PROCEEDING ON MOTION OF THE COMMISSION AS TO THE RATES, CHARGES, RULES AND REGULATIONS OF THE BROOKLYN UNION GAS COMPANY FOR GAS SERVICE

PROCEEDING ON MOTION OF THE COMMISSION AS TO THE RATES, CHARGES, RULES AND REGULATIONS OF KEYSPAN GAS EAST CORPORATION FOR GAS SERVICE

Rebuttal Testimony and Exhibits of:
Revenue Requirements Panel

Book 4 KEDLI

June 10, 2016
Submitted to:
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Submitted by:
The Brooklyn Union Gas Company and
KeySpan Gas East Corporation

nationalgrid

Rebuttal Testimony of
Revenue Requirements Panel

Before the Public Service Commission

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID

Rebuttal Testimony

of

The Revenue Requirements Panel

Case 16-G-0058

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Rebuttal Testimony of the Revenue Requirements Panel

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I. Introduction

Q. Please introduce the members of the Revenue Requirements Panel.

A. The Panel consists of James M. Molloy, David B. Doxsee, and Stephanie A. Briggs.

Q. Is this the Panel that testified previously in this proceeding?

A. Yes. This Panel provided direct testimony as part of the January 29, 2016 and April 4, 2016 filings by KEDLI. The terms defined in the Panel's direct testimony have the same definitions here.

Q. What is the purpose of your rebuttal testimony?

A. The Panel responds to various adjustments proposed by Staff and intervenors in their direct testimonies dated May 20, 2016. In particular, the Panel addresses the following subjects: (i) proposed revenue adjustments; (ii) proposed O&M expense adjustments; (iii) regulatory deferrals; (iv) proposed adjustments to taxes other than income taxes; (v) rate base adjustments; and (vi) proposed changes to depreciation. In addition, the Panel addresses adjustments proposed by Staff that the Company has previously agreed to adopt in information request ("IR") responses or agrees to adopt in rebuttal, and also addresses corrections to Staff's exhibits and testimony that the Company has identified.

Q. Does the Company respond to each of Staff's and the intervenors' proposed adjustments and recommendations?

A. No. In this testimony, as well as the rebuttal testimony of the other Company witnesses, the Company is only responding to certain issues. Where the Company accepts an adjustment or agrees with an issue, such acceptance or agreement is explicitly acknowledged. The Company's silence on a particular adjustment or recommendation should not be construed as acceptance or waiver of a particular issue or as creating precedent for any future proceeding. The Company relies on its direct and corrections and updates testimonies as support and justification for those items not specifically addressed in its rebuttal testimony.

Q. How has the Panel organized its rebuttal testimony?

A. The rebuttal testimony addresses proposed adjustments following the general order the adjustments are presented in the Staff Accounting Panel's Exhibit __ (SAP-1), Schedule 6.

Q. Does the Panel sponsor any exhibits?

A. Yes. The Panel sponsors the following exhibits that were prepared by or under the supervision and direction of one or all members of the Panel and that, in all cases, refer to KEDLI.

Exhibit ___ (RRP-1R)	Summary Revenue Requirements Pages
Exhibit ___ (RRP-2R)	Service Company Rent Adjustments
Exhibit ___ (RRP-3R)	Transportation Expense Adjustments
Exhibit ___ (RRP-4R)	Other Initiatives Adjustments
Exhibit ___ (RRP-5R)	General Assessment Inflation Change
Exhibit ___ (RRP-6R)	Net Utility Plant Model
Exhibit ___ (RRP-7R)	Energy Efficiency Labor Adjustments
Exhibit ___ (RRP-8R)	Relevant Portions of Company IR Responses
Exhibit ___ (RRP-9R)	Staff IR Responses

Q. In rebuttal, the Company's witnesses reference various IR responses. Where can those responses be found?

A. Except where they are included as exhibits, the IR responses referenced by Company witnesses in their rebuttal testimony have been compiled in Exhibit ___ (RRP-8R). Because of the size of some of the responses, the Company has included only relevant pages and attachments.

