV	19,575,993	
12	PERCENT INCREASE REQUIRED	13.27%	
13	ANNUAL BOOKED CCF SALES	344,207,103	
14	SALES REV REQUIRED \$/CCF	\$0.4854	
15	REVENUE DEFICIENCY \$/CCF	\$0.0569	

PROPOSED REVENUES

16	PROPOSED SALES REVENUES	167,093,787	
17	REVENUE DEFICIENCY SALES REV	19,575,004	
18	PERCENT INCREASE PROPOSED	13.27%	
19	PROPOSED RATE OF RETURN	8.24%	
20	RETURN REQ FOR PROPOSED REV	30,494,246	
21	ANNUAL BOOKED CCF SALES	344,207,103	
22	SALES REV REQUIRED \$/CCF	\$0.4854	
23	REVENUE DEFICIENCY \$/CCF	\$0.0569	

14,706,535	
(891,165)	
-6.06%	
-1.261	
5,667,862	
5,418,049	
\$1.0461	

229,906,980	
9,782,958	
4.26%	
0.886	
95,683,304	
170,964,989	
\$0.5597	

8.24%	
1,212,271	
8,903,917	
3,236,055	
57.09%	
5,418,049	
\$1.6434	
\$0.5973	

8.24%	
18,951,410	
109,788,614	
14,105,310	
14.74%	
170,964,989	
\$0.6422	
\$0.0825	

6,527,893	
860,031	
15.17%	
-2.26%	
(332,145)	
5,418,049	
\$1.2048	
\$0.1587	

109,708,322	
14,025,018	
14.66%	
8.22%	
18,899,220	
170,964,989	
\$0.6417	
\$0.0820	

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUE REQUIREMENTS-21		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
PRESENT RATES								
1	RATE BASE		30,724,264	47,732,910	22,827,675	8,907,894	2,935,729	12,203,471
2	NET OPER INC (PRESENT RATES)		1,581,898	3,821,263	1,653,818	276,015	429,960	1,115,746
3	RATE OF RETURN (PRES RATES)		5.15%	8.01%	7.24%	3.10%	14.65%	9.14%
4	RELATIVE RATE OF RETURN		1.072	1.667	1.508	0.645	3.049	1.903
5	SALES REVENUE (PRE RATES)		12,926,597	17,479,846	7,525,883	2,355,908	1,351,881	4,527,502
6	ANNUAL BOOKED CCF SALES		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
7	SALE REV \$/CCF (PRE RATES)		\$0.5217	\$0.3333	\$0.2906	\$0.1911	\$0.1626	\$0.1028
CLAIMED RATE OF RETURN								
8	CLAIMED RATE OF RETURN		8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
9	RETURN REQ FOR CLAIMED ROR		2,532,625	3,934,661	1,881,703	734,285	241,994	1,005,942
10	SALES REVENUE REQ CLAIMED ROR		14,389,253	17,654,305	7,876,475	3,060,937	1,062,703	4,358,572
11	REVENUE DEFICIENCY SALES REV		1,462,656	174,459	350,591	705,029	(289,178)	(168,929)
12	PERCENT INCREASE REQUIRED		11.32%	1.00%	4.66%	29.93%	-21.39%	-3.73%
13	ANNUAL BOOKED CCF SALES		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
14	SALES REV REQUIRED \$/CCF		\$0.5808	\$0.3366	\$0.3041	\$0.2483	\$0.1278	\$0.0989
15	REVENUE DEFICIENCY \$/CCF		\$0.0590	\$0.0033	\$0.0135	\$0.0572	-\$0.0348	-\$0.0038
PROPOSED REVENUES								
16	PROPOSED SALES REVENUES		14,388,557	19,108,578	8,232,838	2,715,029	1,470,319	4,942,251
17	REVENUE DEFICIENCY SALES REV		1,461,960	1,628,732	706,954	359,121	118,437	414,749
18	PERCENT INCREASE PROPOSED		11.31%	9.32%	9.39%	15.24%	8.76%	9.16%
19	PROPOSED RATE OF RETURN		8.24%	10.22%	9.26%	5.72%	17.27%	11.35%
20	RETURN REQ FOR PROPOSED REV		2,532,172	4,879,938	2,113,339	509,444	506,944	1,385,333
21	ANNUAL BOOKED CCF SALES		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
22	SALES REV REQUIRED \$/CCF		\$0.5807	\$0.3643	\$0.3179	\$0.2202	\$0.1768	\$0.1122
23	REVENUE DEFICIENCY \$/CCF		\$0.0590	\$0.0311	\$0.0273	\$0.0291	\$0.0142	\$0.0094

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80RESIDENTIAL
HEATING
RATE 12 & 13

ALLOCATION FACTOR TABLE-22

DEMAND RELATED

1	PRODUCTION ALLOCATORS			
2	DES DAY REMAINING DEMNDS - SALES	2,429,880	31,364	1,729,700
3	LPG PROD ALLOC-PROD DD	2,429,880	31,364	1,729,700
4	LPG PRODUCTION REM DEMAND DD			
5				
6				
7				
8				
9				
10	DESIGN WINTER ALLOC DTH NOV-MAR	18,581,815	221,324	12,118,197
11				
12	LNG PROD ALLOC-PROD DES WN	18,581,815	221,324	12,118,197
13	LNG PROD ALLOC-DISTR PRES SUP	100.00000%	1.4626%	51.7417%
14	LNG PROD DEM WEIGHTED ALLOC			
15				
16	LNG PRESSURE SUPPORT PERCENT	18.20%		
17				
18				

DISTRIBUTION ALLOCATORS

1	DISTRIBUTION RSUM ALLOCATOR	100.00000%	1.4626%	51.7417%
2	DISTR RSUM ALLOC LESS THAN 4"	100.00000%	1.6798%	59.5148%
3	DISTR RSUM ALLOC PRESSURE SUP	100.00000%	1.4626%	51.7417%
4				
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ALLOCATION FACTOR TABLE-22		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
DEMAND RELATED								
1	PRODUCTION ALLOCATORS							
2	DES DAY REMANING DEMNDS - SALES		267,647	287,846	83,704	14,556	4,002	11,061
3	LPG PROD ALLOC-PROD DD		267,647	287,846	83,704	14,556	4,002	11,061
4	LPG PRODUCTION REM DEMAND DD	DEMLPG						
5								
6								
7								
8								
9								
10	DESIGN WINTER ALLOC DTH NOV-MAR		1,900,854	2,776,485	1,243,786	168,790	85,211	67,169
11								
12	LNG PROD ALLOC-PROD DES WN		1,900,854	2,776,485	1,243,786	168,790	85,211	67,169
13	LNG PROD ALLOC-DISTR PRES SUP		7,5686%	15,2048%	7,8546%	3,1237%	2,4104%	10,6335%
14	LNG PROD DEM WEIGHTED ALLOC	DSWNLNG						
15								
16	LNG PRESSURE SUPPORT PERCENT							
17								
18								
DISTRIBUTION ALLOCATORS								
1	DISTRIBUTION RSUM ALLOCATOR	DISTR	7,5686%	15,2048%	7,8546%	3,1237%	2,4104%	10,6335%
2	DISTR RSUM ALLOC LESS THAN 4"	DISTR L4	8,7074%	17,4796%	9,0351%	3,5833%	0,0000%	0,0000%
3	DISTR RSUM ALLOC PRESSURE SUP	DISTR PS	7,5686%	15,2048%	7,8546%	3,1237%	2,4104%	10,6335%
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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

ALLOCATION FACTOR TABLE CONT-23

COMMODITY RELATED

1 ANNUAL FIRM THERMS SALES
2 ANNUAL FIRM THERMS SALES & TRANS
3 DIRECT GAS COST ALLOCATOR
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245,020,682
344,207,103
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5,418,049
5,418,049
0

170,964,989
170,964,989
0

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-23		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
COMMODITY RELATED								
1	ANNUAL FIRM THERMS SALES		24,776,962	31,647,423	7,242,539	2,746,868	385,991	1,837,861
2	ANNUAL FIRM THERMS SALES & TRANS		24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
3	DIRECT GAS COST ALLOCATOR	EGAS	0	0	0	0	0	0

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
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RESIDENTIAL
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TOTAL
COMPANY

ALLOCATION FACTOR TABLE CONT-24

CUSTOMER RELATED

1	ACCT 380-SERVICES	CUST380	190,324,535	18,829,311	149,890,348
2	ACCT 381-METERS	CUST381	100.000000%	7.99545%	65.84547%
3	ACCT 382-METER INSTALLATION	CUST382	100.000000%	7.99545%	65.84547%
4	ACCT 383-HOUSE REGULATORS	CUST383	100.000000%	7.99545%	65.84547%
5	ACCT 384-HOUSE REGUL. INSTALLS	CUST384	100.000000%	7.99545%	65.84547%
6	ACCT 385-IND MEAS & REG STA EQ	CUST385	100.00000%	1.4626%	51.7417%
7	ACCT 386-OTHER PROP CUST PREM	CUST386	100.00000%	1.4626%	51.7417%
8	CUSTOMER DEPOSITS	CUSTDEP	4,620,876	100	21,770
9	ACCT 902-METER READ EXP	CUST902	3,102,685	304,280	2,425,678
10	ACCT 903-BILLING, POSTAGE & CALLS	CUST903	6,539,987	661,262	5,271,498
11	ACCT 903-CUST CREDIT & COLL	CUST903C	2,541,181	141,964	2,175,484
12	ACCT 908-CUST ASSISTANCE EXP	CUST908	5,036,489	444,241	3,541,427
13	ACCT 912-DEMO & SELLING EXP	CUST912	100.00000%	5.8426%	65.1367%

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18 ANNUAL NO SALES CUSTOMERS

19 ANNUAL NO OF TRANS CUSTOMERS

2,986,045

23,328

304,280

0

2,425,678

0

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23

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29 ANNUAL NO GAS LIGHT CUSTOMERS

30 NOT INCLUDED ABOVE

288

288

0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-24		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
CUSTOMER RELATED								
1	ACCT 380-SERVICES	CUST380	16,196,769	4,552,492	538,711	189,983	41,416	85,505
2	ACCT 381-METERS	CUST381	11,838,54%	10,511,65%	2,222,71%	0,700,45%	0,336,81%	0,548,92%
3	ACCT 382-METER INSTALLATION	CUST382	11,838,54%	10,511,65%	2,222,71%	0,700,45%	0,336,81%	0,548,92%
4	ACCT 383-HOUSE REGULATORS	CUST383	11,838,54%	10,511,65%	2,222,71%	0,700,45%	0,336,81%	0,548,92%
5	ACCT 384-HOUSE REGUL INSTALLS	CUST384	11,838,54%	10,511,65%	2,222,71%	0,700,45%	0,336,81%	0,548,92%
6	ACCT 385-IND MEAS & REG STA EQ	CUST385	7,568,6%	15,204,8%	7,854,6%	3,123,7%	2,410,4%	10,633,5%
7	ACCT 386-OTHER PROP CUST PREM	CUST386	7,568,6%	15,204,8%	7,854,6%	3,123,7%	2,410,4%	10,633,5%
8	CUSTOMER DEPOSITS	CUSTDEP	2,365,617	1,817,778	285,807	69,254	0	60,550
9	ACCT 902-METER READ EXP	CUST902	219,939	121,614	18,528	7,330	1,764	3,552
10	ACCT 903-BILLING, POSTAGE & CALLS	CUST903	477,972	111,951	10,684	4,142	809	1,669
11	ACCT 903-CUST CREDIT & COLL	CUST903C	142,403	40,194	25,179	5,157	3,569	7,231
12	ACCT 908-CUST ASSISTANCE EXP	CUST908	639,822	149,859	161,236	62,514	12,201	25,189
13	ACCT 912-DEMO & SELLING EXP	CUST912	7,253,4%	8,474,9%	3,843,8%	1,822,6%	1,214,1%	6,412,1%
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16					410	159	31	64
17								
18	ANNUAL NO SALES CUSTOMERS		219,939	33,989	1,513	550	24	72
19	ANNUAL NO OF TRANS CUSTOMERS		0	17,525	3,403	1,356	348	696
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21								
22								
23								
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29	ANNUAL NO GAS LIGHT CUSTOMERS		0	0	0	0	0	0
30	NOT INCLUDED ABOVE							
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32								
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34								
35								

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

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HEATING
RATE 12 & 13

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COMPANY

ALLOC

ALLOCATION FACTOR TABLE CONT-25

EXTERNALLY DEVELOPED
UNCOLLECTIBLE ACCOUNTS

1	RESID NON HTG RATE 10,11 & 80	C904R1H	8,903,917	0	0
2	RESID HEATING RATE 12 7 13	C904RH	109,788,614	109,788,614	0
3	COMM & IND SMALL RATE 21	C904R21	14,389,253	0	0
4	COMM & IND MEDIUM RATE 22	C904R22	17,654,305	0	0
5	C & I LARGE LOW LOAD FAC RATE 33	C904R33	7,876,475	0	0
6	C & I LARGE HIGH LOAD FAC RATE 23	C904R23	3,060,937	0	0
7	C & I XLARGE LOW LOAD FAC RATE 34	C904R34	1,062,703	0	0
8	C & I XLARGE HIGH LOAD FAC RATE 24	C904R24	4,358,572	0	0
			167,094,776		

INTERNALLY DEVELOPED
LATE PAYMENT CHARGES

9	COMM & IND SMALL RATE 21	C488R21	14,389,253	0	0
10	COMM & IND MEDIUM RATE 22	C488R22	17,654,305	0	0
11	C & I LARGE LOW LOAD FAC RATE 33	C488R33	7,876,475	0	0
12	C & I LARGE HIGH LOAD FAC RATE 23	C488R23	3,060,937	0	0
13	C & I XLARGE LOW LOAD FAC RATE 34	C488R34	1,062,703	0	0
14	C & I XLARGE HIGH LOAD FAC RATE 24	C488R24	4,358,572	0	0
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-25		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
EXTERNALLY DEVELOPED UNCOLLECTIBLE ACCOUNTS								
1	RESID NON HTG RATE 10.11 & 80	C904R21	0	0	0	0	0	0
2	RESID HEATING RATE 12 7 13	C904RH	0	0	0	0	0	0
3	COMM & IND SMALL RATE 21	C904R21	14,389,253	0	0	0	0	0
4	COMM & IND MEDIUM RATE 22	C904R22	0	17,654,305	0	0	0	0
5	C & I LARGE LOW LOAD FAC RATE 33	C904R33	0	0	7,876,475	0	0	0
6	C & I LARGE HIGH LOAD FAC RATE 23	C904R23	0	0	0	3,060,937	0	0
7	C & I XLARGE LOW LOAD FAC RATE 34	C904R34	0	0	0	0	1,062,703	0
8	C & I XLARGE HIGH LOAD FAC RATE 24	C904R24	0	0	0	0	0	4,358,572
INTERNALLY DEVELOPED LATE PAYMENT CHARGES								
9	COMM & IND SMALL RATE 21	C488R21	14,389,253	0	0	0	0	0
10	COMM & IND MEDIUM RATE 22	C488R22	0	17,654,305	0	0	0	0
11	C & I LARGE LOW LOAD FAC RATE 33	C488R33	0	0	7,876,475	0	0	0
12	C & I LARGE HIGH LOAD FAC RATE 23	C488R23	0	0	0	3,060,937	0	0
13	C & I XLARGE LOW LOAD FAC RATE 34	C488R34	0	0	0	0	1,062,703	0
14	C & I XLARGE HIGH LOAD FAC RATE 24	C488R24	0	0	0	0	0	4,358,572

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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INTERNALLY DEVELOPED-26

1	TOTAL GAS PLANT IN SERVICE	PLANT	773,551,949	38,309,900	497,896,855
2	SUM OF ALLOCATED LABOR EXP	LABOR	47,745,436	2,748,834	31,640,359
3	ACCT 305-STRUCTURES & IMPROVE	PLT305	1,446,351	18,669	1,029,579
4	ACCT 311-LP GAS EQUIP	PLT311	1,057,412	13,649	752,714
5	ACCT 320-OTHER EQUIPMENT	PLT320	313,197	4,043	222,948
6	ACCT 375-GAS DIST STATION STR	PLT375	8,463,024	123,782	4,378,910
7	ACCT 376-MAINS	PLT376	352,081,073	5,608,353	198,593,280
8	ACCT 378-GAS MEAS & REG STA EQ	PLT378	14,063,183	205,691	7,276,526
9	ACCT 380-SERVICES	PLT380	206,086,825	20,388,716	162,303,961
10	ACCT 381-METERS	PLT381	55,074,476	4,403,454	36,264,048
11	ACCT 382-METER INSTALLATION	PLT382	49,794,015	3,981,257	32,787,104
12	ACCT 386-OTHER PROP CUST PREM	PLT386	381,896	5,586	197,599
13	ACCT 383-HOUSE REGULATORS	PLT383	469,616	37,548	309,221
14	ACCT 396-POWER OPERATED EQUIP	PLT396	0	0	0
15	ACCT 390-STRUCTURES & IMPROV	PLT390	3,822,301	220,060	2,532,996
16	ACCT 391-OFFICE FURN & EQUIP	PLT391	8,729,632	502,588	5,785,028
17	ACCT 392-TRANSPORTATION EQUIP	PLT392	2,106,980	121,305	1,396,272
18	ACCT 393-STORES EQUIPMENT	PLT393	56,255	2,823	36,141
19	ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	2,635,609	132,269	1,693,216
20	ACCT 395-LABORATORY EQUIPMENT	PLT395	338,874	17,006	217,705
21	ACCT 397-COMMUNICATION EQUIP	PLT397	2,883,149	165,991	1,910,630
22	ACCT 398-MISCELLANEOUS EQUIP	PLT398	2,931,941	168,800	1,942,964
23	ACCT 376 MAINS & 380 SERVICES	PLT37680	558,167,898	25,997,069	360,897,241
24	TOTAL DISTRIBUTION PLANT	DISTRPLT	696,161,615	34,937,113	447,240,868
25	ACCT 381 - 384 METER & HSE REGUL	PLT3814	105,952,798	8,471,406	69,765,120
26	ACCT 871-879 DIST OPER EXP	EXP8719	7,401,089	410,979	4,636,855
27	REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	167,094,776	8,903,917	109,788,614
28	TOTAL GENERAL PLANT	GENPLT	23,790,097	1,347,271	15,704,054
29	TOTAL WORKING CASH EXPENSE	CWCEXP	95,917,695	4,702,740	62,843,464
30	ACCT 304-LAND & LAND RIGHTS	PLT304	208,196	2,687	148,203
31	ACCT 360-LAND & LAND RIGHTS	PLT360	249,472	3,095	156,577
32	ACCT 374-LAND & LAND RIGHTS	PLT374	768,799	11,245	397,789

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-26		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
1	TOTAL GAS PLANT IN SERVICE	PLANT	68,664,929	88,144,463	39,448,179	15,106,391	5,077,637	20,903,595
2	SUM OF ALLOCATED LABOR EXP	LABOR	4,232,119	4,782,338	2,039,406	789,633	298,247	1,214,500
3	ACCT 305-STRUCTURES & IMPROVE	PLT305	159,313	171,336	49,824	8,664	2,382	6,584
4	ACCT 311-LP GAS EQUIP	PLT311	116,472	125,262	36,426	6,334	1,741	4,814
5	ACCT 320-OTHER EQUIPMENT	PLT320	34,498	37,102	10,789	1,876	516	1,426
6	ACCT 375-GAS DIST STATION STR	PLT375	640,531	1,286,786	664,737	264,362	203,996	899,919
7	ACCT 376-MAINS	PLT376	29,053,380	58,338,750	30,148,279	11,968,683	3,394,683	14,975,479
8	ACCT 378-GAS MEAS & REG STA EQ	PLT378	1,064,383	2,138,279	1,104,608	439,296	338,985	1,495,415
9	ACCT 380-SERVICES	PLT380	17,538,153	4,929,520	583,326	205,716	44,846	92,586
10	ACCT 381-METERS	PLT381	6,520,016	5,789,234	1,224,145	385,767	185,498	302,313
11	ACCT 382-METER INSTALLATION	PLT382	5,894,887	5,234,171	1,106,776	348,780	167,713	273,328
12	ACCT 386-OTHER PROP CUST PREM	PLT386	28,904	58,067	29,996	11,929	9,205	40,609
13	ACCT 383-HOUSE REGULATORS	PLT383	55,596	49,364	10,438	3,289	1,582	2,578
14	ACCT 396-POWER OPERATED EQUIP	PLT396	0	0	0	0	0	0
15	ACCT 390-STRUCTURES & IMPROV	PLT390	338,806	382,854	163,266	63,215	23,876	97,228
16	ACCT 391-OFFICE FURN & EQUIP	PLT391	773,788	874,388	372,879	144,374	54,531	222,056
17	ACCT 392-TRANSPORTATION EQUIP	PLT392	186,761	211,042	89,998	34,846	13,161	53,595
18	ACCT 393-STORES EQUIPMENT	PLT393	4,975	6,406	2,877	1,125	369	1,540
19	ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	233,060	300,138	134,791	52,691	17,297	72,147
20	ACCT 395-LABORATORY EQUIPMENT	PLT395	29,966	38,590	17,331	6,775	2,224	9,276
21	ACCT 397-COMMUNICATION EQUIP	PLT397	255,560	288,786	123,151	47,683	18,010	73,339
22	ACCT 398-MISCELLANEOUS EQUIP	PLT398	259,885	293,673	125,235	48,490	18,315	74,580
23	ACCT 376 MAINS & 380 SERVICES	PLT37680	46,591,533	63,268,270	30,731,605	12,174,585	3,439,529	15,068,065
24	TOTAL DISTRIBUTION PLANT	DISTRPLT	61,559,845	79,277,412	35,603,315	13,917,599	4,568,720	19,056,744
25	ACCT 381 - 384 METER & HSE REGUL	PLT3814	12,543,269	11,137,383	2,355,022	742,143	356,863	581,593
26	ACCT 871-879 DIST OPER EXP	EXP8719	724,502	867,514	330,698	125,092	62,391	243,058
27	REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	14,389,253	17,654,305	7,876,475	3,060,937	1,062,703	4,358,572
28	TOTAL GENERAL PLANT	GENPLT	2,108,094	2,424,459	1,041,717	403,917	149,566	611,019
29	TOTAL WORKING CASH EXPENSE	CWCEXP	8,544,364	10,418,904	4,407,624	1,507,281	756,200	2,737,117
30	ACCT 304-LAND & LAND RIGHTS	PLT304	22,932	24,663	7,172	1,247	343	948
31	ACCT 360-LAND & LAND RIGHTS	PLT360	24,312	37,395	17,226	3,272	2,030	5,566
32	ACCT 374-LAND & LAND RIGHTS	PLT374	58,187	116,894	60,386	24,015	18,531	81,751

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INTERNALLY DEVELOPED CONT-27

1	ACCT 717-LP GAS EXPENSES	EXP717	50	1	35
2	ACCT 718-OTHER PROC PROD EXP	EXP718	0	0	0
3	ACCT 735-MISCELLANEOUS	EXP735	14,649	189	10,428
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	(14,605)	(189)	(10,396)
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	0	0	0
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	0	0	0
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	497,156	7,272	257,237
8	ACCT 873-COMP STA FUEL & POW	EXP873	(8,157)	(119)	(4,221)
9	ACCT 874-MAINS & SERVICE EXP	EXP874	2,553,769	118,944	1,651,203
10	ACCT 875-OPER STATION EXP - GEN	EXP875	728,731	10,659	377,058
11	ACCT 878-METER & HOUSE REG EXP	EXP878	3,381,890	270,397	2,226,822
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	2,621	242	1,949
13	ACCT 880-OTHER EXPENSE	EXP880	4,473,786	248,427	2,802,871
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	6,036,267	96,153	3,404,790
15	ACCT 889-MT OF M & R STA EQ	EXP889	313,438	4,584	162,178
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	4,669	68	2,416
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	134,264	1,964	69,470
18	ACCT 892-MAINTENANCE OF SERV	EXP892	4,466,537	441,886	3,517,628
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	1,401,686	112,071	922,947
20	ACCT 902-METER READING EXP	EXP902	654,140	64,151	511,406
21	ACCT 903-CUST RECORDS & COLL	EXP903	8,213,353	726,468	6,735,333
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	652,148	57,522	458,560
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	6,202,527	330,512	4,075,333
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	5,446,338	290,217	3,578,484
25	ACCT 920-ADMIN & GEN SALARY	EXP920	8,426,269	485,123	5,583,993
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	1,829,962	105,356	1,212,695
27	ACCT 930-MISC GEN EXP	EXP930	2,067,479	119,030	1,370,095
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	87,083	4,932	57,484
29	GAS PROD LABOR ACCTS 717-735	LABPO	0	0	0
30	GAS PROD LABOR ACCTS 741-743	LABPM	0	0	0
31	DIST LABOR OPER ACCT 871 - 880	LABDO	9,345,110	530,726	5,864,217
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	7,144,906	358,597	4,588,730
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	5,025,934	449,568	4,101,520
34	SALES LABOR ACCT 912 - 916	LABSA	617,755	36,093	402,385
35	TOTAL GAS PROD OPER LABOR	TLABPO	0	0	0
36	TOTAL GAS PROD MAINT LABOR	TLABPM	0	0	0
37	TOTAL DISTR OPER LABOR	TLABDO	9,471,118	537,882	5,943,290
38	TOTAL DISTR MAINT LABOR	TLABDM	7,857,207	394,347	5,046,198
39	TOTAL SALES LABOR	TLABSA	618,351	36,128	402,773
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-27							
ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24	
1	EXP717	5	6	2	0	0	
2	EXP718	0	0	0	0	0	
3	EXP735	1,614	1,735	505	88	67	
4	EXP741	(1,609)	(1,730)	(503)	(87)	(66)	
5	EXP742	0	0	0	0	0	
6	EXP743	0	0	0	0	0	
7	EXP871	37,628	75,592	39,050	15,530	11,984	
8	EXP873	(617)	(1,240)	(641)	(255)	(197)	
9	EXP874	213,169	289,469	140,605	55,702	15,737	
10	EXP875	55,155	110,802	57,239	22,764	17,566	
11	EXP878	400,367	355,492	75,170	23,688	11,391	
12	EXP879	253	135	25	8	3	
13	EXP880	437,945	524,392	199,899	75,615	37,714	
14	EXP887	498,107	1,000,191	516,878	205,201	58,200	
15	EXP889	23,723	47,658	24,619	9,791	7,555	
16	EXP890	353	710	367	146	113	
17	EXP891	10,162	20,415	10,546	4,194	3,236	
18	EXP892	380,106	106,838	12,642	4,459	972	
19	EXP893	165,939	147,340	31,155	9,818	4,721	
20	EXP902	46,370	25,640	3,906	1,545	372	
21	EXP903	561,091	137,606	32,436	8,410	3,960	
22	EXP908	82,847	19,404	20,878	8,095	1,580	
23	EXP904	534,126	655,324	292,373	113,621	39,447	
24	EXP904B	469,008	575,430	256,728	99,769	34,638	
25	EXP920	746,898	844,002	359,921	139,357	52,636	
26	EXP923	162,206	183,295	78,165	30,265	11,431	
27	EXP930	183,260	207,085	88,311	34,193	12,915	
28	EXP935	7,717	8,875	3,813	1,479	547	
29	LABPO	0	0	0	0	0	
30	LABPM	0	0	0	0	0	
31	LABDO	925,984	1,091,065	406,301	152,925	77,129	
32	LABDM	631,398	812,756	365,029	142,699	47,479	
33	LABCA	344,688	95,928	20,905	5,846	2,468	
34	LABSA	44,808	52,354	23,745	11,259	7,500	
35	TLABPO	0	0	0	0	0	
36	TLABPM	0	0	0	0	0	
37	TLABDO	938,470	1,105,777	411,779	154,987	78,169	
38	TLABDM	694,344	893,783	401,420	156,925	52,213	
39	TLABSA	44,851	52,404	23,768	11,270	7,507	
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

ALLOC

INTERNALLY DEVELOPED CONT-28

1	TOTAL CUST ACCTS LABOR	TLABCA	5,413,319	484,219	4,417,654
2	CUSTOMER SERVICE & INFO LABOR	TLABSE	734,046	64,746	516,147
3	ACCT 886-MAINT STRUCT & IMPROV	EXP886	0	0	0
4	ACCT 894-MAINT OF OTHER EQUIP	EXP894	62,651	916	32,417
5	ACCT 921-OFFICE SUPPLIES & EXP	EXP921	5,415,321	311,775	3,588,672
6	ACCT 926-EMPLOY PENSION & BENF	EXP926	14,650,655	843,478	9,708,823
7	ACCT 380-384-SERV.METRS & REGUL	PLT3804	312,039,623	28,860,122	232,069,081
8	ACCT 925-INJURIES & DAMAGES	EXP925	1,944,483	111,949	1,288,587
9	ACCT 302-GAS FRANCHISES & CON	PLT302	213,499	10,573	137,418
10	ACCT 303-MISC INTANGIBLE PLT - CIS	PLT303	1,240,160	71,399	821,840
11	ACCT 303-MISC INTANGIBLE PLT - SL	PLT303SL	28,673,625	1,650,818	19,001,687
12	ACCT 307-OTHER POWER EQUIP	PLT307	45,873	592	32,655
13	ACCT 361-STRUCTURES & IMPROV	PLT361	5,122,410	63,544	3,214,986
14	ACCT 362-GAS HOLDERS & LNG EQ	PLT362	5,486,864	68,065	3,443,728
15	ACCT 363-PURIFICATION EQUIP	PLT363	9,543,177	118,383	5,989,598
16	ACCT 377-DIST COMP STATION EQ	PLT377	248,656	3,637	128,659
17	ACCT 379-DIST MEAS & REG GS EQ	PLT379	7,311,159	106,935	3,782,916
18	ACCT 384-HOUSE REGUL. INSTALLS	PLT384	614,691	49,147	404,746
19	ACCT 385-IND MEAS & REG STA EQ	PLT385	317,555	4,645	164,308
20	ACCT 387-DIST OTHER EQUIP	PLT387	486,647	7,118	251,799
21	ACCT 389-LAND & LAND RIGHTS	PLT389	285,357	16,429	189,103
22	ACCT 378 & 379-GAS M & R STAT EQ	PLT3789	21,374,342	312,626	11,059,442
23	CUSTOMER ACCTS EXP 902 - 903	EXP9023	8,867,492	790,619	7,246,739
24	ACCT 840-OPERATION LABOR & EXP	EXP840	200,454	2,932	103,718
25	ACCT 876-OPER STAT EXP - INDUST	EXP876	245,079	3,585	126,808
26	ACCT 905-MISC CUST ACCTS EXP	EXP905	165,084	14,719	134,911
27	ACCT 910-CUST SERVICE MISC EXP	EXP910	411,991	36,339	289,693
28	ACCT 912-DEMO & SELLING EXP	EXP912	777,497	45,426	506,436
29	ACCT 916-MISC SALES EXP	EXP916	85,623	5,003	55,772
30	ACCT 924-PROPERTY INSURANCE	EXP924	10,823	536	6,966
31	ACCT 928-REGULATORY COMM EXP	EXP928	2,103,208	112,073	1,381,900
32	ACCT 929-DUPLICATE CHRNG - CREDIT	EXP929	779	45	516
33	ACCT 931-RENTS	EXP931	3,316,863	190,961	2,198,047
34	ACCT 844-LNG PROC TERM LAB & EXP	EXP844	1,032,073	15,095	534,012
35	ACCT 847-MAINT OF LNG PLT BLDGS	EXP847	223,540	3,270	115,663

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-28						
ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
1	TOTAL CUST ACCTS LABOR	371,255	22,516	6,296	2,658	5,398
2	CUSTOMER SERVICE & INFO LABOR	93,251	23,499	9,111	1,778	3,671
3	ACCT 886-MAINT STRUCT & IMPROV	0	0	0	0	0
4	ACCT 894-MAINT OF OTHER EQUIP	4,742	4,921	1,957	1,510	6,662
5	ACCT 921-OFFICE SUPPLIES & EXP	480,010	231,311	89,561	33,827	137,750
6	ACCT 926-EMPLOY PENSION & BENF	1,298,623	625,790	242,298	91,517	372,669
7	ACCT 380-384-SERV METRS & REGUL	30,081,422	2,938,347	947,859	401,709	674,179
8	ACCT 925-INJURIES & DAMAGES	172,357	83,057	32,159	12,146	49,462
9	ACCT 302-GAS FRANCHISES & CON	18,951	10,888	4,169	1,401	5,769
10	ACCT 303-MISC INTANGIBLE PLT - CIS	109,927	52,972	20,510	7,747	31,546
11	ACCT 303-MISC INTANGIBLE PLT - SL	2,541,608	1,224,770	474,216	179,113	729,371
12	ACCT 307-OTHER POWER EQUIP	5,053	1,580	275	76	209
13	ACCT 361-STRUCTURES & IMPROV	499,196	353,696	67,183	41,687	114,281
14	ACCT 362-GAS HOLDERS & LNG EQ	534,713	378,861	71,963	44,653	122,411
15	ACCT 363-PURIFICATION EQUIP	930,014	658,944	125,164	77,663	212,907
16	ACCT 377-DIST COMP STATION EQ	18,820	19,531	7,767	5,994	26,441
17	ACCT 379-DIST MEAS & REG GSEQ	553,351	574,263	228,381	176,231	777,435
18	ACCT 384-HOUSE REGUL INSTALLS	72,770	13,663	4,306	2,070	3,374
19	ACCT 385-IND MEAS & REG STA EQ	24,034	24,943	9,920	7,654	33,767
20	ACCT 387-DIST OTHER EQUIP	36,832	38,224	15,202	11,730	51,748
21	ACCT 389-LAND & LAND RIGHTS	25,294	12,189	4,719	1,783	7,259
22	ACCT 378 & 379-GAS M & R STAT EQ	1,617,734	1,678,871	667,676	515,216	2,272,850
23	CUSTOMER ACCTS EXP 902 - 903	607,460	36,342	9,956	4,332	8,798
24	ACCT 840-OPERATION LABOR & EXP	15,172	15,745	6,262	4,832	21,315
25	ACCT 876-OPER STAT EXP - INDUST	18,549	19,250	7,656	5,907	26,061
26	ACCT 905-MISC CUST ACCTS EXP	11,309	677	185	81	164
27	ACCT 910-CUST SERVICE MISC EXP	52,338	13,189	5,114	998	2,060
28	ACCT 912-DEMO & SELLING EXP	56,395	29,885	14,171	9,440	49,854
29	ACCT 916-MISC SALES EXP	6,211	3,291	1,561	1,040	5,490
30	ACCT 924-PROPERTY INSURANCE	961	552	211	71	292
31	ACCT 928-REGULATORY COMM EXP	181,116	99,141	38,528	13,376	54,861
32	ACCT 929-DUPLICATOR CHRG - CREDIT	69	33	13	5	20
33	ACCT 931-RENTS	294,004	141,677	54,856	20,719	84,371
34	ACCT 844-LNG PROC TERM LAB & EXP	78,113	81,065	32,239	24,878	109,746
35	ACCT 847-MAINT OF LNG PLT BLDGS	16,919	17,558	6,983	5,388	23,770
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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INTERNALLY DEVELOPED CONT-29		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13

1	REVENUES FROM GAS SALES				
2	REVENUES FIRM SALES OF GAS		147,518,783	5,667,862	95,683,304
3	BASE REVENUE SALES		118,427,919	5,214,786	88,698,216
4	BASE REVENUE F-1 TRANSP		10,943,705	0	0
5	BASE REVENUE F-2 TRANSP		7,314,621	0	0
6	GAS LIGHTING REVENUES		19,303	19,303	0
7	INFRASTRUCTURE, SAF & RELIAB (ISR)		6,924,425	350,694	4,363,542
8	RDA REVENUES		3,888,810	83,079	2,621,546
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11					
12					

REVENUE REQUIREMENT INPUTS					
1	CLAIMED RATE OF RETURN		8.243%	8.243%	
2	ANNUAL THERM SALES & TRANS		344,207,103	5,418,049	170,964,989
3	PROPOSED SALES REVENUES		167,093,787	6,527,893	109,708,322
4	TOTAL ANNUAL CUSTOMERS		3,009,373	304,280	2,425,678
5					

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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	ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
INTERNALLY DEVELOPED CONT-29							

REVENUES FROM GAS SALES							
1	REVENUES FIRM SALES OF GAS	12,926,597	17,479,846	7,525,883	2,355,908	1,351,881	4,527,502
2	BASE REVENUE SALES	11,980,486	9,747,742	1,990,361	540,651	47,002	208,675
3	BASE REVENUE F-1 TRANSP	0	2,125,802	2,706,270	1,098,594	1,123,062	3,889,977
4	BASE REVENUE F-2 TRANSP	0	3,941,467	2,422,231	587,198	123,145	240,580
5	GAS LIGHTING REVENUES	0	0	0	0	0	0
6	INFRASTRUCURE, SAF & RELIAB (ISR)	566,185	860,576	407,021	129,465	58,672	188,270
7	RDA REVENUES	379,925	804,259	0	0	0	0

REVENUE REQUIREMENT INPUTS

1 CLAIMED RATE OF RETURN	8.243%			8.243%	8.243%	8.243%	8.243%
2 ANNUAL THERM SALES & TRANS	24,776,962	52,450,019	25,898,807	8,232,838	12,329,000	8,315,525	44,053,752
3 PROPOSED SALES REVENUES	14,388,557	19,108,578	8,232,838	4,916	2,715,029	1,470,319	4,942,251
4 TOTAL ANNUAL CUSTOMERS	219,939	51,514			1,906	372	768
5							

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RATIO TABLE-30

CAPACITY RELATED

	ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
1 PRODUCTION ALLOCATORS				
2 DES DAY REMAINING DEMNDS - SALES		1.00000	0.01291	0.71185
3 LPG PROD ALLOC-PROD DD		1.00000	0.01291	0.71185
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5				
6 LPG PRODUCTION REM DEMAND DD	DEMLPG	1.00000	0.01291	0.71185
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9				
10 DESIGN WINTER ALLOC DTH NOV-MAR		1.00000	0.01191	0.65215
11				
12 LNG PROD ALLOC-PROD DES WN		1.00000	0.01191	0.65215
13 LNG PROD ALLOC-DISTR PRES SUP		1.00000	0.01463	0.51742
14				
15 LNG PROD DEM WEIGHTED ALLOC	DSWNLNG	1.00000	0.01241	0.62763
16 LNG PRESSURE SUPPORT PERCENT		18.20%		
17				
18				

DISTRIBUTION ALLOCATORS

1 DISTRIBUTION RSUM ALLOCATOR	DISTR	1.00000	0.01463	0.51742
2 DISTR RSUM ALLOC LESS THAN 4"	DISTR L4	1.00000	0.01680	0.59515
3 DISTR RSUM ALLOC PRESSURE SUP	DISTRPS	1.00000	0.01463	0.51742
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RATIO TABLE-30

CAPACITY RELATED

	ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
1 PRODUCTION ALLOCATORS							
2 DES DAY REMAINING DEMANDS - SALES		0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
3 LPG PROD ALLOC-PROD DD		0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
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5							
6 LPG PRODUCTION REM DEMAND DD	DEMLPG	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
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9							
10 DESIGN WINTER ALLOC DTH NOV-MAR		0.10230	0.14942	0.06694	0.00908	0.00459	0.00361
11							
12 LNG PROD ALLOC-PROD DES WN		0.10230	0.14942	0.06694	0.00908	0.00459	0.00361
13 LNG PROD ALLOC-DISTR PRES SUP		0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
14							
15 LNG PROD DEM WEIGHTED ALLOC	DSWNLNG	0.09745	0.14990	0.06905	0.01312	0.00814	0.02231
16 LNG PRESSURE SUPPORT PERCENT							
17							
18							

DISTRIBUTION ALLOCATORS

1 DISTRIBUTION RSUM ALLOCATOR	DISTR	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
2 DISTR RSUM ALLOC LESS THAN 4"	DISTR L4	0.08707	0.17480	0.09035	0.03583	0.00000	0.00000
3 DISTR RSUM ALLOC PRESSURE SUP	DISTRPS	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

TOTAL
COMPANY

RATIO TABLE CONT-31

COMMODITY RELATED

1 ANNUAL FIRM THERMS SALES
2 ANNUAL FIRM THERMS SALES & TRANS
3 DIRECT GAS COST ALLOCATOR
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0.00000

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0.49669
0.00000

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
	0.10112	0.12916	0.02956	0.01121	0.00158	0.00750
	0.07198	0.15238	0.07524	0.03582	0.02416	0.12799
	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

RATIO TABLE CONT-31

COMMODITY RELATED

1 ANNUAL FIRM THERMS SALES	EGAS
2 ANNUAL FIRM THERMS SALES & TRANS	
3 DIRECT GAS COST ALLOCATOR	
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

TOTAL
COMPANY

RATIO TABLE CONT-32

CUSTOMER RELATED

1	ACCT 380-SERVICES	CUST380	1.00000	0.78755
2	ACCT 381-METERS	CUST381	1.00000	0.65845
3	ACCT 382-METER INSTALLATION	CUST382	1.00000	0.65845
4	ACCT 383-HOUSE REGULATORS	CUST383	1.00000	0.65845
5	ACCT 384-HOUSE REGUL. INSTALLS	CUST384	1.00000	0.65845
6	ACCT 385-IND MEAS & REG STA EQ	CUST385	1.00000	0.51742
7	ACCT 386-OTHER PROP CUST PREM	CUST386	1.00000	0.51742
8	CUSTOMER DEPOSITS	CUSTDEP	1.00000	0.00471
9	ACCT 902-METER READ EXP	CUST902	1.00000	0.78180
10	ACCT 903-BILLING, POSTAGE & CALLS	CUST903	1.00000	0.80604
11	ACCT 903-CUST CREDIT & COLL	CUST903C	1.00000	0.05587
12	ACCT 908-CUST ASSISTANCE EXP	CUST908	1.00000	0.70315
13	ACCT 912-DEMO & SELLING EXP	CUST912	1.00000	0.65137
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RATIO TABLE CONT-32		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
CUSTOMER RELATED								
1	ACCT 380-SERVICES	CUST380	0.08510	0.02392	0.00283	0.00100	0.00022	0.00045
2	ACCT 381-METERS	CUST381	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
3	ACCT 382-METER INSTALLATION	CUST382	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
4	ACCT 383-HOUSE REGULATORS	CUST383	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
5	ACCT 384-HOUSE REGUL INSTALLS	CUST384	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
6	ACCT 385-IND MEAS & REG STA EQ	CUST385	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
7	ACCT 386-OTHER PROP CUST PREM	CUST386	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
8	CUSTOMER DEPOSITS	CUSTDEP	0.51194	0.39338	0.06185	0.01499	0.00000	0.01310
9	ACCT 902-METER READ EXP	CUST902	0.07089	0.03920	0.00597	0.00236	0.00057	0.00114
10	ACCT 903-BILLING, POSTAGE & CALLS	CUST903	0.07308	0.01712	0.00163	0.00063	0.00012	0.00026
11	ACCT 903-CUST CREDIT & COLL	CUST903C	0.05604	0.01582	0.00991	0.00203	0.00140	0.00285
12	ACCT 908-CUST ASSISTANCE EXP	CUST908	0.12704	0.02975	0.03201	0.01241	0.00242	0.00500
13	ACCT 912-DEMO & SELLING EXP	CUST912	0.07253	0.08475	0.03844	0.01823	0.01214	0.06412

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

RATIO TABLE CONT-33

EXTERNALLY DEVELOPED
UNCOLLECTIBLE ACCOUNTS

1	RESID NON HTG RATE 10,11 & 80	C904R1H	1.00000	0.00000
2	RESID HEATING RATE 12 7 13	C904RH	1.00000	1.00000
3	COMM & IND SMALL RATE 21	C904R21	1.00000	0.00000
4	COMM & IND MEDIUM RATE 22	C904R22	1.00000	0.00000
5	C & I LARGE LOW LOAD FAC RATE 33	C904R33	1.00000	0.00000
6	C & I LARGE HIGH LOAD FAC RATE 23	C904R23	1.00000	0.00000
7	C & I XLARGE LOW LOAD FAC RATE 34	C904R34	1.00000	0.00000
8	C & I XLARGE HIGH LOAD FAC RATE 24	C904R24	1.00000	0.00000

INTERNALLY DEVELOPED
LATE PAYMENT CHARGES

9	COMM & IND SMALL RATE 21	C488R21	1.00000	0.00000
10	COMM & IND MEDIUM RATE 22	C488R22	1.00000	0.00000
11	C & I LARGE LOW LOAD FAC RATE 33	C488R33	1.00000	0.00000
12	C & I LARGE HIGH LOAD FAC RATE 23	C488R23	1.00000	0.00000
13	C & I XLARGE LOW LOAD FAC RATE 34	C488R34	1.00000	0.00000
14	C & I XLARGE HIGH LOAD FAC RATE 24	C488R24	1.00000	0.00000
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RATIO TABLE CONT-33		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
EXTERNALLY DEVELOPED UNCOLLECTIBLE ACCOUNTS								
1	RESID NON HTG RATE 10.11 & 80	C904R21	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2	RESID HEATING RATE 12 7 13	C904R21	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
3	COMM & IND SMALL RATE 21	C904R21	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4	COMM & IND MEDIUM RATE 22	C904R22	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
5	C & I LARGE LOW LOAD FAC RATE 33	C904R33	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
6	C & I LARGE HIGH LOAD FAC RATE 23	C904R23	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
7	C & I X LARGE LOW LOAD FAC RATE 34	C904R34	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000
8	C & I X LARGE HIGH LOAD FAC RATE 24	C904R24	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
INTERNALLY DEVELOPED LATE PAYMENT CHARGES								
9	COMM & IND SMALL RATE 21	C488R21	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
10	COMM & IND MEDIUM RATE 22	C488R22	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
11	C & I LARGE LOW LOAD FAC RATE 33	C488R33	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
12	C & I LARGE HIGH LOAD FAC RATE 23	C488R23	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
13	C & I X LARGE LOW LOAD FAC RATE 34	C488R34	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000
14	C & I X LARGE HIGH LOAD FAC RATE 24	C488R24	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000