Q. Please summarize the Company's revenue requirements and the changes made to its presentation by Staff.

A. The Company's corrections and updates filing reflected a revenue requirement of $141.113 million, which represents the net impact of a proposed base rate increase of $174.742 million and the proposed reduction of $33.629 million in the SIR surcharge. Staff made presentation changes to correct MFC revenue and change recovery of the SIR deferral amortization from the surcharge to base rates, resulting in a revenue requirement of $191.2 million, as indicated in the testimony of the Staff Policy Panel.

II. <u>Staff's Total Revenue Requirement</u>

Q. Please summarize Staff's total revenue requirement recommendation and adjustments.

A. Staff recommended a gas base rate increase of $116.1 million. Staff's specific adjustments are set forth in Exhibit __ (SAP-1), Schedule 6.

Q. Does the Company agree with Staff's recommendation and adjustments?

A. No. Based on the Company's review of the direct testimony filed by Staff and the intervenors, as well as discovery submitted since the time of the corrections and updates filing, the Company has accepted several adjustments and reflected certain updates to the revenue requirements.

The resulting Rate Year revenue requirement after applying these adjustments and updates is $179.991million for KEDLI. Exhibit ___ (RRP-1R) sets forth the Company's position on each of the adjustments proposed by Staff.

III. <u>Operating Revenues Adjustments</u>

Q. Please summarize Staff's proposed adjustments to Operating Revenues.

A. Staff's proposed adjustments to Operating Revenues are shown in Exhibit __ (SAP-1), Schedule 6, and the Panel addresses them below.

A. <u>Site Investigation and Remediation</u>

Q. Please summarize KEDLI's proposal for recovery of SIR costs.

A. KEDLI proposed to include in base rates forecast SIR costs and to modify the SIR Recovery Surcharge to include annually:

- one-tenth of the forecast SIR deferral balance; and
- an amount capped at no more than a 2.5 percent increase in KEDLI's aggregate revenues measured from the prior year, consisting of (i) the difference between actual SIR costs and the amount set in rates and (ii) any amount not recovered in the prior year's surcharge because that amount would have increased KEDLI's aggregate revenues by more

than 2.5 percent.

Q. Does Staff agree with KEDLI's proposal?

A. Staff agreed with the inclusion of forecast Rate Year SIR costs of $13.402 million in base rates, but modified the Company's proposal to also include one-tenth of the deferral amortization amount of $14.168 million in base rates, resulting in a base rate allowance of $27.570 million for SIR costs. Staff did not agree with the Company's proposal to modify the SIR Recovery Surcharge on the grounds that KEDLI is in the maintenance phase for many of its remediation sites and therefore projected estimates should be reliable. Accordingly, Staff recommended eliminating the SIR Recovery Surcharge, stating that KEDLI may file a petition setting a specific level of costs to recover through the SIR Recovery Surcharge in the event the Company has to recover considerable incremental SIR costs.

Although it is not explicit in Staff's testimony, KEDLI assumes its authority to maintain the current SIR deferral, which provides for full reconciliation of SIR costs, will continue unchanged (except for application of the WACC instead of the AFUDC rate) under Staff's proposal.

Q. Please comment on Staff's proposal.

A. KEDLI agrees with Staff's proposed base rate treatment of forecast SIR costs and the deferral amortization, as well as the recommendation to eliminate the SIR Recovery Surcharge.

Q. Does the Company have any adjustments to the SIR surcharge amortization adjustments?

A. Yes. The Rate Year SIR surcharge amortization expense in the Corrections and Updates filing was incorrect. The Company has restated the correct amortization expense on Exhibit __ (RRP-1R) and updated the adjustment amounts on Exhibit __ (RRP-1R), Schedule 6.

Q. Please address PULP's recommendation with respect to SIR costs.

A. PULP claims that shareholders should bear 20 percent of future SIR costs to, among other things, provide an incentive to management to minimize costs. PULP, however, cites no evidence or analysis to support this claim. While PULP makes a passing reference to the section of the Commission's SIR Generic Order that sets forth the reasons utility shareholders may be held responsible for a portion of SIR costs, it cites neither of them to support its recommendation. Indeed, KEDLI's cost control efforts are well documented, follow the Commission's best

practices inventory set forth in the SIR Generic Order, and have been reviewed by Staff in this and other proceedings and found to be reasonable. PULP conducted no discovery on the Company's cost mitigation strategies and procurement practices and offered no testimony to suggest the Company's practices were inadequate or imprudent. In fact, PULP's only argument, a blanket statement that shareholders should, in equity, bear a portion of costs because of their role through successive changes in management in creating and assuming SIR liabilities, was rejected by the Commission in the SIR Generic Order.