INTERNALLY DEVELOPED-34		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
1	TOTAL GAS PLANT IN SERVICE	PLANT	1.00000	0.04952	0.64365
2	SUM OF ALLOCATED LABOR EXP	LABOR	1.00000	0.05757	0.66269
3	ACCT 305-STRUCTURES & IMPROVE	PLT305	1.00000	0.01291	0.71185
4	ACCT 311-LP GAS EQUIP	PLT311	1.00000	0.01291	0.71185
5	ACCT 320-OTHER EQUIPMENT	PLT320	1.00000	0.01291	0.71185
6	ACCT 375-GAS DIST STATION STR	PLT375	1.00000	0.01463	0.51742
7	ACCT 376-MAINS	PLT376	1.00000	0.01593	0.56406
8	ACCT 378-GAS MEAS & REG STA EQ	PLT378	1.00000	0.01463	0.51742
9	ACCT 380-SERVICES	PLT380	1.00000	0.09893	0.78755
10	ACCT 381-METERS	PLT381	1.00000	0.07995	0.65845
11	ACCT 382-METER INSTALLATION	PLT382	1.00000	0.07995	0.65845
12	ACCT 386-OTHER PROP CUST PREM	PLT386	1.00000	0.01463	0.51742
13	ACCT 383-HOUSE REGULATORS	PLT383	1.00000	0.07995	0.65845
14	ACCT 396-POWER OPERATED EQUIP	PLT396	1.00000	0.00000	0.00000
15	ACCT 390-STRUCTURES & IMPROV	PLT390	1.00000	0.05757	0.66269
16	ACCT 391-OFFICE FURN & EQUIP	PLT391	1.00000	0.05757	0.66269
17	ACCT 392-TRANSPORTATION EQUIP	PLT392	1.00000	0.05757	0.66269
18	ACCT 393-STORES EQUIPMENT	PLT393	1.00000	0.05019	0.64244
19	ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	1.00000	0.05019	0.64244
20	ACCT 395-LABORATORY EQUIPMENT	PLT395	1.00000	0.05019	0.64244
21	ACCT 397-COMMUNICATION EQUIP	PLT397	1.00000	0.05757	0.66269
22	ACCT 398-MISCELLANEOUS EQUIP	PLT398	1.00000	0.05757	0.66269
23	ACCT 376 MAINS & 380 SERVICES	PLT37680	1.00000	0.04658	0.64657
24	TOTAL DISTRIBUTION PLANT	DISTRPLT	1.00000	0.05019	0.64244
25	ACCT 381 - 384 METER & HSE REGUL	PLT3814	1.00000	0.07995	0.65845
26	ACCT 871-879 DIST OPER EXP	EXP8719	1.00000	0.05553	0.62651
27	REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	1.00000	0.05329	0.65704
28	TOTAL GENERAL PLANT	GENPLT	1.00000	0.05663	0.66011
29	TOTAL WORKING CASH EXPENSE	CWCEXP	1.00000	0.04903	0.65518
30	ACCT 304-LAND & LAND RIGHTS	PLT304	1.00000	0.01291	0.71185
31	ACCT 360-LAND & LAND RIGHTS	PLT360	1.00000	0.01241	0.62763
32	ACCT 374-LAND & LAND RIGHTS	PLT374	1.00000	0.01463	0.51742
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-34	ALLOC	COMM & IND	COMM & IND	C & I LARGE	C & I LARGE	C & I X LARGE	C & I X LARGE
		SMALL	MEDIUM	LOW LOAD FAC	HIGH LOAD FAC	LOW LOAD FAC	HIGH LOAD FAC
		RATE 21	RATE 22	RATE 33	RATE 23	RATE 34	RATE 24
1 TOTAL GAS PLANT IN SERVICE	PLANT	0.08877	0.11395	0.05100	0.01953	0.00656	0.02702
2 SUM OF ALLOCATED LABOR EXP	LABOR	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
3 ACCT 305-STRUCTURES & IMPROVE	PLT305	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
4 ACCT 311-LP GAS EQUIP	PLT311	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
5 ACCT 320-OTHER EQUIPMENT	PLT320	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
6 ACCT 375-GAS DIST STATION STR	PLT375	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
7 ACCT 376-MAINS	PLT376	0.08252	0.16570	0.08563	0.03399	0.00964	0.04253
8 ACCT 378-GAS MEAS & REG STA EQ	PLT378	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
9 ACCT 380-SERVICES	PLT380	0.08510	0.02392	0.00283	0.00100	0.00022	0.00045
10 ACCT 381-METERS	PLT381	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
11 ACCT 382-METER INSTALLATION	PLT382	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
12 ACCT 386-OTHER PROP CUST PREM	PLT386	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
13 ACCT 383-HOUSE REGULATORS	PLT383	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
14 ACCT 396-POWER OPERATED EQUIP	PLT396	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15 ACCT 390-STRUCTURES & IMPROV	PLT390	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
16 ACCT 391-OFFICE FURN & EQUIP	PLT391	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
17 ACCT 392-TRANSPORTATION EQUIP	PLT392	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
18 ACCT 393-STORES EQUIPMENT	PLT393	0.08843	0.11388	0.05114	0.01999	0.00656	0.02737
19 ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	0.08843	0.11388	0.05114	0.01999	0.00656	0.02737
20 ACCT 395-LABORATORY EQUIPMENT	PLT395	0.08843	0.11388	0.05114	0.01999	0.00656	0.02737
21 ACCT 397-COMMUNICATION EQUIP	PLT397	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
22 ACCT 398-MISCELLANEOUS EQUIP	PLT398	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
23 ACCT 376 MAINS & 380 SERVICES	PLT37680	0.08347	0.11335	0.05506	0.02181	0.00616	0.02700
24 TOTAL DISTRIBUTION PLANT	DISTRPLT	0.08843	0.11388	0.05114	0.01999	0.00656	0.02737
25 ACCT 381 - 384 METER & HSE REGUL	PLT3814	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
26 ACCT 871-879 DIST OPER EXP	EXP8719	0.09789	0.11721	0.04468	0.01690	0.00843	0.03284
27 REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	0.08611	0.10565	0.04714	0.01832	0.00636	0.02608
28 TOTAL GENERAL PLANT	GENPLT	0.08861	0.10191	0.04379	0.01698	0.00629	0.02568
29 TOTAL WORKING CASH EXPENSE	CWCEXP	0.08908	0.10862	0.04595	0.01571	0.00788	0.02854
30 ACCT 304-LAND & LAND RIGHTS	PLT304	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
31 ACCT 360-LAND & LAND RIGHTS	PLT360	0.09745	0.14990	0.06905	0.01312	0.00814	0.02231
32 ACCT 374-LAND & LAND RIGHTS	PLT374	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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INTERNALLY DEVELOPED CONT-35		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
1	ACCT 717-LP GAS EXPENSES	EXP717	1.00000	0.01291	0.71185
2	ACCT 718-OTHER PROC PROD EXP	EXP718	0.00000	0.00000	0.00000
3	ACCT 735-MISCELLANEOUS	EXP735	1.00000	0.01291	0.71185
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	1.00000	0.01291	0.71185
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	0.00000	0.00000	0.00000
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	0.00000	0.00000	0.00000
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	1.00000	0.01463	0.51742
8	ACCT 873-COMP STA FUEL & POW	EXP873	1.00000	0.01463	0.51742
9	ACCT 874-MAINS & SERVICE EXP	EXP874	1.00000	0.04658	0.64657
10	ACCT 875-OPER STATION EXP - GEN	EXP875	1.00000	0.01463	0.51742
11	ACCT 878-METER & HOUSE REG EXP	EXP878	1.00000	0.07995	0.65845
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	1.00000	0.09249	0.74372
13	ACCT 880-OTHER EXPENSE	EXP880	1.00000	0.05553	0.62651
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	1.00000	0.01593	0.56406
15	ACCT 889-MT OF M & R STA EQ	EXP889	1.00000	0.01463	0.51742
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	1.00000	0.01463	0.51742
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	1.00000	0.01463	0.51742
18	ACCT 892-MAINTENANCE OF SERV	EXP892	1.00000	0.09893	0.78755
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	1.00000	0.07995	0.65845
20	ACCT 902-METER READING EXP	EXP902	1.00000	0.09807	0.78180
21	ACCT 903-CUST RECORDS & COLL	EXP903	1.00000	0.08845	0.82005
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	1.00000	0.08820	0.70315
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	1.00000	0.05329	0.65704
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	1.00000	0.05329	0.65704
25	ACCT 920-ADMIN & GEN SALARY	EXP920	1.00000	0.05757	0.66269
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	1.00000	0.05757	0.66269
27	ACCT 930-MISC GEN EXP	EXP930	1.00000	0.05757	0.66269
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	1.00000	0.05663	0.66011
29	GAS PROD LABOR ACCTS 717-735	LABPO	0.00000	0.00000	0.00000
30	GAS PROD LABOR ACCTS 741-743	LABPM	0.00000	0.00000	0.00000
31	DIST LABOR OPER ACCT 871 - 880	LABDO	1.00000	0.05679	0.62752
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	1.00000	0.05019	0.64224
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	1.00000	0.08945	0.81607
34	SALES LABOR ACCT 912 - 916	LABSA	1.00000	0.05843	0.65137
35	TOTAL GAS PROD OPER LABOR	TLABPO	0.00000	0.00000	0.00000
36	TOTAL GAS PROD MAINT LABOR	TLABPM	0.00000	0.00000	0.00000
37	TOTAL DISTR OPER LABOR	TLABDO	1.00000	0.05679	0.62752
38	TOTAL DISTR MAINT LABOR	TLABDM	1.00000	0.05019	0.64224
39	TOTAL SALES LABOR	TLABSA	1.00000	0.05843	0.65137
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-35		ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
1	ACCT 717-LP GAS EXPENSES	EXP717	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
2	ACCT 718-OTHER PROC PROD EXP	EXP718	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
3	ACCT 735-MISCELLANEOUS	EXP735	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
8	ACCT 873-COMP STA FUEL & POW	EXP873	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
9	ACCT 874-MAINS & SERVICE EXP	EXP874	0.08347	0.11335	0.05506	0.02181	0.00616	0.02700
10	ACCT 875-OPER STATION EXP - GEN	EXP875	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
11	ACCT 878-METER & HOUSE REG EXP	EXP878	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	0.09640	0.05149	0.00942	0.00304	0.00129	0.00216
13	ACCT 880-OTHER EXPENSE	EXP880	0.09789	0.11721	0.04468	0.01690	0.00843	0.03284
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	0.08252	0.16570	0.08563	0.03399	0.00964	0.04253
15	ACCT 889-MT OF M & R STA EQ	EXP889	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	0.08510	0.02392	0.00283	0.00100	0.00022	0.00045
18	ACCT 892-MAINTENANCE OF SERV	EXP892	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	0.07089	0.03920	0.00597	0.00236	0.00057	0.00114
20	ACCT 902-METER READING EXP	EXP902	0.06831	0.01675	0.00395	0.00102	0.00048	0.00098
21	ACCT 903-CUST RECORDS & COLL	EXP903	0.12704	0.02975	0.03201	0.01241	0.00242	0.00500
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	0.08611	0.10565	0.04714	0.01832	0.00636	0.02608
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	0.08611	0.10565	0.04714	0.01832	0.00636	0.02608
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
25	ACCT 920-ADMIN & GEN SALARY	EXP920	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
27	ACCT 930-MISC GEN EXP	EXP930	0.08861	0.10191	0.04379	0.01698	0.00629	0.02568
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
29	GAS PROD LABOR ACCTS 717-735	LABPO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
30	GAS PROD LABOR ACCTS 741-743	LABPM	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31	DIST LABOR OPER ACCT 871 - 880	LABDO	0.09909	0.11675	0.04348	0.01636	0.00825	0.03176
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	0.08837	0.11375	0.05109	0.01997	0.00665	0.02774
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	0.06858	0.01909	0.00416	0.00116	0.00049	0.00100
34	SALES LABOR ACCT 912 - 916	LABSA	0.07253	0.08475	0.03844	0.01823	0.01214	0.06412
35	TOTAL GAS PROD OPER LABOR	TLABPO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36	TOTAL GAS PROD MAINT LABOR	TLABPM	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37	TOTAL DISTR OPER LABOR	TLABDO	0.09909	0.11675	0.04348	0.01636	0.00825	0.03176
38	TOTAL DISTR MAINT LABOR	TLABDM	0.08837	0.11375	0.05109	0.01997	0.00665	0.02774
39	TOTAL SALES LABOR	TLABSA	0.07253	0.08475	0.03844	0.01823	0.01214	0.06412
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12 MONTHS ENDED JANUARY 31, 2014

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INTERNALLY DEVELOPED CONT-36		ALLOC	TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10,11 & 80	RESIDENTIAL HEATING RATE 12 & 13
1	TOTAL CUST ACCTS LABOR	TLABCA	1.00000	0.08945	0.81607
2	CUSTOMER SERVICE & INFO LABOR	TLABSE	1.00000	0.08820	0.70315
3	ACCT 886-MAINT STRUCT & IMPROV	EXP886	0.00000	0.00000	0.00000
4	ACCT 894-MAINT OF OTHER EQUIP	EXP894	1.00000	0.01463	0.51742
5	ACCT 921-OFFICE SUPPLIES & EXP	EXP921	1.00000	0.05757	0.66269
6	ACCT 926-EMPLOY PENSION & BENF	EXP926	1.00000	0.05757	0.66269
7	ACCT 380-384-SERV/METRS & REGUL	PLT3804	1.00000	0.09249	0.74372
8	ACCT 925-INJURIES & DAMAGES	EXP925	1.00000	0.05757	0.66269
9	ACCT 302-GAS FRANCHISES & CON	PLT302	1.00000	0.04952	0.64365
10	ACCT 303-MISC INTANGIBLE PLT - CIS	PLT303	1.00000	0.05757	0.66269
11	ACCT 303-MISC INTANGIBLE PLT - SL	PLT303SL	1.00000	0.05757	0.66269
12	ACCT 307-OTHER POWER EQUIP	PLT307	1.00000	0.01291	0.71185
13	ACCT 361-STRUCTURES & IMPROV	PLT361	1.00000	0.01241	0.62763
14	ACCT 362-GAS HOLDERS & LNG EQ	PLT362	1.00000	0.01241	0.62763
15	ACCT 363-PURIFICATION EQUIP	PLT363	1.00000	0.01241	0.62763
16	ACCT 377-DIST COMP STATION EQ	PLT377	1.00000	0.01463	0.51742
17	ACCT 379-DIST MEAS & REG GS EQ	PLT379	1.00000	0.01463	0.51742
18	ACCT 384-HOUSE REGUL INSTALLS	PLT384	1.00000	0.07995	0.65845
19	ACCT 385-IND MEAS & REG STA EQ	PLT385	1.00000	0.01463	0.51742
20	ACCT 387-DIST OTHER EQUIP	PLT387	1.00000	0.01463	0.51742
21	ACCT 389-LAND & LAND RIGHTS	PLT389	1.00000	0.05757	0.66269
22	ACCT 378 & 379-GAS M & R STAT EQ	PLT3789	1.00000	0.01463	0.51742
23	CUSTOMER ACCTS EXP 902 - 903	EXP9023	1.00000	0.08916	0.81723
24	ACCT 840-OPERATION LABOR & EXP	EXP840	1.00000	0.01463	0.51742
25	ACCT 876-OPER STAT EXP - INDUST	EXP876	1.00000	0.01463	0.51742
26	ACCT 905-MISC CUST ACCTS EXP	EXP905	1.00000	0.08916	0.81723
27	ACCT 910-CUST SERVICE MISC EXP	EXP910	1.00000	0.08820	0.70315
28	ACCT 912-DEMO & SELLING EXP	EXP912	1.00000	0.05843	0.65137
29	ACCT 916-MISC SALES EXP	EXP916	1.00000	0.05843	0.65137
30	ACCT 924-PROPERTY INSURANCE	EXP924	1.00000	0.04952	0.64365
31	ACCT 928-REGULATORY COMM EXP	EXP928	1.00000	0.05329	0.65704
32	ACCT 929-DUPLICATE CHRGR - CREDIT	EXP929	1.00000	0.05757	0.66269
33	ACCT 931-RENTS	EXP931	1.00000	0.05757	0.66269
34	ACCT 844-LNG PROC TERM LAB & EXP	EXP844	1.00000	0.01463	0.51742
35	ACCT 847-MAINT OF LNG PLT BLDGS	EXP847	1.00000	0.01463	0.51742

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOC		COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
INTERNALLY DEVELOPED CONT-36							
1	TOTAL CUST ACCTS LABOR	0.06858	0.01909	0.00416	0.00116	0.00049	0.00100
2	CUSTOMER SERVICE & INFO LABOR	0.12704	0.02975	0.03201	0.01241	0.00242	0.00500
3	ACCT 886-MAINT STRUCT & IMPROV	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4	ACCT 894-MAINT OF OTHER EQUIP	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
5	ACCT 921-OFFICE SUPPLIES & EXP	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
6	ACCT 926-EMPLOY PENSION & BENF	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
7	ACCT 380-384-SERV.METRS & REGUL	0.09640	0.05149	0.00942	0.00304	0.00129	0.00216
8	ACCT 925-INJURIES & DAMAGES	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
9	ACCT 302-GAS FRANCHISES & CON	0.08877	0.11395	0.05100	0.01953	0.00656	0.02702
10	ACCT 303-MISC INTANGIBLE PLT - CIS	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
11	ACCT 303-MISC INTANGIBLE PLT - SL	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
12	ACCT 307-OTHER POWER EQUIP	0.11015	0.11846	0.03445	0.00599	0.00165	0.00455
13	ACCT 361-STRUCTURES & IMPROV	0.09745	0.14990	0.06905	0.01312	0.00814	0.02231
14	ACCT 362-GAS HOLDERS & LNG EQ	0.09745	0.14990	0.06905	0.01312	0.00814	0.02231
15	ACCT 363-PURIFICATION EQUIP	0.09745	0.14990	0.06905	0.01312	0.00814	0.02231
16	ACCT 377-DIST COMP STATION EQ	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
17	ACCT 379-DIST MEAS & REG GS EQ	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
18	ACCT 384-HOUSE REGUL INSTALLS	0.11839	0.10512	0.02223	0.00700	0.00337	0.00549
19	ACCT 385-IND MEAS & REG STA EQ	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
20	ACCT 387-DIST OTHER EQUIP	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
21	ACCT 389-LAND & LAND RIGHTS	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
22	ACCT 378 & 379-GAS M & R STAT EQ	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
23	CUSTOMER ACCTS EXP 902 - 903	0.06850	0.01841	0.00410	0.00112	0.00049	0.00099
24	ACCT 840-OPERATION LABOR & EXP	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
25	ACCT 876-OPER STAT EXP - INDUST	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
26	ACCT 905-MISC CUST ACCTS EXP	0.06850	0.01841	0.00410	0.00112	0.00049	0.00099
27	ACCT 910-CUST SERVICE MISC EXP	0.12704	0.02975	0.03201	0.01241	0.00242	0.00500
28	ACCT 912-DEMO & SELLING EXP	0.07253	0.08475	0.03844	0.01823	0.01214	0.06412
29	ACCT 916-MISC SALES EXP	0.07253	0.08475	0.03844	0.01823	0.01214	0.06412
30	ACCT 924-PROPERTY INSURANCE	0.08877	0.11395	0.05100	0.01953	0.00656	0.02702
31	ACCT 928-REGULATORY COMM EXP	0.08611	0.10565	0.04714	0.01832	0.00636	0.02608
32	ACCT 929-DUPLICATE CHRNG - CREDIT	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
33	ACCT 931-RENTS	0.08864	0.10016	0.04271	0.01654	0.00625	0.02544
34	ACCT 844-LNG PROC TERM LAB & EXP	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634
35	ACCT 847-MAINT OF LNG PLT BLDGS	0.07569	0.15205	0.07855	0.03124	0.02410	0.10634

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

16-Apr-12 04:14 PM

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

INTERNALLY DEVELOPED CONT-37

REVENUES FROM GAS SALES
REVENUES FIRM SALES OF GAS

0.64862

0.03842

1.00000

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

16-Apr-12 04:14 PM

ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
	0.08763	0.11849	0.05102	0.01597	0.00916	0.03069

INTERNALLY DEVELOPED CONT-37

REVENUES FROM GAS SALES
REVENUES FIRM SALES OF GAS

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THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

SCHEDULE PMN-4

Total Functional Cost of Service Study

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

SUMMARY OF RESULTS-1									
	TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH		
RATE BASE									
1	773,551,949	343,740,096	429,811,853	3,072,077	16,695,110	3,918,918	406,125,747		
2	338,626,962	198,209,580	140,417,382	3,316,795	9,709,187	2,300,049	125,091,351		
3	434,924,987	145,530,516	289,394,471	(244,717)	6,985,923	1,618,869	281,034,396		
4	66,070,148	29,680,920	36,389,229	0	0	0	36,389,229		
5	5,584,444	2,061,889	3,522,555	0	0	0	3,522,555		
6	495,410,691	173,149,547	322,261,144	(244,717)	6,985,923	1,618,869	313,901,070		
ADD:									
7	3,257,435	1,463,349	1,794,086	0	0	0	1,794,086		
8	0	0	0	0	0	0	0		
9	404,000	179,524	224,476	1,604	8,719	2,047	212,106		
10	8,974,216	5,108,478	3,865,738	4,593	33,749	52,722	3,774,675		
DEDUCT:									
11	108,004,321	47,993,436	60,010,885	428,927	2,330,993	547,164	56,703,801		
12	25,475,687	11,320,526	14,155,161	101,174	549,827	129,063	13,375,097		
13	4,620,876	0	0	0	0	0	0		
14	0	0	0	0	0	0	0		
15	369,945,458	115,966,059	253,979,399	(768,621)	4,147,572	997,410	249,603,039		
DEVELOPMENT OF RETURN									
9	149,213,074	77,168,458	72,044,617	118,731	468,213	629,407	70,828,266		
10	2,914,691	807,981	2,106,710	5,397	719,198	164,495	1,217,620		
11	152,127,765	77,976,439	74,151,326	124,128	1,187,411	793,902	72,045,886		
LESS:									
12	0	0	0	0	0	0	0		
13	84,434,192	52,112,496	32,321,696	4,264	35,799	493,399	31,788,234		
14	29,811,204	13,572,764	16,238,440	109,048	592,648	148,603	15,388,141		
15	16,196,620	7,502,589	8,694,031	55,587	302,113	79,793	8,256,538		
16	3,787,749	453,481	3,334,268	(7,863)	47,770	15,106	3,279,255		
17	127,506	127,506	0	0	0	0	0		
18	134,357,272	73,768,836	60,588,436	161,036	978,330	736,902	58,712,168		
19	17,770,494	4,207,603	13,562,891	(36,908)	209,081	57,000	13,333,718		
20	4.80%	3.63%	5.34%	4.80%	5.04%	5.71%	5.34%		
21	1.000	1.000	1.000	1.000	1.000	1.000	1.000		

THE NARRAGANSETT ELE

d/b/a NATIONAL GRID

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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Docket No. R.I.P.U.C. _____
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

SUMMARY OF RESULTS-1

	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
RATE BASE						
1 GAS PLANT IN SERVICE	217,390,116	117,948,895	(1,032)	698,119	6,025,390	1,678,609
2 LESS: DEPREC & AMORT RES	141,323,276	51,138,609	(706)	477,626	4,122,337	1,148,439
3 NET UTILITY PLANT IN SERVICE	76,066,840	66,810,286	(326)	220,493	1,903,053	530,170
4 PLUS: CWIP	19,558,945	10,121,974	0	0	0	0
5 LESS: CONTRIB IN AID OF CONST	2,061,889	0	0	0	0	0
6 NET PLANT	93,563,897	76,932,260	(326)	220,493	1,903,053	530,170
ADD:						
7 MATERIALS & SUPPLIES	964,308	499,040	0	0	0	0
8 PREPAID EXPENSES	0	0	0	0	0	0
9 DEFERRED DEBITS	113,535	61,601	(1)	365	3,147	877
10 CASH WORKING CAPITAL	1,795,274	1,810,983	(8,805)	120,790	1,075,704	314,531
DEDUCT:						
11 ACCUMULATED DEFERRED FIT	30,352,288	16,468,177	(144)	97,472	841,273	234,370
12 MERGER HOLD HARMLESS ADJ	7,159,393	3,884,457	(34)	22,991	198,437	55,282
13 CUSTOMER DEPOSITS	0	0	4,620,876	0	0	0
14 INJURIES & DAMAGES RESERVE	0	0	0	0	0	0
15 RATE BASE	58,925,333	58,951,250	(4,629,829)	221,185	1,942,195	555,926
DEVELOPMENT OF RETURN						
9 SALES OF GAS TO ULTIMATE CUST	30,259,962	27,254,011	(271,751)	1,404,563	14,890,495	3,641,179
10 OTHER OPERATING REVENUES	423,979	336,138	(7,092)	4,105	33,488	17,362
11 TOTAL GAS OPERATING REVENUES	30,683,940	27,590,150	(278,844)	1,408,668	14,913,983	3,658,541
LESS:						
12 PURCHASED GAS COSTS	0	0	0	0	0	0
13 OTHER OPER & MAINT EXPENSE	15,927,798	17,537,697	(21,236)	1,300,110	13,976,773	3,391,354
14 DEPRECIATION & AMORTIZATION EXP	8,196,467	4,688,024	(85)	57,195	493,640	137,523
15 OTHER TAXES	4,382,478	2,603,160	(63)	42,958	370,765	103,291
16 INCOME TAXES	163,498	367,660	(87,711)	695	5,754	3,584
17 INTEREST ON CUSTOMER DEPOSITS	0	0	127,506	0	0	0
18 TOTAL OPERATING EXPENSE	28,670,242	25,196,541	18,410	1,400,958	14,846,932	3,635,752
19 OPERATING INCOME	2,013,698	2,393,609	(297,254)	7,710	67,051	22,789
20 RATE OF RETURN	3.42%	4.06%	6.42%	3.49%	3.45%	4.10%
21 RELATIVE RATE OF RETURN	1.000	1.000	1.000	1.000	1.000	1.000

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE-2				TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
GAS PLANT IN SERVICE										
INTANGIBLE PLANT										
1	302-GAS FRANCHISES & CONSENTS		213,499		94,871	118,627	848	4,608	1,082	112,090
2	303-MISC INTANGIBLE PLT - CIS		1,240,160		723,067	517,093	5	42	5,009	512,036
3	303-MISC INTANGIBLE PLT - SL		28,673,625		16,717,968	11,955,658	114	978	115,823	11,838,743
4	TOTAL INTANGIBLE PLANT		30,127,284		17,535,906	12,591,378	966	5,628	121,914	12,462,869
PRODUCTION PLANT LPG										
5	304-LAND & LAND RIGHTS		208,196		0	208,196	208,196	0	0	0
6	305-STRUCTURES & IMPROVEMENTS		1,446,351		0	1,446,351	1,446,351	0	0	0
7	307-OTHER POWER EQUIP		45,873		0	45,873	45,873	0	0	0
8	311-LPG GAS EQUIPMENT		1,057,412		0	1,057,412	1,057,412	0	0	0
9	320-OTHER EQUIPMENT		313,197		0	313,197	313,197	0	0	0
10	TOTAL PRODUCTION PLANT LPG		3,071,029		0	3,071,029	3,071,029	0	0	0
PRODUCTION PLANT LNG										
11	360-LAND & LAND RIGHTS		249,472		0	249,472	0	204,068	45,404	0
12	361-STRUCTURES & IMPROVEMENTS		5,122,410		0	5,122,410	0	4,190,132	932,279	0
13	362-GAS HOLDERS & LNG EQUIP		5,486,864		0	5,486,864	0	4,488,255	998,609	0
14	363-PURIFICATION EQUIP		9,543,177		0	9,543,177	0	7,806,319	1,736,858	0
15	TOTAL PRODUCTION PLANT LNG		20,401,924		0	20,401,924	0	16,688,774	3,713,150	0

DEVELOPMENT OF RATE BASE-2

INTANGIBLE PLANT

PRODUCTION PLANT LNG

360-LAND & LAND RIGHTS

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-3									
		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH	
DISTRIBUTION PLANT									
1	374-LAND & LAND RIGHTS	768,799	0	768,799	0	0	0	768,799	
2	375-GAS DIST STATION STRUCTURES	8,463,024	0	8,463,024	0	0	0	8,463,024	
3	376-MAINS 4' AND BELOW	211,248,644	0	211,248,644	0	0	0	211,248,644	
4	376-MAINS ABOVE 4"	140,832,429	0	140,832,429	0	0	0	140,832,429	
5	377-DIST COMP STATION EQ	248,656	0	248,656	0	0	0	248,656	
6	378-GAS MEAS & REG STATION EQ	14,063,183	0	14,063,183	0	0	0	14,063,183	
7	379-DIST MEAS & REG GS EQ	7,311,159	0	7,311,159	0	0	0	7,311,159	
8	380-SERVICES	206,086,825	0	206,086,825	0	0	0	0	
9	381-METERS	55,074,476	0	55,074,476	0	0	0	0	
10	382-METER INSTALLATION	49,794,015	0	49,794,015	0	0	0	0	
11	383-HOUSE REGULATORS	469,616	0	469,616	0	0	0	0	
12	384-HOUSE REGULATORS INSTALLS	614,691	0	614,691	0	0	0	0	
13	385-IND MEAS & REG STA EQUIP	317,555	0	317,555	0	0	0	0	
14	386-OTHER PROP CUST PREM	381,896	0	381,896	0	0	0	0	
15	387-DIST OTHER EQUIP	486,647	0	486,647	0	0	0	486,647	
16	TOTAL DISTRIBUTION PLANT	696,161,615	312,739,074	383,422,541	0	0	0	383,422,541	
GENERAL PLANT									
17	389-LAND & LAND RIGHTS	285,357	166,375	118,981	1	10	1,153	117,818	
18	390-STRUCTURES & IMPROV	3,822,301	2,228,567	1,593,734	15	130	15,440	1,578,149	
19	391-OFFICE EQUIPMENT	8,729,632	5,089,754	3,639,878	35	298	35,262	3,604,283	
20	392-TRANSPORTATION EQUIP	2,106,980	1,228,461	878,519	8	72	8,511	869,928	
21	393-STORES EQUIPMENT	56,255	25,272	30,984	0	0	0	30,984	
22	394-TOOLS, SHOP & GARAGE EQ	2,635,609	1,184,004	1,451,605	0	0	0	1,451,605	
23	395-LABORATORY EQUIPMENT	338,874	152,233	186,640	0	0	0	186,640	
24	396-POWER OPERATED EQUIP	0	0	0	0	0	0	0	
25	397-COMMUNICATION EQUIP	2,883,149	1,681,001	1,202,148	11	98	11,646	1,190,392	
26	398-MISCELLANEOUS EQUIP	2,931,941	1,709,449	1,222,492	12	100	11,843	1,210,538	
27	399-OTHER INTANGIBLE PLANT	0	0	0	0	0	0	0	
28	TOT GENERAL PLANT	23,790,097	13,465,116	10,324,981	82	708	83,854	10,240,337	
29	TOTAL GAS PLANT IN SERVICE	773,551,949	343,740,096	429,811,853	3,072,077	16,695,110	3,918,918	406,125,747	

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2010

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
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DEVELOPMENT OF RATE BASE CONT-3						
			CUST SERV	CUST METERS	CUST DEPOSIT	CUST MET READ
						CUST RECORD
						CUST INFO
DISTRIBUTION PLANT						
1	374-LAND & LAND RIGHTS	DISTR	0	0	0	0
2	375-GAS DIST STATION STRUCTURES	DISTR	0	0	0	0
3	376-MAINS 4' AND BELOW	DISTR L4	0	0	0	0
4	376-MAINS ABOVE 4"	DISTR	0	0	0	0
5	377-DIST COMP STATION EQ	DISTR	0	0	0	0
6	378-GAS MEAS & REG STATION EQ	DISTR	0	0	0	0
7	379-DIST MEAS & REG GS EQ	DISTR	0	0	0	0
8	380-SERVICES	CUST380	206,086,825	0	0	0
9	381-METERS	CUST381	0	55,074,476	0	0
10	382-METER INSTALLATION	CUST382	0	49,794,015	0	0
11	383-HOUSE REGULATORS	CUST383	0	469,616	0	0
12	384-HOUSE REGULATORS INSTALLS	CUST384	0	614,691	0	0
13	385-IND MEAS & REG STA EQUIP	CUST385	0	317,555	0	0
14	386-OTHER PROP CUST PREM	CUST386	0	381,896	0	0
15	387-DIST OTHER EQUIP	DISTR	0	0	0	0
16	TOTAL DISTRIBUTION PLANT		206,086,825	106,652,249	0	0
GENERAL PLANT						
17	389-LAND & LAND RIGHTS	LABOR	58,262	60,817	(6)	3,930
18	390-STRUCTURES & IMPROV	LABOR	780,411	814,633	(78)	52,645
19	391-OFFICE EQUIPMENT	LABOR	1,782,356	1,860,514	(178)	120,234
20	392-TRANSPORTATION EQUIP	LABOR	430,189	449,053	(43)	29,020
21	393-STORES EQUIPMENT	DISTRPLT	16,653	8,618	0	0
22	394-TOOLS, SHOP & GARAGE EQ	DISTRPLT	780,227	403,776	0	0
23	395-LABORATORY EQUIPMENT	DISTRPLT	100,318	51,916	0	0
24	396-POWER OPERATED EQUIP	DISTRPLT	0	0	0	0
25	397-COMMUNICATION EQUIP	LABOR	588,662	614,475	(59)	39,710
26	398-MISCELLANEOUS EQUIP	LABOR	598,624	624,874	(60)	40,382
27	399-OTHER INTANGIBLE PLANT	LABOR	0	0	0	0
28	TOT GENERAL PLANT		5,135,701	4,888,677	(423)	285,921
29	TOTAL GAS PLANT IN SERVICE		217,390,116	117,948,895	(1,032)	698,119
						6,025,390
						1,678,609

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

			TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DEVELOPMENT OF RATE BASE CONT-4									
DEPRECIATION & AMORTIZATION RESERVE									
INTANGIBLE PLANT RESERVE									
1	302-GAS FRANCHISES & CONSENTS	PLT302	2,690	1,195	1,494	11	58	14	1,412
2	303-MISC INTANGIBLE PLT - CIS	PLT303	2,390,372	1,393,691	996,682	9	82	9,656	986,935
3	303-MISC INTANGIBLE PLT - SL	PLT303SL	21,768,850	12,692,184	9,076,666	86	743	87,932	8,987,905
4	TOT INTANGIBLE PLT RESERVE		24,161,912	14,087,070	10,074,842	106	882	97,601	9,976,252
PRODUCTION PLANT LPG									
5	304-LAND & LAND RIGHTS	PLT304	3,519	0	3,519	3,519	0	0	0
6	305-STRUCTURES	PLT305	3,013,096	0	3,013,096	3,013,096	0	0	0
7	307-OTHER POWER EQUIP	PLT307	86,677	0	86,677	86,677	0	0	0
8	311-LPG GAS EQUIPMENT	PLT311	142,117	0	142,117	142,117	0	0	0
9	320-OTHER EQUIPMENT	PLT320	70,668	0	70,668	70,668	0	0	0
10	TOTAL PRODUCTION RESERVE		3,316,076	0	3,316,076	3,316,076	0	0	0
PRODUCTION PLANT LNG									
11	360-LAND & LAND RIGHTS	PLT360	13,351	0	13,351	0	10,921	2,430	0
12	361-STRUCTURES & IMPROVEMENTS	PLT361	2,040,418	0	2,040,418	0	1,669,062	371,356	0
13	362-GAS HOLDERS & LNG EQUIP	PLT362	5,347,486	0	5,347,486	0	4,374,244	973,242	0
14	363-PURIFICATION EQUIP	PLT363	4,462,858	0	4,462,858	0	3,650,618	812,240	0
15	TOTAL PRODUCTION PLANT LNG		11,864,113	0	11,864,113	0	9,704,844	2,159,269	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-4		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
DEPRECIATION & AMORTIZATION RESERVE							
INTANGIBLE PLANT RESERVE							
1	302-GAS FRANCHISES & CONSENTS	756	410	(0)	2	21	6
2	303-MISC INTANGIBLE PLT - CIS	488,050	509,451	(49)	32,923	284,153	79,162
3	303-MISC INTANGIBLE PLT - SL	4,444,614	4,639,515	(443)	299,824	2,587,753	720,920
4	TOT INTANGIBLE PLT RESERVE	4,933,419	5,149,377	(492)	332,750	2,871,928	800,088
PRODUCTION PLANT LPG							
5	304-LAND & LAND RIGHTS	0	0	0	0	0	0
6	305-STRUCTURES	0	0	0	0	0	0
7	307-OTHER POWER EQUIP	0	0	0	0	0	0
8	311-LPG GAS EQUIPMENT	0	0	0	0	0	0
9	320-OTHER EQUIPMENT	0	0	0	0	0	0
10	TOTAL PRODUCTION RESERVE	0	0	0	0	0	0
PRODUCTION PLANT LNG							
11	360-LAND & LAND RIGHTS	0	0	0	0	0	0
12	361-STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0
13	362-GAS HOLDERS & LNG EQUIP	0	0	0	0	0	0
14	363-PURIFICATION EQUIP	0	0	0	0	0	0
15	TOTAL PRODUCTION PLANT LNG	0	0	0	0	0	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-5		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DISTRIBUTION PLANT RESERVE								
1	374-LAND & LAND RIGHTS	12,993	0	12,993	0	0	0	12,993
2	375-GAS DIST STATION STRUCTURES	6,309,398	0	6,309,398	0	0	0	6,309,398
3	376-MAINS	101,006,359	0	101,006,359	0	0	0	101,006,359
4	377-DIST COMP STATION EQ	678,826	0	678,826	0	0	0	678,826
5	378-GAS MEAS & REG STATION EQ	1,777,381	0	1,777,381	0	0	0	1,777,381
6	379-DIST MEAS & REG GS EQ	3,728,748	0	3,728,748	0	0	0	3,728,748
7	380-SERVICES	135,941,898	0	0	0	0	0	0
8	381-METERS	28,642,746	0	0	0	0	0	0
9	382-METER INSTALLATION	14,346,000	0	0	0	0	0	0
10	383-HOUSE REGULATORS	542,281	0	0	0	0	0	0
11	384-HOUSE REGULATORS INSTALLS	454,005	0	0	0	0	0	0
12	385-IND MEAS & REG STA EQUIP	301,913	0	0	0	0	0	0
13	386-OTHER PROP CUST PREM	340,071	0	0	0	0	0	0
14	387-DIST OTHER EQUIP	420,673	0	420,673	0	0	0	420,673
15	TOTAL DISTRIBUTION PLANT	294,503,291	180,568,913	113,934,377	0	0	0	113,934,377
GENERAL PLT RESERVE								
16	389-LAND & LAND RIGHTS	(242,057)	(141,130)	(100,927)	(1)	(8)	(978)	(99,940)
17	390-STRUCTURES & IMPROV	(261,348)	(152,377)	(108,971)	(1)	(9)	(1,056)	(107,905)
18	391-OFFICE EQUIPMENT	6,297,885	3,671,940	2,625,945	25	215	25,439	2,600,266
19	392-TRANSPORTATION EQUIP	978,876	570,727	408,149	4	33	3,954	404,157
20	393-STORES EQUIPMENT	44,748	20,102	24,646	0	0	0	24,646
21	394-TOOLS, SHOP & GARAGE EQ	529,342	237,798	291,544	0	0	0	291,544
22	395-LABORATORY EQUIPMENT	192,087	86,292	105,795	0	0	0	105,795
23	396-POWER OPERATED EQUIP	(3,938)	(1,769)	(2,169)	0	0	0	(2,169)
24	397-COMMUNICATION EQUIP	2,644,779	1,542,021	1,102,758	10	90	10,683	1,091,974
25	398-MISCELLANEOUS EQUIP	1,091,208	636,222	454,986	4	37	4,408	450,537
26	TOTAL GENERAL PLT RESERVE	11,271,582	6,469,826	4,801,756	42	359	42,451	4,758,905
27	RWP				0	0	0	(3,653,649)
28	RESERVE ADJUSTMENT	(6,633,753)	(2,980,104)	(3,653,649)	571	3,102	728	75,466
29	TOTAL DEPRECIATION RESERVE	338,626,962	198,209,580	140,417,382	3,316,795	9,709,187	2,300,049	125,091,351

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-5									
		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO		
DISTRIBUTION PLANT RESERVE									
1	374-LAND & LAND RIGHTS	0	0	0	0	0	0	0	0
2	375-GAS DIST STATION STRUCTURES	0	0	0	0	0	0	0	0
3	376-MAINS	0	0	0	0	0	0	0	0
4	377-DIST COMP STATION EQ	0	0	0	0	0	0	0	0
5	378-GAS MEAS & REG STATION EQ	0	0	0	0	0	0	0	0
6	379-DIST MEAS & REG GS EQ	0	0	0	0	0	0	0	0
7	380-SERVICES	135,941,898	0	0	0	0	0	0	0
8	381-METERS	0	28,642,746	0	0	0	0	0	0
9	382-METER INSTALLATION	0	14,346,000	0	0	0	0	0	0
10	383-HOUSE REGULATORS	0	542,281	0	0	0	0	0	0
11	384-HOUSE REGULATORS INSTALLS	0	454,005	0	0	0	0	0	0
12	385-IND MEAS & REG STA EQUIP	0	301,913	0	0	0	0	0	0
13	386-OTHER PROP CUST PREM	0	340,071	0	0	0	0	0	0
14	387-DIST OTHER EQUIP	0	0	0	0	0	0	0	0
15	TOTAL DISTRIBUTION PLANT	135,941,898	44,627,016	0	0	0	0	0	0
GENERAL PLT RESERVE									
16	389-LAND & LAND RIGHTS	PLT389	(49,421)	5	(3,334)	(28,774)	(8,016)		
17	390-STRUCTURES & IMPROV	PLT390	(53,360)	5	(3,600)	(31,067)	(8,655)		
18	391-OFFICE EQUIPMENT	PLT391	1,285,859	(128)	86,741	748,656	208,567		
19	392-TRANSPORTATION EQUIP	PLT392	199,860	(20)	13,482	116,363	32,417		
20	393-STORES EQUIPMENT	PLT393	13,247	0	0	0	0		
21	394-TOOLS, SHOP & GARAGE EQ	PLT394	156,703	0	0	0	0		
22	395-LABORATORY EQUIPMENT	PLT395	56,864	0	0	0	0		
23	396-POWER OPERATED EQUIP	DISTRPLT	(1,166)	0	0	0	0		
24	397-COMMUNICATION EQUIP	PLT397	539,993	(54)	36,427	314,396	87,587		
25	398-MISCELLANEOUS EQUIP	PLT398	222,795	(22)	15,029	129,716	36,138		
26	TOTAL GENERAL PLT RESERVE		2,371,373	(214)	144,746	1,249,289	348,039		
27	RWP		(1,963,810)	0	0	0	0		
28	RESERVE ADJUSTMENT		40,395	(0)	130	1,120	312		
29	TOTAL DEPRECIATION RESERVE		141,323,276	(706)	477,626	4,122,337	1,148,439		

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DEVELOPMENT OF RATE BASE CONT-6								
1	TOTAL GAS PLANT IN SERVICE	773,551,949	343,740,096	429,811,853	3,072,077	16,695,110	3,918,918	406,125,747
2	LESS: ACCUM DEPREC RESERVE	338,626,962	198,209,580	140,417,382	3,316,795	9,709,187	2,300,049	125,091,351
3	NET UTILITY PLANT IN SERVICE	434,924,987	145,530,516	289,394,471	(244,717)	6,985,923	1,618,869	281,034,396
4	PLUS: CWIP	66,070,148	29,680,920	36,389,229	0	0	0	36,389,229
5	LESS: CONTRIB IN AID OF CONST	5,584,444	2,061,889	3,522,555	0	0	0	3,522,555
6	NET PLANT	495,410,691	173,149,547	322,261,144	(244,717)	6,985,923	1,618,869	313,901,070
ADDITIONS TO NET PLANT								
7	MATERIALS & SUPPLIES	3,257,435	1,463,349	1,794,086	0	0	0	1,794,086
8	PREPAID EXPENSES	0	0	0	0	0	0	0
9	DEFERRED DEBITS	404,000	179,524	224,476	1,604	8,719	2,047	212,106
10	CASH WORKING CAPITAL	8,974,216	5,108,478	3,865,738	4,593	33,749	52,722	3,774,675
11	TOTAL ADDITIONS TO NET PLT	12,635,651	6,751,350	5,884,301	6,197	42,469	54,768	5,780,867

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-6		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	TOTAL GAS PLANT IN SERVICE	217,390,116	117,948,895	(1,032)	698,119	6,025,390	1,678,609
2	LESS: ACCUM DEPREC RESERVE	141,323,276	51,138,609	(706)	477,626	4,122,337	1,148,439
3	NET UTILITY PLANT IN SERVICE	76,066,840	66,810,286	(326)	220,493	1,903,053	530,170
4	PLUS: CWIP	19,558,945	10,121,974	0	0	0	0
5	LESS: CONTRIB IN AID OF CONST	2,061,889	0	0	0	0	0
6	NET PLANT	93,563,897	76,932,260	(326)	220,493	1,903,053	530,170
ADDITIONS TO NET PLANT							
7	MATERIALS & SUPPLIES	964,308	499,040	0	0	0	0
8	PREPAID EXPENSES	0	0	0	0	0	0
9	DEFERRED DEBITS	113,535	61,601	(1)	365	3,147	877
10	CASH WORKING CAPITAL	1,795,274	1,810,983	(8,805)	120,790	1,075,704	314,531
11	TOTAL ADDITIONS TO NET PLT	2,873,118	2,371,624	(8,805)	121,155	1,078,851	315,408

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-7		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DEDUCTIONS TO NET PLANT								
1	ACCUMULATED DEFERRED FIT	108,004,321	47,993,436	60,010,885	428,927	2,330,993	547,164	56,703,801
2	MERGER HOLD HARMLESS ADJ	25,475,687	11,320,526	14,155,161	101,174	549,827	129,063	13,375,097
3	CUSTOMER DEPOSITS	4,620,876	4,620,876	0	0	0	0	0
4	INJURIES & DAMAGES RESERVE	0	0	0	0	0	0	0
5	TOTAL DEDUCTIONS TO NET PLT	138,100,884	63,934,838	74,166,046	530,101	2,880,819	676,228	70,078,898
6	TOTAL RATE BASE	369,945,458	115,966,059	253,979,399	(768,621)	4,147,572	997,410	249,603,039

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVELOPMENT OF RATE BASE CONT-7		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
DEDUCTIONS TO NET PLANT							
1	ACCUMULATED DEFERRED FIT	30,352,288	16,468,177	(144)	97,472	841,273	234,370
2	MERGER HOLD HARMLESS ADJ	7,159,393	3,884,457	(34)	22,991	198,437	55,282
3	CUSTOMER DEPOSITS	0	0	4,620,876	0	0	0
4	INJURIES & DAMAGES RESERVE	0	0	0	0	0	0
5	TOTAL DEDUCTIONS TO NET PLT	37,511,682	20,352,634	4,620,698	120,464	1,039,709	289,652
6	TOTAL RATE BASE	58,925,333	58,951,250	(4,629,829)	221,185	1,942,195	555,926

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUES-8		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
GAS OPERATING REVENUES								
1	TOTAL FIRM SALES OF GAS	147,518,783	77,168,458	70,350,325	118,731	468,213	629,407	69,133,974
2	SPECIAL CONTRACT	182,083	0	182,083	0	0	0	182,083
3	NON FIRM MARGINS	1,512,209	0	1,512,209	0	0	0	1,512,209
4	TOTAL REVENUE SALES OF GAS	149,213,074	77,168,458	72,044,617	118,731	468,213	629,407	70,828,266
OTHER OPERATING REVENUES								
LATE PAYMENT CHARGES								
5	C & I SMALL RATE 21	251,204	135,549	115,655	148	1,186	874	113,447
6	C & I MEDIUM RATE 22	338,781	84,684	254,097	174	1,903	1,926	250,092
7	C & I LARGE LLF RATE 33	103,701	13,177	90,524	35	589	687	89,214
8	C & I LARGE HLF RATE 23	34,066	3,777	30,289	5	68	231	29,985
9	C & I XLARGE LLF RATE 34	15,900	2,428	13,472	2	46	239	13,185
10	C & I XLARGE HLF RATE 24	64,103	5,890	58,213	5	35	1,037	57,135
11	TOTAL LATE PAYMENT CHARGES	807,755	245,504	562,251	370	3,827	4,995	553,058
12	ALGONQUIN LNG DISPLACEMENT	841,139	0	841,139	0	688,052	153,087	0
13	RENTAL EXPENSE	305,178	135,611	169,567	1,212	6,586	1,546	160,223
14	AFUDC - EQUITY/DEBT	960,168	426,666	533,502	3,813	20,723	4,864	504,102
15	OTHER	451	200	251	2	10	2	237
16	TOTAL OTHER OPERATING REV	2,914,691	807,981	2,106,710	5,397	719,198	164,495	1,217,620
17	TOTAL GAS OPERATING REVENUE	152,127,765	77,976,439	74,151,326	124,128	1,187,411	793,902	72,045,886

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUES-8		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
GAS OPERATING REVENUES							
1	TOTAL FIRM SALES OF GAS	30,259,962	27,254,011	(271,751)	1,404,563	14,880,495	3,641,179
2	SPECIAL CONTRACT	0	0	0	0	0	0
3	NON FIRM MARGINS	0	0	0	0	0	0
4	TOTAL REVENUE SALES OF GAS	30,259,962	27,254,011	(271,751)	1,404,563	14,880,495	3,641,179
OTHER OPERATING REVENUES							
LATE PAYMENT CHARGES							
5	C & I SMALL RATE 21	50,638	62,651	(3,587)	1,730	17,628	6,488
6	C & I MEDIUM RATE 22	15,621	62,515	(3,030)	1,050	4,743	3,784
7	C & I LARGE LLF RATE 33	1,276	9,676	(329)	110	770	1,673
8	C & I LARGE HLF RATE 23	381	2,647	(67)	37	169	610
9	C & I XLARGE LLF RATE 34	111	1,828	0	12	107	370
10	C & I XLARGE HLF RATE 24	226	3,815	(78)	24	213	1,690
11	TOTAL LATE PAYMENT CHARGES	68,254	143,133	(7,090)	2,963	23,629	14,615
12	ALGONQUIN LNG DISPLACEMENT	0	0	0	0	0	0
13	RENTAL EXPENSE	85,764	46,533	(0)	275	2,377	662
14	AFUDC - EQUITY/DEBT	269,835	146,404	(1)	867	7,479	2,084
15	OTHER	127	69	(0)	0	4	1
16	TOTAL OTHER OPERATING REV	423,979	336,138	(7,092)	4,105	33,488	17,362
17	TOTAL GAS OPERATING REVENUE	30,683,940	27,590,150	(278,844)	1,408,668	14,913,983	3,658,541

OPER & MAINT EXPENSE-9		TOTAL DELIVERY		CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
OPERATION & MAINTENANCE EXPENSE									
LIQUEFIED PROPANE GAS PRODUCTION									
OPERATION EXPENSE									
1	710-SUPERVISION	0	0	0	0	0	0	0	0
2	717-LP GAS EXPENSES	50	50	0	50	50	0	0	0
3	718-OTHER PROCESS PROD EXP	0	0	0	0	0	0	0	0
4	723-FUEL LPG GAS PROCESS	0	0	0	0	0	0	0	0
5	728-LIQUID PETROLEUM GAS	0	0	0	0	0	0	0	0
6	735-MISCELLANEOUS	14,649	14,649	0	14,649	14,649	0	0	0
7	736-RENTS	0	0	0	0	0	0	0	0
8	TOTAL OPERATION EXPENSE	14,698	14,698	0	14,698	14,698	0	0	0
MAINTENANCE									
9	740-SUPERVISION	0	0	0	0	0	0	0	0
10	741-MAINTENANCE OF PLANT	(14,605)	(14,605)	0	(14,605)	(14,605)	0	0	0
11	742-MAINT OF EQUIPMENT	0	0	0	0	0	0	0	0
12	743-GAS SYSTEM PROD TRAINING	0	0	0	0	0	0	0	0
13	TOTAL MAINTENANCE EXPENSE	(14,605)	(14,605)	0	(14,605)	(14,605)	0	0	0
14	TOTAL MANUF GAS PROD EXP	94	94	0	94	94	0	0	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
OPER & MAINT EXPENSE-9							
OPERATION & MAINTENANCE EXPENSE							
LIQUEFIED PROPANE GAS PRODUCTION							
OPERATION EXPENSE							
1	710-SUPERVISION	0	0	0	0	0	0
2	717-LP GAS EXPENSES	0	0	0	0	0	0
3	718-OTHER PROCESS PROD EXP	0	0	0	0	0	0
4	723-FUEL LPG GAS PROCESS	0	0	0	0	0	0
5	728-LIQUID PETROLEUM GAS	0	0	0	0	0	0
6	735-MISCELLANEOUS	0	0	0	0	0	0
7	736-RENTS	0	0	0	0	0	0
8	TOTAL OPERATION EXPENSE	0	0	0	0	0	0
MAINTENANCE							
9	740-SUPERVISION	0	0	0	0	0	0
10	741-MAINTENANCE OF PLANT	0	0	0	0	0	0
11	742-MAINT OF EQUIPMENT	0	0	0	0	0	0
12	743-GAS SYSTEM PROD TRAINING	0	0	0	0	0	0
13	TOTAL MAINTENANCE EXPENSE	0	0	0	0	0	0
14	TOTAL MANUF GAS PROD EXP	0	0	0	0	0	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
OPER & MAINT EXPENSE CONT-10								
PURCHASED GAS SUPPLY EXPENSES								
PURCHASED GAS SUPPLY								
804 PURCHASED GAS COSTS								
1	TOTAL DIRECT GAS COSTS	0	0	0	0	0	0	0
2	TOTAL DIRECT GAS COSTS	0	0	0	0	0	0	0
3	812-GAS USED OTHER UTILITY OP	0	0	0	0	0	0	0
4	813-OTH GAS SUPPLY EXP	0	0	0	0	0	0	0
5	TOTAL GAS SUPPLY EXPENSE	0	0	0	0	0	0	0
6	TOTAL PRODUCTION EXPENSE	94	0	94	94	0	0	0
LOCAL STORAGE EXPENSES								
7	840-OPERATION LABOR & EXPENSES	200,454	0	200,454	0	0	200,454	0
8	844-LNG PROC TERMINAL LAB & EXP	1,032,073	0	1,032,073	0	0	1,032,073	0
9	845-LNG TERM & PROC EXP FUEL	(901)	0	(901)	0	0	(901)	0
10	847-MAINT OF LNG PLT BLDGS	223,540	0	223,540	0	0	223,540	0
11	LNG ADJUSTMENT GCR COSTS	(1,148,276)	0	(1,148,276)	0	0	(1,148,276)	0
12	TOTAL STORAGE EXPENSES	306,891	0	306,891	0	0	306,891	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
OPER & MAINT EXPENSE CONT-10							
PURCHASED GAS SUPPLY EXPENSES							
PURCHASED GAS SUPPLY							
804 PURCHASED GAS COSTS							
1	TOTAL DIRECT GAS COSTS	EGAS	0	0	0	0	0
2	TOTAL DIRECT GAS COSTS		0	0	0	0	0
3	812-GAS USED OTHER UTILITY OP	EGAS	0	0	0	0	0
4	813-OTH GAS SUPPLY EXP	EGAS	0	0	0	0	0
5	TOTAL GAS SUPPLY EXPENSE		0	0	0	0	0
6	TOTAL PRODUCTION EXPENSE		0	0	0	0	0
LOCAL STORAGE EXPENSES							
7	840-OPERATION LABOR & EXPENSES	DISTRPS	0	0	0	0	0
8	844-LNG PROC TERMINAL LAB & EXP	DISTRPS	0	0	0	0	0
9	845-LNG TERM & PROC EXP FUEL	DISTRPS	0	0	0	0	0
10	847-MAINT OF LNG PLT BLDGS	DISTRPS	0	0	0	0	0
11	LNG ADJUSTMENT GCR COSTS	DISTRPS	0	0	0	0	0
12	TOTAL STORAGE EXPENSES		0	0	0	0	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

OPER & MAINT EXPENSE CONT-11		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DISTRIBUTION EXPENSES								
OPERATION EXPENSE								
1	850-OPER SUPER & ENGINEERING	154	99	55	0	0	0	55
2	863-MAINTENANCE OF MAINS	13,600	0	13,600	0	0	0	13,600
3	870-SUPER & ENGINEERING	952,012	611,532	340,480	0	0	0	340,480
4	871-SYS CONTROL & LOAD DISP	497,156	0	497,156	0	0	0	497,156
5	873-COMP STATION FUEL & POWER	(8,157)	0	(8,157)	0	0	0	(8,157)
6	874-MAINS & SERVICE EXPENSE	2,553,769	942,903	1,610,866	0	0	0	1,610,866
7	875-OPER STATION EXP - GENERAL	728,731	0	728,731	0	0	0	728,731
8	876-OPER STATION EXP - INDUST	245,079	0	0	0	0	0	0
9	878-METER & HOUSE REG EXP	3,381,890	3,381,890	0	0	0	0	0
10	879-CUSTOMER INSTALL EXP	2,621	2,621	0	0	0	0	0
11	880-OTHER EXPENSES	4,473,786	2,763,965	1,709,820	0	0	0	1,709,820
12	882-TRANSPORTATION EXPENSE	0	0	0	0	0	0	0
13	TOTAL OPERATION EXPENSE	12,840,642	7,948,090	4,892,552	0	0	0	4,892,552
MAINTENANCE								
14	885-SUPERVISION	1,212,009	543,279	668,730	0	0	0	668,730
15	886-MAINT STRUCT & IMPROVE	0	0	0	0	0	0	0
16	887-MAINTENANCE OF MAINS	6,036,267	0	6,036,267	0	0	0	6,036,267
17	889-MT OF MEAS & REG STA EQ	313,438	0	313,438	0	0	0	313,438
18	890-MT OF REG EQ (INDUST)	4,669	4,669	0	0	0	0	0
19	891-MT OF REG EQ (CITY GATE)	134,264	0	134,264	0	0	0	134,264
20	892-MAINTENANCE OF SERVICES	4,466,537	4,466,537	0	0	0	0	0
21	893-MAINT METER & HOUSE REG	1,401,686	1,401,686	0	0	0	0	0
22	894-MAINT OTHER EQUIP	62,651	0	62,651	0	0	0	62,651
23	TOTAL MAINTENANCE EXPENSE	13,631,520	6,416,171	7,215,348	0	0	0	7,215,348
24	TOTAL DISTRIBUTION EXPENSES	26,472,162	14,364,261	12,107,900	0	0	0	12,107,900

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

OPER & MAINT EXPENSE CONT-11									
DISTRIBUTION EXPENSES									
OPERATION EXPENSE									
1	850-OPER SUPER & ENGINEERING	TLABDO	18						0
2	863-MAINTENANCE OF MAINS	PLT376	0						0
3	870-SUPER & ENGINEERING	TLABDO	111,520						0
4	871-SYS CONTROL & LOAD DISP	DISTR	0						0
5	873-COMP STATION FUEL & POWER	PLT377	0						0
6	874-MAINS & SERVICE EXPENSE	PLT37680	942,903						0
7	875-OPER STATION EXP - GENERAL	PLT3789	0						0
8	876-OPER STATION EXP - INDUST	PLT385	0						0
9	878-METER & HOUSE REG EXP	PLT3814	0						0
10	879-CUSTOMER INSTALL EXP	PLT3804	1,731						0
11	880-OTHER EXPENSES	EXP8719	571,009						0
12	882-TRANSPORTATION EXPENSE	PLT392	0						0
13	TOTAL OPERATION EXPENSE		1,627,181						0
MAINTENANCE									
14	885-SUPERVISION	TLABDM	359,451						0
15	886-MAINT STRUCT & IMPROVE	PLT375	0						0
16	887-MAINTENANCE OF MAINS	PLT376	0						0
17	889-MT OF MEAS & REG STA EQ	PLT3789	0						0
18	890-MT OF REG EQ (INDUST)	PLT385	0						0
19	891-MT OF REG EQ (CITY GATE)	PLT3789	0						0
20	892-MAINTENANCE OF SERVICES	PLT380	4,466,537						0
21	893-MAINT METER & HOUSE REG	PLT3814	0						0
22	894-MAINT OTHER EQUIP	PLT387	0						0
23	TOTAL MAINTENANCE EXPENSE		4,825,988						0
24	TOTAL DISTRIBUTION EXPENSES		6,453,170						0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
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OPER & MAINT EXPENSE CONT-12		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
CUSTOMER ACCOUNT								
1	901-SUPERVISION	401,568	401,568	0	0	0	0	0
2	902-METER READING EXPENSE	654,140	654,140	0	0	0	0	0
3	903-BILLING, POSTAGE & CALLS	5,915,013	5,915,013	0	0	0	0	0
4	903-CUST CREDIT & COLLECTION	2,298,340	2,298,340	0	0	0	0	0
5	904-UNCOLLECTIBLE ACCTS							
6	RESID NON HTG RATE 10,11 & 80	304,262	155,507	148,755	142	1,225	1,217	146,171
7	RESID HEATING RATE 12 & 13	4,662,565	2,383,023	2,279,542	2,178	18,766	18,645	2,239,953
8	COMM & IND SMALL RATE 21	305,202	155,988	149,214	143	1,228	1,220	146,623
9	COMM & IND MEDIUM RATE 22	86,145	44,028	42,117	40	347	344	41,385
10	C & I LARGE LLF RATE 33	53,965	27,581	26,384	25	217	216	25,925
11	C & I LARGE HLF RATE 23	11,053	5,649	5,404	5	44	44	5,310
12	C & I XLARGE LLF RATE 34	7,648	3,909	3,739	4	31	31	3,674
13	C & I XLARGE HLF RATE 24	15,499	7,921	7,577	7	62	62	7,446
14	BAD DEBT EXPENSE ADJ	756,189	386,486	369,703	353	3,044	3,024	363,282
15	TOTAL ACCOUNT 904	6,202,527	3,170,093	3,032,434	2,897	24,964	24,804	2,979,769
16	905-MISC CUSTOMER ACCTS EXP	165,084	165,084	0	0	0	0	0
	TOTAL CUSTOMER ACCTS EXP	15,636,670	12,604,237	3,032,434	2,897	24,964	24,804	2,979,769
CUSTOMER SERVICES & INFO EXP								
17	907-CUST SERV & INFO SUPRV	12,764	12,764	0	0	0	0	0
18	908-CUST ASSISTANCE EXP & DSM	652,148	652,148	0	0	0	0	0
19	909-INFO & INST ADV EXP & EE	9,277	9,277	0	0	0	0	0
20	910-CUST SERVICE MISC EXP	411,991	411,991	0	0	0	0	0
21	TOT CUST SERV & INFO EXP	1,086,181	1,086,181	0	0	0	0	0
SALES EXPENSES								
22	911-SUPERVISION	695	695	0	0	0	0	0
23	912-DEMO & SELLING EXP	777,497	777,497	0	0	0	0	0
24	913-ADVERTISING EXP	4,507	4,507	0	0	0	0	0
25	916-MISCELLANEOUS SALES EXP	85,623	85,623	0	0	0	0	0
26	TOTAL SALES EXPENSE	868,322	868,322	0	0	0	0	0

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GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

OPER & MAINT EXPENSE CONT-12		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
CUSTOMER ACCOUNT							
1	901-SUPERVISION	0	0	0	41,740	359,828	0
2	902-METER READING EXPENSE	0	0	0	654,140	0	0
3	903-BILLING, POSTAGE & CALLS	0	0	0	0	5,915,013	0
4	903-CUST CREDIT & COLLECTION	0	0	0	0	2,298,340	0
5	904-UNCOLLECTIBLE ACCTS						
6	RESID NON HTG RATE 10,11 & 80	63,066	56,534	(731)	2,587	27,356	6,695
7	RESID HEATING RATE 12 & 13	966,436	866,341	(11,205)	39,644	419,215	102,591
8	COMM & IND SMALL RATE 21	63,261	56,709	(733)	2,595	27,441	6,715
9	COMM & IND MEDIUM RATE 22	17,856	16,006	(207)	732	7,745	1,895
10	C & I LARGE LLF RATE 33	11,186	10,027	(130)	459	4,852	1,187
11	C & I LARGE HLF RATE 23	2,291	2,054	(27)	94	994	243
12	C & I LARGE LLF RATE 34	1,585	1,421	(18)	65	688	168
13	C & I LARGE HLF RATE 24	3,212	2,880	(37)	132	1,393	341
14	BAD DEBT EXPENSE ADJ	156,739	140,506	(1,817)	6,430	67,990	16,639
15	TOTAL ACCOUNT 904	1,285,633	1,152,479	(14,906)	52,738	557,675	136,475
16	905-MISC CUSTOMER ACCTS EXP	0	0	0	12,178	152,906	0
	TOTAL CUSTOMER ACCTS EXP	1,285,633	1,152,479	(14,906)	760,796	9,283,761	136,475
CUSTOMER SERVICES & INFO EXP							
17	907-CUST SERV & INFO SUPRV	0	0	0	0	0	12,764
18	908-CUST ASSISTANCE EXP & DSM	0	0	0	0	0	652,148
19	909-INFO & INST ADV EXP & EE	0	0	0	0	0	9,277
20	910-CUST SERVICE MISC EXP	0	0	0	0	0	411,991
21	TOT CUST SERV & INFO EXP	0	0	0	0	0	1,086,181
SALES EXPENSES							
22	911-SUPERVISION	0	0	0	0	0	695
23	912-DEMO & SELLING EXP	0	0	0	0	0	777,497
24	913-ADVERTISING EXP	0	0	0	0	0	4,507
25	916-MISCELLANEOUS SALES EXP	0	0	0	0	0	85,623
26	TOTAL SALES EXPENSE	0	0	0	0	0	868,322

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

OPER & MAINT EXPENSE CONT-13		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
ADMINISTRATIVE & GENERAL EXPENSE								
1	920-ADMIN & GENERAL SALARY	8,426,269	4,912,880	3,513,389	33	287	34,037	3,479,031
2	921-OFFICE SUPPLIES & EXP	5,415,321	3,157,367	2,257,954	21	185	21,874	2,235,874
3	923-OUTSIDE SERV EMPLOYED	1,829,962	1,066,947	763,015	7	62	7,392	755,553
4	924-PROPERTY INSURANCE	10,823	4,810	6,014	43	234	55	5,682
5	925-INJURIES & DAMAGES	1,944,483	1,133,718	810,765	8	66	7,854	802,837
6	926-EMPLOYED PENSION & BENF	14,650,655	8,541,968	6,108,688	58	500	59,179	6,048,951
7	927-FRANCHISE REQUIREMENTS	(8)	(4)	(4)	(0)	(0)	(0)	(4)
8	928-REGULATORY COMM EXPENSE	2,103,208	1,074,943	1,028,265	982	8,465	8,411	1,010,407
9	929-DUPLICATE CHARGES - CREDIT	779	454	325	0	0	3	322
10	930-MISCELLANEOUS GEN EXP	2,067,479	1,205,430	862,049	8	71	8,351	853,619
11	931-RENTS	3,316,863	1,933,875	1,382,988	13	113	13,398	1,369,464
12	TOTAL OPERATION EXPENSE	39,765,834	23,032,388	16,733,446	1,174	9,983	160,554	16,561,735
13	MAINTENANCE							
14	935-MAINT OF GENERAL PLT	87,083	49,289	37,794	0	3	307	37,484
15	TOTAL ADMIN & GEN EXPENSE	39,852,917	23,081,677	16,771,241	1,175	9,986	160,861	16,599,219
16	DONATIONS ADJUSTMENT	210,956	107,819	103,137	99	849	844	101,346
17	OTHER ADJUSTMENTS	0	0	0	0	0	0	0
18	TOTAL GAS O & M EXPENSE	84,434,192	52,112,496	32,321,696	4,264	35,799	493,399	31,788,234

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
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OPER & MAINT EXPENSE CONT-13		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
ADMINISTRATIVE & GENERAL EXPENSE							
1	920-ADMIN & GENERAL SALARY	LABOR	1,720,418		116,056	1,001,666	279,053
2	921-OFFICE SUPPLIES & EXP	LABOR	1,105,663	(172)	74,586	643,742	179,340
3	923-OUTSIDE SERV EMPLOYED	LABOR	373,629	(110)	25,204	217,535	60,603
4	924-PROPERTY INSURANCE	PLANT	3,042	(37)	10	84	23
5	925-INJURIES & DAMAGES	LABOR	397,011	(0)	26,782	231,149	64,396
6	926-EMPLOYED PENSION & BENF	LABOR	2,991,270	(40)	201,785	1,741,584	485,187
7	927-FRANCHISE REQUIREMENTS	LABOR	3,122,441	(298)	(0)	(1)	(0)
8	928-REGULATORY COMM EXPENSE	REVCLAIM	435,944	0	17,883	189,101	46,277
9	929-DUPLICATE CHARGES - CREDIT	REVCLAIM	159	(5,055)	11	93	26
10	930-MISCELLANEOUS GEN EXP	LABOR	422,124	(0)	28,476	245,770	68,469
11	931-RENTS	LABOR	677,214	(42)	45,683	394,289	109,845
12	TOTAL OPERATION EXPENSE	LABOR	8,126,471	(68)	536,474	4,665,012	1,293,218
13	MAINTENANCE			(5,821)			
14	935-MAINT OF GENERAL PLT	GENPLT	18,799	(2)	1,047	9,033	2,517
15	TOTAL ADMIN & GEN EXPENSE		8,145,270	(5,823)	537,521	4,674,045	1,295,735
16	DONATIONS ADJUSTMENT	REVCLAIM	43,726	(507)	1,794	18,967	4,642
17	OTHER ADJUSTMENTS	REVCLAIM	0	0	0	0	0
18	TOTAL GAS O & M EXPENSE		15,927,798	(21,236)	1,300,110	13,976,773	3,391,354

NATIONAL GRID - RHODE ISLAND
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		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DEPRECIATION & AMORTIZATION-14								
DEPRECIATION & AMORTIZATION EXPENSE								
AMORTIZATION EXPENSE								
1	Y2K & CIS LEGACY SYSTEM	373,979	218,046	155,933	1	13	1,511	154,408
2	ENVIRONMENTAL COST	1,310,000	582,119	727,881	5,203	28,273	6,637	687,769
3	TOTAL AMORTIZATION EXPENSE	1,683,979	800,165	883,814	5,204	28,286	8,147	842,177
DEPRECIATION EXPENSE								
INTANGIBLE PLANT								
4	302-GAS FRANCHISES & CONSENTS	7,216	3,207	4,010	29	156	37	3,789
5	303-MISC INTANGIBLE PLT - CIS	1,819,606	1,060,909	758,697	7	62	7,350	751,277
6	303-MISC INTANGIBLE PLT - SL	1,171,064	682,781	488,283	5	40	4,730	483,508
7	TOTAL INTANGIBLE EXPENSE	2,997,886	1,746,897	1,250,989	41	258	12,117	1,238,574
PRODUCTION PLANT LPG								
8	304-LAND & LAND RIGHTS	7,037	0	7,037	7,037	0	0	0
9	305-STRUCTURES	48,887	0	48,887	48,887	0	0	0
10	307-OTHER POWER EQUIP	1,551	0	1,551	1,551	0	0	0
11	311-LPG GAS EQUIPMENT	35,741	0	35,741	35,741	0	0	0
12	320-OTHER EQUIPMENT	10,586	0	10,586	10,586	0	0	0
13	TOTAL PRODUCTION PLANT	103,801	0	103,801	103,801	0	0	0
PRODUCTION PLANT LNG								
14	360-LAND & LAND RIGHTS	8,432	0	8,432	0	6,898	1,535	0
15	361-STRUCTURES & IMPROVEMENTS	173,137	0	173,137	0	141,626	31,511	0
16	362-GAS HOLDERS & LNG EQUIP	185,456	0	185,456	0	151,703	33,753	0
17	363-PURIFICATION EQUIP	322,559	0	322,559	0	263,854	58,706	0
18	TOTAL PRODUCTION PLANT LNG	689,585	0	689,585	0	564,081	125,504	0

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DEPRECIATION & AMORTIZATION-14		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
DEPRECIATION & AMORTIZATION EXPENSE							
AMORTIZATION EXPENSE							
1	Y2K & CIS LEGACY SYSTEM	76,356	79,705	(8)	5,151	44,456	12,385
2	ENVIRONMENTAL COST	368,147	199,745	(2)	1,182	10,204	2,843
3	TOTAL AMORTIZATION EXPENSE	444,504	279,450	(9)	6,333	54,660	15,228
DEPRECIATION EXPENSE							
INTANGIBLE PLANT							
4	302-GAS FRANCHISES & CONSENTS	2,028	1,100	(0)	7	56	16
5	303-MISC INTANGIBLE PLT - CIS	371,515	387,806	(37)	25,062	216,304	60,260
6	303-MISC INTANGIBLE PLT - SL	239,100	249,585	(24)	16,129	139,209	38,782
7	TOTAL INTANGIBLE EXPENSE	612,642	638,491	(61)	41,197	355,570	99,058
PRODUCTION PLANT LPG							
8	304-LAND & LAND RIGHTS	0	0	0	0	0	0
9	305-STRUCTURES	0	0	0	0	0	0
10	307-OTHER POWER EQUIP	0	0	0	0	0	0
11	311-LPG GAS EQUIPMENT	0	0	0	0	0	0
12	320-OTHER EQUIPMENT	0	0	0	0	0	0
13	TOTAL PRODUCTION PLANT	0	0	0	0	0	0
PRODUCTION PLANT LNG							
14	360-LAND & LAND RIGHTS	0	0	0	0	0	0
15	361-STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0
16	362-GAS HOLDERS & LNG EQUIP	0	0	0	0	0	0
17	363-PURIFICATION EQUIP	0	0	0	0	0	0
18	TOTAL PRODUCTION PLANT LNG	0	0	0	0	0	0

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DEPRECIATION & AMORTIZATION-15		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DISTRIBUTION EXPENSE								
1	374-LAND & LAND RIGHTS	25,985	0	25,985	0	0	0	25,985
2	375-GAS DIST STATION STRUCTURES	286,050	0	286,050	0	0	0	286,050
3	376-MAINS	11,901,925	0	11,901,925	0	0	0	11,901,925
4	377-DIST COMP STATION EQ	8,405	0	8,405	0	0	0	8,405
5	378-GAS MEAS & REG STATION EQ	475,336	0	475,336	0	0	0	475,336
6	379-DIST MEAS & REG GS EQ	247,117	0	247,117	0	0	0	247,117
7	380-SERVICES	6,965,735	0	6,965,735	0	0	0	0
8	381-METERS	1,861,517	0	1,861,517	0	0	0	0
9	382-METER INSTALLATION	1,683,038	0	1,683,038	0	0	0	0
10	383-HOUSE REGULATORS	15,873	0	15,873	0	0	0	0
11	384-HOUSE REGULATORS INSTALLS	20,777	0	20,777	0	0	0	0
12	385-IND MEAS & REG STA EQUIP	10,733	0	10,733	0	0	0	0
13	386-OTHER PROP CUST PREM	12,908	0	12,908	0	0	0	0
14	387-DIST OTHER EQUIP	16,449	0	16,449	0	0	0	16,449
15	TOTAL DISTRIBUTION PLANT	23,531,848	10,570,581	12,961,267	0	0	0	12,961,267
GENERAL PLANT EXP								
16	389-LAND & LAND RIGHTS	9,645	5,623	4,022	0	0	39	3,982
17	390-STRUCTURES & IMPROV	129,194	75,326	53,868	1	4	522	53,341
18	391-OFFICE EQUIPMENT	295,062	172,034	123,028	1	10	1,192	121,825
19	392-TRANSPORTATION EQUIP	71,216	41,522	29,694	0	2	288	29,404
20	393-STORES EQUIPMENT	1,901	854	1,047	0	0	0	1,047
21	394-TOOLS, SHOP & GARAGE EQ	89,084	40,019	49,064	0	0	0	49,064
22	395-LABORATORY EQUIPMENT	11,454	5,145	6,308	0	0	0	6,308
23	396-POWER OPERATED EQUIP	0	0	0	0	0	0	0
24	397-COMMUNICATION EQUIP	97,450	56,818	40,633	0	3	394	40,235
25	398-MISCELLANEOUS EQUIP	99,100	57,779	41,320	0	3	400	40,916
26	TOTAL GENERAL PLANT EXP	804,105	455,121	348,984	3	24	2,834	346,123
27	TOTAL DEPR & AMORT EXPENSE	29,811,204	13,572,764	16,238,440	109,048	592,648	148,603	15,388,141

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DEPRECIATION & AMORTIZATION-15

		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
DISTRIBUTION EXPENSE							
1	374-LAND & LAND RIGHTS	0	0	0	0	0	0
2	375-GAS DIST STATION STRUCTURES	0	0	0	0	0	0
3	376-MAINS	0	0	0	0	0	0
4	377-DIST COMP STATION EQ	0	0	0	0	0	0
5	378-GAS MEAS & REG STATION EQ	0	0	0	0	0	0
6	379-DIST MEAS & REG GS EQ	0	0	0	0	0	0
7	380-SERVICES	6,965,735	0	0	0	0	0
8	381-METERS	0	1,861,517	0	0	0	0
9	382-METER INSTALLATION	0	1,683,038	0	0	0	0
10	383-HOUSE REGULATORS	0	15,873	0	0	0	0
11	384-HOUSE REGULATORS INSTALLS	0	20,777	0	0	0	0
12	385-IND MEAS & REG STA EQUIP	0	10,733	0	0	0	0
13	386-OTHER PROP CUST PREM	0	12,908	0	0	0	0
14	387-DIST OTHER EQUIP	0	0	0	0	0	0
15	TOTAL DISTRIBUTION PLANT	6,965,735	3,604,846	0	0	0	0
GENERAL PLANT EXP							
16	389-LAND & LAND RIGHTS	1,969	2,056	(0)	133	1,147	319
17	390-STRUCTURES & IMPROV	26,378	27,535	(3)	1,779	15,358	4,279
18	391-OFFICE EQUIPMENT	60,244	62,885	(6)	4,064	35,075	9,772
19	392-TRANSPORTATION EQUIP	14,540	15,178	(1)	981	8,466	2,358
20	393-STORES EQUIPMENT	563	291	0	0	0	0
21	394-TOOLS, SHOP & GARAGE EQ	26,372	13,648	0	0	0	0
22	395-LABORATORY EQUIPMENT	3,391	1,755	0	0	0	0
23	396-POWER OPERATED EQUIP	0	0	0	0	0	0
24	397-COMMUNICATION EQUIP	19,897	20,769	(2)	1,342	11,584	3,227
25	398-MISCELLANEOUS EQUIP	20,233	21,121	(2)	1,365	11,780	3,282
26	TOTAL GENERAL PLANT EXP	173,587	165,237	(14)	9,664	83,410	23,237
27	TOTAL DEPR & AMORT EXPENSE	8,196,467	4,688,024	(85)	57,195	493,640	137,523

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	STATE & FED TAXES & OTHER EXP-16	TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
	TAXES OTHER THAN INCOME							
1	PROPERTY TAX	13,994,652	6,218,746	7,775,906	55,578	302,038	70,899	7,347,391
2	PAYROLL TAXES	2,201,968	1,283,843	918,125	9	75	8,895	909,147
3	TOTAL TAXES OTHER THAN INC	16,196,620	7,502,589	8,694,031	55,587	302,113	79,793	8,256,538
4	TOTAL INCOME TAX EXPENSE	3,787,749	453,481	3,334,268	(7,863)	47,770	15,106	3,279,255
5	INTEREST ON CUSTOMER DEPOSITS	127,506	127,506	0	0	0	0	0
6	TOTAL EXPENSES	134,357,272	73,768,836	60,588,436	161,036	978,330	736,902	58,712,168

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STATE & FED TAXES & OTHER EXP-16		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
TAXES OTHER THAN INCOME							
1	PROPERTY TAX	3,932,896	2,133,863	(19)	12,630	109,008	30,368
2	PAYROLL TAXES	449,583	469,297	(45)	30,328	261,757	72,923
3	TOTAL TAXES OTHER THAN INC	4,382,478	2,603,160	(63)	42,958	370,765	103,291
4	TOTAL INCOME TAX EXPENSE	163,498	367,660	(87,711)	695	5,754	3,584
5	INTEREST ON CUSTOMER DEPOSITS	0	0	127,506	0	0	0
6	TOTAL EXPENSES	28,670,242	25,196,541	18,410	1,400,958	14,846,932	3,635,752

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	TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
INCOME TAXES-17							
FEDERAL & STATE TAX CALCULAT							
1 OPERATING REVENUES	152,127,765	77,976,439	74,151,326	124,128	1,187,411	793,902	72,045,886
OPERATING EXPENSES							
2 OPERATION & MAINTENANCE EXP	84,434,192	52,112,496	32,321,696	4,264	35,799	493,399	31,788,234
3 DEPRECIATION & AMORTIZATION	29,811,204	13,572,764	16,238,440	109,048	592,648	148,603	15,388,141
4 TAXES OTHER THAN INCOME	16,196,620	7,502,589	8,694,031	55,587	302,113	79,793	8,256,538
5 INTEREST ON CUSTOMER DEPOSITS	127,506	127,506	0	0	0	0	0
6 ADJUSTMENT	0	0	0	0	0	0	0
PLANT							
7 OPERATING INC BEFORE FED TAX	21,558,243	4,661,084	16,897,159	(44,771)	256,851	72,107	16,612,973
LESS:							
8 INTEREST EXPENSE	10,736,102	3,365,424	7,370,678	(22,306)	120,366	28,946	7,243,673
9 NET OPERATING INC BEFORE TXS	10,822,141	1,295,659	9,526,481	(22,465)	136,485	43,161	9,369,300
LESS:							
10 STATE INCOME TAX @ 0.00%	0	0	0	0	0	0	0
11 FEDERAL TAXABLE BASIS	10,822,141	1,295,659	9,526,481	(22,465)	136,485	43,161	9,369,300
12 FEDERAL INCOME TAX @ 35.00%	3,787,749	453,481	3,334,268	(7,863)	47,770	15,106	3,279,255
13 ADJUSTMENT	0	0	0	0	0	0	0
14 ADJUSTMENT	0	0	0	0	0	0	0
12 TOTAL INCOME TAX EXPENSE	3,787,749	453,481	3,334,268	(7,863)	47,770	15,106	3,279,255
13 NET INCOME AFTER TAX	17,770,494	4,207,603	13,562,891	(36,908)	209,081	57,000	13,333,718

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INCOME TAXES-17						
FEDERAL & STATE TAX CALCULAT						
	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1 OPERATING REVENUES	30,683,940	27,590,150	(278,844)	1,408,668	14,913,983	3,658,541
OPERATING EXPENSES						
2 OPERATION & MAINTENANCE EXP	15,927,798	17,537,697	(21,236)	1,300,110	13,976,773	3,391,354
3 DEPRECIATION & AMORTIZATION	8,196,467	4,688,024	(85)	57,195	493,640	137,523
4 TAXES OTHER THAN INCOME	4,382,478	2,603,160	(63)	42,958	370,765	103,291
5 INTEREST ON CUSTOMER DEPOSITS	0	0	127,506	0	0	0
6 ADJUSTMENT	0	0	0	0	0	0
PLANT						
7 OPERATING INC BEFORE FED TAX	2,177,196	2,761,269	(384,965)	8,405	72,805	26,373
LESS:						
8 INTEREST EXPENSE	1,710,059	1,710,811	(134,361)	6,419	56,364	16,133
9 NET OPERATING INC BEFORE TXS	467,138	1,050,458	(250,604)	1,986	16,441	10,240
LESS:						
10 STATE INCOME TAX @ 0.00%	0	0	0	0	0	0
11 FEDERAL TAXABLE BASIS	467,138	1,050,458	(250,604)	1,986	16,441	10,240
12 FEDERAL INCOME TAX @ 35.00%	163,498	367,660	(87,711)	695	5,754	3,584
PLANT						
13 ADJUSTMENT	0	0	0	0	0	0
ADJUSTMENT						
14 ADJUSTMENT	0	0	0	0	0	0
12 TOTAL INCOME TAX EXPENSE	163,498	367,660	(87,711)	695	5,754	3,584
13 NET INCOME AFTER TAX	2,013,698	2,393,609	(297,254)	7,710	67,051	22,789

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		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DEVELOPMENT OF LABOR ALLOC-18								
DEVELOPMENT OF LABOR ALLOCATOR								
LPG & LNG GAS PRODUCTION								
OPERATION								
1	710-SUPERVISION	0	0	0	0	0	0	0
2	717-PROPANE EXPENSES	0	0	0	0	0	0	0
3	718-OTHER PROCESS PROD EXP	0	0	0	0	0	0	0
4	735-MISCELLANEOUS	0	0	0	0	0	0	0
5	TOTAL OPERATION LABOR	0	0	0	0	0	0	0
MAINTENANCE								
6	740-SUPERVISION	0	0	0	0	0	0	0
7	741-MAINTENANCE OF PLANT	0	0	0	0	0	0	0
8	742-MAINTENANCE OF EQUIP	0	0	0	0	0	0	0
9	743-GAS SYSTEM PROD TRAINING	0	0	0	0	0	0	0
10	TOTAL MAINTENANCE LABOR	0	0	0	0	0	0	0
11	TOT MANUFACTURED GAS LABOR	0	0	0	0	0	0	0
LOCAL STORAGE LABOR								
12	840-OPERATION LABOR	35,043	0	35,043	0	0	35,043	0
13	844-LNG PROC TERMINAL LAB & EXP	116,223	0	116,223	0	0	116,223	0
14	847-MAINT OF LNG PLT BLDGS	13,230	0	13,230	0	0	13,230	0
15	TOTAL STORAGE LABOR	164,496	0	164,496	0	0	164,496	0
16	TOTAL PROD & STORAGE LABOR	164,496	0	164,496	0	0	164,496	0

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		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
DEVELOPMENT OF LABOR ALLOC-18							
DEVELOPMENT OF LABOR ALLOCATOR							
LPG & LNG GAS PRODUCTION							
OPERATION							
1	710-SUPERVISION	LABPO	0	0	0	0	0
2	717-PROPANE EXPENSES	EXP717	0	0	0	0	0
3	718-OTHER PROCESS PROD EXP	EXP718	0	0	0	0	0
4	735-MISCELLANEOUS	EXP735	0	0	0	0	0
5	TOTAL OPERATION LABOR		0	0	0	0	0
MAINTENANCE							
6	740-SUPERVISION	LABPM	0	0	0	0	0
7	741-MAINTENANCE OF PLANT	EXP741	0	0	0	0	0
8	742-MAINTENANCE OF EQUIP	EXP742	0	0	0	0	0
9	743-GAS SYSTEM PROD TRAINING	EXP743	0	0	0	0	0
10	TOTAL MAINTENANCE LABOR		0	0	0	0	0
11	TOT MANUFACTURED GAS LABOR		0	0	0	0	0
LOCAL STORAGE LABOR							
12	840-OPERATION LABOR	EXP840	0	0	0	0	0
13	844-LNG PROC TERMINAL LAB & EXP	EXP844	0	0	0	0	0
14	847-MAINT OF LNG PLT BLDGS	EXP847	0	0	0	0	0
15	TOTAL STORAGE LABOR		0	0	0	0	0
16	TOTAL PROD & STORAGE LABOR		0	0	0	0	0

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DEVEL OF LABOR ALLOC CONT-19				TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
TRANSMISSION & DISTRIBUTION LABOR										
OPERATION		LABDO	126,008	80,942	45,066	0	0	0	0	45,066
1	870-SUPER & ENGINEERING	EXP871	363,600	0	363,600	0	0	0	0	363,600
2	871-SYSTEM CONTROL & DISP	EXP873	0	0	0	0	0	0	0	0
3	873-COMP STATION FUEL & POWER	EXP874	1,751,029	646,515	1,104,514	0	0	0	0	1,104,514
4	874-MAINS & SERVICE EXPENSE	EXP875	538,943	0	538,943	0	0	0	0	538,943
5	875-OPER STATION EXP - GENERAL	EXP876	210,705	210,705	0	0	0	0	0	0
6	876-OPER STATION EXP - INDUST	EXP878	2,983,907	2,983,907	0	0	0	0	0	0
7	878-METER & HOUSE REG EXP	EXP879	3,476	3,476	0	0	0	0	0	0
8	879-CUSTOMER INSTALL EXP	EXP880	3,493,450	2,158,301	1,335,149	0	0	0	0	1,335,149
9	880-OTHER EXPENSE		9,471,118	6,083,846	3,387,272	0	0	0	0	3,387,272
10	TOTAL OPERATION LABOR									
MAINTENANCE										
11	885-SUPERVISION	LABDM	712,302	319,287	393,015	0	0	0	0	393,015
12	886-MAINT STRUCT & IMPROVE	EXP886	0	0	0	0	0	0	0	0
13	887-MAINTENANCE OF MAINS	EXP887	3,571,733	0	3,571,733	0	0	0	0	3,571,733
14	889-MT OF MEAS & REG STA EQ	EXP889	206,050	0	206,050	0	0	0	0	206,050
15	890-MT OF REG EQ (INDUST)	EXP890	0	0	0	0	0	0	0	0
16	891-MT OF REG EQ (CITY GATE)	EXP891	115,034	0	115,034	0	0	0	0	115,034
17	892-MAINTENANCE OF SERVICES	EXP892	2,118,997	2,118,997	0	0	0	0	0	0
18	893-MAINT METER & HOUSE REG	EXP893	1,083,685	1,083,685	0	0	0	0	0	0
19	894-MAINT OF OTHER EQUIP	EXP894	49,406	0	49,406	0	0	0	0	49,406
20	TOTAL MAINTENANCE LABOR		7,857,207	3,521,969	4,335,238	0	0	0	0	4,335,238
21	TOTAL DISTRIB & TRANS LABOR		17,328,325	9,605,816	7,722,510	0	0	0	0	7,722,510
CUSTOMER ACCOUNTS LABOR										
22	901-SUPERVISION	LABCA	387,385	387,385	0	0	0	0	0	0
23	902-METER READING EXPENSE	EXP902	514,351	514,351	0	0	0	0	0	0
24	903-CUST RECORDS & COLLECT	EXP903	4,402,344	4,402,344	0	0	0	0	0	0
25	905-MISC CUSTOMER ACCTS EXP	EXP905	109,239	109,239	0	0	0	0	0	0
26	TOTAL CUSTOMER ACCTS LABOR		5,413,319	5,413,319	0	0	0	0	0	0

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DEVEL OF LABOR ALLOC CONT-19									
TRANSMISSION & DISTRIBUTION LABOR									
				CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	870-SUPER & ENGINEERING	LABDO	14,761	66,182	0	0	0	0	0
2	871-SYSTEM CONTROL & DISP	EXP871	0	0	0	0	0	0	0
3	873-COMP STATION FUEL & POWER	EXP873	0	0	0	0	0	0	0
4	874-MAINS & SERVICE EXPENSE	EXP874	646,515	0	0	0	0	0	0
5	875-OPER STATION EXP - GENERAL	EXP875	0	0	0	0	0	0	0
6	876-OPER STATION EXP - INDUST	EXP876	0	210,705	0	0	0	0	0
7	878-METER & HOUSE REG EXP	EXP878	0	2,983,907	0	0	0	0	0
8	879-CUSTOMER INSTALL EXP	EXP879	2,296	1,180	0	0	0	0	0
9	880-OTHER EXPENSE	EXP880	445,885	1,712,416	0	0	0	0	0
10	TOTAL OPERATION LABOR		1,109,456	4,974,390	0	0	0	0	0
MAINTENANCE									
11	885-SUPERVISION	LABDM	211,251	108,037	0	0	0	0	0
12	886-MAINT STRUCT & IMPROVE	EXP886	0	0	0	0	0	0	0
13	887-MAINTENANCE OF MAINS	EXP887	0	0	0	0	0	0	0
14	889-MT OF MEAS & REG STA EQ	EXP889	0	0	0	0	0	0	0
15	890-MT OF REG EQ (INDUST)	EXP890	0	0	0	0	0	0	0
16	891-MT OF REG EQ (CITY GATE)	EXP891	0	0	0	0	0	0	0
17	892-MAINTENANCE OF SERVICES	EXP892	2,118,997	0	0	0	0	0	0
18	893-MAINT METER & HOUSE REG	EXP893	0	1,083,685	0	0	0	0	0
19	894-MAINT OF OTHER EQUIP	EXP894	0	0	0	0	0	0	0
20	TOTAL MAINTENANCE LABOR		2,330,247	1,191,722	0	0	0	0	0
21	TOTAL DISTRIB & TRANS LABOR		3,439,704	6,166,112	0	0	0	0	0
CUSTOMER ACCOUNTS LABOR									
22	901-SUPERVISION	LABCA	0	0	0	0	40,266	347,119	0
23	902-METER READING EXPENSE	EXP902	0	0	0	0	514,351	0	0
24	903-CUST RECORDS & COLLECT	EXP903	0	0	0	0	0	4,402,344	0
25	905-MISC CUSTOMER ACCTS EXP	EXP905	0	0	0	0	8,058	101,180	0
26	TOTAL CUSTOMER ACCTS LABOR		0	0	0	0	562,675	4,850,644	0

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

THE NARRAGANSETT ELECTRIC COMPANY, INC. d/b/a NATIONAL GRID Docket No. R.I.P.U.C. _____ Schedule PMN-4 Page 39 of 74													
DEVEL OF LABOR ALLOC CONT-20				TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH			
CUSTOMER SERVICES & INFO EXP													
1	908-CUST ASSISTANCE EXP	EXP908	392,885	0	0	0	0	0	0	0			
2	910-CUST SERVICE MISC EXP	EXP910	341,161	0	0	0	0	0	0	0			
3	TOT CUST SERV & INFO LABOR		734,046	0	0	0	0	0	0	0			
SALES EXPENSES													
4	911-SUPERVISION	LABSA	596	0	0	0	0	0	0	0			
5	912-DEMO & SELLING EXP	EXP912	506,915	0	0	0	0	0	0	0			
6	916-MISCELLANEOUS SALES EXP	EXP916	110,840	0	0	0	0	0	0	0			
7	TOTAL SALES LABOR		618,351	0	0	0	0	0	0	0			
ADMINISTRATIVE & GENERAL LABOR													
OPERATION LABOR													
8	920-ADMIN & GENERAL SALARY	EXP920	6,057,883	2,525,874	24	207	24,470	2,501,174					
9	921-OFFICE SUPPLIES & EXP	EXP921	0	0	0	0	0	0	0	0			
10	923-OUTSIDE SERV EMPLOYED	EXP923	158	113	0	0	1	112					
11	924-PROPERTY INSURANCE	EXP924	18	23	0	1	0	22					
12	925-INJURIES & DAMAGES	EXP925	119,742	85,632	1	7	830	84,794					
13	926-EMPLOYED PENSION & BENF	EXP926	65,761	27,419	0	2	266	27,151					
14	928-REGULATORY COMM EXPENSE	EXP928	347,884	170,081	162	1,400	1,391	167,128					
15	929-DUPPLICATE CHARGES - CREDIT	EXP929	620	258	0	0	3	256					
16	930-MISCELLANEOUS GEN EXP	EXP930	187,874	134,356	1	11	1,302	133,042					
17	931-RENTS	EXP931	3,286	1,370	0	0	13	1,357					
18	TOTAL OPERATION EXPENSE		7,003,349	2,945,127	189	1,628	28,275	2,915,035					
MAINTENANCE													
19	935-MAINT OF GENERAL PLT	EXP935	25,232	10,951	0	1	89	10,861					
20	TOTAL ADMIN & GEN LABOR		7,028,581	2,956,078	189	1,629	28,364	2,925,896					
21	TOTAL GAS O & M LABOR		31,287,119	10,843,084	189	1,629	192,860	10,648,406					
22	CONSTRUCTION LABOR	DISTRPLT	15,070,179	8,300,151	0	0	0	8,300,151					
23	RWIP LABOR	DISTRPLT	1,388,138	764,540	0	0	0	764,540					
24	SUM OF ALLOCATED LABOR EXP		47,745,436	19,907,775	189	1,629	192,860	19,713,097					

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

DEVEL OF LABOR ALLOC CONT-20									
		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO		
CUSTOMER SERVICES & INFO EXP									
1	908-CUST ASSISTANCE EXP	0	0	0	0	0	392,885		
2	910-CUST SERVICE MISC EXP	0	0	0	0	0	341,161		
3	TOT CUST SERV & INFO LABOR	0	0	0	0	0	734,046		
SALES EXPENSES									
4	911-SUPERVISION	0	0	0	0	0	596		
5	912-DEMO & SELLING EXP	0	0	0	0	0	506,915		
6	916-MISCELLANEOUS SALES EXP	0	0	0	0	0	110,840		
7	TOTAL SALES LABOR	0	0	0	0	0	618,351		
ADMINISTRATIVE & GENERAL LABOR									
OPERATION LABOR									
8	920-ADMIN & GENERAL SALARY	1,236,857	1,291,094	(123)	83,436	720,126	200,619		
9	921-OFFICE SUPPLIES & EXP	0	0	0	0	0	0		
10	923-OUTSIDE SERV EMPLOYED	55	58	(0)	4	32	9		
11	924-PROPERTY INSURANCE	12	6	(0)	0	0	0		
12	925-INJURIES & DAMAGES	41,932	43,771	(4)	2,829	24,414	6,801		
13	926-EMPLOYED PENSION & BENF	13,427	14,015	(1)	906	7,817	2,178		
14	928-REGULATORY COMM EXPENSE	72,108	64,640	(836)	2,958	31,279	7,655		
15	929-DUPLICATE CHARGES - CREDIT	127	132	(0)	9	74	21		
16	930-MISCELLANEOUS GEN EXP	65,791	68,676	(7)	4,438	38,305	10,671		
17	931-RENTS	671	700	(0)	45	391	109		
18	TOTAL OPERATION EXPENSE	1,430,978	1,483,092	(972)	94,624	822,437	228,063		
MAINTENANCE									
19	935-MAINT OF GENERAL PLT	5,447	5,185	(0)	303	2,617	729		
20	TOTAL ADMIN & GEN LABOR	1,436,425	1,488,277	(972)	94,927	825,054	228,792		
21	TOTAL GAS O & M LABOR	4,876,129	7,654,389	(972)	657,602	5,675,698	1,581,189		
22	CONSTRUCTION LABOR	4,461,271	2,308,758	0	0	0	0		
23	RWIP LABOR	410,935	212,663	0	0	0	0		
24	SUM OF ALLOCATED LABOR EXP	9,748,334	10,175,810	(972)	657,602	5,675,698	1,581,189		