B. <u>Merchant Function Charge</u>

Q. What is Staff's recommendation regarding the MFC?

A. Staff proposed an adjustment to KEDLI's MFC revenue to align with the Company's MFC expense. As explained in the rebuttal testimony of the Rate Design Panel, Staff's proposed adjustment does not affect overall costs to or revenue from customers and the Company accepts the adjustment.

C. <u>New York Facilities Surcharge</u>

Q. What is Staff's recommendation regarding the NYFS?

A. Staff recommends that the NYFS the Company proposed for recovering

the costs of joint facilities should not be adopted on the grounds that the agreement governing joint facilities costs is currently being renegotiated and is too uncertain. Instead, Staff proposes that the Company continue to recover its facilities costs through base rates and should file a petition with the Commission seeking alternative ratemaking for the revenues received and costs incurred once the updated agreement is finalized. As discussed in the Rate Design Panel's rebuttal testimony, the Company does not accept this proposal.

D. <u>Energy Efficiency and System Benefits Charges</u>

Q. What does Staff recommend regarding Energy Efficiency ("EE") and the SBC?

A. Staff Witness Mammen recommends adjustments to SBC revenues and matching adjustments to EE expenses to reflect the results of recent Commission orders in Cases 14-M-0094 and 15-M-0252. These adjustments do not impact the Company's revenue requirement or the amounts recovered from customers in the Rate Year and the Company accepts them. Staff also accepts the Company's proposal to recover the costs of internal labor associated with EE programs in base rates rather than through the SBC.

Q. Does the Company have any additional adjustments to EE labor?

A. Yes. As discussed below, the Company is making an upward adjustment to Rate Year EE labor and labor adders of $0.750 million to address costs that were understated in the Historic Test Year, as shown in Exhibit ___ (RRP-7R).

Q. Please explain the reason for the Company's adjustment.

A. The Company derived its Rate Year labor forecast using employees on payroll as of September 30, 2015, and the associated labor was allocated to KEDLI using the accounting allocations in the Historic Test Year. However, as stated in the response to IR DPS-359 (KM-3), in early 2015 KEDLI suspended its EE program and the labor associated with that function was diverted to other groups within the Company, as well as to KEDNY, until early 2016. This diversion results in significantly understated EE labor costs in the Rate Year based on unusually reduced KEDLI EE labor in the Historic Test Year. The response to IR DPS-256 (KM-2), Attachment 6 shows that the labor charged to KEDLI for EE in calendar year 2014 was $0.723 million, while the response to IR DPS-471 (KM-7), Attachment 2, shows that KEDLI's EE labor in the Historic Test Year was only $0.295 million, a difference of $0.428 million.

Q. Describe the analysis the Company performed to support its adjustment.

A. The Company analyzed all expense labor charges for all employees who charged EE at KEDLI from January 2014 through December 2015. This information was used to determine whether those employees charged a significantly greater portion of their time to companies other than KEDLI and KEDNY during the Historic Test Year as compared to calendar year 2014. Exhibit ___ (RRP-7R) provides the result of the Company's analysis, and shows that $0.398 million less in total base labor expense was charged to KEDLI and KEDNY in the Historic Test Year and $0.663 million more in base labor was charged to companies other than KEDLI and KEDNY than in calendar year 2014. Of the $0.398 million difference in base labor charges between the periods, $0.377 million is related to KEDLI EE. This shows that a significant portion of the KEDLI EE employees' labor was charged to companies other than KEDLI and KEDNY in the Historic Test Year as a result of the suspension of KEDLI's EE program. Given that the EE program will resume by the beginning of the Rate Year, these costs should be included in KEDLI's cost of service to properly reflect Rate Year expense. The calculation of the $0.750 million upward adjustment is shown in in Exhibit ___ (RRP-7R).

E. <u>Low Income Program</u>

Q. What is the Company's response to Staff's recommendation regarding Low Income Programs?

A. As discussed in the rebuttal testimony of the Shared Services Panel, the changes in low income rates required by the Commission's recent Order in Case 14-M-0565 are not expected to be implemented until January 1, 2018 at the earliest—which is after the Rate Year—and the Company maintains that its low income discount proposal is reasonable in the interim. Therefore, the five percent increased benefit level and associated low income program revenue requirement in the Rate Year are unchanged from the Company's direct filing.

Q. What is Staff's recommendation regarding how Low Income Program costs should be recovered?

A. Staff recommends that the costs of the Low Income Program be recovered in base delivery rates following the revenue allocation and rate design process to recover the total revenue requirement approved in this case. Differences between actual and projected Low Income Program costs would be deferred for later disposition.

Q. Does the Company agree with Staff's proposal?

A. Yes. Because a corresponding adjustment would be made to operating expenses, the net effect on revenues and expenses would be zero.

Q. Please describe KEDLI's position on Staff's recommendation to replace the NYSERDA EmPower New York program in KEDLI's service territory.

A. As described in the rebuttal testimony of the Shared Services Panel, the Company agrees with Staff's recommendation and proposes a new energy efficiency program to serve low income single-family and multifamily customers. KEDLI proposes to fund the program at a level of $1.9 million per year, which is approximately the amount the Company collects from customers and remits to NYSERDA annually for the EmPower New York program. The Company proposes the cost of the new program be funded using KEDLI's existing low income deferral balance.

Q. How does the new program affect KEDLI's proposal for a smart thermostat program?

A. Staff's Consumer Services Panel recommended that the smart thermostat program be delayed until a successor program to EmPower New York is formulated for KEDLI. As discussed in the rebuttal testimony of the

Shared Services Panel, the Company believes a standalone smart thermostat program for its low income customers is no longer necessary in light of the comprehensive program proposed.

F. <u>Sales Forecast</u>

Q. What is the Company's position with regard to the sales forecast Staff recommends using?

A. As explained in the rebuttal testimony of Company Witness Poe, the Company does not agree with Staff's sales forecast and does not propose any changes to its forecast.

G. <u>Other Corrections</u>

Q. Did Staff propose any other changes or corrections?

A. Yes. Staff also proposed an adjustment to KEDLI's operating revenues to correct disagreement between the operating revenues submitted in the Company's corrections and updates Exhibit __ (RRP-1CU) and Exhibit __ (RDP-2CU). The Company acknowledged the need for the correction identified by Staff in its response to IR DPS-413 (JPC-16), a copy of which is included in Staff's Exhibit __ (SAP-3), which results in an upward adjustment of $0.606 million.

IV. O&M Expense Adjustments

Q. Please summarize Staff's proposed adjustments to O&M expense.

A. Staff's proposed adjustments to O&M expense are shown in Exhibit ___ (SAP-1), Schedule 6.

A. Service Company Rent Expense

Q. Does Staff make any adjustments to Service Company rents?

A. Yes. Staff proposes three adjustments to Service Company rents.

Q. Please describe Staff's first adjustment.

A. Staff proposes removing the costs of the GTIS project. The adjustment results in a reduction in Service Company rent expense of $0.655 million for KEDLI. Staff's adjustment is based on the Company's delays in implementing the system. Once the system is implemented, Staff recommends that costs be revisited and a determination made as to how much should be allocated to customers in a future rate case.

Q. Does the Company agree with Staff's proposal?

A. No. The GTIS project is designed to enhance the Company's retail access program. The Company recognizes there have been delays that have been frustrating to all involved, and indeed has removed costs from the Rate

Year and the Data Years to reflect its share of a $0.521 million total adjustment for both KEDNY and KEDLI representing the AFUDC amount for the period of delay from the initial GTIS target implementation date through April 30, 2016. The GTIS project is expected to be in-service in the Rate Year and the costs associated with that project are appropriately recoverable from customers. Staff's recommended adjustment would eliminate Rate Year recovery of this project altogether despite the fact that the GTIS project will be in-service and providing customer benefits by the Rate Year. For these reasons, the Company does not accept Staff's proposed downward adjustment for GTIS.

Q. Please describe Staff's second adjustment.

A. Staff recommends revising the downward adjustment relating to a recently enacted extension of the bonus depreciation law to $0.468 million from the Company's proposed level of $0.509 million.