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUE REQUIREMENTS-21		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
PRESENT RATES								
1	RATE BASE	369,945,458	115,966,059	253,979,399	(768,621)	4,147,572	997,410	249,603,039
2	NET OPER INC (PRESENT RATES)	17,770,494	4,207,603	13,562,891	(36,908)	209,081	57,000	13,333,718
3	RATE OF RETURN (PRES RATES)	4.80%	3.63%	5.34%	4.80%	5.04%	5.71%	5.34%
4	RELATIVE RATE OF RETURN	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5	SALES REVENUE (PRE RATES)	147,518,783	77,168,458	70,350,325	118,731	468,213	629,407	69,133,974
6	ANNUAL BOOKED CCF SALES	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
7	SALE REV \$/CCF (PRE RATES)	\$0.4286	\$0.2242	\$0.2044	\$0.0003	\$0.0014	\$0.0018	\$0.2008
CLAIMED RATE OF RETURN								
8	CLAIMED RATE OF RETURN	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
9	RETURN REQ FOR CLAIMED ROR	30,494,889	9,559,172	20,935,718	(63,358)	341,888	82,217	20,574,971
10	SALES REVENUE REQ CLAIMED ROR	167,094,776	85,401,640	81,693,136	78,039	672,531	668,202	80,274,363
11	REVENUE DEFICIENCY SALES REV	19,575,993	8,233,183	11,342,810	(40,692)	204,318	38,795	11,140,389
12	PERCENT INCREASE REQUIRED	13.27%	10.67%	16.12%	-34.27%	43.64%	6.16%	16.11%
13	ANNUAL BOOKED CCF SALES	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
14	SALES REV REQUIRED \$/CCF	\$0.4854	\$0.2481	\$0.2373	\$0.0002	\$0.0020	\$0.0019	\$0.2332
15	REVENUE DEFICIENCY \$/CCF	\$0.0569	\$0.0239	\$0.0330	-\$0.0001	\$0.0006	\$0.0001	\$0.0324

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

REVENUE REQUIREMENTS-21		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
PRESENT RATES							
1	RATE BASE	58,925,333	58,951,250	(4,629,829)	221,185	1,942,195	555,926
2	NET OPER INC (PRESENT RATES)	2,013,698	2,393,609	(297,254)	7,710	67,051	22,789
3	RATE OF RETURN (PRES RATES)	3.42%	4.06%	6.42%	3.49%	3.45%	4.10%
4	RELATIVE RATE OF RETURN	1.000	1.000	1.000	1.000	1.000	1.000
5	SALES REVENUE (PRE RATES)	30,259,962	27,254,011	(271,751)	1,404,563	14,880,495	3,641,179
6	ANNUAL BOOKED CCF SALES	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
7	SALE REV \$/CCF (PRE RATES)	\$0.0879	\$0.0792	-\$0.0008	\$0.0041	\$0.0432	\$0.0106
CLAIMED RATE OF RETURN							
8	CLAIMED RATE OF RETURN	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
9	RETURN REQ FOR CLAIMED ROR	4,857,261	4,859,397	(381,640)	18,232	160,097	45,825
10	SALES REVENUE REQ CLAIMED ROR	34,634,673	31,047,532	(401,577)	1,420,751	15,023,642	3,676,619
11	REVENUE DEFICIENCY SALES REV	4,374,711	3,793,520	(129,825)	16,188	143,148	35,440
12	PERCENT INCREASE REQUIRED	14.46%	13.92%	47.77%	1.15%	0.96%	0.97%
13	ANNUAL BOOKED CCF SALES	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
14	SALES REV REQUIRED \$/CCF	\$0.1006	\$0.0902	-\$0.0012	\$0.0041	\$0.0436	\$0.0107
15	REVENUE DEFICIENCY \$/CCF	\$0.0127	\$0.0110	-\$0.0004	\$0.0000	\$0.0004	\$0.0001

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE-22		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
DEMAND RELATED								
1	PRODUCTION ALLOCATORS							
2	DES DAY REMAINING DEMNDS - SALES	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880
3	LPG PROD ALLOC-PROD DD	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880
4	LPG PRODUCTION REM DEMAND DD							
5	DEMLPG							
6								
7								
8								
9								
10	DESIGN WINTER ALLOC DTH NOV-MAR	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815
11								
12	LNG PROD ALLOC-PROD DES WN	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815
13	LNG PROD ALLOC-DISTR PRES SUP	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%
14	LNG PROD DEM WEIGHTED ALLOC							
15	DSWNLNG							
16	LNG PRESSURE SUPPORT PERCENT	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%
17								
18								
DISTRIBUTION ALLOCATORS								
1	DISTRIBUTION RSUM ALLOCATOR	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%
2	DISTR RSUM ALLOC LESS THAN 4"	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%
3	DISTR RSUM ALLOC PRESSURE SUP	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%	100.00000%
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE-22

DEMAND RELATED						
	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1 PRODUCTION ALLOCATORS						
2 DES DAY REMAINING DEMNDS - SALES	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880
3 LPG PROD ALLOC-PROD DD	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880	2,429,880
4 LPG PRODUCTION REM DEMAND DD						
5 DEM LPG						
6						
7						
8						
9						
10 DESIGN WINTER ALLOC DTH NOV-MAR	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815
11						
12 LNG PROD ALLOC-PROD DES WN	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815	18,581,815
13 LNG PROD ALLOC-DISTR PRES SUP	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
14 LNG PROD DEM WEIGHTED ALLOC						
15 DSWNLNG						
16 LNG PRESSURE SUPPORT PERCENT	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%
17						
18						
DISTRIBUTION ALLOCATORS						
1 DISTRIBUTION RSUM ALLOCATOR	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
2 DISTR RSUM ALLOC LESS THAN 4"	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
3 DISTR RSUM ALLOC PRESSURE SUP	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-23		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
COMMODITY RELATED								
1	ANNUAL FIRM THERMS SALES	245,020,682	245,020,682	245,020,682	245,020,682	245,020,682	245,020,682	245,020,682
2	ANNUAL FIRM THERMS SALES & TRANS	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
3	DIRECT GAS COST ALLOCATOR	0	0	0	0	0	0	0
4	EGAS							
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-23	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
COMMODITY RELATED						
1 ANNUAL FIRM THERMS SALES	245,020,682	245,020,682	245,020,682	245,020,682	245,020,682	245,020,682
2 ANNUAL FIRM THERMS SALES & TRANS	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
3 DIRECT GAS COST ALLOCATOR	0	0	0	0	0	0
EGAS						

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-24		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
CUSTOMER RELATED								
1	ACCT 380-SERVICES	190,324,535	190,324,535	190,324,535	190,324,535	190,324,535	190,324,535	190,324,535
2	ACCT 381-METERS	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
3	ACCT 382-METER INSTALLATION	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
4	ACCT 383-HOUSE REGULATORS	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
5	ACCT 384-HOUSE REGUL INSTALLS	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
6	ACCT 385-IND MEAS & REG STA EQ	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
7	ACCT 386-OTHER PROP CUST PREM	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
8	CUSTOMER DEPOSITS	4,620,876	4,620,876	4,620,876	4,620,876	4,620,876	4,620,876	4,620,876
9	ACCT 902-METER READ EXP	3,102,685	3,102,685	3,102,685	3,102,685	3,102,685	3,102,685	3,102,685
10	ACCT 903-BILLING, POSTAGE & CALLS	6,539,987	6,539,987	6,539,987	6,539,987	6,539,987	6,539,987	6,539,987
11	ACCT 903-CUST CREDIT & COLL	2,541,181	2,541,181	2,541,181	2,541,181	2,541,181	2,541,181	2,541,181
12	ACCT 908-CUST ASSISTANCE EXP	5,036,489	5,036,489	5,036,489	5,036,489	5,036,489	5,036,489	5,036,489
13	ACCT 912-DEMO & SELLING EXP	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%	100,000,000%
14								
15								
16								
17								
18	ANNUAL NO SALES CUSTOMERS	2,986,045	2,986,045	2,986,045	2,986,045	2,986,045	2,986,045	2,986,045
19	ANNUAL NO OF TRANS CUSTOMERS	23,328	23,328	23,328	23,328	23,328	23,328	23,328
20								
21								
22								
23								
24								
25								
26								
27								
28								
29	ANNUAL NO GAS LIGHT CUSTOMERS	288	288	288	288	288	288	288
30	NOT INCLUDED ABOVE							
31								
32								
33								
34								
35								

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-24

CUSTOMER RELATED		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	ACCT 380-SERVICES	190,324,535	190,324,535	190,324,535	190,324,535	190,324,535	190,324,535
2	ACCT 381-METERS	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
3	ACCT 382-METER INSTALLATION	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
4	ACCT 383-HOUSE REGULATORS	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
5	ACCT 384-HOUSE REGUL INSTALLS	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
6	ACCT 385-IND MEAS & REG STA EQ	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
7	ACCT 386-OTHER PROP CUST PREM	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
8	CUSTOMER DEPOSITS	4,620,876	4,620,876	4,620,876	4,620,876	4,620,876	4,620,876
9	ACCT 902-METER READ EXP	3,102,685	3,102,685	3,102,685	3,102,685	3,102,685	3,102,685
10	ACCT 903-BILLING, POSTAGE & CALLS	6,539,987	6,539,987	6,539,987	6,539,987	6,539,987	6,539,987
11	ACCT 903-CUST CREDIT & COLL	2,541,181	2,541,181	2,541,181	2,541,181	2,541,181	2,541,181
12	ACCT 908-CUST ASSISTANCE EXP	5,036,489	5,036,489	5,036,489	5,036,489	5,036,489	5,036,489
13	ACCT 912-DEMO & SELLING EXP	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%
14							
15							
16							
17							
18	ANNUAL NO SALES CUSTOMERS	2,986,045	2,986,045	2,986,045	2,986,045	2,986,045	2,986,045
19	ANNUAL NO OF TRANS CUSTOMERS	23,328	23,328	23,328	23,328	23,328	23,328
20							
21							
22							
23							
24							
25							
26							
27							
28							
29	ANNUAL NO GAS LIGHT CUSTOMERS	288	288	288	288	288	288
30	NOT INCLUDED ABOVE						
31							
32							
33							
34							
35							

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-25									
EXTERNALLY DEVELOPED UNCOLLECTIBLE ACCOUNTS									
	TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH		
1 RESID NON HTG RATE 10,11 & 80 C904RNIH	8,903,917	8,903,917	8,903,917	8,903,917	8,903,917	8,903,917	8,903,917		
2 RESID HEATING RATE 12 7 13 C904RH	109,788,614	109,788,614	109,788,614	109,788,614	109,788,614	109,788,614	109,788,614		
3 COMM & IND SMALL RATE 21 C904R21	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253		
4 COMM & IND MEDIUM RATE 22 C904R22	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305		
5 C & I LARGE LOW LOAD FAC RATE 33 C904R33	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475		
6 C & I LARGE HIGH LOAD FAC RATE 23 C904R23	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937		
7 C & I LARGE LOW LOAD FAC RATE 34 C904R34	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703		
8 C & I XLARGE HIGH LOAD FAC RATE 24 C904R24	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572		
	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776		
INTERNALLY DEVELOPED LATE PAYMENT CHARGES									
9 COMM & IND SMALL RATE 21 C488R21	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253		
10 COMM & IND MEDIUM RATE 22 C488R22	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305		
11 C & I LARGE LOW LOAD FAC RATE 33 C488R33	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475		
12 C & I LARGE HIGH LOAD FAC RATE 23 C488R23	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937		
13 C & I XLARGE LOW LOAD FAC RATE 34 C488R34	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703		
14 C & I XLARGE HIGH LOAD FAC RATE 24 C488R24	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572		
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOCATION FACTOR TABLE CONT-25

EXTERNALLY DEVELOPED
UNCOLLECTIBLE ACCOUNTS

1	RESID NON HTG RATE 10,11 & 80	C904R21	8,903,917	8,903,917	8,903,917	8,903,917	8,903,917
2	RESID HEATING RATE 12 7 13	C904RH	109,788,614	109,788,614	109,788,614	109,788,614	109,788,614
3	COMM & IND SMALL RATE 21	C904R21	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253
4	COMM & IND MEDIUM RATE 22	C904R22	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305
5	C & I LARGE LOW LOAD FAC RATE 33	C904R33	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475
6	C & I LARGE HIGH LOAD FAC RATE 23	C904R23	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937
7	C & I LARGE LOW LOAD FAC RATE 34	C904R34	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703
8	C & I XLARGE HIGH LOAD FAC RATE 24	C904R24	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572
			167,094,776	167,094,776	167,094,776	167,094,776	167,094,776

INTERNALLY DEVELOPED
LATE PAYMENT CHARGES

9	COMM & IND SMALL RATE 21	C488R21	14,389,253	14,389,253	14,389,253	14,389,253	14,389,253
10	COMM & IND MEDIUM RATE 22	C488R22	17,654,305	17,654,305	17,654,305	17,654,305	17,654,305
11	C & I LARGE LOW LOAD FAC RATE 33	C488R33	7,876,475	7,876,475	7,876,475	7,876,475	7,876,475
12	C & I LARGE HIGH LOAD FAC RATE 23	C488R23	3,060,937	3,060,937	3,060,937	3,060,937	3,060,937
13	C & I XLARGE LOW LOAD FAC RATE 34	C488R34	1,062,703	1,062,703	1,062,703	1,062,703	1,062,703
14	C & I XLARGE HIGH LOAD FAC RATE 24	C488R24	4,358,572	4,358,572	4,358,572	4,358,572	4,358,572

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-26		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
1	TOTAL GAS PLANT IN SERVICE	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949
2	SUM OF ALLOCATED LABOR EXP	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436
3	ACCT 305-STRUCTURES & IMPROVE	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351
4	ACCT 311-LP GAS EQUIP	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412
5	ACCT 320-OTHER EQUIPMENT	313,197	313,197	313,197	313,197	313,197	313,197	313,197
6	ACCT 375-GAS DIST STATION STR	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024
7	ACCT 376-MAINS	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073
8	ACCT 378-GAS MEAS & REG STA EQ	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183
9	ACCT 380-SERVICES	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825
10	ACCT 381-METERS	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476
11	ACCT 382-METER INSTALLATION	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015
12	ACCT 386-OTHER PROP CUST PREM	381,896	381,896	381,896	381,896	381,896	381,896	381,896
13	ACCT 383-HOUSE REGULATORS	469,616	469,616	469,616	469,616	469,616	469,616	469,616
14	ACCT 396-POWER OPERATED EQUIP	0	0	0	0	0	0	0
15	ACCT 390-STRUCTURES & IMPROV	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301
16	ACCT 391-OFFICE FURN & EQUIP	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632
17	ACCT 392-TRANSPORTATION EQUIP	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980
18	ACCT 393-STORES EQUIPMENT	56,255	56,255	56,255	56,255	56,255	56,255	56,255
19	ACCT 394-TOOLS, SHOP & GAR EQ	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609
20	ACCT 395-LABORATORY EQUIPMENT	338,874	338,874	338,874	338,874	338,874	338,874	338,874
21	ACCT 397-COMMUNICATION EQUIP	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149
22	ACCT 398-MISCELLANEOUS EQUIP	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941
23	ACCT 376 MAINS & 380 SERVICES	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898
24	TOTAL DISTRIBUTION PLANT	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615
25	ACCT 381 - 384 METER & HSE REGUL	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798
26	ACCT 871-879 DIST OPER EXP	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089
27	REV CLAIMED ROR LESS GAS COSTS	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776
28	TOTAL GENERAL PLANT	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097
29	TOTAL WORKING CASH EXPENSE	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695
30	ACCT 304-LAND & LAND RIGHTS	208,196	208,196	208,196	208,196	208,196	208,196	208,196
31	ACCT 360-LAND & LAND RIGHTS	249,472	249,472	249,472	249,472	249,472	249,472	249,472
32	ACCT 374-LAND & LAND RIGHTS	768,799	768,799	768,799	768,799	768,799	768,799	768,799
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-26						CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	TOTAL GAS PLANT IN SERVICE	PLANT	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949	773,551,949
2	SUM OF ALLOCATED LABOR EXP	LABOR	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436	47,745,436
3	ACCT 305-STRUCTURES & IMPROVE	PLT305	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351	1,446,351
4	ACCT 311-LP GAS EQUIP	PLT311	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412	1,057,412
5	ACCT 320-OTHER EQUIPMENT	PLT320	313,197	313,197	313,197	313,197	313,197	313,197	313,197	313,197	313,197
6	ACCT 375-GAS DIST STATION STR	PLT375	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024	8,463,024
7	ACCT 376-MAINS	PLT376	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073	352,081,073
8	ACCT 378-GAS MEAS & REG STA EQ	PLT378	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183	14,063,183
9	ACCT 380-SERVICES	PLT380	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825	206,086,825
10	ACCT 381-METERS	PLT381	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476	55,074,476
11	ACCT 382-METER INSTALLATION	PLT382	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015	49,794,015
12	ACCT 386-OTHER PROP CUST PREM	PLT386	381,896	381,896	381,896	381,896	381,896	381,896	381,896	381,896	381,896
13	ACCT 383-HOUSE REGULATORS	PLT383	469,616	469,616	469,616	469,616	469,616	469,616	469,616	469,616	469,616
14	ACCT 396-POWER OPERATED EQUIP	PLT396	0	0	0	0	0	0	0	0	0
15	ACCT 390-STRUCTURES & IMPROV	PLT390	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301	3,822,301
16	ACCT 391-OFFICE FURN & EQUIP	PLT391	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632	8,729,632
17	ACCT 392-TRANSPORTATION EQUIP	PLT392	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980	2,106,980
18	ACCT 393-STORES EQUIPMENT	PLT393	56,255	56,255	56,255	56,255	56,255	56,255	56,255	56,255	56,255
19	ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609	2,635,609
20	ACCT 395-LABORATORY EQUIPMENT	PLT395	338,874	338,874	338,874	338,874	338,874	338,874	338,874	338,874	338,874
21	ACCT 397-COMMUNICATION EQUIP	PLT397	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149	2,883,149
22	ACCT 398-MISCELLANEOUS EQUIP	PLT398	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941	2,931,941
23	ACCT 376 MAINS & 380 SERVICES	PLT37680	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898	558,167,898
24	TOTAL DISTRIBUTION PLANT	DISTRPLT	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615	696,161,615
25	ACCT 381 - 384 METER & HSE REGUL	PLT3814	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798	105,952,798
26	ACCT 871-879 DIST OPER EXP	EXP8719	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089	7,401,089
27	REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776	167,094,776
28	TOTAL GENERAL PLANT	GENPLT	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097	23,790,097
29	TOTAL WORKING CASH EXPENSE	CWCEXP	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695	95,917,695
30	ACCT 304-LAND & LAND RIGHTS	PLT304	208,196	208,196	208,196	208,196	208,196	208,196	208,196	208,196	208,196
31	ACCT 360-LAND & LAND RIGHTS	PLT360	249,472	249,472	249,472	249,472	249,472	249,472	249,472	249,472	249,472
32	ACCT 374-LAND & LAND RIGHTS	PLT374	768,799	768,799	768,799	768,799	768,799	768,799	768,799	768,799	768,799
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-27									
	TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH		
1 ACCT 717-LP GAS EXPENSES	50	50	50	50	50	50	50		
2 ACCT 718-OTHER PROC PROD EXP	0	0	0	0	0	0	0		
3 ACCT 735-MISCELLANEOUS	14,649	14,649	14,649	14,649	14,649	14,649	14,649		
4 ACCT 741-MAINTENANCE OF PLANT	(14,605)	(14,605)	(14,605)	(14,605)	(14,605)	(14,605)	(14,605)		
5 ACCT 742-MAINTENANCE OF EQUIP	0	0	0	0	0	0	0		
6 ACCT 743-GAS SYS PROD TRAINING	0	0	0	0	0	0	0		
7 ACCT 871-SYSTEM CONTROL & DISP	497,156	497,156	497,156	497,156	497,156	497,156	497,156		
8 ACCT 873-COMP STA FUEL & POW	(8,157)	(8,157)	(8,157)	(8,157)	(8,157)	(8,157)	(8,157)		
9 ACCT 874-MAINS & SERVICE EXP	2,553,769	2,553,769	2,553,769	2,553,769	2,553,769	2,553,769	2,553,769		
10 ACCT 875-OPER STATION EXP - GEN	728,731	728,731	728,731	728,731	728,731	728,731	728,731		
11 ACCT 878-METER & HOUSE REG EXP	3,381,890	3,381,890	3,381,890	3,381,890	3,381,890	3,381,890	3,381,890		
12 ACCT 879-CUSTOMER INSTALL EXP	2,621	2,621	2,621	2,621	2,621	2,621	2,621		
13 ACCT 880-OTHER EXPENSE	4,473,786	4,473,786	4,473,786	4,473,786	4,473,786	4,473,786	4,473,786		
14 ACCT 887-MAINTENANCE OF MAINS	6,036,267	6,036,267	6,036,267	6,036,267	6,036,267	6,036,267	6,036,267		
15 ACCT 889-MT OF M & R STA EQ	313,438	313,438	313,438	313,438	313,438	313,438	313,438		
16 ACCT 890-MT OF REG EQ (INDUST)	4,669	4,669	4,669	4,669	4,669	4,669	4,669		
17 ACCT 891-MT OF REG EQ (CITY GATE)	134,264	134,264	134,264	134,264	134,264	134,264	134,264		
18 ACCT 892-MAINTENANCE OF SERV	4,466,537	4,466,537	4,466,537	4,466,537	4,466,537	4,466,537	4,466,537		
19 ACCT 893-MAINT MET & HOUSE REG	1,401,686	1,401,686	1,401,686	1,401,686	1,401,686	1,401,686	1,401,686		
20 ACCT 902-METER READING EXP	654,140	654,140	654,140	654,140	654,140	654,140	654,140		
21 ACCT 903-CUST RECORDS & COLL	8,213,353	8,213,353	8,213,353	8,213,353	8,213,353	8,213,353	8,213,353		
22 ACCT 908-CUST ASSISTANCE EXP	652,148	652,148	652,148	652,148	652,148	652,148	652,148		
23 ACCT 904-UNCOLLECTIBLE ACCTS	6,202,527	6,202,527	6,202,527	6,202,527	6,202,527	6,202,527	6,202,527		
24 ACCT 904-UNCOLL ACCTS EXP BASE	5,446,338	5,446,338	5,446,338	5,446,338	5,446,338	5,446,338	5,446,338		
25 ACCT 920-ADMIN & GEN SALARY	8,426,269	8,426,269	8,426,269	8,426,269	8,426,269	8,426,269	8,426,269		
26 ACCT 923-OUTSIDE SERV EMPLOYED	1,829,962	1,829,962	1,829,962	1,829,962	1,829,962	1,829,962	1,829,962		
27 ACCT 930-MISC GEN EXP	2,067,479	2,067,479	2,067,479	2,067,479	2,067,479	2,067,479	2,067,479		
28 ACCT 935-MAINT OF GENERAL PLT	87,083	87,083	87,083	87,083	87,083	87,083	87,083		
29 GAS PROD LABOR ACCTS 717-735	0	0	0	0	0	0	0		
30 GAS PROD LABOR ACCTS 741-743	0	0	0	0	0	0	0		
31 DIST LABOR OPER ACCT 871 - 880	9,345,110	9,345,110	9,345,110	9,345,110	9,345,110	9,345,110	9,345,110		
32 DIST LABOR MAINT ACCT 886 - 894	7,144,906	7,144,906	7,144,906	7,144,906	7,144,906	7,144,906	7,144,906		
33 CUST ACCTS LAB ACCT 902,903 & 905	5,025,934	5,025,934	5,025,934	5,025,934	5,025,934	5,025,934	5,025,934		
34 SALES LABOR ACCT 912 - 916	617,755	617,755	617,755	617,755	617,755	617,755	617,755		
35 TOTAL GAS PROD OPER LABOR	0	0	0	0	0	0	0		
36 TOTAL GAS PROD MAINT LABOR	0	0	0	0	0	0	0		
37 TOTAL DISTR OPER LABOR	9,471,118	9,471,118	9,471,118	9,471,118	9,471,118	9,471,118	9,471,118		
38 TOTAL DISTR MAINT LABOR	7,857,207	7,857,207	7,857,207	7,857,207	7,857,207	7,857,207	7,857,207		
39 TOTAL SALES LABOR	618,351	618,351	618,351	618,351	618,351	618,351	618,351		
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THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Docket No. R.I.P.U.C. _____
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-27		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	ACCT 717-LP GAS EXPENSES	EXP717	50	50	50	50	50
2	ACCT 718-OTHER PROC PROD EXP	EXP718	0	0	0	0	0
3	ACCT 735-MISCELLANEOUS	EXP735	14,649	14,649	14,649	14,649	14,649
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	(14,605)	(14,605)	(14,605)	(14,605)	(14,605)
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	0	0	0	0	0
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	0	0	0	0	0
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	497,156	497,156	497,156	497,156	497,156
8	ACCT 873-COMP STA FUEL & POW	EXP873	(8,157)	(8,157)	(8,157)	(8,157)	(8,157)
9	ACCT 874-MAINS & SERVICE EXP	EXP874	2,553,769	2,553,769	2,553,769	2,553,769	2,553,769
10	ACCT 875-OPER STATION EXP - GEN	EXP875	728,731	728,731	728,731	728,731	728,731
11	ACCT 878-METER & HOUSE REG EXP	EXP878	3,381,890	3,381,890	3,381,890	3,381,890	3,381,890
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	2,621	2,621	2,621	2,621	2,621
13	ACCT 880-OTHER EXPENSE	EXP880	4,473,786	4,473,786	4,473,786	4,473,786	4,473,786
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	6,036,267	6,036,267	6,036,267	6,036,267	6,036,267
15	ACCT 889-MT OF M & R STA EQ	EXP889	313,438	313,438	313,438	313,438	313,438
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	4,669	4,669	4,669	4,669	4,669
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	134,264	134,264	134,264	134,264	134,264
18	ACCT 892-MAINTENANCE OF SERV	EXP892	4,466,537	4,466,537	4,466,537	4,466,537	4,466,537
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	1,401,686	1,401,686	1,401,686	1,401,686	1,401,686
20	ACCT 902-METER READING EXP	EXP902	654,140	654,140	654,140	654,140	654,140
21	ACCT 903-CUST RECORDS & COLL	EXP903	8,213,353	8,213,353	8,213,353	8,213,353	8,213,353
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	652,148	652,148	652,148	652,148	652,148
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	6,202,527	6,202,527	6,202,527	6,202,527	6,202,527
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	5,446,338	5,446,338	5,446,338	5,446,338	5,446,338
25	ACCT 920-ADMIN & GEN SALARY	EXP920	8,426,269	8,426,269	8,426,269	8,426,269	8,426,269
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	1,829,962	1,829,962	1,829,962	1,829,962	1,829,962
27	ACCT 930-MISC GEN EXP	EXP930	2,067,479	2,067,479	2,067,479	2,067,479	2,067,479
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	87,083	87,083	87,083	87,083	87,083
29	GAS PROD LABOR ACCTS 717-735	LABPO	0	0	0	0	0
30	GAS PROD LABOR ACCTS 741-743	LABPM	0	0	0	0	0
31	DIST LABOR OPER ACCT 871 - 880	LABDO	9,345,110	9,345,110	9,345,110	9,345,110	9,345,110
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	7,144,906	7,144,906	7,144,906	7,144,906	7,144,906
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	5,025,934	5,025,934	5,025,934	5,025,934	5,025,934
34	SALES LABOR ACCT 912 - 916	LABSA	617,755	617,755	617,755	617,755	617,755
35	TOTAL GAS PROD OPER LABOR	TLABPO	0	0	0	0	0
36	TOTAL GAS PROD MAINT LABOR	TLABPM	0	0	0	0	0
37	TOTAL DISTR OPER LABOR	TLABDO	9,471,118	9,471,118	9,471,118	9,471,118	9,471,118
38	TOTAL DISTR MAINT LABOR	TLABDM	7,857,207	7,857,207	7,857,207	7,857,207	7,857,207
39	TOTAL SALES LABOR	TLABSA	618,351	618,351	618,351	618,351	618,351
40							

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-28		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
1 TOTAL CUST ACCTS LABOR		5,413,319	5,413,319		5,413,319	5,413,319	5,413,319	5,413,319
2 CUSTOMER SERVICE & INFO LABOR	TLABCA	734,046	734,046		734,046	734,046	734,046	734,046
3 ACCT 886-MAINT STRUCT & IMPROV	TLABSE	0	0		0	0	0	0
4 ACCT 894-MAINT OF OTHER EQUIP	EXP886	62,651	62,651		62,651	62,651	62,651	62,651
5 ACCT 921-OFFICE SUPPLIES & EXP	EXP894	5,415,321	5,415,321		5,415,321	5,415,321	5,415,321	5,415,321
6 ACCT 926-EMPLOY PENSION & BENF	EXP921	14,650,655	14,650,655		14,650,655	14,650,655	14,650,655	14,650,655
7 ACCT 380-384-SERV/METRS & REGUL	EXP926	312,039,623	312,039,623		312,039,623	312,039,623	312,039,623	312,039,623
8 ACCT 925-INJURIES & DAMAGES	PLT3804	1,944,483	1,944,483		1,944,483	1,944,483	1,944,483	1,944,483
9 ACCT 302-GAS FRANCHISES & CON	EXP925	213,499	213,499		213,499	213,499	213,499	213,499
10 ACCT 303-MISC INTANGIBLE PLT - CIS	PLT302	1,240,160	1,240,160		1,240,160	1,240,160	1,240,160	1,240,160
11 ACCT 303-MISC INTANGIBLE PLT - SL	PLT303	28,673,625	28,673,625		28,673,625	28,673,625	28,673,625	28,673,625
12 ACCT 307-OTHER POWER EQUIP	PLT303SL	45,873	45,873		45,873	45,873	45,873	45,873
13 ACCT 361-STRUCTURES & IMPROV	PLT307	5,122,410	5,122,410		5,122,410	5,122,410	5,122,410	5,122,410
14 ACCT 362-GAS HOLDERS & LNG EQ	PLT361	5,486,864	5,486,864		5,486,864	5,486,864	5,486,864	5,486,864
15 ACCT 363-PURIFICATION EQUIP	PLT362	9,543,177	9,543,177		9,543,177	9,543,177	9,543,177	9,543,177
16 ACCT 377-DIST COMP STATION EQ	PLT363	248,656	248,656		248,656	248,656	248,656	248,656
17 ACCT 379-DIST MEAS & REG GS EQ	PLT377	7,311,159	7,311,159		7,311,159	7,311,159	7,311,159	7,311,159
18 ACCT 384-HOUSE REGUL INSTALLS	PLT379	614,691	614,691		614,691	614,691	614,691	614,691
19 ACCT 385-IND MEAS & REG STA EQ	PLT384	317,555	317,555		317,555	317,555	317,555	317,555
20 ACCT 387-DIST OTHER EQUIP	PLT385	486,647	486,647		486,647	486,647	486,647	486,647
21 ACCT 389-LAND & LAND RIGHTS	PLT387	285,357	285,357		285,357	285,357	285,357	285,357
22 ACCT 378 & 379-GAS M & R STAT EQ	PLT389	21,374,342	21,374,342		21,374,342	21,374,342	21,374,342	21,374,342
23 CUSTOMER ACCTS EXP 902 - 903	PLT389	8,867,492	8,867,492		8,867,492	8,867,492	8,867,492	8,867,492
24 ACCT 840-OPERATION LABOR & EXP	EXP9023	200,454	200,454		200,454	200,454	200,454	200,454
25 ACCT 876-OPER STAT EXP - INDUST	EXP840	245,079	245,079		245,079	245,079	245,079	245,079
26 ACCT 905-MISC CUST ACCTS EXP	EXP876	165,084	165,084		165,084	165,084	165,084	165,084
27 ACCT 910-CUST SERVICE MISC EXP	EXP905	411,991	411,991		411,991	411,991	411,991	411,991
28 ACCT 912-DEMO & SELLING EXP	EXP910	777,497	777,497		777,497	777,497	777,497	777,497
29 ACCT 916-MISC SALES EXP	EXP912	85,623	85,623		85,623	85,623	85,623	85,623
30 ACCT 924-PROPERTY INSURANCE	EXP916	10,823	10,823		10,823	10,823	10,823	10,823
31 ACCT 928-REGULATORY COMM EXP	EXP924	2,103,208	2,103,208		2,103,208	2,103,208	2,103,208	2,103,208
32 ACCT 929-DUPLICATE CHR - CREDIT	EXP928	779	779		779	779	779	779
33 ACCT 931-RENTS	EXP929	3,316,863	3,316,863		3,316,863	3,316,863	3,316,863	3,316,863
34 ACCT 844-LNG PROC TERM LAB & EXP	EXP931	1,032,073	1,032,073		1,032,073	1,032,073	1,032,073	1,032,073
35 ACCT 847-MAINT OF LNG PLT BLDGS	EXP844	223,540	223,540		223,540	223,540	223,540	223,540
36	EXP847							
37								
38								
39								
40								

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GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-28		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	TOTAL CUST ACCTS LABOR	5,413,319	5,413,319	5,413,319	5,413,319	5,413,319	5,413,319
2	CUSTOMER SERVICE & INFO LABOR	734,046	734,046	734,046	734,046	734,046	734,046
3	ACCT 886-MAINT STRUCT & IMPROV	0	0	0	0	0	0
4	ACCT 894-MAINT OF OTHER EQUIP	62,651	62,651	62,651	62,651	62,651	62,651
5	ACCT 921-OFFICE SUPPLIES & EXP	5,415,321	5,415,321	5,415,321	5,415,321	5,415,321	5,415,321
6	ACCT 926-EMPLOY PENSION & BENF	14,650,655	14,650,655	14,650,655	14,650,655	14,650,655	14,650,655
7	ACCT 380-384-SERV/METRS & REGUL	312,039,623	312,039,623	312,039,623	312,039,623	312,039,623	312,039,623
8	ACCT 925-INJURIES & DAMAGES	1,944,483	1,944,483	1,944,483	1,944,483	1,944,483	1,944,483
9	ACCT 302-GAS FRANCHISES & CON	213,499	213,499	213,499	213,499	213,499	213,499
10	ACCT 303-MISC INTANGIBLE PLT - CIS	1,240,160	1,240,160	1,240,160	1,240,160	1,240,160	1,240,160
11	ACCT 303-MISC INTANGIBLE PLT - SL	28,673,625	28,673,625	28,673,625	28,673,625	28,673,625	28,673,625
12	ACCT 307-OTHER POWER EQUIP	45,873	45,873	45,873	45,873	45,873	45,873
13	ACCT 361-STRUCTURES & IMPROV	5,122,410	5,122,410	5,122,410	5,122,410	5,122,410	5,122,410
14	ACCT 362-GAS HOLDERS & LNG EQ	5,486,864	5,486,864	5,486,864	5,486,864	5,486,864	5,486,864
15	ACCT 363-PURIFICATION EQUIP	9,543,177	9,543,177	9,543,177	9,543,177	9,543,177	9,543,177
16	ACCT 377-DIST COMP STATION EQ	248,656	248,656	248,656	248,656	248,656	248,656
17	ACCT 379-DIST MEAS & REG GS EQ	7,311,159	7,311,159	7,311,159	7,311,159	7,311,159	7,311,159
18	ACCT 384-HOUSE REGUL INSTALLS	614,691	614,691	614,691	614,691	614,691	614,691
19	ACCT 385-IND MEAS & REG STA EQ	317,555	317,555	317,555	317,555	317,555	317,555
20	ACCT 387-DIST OTHER EQUIP	486,647	486,647	486,647	486,647	486,647	486,647
21	ACCT 389-LAND & LAND RIGHTS	285,357	285,357	285,357	285,357	285,357	285,357
22	ACCT 378 & 379-GAS M & R STAT EQ	21,374,342	21,374,342	21,374,342	21,374,342	21,374,342	21,374,342
23	CUSTOMER ACCTS EXP 902 - 903	8,867,492	8,867,492	8,867,492	8,867,492	8,867,492	8,867,492
24	ACCT 840-OPERATION LABOR & EXP	200,454	200,454	200,454	200,454	200,454	200,454
25	ACCT 876-OPER STAT EXP - INDUST	245,079	245,079	245,079	245,079	245,079	245,079
26	ACCT 905-MISC CUST ACCTS EXP	165,084	165,084	165,084	165,084	165,084	165,084
27	ACCT 910-CUST SERVICE MISC EXP	411,991	411,991	411,991	411,991	411,991	411,991
28	ACCT 912-DEMO & SELLING EXP	777,497	777,497	777,497	777,497	777,497	777,497
29	ACCT 916-MISC SALES EXP	85,623	85,623	85,623	85,623	85,623	85,623
30	ACCT 924-PROPERTY INSURANCE	10,823	10,823	10,823	10,823	10,823	10,823
31	ACCT 928-REGULATORY COMM EXP	2,103,208	2,103,208	2,103,208	2,103,208	2,103,208	2,103,208
32	ACCT 929-DUPLICATE CHR - CREDIT	779	779	779	779	779	779
33	ACCT 931-RENTS	3,316,863	3,316,863	3,316,863	3,316,863	3,316,863	3,316,863
34	ACCT 844-LNG PROC TERM LAB & EXP	1,032,073	1,032,073	1,032,073	1,032,073	1,032,073	1,032,073
35	ACCT 847-MAINT OF LNG PLT BLDGS	223,540	223,540	223,540	223,540	223,540	223,540

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-29		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
REVENUES FROM GAS SALES								
1	REVENUES FIRM SALES OF GAS	147,518,783	147,518,783	147,518,783	147,518,783	147,518,783	147,518,783	147,518,783
2	BASE REVENUE SALES	118,427,919	118,427,919	118,427,919	118,427,919	118,427,919	118,427,919	118,427,919
3	BASE REVENUE F-1 TRANSP	10,943,705	10,943,705	10,943,705	10,943,705	10,943,705	10,943,705	10,943,705
4	BASE REVENUE F-2 TRANSP	7,314,621	7,314,621	7,314,621	7,314,621	7,314,621	7,314,621	7,314,621
5	GAS LIGHTING REVENUES	19,303	19,303	19,303	19,303	19,303	19,303	19,303
6	INFRASTRUCTURE, SAF & RELIAB (ISR)	6,924,425	6,924,425	6,924,425	6,924,425	6,924,425	6,924,425	6,924,425
7	RDA REVENUES	3,888,810	3,888,810	3,888,810	3,888,810	3,888,810	3,888,810	3,888,810
8								
9								
10								
11								
12								

REVENUE REQUIREMENT INPUTS								
CLAIMED RATE OF RETURN		8.243%	8.243%	8.243%	8.243%	8.243%	8.243%	8.243%
1	ANNUAL TERM SALES & TRANS	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
2	PROPOSED SALES REVENUES	167,094,425	167,094,425	167,094,425	167,094,425	167,094,425	167,094,425	167,094,425
3	TOTAL ANNUAL CUSTOMERS	3,009,373	3,009,373	3,009,373	3,009,373	3,009,373	3,009,373	3,009,373
4								
5								

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	147,518,783	147,518,783	147,518,783	147,518,783	147,518,783	147,518,783
2	118,427,919	118,427,919	118,427,919	118,427,919	118,427,919	118,427,919
3	10,943,705	10,943,705	10,943,705	10,943,705	10,943,705	10,943,705
4	7,314,621	7,314,621	7,314,621	7,314,621	7,314,621	7,314,621
5	19,303	19,303	19,303	19,303	19,303	19,303
6	6,924,425	6,924,425	6,924,425	6,924,425	6,924,425	6,924,425
7	3,888,810	3,888,810	3,888,810	3,888,810	3,888,810	3,888,810

INTERNALLY DEVELOPED CONT-29

REVENUES FROM GAS SALES

- 1 REVENUES FIRM SALES OF GAS
- 2 BASE REVENUE SALES
- 3 BASE REVENUE F-1 TRANSP
- 4 BASE REVENUE F-2 TRANSP
- 5 GAS LIGHTING REVENUES
- 6 INFRASTRUCTURE, SAF & RELIAB (ISR)
- 7 RDA REVENUES

8
9
10
11
12

REVENUE REQUIREMENT INPUTS

- 1 CLAIMED RATE OF RETURN
- 2 ANNUAL TERM SALES & TRANS
- 3 PROPOSED SALES REVENUES
- 4 TOTAL ANNUAL CUSTOMERS

5

8.243%	8.243%	8.243%	8.243%	8.243%	8.243%
344,207,103	344,207,103	344,207,103	344,207,103	344,207,103	344,207,103
167,094,425	167,094,425	167,094,425	167,094,425	167,094,425	167,094,425
3,009,373	3,009,373	3,009,373	3,009,373	3,009,373	3,009,373

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE-30									
CAPACITY RELATED									
	TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH		

1									
2	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
3	1.00000	0.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4									
5									
6	1.00000	0.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
7									
8									
9									
10	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
11									
12	1.00000	0.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
13	1.00000	0.00000	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
14									
15	1.00000	0.00000	1.00000	0.00000	0.81800	0.18200	0.00000	0.00000	0.00000
16	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%
17									
18									
DISTRIBUTION ALLOCATORS									

1	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	1.00000	1.00000
2	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	1.00000	1.00000
3	1.00000	0.00000	1.00000	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000
4									
5									
6									
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18									
19									
20									

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
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RATIO TABLE-30

CAPACITY RELATED

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
PRODUCTION ALLOCATORS																	
DES DAY REMAINING DEMNDS - SALES	1.00000																
LPG PROD ALLOC-PROD DD	0.00000	1.00000	0.00000														
LPG PRODUCTION REM DEMAND DD	0.00000																
DEMLPG																	
DESIGN WINTER ALLOC DTH NOV-MAR	1.00000																
LNG PROD ALLOC-PROD DES WN	0.00000																
LNG PROD ALLOC-DISTR PRES SUP	0.00000	0.00000	0.00000														
LNG PROD DEM WEIGHTED ALLOC	0.00000																
LNG PRESSURE SUPPORT PERCENT	18.20%	18.20%	18.20%														

DISTRIBUTION ALLOCATORS

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
DISTRIBUTION RSUM ALLOCATOR																			
DISTR RSUM ALLOC LESS THAN 4"	0.00000	0.00000	0.00000																
DISTR RSUM ALLOC PRESSURE SUP	0.00000	0.00000	0.00000																
DISTR																			
DISTR4																			
DISTRPS																			

CUST SERV CUST METERS CUST-DEPOSIT CUST MET READ CUST RECORD CUST INFO

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE CONT-31		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
COMMODITY RELATED								
1	ANNUAL FIRM THERMS SALES	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2	ANNUAL FIRM THERMS SALES & TRANS	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
3	DIRECT GAS COST ALLOCATOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE CONT-31		CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
COMMODITY RELATED							
1	ANNUAL FIRM THERMS SALES	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2	ANNUAL FIRM THERMS SALES & TRANS	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
3	DIRECT GAS COST ALLOCATOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4	EGAS						
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE CONT-32		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
CUSTOMER RELATED								
1	ACCT 380-SERVICES	CUST380	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2	ACCT 381-METERS	CUST381	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
3	ACCT 382-METER INSTALLATION	CUST382	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4	ACCT 383-HOUSE REGULATORS	CUST383	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
5	ACCT 384-HOUSE REGUL INSTALLS	CUST384	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
6	ACCT 385-IND MEAS & REG STA EQ	CUST385	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
7	ACCT 386-OTHER PROP CUST PREM	CUST386	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
8	CUSTOMER DEPOSITS	CUSTDEP	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
9	ACCT 902-METER READ EXP	CUST902	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
10	ACCT 903-BILLING, POSTAGE & CALLS	CUST903	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
11	ACCT 903-CUST CREDIT & COLL	CUST903C	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
12	ACCT 908-CUST ASSISTANCE EXP	CUST908	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
13	ACCT 912-DEMO & SELLING EXP	CUST912	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE CONT-32		CUSTOMER RELATED										
			CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO				
1	ACCT 380-SERVICES	CUST380	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000				
2	ACCT 381-METERS	CUST381	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000				
3	ACCT 382-METER INSTALLATION	CUST382	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000				
4	ACCT 383-HOUSE REGULATORS	CUST383	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000				
5	ACCT 384-HOUSE REGUL INSTALLS	CUST384	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000				
6	ACCT 385-IND MEAS & REG STA EQ	CUST385	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000				
7	ACCT 386-OTHER PROP CUST PREM	CUST386	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000				
8	CUSTOMER DEPOSITS	CUSTDEP	0.00000	0.00000	1.00000	0.00000	0.00000	0.00000				
9	ACCT 902-METER READ EXP	CUST902	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000				
10	ACCT 903-BILLING, POSTAGE & CALLS	CUST903	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000				
11	ACCT 903-CUST CREDIT & COLL	CUST903C	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000				
12	ACCT 908-CUST ASSISTANCE EXP	CUST908	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000				
13	ACCT 912-DEMO & SELLING EXP	CUST912	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000				

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE CONT-33						
EXTERNALLY DEVELOPED UNCOLLECTIBLE ACCOUNTS						
TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
1 RESID NON HTG RATE 10.11 & 80	C904R21	0.14533	0.00011	0.00090	0.00111	0.14320
2 RESID HEATING RATE 12 7 13	C904RH	0.41969	0.00051	0.00402	0.00317	0.41199
3 COMM & IND SMALL RATE 21	C904R21	0.53960	0.00059	0.00472	0.00348	0.45161
4 COMM & IND MEDIUM RATE 22	C904R22	0.24997	0.00051	0.00562	0.00569	0.73821
5 C & I LARGE LOW LOAD FAC RATE 33	C904R23	0.12707	0.00034	0.00568	0.00662	0.86030
6 C & I LARGE HIGH LOAD FAC RATE 23	C904R23	0.11088	0.00015	0.00198	0.00679	0.88019
7 C & I XLARGE LOW LOAD FAC RATE 34	C904R34	0.15270	0.00012	0.00288	0.01505	0.82925
8 C & I XLARGE HIGH LOAD FAC RATE 24	C904R24	0.09188	0.00008	0.00055	0.01618	0.89130
INTERNALLY DEVELOPED LATE PAYMENT CHARGES						
9 COMM & IND SMALL RATE 21	C488R21	0.46040	0.00059	0.00472	0.00348	0.45161
10 COMM & IND MEDIUM RATE 22	C488R22	0.75003	0.00051	0.00562	0.00569	0.73821
11 C & I LARGE LOW LOAD FAC RATE 33	C488R33	0.87293	0.00034	0.00568	0.00662	0.86030
12 C & I LARGE HIGH LOAD FAC RATE 23	C488R23	0.88912	0.00015	0.00198	0.00679	0.88019
13 C & I XLARGE LOW LOAD FAC RATE 34	C488R34	0.84730	0.00012	0.00288	0.01505	0.82925
14 C & I XLARGE HIGH LOAD FAC RATE 24	C488R24	0.90812	0.00008	0.00055	0.01618	0.89130

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RATIO TABLE CONT-33

EXTERNALLY DEVELOPED
UNCOLLECTIBLE ACCOUNTS

1	RESID NON HTG RATE 10,11 & 80	C904R21	0.38527	0.27314	0.00000	0.01568	0.14957	0.03102
2	RESID HEATING RATE 12 7 13	C904RH	0.24898	0.18594	-0.00002	0.01014	0.11240	0.02286
3	COMM & IND SMALL RATE 21	C904R21	0.20158	0.24940	-0.01428	0.00689	0.07017	0.02583
4	COMM & IND MEDIUM RATE 22	C904R22	0.04611	0.18453	-0.00894	0.00310	0.01400	0.01117
5	C & I LARGE LOW LOAD FAC RATE 33	C904R33	0.01231	0.09330	-0.00317	0.00106	0.00742	0.01614
6	C & I LARGE HIGH LOAD FAC RATE 23	C904R23	0.01119	0.07770	-0.00198	0.00109	0.00497	0.01792
7	C & I XLARGE LOW LOAD FAC RATE 34	C904R34	0.00700	0.11500	0.00000	0.00075	0.00670	0.02324
8	C & I XLARGE HIGH LOAD FAC RATE 24	C904R24	0.00352	0.05952	-0.00121	0.00037	0.00332	0.02636