Q. Does the Company agree with Staff's adjustment?

A. The Company agrees that the effects of the bonus depreciation extension should be reflected in the revenue requirement. However, because the Company does not agree with Staff regarding the removal of the GTIS project from the Company's revenue requirement, we do not agree with

Staff on the amount of adjustment for bonus depreciation. Based on including GTIS in the revenue requirement, the resulting bonus depreciation-related adjustment would be a downward adjustment of $0.509 million for KEDLI, compared to Staff's proposed downward adjustment of $0.468 million.

Q. Please describe Staff's third adjustment.

A. Staff recommends a downward adjustment of $0.186 million to Rate Year Service Company rent expense to reflect its reduction of the Service Company return on assets rate from 9.95% to 9.38%.

Q. Does the Company agree with Staff's adjustment?

A. In principle, the Company agrees that for ratemaking purposes the ROE for the Service Company asset recovery should match KEDLI's ROE. Because the Company's position on KEDLI's ROE differs from Staff's, the Company is setting the Service Company ROE to match KEDLI's ROE as supported by Company Witness Bulkley.

Q. Did Staff have any other adjustments to the return used for the Service Company asset recovery?

A. Yes. Staff adjusted the Service Company debt rates to match those used to calculate KEDLI's rate of return.

Q. Does the Company agree with Staff's debt adjustment?

A. No. The Service Company has its own debt, which should be the basis for setting the return for the Service Company asset recovery.

Q. Does the Company have any other adjustments to Service Company Rent Expense?

A. Yes. In their response to IR DPS-482 (JS-10), KEDNY and KEDLI advised Staff that they had identified certain existing Service Company assets/projects that were not included in Exhibit __ (RRP-11CU), Workpapers to Exhibit __ (RRP-CU), Schedule 9, Workpaper 2 to the Companies' corrections and updates filing. The effect of the omissions was described in Attachment 2 to the response to IR DPS-482 (JS-10), and is reflected in Exhibit __ (RRP-2R).

B. <u>Labor Expense</u>

Q. Please summarize Staff's adjustments to labor expense.

A. Staff makes one adjustment that decreases the Company's labor expense forecast by $0.060 million. The adjustment reflects a reduction in the

Company's management wage increase factor from 3.2% to 3.0%, as discussed in the testimony of Staff Witness Gadomski. Staff's proposed adjustment also results in corresponding flow-through adjustments to payroll taxes and productivity.

Q. Does the Company agree with Staff's recommendation?

A. No. As indicated in the rebuttal testimony of Company Witness Heaphy, the Company does not agree with Mr. Gadomski's testimony on this issue and does not accept the related proposed adjustments.

C. <u>Transportation Lease Expense</u>

Q. Please describe Staff's proposed adjustment to the Company's forecast of transportation lease expense.

A. Staff proposes a downward adjustment of $0.939 million to Rate Year transportation lease expense. However, Staff's methodology to forecast transportation lease expense omits significant transportation lease costs the Company expects to incur in the Rate Year and Staff's proposed adjustment should be rejected.

Q. Please explain.

A. The methodology used by Staff, which uses Historic Test Year lease costs

plus inflation, then adds the lease costs for incremental vehicles plus inflation, omits significant costs associated with replacement vehicles. By contrast, the Company's vehicle-by-vehicle replacement analysis to forecast Rate Year costs accounts for the projected cost of new vehicles in accordance with current vehicle and equipment lifecycles. Vehicle inventory and associated lease expense vary on a monthly basis due to the continuous replacement of vehicles and updating of lease terms. As explained in the response to IR DPS-429 (JPC-18), a copy of which is included in Staff's Exhibit __ (SAP-3), the Company forecast transportation lease expense by starting with the vehicle inventory as of September 30, 2015, and then adding, removing and modifying vehicles and lease terms to reflect the expected changes to inventory in the link period and through the Rate Year. The forecast increase in lease expense from September 30, 2015 to the Rate Year is driven largely by replacement vehicles. For example, as of the end of the Historic Test Year, several vehicles were fully amortized and thus incurred only a small nominal monthly fee (from $7 to $30). These vehicles are forecast to be replaced sometime after September 30, 2015 at a normal monthly lease expense that is significantly higher than the nominal monthly fee.