INTERNALLY DEVELOPED
LATE PAYMENT CHARGES

9	COMM & IND SMALL RATE 21	C488R21	0.20158	0.24940	-0.01428	0.00689	0.07017	0.02583
10	COMM & IND MEDIUM RATE 22	C488R22	0.04611	0.18453	-0.00894	0.00310	0.01400	0.01117
11	C & I LARGE LOW LOAD FAC RATE 33	C488R33	0.01231	0.09330	-0.00317	0.00106	0.00742	0.01614
12	C & I LARGE HIGH LOAD FAC RATE 23	C488R23	0.01119	0.07770	-0.00198	0.00109	0.00497	0.01792
13	C & I XLARGE LOW LOAD FAC RATE 34	C488R34	0.00700	0.11500	0.00000	0.00075	0.00670	0.02324
14	C & I XLARGE HIGH LOAD FAC RATE 24	C488R24	0.00352	0.05952	-0.00121	0.00037	0.00332	0.02636

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-34							CAP-DST-OTH
TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES		
1 TOTAL GAS PLANT IN SERVICE	0.44437	0.55563	0.00397	0.02158	0.00507	0.52501	
2 SUM OF ALLOCATED LABOR EXP	0.58304	0.41696	0.00000	0.00003	0.00404	0.41288	
3 ACCT 305-STRUCTURES & IMPROVE	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	
4 ACCT 311-LP GAS EQUIP	0.00000	1.00000	1.00000	0.00000	0.00000	0.00000	
5 ACCT 320-OTHER EQUIPMENT	0.00000	1.00000	1.00000	0.00000	0.00000	0.00000	
6 ACCT 375-GAS DIST STATION STR	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	
7 ACCT 376-MAINS	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	
8 ACCT 378-GAS MEAS & REG STA EQ	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	
9 ACCT 380-SERVICES	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
10 ACCT 381-METERS	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
11 ACCT 382-METER INSTALLATION	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
12 ACCT 386-OTHER PROP CUST PREM	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
13 ACCT 383-HOUSE REGULATORS	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
14 ACCT 396-POWER OPERATED EQUIP	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
15 ACCT 390-STRUCTURES & IMPROV	0.58304	0.41696	0.00000	0.00003	0.00404	0.41288	
16 ACCT 391-OFFICE FURN & EQUIP	0.58304	0.41696	0.00000	0.00003	0.00404	0.41288	
17 ACCT 392-TRANSPORTATION EQUIP	0.58304	0.41696	0.00000	0.00003	0.00404	0.41288	
18 ACCT 393-STORES EQUIPMENT	0.44923	0.55077	0.00000	0.00000	0.00000	0.55077	
19 ACCT 394-TOOLS, SHOP & GAR EQ	0.44923	0.55077	0.00000	0.00000	0.00000	0.55077	
20 ACCT 395-LABORATORY EQUIPMENT	0.4923	0.55077	0.00000	0.00000	0.00000	0.55077	
21 ACCT 397-COMMUNICATION EQUIP	0.58304	0.41696	0.00000	0.00003	0.00404	0.41288	
22 ACCT 398-MISCELLANEOUS EQUIP	0.58304	0.41696	0.00000	0.00003	0.00404	0.41288	
23 ACCT 376 MAINS & 380 SERVICES	0.36922	0.63078	0.00000	0.00000	0.00000	0.63078	
24 TOTAL DISTRIBUTION PLANT	0.44923	0.55077	0.00000	0.00000	0.00000	0.55077	
25 ACCT 381 - 384 METER & HSE REGUL	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
26 ACCT 871-879 DIST OPER EXP	0.61781	0.38219	0.00000	0.00000	0.00000	0.38219	
27 REV CLAIMED ROR LESS GAS COSTS	0.51110	0.48890	0.00047	0.00402	0.00400	0.48041	
28 TOTAL GENERAL PLANT	0.56600	0.43400	0.00000	0.00003	0.00352	0.43045	
29 TOTAL WORKING CASH EXPENSE	0.56924	0.43076	0.00051	0.00376	0.00587	0.42061	
30 ACCT 304-LAND & LAND RIGHTS	0.00000	1.00000	1.00000	0.00000	0.00000	0.00000	
31 ACCT 360-LAND & LAND RIGHTS	0.00000	1.00000	0.00000	0.81800	0.18200	0.00000	
32 ACCT 374-LAND & LAND RIGHTS	0.00000	1.00000	0.00000	0.00000	0.00000	1.00000	
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-34						
	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	TOTAL GAS PLANT IN SERVICE	0.28103	0.15248	0.00000	0.00090	0.00217
2	SUM OF ALLOCATED LABOR EXP	0.20417	0.21313	-0.00002	0.01377	0.11887
3	ACCT 305-STRUCTURES & IMPROVE	0.00000	0.00000	0.00000	0.00000	0.00000
4	ACCT 311-LP GAS EQUIP	0.00000	0.00000	0.00000	0.00000	0.00000
5	ACCT 320-OTHER EQUIPMENT	0.00000	0.00000	0.00000	0.00000	0.00000
6	ACCT 375-GAS DIST STATION STR	0.00000	0.00000	0.00000	0.00000	0.00000
7	ACCT 376-MAINS	0.00000	0.00000	0.00000	0.00000	0.00000
8	ACCT 378-GAS MEAS & REG STA EQ	0.00000	0.00000	0.00000	0.00000	0.00000
9	ACCT 380-SERVICES	1.00000	0.00000	0.00000	0.00000	0.00000
10	ACCT 381-METERS	0.00000	0.00000	0.00000	0.00000	0.00000
11	ACCT 382-METER INSTALLATION	0.00000	1.00000	0.00000	0.00000	0.00000
12	ACCT 386-OTHER PROP CUST PREM	0.00000	1.00000	0.00000	0.00000	0.00000
13	ACCT 383-HOUSE REGULATORS	0.00000	1.00000	0.00000	0.00000	0.00000
14	ACCT 396-POWER OPERATED EQUIP	0.00000	0.00000	0.00000	0.00000	0.00000
15	ACCT 390-STRUCTURES & IMPROV	0.20417	0.21313	-0.00002	0.01377	0.11887
16	ACCT 391-OFFICE FURN & EQUIP	0.20417	0.21313	-0.00002	0.01377	0.11887
17	ACCT 392-TRANSPORTATION EQUIP	0.20417	0.21313	-0.00002	0.01377	0.11887
18	ACCT 393-STORES EQUIPMENT	0.29603	0.15320	0.00000	0.00000	0.00000
19	ACCT 394-TOOLS, SHOP & GAR EQ	0.29603	0.15320	0.00000	0.00000	0.00000
20	ACCT 395-LABORATORY EQUIPMENT	0.29603	0.15320	0.00000	0.00000	0.00000
21	ACCT 397-COMMUNICATION EQUIP	0.20417	0.21313	-0.00002	0.01377	0.11887
22	ACCT 398-MISCELLANEOUS EQUIP	0.20417	0.21313	-0.00002	0.01377	0.11887
23	ACCT 376 MAINS & 380 SERVICES	0.36922	0.00000	0.00000	0.00000	0.00000
24	TOTAL DISTRIBUTION PLANT	0.29603	0.15320	0.00000	0.00000	0.00000
25	ACCT 381 - 384 METER & HSE REGUL	0.00000	1.00000	0.00000	0.00000	0.00000
26	ACCT 871-879 DIST OPER EXP	0.12763	0.49018	0.00000	0.00000	0.00000
27	REV CLAIMED ROR LESS GAS COSTS	0.20728	0.18581	-0.00240	0.00850	0.08991
28	TOTAL GENERAL PLANT	0.21588	0.20549	-0.00002	0.01202	0.10373
29	TOTAL WORKING CASH EXPENSE	0.20005	0.20180	-0.00098	0.01346	0.11987
30	ACCT 304-LAND & LAND RIGHTS	0.00000	0.00000	0.00000	0.00000	0.00000
31	ACCT 360-LAND & LAND RIGHTS	0.00000	0.00000	0.00000	0.00000	0.00000
32	ACCT 374-LAND & LAND RIGHTS	0.00000	0.00000	0.00000	0.00000	0.00000

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-35										TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
1	ACCT 717-LP GAS EXPENSES	EXP717	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2	ACCT 718-OTHER PROC PROD EXP	EXP718	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
3	ACCT 735-MISCELLANEOUS	EXP735	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
8	ACCT 873-COMP STA FUEL & POW	EXP873	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
9	ACCT 874-MAINS & SERVICE EXP	EXP874	1.00000	0.36922	0.63078	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.63078
10	ACCT 875-OPER STATION EXP - GEN	EXP875	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
11	ACCT 878-METER & HOUSE REG EXP	EXP878	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
13	ACCT 880-OTHER EXPENSE	EXP880	1.00000	0.61781	0.38219	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.38219
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15	ACCT 889-MT OF M & R STA EQ	EXP889	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
18	ACCT 892-MAINTENANCE OF SERV	EXP892	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
20	ACCT 902-METER READING EXP	EXP902	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
21	ACCT 903-CUST RECORDS & COLL	EXP903	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	1.00000	0.51110	0.48890	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.48890
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	1.00000	0.51110	0.48890	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.48890
25	ACCT 920-ADMIN & GEN SALARY	EXP920	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41696
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41696
27	ACCT 930-MISC GEN EXP	EXP930	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41696
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	1.00000	0.56600	0.43400	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.43400
29	GAS PROD LABOR ACCTS 717-735	LABPO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
30	GAS PROD LABOR ACCTS 741-743	LABPM	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31	DIST LABOR OPER ACCT 871 - 880	LABDO	1.00000	0.64236	0.35764	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.35764
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	1.00000	0.44825	0.55175	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.55175
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
34	SALES LABOR ACCT 912 - 916	LABSA	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35	TOTAL GAS PROD OPER LABOR	TLABPO	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36	TOTAL GAS PROD MAINT LABOR	TLABPM	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37	TOTAL DISTR OPER LABOR	TLABDO	1.00000	0.64236	0.35764	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.35764
38	TOTAL DISTR MAINT LABOR	TLABDM	1.00000	0.44825	0.55175	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.55175
39	TOTAL SALES LABOR	TLABSA	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED CONT-35						
	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1 ACCT 717-LP GAS EXPENSES	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2 ACCT 718-OTHER PROC PROD EXP	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
3 ACCT 735-MISCELLANEOUS	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4 ACCT 741-MAINTENANCE OF PLANT	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
5 ACCT 742-MAINTENANCE OF EQUIP	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
6 ACCT 743-GAS SYS PROD TRAINING	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
7 ACCT 871-SYSTEM CONTROL & DISP	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
8 ACCT 873-COMP STA FUEL & POW	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
9 ACCT 874-MAINS & SERVICE EXP	0.36922	0.00000	0.00000	0.00000	0.00000	0.00000
10 ACCT 875-OPER STATION EXP - GEN	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
11 ACCT 878-METER & HOUSE REG EXP	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
12 ACCT 879-CUSTOMER INSTALL EXP	0.66045	0.33955	0.00000	0.00000	0.00000	0.00000
13 ACCT 880-OTHER EXPENSE	0.12763	0.49018	0.00000	0.00000	0.00000	0.00000
14 ACCT 887-MAINTENANCE OF MAINS	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15 ACCT 889-MT OF M & R STA EQ	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
16 ACCT 890-MT OF REG EQ (INDUST)	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
17 ACCT 891-MT OF REG EQ (CITY GATE)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
18 ACCT 892-MAINTENANCE OF SERV	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000
19 ACCT 893-MAINT MET & HOUSE REG	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000
20 ACCT 902-METER READING EXP	0.00000	0.00000	0.00000	1.00000	0.00000	0.00000
21 ACCT 903-CUST RECORDS & COLL	0.00000	0.00000	0.00000	0.00000	1.00000	0.00000
22 ACCT 908-CUST ASSISTANCE EXP	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
23 ACCT 904-UNCOLLECTIBLE ACCTS	0.20728	0.18581	-0.00240	0.00850	0.08991	0.02200
24 ACCT 904-UNCOLL ACCTS EXP BASE	0.20728	0.18581	-0.00240	0.00850	0.08991	0.02200
25 ACCT 920-ADMIN & GEN SALARY	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312
26 ACCT 923-OUTSIDE SERV EMPLOYED	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312
27 ACCT 930-MISC GEN EXP	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312
28 ACCT 935-MAINT OF GENERAL PLT	0.21588	0.20549	-0.00002	0.01202	0.10373	0.02890
29 GAS PROD LABOR ACCTS 717-735	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
30 GAS PROD LABOR ACCTS 741-743	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31 DIST LABOR OPER ACCT 871 - 880	0.11714	0.52522	0.00000	0.00000	0.00000	0.00000
32 DIST LABOR MAINT ACCT 886 - 894	0.29657	0.15167	0.00000	0.00000	0.00000	0.00000
33 CUST ACCTS LAB ACCT 902,903 & 905	0.00000	0.00000	0.00000	0.10394	0.89606	0.00000
34 SALES LABOR ACCT 912 - 916	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
35 TOTAL GAS PROD OPER LABOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
36 TOTAL GAS PROD MAINT LABOR	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
37 TOTAL DISTR OPER LABOR	0.11714	0.52522	0.00000	0.00000	0.00000	0.00000
38 TOTAL DISTR MAINT LABOR	0.29657	0.15167	0.00000	0.00000	0.00000	0.00000
39 TOTAL SALES LABOR	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000
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INTERNALLY DEVELOPED CONT-36										TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES	CAP-DST-OTH
1	TOTAL CUST ACCTS LABOR	TLABCA	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
2	CUSTOMER SERVICE & INFO LABOR	TLABSE	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
3	ACCT 886-MAINT STRUCT & IMPROV	EXP886	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
4	ACCT 894-MAINT OF OTHER EQUIP	EXP894	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
5	ACCT 921-OFFICE SUPPLIES & EXP	EXP921	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41288
6	ACCT 926-EMPLOY PENSION & BENF	EXP926	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41288
7	ACCT 380-384-SERV/METRS & REGUL	PLT3804	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
8	ACCT 925-INJURIES & DAMAGES	EXP925	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41288
9	ACCT 302-GAS FRANCHISES & CON	PLT302	1.00000	1.00000	0.44437	0.55563	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.52501
10	ACCT 303-MISC INTANGIBLE PLT - CIS	PLT303	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41288
11	ACCT 303-MISC INTANGIBLE PLT - SL	PLT303SL	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41288
12	ACCT 307-OTHER POWER EQUIP	PLT307	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
13	ACCT 361-STRUCTURES & IMPROV	PLT361	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
14	ACCT 362-GAS HOLDERS & LNG EQ	PLT362	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
15	ACCT 363-PURIFICATION EQUIP	PLT363	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
16	ACCT 377-DIST COMP STATION EQ	PLT377	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
17	ACCT 379-DIST MEAS & REG GS EQ	PLT379	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
18	ACCT 384-HOUSE REGUL INSTALLS	PLT384	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
19	ACCT 385-IND MEAS & REG STA EQ	PLT385	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
20	ACCT 387-DIST OTHER EQUIP	PLT387	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
21	ACCT 389-LAND & LAND RIGHTS	PLT389	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.41288
22	ACCT 378 & 379-GAS M & R STAT EQ	PLT3789	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
23	CUSTOMER ACCTS EXP 902 - 903	EXP9023	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
24	ACCT 840-OPERATION LABOR & EXP	EXP840	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
25	ACCT 876-OPER STAT EXP - INDUST	EXP876	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
26	ACCT 905-MISC CUST ACCTS EXP	EXP905	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
27	ACCT 910-CUST SERVICE MISC EXP	EXP910	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
28	ACCT 912-DEMO & SELLING EXP	EXP912	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
29	ACCT 916-MISC SALES EXP	EXP916	1.00000	1.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
30	ACCT 924-PROPERTY INSURANCE	EXP924	1.00000	1.00000	0.44437	0.55563	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
31	ACCT 928-REGULATORY COMM EXP	EXP928	1.00000	1.00000	0.51110	0.48890	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
32	ACCT 929-DUPLICATE CHR - CREDIT	EXP929	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
33	ACCT 931-RENTS	EXP931	1.00000	1.00000	0.58304	0.41696	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
34	ACCT 844-LNG PROC TERM LAB & EXP	EXP844	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
35	ACCT 847-MAINT OF LNG PLT BLDGS	EXP847	1.00000	1.00000	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

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GAS COST OF SERVICE STUDY
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INTERNALLY DEVELOPED CONT-36									
			CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO	
1	TOTAL CUST ACCTS LABOR	TLABCA	0.00000	0.00000	0.00000	0.10394	0.89606	0.00000	
2	CUSTOMER SERVICE & INFO LABOR	TLABSE	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	
3	ACCT 886-MAINT STRUCT & IMPROV	EXP886	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
4	ACCT 894-MAINT OF OTHER EQUIP	EXP894	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
5	ACCT 921-OFFICE SUPPLIES & EXP	EXP921	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
6	ACCT 926-EMPLOY PENSION & BENF	EXP926	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
7	ACCT 380-384-SERV/METRS & REGUL	PLT3804	0.66045	0.33955	0.00000	0.00000	0.00000	0.00000	
8	ACCT 925-INJURIES & DAMAGES	EXP925	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
9	ACCT 302-GAS FRANCHISES & CON	PLT302	0.28103	0.15248	0.00000	0.00090	0.00779	0.00217	
10	ACCT 303-MISC INTANGIBLE PLT - CIS	PLT303	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
11	ACCT 303-MISC INTANGIBLE PLT - SL	PLT303SL	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
12	ACCT 307-OTHER POWER EQUIP	PLT307	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
13	ACCT 361-STRUCTURES & IMPROV	PLT361	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
14	ACCT 362-GAS HOLDERS & LNG EQ	PLT362	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
15	ACCT 363-PURIFICATION EQUIP	PLT363	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
16	ACCT 377-DIST COMP STATION EQ	PLT377	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
17	ACCT 379-DIST MEAS & REG GS EQ	PLT379	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
18	ACCT 384-HOUSE REGUL INSTALLS	PLT384	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	
19	ACCT 385-IND MEAS & REG STA EQ	PLT385	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	
20	ACCT 387-DIST OTHER EQUIP	PLT387	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
21	ACCT 389-LAND & LAND RIGHTS	PLT389	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
22	ACCT 378 & 379-GAS M & R STAT EQ	PLT3789	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
23	CUSTOMER ACCTS EXP 902 - 903	EXP9023	0.00000	0.00000	0.00000	0.07377	0.92623	0.00000	
24	ACCT 840-OPERATION LABOR & EXP	EXP840	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
25	ACCT 876-OPER STAT EXP - INDUST	EXP876	0.00000	1.00000	0.00000	0.00000	0.00000	0.00000	
26	ACCT 905-MISC CUST ACCTS EXP	EXP905	0.00000	0.00000	0.00000	0.07377	0.92623	0.00000	
27	ACCT 910-CUST SERVICE MISC EXP	EXP910	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	
28	ACCT 912-DEMO & SELLING EXP	EXP912	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	
29	ACCT 916-MISC SALES EXP	EXP916	0.00000	0.00000	0.00000	0.00000	0.00000	1.00000	
30	ACCT 924-PROPERTY INSURANCE	EXP924	0.28103	0.15248	0.00000	0.00090	0.00779	0.00217	
31	ACCT 928-REGULATORY COMM EXP	EXP928	0.20728	0.18581	-0.00240	0.00850	0.08991	0.02200	
32	ACCT 929-DUPLICATE CHRGR - CREDIT	EXP929	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
33	ACCT 931-RENTS	EXP931	0.20417	0.21313	-0.00002	0.01377	0.11887	0.03312	
34	ACCT 844-LNG PROC TERM LAB & EXP	EXP844	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	
35	ACCT 847-MAINT OF LNG PLT BLDGS	EXP847	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	

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INTERNALLY DEVELOPED CONT-37							
REVENUES FROM GAS SALES							
REVENUES FIRM SALES OF GAS							
		TOTAL DELIVERY	CUSTOMER	CAPACITY	CAP-PROD-LPG	CAP-PROD-LNG	CAP-DST-PRES
1	REVENUES FIRM SALES OF GAS	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							

NATIONAL GRID - RHODE ISLAND
 GAS COST OF SERVICE STUDY
 12 MONTHS ENDED JANUARY 31, 2014

	CUST SERV	CUST METERS	CUST-DEPOSIT	CUST MET READ	CUST RECORD	CUST INFO
1	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000

INTERNALLY DEVELOPED CONT-37

REVENUES FROM GAS SALES
 REVENUES FIRM SALES OF GAS

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18

SCHEDULE PMN-5

Total Class Unbundled Revenue Requirements and Unit Cost Results

— Existing Rate of Return (Pages 1 through 4)

— Uniform Proposed Rate of Return (Pages 5 through 8)

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Docket No. R.I.P.U.C. _____
Schedule PMN-5
Page 1 of 8

PRESENT RATE OF RETURN SUMMARY SCHEDULE - COMPONENT FORMAT		TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10, 11 & 80	RESIDENTIAL HEATING RATE 12 & 13
RATE OF RETURN		4.80%	-6.06%	4.26%
REVENUES REQUIRED				
1 CAPACITY COMPONENTS		70,350,325	417,264	37,330,468
2 DEMAND PRODUCTION		586,944	406	364,628
3 PRODUCTION LPG		118,731	3,190	89,407
4 PRODUCTION LNG		468,213	(2,784)	275,221
5 DEMAND DISTRIBUTION		69,763,381	416,857	36,965,841
6 PRESSURE SUPPORT		629,407	6,649	316,785
7 DISTRIBUTION OTHER		69,133,974	410,208	36,649,055
8 COMMODITY COMPONENTS		0	0	0
9 GAS COSTS		0	0	0
10 CUSTOMER COMPONENTS		77,168,458	5,250,598	58,352,836
11 CUSTOMER SERVICES		30,259,962	2,153,709	24,487,309
12 CUSTOMER METERS		27,254,011	1,402,315	18,034,205
13 CUSTOMER DEPOSITS		(271,751)	13	(588)
14 CUSTOMER METER READING		1,404,563	134,877	1,102,584
15 CUST RECORDS & COLLECT		14,880,495	1,292,611	12,242,443
16 CUSTOMER INFORMATION		3,641,179	267,073	2,486,882
17 TOTAL COMPANY		147,518,783	5,667,862	95,683,304
18 TOTAL DELIVERY SERVICE		147,518,783	5,667,862	95,683,304
19 DISTRIBUTION COMPONENT \$/CCF		\$0.2044	\$0.0770	\$0.2184
20 CUSTOMER COMPONENT \$/MO/CUST		\$25.64	\$17.26	\$24.06
21 TOTAL THRUPUT CCF		344,207,103	5,418,049	170,964,989
22 TOTAL ANNUAL CUSTOMERS		3,009,373	304,280	2,425,678

NATIONAL GRID - RHODE ISLAND
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12 MONTHS ENDED JANUARY 31, 2014

PRESENT RATE OF RETURN SUMMARY SCHEDULE -										
RATE OF RETURN										
REVENUES REQUIRED										
1	CAPACITY COMPONENTS									
2	DEMAND PRODUCTION	5,630,395	13,088,342	6,543,930	2,049,479	1,167,903	4,122,545			
3	PRODUCTION LPG	60,273	106,346	43,501	3,920	4,949	2,922			
4	PRODUCTION LNG	12,512	9,423	3,068	829	1	302			
5	DEMAND DISTRIBUTION	47,761	96,923	40,433	3,091	4,948	2,620			
6	DEMAND DISTRIBUTION	5,570,122	12,981,996	6,500,429	2,045,559	1,162,954	4,119,623			
7	PRESSURE SUPPORT	46,455	99,832	50,976	18,326	18,373	72,011			
8	DISTRIBUTION OTHER	5,523,667	12,882,164	6,449,453	2,027,233	1,144,581	4,047,612			
9	COMMODITY COMPONENTS	0	0	0	0	0	0			
10	GAS COSTS	0	0	0	0	0	0			
11	CUSTOMER COMPONENTS									
12	CUSTOMER SERVICES	7,296,202	4,391,505	981,953	306,429	183,979	404,957			
13	CUSTOMER METERS	2,661,663	808,890	94,360	29,586	8,714	15,730			
14	CUSTOMER DEPOSITS	3,256,639	3,235,044	714,622	204,880	142,188	264,117			
15	CUSTOMER METER READING	(92,688)	(151,229)	(20,568)	(563)	0	(6,129)			
16	CUST RECORDS & COLLECT	98,361	54,673	8,366	3,283	809	1,609			
17	CUSTOMER INFORMATION	1,003,292	247,025	58,369	15,065	7,193	14,498			
18	TOTAL COMPANY	368,934	197,102	126,804	54,177	25,075	115,132			
19	TOTAL DELIVERY SERVICE	147,518,783	17,479,846	7,525,883	2,355,908	1,351,881	4,527,502			
20	DISTRIBUTION COMPONENT \$/CCF	147,518,783	17,479,846	7,525,883	2,355,908	1,351,881	4,527,502			
21	CUSTOMER COMPONENT \$/MO/CUST	147,518,783	\$0.2272	\$0.2495	\$0.1662	\$0.1404	\$0.0936			
22	TOTAL THRUPUT CCF	147,518,783	\$33.17	\$85.25	\$160.77	\$494.57	\$527.29			
23	TOTAL ANNUAL CUSTOMERS	24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752			
24	TOTAL ANNUAL CUSTOMERS	219,939	51,514	4,916	1,906	372	768			

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

PRESENT RATE OF RETURN SUMMARY SCHEDULE - FUNCTION FORMAT		TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10.11 & 80	RESIDENTIAL HEATING RATE 12 & 13
RATE OF RETURN		4.80%	-6.06%	4.26%
\$/CCF				
1 CAPACITY COMPONENTS				
2 DEMAND PRODUCTION		0.2044	0.0770	0.2184
3 PRODUCTION LPG		0.0017	0.0001	0.0021
4 PRODUCTION LNG		0.0003	0.0006	0.0005
5 DEMAND DISTRIBUTION		0.0014	(0.0005)	0.0016
6 PRESSURE SUPPORT		0.2027	0.0769	0.2162
7 DISTRIBUTION OTHER		0.0018	0.0012	0.0019
		0.2008	0.0757	0.2144
8 COMMODITY COMPONENTS		0.0000	0.0000	0.0000
9 GAS COSTS		0.0000	0.0000	0.0000
10 CUSTOMER COMPONENTS		0.2242	0.9691	0.3413
11 CUSTOMER SERVICES		0.0879	0.3975	0.1432
12 CUSTOMER METERS		0.0792	0.2588	0.1055
13 CUSTOMER DEPOSITS		(0.0008)	0.0000	(0.0000)
14 CUSTOMER METER READING		0.0041	0.0249	0.0064
15 CUST RECORDS & COLLECT		0.0432	0.2386	0.0716
16 CUSTOMER INFORMATION		0.0106	0.0493	0.0145
17 TOTAL COMPANY	0.4286 0.4286 0.4286	0.4286	1.0461	0.5597
\$/MO/CUST				
18 CUSTOMER COMPONENTS				
19 CUSTOMER SERVICES		\$25.64	\$17.26	\$24.06
20 CUSTOMER METERS		\$10.06	\$7.08	\$10.10
21 CUSTOMER DEPOSITS		\$9.06	\$4.61	\$7.43
22 CUSTOMER METER READING		-\$0.09	\$0.00	\$0.00
23 CUST RECORDS & COLLECT		\$0.47	\$0.44	\$0.45
24 CUSTOMER INFORMATION		\$4.94	\$4.25	\$5.05
		\$1.21	\$0.88	\$1.03

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

PRESENT RATE OF RETURN SUMMARY SCHEDULE -						
RATE OF RETURN	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
\$/CCF	5.15%	8.01%	7.24%	3.10%	14.65%	9.14%
1 CAPACITY COMPONENTS						
2 DEMAND PRODUCTION	0.2272	0.2495	0.2527	0.1662	0.1404	0.0936
3 PRODUCTION LPG	0.0024	0.0020	0.0017	0.0003	0.0006	0.0001
4 PRODUCTION LNG	0.0005	0.0002	0.0001	0.0001	0.0000	0.0000
5 DEMAND DISTRIBUTION	0.0019	0.0018	0.0016	0.0003	0.0006	0.0001
6 PRESSURE SUPPORT	0.2248	0.2475	0.2510	0.1659	0.1399	0.0935
7 DISTRIBUTION OTHER	0.0019	0.0019	0.0020	0.0015	0.0022	0.0016
	0.2229	0.2456	0.2490	0.1644	0.1376	0.0919
8 COMMODITY COMPONENTS						
9 GAS COSTS	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
10 CUSTOMER COMPONENTS						
11 CUSTOMER SERVICES	0.2945	0.0837	0.0379	0.0249	0.0221	0.0092
12 CUSTOMER METERS	0.1074	0.0154	0.0036	0.0024	0.0010	0.0004
13 CUSTOMER DEPOSITS	0.1314	0.0617	0.0276	0.0166	0.0171	0.0060
14 CUSTOMER METER READING	(0.0037)	(0.0029)	(0.0008)	(0.0000)	0.0000	(0.0001)
15 CUST RECORDS & COLLECT	0.0040	0.0010	0.0003	0.0003	0.0001	0.0000
16 CUSTOMER INFORMATION	0.0405	0.0047	0.0023	0.0012	0.0009	0.0003
	0.0149	0.0038	0.0049	0.0044	0.0030	0.0026
17 TOTAL COMPANY	0.5217	0.3333	0.2906	0.1911	0.1626	0.1028
	0.4286					
	0.4286					
	0.4286					
\$/MO/CUST						
18 CUSTOMER COMPONENTS						
19 CUSTOMER SERVICES	\$33.17	\$85.25	\$199.75	\$160.77	\$494.57	\$527.29
20 CUSTOMER METERS	\$12.10	\$15.70	\$19.19	\$15.52	\$23.42	\$20.48
21 CUSTOMER DEPOSITS	\$14.81	\$62.80	\$145.37	\$107.49	\$382.23	\$343.90
22 CUSTOMER METER READING	-\$0.42	-\$2.94	-\$4.18	-\$0.30	\$0.00	-\$7.98
23 CUST RECORDS & COLLECT	\$0.45	\$1.06	\$1.70	\$1.72	\$2.18	\$2.09
24 CUSTOMER INFORMATION	\$4.56	\$4.80	\$11.87	\$7.90	\$19.33	\$18.88
	\$1.68	\$3.83	\$25.79	\$28.42	\$67.41	\$149.91

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
Docket No. R.I.P.U.C. _____
Schedule PMN-5
Page 5 of 8

CLAIMED RATE OF RETURN SUMMARY SCHEDULE - COMPONENT FORMAT		TOTAL COMPANY	RESIDENTIAL NON-HEATING RATE 10.11 & 80	RESIDENTIAL HEATING RATE 12 & 13
RATE OF RETURN		8.24%	8.24%	8.24%
REVENUES REQUIRED				
1	CAPACITY COMPONENTS	81,693,136	1,293,962	46,077,249
2	DEMAND PRODUCTION	750,570	9,045	496,952
3	PRODUCTION LPG	78,039	1,019	55,848
4	PRODUCTION LNG	672,531	8,026	441,105
5	DEMAND DISTRIBUTION	80,942,566	1,284,917	45,580,297
6	PRESSURE SUPPORT	668,202	9,840	348,425
7	DISTRIBUTION OTHER	80,274,363	1,275,077	45,231,872
8	COMMODITY COMPONENTS	0	0	0
9	GAS COSTS	0	0	0
10	CUSTOMER COMPONENTS	85,401,640	7,609,955	63,711,365
11	CUSTOMER SERVICES	34,634,673	3,430,379	27,335,676
12	CUSTOMER METERS	31,047,532	2,432,024	20,414,624
13	CUSTOMER DEPOSITS	(401,577)	(9)	(1,924)
14	CUSTOMER METER READING	1,420,751	139,628	1,113,198
15	CUST RECORDS & COLLECT	15,023,642	1,331,767	12,339,724
16	CUSTOMER INFORMATION	3,676,619	276,167	2,510,068
17	TOTAL COMPANY	167,094,776	8,903,917	109,788,614
18	TOTAL DELIVERY SERVICE	167,094,776	8,903,917	109,788,614
19	DISTRIBUTION COMPONENT \$/CCF	\$0.2373	\$0.2388	\$0.2695
20	CUSTOMER COMPONENT \$/MO/CUST	\$28.38	\$25.01	\$26.27
21	TOTAL THRUPUT CCF	344,207,103	5,418,049	170,964,989
22	TOTAL ANNUAL CUSTOMERS	3,009,373	304,280	2,425,678

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

CLAIMED RATE OF RETURN SUMMARY SCHEDULE -						
	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
RATE OF RETURN	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
REVENUES REQUIRED						
1 CAPACITY COMPONENTS	6,624,875	13,241,316	6,875,649	2,721,536	900,432	3,958,116
2 DEMAND PRODUCTION	76,441	108,281	47,362	6,535	3,191	2,763
3 PRODUCTION LPG	8,481	9,089	2,661	465	126	351
4 PRODUCTION LNG	67,960	99,191	44,701	6,070	3,065	2,412
5 DEMAND DISTRIBUTION	6,548,434	13,133,036	6,828,287	2,715,001	897,241	3,955,353
6 PRESSURE SUPPORT	50,047	100,387	52,180	20,788	15,994	70,540
7 DISTRIBUTION OTHER	6,498,387	13,032,649	6,776,106	2,694,212	881,247	3,884,813
8 COMMODITY COMPONENTS	(0)	(0)	(0)	(0)	(0)	(0)
9 GAS COSTS	(0)	(0)	(0)	(0)	(0)	(0)
10 CUSTOMER COMPONENTS	7,764,378	4,412,988	1,000,826	339,401	162,271	400,456
11 CUSTOMER SERVICES	2,900,592	814,053	96,927	34,241	7,443	15,363
12 CUSTOMER METERS	3,588,747	3,257,763	734,911	237,838	122,212	259,413
13 CUSTOMER DEPOSITS	(205,451)	(157,891)	(24,968)	(6,046)	(0)	(5,288)
14 CUSTOMER METER READING	99,108	54,704	8,386	3,325	797	1,605
15 CUST RECORDS & COLLECT	1,009,738	247,145	58,467	15,205	7,120	14,477
16 CUSTOMER INFORMATION	371,644	197,213	127,103	54,838	24,699	114,887
17 TOTAL COMPANY	14,389,253	17,654,305	7,876,475	3,060,937	1,062,703	4,358,572
18 TOTAL DELIVERY SERVICE	14,389,253	17,654,305	7,876,475	3,060,937	1,062,703	4,358,572
19 DISTRIBUTION COMPONENT \$/CCF	\$0.2674	\$0.2525	\$0.2655	\$0.2207	\$0.1083	\$0.0898
20 CUSTOMER COMPONENT \$/MO/CUST	\$35.30	\$85.67	\$203.59	\$178.07	\$436.21	\$521.43
21 TOTAL THRUPTUT CCF	24,776,962	52,450,019	25,898,807	12,329,000	8,315,525	44,053,752
22 TOTAL ANNUAL CUSTOMERS	219,939	51,514	4,916	1,906	372	768

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

RESIDENTIAL
NON-HEATING
RATE 10.11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY
CLAIMED RATE OF RETURN SUMMARY SCHEDULE - FUNCTION FORMAT

RATE OF RETURN 8.24%

\$/CCF

1 CAPACITY COMPONENTS

2 DEMAND PRODUCTION 0.2373

3 PRODUCTION LPG 0.0022

4 PRODUCTION LNG 0.0002

5 DEMAND DISTRIBUTION 0.0020

6 PRESSURE SUPPORT 0.2352

7 DISTRIBUTION OTHER 0.2372

0.0019

0.2332

8 COMMODITY COMPONENTS

9 GAS COSTS 0.0000

10 CUSTOMER COMPONENTS

11 CUSTOMER SERVICES 0.2481

12 CUSTOMER METERS 0.1006

13 CUSTOMER DEPOSITS 0.0902

14 CUSTOMER METER READING (0.0012)

15 CUST RECORDS & COLLECT 0.0041

16 CUSTOMER INFORMATION 0.2458

0.0107

17 TOTAL COMPANY

0.4854

0.4854

0.4854

\$/MO/CUST

18 CUSTOMER COMPONENTS

19 CUSTOMER SERVICES \$28.38

20 CUSTOMER METERS \$11.51

21 CUSTOMER DEPOSITS \$10.32

22 CUSTOMER METER READING -\$0.13

23 CUST RECORDS & COLLECT \$0.47

24 CUSTOMER INFORMATION \$4.99

\$1.22

8.24%

0.2388

0.0017

0.0002

0.0015

0.2372

0.0018

0.2353

0.0000

0.0000

1.4046

0.6331

0.4899

(0.0000)

0.0258

0.2458

0.0510

1.6434

\$25.01

\$11.27

\$7.99

\$0.00

\$0.46

\$4.38

\$0.91

\$26.27

\$11.27

\$8.42

\$0.00

\$0.46

\$5.09

\$1.03

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

CLAIMED RATE OF RETURN SUMMARY SCHEDULE -						
RATE OF RETURN	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
\$/CCF						
1 CAPACITY COMPONENTS						
2 DEMAND PRODUCTION	0.2674	0.2525	0.2655	0.2207	0.1083	0.0898
3 PRODUCTION LPG	0.0031	0.0021	0.0018	0.0005	0.0004	0.0001
4 PRODUCTION LNG	0.0003	0.0002	0.0001	0.0000	0.0000	0.0000
5 DEMAND DISTRIBUTION	0.0027	0.0019	0.0017	0.0002	0.0004	0.0001
6 PRESSURE SUPPORT	0.2643	0.2504	0.2637	0.2202	0.1079	0.0898
7 DISTRIBUTION OTHER	0.0020	0.0019	0.0020	0.0017	0.0019	0.0016
	0.2623	0.2485	0.2616	0.2185	0.1060	0.0882
8 COMMODITY COMPONENTS						
9 GAS COSTS	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)
	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)	(0.0000)
10 CUSTOMER COMPONENTS						
11 CUSTOMER SERVICES	0.3134	0.0841	0.0386	0.0275	0.0195	0.0091
12 CUSTOMER METERS	0.1171	0.0155	0.0037	0.0028	0.0009	0.0003
13 CUSTOMER DEPOSITS	0.1448	0.0621	0.0284	0.0193	0.0147	0.0059
14 CUSTOMER METER READING	(0.0083)	(0.0030)	(0.0010)	(0.0005)	(0.0000)	(0.0001)
15 CUST RECORDS & COLLECT	0.0040	0.0010	0.0003	0.0003	0.0001	0.0000
16 CUSTOMER INFORMATION	0.0408	0.0047	0.0023	0.0012	0.0009	0.0003
	0.0150	0.0038	0.0049	0.0044	0.0030	0.0026
17 TOTAL COMPANY	0.5808	0.3366	0.3041	0.2483	0.1278	0.0989
0.4854						
0.4854						
0.4854						
\$/MO/CUST						
18 CUSTOMER COMPONENTS						
19 CUSTOMER SERVICES	\$35.30	\$85.67	\$203.59	\$178.07	\$436.21	\$521.43
20 CUSTOMER METERS	\$13.19	\$15.80	\$19.72	\$17.96	\$20.01	\$20.00
21 CUSTOMER DEPOSITS	\$16.32	\$63.24	\$149.49	\$124.78	\$328.53	\$337.78
22 CUSTOMER METER READING	-\$0.93	-\$3.07	-\$5.08	-\$3.17	\$0.00	-\$6.89
23 CUST RECORDS & COLLECT	\$0.45	\$1.06	\$1.71	\$1.74	\$2.14	\$2.09
24 CUSTOMER INFORMATION	\$4.59	\$4.80	\$11.89	\$7.98	\$19.14	\$18.85
	\$1.69	\$3.83	\$25.85	\$28.77	\$66.40	\$149.59

THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

SCHEDULE PMN-6

Tabulation of External and Internal Allocators

**National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS**

The listing of all allocation factors and ratio tables is in Pages 22 to 37 of Schedule PMN-3. Also see the Workpapers Supporting the Cost of Service Study for the detail supporting the external allocators.

External Allocators, Page 22

Production Allocators:

1. DEMLPG – LPG Production Allocator
 This allocator is based on the Remaining Design Day Demands on line 2.
 (See Supporting Workpapers for detail.) Allocator Ratio is on Page 30,
 Line 6.

2. DSWNLNG – LNG Production Allocator
 This allocator is a two-part allocator. One part is based on the Remaining
 Design Winter Demands on Line 10. The other part is based on the
 pressure support percentage of 18.20% on Line 16 and uses the RSUM
 allocator on Line 13. (See Supporting Workpapers for detail.) Allocator
 Ratio is on Page 30, Line 15.

Distribution Allocators:

3. DISTR – Distribution Allocator – Distribution Function
 This allocator is based on a 12-month RSUM allocation factor developed
 for each rate using total annual sales and transportation volumes. (See
 Supporting Workpapers for detail.) Allocator Ratio is on Page 30, Line
 1, second section.

4. DISTRL4 – Distribution Allocator – Mains Less Than 4 Inches
 This allocator is based on a 12-month RSUM allocation factor developed
 for each rate except for the C&I XLarge LLF and C&I XLarge HLF class
 using annual sales and transportation volumes. (See Supporting
 Workpapers for detail.) Allocator Ratio is on Page 30, Line 2, second
 section.

5. DISTRPS – Distribution Allocator – Pressure Support
 This allocator is based on a 12-month RSUM allocation factor developed
 for each rate using total annual sales and transportation volumes. (See
 Supporting Workpapers for detail.) Allocator Ratio is on Page 30, Line 3,
 second section.

National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS

External Allocators, Page 23

1. EGAS – Commodity-Related Direct Gas Cost Allocator
This allocator is used to allocate Gas Costs to customer classes. Since gas costs were removed from the cost of service study, this allocator was set to zero. Allocator Ratio showing zero is on Page 31, Line 3.

External Allocators, Page 24

Customer Function Allocators:

1. CUST380 – Acct 380 Gas Services – Customer Services Function
This allocator represents the direct assignment of Plant Acct 380 – Gas Services to the customer classes. (See Supporting Workpapers for detail.) Allocator Ratio is on Page 32, Line 1.
2. CUST381 – Acct 381 to Acct 384 Gas Meters – Customer Meters Function
CUST382 These allocators represent the direct assignment of Plant Acct 381 to 384
CUST383 – Gas Meters, Meter Installations, Regulators, and Regulator Installations
CUST384 to the customer classes. (See Supporting Workpapers for detail.)
Allocator Ratio is on Page 32, Lines 2 to 5.
3. CUST385 – Other Measuring and Regulating Station Equipment
This allocator is used to allocate Other Measuring and Regulating Station Equipment to the customer classes. The allocator is based on the DISTR or RSUM allocator. Allocator Ratio is on Page 32, Line 6.
4. CUST386 – Acct 386 Other Property on Customer Premises
This allocator is used to allocate Acct 386 Other Property on Customer Premises. The allocator is based on the DISTR or RSUM allocator. Allocator Ratio is on Page 32, Line 7.
5. CUSTDEP – Customer Deposits – Customer Deposits Function
This allocator represents the assignment of customer deposits to customer classes. (See Supporting Workpapers for detail.) Allocator Ratio is on Page 32, Line 8.

National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS

6. CUST902 – Acct 902 Meter Reading Expense – Customer Meter Reading Function
This allocator was developed internally in the cost study based on the number of meters (Page 24, Lines 18 and 19). Estimates of weighting factors were made for the allocation of meter reading expense. All meter reads were given a weighting of 1 except for transportation customers (Page 24, Line 19) to which a weighting factor of 5 was applied to the number of meters read. Allocator Ratio is on Page 32, Line 9.
7. CUST903 – Acct 903 Customer Billing, Mailing and Customer Calls Expense – Customer Records and Collection Function
This allocator is for the Billing, Mailing and Customer Calls Expense portion of Acct 903 Customer Records and Collection Expenses. The allocator is based on the number of bills. (See Supporting Workpapers for detail.) Allocator Ratio is on Page 32, Line 10.
8. CUST903C – Acct 903 Customer Credit and Collection Expense – Customer Records and Collection Function
This allocator is for the Credit and Collection Expense portion of Acct 903 Customer Records and Collection Expenses. The allocator is based on the Gross Write-Offs. (See Supporting Workpapers for detail.) Allocator Ratio is on Page 32, Line 11.
9. CUST908 – Customer Assistance Expenses – Customer Information Function
This allocator was developed using the number of customers responsible for the different cost categories of Customer Assistance Expenses. (See Supporting Workpapers for detail.) Allocator Ratio is on Page 32, Line 12.
10. CUST912 – Demonstrating and Selling Expenses – Customer Information Function
This allocator was developed internally in the cost of service model. Since these costs are not totally related to the total number of customers or the amount of sales, a weighted allocation factor was developed. The allocator is based on a 50% weighting on the annual number of customers (Page 24, Lines 18 and 19) and a 50% weighting on the total sales and transportation volumes (Page 23, Line 2). Allocator Ratio is on Page 32, Line 13.

National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS

External Allocators, Page 25

1. C904RNH – Uncollectible Base Accounts Allocator
C904RH These allocators directly assign the base uncollectible amounts to rate
C904R21 classes based on the actual base rate write-offs for 2011 and functionalize
C904R22 the costs based on claimed revenues. (See Supporting Workpapers for
C904R33 detail.) The allocation to customer classes is on Page 12, Lines 5 to 12,
C904R23 Total Company column. Allocator Ratios are on Page 33, Lines 1 to 8.
C904R34 In order to be consistent with the last NG RI Electric rate case, claimed
C904R24 revenues (REVCLAIM) were used to allocate all Acct 904 expenses, and
these allocators were not used.

National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS

(Noted – See Allocator Descriptions)

Internal Allocators, Page 25

1. C488R21 – Late Payment Charges
C488R22 The functionalization of each rate class assignment of Late Payment
C488R33 Charges is based on claimed revenues, Page 21, Line 10. The allocation
C488R23 to rate classes, Page 8, Lines 5 to 10, is based on Company records. (See
C488R34 Supporting Workpapers for detail.) Allocator Ratios are on Page 33,
C488R24 Lines 9 to 14.

**National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS**

Description of Allocators Developed Internally in Allocator Ratio Table on Page 30

1. DEMLPG – LPG Production Allocator (Page 30, Line 6)
 The ratio for LPG Production Allocator on Page 30, Line 3, is based on
 Remaining Design Day Demands (Page 22, Line 3). (See Supporting
 Workpapers for detail.)

2. DSWNLNG – LNG Production Allocator (Page 30, Line 15)
 This allocator for LNG Production is based on a weighted allocation
 factor. The allocator is weighted 18.2% for pressure support, Page 30,
 Line 16, and the remaining 81.8% is weighted based on the Remaining
 Design Winter Demands. (See Supporting Workpapers for detail.) The
 pressure support allocation is based on the DISTRPS allocator, Page 22,
 Line 3, second section. The allocator for Remaining Design Winter
 demands is on Page 22, Line 12, and the ratios are on Page 30, Line 12.

**National Grid – Rhode Island
DESCRIPTION OF GAS ALLOCATION FACTORS**

**Reference for Internal Allocators Not Shown in Allocation Factor Table
(Noted – See Allocator Descriptions)**

Internal Allocators, Page 26

1. REVCLAIM – Claimed Revenues Less Gas Costs (Page 26, Line 27)
This allocator is computed using the bottom up approach starting with rate of return times rate base plus expenses. Ratio is on Page 34, Line 27. The formula is as follows:

Plus $((1 * 2) - (3 * 2)) / 4 + (3 * 2)$
Where 1 = Page 29, Line 1 (bottom) – Claimed Rate of Return
2 = Page 7, Line 6 – Rate Base
3 = Page 1, Line 20 – Actual Rate of Return
4 = 1 – Incremental Tax Rate = 0.6500 – Page 17

Plus Page 9, Lines 1, 2, 3, 6, 7 and 13
Page 10, Lines 3, 4, and 12
Page 11, Line 24
Page 12, Lines 16, 21, and 26
Page 13, Lines 15, 16 and 17
Page 15, Line 27
Page 16, Lines 3, 4 and 5

Less Page 8, Lines 2, 3 and 16
2. CWCEXP – Total Working Cash Expense Allocator (Page 26, Line 29)
This allocator is used to allocate cash working capital. Ratio is on Page 34, Line 29. The formula is the total of the following line items in the cost of service study:

Page 9, Line 14
Page 10, Line 12
Page 11, Line 24
Page 12, Lines 1, 2, 3, 15, 21 and 26
Page 13, Lines 15, 16 and 17
Page 16, Lines 3 and 4

National Grid – Rhode Island
Description of Gas Allocation Factors
Page and Line Locations
Other Internal Allocators

Pages 26, 27, and 28

The source of data for all Other allocators developed internally in the cost of service study on Pages 26, 27, and 28 is noted in Sub-Page 3 in the following allocation factor pages from the cost of service study. These formulas are also the same for all functional cost of service schedules.