As described in the response to IR DPS-308 (JPC-12), a copy of which is

included in Staff's Exhibit __ (SAP-3), KEDNY and KEDLI projected that during the link period from the end of the Historic Test Year to the Rate Year they would replace 295 vehicles (109 for KEDNY, 186 for KEDLI). Exhibit __ (RRP-3R), pages 2-7, show the Historic Test Year lease costs of 253 of the 295 replacement vehicles, and that on average 225 of these vehicles were fully amortized in the Historic Test Year. Exhibit __ (RRP-3R), page 8, shows that 41 of the 295 vehicles incurred no lease cost in the Historic Test Year because they were either sold or owned by the Companies. Because the Historic Test Year lease costs reflect the reduced costs associated with these fully amortized, sold or owned vehicles, applying Staff's methodology of using Historic Test Year costs for these 295 vehicles, inflated, and not accounting for the costs of replacement vehicles would significantly understate the anticipated Rate Year expense. Exhibit __ (RRP-3R), page 1, summarizes the difference in forecast lease expense for the 295 replaced vehicles using Staff's forecast methodology and the Companies' forecast methodology.

Q. What is the status of the Companies' efforts to replace the vehicles targeted for replacement?

A. To date, 92 of the 295 replacement vehicles are in service, 80 are on order and 123 are in the process of being ordered.

Q. Has the methodology used by KEDNY and KEDLI to forecast transportation lease expense been used previously?

A. Yes. This same methodology for forecasting vehicle lease expense was applied and accepted by the Commission in the three previous Niagara Mohawk rate cases.

D. <u>Other Initiatives</u>

Q. Does Staff recommend any adjustments to other initiatives?

A. Yes. Staff recommends three adjustments, all of which relate to full-time employee ("FTE") positions in the Company's labor expense forecast.

Q. Please summarize Staff's first adjustment.

A. Staff recommends reducing the total incremental FTE count for KEDNY and KEDLI from 393.4 to 376, which results in the removal of 17 FTE positions from the labor forecast.

Q. Does the Company agree with Staff's adjustments?

A. No. As explained in the rebuttal testimony of the Gas Infrastructure and Operations Panel, the Companies accept Staff's adjustment to remove one estimator position from each Company's respective revenue requirement,

and agree to reduce their respective allocation of the Gas Estimating manager position from one-half to one-third, as shown in Exhibit __ (RRP-4R). However, the Companies do not agree with Staff's adjustments to remove the other 15 FTE positions for the reasons set forth in the rebuttal testimony of the Gas Infrastructure and Operations Panel and Gas Safety Panel.

Q. Please summarize Staff's second adjustment.

A. Staff's second adjustment is to reduce salaries for certain incremental positions. As described in the rebuttal testimony of the Gas Infrastructure and Operations Panels, the Companies do not accept this adjustment.

Q. Please summarize Staff's third adjustment.

A. Staff proposes a two percent productivity adjustment for the incremental FTEs to be applied to labor and payroll tax. Staff recommends that this adjustment be reflected in labor and payroll tax expense for the incremental employees, resulting in an upward adjustment of $0.006 million.

Q. Does the Company agree with Staff's adjustment?

A. Not entirely. The Company disagrees with Staff's proposed two percent

productivity adjustment and believes the Commission should apply its traditional one percent productivity adjustment as discussed below. The Company agrees with Staff on removal of benefits from the calculation of the productivity adjustment.

E. <u>Productivity</u>

Q. Describe the productivity adjustments the Company reflected in its filing.

A. KEDLI reflected a one percent productivity adjustment in its filing of $1.819 million consistent with Commission precedent. In addition to this adjustment, KEDLI reflected forecast aspirational savings of $1.631 million related to certain PEX initiatives that were undertaken in the Historic Test Year. Together, the one percent productivity adjustment and the aspirational PEX savings reduced the revenue requirement for KEDLI by $3.450 million.

Q. Please summarize Staff's proposed productivity adjustment.

A. Staff claims that a two percent productivity adjustment is warranted because KEDLI will be hiring new employees who should generate productivity savings as they gain experience and implementing new programs in the Rate Year, including Reforming the Energy Vision

("REV") demonstration projects, sales promotion, economic development and technology utilization programs that should result in productivity savings beyond the traditional one percent adjustment. Staff also references the recent gas management audit recommendation to develop a gas estimating program as additional support for the adjustment. Staff's proposed adjustment results in an incremental revenue requirement reduction of $1.813 million for KEDLI.