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

ALLOC

INTERNALLY DEVELOPED-26

1	TOTAL GAS PLANT IN SERVICE	PLANT	773,551,949	38,309,900	497,896,855
2	SUM OF ALLOCATED LABOR EXP	LABOR	47,745,436	2,748,834	31,640,359
3	ACCT 305-STRUCTURES & IMPROVE	PLT305	1,446,351	18,669	1,029,579
4	ACCT 311-LP GAS EQUIP	PLT311	1,057,412	13,649	752,714
5	ACCT 320-OTHER EQUIPMENT	PLT320	313,197	4,043	222,948
6	ACCT 375-GAS DIST STATION STR	PLT375	8,463,024	123,782	4,378,910
7	ACCT 376-MAINS	PLT376	352,081,073	5,608,353	198,593,280
8	ACCT 378-GAS MEAS & REG STA EQ	PLT378	14,063,183	205,691	7,276,526
9	ACCT 380-SERVICES	PLT380	206,086,825	20,388,716	162,303,961
10	ACCT 381-METERS	PLT381	55,074,476	4,403,454	36,264,048
11	ACCT 382-METER INSTALLATION	PLT382	49,794,015	3,981,257	32,787,104
12	ACCT 386-OTHER PROP CUST PREM	PLT386	381,896	5,586	197,599
13	ACCT 383-HOUSE REGULATORS	PLT383	469,616	37,548	309,221
14	ACCT 396-POWER OPERATED EQUIP	PLT396	0	0	0
15	ACCT 390-STRUCTURES & IMPROV	PLT390	3,822,301	220,060	2,532,996
16	ACCT 391-OFFICE FURN & EQUIP	PLT391	8,729,632	502,588	5,785,028
17	ACCT 392-TRANSPORTATION EQUIP	PLT392	2,106,980	121,305	1,396,272
18	ACCT 393-STORES EQUIPMENT	PLT393	56,255	2,823	36,141
19	ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	2,635,609	132,269	1,693,216
20	ACCT 395-LABORATORY EQUIPMENT	PLT395	338,874	17,006	217,705
21	ACCT 397-COMMUNICATION EQUIP	PLT397	2,883,149	165,991	1,910,630
22	ACCT 398-MISCELLANEOUS EQUIP	PLT398	2,931,941	168,800	1,942,964
23	ACCT 376 MAINS & 380 SERVICES	PLT37680	558,167,898	25,997,069	360,897,241
24	TOTAL DISTRIBUTION PLANT	DISTRPLT	696,161,615	34,937,113	447,240,868
25	ACCT 381 - 384 METER & HSE REGUL	PLT3814	105,952,798	8,471,406	69,765,120
26	ACCT 871-879 DIST OPER EXP	EXP8719	7,401,089	410,979	4,636,855
27	REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	167,094,776	8,903,917	109,788,614
28	TOTAL GENERAL PLANT	GENPLT	23,790,097	1,347,271	15,704,054
29	TOTAL WORKING CASH EXPENSE	CWCEXP	95,917,695	4,702,740	62,843,464
30	ACCT 304-LAND & LAND RIGHTS	PLT304	208,196	2,687	148,203
31	ACCT 360-LAND & LAND RIGHTS	PLT360	249,472	3,095	156,577
32	ACCT 374-LAND & LAND RIGHTS	PLT374	768,799	11,245	397,789
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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

INTERNALLY DEVELOPED-26	ALLOC	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
1 TOTAL GAS PLANT IN SERVICE	PLANT	68,664,929	88,144,463	39,448,179	15,106,391	5,077,637	20,903,595
2 SUM OF ALLOCATED LABOR EXP	LABOR	4,232,119	4,782,338	2,039,406	789,633	298,247	1,214,500
3 ACCT 305-STRUCTURES & IMPROVE	PLT305	159,313	171,336	49,824	8,664	2,382	6,584
4 ACCT 311-LP GAS EQUIP	PLT311	116,472	125,262	36,426	6,334	1,741	4,814
5 ACCT 320-OTHER EQUIPMENT	PLT320	34,498	37,102	10,789	1,876	516	1,426
6 ACCT 375-GAS DIST STATION STR	PLT375	640,531	1,286,786	664,737	264,362	203,996	899,919
7 ACCT 376-MAINS	PLT376	29,053,380	58,338,750	30,148,279	11,968,869	3,394,683	14,975,479
8 ACCT 378-GAS MEAS & REG STA EQ	PLT378	1,064,383	2,138,279	1,104,608	439,296	338,985	1,495,415
9 ACCT 380-SERVICES	PLT380	17,538,153	4,929,520	583,326	205,716	44,846	92,586
10 ACCT 381-METERS	PLT381	6,520,016	5,789,234	1,224,145	385,767	185,498	302,313
11 ACCT 382-METER INSTALLATION	PLT382	5,894,887	5,234,171	1,106,776	348,780	167,713	273,328
12 ACCT 386-OTHER PROP CUST PREM	PLT386	28,904	58,067	29,996	11,929	9,205	40,609
13 ACCT 383-HOUSE REGULATORS	PLT383	55,596	49,364	10,438	3,289	1,582	2,578
14 ACCT 396-POWER OPERATED EQUIP	PLT396	0	0	0	0	0	0
15 ACCT 390-STRUCTURES & IMPROV	PLT390	338,806	382,854	163,266	63,215	23,876	97,228
16 ACCT 391-OFFICE FURN & EQUIP	PLT391	773,788	874,388	372,879	144,374	54,531	222,056
17 ACCT 392-TRANSPORTATION EQUIP	PLT392	186,761	211,042	89,998	34,846	13,161	53,595
18 ACCT 393-STORES EQUIPMENT	PLT393	4,975	6,406	2,877	1,125	369	1,540
19 ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	233,060	300,138	134,791	52,691	17,297	72,147
20 ACCT 395-LABORATORY EQUIPMENT	PLT395	29,966	38,590	17,331	6,775	2,224	9,276
21 ACCT 397-COMMUNICATION EQUIP	PLT397	255,560	288,786	123,151	47,683	18,010	73,339
22 ACCT 398-MISCELLANEOUS EQUIP	PLT398	259,885	293,673	125,235	48,490	18,315	74,580
23 ACCT 376 MAINS & 380 SERVICES	PLT37680	46,591,533	63,268,270	30,731,605	12,174,585	3,439,529	15,068,065
24 TOTAL DISTRIBUTION PLANT	DISTRPLT	61,559,845	79,277,412	35,603,315	13,917,599	4,568,720	19,056,744
25 ACCT 381 - 384 METER & HSE REGUL	PLT3814	12,543,269	11,137,383	2,355,022	742,143	356,863	581,593
26 ACCT 871-879 DIST OPER EXP	EXP8719	724,502	867,514	330,698	125,092	62,391	243,058
27 REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	14,389,253	17,654,305	7,876,475	3,060,937	1,062,703	4,358,572
28 TOTAL GENERAL PLANT	GENPLT	2,108,094	2,424,459	1,041,717	403,917	149,566	611,019
29 TOTAL WORKING CASH EXPENSE	CWCEXP	8,544,364	10,418,904	4,407,624	1,507,281	756,200	2,737,117
30 ACCT 304-LAND & LAND RIGHTS	PLT304	22,932	24,663	7,172	1,247	343	948
31 ACCT 360-LAND & LAND RIGHTS	PLT360	24,312	37,395	17,226	3,272	2,030	5,566
32 ACCT 374-LAND & LAND RIGHTS	PLT374	58,187	116,894	60,386	24,015	18,531	81,751

INTERNALLY DEVELOPED-26		ALLOC	TOTAL COMPANY INPUT
1	TOTAL GAS PLANT IN SERVICE	PLANT	Page 3 Line 29
2	SUM OF ALLOCATED LABOR EXP	LABOR	Page 20 Line 24
3	ACCT 305-STRUCTURES & IMPROVE	PLT305	Page 2 Line 6
4	ACCT 311-LP GAS EQUIP	PLT311	Page 2 Line 8
5	ACCT 320-OTHER EQUIPMENT	PLT320	Page 2 Line 9
6	ACCT 375-GAS DIST STATION STR	PLT375	Page 3 Line 2
7	ACCT 376-MAINS	PLT376	Page 3 Lines 3 & 4
8	ACCT 378-GAS MEAS & REG STA EQ	PLT378	Page 3 Line 6
9	ACCT 380-SERVICES	PLT380	Page 3 Line 8
10	ACCT 381-METERS	PLT381	Page 3 Line 9
11	ACCT 382-METER INSTALLATION	PLT382	Page 3 Line 10
12	ACCT 386-OTHER PROP CUST PREM	PLT386	Page 3 Line 14
13	ACCT 383-HOUSE REGULATORS	PLT383	Page 3 Line 11
14	ACCT 396-POWER OPERATED EQUIP	PLT396	Page 3 Line 24
15	ACCT 390-STRUCTURES & IMPROV	PLT390	Page 3 Line 18
16	ACCT 391-OFFICE FURN & EQUIP	PLT391	Page 3 Line 19
17	ACCT 392-TRANSPORTATION EQUIP	PLT392	Page 3 Line 20
18	ACCT 393-STORES EQUIPMENT	PLT393	Page 3 Line 21
19	ACCT 394-TOOLS, SHOP & GAR EQ	PLT394	Page 3 Line 22
20	ACCT 395-LABORATORY EQUIPMENT	PLT395	Page 3 Line 23
21	ACCT 397-COMMUNICATION EQUIP	PLT397	Page 3 Line 25
22	ACCT 398-MISCELLANEOUS EQUIP	PLT398	Page 3 Line 26
23	ACCT 376 MAINS & 380 SERVICES	PLT37680	Page 3 Lines 3, 4 & 8
24	TOTAL DISTRIBUTION PLANT	DISTRPLT	Page 3 Line 16
25	ACCT 381 - 384 METER & HSE REGUL	PLT3814	Page 3 Lines 9 to 12
26	ACCT 871-879 DIST OPER EXP	EXP8719	Page 11 Lines 4 to 10
27	REV CLAIMED ROR LESS GAS COSTS	REVCLAIM	See allocator descriptions
28	TOTAL GENERAL PLANT	GENPLT	Page 3 Line 28
29	TOTAL WORKING CASH EXPENSE	CWCEXP	See allocator descriptions
30	ACCT 304-LAND & LAND RIGHTS	PLT304	Page 2 Line 5
31	ACCT 360-LAND & LAND RIGHTS	PLT360	Page 2 Line 11
32	ACCT 374-LAND & LAND RIGHTS	PLT374	Page 3 Line 1
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RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

ALLOC

INTERNALLY DEVELOPED CONT-27

1	ACCT 717-LP GAS EXPENSES	EXP717	50	1	35
2	ACCT 718-OTHER PROC PROD EXP	EXP718	0	0	0
3	ACCT 735-MISCELLANEOUS	EXP735	14,649	189	10,428
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	(14,605)	(189)	(10,396)
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	0	0	0
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	0	0	0
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	497,156	7,272	257,237
8	ACCT 873-COMP STA FUEL & POW	EXP873	(8,157)	(119)	(4,221)
9	ACCT 874-MAINS & SERVICE EXP	EXP874	2,553,769	118,944	1,651,203
10	ACCT 875-OPER STATION EXP - GEN	EXP875	728,731	10,659	377,058
11	ACCT 878-METER & HOUSE REG EXP	EXP878	3,381,890	270,397	2,226,822
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	2,621	242	1,949
13	ACCT 880-OTHER EXPENSE	EXP880	4,473,786	248,427	2,802,871
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	6,036,267	96,153	3,404,790
15	ACCT 889-MT OF M & R STA EQ	EXP889	313,438	4,584	162,178
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	4,669	68	2,416
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	134,264	1,964	69,470
18	ACCT 892-MAINTENANCE OF SERV	EXP892	4,466,537	441,886	3,517,628
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	1,401,686	112,071	922,947
20	ACCT 902-METER READING EXP	EXP902	654,140	64,151	511,406
21	ACCT 903-CUST RECORDS & COLL	EXP903	8,213,353	726,468	6,735,333
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	652,148	57,522	458,560
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	6,202,527	330,512	4,075,333
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	5,446,338	290,217	3,578,484
25	ACCT 920-ADMIN & GEN SALARY	EXP920	8,426,269	485,123	5,583,993
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	1,829,962	105,356	1,212,695
27	ACCT 930-MISC GEN EXP	EXP930	2,067,479	119,030	1,370,095
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	87,083	4,932	57,484
29	GAS PROD LABOR ACCTS 717-735	LABPO	0	0	0
30	GAS PROD LABOR ACCTS 741-743	LABPM	0	0	0
31	DIST LABOR OPER ACCT 871 - 880	LABDO	9,345,110	530,726	5,864,217
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	7,144,906	358,597	4,588,730
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	5,025,934	449,568	4,101,520
34	SALES LABOR ACCT 912 - 916	LABSA	617,755	36,093	402,385
35	TOTAL GAS PROD OPER LABOR	TLABPO	0	0	0
36	TOTAL GAS PROD MAINT LABOR	TLABPM	0	0	0
37	TOTAL DISTR OPER LABOR	TLABDO	9,471,118	537,882	5,943,290
38	TOTAL DISTR MAINT LABOR	TLABDM	7,857,207	394,347	5,046,198
39	TOTAL SALES LABOR	TLABSA	618,351	36,128	402,773
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ALLOC		COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
INTERNALLY DEVELOPED CONT-27							
1	ACCT 717-LP GAS EXPENSES	5	6	2	0	0	0
2	ACCT 718-OTHER PROC PROD EXP	0	0	0	0	0	0
3	ACCT 735-MISCELLANEOUS	1,614	1,735	505	88	24	67
4	ACCT 741-MAINTENANCE OF PLANT	(1,609)	(1,730)	(503)	(87)	(24)	(66)
5	ACCT 742-MAINTENANCE OF EQUIP	0	0	0	0	0	0
6	ACCT 743-GAS SYS PROD TRAINING	0	0	0	0	0	0
7	ACCT 871-SYSTEM CONTROL & DISP	37,628	75,592	39,050	15,530	11,984	52,865
8	ACCT 873-COMP STA FUEL & POW	(617)	(1,240)	(641)	(255)	(197)	(867)
9	ACCT 874-MAINS & SERVICE EXP	213,169	289,469	140,605	55,702	15,737	68,940
10	ACCT 875-OPER STATION EXP - GEN	55,155	110,802	57,239	22,764	17,566	77,490
11	ACCT 878-METER & HOUSE REG EXP	400,367	355,492	75,170	23,688	11,391	18,564
12	ACCT 879-CUSTOMER INSTALL EXP	253	135	25	8	3	6
13	ACCT 880-OTHER EXPENSE	437,945	524,392	199,899	75,615	37,714	146,923
14	ACCT 887-MAINTENANCE OF MAINS	498,107	1,000,191	516,878	205,201	58,200	256,748
15	ACCT 889-MT OF M & R STA EQ	23,723	47,658	24,619	9,791	7,555	33,330
16	ACCT 890-MT OF REG EQ (INDUST)	353	710	367	146	113	496
17	ACCT 891-MT OF REG EQ (CITY GATE)	10,162	20,415	10,546	4,194	3,236	14,277
18	ACCT 892-MAINTENANCE OF SERV	380,106	106,838	12,642	4,459	972	2,007
19	ACCT 893-MAINT MET & HOUSE REG	165,939	147,340	31,155	9,818	4,721	7,694
20	ACCT 902-METER READING EXP	46,370	25,640	3,906	1,545	372	749
21	ACCT 903-CUST RECORDS & COLL	561,091	137,606	32,436	8,410	3,960	8,049
22	ACCT 908-CUST ASSISTANCE EXP	82,847	19,404	20,878	8,095	1,580	3,262
23	ACCT 904-UNCOLLECTIBLE ACCTS	534,126	655,324	292,373	113,621	39,447	161,789
24	ACCT 904-UNCOLL ACCTS EXP BASE	469,008	575,430	256,728	99,769	34,638	142,065
25	ACCT 920-ADMIN & GEN SALARY	746,898	844,002	359,921	139,357	52,636	214,339
26	ACCT 923-OUTSIDE SERV EMPLOYED	162,206	183,295	78,165	30,265	11,431	46,549
27	ACCT 930-MISC GEN EXP	183,260	207,085	88,311	34,193	12,915	52,590
28	ACCT 935-MAINT OF GENERAL PLT	7,717	8,875	3,813	1,479	547	2,237
29	GAS PROD LABOR ACCTS 717-735	0	0	0	0	0	0
30	GAS PROD LABOR ACCTS 741-743	0	0	0	0	0	0
31	DIST LABOR OPER ACCT 871 - 880	925,984	1,091,065	406,301	152,925	77,129	296,762
32	DIST LABOR MAINT ACCT 886 - 894	631,398	812,756	365,029	142,699	47,479	198,217
33	CUST ACCTS LAB ACCT 902,903 & 905	344,688	95,928	20,905	5,846	2,468	5,012
34	SALES LABOR ACCT 912 - 916	44,808	52,354	23,745	11,259	7,500	39,611
35	TOTAL GAS PROD OPER LABOR	0	0	0	0	0	0
36	TOTAL GAS PROD MAINT LABOR	0	0	0	0	0	0
37	TOTAL DISTR OPER LABOR	938,470	1,105,777	411,779	154,987	78,169	300,764
38	TOTAL DISTR MAINT LABOR	694,344	893,783	401,420	156,925	52,213	217,979
39	TOTAL SALES LABOR	44,851	52,404	23,768	11,270	7,507	39,649
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INTERNALY DEVELOPED CONT-27

1	ACCT 717-LP GAS EXPENSES	EXP717	TOTAL COMPANY INPUT
2	ACCT 718-OTHER PROC PROD EXP	EXP718	Page 9 Line 2
3	ACCT 735-MISCELLANEOUS	EXP735	Page 9 Line 3
4	ACCT 741-MAINTENANCE OF PLANT	EXP741	Page 9 Line 6
5	ACCT 742-MAINTENANCE OF EQUIP	EXP742	Page 9 Line 10
6	ACCT 743-GAS SYS PROD TRAINING	EXP743	Page 9 Line 11
7	ACCT 871-SYSTEM CONTROL & DISP	EXP871	Page 9 Line 12
8	ACCT 873-COMP STA FUEL & POW	EXP873	Page 11 Line 4
9	ACCT 874-MAINS & SERVICE EXP	EXP874	Page 11 Line 5
10	ACCT 875-OPER STATION EXP - GEN	EXP875	Page 11 Line 6
11	ACCT 878-METER & HOUSE REG EXP	EXP878	Page 11 Line 7
12	ACCT 879-CUSTOMER INSTALL EXP	EXP879	Page 11 Line 9
13	ACCT 880-OTHER EXPENSE	EXP880	Page 11 Line 10
14	ACCT 887-MAINTENANCE OF MAINS	EXP887	Page 11 Line 11
15	ACCT 889-MT OF M & R STA EQ	EXP889	Page 11 Line 16
16	ACCT 890-MT OF REG EQ (INDUST)	EXP890	Page 11 Line 17
17	ACCT 891-MT OF REG EQ (CITY GATE)	EXP891	Page 11 Line 18
18	ACCT 892-MAINTENANCE OF SERV	EXP892	Page 11 Line 19
19	ACCT 893-MAINT MET & HOUSE REG	EXP893	Page 11 Line 20
20	ACCT 902-METER READING EXP	EXP902	Page 11 Line 21
21	ACCT 903-CUST RECORDS & COLL	EXP903	Page 12 Line 2
22	ACCT 908-CUST ASSISTANCE EXP	EXP908	Page 12 Lines 3 & 4
23	ACCT 904-UNCOLLECTIBLE ACCTS	EXP904	Page 12 Line 18
24	ACCT 904-UNCOLL ACCTS EXP BASE	EXP904B	Page 12 Line 14
25	ACCT 920-ADMIN & GEN SALARY	EXP920	Page 12 Line 14
26	ACCT 923-OUTSIDE SERV EMPLOYED	EXP923	Page 12 Lines 5 to 12
27	ACCT 930-MISC GEN EXP	EXP930	Page 13 Line 1
28	ACCT 935-MAINT OF GENERAL PLT	EXP935	Page 13 Line 3
29	GAS PROD LABOR ACCTS 717-735	LABPO	Page 13 Line 10
30	GAS PROD LABOR ACCTS 741-743	LABPM	Page 13 Line 14
31	DIST LABOR OPER ACCT 871 - 880	LABDO	Page 18 Lines 2 to 4
32	DIST LABOR MAINT ACCT 886 - 894	LABDM	Page 18 Lines 7 to 9
33	CUST ACCTS LAB ACCT 902,903 & 905	LABCA	Page 19 Lines 2 to 9
34	SALES LABOR ACCT 912 - 916	LABSA	Page 19 Lines 12 to 19
35	TOTAL GAS PROD OPER LABOR	TLABPO	Page 19 Lines 23 to 25
36	TOTAL GAS PROD MAINT LABOR	TLABPM	Page 20 Lines 5 & 6
37	TOTAL DISTR OPER LABOR	TLABDO	Page 18 Line 5
38	TOTAL DISTR MAINT LABOR	TLABDM	Page 18 Line 10
39	TOTAL SALES LABOR	TLABSA	Page 19 Line 10
40			Page 19 Line 20
			Page 20 Line 7

NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

16-Apr-12 04:14 PM

RESIDENTIAL
NON-HEATING
RATE 10,11 & 80

RESIDENTIAL
HEATING
RATE 12 & 13

TOTAL
COMPANY

ALLOC

INTERNALLY DEVELOPED CONT-28

1	TOTAL CUST ACCTS LABOR	TLABCA	5,413,319	484,219	4,417,654
2	CUSTOMER SERVICE & INFO LABOR	TLABSE	734,046	64,746	516,147
3	ACCT 886-MAINT STRUCT & IMPROV	EXP886	0	0	0
4	ACCT 894-MAINT OF OTHER EQUIP	EXP894	62,651	916	32,417
5	ACCT 921-OFFICE SUPPLIES & EXP	EXP921	5,415,321	311,775	3,588,672
6	ACCT 926-EMPLOY PENSION & BENF	EXP926	14,650,655	843,478	9,708,823
7	ACCT 380-384-SERV.METRS & REGUL	PLT3804	312,039,623	28,860,122	232,069,081
8	ACCT 925-INJURIES & DAMAGES	EXP925	1,944,483	111,949	1,288,587
9	ACCT 302-GAS FRANCHISES & CON	PLT302	213,499	10,573	137,418
10	ACCT 303-MISC INTANGIBLE PLT - CIS	PLT303	1,240,160	71,399	821,840
11	ACCT 303-MISC INTANGIBLE PLT - SL	PLT303SL	28,673,625	1,650,818	19,001,687
12	ACCT 307-OTHER POWER EQUIP	PLT307	45,873	592	32,655
13	ACCT 361-STRUCTURES & IMPROV	PLT361	5,122,410	63,544	3,214,986
14	ACCT 362-GAS HOLDERS & LNG EQ	PLT362	5,486,864	68,065	3,443,728
15	ACCT 363-PURIFICATION EQUIP	PLT363	9,543,177	118,383	5,989,598
16	ACCT 377-DIST COMP STATION EQ	PLT377	248,656	3,637	128,659
17	ACCT 379-DIST MEAS & REG GS EQ	PLT379	7,311,159	106,935	3,782,916
18	ACCT 384-HOUSE REGUL. INSTALLS	PLT384	614,691	49,147	404,746
19	ACCT 385-IND MEAS & REG STA EQ	PLT385	317,555	4,645	164,308
20	ACCT 387-DIST OTHER EQUIP	PLT387	486,647	7,118	251,799
21	ACCT 389-LAND & LAND RIGHTS	PLT389	285,357	16,429	189,103
22	ACCT 378 & 379-GAS M & R STAT EQ	PLT3789	21,374,342	312,626	11,059,442
23	CUSTOMER ACCTS EXP 902 - 903	EXP9023	8,867,492	790,619	7,246,739
24	ACCT 840-OPERATION LABOR & EXP	EXP840	200,454	2,932	103,718
25	ACCT 876-OPER STAT EXP - INDUST	EXP876	245,079	3,585	126,808
26	ACCT 905-MISC CUST ACCTS EXP	EXP905	165,084	14,719	134,911
27	ACCT 910-CUST SERVICE MISC EXP	EXP910	411,991	36,339	289,693
28	ACCT 912-DEMO & SELLING EXP	EXP912	777,497	45,426	506,436
29	ACCT 916-MISC SALES EXP	EXP916	85,623	5,003	55,772
30	ACCT 924-PROPERTY INSURANCE	EXP924	10,823	536	6,966
31	ACCT 928-REGULATORY COMM EXP	EXP928	2,103,208	112,073	1,381,900
32	ACCT 929-DUPLICATE CHRGR - CREDIT	EXP929	779	45	516
33	ACCT 931-RENTS	EXP931	3,316,863	190,961	2,198,047
34	ACCT 844-LNG PROC TERM LAB & EXP	EXP844	1,032,073	15,095	534,012
35	ACCT 847-MAINT OF LNG PLT BLDGS	EXP847	223,540	3,270	115,663

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NATIONAL GRID - RHODE ISLAND
GAS COST OF SERVICE STUDY
12 MONTHS ENDED JANUARY 31, 2014

ALLOC	INTERNALY DEVELOPED CONT-28	COMM & IND SMALL RATE 21	COMM & IND MEDIUM RATE 22	C & I LARGE LOW LOAD FAC RATE 33	C & I LARGE HIGH LOAD FAC RATE 23	C & I X LARGE LOW LOAD FAC RATE 34	C & I X LARGE HIGH LOAD FAC RATE 24
1	TOTAL CUST ACCTS LABOR	371,255	103,322	22,516	6,296	2,658	5,398
2	CUSTOMER SERVICE & INFO LABOR	93,251	21,841	23,499	9,111	1,778	3,671
3	ACCT 886-MAINT STRUCT & IMPROV	0	0	0	0	0	0
4	ACCT 894-MAINT OF OTHER EQUIP	4,742	9,526	4,921	1,957	1,510	6,662
5	ACCT 921-OFFICE SUPPLIES & EXP	480,010	542,416	231,311	89,561	33,827	137,750
6	ACCT 926-EMPLOY PENSION & BENF	1,298,623	1,467,457	625,790	242,298	91,517	372,669
7	ACCT 380-384-SERV.METRS & REGUL	30,081,422	16,066,904	2,938,347	947,859	401,709	674,179
8	ACCT 925-INJURIES & DAMAGES	172,357	194,766	83,057	32,159	12,146	49,462
9	ACCT 302-GAS FRANCHISES & CON	18,951	24,328	10,888	4,169	1,401	5,769
10	ACCT 303-MISC INTANGIBLE PLT - CIS	109,927	124,218	52,972	20,510	7,747	31,546
11	ACCT 303-MISC INTANGIBLE PLT - SL	2,541,608	2,872,043	1,224,770	474,216	179,113	729,371
12	ACCT 307-OTHER POWER EQUIP	5,053	5,434	1,580	275	76	209
13	ACCT 361-STRUCTURES & IMPROV	499,196	767,838	353,696	67,183	41,687	114,281
14	ACCT 362-GAS HOLDERS & LNG EQ	534,713	822,469	378,861	71,963	44,653	122,411
15	ACCT 363-PURIFICATION EQUIP	930,014	1,430,502	658,944	125,164	77,663	212,907
16	ACCT 377-DIST COMP STATION EQ	18,820	37,808	19,531	7,767	5,994	26,441
17	ACCT 379-DIST MEAS & REG GS EQ	553,351	1,111,647	574,263	228,381	176,231	777,435
18	ACCT 384-HOUSE REGUL. INSTALLS	72,770	64,614	13,663	4,306	2,070	3,374
19	ACCT 385-IND MEAS & REG STA EQ	24,034	48,284	24,943	9,920	7,654	33,767
20	ACCT 387-DIST OTHER EQUIP	36,832	73,994	38,224	15,202	11,730	51,748
21	ACCT 389-LAND & LAND RIGHTS	25,294	28,582	12,189	4,719	1,783	7,259
22	ACCT 378 & 379-GAS M & R STAT EQ	1,617,734	3,249,927	1,678,871	667,676	515,216	2,272,850
23	CUSTOMER ACCTS EXP 902 - 903	607,480	163,246	36,342	9,956	4,332	8,798
24	ACCT 840-OPERATION LABOR & EXP	15,172	30,479	15,745	6,262	4,832	21,315
25	ACCT 876-OPER STAT EXP - INDUST	18,549	37,264	19,250	7,656	5,907	26,061
26	ACCT 905-MISC CUST ACCTS EXP	11,309	3,039	677	185	81	164
27	ACCT 910-CUST SERVICE MISC EXP	52,338	12,259	13,189	5,114	998	2,060
28	ACCT 912-DEMO & SELLING EXP	56,395	65,892	29,885	14,171	9,440	49,854
29	ACCT 916-MISC SALES EXP	6,211	7,256	3,291	1,561	1,040	5,490
30	ACCT 924-PROPERTY INSURANCE	961	1,233	552	211	71	292
31	ACCT 928-REGULATORY COMM EXP	181,116	222,213	99,141	38,528	13,376	54,861
32	ACCT 929-DUPPLICATE CHRGE - CREDIT	69	78	33	13	5	20
33	ACCT 931-RENTS	294,004	332,228	141,677	54,856	20,719	84,371
34	ACCT 844-LNG PROC TERM LAB & EXP	78,113	156,925	81,065	32,239	24,878	109,746
35	ACCT 847-MAINT OF LNG PLT BLDGS	16,919	33,989	17,558	6,983	5,388	23,770
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37							
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INTERNALLY DEVELOPED CONT-28		ALLOC	TOTAL COMPANY INPUT
1	TOTAL CUST ACCTS LABOR	TLABCA	Page 19 Line 26
2	CUSTOMER SERVICE & INFO LABOR	TLABSE	Page 20 Line 3
3	ACCT 886-MAINT STRUCT & IMPROV	EXP886	Page 11 Line 15
4	ACCT 894-MAINT OF OTHER EQUIP	EXP894	Page 11 Line 22
5	ACCT 921-OFFICE SUPPLIES & EXP	EXP921	Page 13 Line 2
6	ACCT 926-EMPLOY PENSION & BENF	EXP926	Page 13 Line 6
7	ACCT 380-384-SERV METRS & REGUL	PLT3804	Page 3 Lines 8 to 12
8	ACCT 925-INJURIES & DAMAGES	EXP925	Page 13 Line 5
9	ACCT 302-GAS FRANCHISES & CON	PLT302	Page 2 Line 1
10	ACCT 303-MISC INTANGIBLE PLT - CIS	PLT303	Page 2 Line 2
11	ACCT 303-MISC INTANGIBLE PLT - SL	PLT303SL	Page 2 Line 3
12	ACCT 307-OTHER POWER EQUIP	PLT307	Page 2 Line 7
13	ACCT 361-STRUCTURES & IMPROV	PLT361	Page 2 Line 12
14	ACCT 362-GAS HOLDERS & LNG EQ	PLT362	Page 2 Line 13
15	ACCT 363-PURIFICATION EQUIP	PLT363	Page 2 Line 14
16	ACCT 377-DIST COMP STATION EQ	PLT377	Page 3 Line 5
17	ACCT 379-DIST MEAS & REG GS EQ	PLT379	Page 3 Line 7
18	ACCT 384-HOUSE REGUL INSTALLS	PLT384	Page 3 Line 12
19	ACCT 385-IND MEAS & REG STA EQ	PLT385	Page 3 Line 13
20	ACCT 387-DIST OTHER EQUIP	PLT387	Page 3 Line 15
21	ACCT 389-LAND & LAND RIGHTS	PLT389	Page 3 Line 17
22	ACCT 378 & 379-GAS M & R STAT EQ	PLT3789	Page 3 Lines 6 & 7
23	CUSTOMER ACCTS EXP 902 - 903	EXP9023	Page 12 Lines 2 to 4
24	ACCT 840-OPERATION LABOR & EXP	EXP840	Page 10 Line 7
25	ACCT 876-OPER STAT EXP - INDUST	EXP876	Page 11 Line 8
26	ACCT 905-MISC CUST ACCTS EXP	EXP905	Page 12 Line 15
27	ACCT 910-CUST SERVICE MISC EXP	EXP910	Page 12 Line 20
28	ACCT 912-DEMO & SELLING EXP	EXP912	Page 12 Line 23
29	ACCT 916-MISC SALES EXP	EXP916	Page 12 Line 25
30	ACCT 924-PROPERTY INSURANCE	EXP924	Page 13 Line 4
31	ACCT 928-REGULATORY COMM EXP	EXP928	Page 13 Line 8
32	ACCT 929-DUPLICATE CHRGR - CREDIT	EXP929	Page 13 Line 9
33	ACCT 931-RENTS	EXP931	Page 13 Line 11
34	ACCT 844-LNG PROC TERM LAB & EXP	EXP844	Page 10 Line 8
35	ACCT 847-MAINT OF LNG PLT BLDGS	EXP847	Page 10 Line 10
36			
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39			
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National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

ALLOCATORS, Page 22

Demand-Related Production Allocators:

1. DEMLPG LPG Production Demand DD
Ratio Page 30 Line 6 (top section)
 Items Allocated
 Page 2 Lines 5, 6, 7, 8, 9
 Page 9 Lines 2, 3, 6, 7, 10, 11, 12

2. DSWNLNG LNG Production Demand Des Wn
Ratio Page 30 Line 15 (top section)
 Items Allocated
 Page 2 Lines 11, 12, 13, 14
 Page 8 Line 12

Demand-Related Distribution Allocators:

3. DISTR Distribution RSUM Allocator
Ratio Page 30 Line 1 (bottom section)
 Items Allocated
 Page 3 Lines 1, 2, 4, 5, 6, 7, 15
 Page 8 Lines 2, 3
 Page 11 Line 4

4. DISTRL4 Distr RSUM Allocator Less than 4”
Ratio Page 30 Line 2 (bottom section)
 Items Allocated
 Page 3 Line 3

5. DISTRPS Distr RSUM Allocator Pressure Support
Ratio Page 30 Line 3 (bottom section)
 Items Allocated
 Page 10 Lines 7, 8, 9, 10, 11

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

ALLOCATORS, Page 23

Commodity-Related Allocators:

- | | |
|---------|----------------------------|
| 1. EGAS | Direct Gas Cost Allocator |
| Ratio | Page 31 Line 3 |
| | <u>Items Allocated</u> |
| | Page 9 Lines 4, 5 |
| | Page 10 Lines 1, 3, 4 |

ALLOCATORS, Page 24

Customer-Related Allocators:

- | | |
|------------|---------------------------------|
| 1. CUST380 | Acct 380 – Services |
| Ratio | Page 32 Line 1 |
| | <u>Items Allocated</u> |
| | Page 3 Line 8 |
| | |
| 2. CUST381 | Acct 381 – Meters |
| Ratio | Page 32 Line 2 |
| | <u>Items Allocated</u> |
| | Page 3 Line 9 |
| | |
| 3. CUST382 | Acct 382 – Meter Installation |
| Ratio | Page 32 Line 3 |
| | <u>Items Allocated</u> |
| | Page 3 Line 10 |
| | |
| 4. CUST383 | Acct 383 – House Regulators |
| Ratio | Page 32 Line 4 |
| | <u>Items Allocated</u> |
| | Page 3 Line 11 |
| | |
| 5. CUST384 | Acct 384 – House Regul Installs |
| Ratio | Page 32 Line 5 |
| | <u>Items Allocated</u> |
| | Page 3 Line 12 |

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

- | | | |
|-----|----------|-------------------------------------|
| 6. | CUST385 | Acct 385 – Ind Meas & Reg Sta Eq |
| | Ratio | Page 32 Line 6 |
| | | <u>Items Allocated</u> |
| | | Page 3 Line 13 |
| | | |
| 7. | CUST386 | Acct 386 – Other Prop Cust Prem |
| | Ratio | Page 32 Line 7 |
| | | <u>Items Allocated</u> |
| | | Page 3 Line14 |
| | | |
| 8. | CUSTDEP | Customer Deposits |
| | Ratio | Page 32 Line 8 |
| | | <u>Items Allocated</u> |
| | | Page 7 Line 3 |
| | | Page 16 Line 5 |
| | | |
| 9. | CUST902 | Acct 902 – Meter Read Exp |
| | Ratio | Page 32 Line 9 |
| | | <u>Items Allocated</u> |
| | | Page 12 Line 2 |
| | | |
| 10. | CUST903 | Acct 903 – Billing, Postage & Calls |
| | Ratio | Page 32 Line 10 |
| | | <u>Items Allocated</u> |
| | | Page 12 Line 3 |
| | | |
| 11. | CUST903C | Acct 903 – Cust Credit & Coll |
| | Ratio | Page 32 Line 11 |
| | | <u>Items Allocated</u> |
| | | Page 12 Line 4 |
| | | |
| 12. | CUST908 | Acct 908 – Cust Assistance Exp |
| | Ratio | Page 32 Line 12 |
| | | <u>Items Allocated</u> |
| | | Page 12 Lines 18, 19, 20 |
| | | |
| 13. | CUST912 | Acct 912 – Demo & Selling Exp |
| | Ratio | Page 32 Line 13 |
| | | <u>Items Allocated</u> |
| | | Page 12 Lines 23, 24, 25 |

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

ALLOCATORS, Page 25

Externally Developed Uncollectible Accounts Allocators:

1. C904RNH Resid Non Htg Rate 10, 11 & 80
Ratio Page 33 Line 1
 Items Allocated
 None
2. C904RH Resid Heating Rate 12 & 13
Ratio Page 33 Line 2
 Items Allocated
 None
3. C904R21 Comm & Ind Small Rate 21
Ratio Page 33 Line 3
 Items Allocated
 None
4. C904R22 Comm & Ind Medium Rate 22
Ratio Page 33 Line 4
 Items Allocated
 None
5. C904R33 C&I Large LLF Rate 33
Ratio Page 33 Line 5
 Items Allocated
 None
6. C904R23 C&I Large HLF Rate 23
Ratio Page 33 Line 6
 Items Allocated
 None
7. C904R34 C&I XLarge LLF Rate 34
Ratio Page 33 Line 7
 Items Allocated
 None

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

8.	C904R24	C&I XLarge HLF Rate 24
	Ratio	Page 33 Line 8
		<u>Items Allocated</u>
		None

Internally Developed Late Payment Charges Allocators:

9.	C488R21	Comm & Ind Small Rate 21
	Ratio	Page 33 Line 9
		<u>Items Allocated</u>
		Page 8 Line 5
10.	C488R22	Comm & Ind Medium Rate 22
	Ratio	Page 33 Line 10
		<u>Items Allocated</u>
		Page 8 Line 6
11.	C488R33	C&I Large Low Load Fac Rate 33
	Ratio	Page 33 Line 11
		<u>Items Allocated</u>
		Page 8 Line 7
12.	C488R23	C&I Large High Load Fac Rate 23
	Ratio	Page 33 Line 12
		<u>Items Allocated</u>
		Page 8 Line 8
13.	C488R34	C&I XLarge Low Load Fac Rate 34
	Ratio	Page 33 Line 13
		<u>Items Allocated</u>
		Page 8 Line 9
14.	C488R24	C&I XLarge High Load Fac Rate 24
	Ratio	Page 33 Line 14
		<u>Items Allocated</u>
		Page 8 Line 10

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

ALLOCATORS, Page 26

Internally Developed Allocators:

1. PLANT Total Gas Plant in Service
Ratio Page 34 Line 1
 Items Allocated
 Page 2 Line 1
 Page 5 Line 28
 Page 6 Lines 8, 9
 Page 7 Lines 1, 2
 Page 8 Lines 13, 14, 15
 Page 13 Line 4
 Page 14 Line 2
 Page 16 Line 1
 Page 17 Lines 6, 13

2. LABOR Sum of Allocated Labor Exp
Ratio Page 34 Line 2
 Items Allocated
 Page 2 Lines 2, 3
 Page 3 Lines 17, 18, 19, 20, 25, 26, 27
 Page 13 Lines 1, 2, 3, 5, 9, 10, 11
 Page 14 Line 1
 Page 16 Line 2

3. PLT305 Acct 305 – Structures & Improve
Ratio Page 34 Line 3
 Items Allocated
 Page 4 Line 6
 Page 14 Line 9

4. PLT311 Acct 311 – LP Gas Equip
Ratio Page 34 Line 4
 Items Allocated
 Page 4 Line 8
 Page 14 Line 11

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

5.	PLT320	Acct 320 – Other Equipment
	Ratio	Page 34 Line 5
		<u>Items Allocated</u>
		Page 4 Line 9
		Page 14 Line 12
6.	PLT375	Acct 375 – Gas Dist Station Str
	Ratio	Page 34 Line 6
		<u>Items Allocated</u>
		Page 5 Line 2
		Page 11 Line 15
		Page 15 Line 2
7.	PLT376	Acct 376 – Mains
	Ratio	Page 34 Line 7
		<u>Items Allocated</u>
		Page 5 Line 3
		Page 11 Lines 2, 16
		Page 15 Line 3
8.	PLT378	Acct 378 – Gas Meas & Reg Sta Eq
	Ratio	Page 34 Line 8
		<u>Items Allocated</u>
		Page 5 Line 5
		Page 15 Line 5
9.	PLT380	Acct 380 – Services
	Ratio	Page 34 Line 9
		<u>Items Allocated</u>
		Page 5 Line 7
		Page 11 Line 20
		Page 15 Line 7
10.	PLT381	Acct 381 – Meters
	Ratio	Page 34 Line 10
		<u>Items Allocated</u>
		Page 5 Line 8
		Page 15 Line 8

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

11.	PLT382	Acct 382 – Meter Installation
	Ratio	Page 34 Line 11
		<u>Items Allocated</u>
		Page 5 Line 9
		Page 15 Line 9
12.	PLT386	Acct 386 – Other Prop Cust Prem
	Ratio	Page 34 Line 12
		<u>Items Allocated</u>
		Page 5 Line 13
		Page 15 Line 13
13.	PLT383	Acct 383 – House Regulators
	Ratio	Page 34 Line 13
		<u>Items Allocated</u>
		Page 5 Line 10
		Page 15 Line 10
14.	PLT396	Acct 396 – Power Operated Equip
	Ratio	Page 34 Line 14
		<u>Items Allocated</u>
		Page 15 Line 23
15.	PLT390	Acct 390 – Structures & Improv
	Ratio	Page 34 Line 15
		<u>Items Allocated</u>
		Page 5 Line 17
		Page 15 Line 17
16.	PLT391	Acct 391 – Office Furn & Equip
	Ratio	Page 34 Line 16
		<u>Items Allocated</u>
		Page 5 Line 18
		Page 15 Line 18
17.	PLT392	Acct 392 – Transportation Equip
	Ratio	Page 34 Line 17
		<u>Items Allocated</u>
		Page 5 Line 19
		Page 11 Line 12
		Page 15 Line 19

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

18.	PLT393	Acct 393 – Stores Equipment
	Ratio	Page 34 Line 18
		<u>Items Allocated</u>
		Page 5 Line 20
		Page 15 Line 20
19.	PLT394	Acct 394 – Tools, Shop & Gar Eq
	Ratio	Page 34 Line 19
		<u>Items Allocated</u>
		Page 5 Line 21
		Page 15 Line 21
20.	PLT395	Acct 395 – Laboratory Equipment
	Ratio	Page 34 Line 20
		<u>Items Allocated</u>
		Page 5 Line 22
		Page 15 Line 22
21.	PLT397	Acct 397 – Communication Equip
	Ratio	Page 34 Line 21
		<u>Items Allocated</u>
		Page 5 Line 24
		Page 15 Line 24
22.	PLT398	Acct 398 – Miscellaneous Equip
	Ratio	Page 34 Line 22
		<u>Items Allocated</u>
		Page 5 Line 25
		Page 15 Line 25
23.	PLT37680	Acct 376 Mains & 380 Services
	Ratio	Page 34 Line 23
		<u>Items Allocated</u>
		Page 6 Line 5
		Page 11 Line 6

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

24.	DISTRPLT	Total Distribution Plant
	Ratio	Page 34 Line 24
		<u>Items Allocated</u>
		Page 3 Lines 21, 22, 23, 24
		Page 5 Lines 23, 27
		Page 6 Lines 4, 7
		Page 20 Lines 22, 23
25.	PLT3814	Acct 381-384 – Meter & Hse Regul
	Ratio	Page 34 Line 25
		<u>Items Allocated</u>
		Page 11 Lines 9, 21
26.	EXP8719	Acct 871-879 – Dist Oper Exp
	Ratio	Page 34 Line 26
		<u>Items Allocated</u>
		Page 11 Line 11
27.	REVCLAIM	Rev Claimed ROR Less Gas Costs
	Ratio	Page 34 Line 27
		<u>Items Allocated</u>
		Page 12 Lines 5, 6, 7, 8, 9, 10, 11, 12
		Page 13 Lines 7, 8, 16, 17
28.	GENPLT	Total General Plant
	Ratio	Page 34 Line 28
		<u>Items Allocated</u>
		Page 13 Line 14
29.	CWCEXP	Total Working Cash Expense
	Ratio	Page 34 Line 29
		<u>Items Allocated</u>
		Page 6 Line 10
30.	PLT304	Acct 304 – Land & Land Rights
	Ratio	Page 34 Line 30
		<u>Items Allocated</u>
		Page 4 Line 5
		Page 14 Line 8

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

- | | | |
|-----|--------|-------------------------------|
| 31. | PLT360 | Acct 360 – Land & Land Rights |
| | Ratio | Page 34 Line 31 |
| | | <u>Items Allocated</u> |
| | | Page 4 Line 11 |
| | | Page 14 Line 14 |
| | | |
| 32. | PLT374 | Acct 374 – Land & Land Rights |
| | Ratio | Page 34 Line 32 |
| | | <u>Items Allocated</u> |
| | | Page 5 Line 1 |
| | | Page 15 Line 1 |

ALLOCATORS, Page 27

Internally Developed Allocators:

- | | | |
|----|--------|---------------------------------|
| 1. | EXP717 | Acct 717 – Propane Expenses |
| | Ratio | Page 35 Line 1 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 2 |
| | | |
| 2. | EXP718 | Acct 718 – Other Proc Prod Exp |
| | Ratio | Page 35 Line 2 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 3 |
| | | |
| 3. | EXP735 | Acct 735 – Miscellaneous |
| | Ratio | Page 35 Line 3 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 4 |
| | | |
| 4. | EXP741 | Acct 741 – Maintenance of Plant |
| | Ratio | Page 35 Line 4 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 7 |
| | | |
| 5. | EXP742 | Acct 742 – Maintenance of Equip |
| | Ratio | Page 35 Line 5 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 8 |

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

6.	EXP743	Acct 743 – Gas Sys Prod Training
	Ratio	Page 35 Line 6
		<u>Items Allocated</u>
		Page 18 Line 9
7.	EXP871	Acct 871 – System Control & Disp
	Ratio	Page 35 Line 7
		<u>Items Allocated</u>
		Page 19 Line 2
8.	EXP873	Acct 873 – Comp Sta Fuel & Pow
	Ratio	Page 35 Line 8
		<u>Items Allocated</u>
		Page 19 Line 3
9.	EXP874	Acct 874 – Mains & Service Exp
	Ratio	Page 35 Line 9
		<u>Items Allocated</u>
		Page 19 Line 4
10.	EXP875	Acct 875 – Gas System T&D Training
	Ratio	Page 35 Line 10
		<u>Items Allocated</u>
		Page 19 Line 5
11.	EXP878	Acct 878 – Meter & House Reg Exp
	Ratio	Page 35 Line 11
		<u>Items Allocated</u>
		Page 19 Line 7
12.	EXP879	Acct 879 – Customer Install Exp
	Ratio	Page 35 Line 12
		<u>Items Allocated</u>
		Page 19 Line 8
13.	EXP880	Acct 880 – Other Expense
	Ratio	Page 35 Line 13
		<u>Items Allocated</u>
		Page 19 Line 9

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

14.	EXP887	Acct 887 – Maintenance of Mains
	Ratio	Page 35 Line 14
		<u>Items Allocated</u>
		Page 19 Line 13
15.	EXP889	Acct 889 – Mt of M & R Sta Eq
	Ratio	Page 35 Line 15
		<u>Items Allocated</u>
		Page 19 Line 14
16.	EXP890	Acct 890 – Mt of Reg Eq (Indust)
	Ratio	Page 35 Line 16
		<u>Items Allocated</u>
		Page 19 Line 15
17.	EXP891	Acct 891 – Mt of Reg Eq (City Gate)
	Ratio	Page 35 Line 17
		<u>Items Allocated</u>
		Page 19 Line 16
18.	EXP892	Acct 892 – Maintenance of Serv
	Ratio	Page 35 Line 18
		<u>Items Allocated</u>
		Page 19 Line 17
19.	EXP893	Acct 893 – Maint Met & House Reg
	Ratio	Page 35 Line 19
		<u>Items Allocated</u>
		Page 19 Line 18
20.	EXP902	Acct 902 – Meter Reading Exp
	Ratio	Page 35 Line 20
		<u>Items Allocated</u>
		Page 19 Line 23
21.	EXP903	Acct 903 – Cust Records & Coll
	Ratio	Page 35 Line 21
		<u>Items Allocated</u>
		Page 19 Line 24

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

22.	EXP908	Acct 908 – Cust Assistance Exp
	Ratio	Page 35 Line 22
		<u>Items Allocated</u>
		Page 20 Line 1
23.	EXP904	Acct 904 – Uncollectible Accts
	Ratio	Page 35 Line 23
		<u>Items Allocated</u>
		None
24.	EXP904B	Acct 904 – Uncoll Accts Exp Base
	Ratio	Page 35 Line 24
		<u>Items Allocated</u>
		Page 12 Line 13
25.	EXP920	Acct 920 – Admin & Gen Salary
	Ratio	Page 35 Line 25
		<u>Items Allocated</u>
		Page 20 Line 8
26.	EXP923	Acct 923 – Outside Serv Employed
	Ratio	Page 35 Line 26
		<u>Items Allocated</u>
		Page 20 Line 10
27.	EXP930	Acct 930 – Miscs Gen Exp
	Ratio	Page 35 Line 27
		<u>Items Allocated</u>
		Page 20 Line 16
28.	EXP935	Acct 935 – Maint of General Plant
	Ratio	Page 35 Line 28
		<u>Items Allocated</u>
		Page 20 Line 19
29.	LABPO	Gas Prod Labor Accts 717-735
	Ratio	Page 35 Line 29
		<u>Items Allocated</u>
		Page 18 Line 1

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

30.	LABPM	Gas Prod Labor Accts 741-743
	Ratio	Page 35 Line 30
		<u>Items Allocated</u>
		Page 18 Line 6
31.	LABDO	Dist Labor Oper Acct 851-880
	Ratio	Page 35 Line 31
		<u>Items Allocated</u>
		Page 19 Line 1
32.	LABDM	Dist Labor Maint Acct 886-894
	Ratio	Page 35 Line 32
		<u>Items Allocated</u>
		Page 19 Line 11
33.	LABCA	Cust Accts Labor Acct 902-903
	Ratio	Page 35 Line 33
		<u>Items Allocated</u>
		Page 19 Line 22
34.	LABSA	Sales Labor Acct 912-916
	Ratio	Page 35 Line 34
		<u>Items Allocated</u>
		Page 20 Line 4
35.	TLABPO	Total Gas Prod Oper Labor
	Ratio	Page 35 Line 35
		<u>Items Allocated</u>
		Page 9 Line 1
36.	TLABPM	Total Gas Prod Maint Labor
	Ratio	Page 35 Line 36
		<u>Items Allocated</u>
		Page 9 Line 9
37.	TLABDO	Total Distr Oper Labor
	Ratio	Page 35 Line 37
		<u>Items Allocated</u>
		Page 11 Lines 1, 3

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

38. TLABDM Total Distr Maint Labor
Ratio Page 35 Line 38
 Items Allocated
 Page 11 Line 14

39. TLABSA Total Sales Labor
Ratio Page 35 Line 39
 Items Allocated
 Page 12 Line 22

ALLOCATORS, Page 28

Internally Developed Allocators:

1. TLABCA Total Cust Accts Labor
Ratio Page 36 Line 1
 Items Allocated
 Page 12 Line 1

2. TLABSE Customer Service & Info Labor
Ratio Page 36 Line 2
 Items Allocated
 Page 12 Line 17

3. EXP886 Acct. 886 – Maint Struct & Improv
Ratio Page 36 Line 3
 Items Allocated
 Page 19 Line 12

4. EXP894 Acct. 894 – Maint of Other Equip
Ratio Page 36 Line 4
 Items Allocated
 Page 19 Line 19

5. EXP921 Acct. 921 – Office Supplies & Exp
Ratio Page 36 Line 5
 Items Allocated
 Page 20 Line 9

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

- | | | |
|------|----------|-------------------------------------|
| 6. | EXP926 | Acct. 926 – Employ Pension & Benf |
| | Ratio | Page 36 Line 6 |
| | | <u>Items Allocated</u> |
| | | Page 20 Line 13 |
|
 | | |
| 7. | PLT3804 | Acct. 380-384 – Serv, Metrs & Regul |
| | Ratio | Page 36 Line 7 |
| | | <u>Items Allocated</u> |
| | | Page 11 Line 10 |
|
 | | |
| 8. | EXP925 | Acct. 925 – Injuries and Damages |
| | Ratio | Page 36 Line 8 |
| | | <u>Items Allocated</u> |
| | | Page 7 Line 4 |
| | | Page 20 Line 12 |
|
 | | |
| 9. | PLT302 | Acct. 302 – Gas Franchises & Con |
| | Ratio | Page 36 Line 9 |
| | | <u>Items Allocated</u> |
| | | Page 4 Line 1 |
| | | Page 14 Line 4 |
|
 | | |
| 10. | PLT303 | Acct 303 – Misc Intangible Plt |
| | Ratio | Page 36 Line 10 |
| | | <u>Items Allocated</u> |
| | | Page 4 Line 2 |
| | | Page 14 Line 5 |
|
 | | |
| 11. | PLT303SL | Acct 303 – Misc Intangible Plt - SL |
| | Ratio | Page 36 Line 11 |
| | | <u>Items Allocated</u> |
| | | Page 4 Line 3 |
| | | Page 14 Line 6 |
|
 | | |
| 12. | PLT307 | Acct 307 – Other Power Equip |
| | Ratio | Page 36 Line 12 |
| | | <u>Items Allocated</u> |
| | | Page 4 Line 7 |
| | | Page 14 Line 10 |

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

13.	PLT361	Acct 361 – Structures & Improv
	Ratio	Page 36 Line 13
		<u>Items Allocated</u>
		Page 4 Line 12
		Page 14 Line 15
14.	PLT362	Acct 362 – Gas Holders & LNG Eq
	Ratio	Page 36 Line 14
		<u>Items Allocated</u>
		Page 4 Line 13
		Page 14 Line 16
15.	PLT363	Acct 363 – Purification Equip
	Ratio	Page 36 Line 15
		<u>Items Allocated</u>
		Page 4 Line 14
		Page 14 Line 17
16.	PLT377	Acct 377 – Dist Comp Station Eq
	Ratio	Page 36 Line 16
		<u>Items Allocated</u>
		Page 5 Line 4
		Page 11 Line 5
		Page 15 Line 4
17.	PLT379	Acct 379 – Dist Meas & Reg Gs Eq
	Ratio	Page 36 Line 17
		<u>Items Allocated</u>
		Page 5 Line 6
		Page 15 Line 6
18.	PLT384	Acct 384 – House Regul Installs
	Ratio	Page 36 Line 18
		<u>Items Allocated</u>
		Page 5 Line 11
		Page 15 Line 11

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

- | | | |
|-----|---------|------------------------------------|
| 19. | PLT385 | Acct 385 – Ind Meas & Reg Sta Eq |
| | Ratio | Page 36 Line 19 |
| | | <u>Items Allocated</u> |
| | | Page 5 Line 12 |
| | | Page 11 Lines 8,18 |
| | | Page 15 Line 12 |
| | | |
| 20. | PLT387 | Acct 387 – Dist Other Equip |
| | Ratio | Page 36 Line 20 |
| | | <u>Items Allocated</u> |
| | | Page 5 Line 14 |
| | | Page 11 Line 22 |
| | | Page 15 Line 14 |
| | | |
| 21. | PLT389 | Acct 389 – Land & Land Rights |
| | Ratio | Page 36 Line 21 |
| | | <u>Items Allocated</u> |
| | | Page 5 Line 16 |
| | | Page 15 Line 16 |
| | | |
| 22. | PLT3789 | Acct 378 & 379 – Gas M & R Stat Eq |
| | Ratio | Page 36 Line 22 |
| | | <u>Items Allocated</u> |
| | | Page 11 Lines 7, 17, 19 |
| | | |
| 23. | EXP9023 | Customer Accounts Exp 902-903 |
| | Ratio | Page 36 Line 23 |
| | | <u>Items Allocated</u> |
| | | Page 12 Line 15 |
| | | |
| 24. | EXP840 | Acct 840 – Operation Labor & Exp |
| | Ratio | Page 36 Line 24 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 12 |
| | | |
| 25. | EXP876 | Acct 876 – Oper Stat Exp – Indust |
| | Ratio | Page 36 Line 25 |
| | | <u>Items Allocated</u> |
| | | Page 19 Line 6 |

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

26.	EXP905	Acct 905 – Misc Cust Accts Exp
	Ratio	Page 36 Line 26
		<u>Items Allocated</u>
		Page 19 Line 25
27.	EXP910	Acct 910 – Cust Service Misc Exp
	Ratio	Page 36 Line 27
		<u>Items Allocated</u>
		Page 20 Line 2
28.	EXP912	Acct 912 – Demo & Selling Exp
	Ratio	Page 36 Line 28
		<u>Items Allocated</u>
		Page 20 Line 5
29.	EXP916	Acct 916 – Misc Sales Exp
	Ratio	Page 36 Line 29
		<u>Items Allocated</u>
		Page 20 Line 6
30.	EXP924	Acct 924 – Property Insurance
	Ratio	Page 36 Line 30
		<u>Items Allocated</u>
		Page 20 Line 10
31.	EXP928	Acct 928 – Regulatory Comm Exp
	Ratio	Page 36 Line 31
		<u>Items Allocated</u>
		Page 20 Line 14
32.	EXP929	Acct 929 – Duplicate Chrg - Credit
	Ratio	Page 36 Line 32
		<u>Items Allocated</u>
		Page 20 Line 15
33.	EXP931	Acct 931 - Rents
	Ratio	Page 36 Line 33
		<u>Items Allocated</u>
		Page 20 Line 17

National Grid – Rhode Island
Description of Gas Allocation Factors
Items Allocated
All Allocators

- | | | |
|-----|--------|------------------------------------|
| 34. | EXP844 | Acct 844 – LNG Proc Term Lab & Exp |
| | Ratio | Page 36 Line 34 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 13 |
| 35. | EXP847 | Acct 847 – Maint of LNG Plt Bldgs |
| | Ratio | Page 36 Line 35 |
| | | <u>Items Allocated</u> |
| | | Page 18 Line 14 |

THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

SCHEDULE PMN-7

Rate Design Summary

NG RI PROPOSED GAS RATE DESIGN

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CURRENT RATES

Rate

80 Gas Lights

10 Residential, Non-Heat

11 Residential, Low Income Non-Heat

Total Non Heat

12 Residential, Heat Peak

13 Residential, Heat Off-Peak

14 Residential, Low Income Heat Peak

15 Residential, Low Inc Heat Off-Peak

Total Heating

21 Comm & Indust Small Peak

22 Comm & Indust Small Off-Peak

Total Comm & Ind Small

22 Comm & Indust Medium Sales

23 Comm & Indust Medium FT-1

24 Comm & Indust Medium FT-2

Total Comm & Indust Medium

33 Comm & Indust Large LLF Sales

34 Comm & Indust Large LLF FT-1

35 Comm & Indust Large LLF FT-2

Total Comm & Ind Large LLF

34 Comm & Indust Large HLF Sales

35 Comm & Indust Large HLF FT-1

36 Comm & Indust Large HLF FT-2

Total Comm & Ind Large HLF

34 Comm & Ind Extra Large LLF Sales

35 Comm & Ind Extra Large LLF FT-1

36 Comm & Ind Extra Large LLF FT-2

Tot Com & Ind Extra Large LLF

41 Comm & Ind Extra Large HLF Sales

42 Comm & Ind Extra Large HLF FT-1

43 Comm & Ind Extra Large HLF FT-2

Tot Com & Ind Extra Large HLF

Total

Excl Lights

(B)

Annual Customers

2,434

300,402

3,878

304,280

1,094,896

1,075,571

128,742

126,469

2,425,678

111,565

108,374

219,939

33,989

5,164

12,361

51,514

1,513

1,791

1,612

4,916

550

828

528

1,906

24

288

60

372

72

600

96

768

3,009,373

Excl Lights

(C)

Existing Customer Charge

\$7.93

\$10.00

\$9.00

\$12.00

\$12.00

\$10.80

\$10.80

\$18.60

\$18.60

\$60.00

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(D)

Sales (therms)

5,242,613

175,436

5,418,049

123,875,580

28,837,206

14,130,887

4,121,316

170,964,989

20,503,114

4,273,848

24,776,962

31,647,423

7,807,848

12,994,748

7,242,539

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Annual Proposed Blocking

Therms

NA

NA

125

30

125

30

135

20

NA

NA

NA

NA

NA

NA

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NG RI PROPOSED GAS RATE DESIGN

1	2	3	4	Rate	(A)	(P)	(Q)	(R)	----- Cost of Service Results -----				(T)	(U)	(V)	(W)	(X)	(Y)	(Z)
									Existing Revenues	Existing ROR	Equalized ROR	Revenue Increase to Equalize							
6	80	Gas Lights				\$19,303		\$30,324	\$11,021	57.09%	\$2,946	\$2,946	\$2,946	\$22,249		\$844,831	\$6,380,830	15.26%	
7	10	Residential, Non-Heat				\$5,535,999		\$8,696,770	\$3,160,771	57.09%	\$844,831	\$844,831	\$844,831	\$6,380,830		\$17,177	\$129,736	15.26%	
8	11	Residential, Low Income Non-Heat				\$112,559		\$176,824	\$64,265	57.09%	\$17,177	\$17,177	\$17,177	\$129,736		\$864,954	\$6,532,815	15.26%	
9		Total Non Heat				\$5,667,860	-6.06%	\$8,903,917	\$3,236,057	57.09%	\$864,954	\$864,954	\$864,954	\$6,532,815					
10	12	Residential, Heat Peak				\$61,780,274		\$70,887,714	\$9,107,440	14.74%	\$9,107,440	\$9,107,440	\$9,107,440	\$70,887,714		\$3,614,149	\$28,130,711	14.74%	
11	12	Residential, Heat Off-Peak				\$24,516,562		\$28,130,711	\$3,614,149	14.74%	\$3,614,149	\$3,614,149	\$3,614,149	\$28,130,711		\$963,272	\$7,497,624	14.74%	
12	13	Residential, Low Income Heat Peak				\$6,534,352		\$7,497,624	\$963,272	14.74%	\$963,272	\$963,272	\$963,272	\$7,497,624		\$420,449	\$3,272,565	14.74%	
13	13	Residential, Low Inc Heat Off-Peak				\$2,852,116		\$3,272,565	\$420,449	14.74%	\$420,449	\$420,449	\$420,449	\$3,272,565		\$14,105,310	\$109,788,614	14.74%	
14	15	Total Heating				\$95,683,304	4.26%	\$109,788,614	\$14,105,310	14.74%	\$14,105,310	\$14,105,310	\$14,105,310	\$109,788,614					
16																			
17	21	Comm & Indust Small Peak				\$9,490,301		\$10,564,136	\$1,073,835	11.32%	\$1,073,835	\$1,073,835	\$1,073,835	\$10,564,136		\$388,820	\$3,825,117	11.32%	
18	21	Comm & Indust Small Off-Peak				\$3,436,297		\$3,825,117	\$388,820	11.32%	\$388,820	\$388,820	\$388,820	\$3,825,117		\$1,462,655	\$14,389,253	11.32%	
19		Total Comm & Ind Small				\$12,926,598	5.15%	\$14,389,253	\$1,462,655	11.32%	\$1,462,655	\$1,462,655	\$1,462,655	\$14,389,253					
20	22	Comm & Indust Medium Sales				\$10,752,274		\$10,859,586	\$107,312	1.00%	\$713,422	\$713,422	\$257,625	\$11,723,320		\$971,047	\$11,723,320	9.03%	
21	22	Comm & Indust Medium FT-1				\$2,373,635		\$2,397,325	\$23,690	1.00%	\$157,493	\$157,493	\$56,872	\$2,588,000		\$214,365	\$2,588,000	9.03%	
22	22	Comm & Indust Medium FT-2				\$4,353,940		\$4,397,394	\$43,454	1.00%	\$288,887	\$288,887	\$104,320	\$4,747,148		\$393,208	\$4,747,148	9.03%	
23	22	Total Comm & Indust Medium				\$17,479,848	8.01%	\$17,654,305	\$174,457	1.00%	\$1,159,802	\$1,159,802	\$418,818	\$19,058,468		\$1,578,620	\$19,058,468	9.03%	
25										Minimum		6.64%							
26	33	Comm & Indust Large LLF Sales				\$2,104,184		\$2,202,206	\$98,022	4.66%	\$139,614	\$139,614	\$52,243	\$2,296,042		\$191,858	\$2,296,042	9.12%	
27	33	Comm & Indust Large HLF FT-1				\$2,856,028		\$2,989,073	\$133,046	4.66%	\$189,500	\$189,500	\$70,911	\$3,116,438		\$260,410	\$3,116,438	9.12%	
28	33	Comm & Indust Large LLF FT-2				\$2,565,676		\$2,685,195	\$119,520	4.66%	\$170,235	\$170,235	\$63,702	\$2,799,612		\$233,936	\$2,799,612	9.12%	
29	33	Total Comm & Ind Large LLF				\$7,525,888	7.24%	\$7,876,475	\$350,587	4.66%	\$499,349	\$499,349	\$186,856	\$8,212,092		\$686,204	\$8,212,092	9.12%	
30										Minimum		6.64%							
31	33	Comm & Indust Large HLF Sales				\$569,495		\$739,922	\$170,427	29.93%	\$86,909	\$86,909	\$27	\$656,403		\$86,909	\$656,403	15.26%	
32	33	Comm & Indust Large HLF FT-1				\$1,166,451		\$1,515,524	\$349,072	29.93%	\$178,008	\$178,008	\$21,851	\$1,344,460		\$178,008	\$1,344,460	15.26%	
33	33	Comm & Indust Large HLF FT-2				\$619,962		\$805,492	\$185,530	29.93%	\$94,610	\$94,610	\$2,433	\$714,572		\$94,610	\$714,572	15.26%	
34	33	Total Comm & Ind Large HLF				\$2,355,908	3.10%	\$3,060,937	\$705,029	29.93%	\$359,528	\$359,528	\$25,211	\$2,715,436		\$359,528	\$2,715,436	15.26%	
35																			
36	34	Comm & Ind Extra Large LLF Sales				\$49,727		\$39,090	(\$10,637)	-21.39%	\$3,299	\$3,299	\$927	\$53,954		\$4,227	\$53,954	8.50%	
37	34	Comm & Ind Extra Large LLF FT-1				\$1,171,698		\$921,060	(\$250,638)	-21.39%	\$77,743	\$77,743	\$21,851	\$1,271,292		\$99,594	\$1,271,292	8.50%	
38	34	Comm & Ind Extra Large LLF FT-2				\$130,460		\$102,553	(\$27,907)	-21.39%	\$8,656	\$8,656	\$2,433	\$141,549		\$11,089	\$141,549	8.50%	
39	34	Tot Com & Ind Extra Large LLF				\$1,351,885	14.65%	\$1,062,703	(\$289,182)	-21.39%	\$89,699	\$89,699	\$25,211	\$1,466,794		\$114,909	\$1,466,794	8.50%	
40										Minimum		6.64%							
41	24	Comm & Ind Extra Large HLF Sales				\$216,531		\$208,451	(\$8,079)	-3.73%	\$14,367	\$14,367	\$4,945	\$235,843		\$19,312	\$235,843	8.92%	
42	24	Comm & Ind Extra Large HLF FT-1				\$4,061,103		\$3,909,576	(\$151,527)	-3.73%	\$269,457	\$269,457	\$92,748	\$4,423,308		\$362,205	\$4,423,308	8.92%	
43	24	Comm & Ind Extra Large HLF FT-2				\$249,868		\$240,545	(\$9,323)	-3.73%	\$16,579	\$16,579	\$5,707	\$272,153		\$22,285	\$272,153	8.92%	
44	24	Tot Com & Ind Extra Large HLF				\$4,527,502	9.14%	\$4,358,572	(\$168,929)	-3.73%	\$300,403	\$300,403	\$103,400	\$4,931,304		\$403,803	\$4,931,304	8.92%	
45										Minimum		6.64%							
46	Total					\$147,518,793	4.80%	\$167,094,776	\$19,575,983	13.27%	\$18,841,700	\$18,841,700	\$734,284	\$167,094,776		\$19,575,983		13.27%	
47																			
48																			
49																			
50																			

NG RI PROPOSED GAS RATE DESIGN

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)			
	CURRENT & PROPOSED RATES	Annual Customers	Existing Customer Charge	Cost Study @ Equalized ROR	1.25		Existing Dist Charges		Proposed Charges			Final Adjust. Increase	Proposed RORs	Equal % Block Increase	Existing			
					Customer	Charges	Head Per	Therms	Tail Per	Therms	Therm Blocks					MDD	Average Rate	
											First							Second
51	80 Gas Lights	2,434	\$7.93	\$25.01	\$9.91							0.002500						
52	10 Residential, Non-Heat	300,402	\$10.00	\$25.01	\$12.50	\$0.4029		\$0.5009	\$0.5009		\$0.5009				-6.06%			
53	11 Residential, Low Income Non-Heat	3,878	\$9.00	\$25.01	\$11.25	\$0.3626		\$0.4508	\$0.4508		\$0.4908				-6.06%			
54	Total Non Heat	304,280						\$0.5002	\$0.5002		\$0.5002		-2.26%		-6.06%			
55																		
56																		
57																		
58	12 Residential, Heat Peak	1,094,896	\$12.00	\$26.27	\$15.00	\$0.3881	\$0.2500	\$0.4776	\$0.3076		\$0.4397				4.26%			
59	12 Residential, Heat Off-Peak	1,075,571	\$12.00	\$26.27	\$15.00	\$0.3881	\$0.2500	\$0.4776	\$0.3076		\$0.4160				4.26%			
60	Total Residential Heat	2,170,467	\$12.00	\$26.27	\$15.00	\$0.3881	\$0.2500	\$0.4776	\$0.3076		\$0.4352		8.22%	1.231	4.26%			
61														23.05%				
62																		
63	13 Residential, Low Income Heat Peak	128,742	\$10.80	\$26.27	\$13.50	\$0.3493	\$0.2250	\$0.4298	\$0.2768		\$0.4076				4.26%			
64	13 Residential, Low Inc Heat Off-Peak	126,469	\$10.80	\$26.27	\$13.50	\$0.3493	\$0.2250	\$0.4298	\$0.2768		\$0.3798				4.26%			
65	Total Heating Low Income	255,211	\$10.80	\$26.27	\$13.50	\$0.3493	\$0.2250	\$0.4298	\$0.2768		\$0.4013		8.22%		4.26%			
66																		
67																		
68																		
69																		
70	21 Comm & Indust Small Peak	111,565	\$18.60	\$35.30	\$23.25	\$0.4845	\$0.2000	\$0.5696	\$0.2351		\$0.3887				5.15%			
71	21 Comm & Indust Small Off-Peak	108,374	\$18.60	\$35.30	\$23.25	\$0.4845	\$0.2000	\$0.5696	\$0.2351		\$0.3054				5.15%			
72	Total Comm & Ind Small	219,939	\$18.60	\$35.30	\$23.25	\$0.4845	\$0.2000	\$0.5696	\$0.2351	Prop Dem	\$0.3744		8.24%	1.176	5.15%			
73							Demand							17.56%				
74	22 Comm & Indust Medium Sales	33,989	\$60.00	\$85.67	\$70.00	\$0.1603	\$1.20	\$0.2023			\$1.36				8.01%			
75	22 Comm & Indust Medium FT-1	5,164	\$60.00	\$85.67	\$70.00	\$0.1603	\$1.20	\$0.2023			\$1.36				8.01%			
76	22 Comm & Indust Medium FT-2	12,361	\$60.00	\$85.67	\$70.00	\$0.1603	\$1.20	\$0.2023			\$1.36				8.01%			
77	Total Comm & Indust Medium	51,514	\$60.00	\$85.67	\$70.00	\$0.1603	\$1.20	\$0.2023			\$1.36	\$47,646	10.22%		8.01%			
78																		
79	33 Comm & Indust Large LLF Sales	1,513	\$120.00	\$203.59	\$175.00	\$0.1638	\$1.20	\$0.1846			\$1.36				7.24%			
80	33 Comm & Indust Large LLF FT-1	1,791	\$120.00	\$203.59	\$175.00	\$0.1638	\$1.20	\$0.1846			\$1.36				7.24%			
81	33 Comm & Indust Large LLF FT-2	1,612	\$120.00	\$203.59	\$175.00	\$0.1638	\$1.20	\$0.1846			\$1.36				7.24%			
82	Total Comm & Ind Large LLF	4,916	\$120.00	\$203.59	\$175.00	\$0.1638	\$1.20	\$0.1846			\$1.36	\$20,530	9.26%		7.24%			
83																		
84	23 Comm & Indust Large HLF Sales	550	\$120.00	\$178.07	\$175.00	\$0.0894	\$1.66	\$0.1109			\$1.88				3.10%			
85	23 Comm & Indust Large HLF FT-1	828	\$120.00	\$178.07	\$175.00	\$0.0894	\$1.66	\$0.1109			\$1.88				3.10%			
86	23 Comm & Indust Large HLF FT-2	528	\$120.00	\$178.07	\$175.00	\$0.0894	\$1.66	\$0.1109			\$1.88				3.10%			
87	Total Comm & Ind Large HLF	1,906	\$120.00	\$178.07	\$175.00	\$0.0894	\$1.66	\$0.1109			\$1.88		5.72%		3.10%			
88																		
89	34 Comm & Ind Extra Large LLF Sales	24	\$300.00	\$436.21	\$425.00	\$0.0348	\$1.20	\$0.0362			\$1.36				14.65%			
90	34 Comm & Ind Extra Large LLF FT-1	288	\$300.00	\$436.21	\$425.00	\$0.0348	\$1.20	\$0.0362			\$1.36				14.65%			
91	34 Comm & Ind Extra Large LLF FT-2	60	\$300.00	\$436.21	\$425.00	\$0.0348	\$1.20	\$0.0362			\$1.36				14.65%			
92	Tot Com & Ind Extra Large LLF	372	\$300.00	\$436.21	\$425.00	\$0.0348	\$1.20	\$0.0362			\$1.36	\$3,667	17.27%		14.65%			
93																		
94	24 Comm & Ind Extra Large HLF Sales	72	\$300.00	\$521.43	\$425.00	\$0.0268	\$1.66	\$0.0295			\$1.88				9.14%			
95	24 Comm & Ind Extra Large HLF FT-1	600	\$300.00	\$521.43	\$425.00	\$0.0268	\$1.66	\$0.0295			\$1.88				9.14%			
96	24 Comm & Ind Extra Large HLF FT-2	96	\$300.00	\$521.43	\$425.00	\$0.0268	\$1.66	\$0.0295			\$1.88				9.14%			
97	Tot Com & Ind Extra Large HLF	768	\$300.00	\$521.43	\$425.00	\$0.0268	\$1.66	\$0.0295			\$1.88	\$12,328	11.35%		9.14%			
98																		
99	Total	3,009,373								Increase @ system avg.		\$84,172	8.24%		4.80%			
	(1) Schedule PMN-5, Page 5, Line 20																	

NG RI PROPOSED GAS RATE DESIGN

	(A)	(P)	(Q)	(R)	Proposed Revenue Recovery			(T)	(U)	(V)	(W)	(X)	(Y)	(Z)
					Therms	Therms	Therms							
		Customer			First Block	Second Block	MDD	Total	Revenues	Class Target	\$ Variance	Final		Final
		Charges						@ Prop. Rates	Rev Req	to target with	Increase	Base		Percent
51														Increase
52		\$24,129						\$24,129	\$22,249	\$1,880	\$4,826			25.00%
53		\$3,755,028			2,626,025	\$0		\$6,381,053	\$6,380,830	\$223	\$845,054			15.26%
54		\$43,625			79,087	\$0		\$122,711	\$129,736	-\$7,024	\$10,153			9.02%
55		\$3,822,782			\$2,705,111	\$0		\$6,527,893	\$6,532,815	-\$4,921	\$860,033			15.23%
56														
57	80	Gas Lights												
58	10	Residential, Non-Heat												
59	11	Residential, Low Income Non-Heat												
60		Total Non Heat												
61														
62	12	Residential, Heat Peak			\$43,615,010	\$10,013,724		\$70,052,179	\$70,887,714	-\$835,534	\$8,271,905			13.39%
63	12	Residential, Heat Off-Peak			\$11,143,593	\$1,693,253		\$28,970,407	\$28,130,711	\$839,695	\$4,453,844			18.17%
64		Total Residential Heat			\$54,758,603	\$11,706,978		\$99,022,586	\$99,018,425	\$4,161	\$12,725,749			14.75%
65														
66	13	Residential, Low Income Heat Peak			\$4,796,434	\$822,428		\$7,356,874	\$7,497,624	-\$140,750	\$822,522			12.59%
67	13	Residential, Low Inc Heat Off-Peak			\$1,350,488	\$271,038		\$3,328,862	\$3,272,565	\$56,297	\$476,747			16.72%
68		Total Heating Low Income			\$6,146,922	\$1,093,466		\$10,685,737	\$10,770,189	-\$84,453	\$1,299,269			13.84%
69														
70	21	Comm & Indust Small Peak			\$5,068,651	\$2,728,218		\$10,390,755	\$10,564,136	-\$173,381	\$900,454			9.49%
71	21	Comm & Indust Small Off-Peak			\$805,997	\$672,110		\$3,997,802	\$3,825,117	\$172,685	\$561,505			16.34%
72		Total Comm & Ind Small			\$5,874,648	\$3,400,328		\$14,388,557	\$14,389,253	-\$696	\$1,461,959			11.31%
73														
74	22	Comm & Indust Medium Sales			\$6,402,274	\$2,986,695		\$11,768,199	\$11,723,320	\$44,878	\$1,015,925			9.45%
75	22	Comm & Indust Medium FT-1			\$1,579,528	\$639,614		\$2,580,621	\$2,588,000	-\$7,378	\$206,987			8.72%
76	22	Comm & Indust Medium FT-2			\$2,628,838	\$1,265,651		\$4,759,758	\$4,747,148	\$12,611	\$405,818			9.32%
77	22	Total Comm & Indust Medium			\$10,610,639	\$4,891,960		\$19,108,578	\$19,058,468	\$50,111	\$1,628,730			9.32%
78														
79	33	Comm & Indust Large LLF Sales			\$1,336,973	\$705,471		\$2,307,218	\$2,296,042	\$11,176	\$203,034			9.65%
80	33	Comm & Indust Large LLF FT-1			\$1,759,061	\$1,054,561		\$3,127,046	\$3,116,438	\$10,608	\$271,018			9.49%
81	33	Comm & Indust Large LLF FT-2			\$1,684,886	\$831,587		\$2,798,574	\$2,799,612	-\$1,038	\$232,898			9.08%
82	33	Total Comm & Ind Large LLF			\$4,780,920	\$2,591,618		\$8,232,838	\$8,212,092	\$20,746	\$706,950			9.39%
83														
84	23	Comm & Indust Large HLF Sales			\$304,628	\$259,440		\$660,318	\$656,403	\$3,915	\$90,823			15.95%
85	23	Comm & Indust Large HLF FT-1			\$716,634	\$477,399		\$1,338,934	\$1,344,460	-\$5,526	\$172,482			14.79%
86	23	Comm & Indust Large HLF FT-2			\$346,024	\$277,353		\$715,777	\$714,572	\$1,205	\$95,815			15.46%
87	23	Total Comm & Ind Large HLF			\$1,367,286	\$1,014,193		\$2,715,029	\$2,715,436	-\$407	\$359,121			15.24%
88														
89	34	Comm & Ind Extra Large LLF Sales			\$13,973	\$29,887		\$54,060	\$53,954	\$106	\$4,333			8.71%
90	34	Comm & Ind Extra Large LLF FT-1			\$249,527	\$903,023		\$1,274,951	\$1,271,292	\$3,659	\$103,253			8.81%
91	34	Comm & Ind Extra Large LLF FT-2			\$37,522	\$78,286		\$141,307	\$141,549	-\$241	\$10,848			8.32%
92	34	Tot Com & Ind Extra Large LLF			\$301,022	\$1,011,197		\$1,470,319	\$1,466,794	\$3,524	\$118,434			8.76%
93														
94	24	Comm & Ind Extra Large HLF Sales			\$54,217	\$156,087		\$240,904	\$235,843	\$5,061	\$24,373			11.26%
95	24	Comm & Ind Extra Large HLF FT-1			\$1,181,264	\$2,986,285		\$4,422,549	\$4,423,308	-\$759	\$361,446			8.90%
96	24	Comm & Ind Extra Large HLF FT-2			\$64,105	\$173,893		\$278,798	\$272,153	\$6,644	\$28,930			11.58%
97	24	Tot Com & Ind Extra Large HLF			\$1,299,586	\$3,316,265		\$4,942,251	\$4,931,304	\$10,946	\$414,749			9.16%
98														
99	Total				\$87,844,737	\$16,200,771		\$167,093,787	\$167,094,776	-\$989	\$19,574,994			13.27%
		(1) Schedule PMN-5, Page 5, Line 20												

NG RI PROPOSED GAS RATE DESIGN

Non-Firm Volumetric Rates

Line No.	Rate Class	Revenues					20% Discount	Discounted Revenue	Distribution Throughput	Rate per Therm
		Demand	Distribution	Total						
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(I)		
1	Medium C&I	\$ 4,891,960	\$ 14,216,619	\$ 19,108,578	\$ (3,821,716)	\$ 15,286,863	52,450,019	\$ 0.2915		
2	Large Low Load Factor C&I	\$ 2,591,618	\$ 5,641,220	\$ 8,232,838	\$ (1,646,568)	\$ 6,586,270	25,898,807	\$ 0.2543		
3	Large High Load Factor C&I	\$ 1,014,193	\$ 1,700,836	\$ 2,715,029	\$ (543,006)	\$ 2,172,023	12,329,000	\$ 0.1762		
4	Extra Large Low Load Factor C&I	\$ 1,011,197	\$ 459,122	\$ 1,470,319	\$ (294,064)	\$ 1,176,255	8,315,525	\$ 0.1415		
5	Extra Large High Load Factor C&I	\$ 3,316,265	\$ 1,625,986	\$ 4,942,251	\$ (988,450)	\$ 3,953,801	44,053,752	\$ 0.0897		

THE NARRAGANSETT ELECTRIC COMPANY

d/b/a NATIONAL GRID

Docket No. R.I.P.U.C. _____

Witness: Normand

SCHEDULE PMN-8

Bill Impacts at the Proposed Pricing Changes

Bill Impact Analysis with Various Levels of Consumption: Base Rates and ISR & RDM Rates

Residential Heating:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			Energy/Eff
						GCR	Base DAC	DAC ISR & RDM	
600	\$983	\$905	\$78	8.6%	\$89.38	\$7.07	\$0.04	(\$18.60)	\$0.32
664	\$1,067	\$984	\$83	8.4%	\$94.95	\$7.80	\$0.05	(\$20.54)	\$0.34
730	\$1,153	\$1,066	\$87	8.2%	\$100.73	\$8.58	\$0.08	(\$22.59)	\$0.38
794	\$1,235	\$1,144	\$91	8.0%	\$105.88	\$9.33	\$0.07	(\$24.63)	\$0.38
857	\$1,313	\$1,219	\$95	7.8%	\$110.53	\$10.07	\$0.08	(\$26.53)	\$0.44
Average Customer	\$1,393	\$1,295	\$98	7.6%	\$115.14	\$10.80	\$0.09	(\$28.54)	\$0.46
987	\$1,472	\$1,371	\$101	7.4%	\$119.68	\$11.61	\$0.09	(\$30.55)	\$0.49
1,051	\$1,550	\$1,445	\$105	7.2%	\$124.13	\$12.33	\$0.11	(\$32.49)	\$0.51
1,114	\$1,624	\$1,517	\$107	7.1%	\$128.02	\$13.07	\$0.11	(\$34.49)	\$0.57
1,180	\$1,701	\$1,591	\$110	6.9%	\$132.04	\$13.85	\$0.13	(\$36.52)	\$0.58
1,247	\$1,780	\$1,667	\$113	6.8%	\$136.09	\$14.63	\$0.13	(\$38.60)	\$0.60

Residential Heating Low Income:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			Energy/Eff
						GCR	Base DAC	DAC ISR & RDM	
600	\$936	\$867	\$69	8.0%	\$80.41	\$7.07	\$0.04	(\$18.60)	\$0.32
664	\$1,017	\$944	\$73	7.7%	\$85.42	\$7.80	\$0.05	(\$20.54)	\$0.34
730	\$1,101	\$1,024	\$77	7.5%	\$90.62	\$8.58	\$0.08	(\$22.59)	\$0.38
794	\$1,180	\$1,099	\$80	7.3%	\$95.26	\$9.33	\$0.07	(\$24.63)	\$0.38
857	\$1,255	\$1,172	\$83	7.1%	\$99.44	\$10.07	\$0.08	(\$26.53)	\$0.44
Average Customer	\$1,333	\$1,246	\$86	6.9%	\$103.58	\$10.80	\$0.09	(\$28.54)	\$0.46
987	\$1,409	\$1,320	\$89	6.8%	\$107.66	\$11.61	\$0.09	(\$30.55)	\$0.49
1,051	\$1,485	\$1,393	\$92	6.6%	\$111.67	\$12.33	\$0.11	(\$32.49)	\$0.51
1,114	\$1,557	\$1,463	\$94	6.5%	\$115.16	\$13.07	\$0.11	(\$34.49)	\$0.57
1,180	\$1,632	\$1,535	\$97	6.3%	\$118.78	\$13.85	\$0.13	(\$36.52)	\$0.58
1,247	\$1,708	\$1,609	\$99	6.2%	\$122.42	\$14.63	\$0.13	(\$38.60)	\$0.60

Bill Impact Analysis with Various Levels of Consumption: Base Rates and ISR & RDM Rates

Residential Non-Heating:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			EnergyEff
						GCR	Base DAC	DAC ISR & RDM	
123	\$313	\$285	\$28	9.6%	\$34.55	\$1.38	\$0.03	(\$8.51)	\$0.06
137	\$331	\$303	\$28	9.3%	\$35.93	\$1.54	\$0.01	(\$9.45)	\$0.04
147	\$344	\$316	\$29	9.0%	\$36.91	\$1.64	\$0.01	(\$10.07)	\$0.05
161	\$362	\$333	\$29	8.7%	\$38.28	\$1.82	\$0.00	(\$11.10)	\$0.09
176	\$382	\$352	\$30	8.4%	\$39.75	\$1.96	\$0.02	(\$12.07)	\$0.10
189	\$399	\$369	\$30	8.2%	\$41.02	\$2.12	\$0.04	(\$13.01)	\$0.12
202	\$416	\$385	\$31	8.0%	\$42.30	\$2.28	\$0.02	(\$13.94)	\$0.11
217	\$435	\$404	\$31	7.8%	\$43.77	\$2.45	\$0.00	(\$14.91)	\$0.10
231	\$454	\$422	\$32	7.6%	\$45.14	\$2.58	\$0.01	(\$15.95)	\$0.10
241	\$467	\$434	\$32	7.5%	\$46.12	\$2.69	\$0.01	(\$16.56)	\$0.10
256	\$486	\$453	\$33	7.3%	\$47.59	\$2.88	\$0.01	(\$17.59)	\$0.12

Residential Non-Heating Low Income:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			EnergyEff
						GCR	Base DAC	DAC ISR & RDM	
123	\$292	\$268	\$24	9.0%	\$31.10	\$1.38	\$0.03	(\$8.51)	\$0.06
137	\$310	\$285	\$24	8.6%	\$32.33	\$1.54	\$0.01	(\$9.45)	\$0.04
147	\$322	\$298	\$25	8.3%	\$33.22	\$1.64	\$0.01	(\$10.07)	\$0.05
161	\$340	\$315	\$25	8.0%	\$34.45	\$1.82	\$0.00	(\$11.10)	\$0.09
176	\$359	\$333	\$26	7.7%	\$35.77	\$1.96	\$0.02	(\$12.07)	\$0.10
189	\$375	\$349	\$26	7.5%	\$36.92	\$2.12	\$0.04	(\$13.01)	\$0.12
202	\$391	\$365	\$27	7.3%	\$38.07	\$2.28	\$0.02	(\$13.94)	\$0.11
217	\$410	\$383	\$27	7.1%	\$39.39	\$2.45	\$0.00	(\$14.91)	\$0.10
231	\$428	\$400	\$27	6.8%	\$40.62	\$2.58	\$0.01	(\$15.95)	\$0.10
241	\$440	\$413	\$28	6.7%	\$41.51	\$2.69	\$0.01	(\$16.56)	\$0.10
256	\$459	\$431	\$28	6.6%	\$42.83	\$2.88	\$0.01	(\$17.59)	\$0.12

Bill Impact Analysis with Various Levels of Consumption: Base Rates and ISR & RDM Rates

C & I Small:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			EnergyEff
						GCR	Base DAC	DAC ISR & RDM	
824	\$1,418	\$1,323	\$95	7.2%	\$108.42	\$9.67	\$0.09	(\$23.78)	\$0.42
916	\$1,531	\$1,433	\$98	6.9%	\$113.65	\$10.75	\$0.08	(\$26.46)	\$0.46
1,003	\$1,637	\$1,535	\$102	6.6%	\$118.41	\$11.78	\$0.10	(\$28.95)	\$0.50
1,092	\$1,741	\$1,636	\$105	6.4%	\$122.73	\$12.79	\$0.09	(\$31.52)	\$0.54
1,179	\$1,838	\$1,731	\$107	6.2%	\$126.28	\$13.86	\$0.11	(\$34.01)	\$0.59
Average Customer	\$1,938	\$1,829	\$109	5.9%	\$129.79	\$14.88	\$0.11	(\$36.61)	\$0.63
1,359	\$2,039	\$1,928	\$111	5.8%	\$133.55	\$15.93	\$0.15	(\$39.22)	\$0.65
1,447	\$2,137	\$2,024	\$113	5.6%	\$136.99	\$16.99	\$0.13	(\$41.75)	\$0.73
1,535	\$2,234	\$2,119	\$115	5.4%	\$140.38	\$18.01	\$0.12	(\$44.28)	\$0.76
1,622	\$2,330	\$2,213	\$117	5.3%	\$143.68	\$19.04	\$0.16	(\$46.76)	\$0.83
1,715	\$2,432	\$2,313	\$119	5.1%	\$147.25	\$20.12	\$0.21	(\$49.50)	\$0.87

C & I Medium:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			EnergyEff
						GCR	Base DAC	DAC ISR & RDM	
7,117	\$8,952	\$8,571	\$382	4.5%	\$467.50	\$83.52	\$0.70	(\$173.37)	\$3.55
7,884	\$9,829	\$9,415	\$413	4.4%	\$508.15	\$92.52	\$0.81	(\$192.08)	\$3.94
8,649	\$10,703	\$10,258	\$445	4.3%	\$548.78	\$101.51	\$0.87	(\$210.66)	\$4.34
9,416	\$11,579	\$11,103	\$476	4.3%	\$589.43	\$110.49	\$0.95	(\$229.36)	\$4.73
10,185	\$12,458	\$11,950	\$508	4.2%	\$630.23	\$119.52	\$1.01	(\$248.12)	\$5.10
Average Customer	\$13,332	\$12,793	\$539	4.2%	\$670.79	\$128.50	\$1.12	(\$266.74)	\$5.47
11,715	\$14,206	\$13,636	\$570	4.2%	\$711.36	\$137.50	\$1.17	(\$285.38)	\$5.84
12,484	\$15,085	\$14,483	\$602	4.2%	\$752.16	\$146.49	\$1.24	(\$304.12)	\$6.25
13,251	\$15,961	\$15,328	\$633	4.1%	\$792.80	\$155.51	\$1.33	(\$322.79)	\$6.60
14,016	\$16,836	\$16,171	\$665	4.1%	\$833.44	\$164.48	\$1.42	(\$341.42)	\$7.00
14,783	\$17,712	\$17,016	\$696	4.1%	\$874.09	\$173.48	\$1.48	(\$360.12)	\$7.39

Bill Impact Analysis with Various Levels of Consumption: Base Rates and ISR & RDM Rates

C & I LLF Large:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			Energy/Eff
						GCR	Base DAC	DAC	
37,532	\$44,564	\$42,834	\$1,729	4.0%	\$1,736.60	\$440.47	\$3.74	(\$470.26)	\$18.76
41,573	\$49,152	\$47,290	\$1,862	3.9%	\$1,870.30	\$487.87	\$4.15	(\$520.89)	\$20.77
45,616	\$53,743	\$51,748	\$1,995	3.9%	\$2,004.04	\$535.35	\$4.58	(\$571.55)	\$22.80
49,660	\$58,335	\$56,207	\$2,128	3.8%	\$2,137.80	\$582.80	\$4.95	(\$622.22)	\$24.85
53,699	\$62,922	\$60,661	\$2,261	3.7%	\$2,271.46	\$630.18	\$5.37	(\$672.82)	\$26.85
Average Customer 57,742	\$67,513	\$65,119	\$2,394	3.7%	\$2,405.20	\$677.61	\$5.76	(\$723.48)	\$28.86
61,785	\$72,104	\$69,577	\$2,527	3.6%	\$2,538.94	\$725.10	\$6.19	(\$774.14)	\$30.91
65,824	\$76,690	\$74,030	\$2,660	3.6%	\$2,672.60	\$772.49	\$6.60	(\$824.74)	\$32.90
69,868	\$81,282	\$78,489	\$2,793	3.6%	\$2,806.36	\$819.92	\$7.00	(\$875.40)	\$34.94
73,911	\$85,873	\$82,947	\$2,926	3.5%	\$2,940.10	\$867.40	\$7.40	(\$926.07)	\$36.96
77,952	\$90,462	\$87,403	\$3,059	3.5%	\$3,073.80	\$914.79	\$7.79	(\$976.70)	\$38.95

C & I HLF Large:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			Energy/Eff
						GCR	Base DAC	DAC	
37,970	\$39,807	\$38,061	\$1,747	4.6%	\$1,682.06	\$426.60	\$3.80	(\$384.64)	\$18.98
42,061	\$43,887	\$42,005	\$1,882	4.5%	\$1,809.96	\$472.59	\$4.22	(\$426.08)	\$21.03
46,151	\$47,965	\$45,949	\$2,017	4.4%	\$1,937.83	\$518.52	\$4.59	(\$467.50)	\$23.07
50,240	\$52,042	\$49,891	\$2,151	4.3%	\$2,065.60	\$564.45	\$5.01	(\$508.92)	\$25.11
54,329	\$56,120	\$53,834	\$2,286	4.2%	\$2,193.46	\$610.40	\$5.41	(\$550.36)	\$27.14
Average Customer 58,418	\$60,197	\$57,776	\$2,421	4.2%	\$2,321.31	\$656.36	\$5.83	(\$591.78)	\$29.21
62,508	\$64,276	\$61,720	\$2,556	4.1%	\$2,449.19	\$702.30	\$6.26	(\$633.19)	\$31.30
66,596	\$68,352	\$65,662	\$2,691	4.1%	\$2,577.02	\$748.25	\$6.66	(\$674.64)	\$33.31
70,686	\$72,430	\$69,605	\$2,825	4.1%	\$2,704.81	\$794.20	\$7.08	(\$716.08)	\$35.35
74,775	\$76,508	\$73,548	\$2,960	4.0%	\$2,832.67	\$840.13	\$7.47	(\$757.48)	\$37.40
78,867	\$80,588	\$77,493	\$3,095	4.0%	\$2,960.58	\$886.12	\$7.92	(\$798.93)	\$39.44

Bill Impact Analysis with Various Levels of Consumption: Base Rates and ISR & RDM Rates

C & I LLF Extra-Large:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			Energy/Eff
						GCR	Base DAC	DAC	
189,450	\$189,380	\$184,694	\$4,686	2.5%	\$3,438.56	\$2,223.28	\$18.94	(\$1,089.40)	\$94.73
209,855	\$209,267	\$204,198	\$5,070	2.5%	\$3,687.74	\$2,462.76	\$20.98	(\$1,206.74)	\$104.90
230,255	\$229,150	\$223,697	\$5,453	2.4%	\$3,936.85	\$2,702.15	\$23.02	(\$1,324.02)	\$115.14
250,655	\$249,033	\$243,196	\$5,837	2.4%	\$4,186.03	\$2,941.56	\$25.08	(\$1,441.33)	\$125.34
271,059	\$268,919	\$262,699	\$6,220	2.4%	\$4,435.15	\$3,181.00	\$27.13	(\$1,558.67)	\$135.55
Average Customer 291,462	\$288,805	\$282,201	\$6,604	2.3%	\$4,684.32	\$3,420.44	\$29.14	(\$1,675.97)	\$145.74
311,865	\$308,690	\$301,703	\$6,987	2.3%	\$4,933.50	\$3,659.89	\$31.19	(\$1,793.30)	\$155.93
332,269	\$328,576	\$321,206	\$7,371	2.3%	\$5,182.62	\$3,899.33	\$33.23	(\$1,910.62)	\$166.12
352,669	\$348,459	\$340,705	\$7,754	2.3%	\$5,431.79	\$4,138.72	\$35.27	(\$2,027.94)	\$176.34
373,069	\$368,342	\$360,204	\$8,138	2.3%	\$5,680.91	\$4,378.12	\$37.32	(\$2,145.22)	\$186.55
393,474	\$388,229	\$379,708	\$8,521	2.2%	\$5,930.09	\$4,617.62	\$39.34	(\$2,262.57)	\$196.72

C & I HLF Extra-Large:

Annual Consumption (Therms)	Proposed Rates	Current Rates	Difference	% Chg	Base Rates	Difference due to:			Energy/Eff
						GCR	Base DAC	DAC	
184,661	\$178,351	\$172,930	\$5,421	3.1%	\$3,954.23	\$2,074.76	\$18.46	(\$718.35)	\$92.31
204,549	\$197,050	\$191,165	\$5,884	3.1%	\$4,258.92	\$2,298.21	\$20.43	(\$795.70)	\$102.25
224,435	\$215,746	\$209,399	\$6,347	3.0%	\$4,563.60	\$2,521.62	\$22.43	(\$873.07)	\$112.23
244,321	\$234,443	\$227,633	\$6,809	3.0%	\$4,868.28	\$2,745.05	\$24.42	(\$950.43)	\$122.17
264,206	\$253,139	\$245,867	\$7,272	3.0%	\$5,172.96	\$2,968.46	\$26.39	(\$1,027.79)	\$132.11
Average Customer 284,094	\$271,837	\$264,102	\$7,735	2.9%	\$5,477.65	\$3,191.93	\$28.41	(\$1,105.15)	\$142.05
303,982	\$290,535	\$282,338	\$8,198	2.9%	\$5,782.33	\$3,415.37	\$30.42	(\$1,182.53)	\$151.99
323,867	\$309,231	\$300,571	\$8,660	2.9%	\$6,087.01	\$3,638.76	\$32.39	(\$1,259.86)	\$161.93
343,753	\$327,928	\$318,805	\$9,123	2.9%	\$6,391.69	\$3,862.23	\$34.35	(\$1,337.23)	\$171.86
363,639	\$346,624	\$337,039	\$9,586	2.8%	\$6,696.37	\$4,085.63	\$36.36	(\$1,414.59)	\$181.84
383,527	\$365,323	\$355,274	\$10,048	2.8%	\$7,001.06	\$4,309.09	\$38.37	(\$1,491.93)	\$191.76

PRE-FILED 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. My business address is 40 Sylvan Road, Waltham, Massachusetts 02451.

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

A. I am the Manager of Gas Pricing for National Grid Corporate Services LLC. As the Manager of Gas Pricing, I am responsible for preparing and submitting various regulatory filings on behalf of the gas distribution subsidiaries of National Grid USA (“National Grid”) with the respective regulatory authorities in New England and New York, including with the Rhode Island Public Utilities Commission (the “Commission”) on behalf of The Narragansett Electric Company d/b/a National Grid (the “Company”); the Massachusetts Department of Public Utilities on behalf of Boston Gas Company (“Boston Gas”) and Colonial Gas Company, each d/b/a National Grid; and, until such time as my responsibilities are transitioned in connection with the divestiture of this business, the New Hampshire Public Utilities Commission on behalf of EnergyNorth Natural Gas, Inc. d/b/a National Grid NH.

Q. Please briefly describe your educational background and business experience.

A. I received a Bachelor of Science in Mechanical Engineering from Cornell University in 1983. In 1985, I joined the Essex County Gas Company as Staff Engineer. In 1987, I became a planning analyst and eventually accepted the position of Manager of Rates. Following the merger with Eastern Enterprises in 1998, I became Manager of Pricing for

1 Boston Gas and then subsequently the Manager of Pricing New England for KeySpan
2 Corporation and, subsequently, National Grid. In 2011, I was named to my current
3 position as Manager of Gas Pricing for New England and New York.
4

5 **Q. Have you previously testified before the Commission or any other regulatory**
6 **commission?**

7 A. I have not testified previously before the Commission. I have testified extensively in
8 several ratemaking and regulatory proceedings before the Massachusetts Department of
9 Public Utilities and the New Hampshire Public Utilities Commission, including gas rate
10 cases on revenues and tariffs.
11

12 **II. Purpose of Testimony**

13 **Q. What is the purpose of your testimony today?**

14 A. The purpose of my testimony is to explain and describe the adjustments to the test year
15 revenues and to describe several proposed tariff changes for the Company's gas
16 distribution operations.
17

18 **Q. How is your testimony organized?**

19 A. My testimony is organized into five sections. The first two sections of my testimony are
20 a general introduction. The third section addresses test year and rate year revenues. The
21 fourth section will describe the proposed changes to the Company's gas tariff. The fifth
22 section is the conclusion.
23

1 **Q. Are you sponsoring any schedules today?**

2 A. Yes, I am sponsoring the following schedules:

- 3 • Schedule AEL-1 Summary of Billing Determinants and Base Revenue
- 4 • Schedule AEL-2 Summary of Firm Base Revenue by Rate Element
- 5 • Schedule AEL-3 Calculation of Revenue Decoupling Adjustment
- 6 • Schedule AEL-4 “Marked” Tariff
- 7 • Schedule AEL-5 “Clean” Tariff

8

9 **III. Test Year and Rate Year Revenues**

10 **Q. Please describe the nature of the revenue adjustments.**

11 A. The revenue adjustments fall into two general categories: revenue adjustments resulting
12 from volumetric changes to actual test year billing determinants and revenue adjustments
13 incorporating the post-test year Infrastructure, Safety and Reliability (“ISR”) and
14 Revenue Decoupling Adjustment (“RDA”) reconciling mechanisms.

15

16 **Q. Please describe in broad terms the nature of the adjustments reflected in the rate**
17 **year billing determinants.**

18 A. The revenue adjustments reflected in the rate year billing determinants are a result of
19 weather and growth. Adjustments for the impacts of weather recognize the correlation
20 between temperature and gas consumption. In cold weather, customers use more gas, and
21 when it is warm, they use less. The weatherization adjustment compensates for the
22 difference in temperatures during the test year compared to a historic normal. The

1 adjustments for net growth acknowledge the change in numbers of customers and
2 associated usage that are expected to occur between the test year and the end of the rate
3 year, which is the first year that the new rates will be in effect (i.e., February 1, 2013
4 through January 31, 2014).

5
6 **Q. How were the actual quantities of gas used by customers normalized for weather**
7 **and who performed the adjustment?**

8 A. A description of how the actual quantities of gas were normalized for weather is
9 discussed in detail in the testimony of Company Witness A. Leo Silvestrini. These
10 quantities were utilized in Schedule AEL-1 for the normalized revenue adjustments.

11
12 **Q. How were the delivery quantities adjusted to account for net growth and who**
13 **performed the adjustment?**

14 A. The development of the delivery quantities and associated adjustments for net growth are
15 also described in the testimony of Mr. Silvestrini and utilized in Schedule AEL-1.

16
17 **Q. Please explain the derivation of the normalization revenue adjustments shown on**
18 **Schedule AEL-1.**

19 A. The normalization revenue adjustments shown on Page 2 of Schedule AEL-1 were
20 derived by using the numbers of customers and associated usage for each rate class to
21 calculate the base revenues with both the normalized and actual test-year usage. Base
22 revenues are those revenues associated with the customer charge, the variable distribution
23 charges and any demand charges. Excluded from the base revenue calculation are

1 revenues associated with the Gas Cost Recovery (“GCR”) charge, Distribution
2 Adjustment Charge (“DAC”), the Energy Efficiency Surcharge and Gross Earnings Tax
3 (“GET”). A summary of the revenues broken down by the various components is
4 provided on Schedule AEL-2.
5

6 **Q. Are the rate year revenues calculated in a similar manner?**

7 A. Yes. The rate year revenues reflected on Schedules AEL-1 and AEL-2 are calculated in a
8 similar manner to the normalized revenues described above and are used in Company
9 Witness Michael D. Laflamme’s revenue requirement calculations. Because the
10 Company derived the rate year revenues by multiplying the rate year projected
11 throughput and customers by the appropriate approved tariff rate, the Company needed to
12 include a separate RDA to reflect the variance between the rate year and the approved
13 benchmark revenue per customer.
14

15 **Q. Are any other adjustments made to the rate year revenue used by Company Witness**
16 **Laflamme?**

17 A. Yes, the Company made pro forma revenue adjustments associated with the post-test year
18 ISR and RDA reconciling mechanisms. The post-test year ISR adjustment represents the
19 variance between the ISR revenue collected during calendar year 2011 and the revenue
20 requirement associated with the fiscal year 2013 ISR capital investment plan approved in
21 Docket No. 4306 projected to be collected in the rate year. Under the RDA mechanism,
22 the Company is allowed to adjust its annual base revenue to reflect the revenue per
23 customer thresholds approved in Docket No. 4206. To accurately reflect the revenue the

1 Company would be allowed to collect associated with projected rate year customers and
2 usage, the Company needed to include an RDA. Since the forecasted revenues described
3 above were derived by multiplying the forecasted volumes by the approved base tariff
4 rates. The Company incorporated an RDA pro forma adjustment equal to the variance
5 between the forecasted revenue per customer for residential, small and medium
6 commercial and industrial customers for the rate year and the revenue per customer
7 benchmarks approved in Docket No. 4206. The Company calculated the RDA by
8 multiplying the projected rate year number of customers by the variance between the
9 projected rate year revenue per customer and the revenue per customer benchmark
10 approved in Docket No. 4206. This calculation is contained in Schedule AEL-3.

11
12 **Q. Is the Company proposing any new service classifications in this case?**

13 A. No. The Company is not proposing any new service classifications in this case.
14

15 **IV. Proposed Tariff Changes**

16 **Q. Is the Company proposing any tariff changes?**

17 A. Yes. In addition updating its Residential and Commercial Tariff sheets to reflect the
18 proposed new rates, the Company is also proposing some changes to its GCR Clause
19 tariff – Section 2 Schedule A; its DAC – Section 3 Schedule A; and its Other
20 Miscellaneous Charges – Section 7 Schedule C. In its GCR, the Company is proposing
21 to include a true-up mechanism for commodity-related bad debt and to simplify the
22 treatment of gas supply refunds. In its DAC, the Company is proposing to (1) simplify
23 the Dual Fuel Customer tracking mechanism, (2) include a new Property Tax Adjustment

1 factor and (3) incorporate minor administrative language changes. Finally, the Company
2 is proposing to offer a new paperless billing credit to customers. The proposed changes
3 are shown in Schedules AEL-4 and AEL-5. Each proposed change is discussed in turn
4 below.

5
6 **A. Gas Cost Recovery (GCR) Revisions**

7 **Q. Please describe the Company's proposed commodity-related bad debt true-up**
8 **mechanism.**

9 A. As described in the testimony of Company Witness Evelyn M. Kaye, the Company is
10 proposing to establish a true-up mechanism to incorporate the actual bad debt write-off
11 rate used to calculate the commodity-related bad debt. Under this mechanism, the
12 Company will reconcile its actual bad debt attributed to the portion of the Company's
13 revenue associated with commodity gas costs. This reconciliation will incorporate an
14 annual bad debt rate to be included in the GCR effective each November 1st equal to the
15 actual bad debt rate experienced during the most recent April to March period. The
16 actual bad debt percentage from the most recent April to March period will be calculated
17 by dividing the Company's actual net write-offs by its total retail sales revenues for the
18 period.

19
20 **Q. Is the Company proposing any other changes to the GCR mechanism?**

21 A. Yes, the Company is also proposing to simplify the gas supply refund provision.
22 Currently, gas supply refunds are handled differently depending on the magnitude of the
23 refunds and the period to which the refund applies. The current provision even provides

1 for the Company to issue checks to customers with accounts that have been closed. To
2 avoid the administrative costs associated with these provisions, the Company is
3 proposing to handle all gas supply refunds in the same manner. All appropriate refunds
4 will be credited to the Deferred Cost Accounts.

5
6 **B. DAC Revisions**

7 **Q. Is the Company proposing to change its method of calculating Dual Fuel Customer**
8 **Margins for the purposes of calculating its DAC On-System Margin factor (tariff**
9 **section 3.8)?**

10 A. Yes. In Docket RIPUC No. 3943, Application for Rate Change of Narragansett Electric
11 d/b/a National Grid (the “2008 Gas Rate Case”), the Commission approved a settlement
12 with the Company and the Division of Public Utilities and Carriers that addressed the
13 reconciliation of firm and non-firm revenues of Dual-Fuel customers. The settlement
14 provided a framework to credit or surcharge the revenue margins above or below a
15 threshold that were generated by 64 Dual-Fuel customers. The settlement established a
16 threshold of \$2,816,000, which was based upon the amount included in the revenue
17 requirement for these customers in the 2008 Gas Rate Case. The Company is proposing
18 to simplify the reconciliation of Dual Fuel customers to reconcile only the non-firm Dual
19 Fuel Customer Margins. As provided in Company Witness Laflamme’s exhibits, the
20 revenue projected for these customers is equal to the test year amount of \$1,512,209. It
21 should be noted that this threshold is very close to the \$1.6 million revenue requirement
22 attributed to non-firm customers at the time of the 2008 Gas Rate Case.

1 **Q. Why is the Company proposing to modify the On-System Margin factor?**

2 A. The Company will continue to account for firm customers and non-firm Dual Fuel
3 customers that migrate from or to the firm to non-firm classes. However, to simplify the
4 reconciliation, the Company is proposing to reconcile only revenue derived from the non-
5 firm classes. The annual target will be adjusted if Dual-Fuel customers migrate between
6 the non-firm and firm classes. The Company proposes to adjust the \$1,512,209 threshold
7 to reflect changes in the non-firm customer base. If a firm customer converts to non-firm
8 service, the Company will increase the threshold by the customer's prior year historical
9 revenue. If a non-firm customer converts to firm service, the Company will decrease the
10 threshold by the non-firm customer's prior year historical revenue.

11
12 **Q. Please describe the Company's proposed Property Tax Adjustment factor for the**
13 **DAC.**

14 A. The Company is proposing to implement a new Property Tax Adjustment factor in the
15 DAC as described in Mr. Laflamme's testimony. The Property Tax Adjustment factor is
16 designed to recover or refund the prior year's reconciliation of the Company's actual
17 property tax expenses as compared to the Company's property tax expense allowance
18 included in base rates. The Company plans to include this reconciliation each year for
19 effect November 1. With the implementation of a Property Tax Adjustment mechanism,
20 the Company proposes to eliminate the property tax component of its ISR annual
21 calculation.

22
23 **Q. Please describe the minor administrative language changes.**

1 A. The Company has incorporated a number of minor and administrative tariff changes. In
2 particular, the Company has eliminated the Weather Normalization factor (3.10),
3 Accelerated Replacement Program (“ARP”), Capital Tracker (3.7) and Lost Revenue
4 factors (6.0). The Weather Normalization factor is no longer relevant as all weather
5 adjustments are now accounted for in the RDA. The ARP and Capital Tracker have been
6 replaced by the ISR, and the Lost Revenue adjustment, which related to the one-month
7 delay in implementing rates approved in the 2008 Gas Rate Case, is no longer applicable.
8 Also, with the introduction of revenue decoupling, the Company no longer needs to
9 reconcile any base rate-related items because any variance between the amount
10 embedded in base rates and the amount collected from customers will be collected
11 through the revenue decoupling mechanism. As a result, the Company has deleted the
12 reconciliation of the base rate components of the Environmental Response Costs, Low
13 Income Assistance Program (“LIAP”), and AGT costs as described in Schedule AEL-4
14 Section 3, Schedule A, Sheet 12. The Company will continue to reconcile any portion of
15 the Environmental Response Cost, LIAP, and AGT costs that are collected through the
16 DAC.

17
18 **C. Paperless Bill Credit**

19 **Q. Please describe the Company’s proposed Paperless Bill Credit.**

20 A. The Company is introducing a paperless bill credit to recognize the cost savings
21 associated with customers who are willing to receive their monthly bills on-line.
22 Customers who currently receive their bill in an electronic format on-line or any new
23 customer who signs up to receive their bill in an electronic format on-line will receive a

1 paperless bill credit of \$0.34 per service bill. The paperless bill credit provides an
2 incentive for customers to eliminate the need for the Company to mail them a bill every
3 month, which not only lowers mailing and paper costs, but is more environmentally
4 friendly as well. Please see Company Witness Jeanne A. Lloyd's testimony for
5 derivation of the credit.
6

7 **V. Conclusion**

8 **Q. Does this conclude your testimony?**

9 **A. Yes.**

Index of Schedules

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SCHEDULE AEL-1

Summary of Billing Determinants and Base Revenue

Narragansett Gas
Summary of Billing Determinants and Base Revenue

Line No.	Description	Actual (Jan 11 - Dec 11)	Adjustment	Normal	Proforma Adjustment	Rate Year - Feb 13-Jan 14	Percent Change Normal	Percent Change Rate Year - Feb 13-Jan 14	Line No.
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Firm Throughput (Dt)								1
2	Sales Service								2
3	Residential Non-Heating	584,108	0	584,108	-59,847	524,261	0.0%	-10.2%	3
4	Low Income Residential Non-Heating	21,714	0	21,714	-4,170	17,544	0.0%	-19.2%	4
5	Residential Heating	15,659,867	-4,081	15,655,786	-384,508	15,271,279	0.0%	-2.5%	5
6	Low Income Residential Heating	1,728,660	79	1,728,739	96,481	1,825,220	0.0%	5.6%	6
7	Subtotal Residential Firm Sales	17,994,350	-4,002	17,990,348	-352,044	17,638,304	0.0%	-2.0%	7
8	Small C&I	2,372,242	-1,280	2,370,962	106,734	2,477,696	-0.1%	4.5%	8
9	Medium C&I	3,148,236	3,298	3,151,533	13,209	3,164,742	0.1%	0.4%	9
10	Large LLF	678,106	802	678,908	45,346	724,254	0.1%	6.7%	10
11	Large HLF	263,332	0	263,332	11,355	274,687	0.0%	4.3%	11
12	Extra Large LLF	44,332	1,623	45,955	-7,356	38,599	3.7%	-16.0%	12
13	Extra Large HLF	198,618	0	198,618	-14,832	183,786	0.0%	-7.5%	13
14	Subtotal C&I Firm Sales	6,704,867	4,443	6,709,310	154,455	6,863,764	0.1%	2.3%	14
15	Subtotal Firm Sales	24,699,216	441	24,699,657	-197,589	24,502,068	0.0%	-0.8%	15
16									16
17	Transportation Service								17
18	Medium C&I	2,002,490	594	2,003,085	77,175	2,080,260	0.0%	3.9%	18
19	Large LLF	1,808,607	15,992	1,824,599	41,028	1,865,627	0.9%	2.2%	19
20	Large HLF	733,149	0	733,149	225,064	958,213	0.0%	30.7%	20
21	Extra Large LLF	975,521	18,062	993,584	-200,630	792,953	1.9%	-20.2%	21
22	Extra Large HLF	4,987,444	0	4,987,444	-765,855	4,221,589	0.0%	-15.4%	22
23	Subtotal Firm Transportation	10,507,212	34,649	10,541,861	-623,219	9,918,642	0.3%	-5.9%	23
24									24
25	Miscellaneous Services								25
26	NGV	0	0	0	0	0	0.0%	0.0%	26
27	Gas Lights	3,400	0	3,400	0	3,400	0.0%	0.0%	27
28	Manchester St	17,099	0	17,099	0	17,099	0.0%	0.0%	28
29	Marketers	0	0	0	0	0	0.0%	0.0%	29
30	Pawtucket Power	195,180	0	195,180	0	195,180	0.0%	0.0%	30
32	Subtotal Miscellaneous	215,678	0	215,678	0	215,678	0.0%	0.0%	32
33									33
34	Total Firm Base Quantities (Dt)	35,422,106	35,090	35,457,197	-820,808	34,636,389	0.1%	-2.3%	34

Narragansett Gas
Summary of Billing Determinants and Base Revenue

Line No.	Description (a)	Actual (Jan 11 - Dec 11) (b)	Adjustment (c)	Normal (d)	Proforma Adjustment (e)	Rate Year - Feb 13-Jan 14 (f)	Percent Change Normal (g)	Percent Change Rate Year - Feb 13-Jan 14 (h)	Line No.
1	<u>Firm Base Revenue (net of GET) [1]</u>								1
2	Sales Service								2
3	Residential Non-Heating	\$ 5,531,900	\$ -	\$ 5,531,900	\$ (415,629)	\$ 5,116,271	0.0%	-7.5%	3
4	Low Income Residential Non-Heating	\$ 115,654	\$ -	\$ 115,654	\$ (17,139)	\$ 98,515	0.0%	-14.8%	4
5	Residential Heating	\$ 80,544,536	\$ (3,097)	\$ 80,541,439	\$ (483,963)	\$ 80,057,476	0.0%	-0.6%	5
6	Low Income Residential Heating	\$ 8,258,376	\$ 2,185	\$ 8,260,561	\$ 380,179	\$ 8,640,740	0.0%	4.6%	6
7	Subtotal Residential Firm Sales	\$ 94,450,466	\$ (912)	\$ 94,449,554	\$ (536,552)	\$ 93,913,002	0.0%	-0.6%	7
8	Small C&I	\$ 11,720,862	\$ (1,406)	\$ 11,719,456	\$ 261,030	\$ 11,980,486	0.0%	2.2%	8
9	Medium C&I	\$ 9,866,548	\$ 5,288	\$ 9,871,836	\$ (124,094)	\$ 9,747,742	0.1%	-1.3%	9
10	Large LLF	\$ 1,919,345	\$ 1,315	\$ 1,920,660	\$ 69,701	\$ 1,990,361	0.1%	3.6%	10
11	Large HLF	\$ 529,736	\$ -	\$ 529,736	\$ 10,915	\$ 540,651	0.0%	2.1%	11
12	Extra Large LLF	\$ 75,469	\$ 563	\$ 76,032	\$ (29,030)	\$ 47,002	0.7%	-38.2%	12
13	Extra Large HLF	\$ 236,482	\$ -	\$ 236,482	\$ (27,807)	\$ 208,675	0.0%	-11.8%	13
14	Subtotal C&I Firm Sales	\$ 24,348,442	\$ 5,760	\$ 24,354,202	\$ 160,715	\$ 24,514,917	0.0%	0.7%	14
15	Subtotal Firm Sales	\$ 118,798,908	\$ 4,848	\$ 118,803,756	\$ (375,837)	\$ 118,427,919	0.0%	-0.3%	15
16									16
17	Transportation Service								17
18	Medium C&I	\$ 5,879,097	\$ 953	\$ 5,880,050	\$ 187,219	\$ 6,067,269	0.0%	3.2%	18
19	Large LLF	\$ 5,173,849	\$ 26,191	\$ 5,200,040	\$ (71,539)	\$ 5,128,501	0.5%	-1.4%	19
20	Large HLF	\$ 1,459,519	\$ -	\$ 1,459,519	\$ 226,273	\$ 1,685,792	0.0%	15.5%	20
21	Extra Large LLF	\$ 1,340,810	\$ 6,285	\$ 1,347,095	\$ (100,888)	\$ 1,246,207	0.5%	-7.5%	21
22	Extra Large HLF	\$ 5,148,828	\$ -	\$ 5,148,828	\$ (1,018,271)	\$ 4,130,557	0.0%	-19.8%	22
23	Subtotal Firm Transportation	\$ 19,002,103	\$ 33,429	\$ 19,035,532	\$ (777,206)	\$ 18,258,326	0.2%	-4.1%	23
24									24
25	Miscellaneous Services								25
26	NGV	\$ (144)	\$ 144	\$ -	\$ -	\$ -	-100.0%	0.0%	26
27	Gas Lights	\$ 19,303	\$ -	\$ 19,303	\$ -	\$ 19,303	0.0%	0.0%	27
28	Manchester St	\$ 132,613	\$ -	\$ 132,613	\$ -	\$ 132,613	0.0%	0.0%	28
29	Marketers	\$ 210,915	\$ -	\$ 210,915	\$ -	\$ 210,915	0.0%	0.0%	29
30	Pawtucket Power	\$ 18,914	\$ -	\$ 18,914	\$ (18,914)	\$ -	0.0%	-100.0%	30
32	Subtotal Miscellaneous	\$ 381,601	\$ 144	\$ 381,745	\$ (18,914)	\$ 362,830	0.0%	-5.0%	32
33									33
34	Subtotal Firm Base Revenue (net of GET)	\$ 138,182,612	\$ 38,421	\$ 138,221,033	\$ (1,171,957)	\$ 137,049,075	0.0%	-0.8%	34
35									35
36									36
37	<u>Non-Firm Margin [2]</u>								37
38	Component supporting base rates	\$1,512,209	\$0	\$1,512,209	\$0	\$1,512,209	0.0%	0.0%	38
39									39
40									40
41	NET Base Revenue								41
42	(net of GET)	\$ 139,694,821	\$ 38,421	\$ 139,733,242	\$ (1,171,957)	\$ 138,561,284	0.0%	-0.8%	42

Note [1] Base Revenue excludes GET, DAC, GCR, Energy Efficiency Surcharge

SCHEDULE AEL-2

Summary of Firm Base Revenue by Rate Element

Narragansett Gas
Summary of Firm Base Revenue By Rate Element
(Net of Gross Earnings Tax)

Description (a)	Test Year (b)	Weather Adjustment (c)	Weather Normalized (d)	Proforma Adjustment (e)	Rate Year - Feb 13 - Jan 14 (f)
Residential Non-Heat					
Customer Charge	\$ 3,178,530	\$ -	\$ 3,178,530	\$ (174,508)	\$ 3,004,022
Variable Distribution	\$ 2,353,370	\$ -	\$ 2,353,370	\$ (241,121)	\$ 2,112,249
sub-total	\$ 5,531,900	\$ -	\$ 5,531,900	\$ (415,629)	\$ 5,116,271
Low Income Residential Non-Heat					
Customer Charge	\$ 36,918	\$ -	\$ 36,918	\$ (2,017)	\$ 34,901
Variable Distribution	\$ 78,736	\$ -	\$ 78,736	\$ (15,122)	\$ 63,614
sub-total	\$ 115,654	\$ -	\$ 115,654	\$ (17,139)	\$ 98,515
Residential Heating					
Customer Charge	\$ 25,642,128	\$ -	\$ 25,642,128	\$ 403,477	\$ 26,045,605
Variable Distribution	\$ 54,902,408	\$ (3,097)	\$ 54,899,311	\$ (887,440)	\$ 54,011,871
sub-total	\$ 80,544,536	\$ (3,097)	\$ 80,541,439	\$ (483,963)	\$ 80,057,476
Low Income Residential Heating					
Customer Charge	\$ 2,712,236	\$ -	\$ 2,712,236	\$ 44,042	\$ 2,756,278
Variable Distribution	\$ 5,546,140	\$ 2,185	\$ 5,548,325	\$ 336,137	\$ 5,884,462
sub-total	\$ 8,258,376	\$ 2,185	\$ 8,260,561	\$ 380,179	\$ 8,640,740
Small					
Customer Charge	\$ 4,098,679	\$ -	\$ 4,098,679	\$ (7,815)	\$ 4,090,864
Variable Distribution	\$ 7,622,183	\$ (1,406)	\$ 7,620,777	\$ 268,845	\$ 7,889,622
sub-total	\$ 11,720,862	\$ (1,406)	\$ 11,719,456	\$ 261,030	\$ 11,980,486
Medium C&I					
Customer Charge	\$ 3,128,460	\$ -	\$ 3,128,460	\$ (37,620)	\$ 3,090,840
Variable Distribution	\$ 8,256,609	\$ 6,241	\$ 8,262,850	\$ 144,887	\$ 8,407,737
Demand Charge	\$ 4,360,576	\$ -	\$ 4,360,576	\$ (44,142)	\$ 4,316,434
sub-total	\$ 15,745,645	\$ 6,241	\$ 15,751,886	\$ 63,125	\$ 15,815,011
Large Low Load C&I					
Customer Charge	\$ 617,880	\$ -	\$ 617,880	\$ (27,960)	\$ 589,920
Variable Distribution	\$ 4,073,238	\$ 27,506	\$ 4,100,744	\$ 141,478	\$ 4,242,222
Demand Charge	\$ 2,402,076	\$ -	\$ 2,402,076	\$ (115,356)	\$ 2,286,720
sub-total	\$ 7,093,194	\$ 27,506	\$ 7,120,700	\$ (1,838)	\$ 7,118,862
Large High Load C&I					
Customer Charge	\$ 223,800	\$ -	\$ 223,800	\$ 4,920	\$ 228,720
Variable Distribution	\$ 890,852	\$ -	\$ 890,852	\$ 211,361	\$ 1,102,213
Demand Charge	\$ 874,603	\$ -	\$ 874,603	\$ 20,907	\$ 895,510
sub-total	\$ 1,989,255	\$ -	\$ 1,989,255	\$ 237,188	\$ 2,226,443
Extra Large Low Load C&I					
Customer Charge	\$ 118,500	\$ -	\$ 118,500	\$ (6,900)	\$ 111,600
Variable Distribution	\$ 354,911	\$ 6,848	\$ 361,759	\$ (72,379)	\$ 289,380
Demand Charge	\$ 942,868	\$ -	\$ 942,868	\$ (50,639)	\$ 892,229
sub-total	\$ 1,416,279	\$ 6,848	\$ 1,423,127	\$ (129,918)	\$ 1,293,209
Extra Large High Load C&I					
Customer Charge	\$ 283,200	\$ -	\$ 283,200	\$ (52,800)	\$ 230,400
Variable Distribution	\$ 1,389,866	\$ -	\$ 1,389,866	\$ (209,226)	\$ 1,180,640
Demand Charge	\$ 3,712,244	\$ -	\$ 3,712,244	\$ (784,052)	\$ 2,928,192
sub-total	\$ 5,385,310	\$ -	\$ 5,385,310	\$ (1,046,078)	\$ 4,339,232
TOTAL FIRM SALES AND TRANSPORTATION					
Customer Charge	\$ 40,040,331	\$ -	\$ 40,040,331	\$ 142,819	\$ 40,183,150
Variable Distribution	\$ 85,468,313	\$ 38,277	\$ 85,506,590	\$ (322,580)	\$ 85,184,010
Demand Charge	\$ 12,292,367	\$ -	\$ 12,292,367	\$ (973,282)	\$ 11,319,085
TOTAL	\$ 137,801,011	\$ 38,277	\$ 137,839,288	\$ (1,153,043)	\$ 136,686,245

SCHEDULE AEL-3

Calculation of Revenue Decoupling Adjustment

Narragansett Gas
Calculation of Revenue Decoupling Adjustment

Line No.	Description	RDA Variance for RYE 01/31/2014	RYE 01/31/2014 Throughput (therm)	Estimated Rate Year RDA Factor
1	Residential Non-Heat (incl Low Income)	(\$249,420)	5,418,049	
2	Residential Heat (incl Low Income)	\$4,963,332	170,964,989	
3	Small C&I	(\$135,799)	24,776,962	
4	Medium C&I	(\$689,302)	52,450,019	
5				
6	Total	\$3,888,810	253,610,019	\$0.0153

Line
No.Line
No.

Narragansett Gas
Calculation of Revenue Decoupling Adjustment

Line No.	Feb-13 28	Mar-13 31	Apr-13 30	May-13 31	Jun-13 30	Jul-13 31	Aug-13 31	Sep-13 30	Oct-13 31	Nov-13 30	Dec-13 31	Jan-14 31	TOTAL
Residential Heating													
1	\$ 64.59	\$ 61.69	\$ 52.01	\$ 31.03	\$ 25.28	\$ 20.87	\$ 19.23	\$ 20.36	\$ 21.66	\$ 34.32	\$ 51.29	\$ 62.73	
2	\$3,242,619	\$3,214,008	\$0	\$1,008,737	\$1,243,514	\$1,840,607	\$2,063,362	\$2,166,379	\$2,426,032	\$2,655,867	\$3,443,449	\$4,062,842	
3	RPC Factor Act Beg. Bal.	182,298	181,579	180,528	179,377	178,750	178,347	178,635	179,934	181,777	183,085	183,742	
4	Projected Number of Customers	\$11,806,065	\$10,925,273	\$8,436,138	\$5,367,584	\$3,510,153	\$3,329,330	\$3,379,033	\$3,670,715	\$5,453,616	\$8,774,301	\$11,351,959	
5	Projected Base Revenue	\$64.76	\$59.89	\$46.46	\$29.73	\$19.64	\$18.67	\$18.92	\$20.40	\$30.00	\$47.92	\$61.78	
6	RPC Variance (Benchmark- Projected)	(\$0.17)	\$1.80	\$5.55	\$1.29	\$3.32	\$0.57	\$1.44	\$1.26	\$4.32	\$3.36	\$0.95	
7	Monthly Variance	(\$31,705)	\$327,763	\$1,008,219	\$233,583	\$595,509	\$220,684	\$257,296	\$227,139	\$784,450	\$615,411	\$174,771	\$4,513,891
8	Preliminary End Balance	\$3,210,914	\$3,541,771	\$1,008,219	\$1,242,320	\$1,839,023	\$2,061,291	\$2,166,379	\$2,426,032	\$2,655,867	\$3,443,449	\$4,062,842	
9	Average Balance	\$3,226,766	\$3,377,889	\$504,110	\$1,125,528	\$1,541,269	\$2,113,749	\$2,295,027	\$2,539,602	\$3,048,092	\$3,751,154	\$4,150,227	
10	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
11	Interest Applied	\$3,094	\$3,586	\$518	\$1,195	\$1,583	\$2,071	\$2,244	\$2,696	\$3,132	\$3,982	\$4,406	\$30,866
12	RPC Factor Account End Balance	\$3,214,008	\$3,545,357	\$1,008,737	\$1,243,514	\$1,840,607	\$2,063,362	\$2,166,379	\$2,426,032	\$2,655,867	\$3,443,449	\$4,062,842	
13	Under/(Over) Recovery	(\$28,611)	\$331,350	\$1,008,737	\$234,778	\$597,092	\$103,017	\$259,653	\$229,835	\$787,582	\$619,393	\$179,177	\$4,544,757
14													
15													
16													
Residential Heating - Low Income													
17	\$ 64.59	\$ 61.69	\$ 52.01	\$ 31.03	\$ 25.28	\$ 20.87	\$ 19.23	\$ 20.36	\$ 21.66	\$ 34.32	\$ 51.29	\$ 62.73	
18	\$3,118,726	(\$39,281)	\$0	\$74,115	\$44,159	\$58,309	\$41,160	\$29,348	\$32,351	\$36,728	\$105,410	\$178,072	
19	RPC Factor Act Beg. Bal.	21,435	21,449	21,351	21,227	21,092	20,971	21,004	21,157	21,374	21,528	21,605	
20	Projected Number of Customers	\$1,304,949	\$1,288,416	\$1,036,423	\$688,623	\$519,154	\$455,887	\$424,601	\$453,982	\$664,884	\$1,031,563	\$1,229,282	
21	Projected Base Revenue	\$60.88	\$60.07	\$48.54	\$32.44	\$24.61	\$19.80	\$20.21	\$21.46	\$31.11	\$47.92	\$56.90	
22	RPC Variance (Benchmark- Projected)	\$3.71	\$1.62	\$3.47	(\$1.41)	\$0.67	(\$0.82)	\$0.14	\$0.21	\$3.21	\$3.37	\$5.84	
23	Monthly Variance	\$79,521	\$34,755	\$74,077	(\$30,019)	\$14,098	(\$17,202)	\$2,971	\$4,341	\$68,609	\$72,511	\$126,070	\$417,882
24	Preliminary End Balance	(\$39,205)	(\$4,526)	\$74,077	\$44,096	\$58,256	\$41,107	\$29,311	\$36,692	\$105,337	\$177,921	\$304,142	
25	Average Balance	(\$78,966)	(\$21,903)	\$37,038	\$59,105	\$51,207	\$35,235	\$30,834	\$34,521	\$71,033	\$141,666	\$241,107	
26	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
27	Interest Applied	(\$76)	(\$23)	\$38	\$63	\$53	\$37	\$32	\$37	\$73	\$150	\$256	\$692
28	RPC Factor Account End Balance	(\$39,281)	(\$4,549)	\$74,115	\$44,159	\$58,309	\$41,160	\$29,348	\$32,351	\$36,728	\$105,410	\$178,072	
29	Under/(Over) Recovery	\$79,445	\$34,732	\$74,115	(\$29,956)	\$14,150	(\$17,149)	\$3,003	\$4,377	\$68,682	\$72,662	\$126,326	\$418,575
30													
31													
32													
Residential Heat (incl Low Income)													
33	\$ 64.59	\$ 61.69	\$ 52.01	\$ 31.03	\$ 25.28	\$ 20.87	\$ 19.23	\$ 20.36	\$ 21.66	\$ 34.32	\$ 51.29	\$ 62.73	
34	\$3,123,893	\$3,174,727	\$0	\$1,082,852	\$1,287,673	\$1,898,916	\$2,104,522	\$2,195,727	\$2,458,383	\$2,692,595	\$3,548,859	\$4,240,913	
35	RPC Factor Act Beg. Bal.	203,733	203,864	202,930	201,755	199,768	199,318	199,639	201,091	203,151	204,613	205,347	
36	Projected Number of Customers	\$13,111,014	\$12,213,689	\$9,472,561	\$6,056,207	\$4,458,742	\$3,966,040	\$3,803,634	\$4,124,697	\$6,118,500	\$9,805,864	\$12,581,241	
37	Projected Base Revenue	\$64.35	\$59.91	\$46.68	\$30.02	\$22.24	\$19.85	\$19,05	\$20.51	\$30.12	\$47.92	\$61.27	
38	RPC Variance (Benchmark- Projected)	\$0.23	\$1.78	\$5.33	\$1.01	\$3.04	\$0.45	\$1.30	\$1.15	\$4.20	\$3.36	\$1.47	
39	Monthly Variance	\$47,816	\$362,519	\$1,082,296	\$203,564	\$609,607	\$88,924	\$260,266	\$231,479	\$853,059	\$687,922	\$300,841	\$4,931,773
40	Preliminary End Balance	\$3,171,708	\$3,537,245	\$1,082,296	\$1,286,415	\$1,897,280	\$2,103,946	\$2,195,994	\$2,458,382	\$2,692,595	\$3,548,859	\$4,240,913	
41	Average Balance	\$3,147,800	\$3,355,986	\$541,148	\$1,184,634	\$1,592,476	\$2,148,984	\$2,325,860	\$2,574,123	\$3,119,125	\$3,892,820	\$4,391,334	
42	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
43	Interest Applied	\$3,018	\$3,563	\$556	\$1,258	\$1,636	\$2,124	\$2,281	\$2,733	\$3,205	\$4,133	\$4,662	\$31,558
44	RPC Factor Account End Balance	\$3,174,727	\$3,540,808	\$1,082,852	\$1,287,673	\$1,898,916	\$2,104,522	\$2,195,727	\$2,458,383	\$2,692,595	\$3,548,859	\$4,240,913	
45	Under/(Over) Recovery	\$50,834	\$366,081	\$1,082,852	\$204,821	\$611,243	\$205,606	\$91,205	\$234,212	\$856,263	\$692,055	\$305,503	\$4,963,332
46													
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Narragansett Gas
Calculation of Revenue Decoupling Adjustment

Line No.		Feb-13 28	Mar-13 31	Apr-13 30	May-13 31	Jun-13 30	Jul-13 31	Aug-13 31	Sep-13 30	Oct-13 31	Nov-13 30	Dec-13 31	Jan-14 31	TOTAL
Small C&I														
1	Benchmark Revenue Per Customer (RPC)	\$ 94.36	\$ 88.01	\$ 74.53	\$ 37.33	\$ 31.13	\$ 26.69	\$ 25.70	\$ 26.61	\$ 28.60	\$ 47.90	\$ 71.45	\$ 87.37	
2	RPC Factor Acct Beg. Bal.	(\$218,091)	(\$131,292)	\$0	\$92,190	(\$2,426)	\$29,055	\$8,625	\$5,221	\$23,117	\$36,804	\$156,141	\$190,485	
3	Projected Number of Customers	18,731	18,585	18,454	18,264	18,077	17,952	17,884	17,992	18,205	18,450	18,636	18,709	
4	Dual fuel customer count	-	-	-	-	-	-	-	-	-	-	-	-	
5	Projected Base Revenue	\$1,680,513	\$1,730,440	\$1,283,289	\$776,516	\$531,330	\$499,580	\$462,954	\$460,944	\$506,917	\$764,495	\$1,297,295	\$1,952,617	
6	Dual fuel customer margin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
7	Projected Base Revenue (no Dual-fuel)	1,680,513	1,730,440	1,283,289	776,516	531,330	499,580	462,954	460,944	506,917	764,495	1,297,295	1,952,617	
8	Projected Base Revenue Per Customer	\$89.72	\$93.11	\$69.54	\$42.52	\$29.39	\$27.83	\$25.89	\$25.62	\$27.84	\$41.44	\$69.61	\$104.37	
9	RPC Variance (Benchmark- Projected)	\$4.64	(\$5.10)	\$4.99	(\$5.18)	\$1.74	(\$1.14)	(\$0.19)	\$0.99	\$0.75	\$6.46	\$1.83	\$17.00	
10	Monthly Variance	\$86,967	(\$94,832)	\$92,143	(\$94,664)	\$31,468	(\$20,451)	(\$3,411)	\$17,881	\$13,655	\$119,238	\$34,161	(\$318,096)	
11	Preliminary End Balance	(\$131,124)	(\$226,123)	\$92,143	(\$2,474)	\$29,041	\$8,605	\$5,214	\$23,102	\$36,772	\$156,042	\$190,301	(\$127,611)	
12	Average Balance	(\$174,608)	(\$178,708)	\$46,071	\$44,858	\$13,308	\$18,830	\$6,919	\$14,162	\$29,945	\$96,423	\$173,221	\$31,437	
13	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
14	Interest Applied	(\$167)	(\$190)	\$47	\$48	\$14	\$20	\$7	\$15	\$32	\$99	\$184	\$33	
15	RPC Factor Account End Balance	(\$131,292)	(\$226,313)	\$92,190	(\$2,426)	\$29,055	\$8,625	\$5,221	\$23,117	\$36,804	\$156,141	\$190,485	(\$127,577)	\$141
16	Under/(Over) Recovery	\$86,799	(\$95,021)	\$92,190	(\$94,616)	\$31,481	(\$20,431)	(\$3,403)	\$17,896	\$13,687	\$119,337	\$34,344	(\$318,063)	(\$135,799)
Medium C&I														
21	Benchmark Revenue Per Customer (RPC)	\$ 436.04	\$ 410.59	\$ 340.03	\$ 262.60	\$ 223.59	\$ 196.47	\$ 190.92	\$ 200.99	\$ 211.73	\$ 269.90	\$ 361.41	\$ 417.01	
22	RPC Factor Acct Beg. Bal.	(\$450,303)	(\$552,431)	\$0	(\$34,498)	(\$81,742)	(\$117,557)	(\$155,054)	(\$162,040)	(\$175,133)	(\$229,946)	(\$304,092)	(\$297,420)	
23	Projected Number of Customers	4,292	4,291	4,291	4,291	4,291	4,291	4,291	4,292	4,295	4,296	4,296	4,297	
24	Dual fuel customer count	4	4	4	4	4	4	4	4	4	4	4	4	
25	Projected Base Revenue	\$1,975,360	\$1,492,658	\$1,492,058	\$1,174,874	\$995,228	\$880,547	\$825,854	\$875,451	\$964,245	\$1,234,159	\$1,547,090	\$1,954,487	
26	Dual fuel customer margin	\$3,975	\$3,411	\$2,859	\$1,906	\$966	\$937	\$576	\$686	\$1,123	\$1,874	\$2,913	\$4,604	
27	Projected Base Revenue (no Dual-fuel)	\$1,971,385	\$1,489,247	\$1,492,199	\$1,172,968	\$994,262	\$879,610	\$825,278	\$874,765	\$963,122	\$1,232,285	\$1,544,177	\$1,949,883	
28	Projected Base Revenue Per Customer	\$460	\$441	\$348	\$274	\$232	\$205	\$193	\$204	\$224	\$287	\$360	\$454	
29	RPC Variance (Benchmark- Projected)	(\$24)	(\$30)	(\$8)	(\$11)	(\$8)	(\$9)	(\$2)	(\$3)	(\$13)	\$2	\$2	(\$37)	
30	Monthly Variance	(\$101,648)	(\$129,041)	(\$34,481)	(\$47,182)	(\$35,712)	(\$37,353)	(\$6,817)	(\$12,920)	(\$54,598)	(\$73,872)	\$6,991	(\$159,657)	
31	Preliminary End Balance	(\$551,951)	(\$681,472)	(\$34,481)	(\$81,680)	(\$117,454)	(\$154,910)	(\$161,871)	(\$174,960)	(\$229,731)	(\$303,818)	(\$297,101)	(\$457,077)	
32	Average Balance	(\$501,127)	(\$616,952)	(\$17,240)	(\$58,089)	(\$99,598)	(\$136,233)	(\$158,463)	(\$168,500)	(\$202,432)	(\$266,882)	(\$300,597)	(\$377,249)	
33	Bk America Rate less 200 Basis Points	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
34	Interest Applied	(\$481)	(\$655)	(\$18)	(\$62)	(\$102)	(\$145)	(\$168)	(\$173)	(\$215)	(\$274)	(\$319)	(\$401)	
35	RPC Factor Account End Balance	(\$552,431)	(\$682,127)	(\$34,498)	(\$81,742)	(\$117,557)	(\$155,054)	(\$162,040)	(\$175,133)	(\$229,946)	(\$304,092)	(\$297,420)	(\$457,477)	(\$3,012)
36	Under/(Over) Recovery	(\$102,128)	(\$129,696)	(\$34,498)	(\$47,243)	(\$35,815)	(\$37,498)	(\$6,985)	(\$13,093)	(\$54,813)	(\$74,146)	\$6,672	(\$160,057)	(\$689,302)