Q. Does the Company agree with Staff's proposal to double the productivity adjustment?

A. No. As explained in the response to IR DPS-279 (JPC-10), the Company revised the forecast PEX savings target to an amount that was lower than the amount reflected in the initial filings ($0.71 million for KEDLI) because the anticipated savings did not materialize. However, the Company did not adjust the revenue requirement to reflect the lower savings target in its Corrections and Updates filings, choosing to keep the original forecast amount as undefined productivity savings that reduced the revenue requirement for the benefit of customers.

As filed by the Company, the one percent productivity adjustment together with the aspirational PEX savings that were reflected, but not achieved, is

close to a two percent productivity adjustment. In proposing its adjustment, Staff did not account for the Company's inclusion of the PEX savings that were not achieved in the revenue requirements. Staff's imputation of an additional one percent productivity factor on top of the savings already reflected, but not achieved, increases the total productivity savings adjustment to $5.263 million for KEDLI, which is equal to almost a three percent adjustment. This level of savings is not achievable notwithstanding the Company's best efforts.

Q. Do the reasons cited by Staff support departing from the Commission's traditional one percent productivity adjustment?

A. No, they do not. The new employees are being added to execute the Company's increased capital and O&M programs. While these employees will become more productive as they gain experience, this will not occur in the Rate Year, as Staff's adjustment presumes. Training and on-the job experience are required before newly hired employees can become productive and it cannot be expected that they would be able to deliver productivity savings in the Rate Year incremental to the level of savings the Company already reflected in its filing. It also is unrealistic to expect that productivity gains from a relatively small number of new employees

would be so significant as to produce an additional one percent productivity gain from the entire pre-existing workforce.

Similarly, the new initiatives cited by Staff are neither designed nor expected to deliver near term productivity savings. The gas growth marketing and economic development initiatives are designed to address load growth, which will increase, not decrease, the Company's maintenance responsibilities, especially in the short term. The research and development utilization technology initiative is geared toward improving gas technologies used by customers, and the REV demonstration projects are designed to test new technologies to determine whether potential exists to proceed with larger projects in the future. No O&M savings will be delivered from these projects in the near term.

Finally, the primary benefit of the new estimating program is to increase the accuracy of estimates for capital projects. Staff acknowledges that NorthStar's Customer Benefit Analysis did not identify any savings from implementing this recommendation. Further, as shown in Exhibit ___ (RRP-11CU), Workpapers to Exhibit RRP-3CU, Schedule 27, Workpaper 14, the new department will be staffed by project estimators who charge the majority of their time (95 percent) to capital projects. Therefore, there

will be minimal, if any, near term productivity savings from this program once it has been implemented. Any efficiency improvements in execution of the capital plan that did result from the estimating program would be picked up in the net plant tracker proposed by Staff.

Staff has provided no support or analysis for its higher productivity factor and its proposal should not be adopted. If the Commission were to adopt Staff's proposal, the aspirational PEX savings that were not achieved must be removed, as these savings amount to a double count of Staff's productivity adjustment.

F. <u>Regulatory Assessments</u>

Q. Please explain Staff's adjustment to Regulatory Assessment fees.

A. Staff recommends updating the Company's O&M expense to use the latest General Assessment amounts reflected in the February 2016 billings, plus inflation.

Q. Does the Company agree that the General Assessment should be updated to reflect amounts in the February 2016 billings?

A. Yes. The Company agrees that these amounts are appropriate for estimating fiscal years 2017 and 2018 General Assessment fees.

Q. Does the Company agree with the inflation rate of 1.35% used in Staff's calculation of General Assessment fees for fiscal years 2017 and 2018?

A. No. As shown in Exhibit __ (RRP-5R), the Company believes an inflation rate of 1.52% is appropriate.

Q. What would be the Company's adjustment to General Assessment fees using the inflation rate of 1.52%?

A. The total adjustment to General Assessment fees, using the inflation rate of 1.52%, would amount to an increase of $0.033 million for KEDLI compared to Staff's increase of $0.029 million.

G. <u>Credit Card Payments</u>

Q. Did Staff propose any adjustments regarding credit card payment functionality?

A. Yes, Staff proposed that KEDLI include in its base rates the costs of credit/debit card fees incurred by residential customers that use credit or debit cards to pay their bills, and asked the Company to estimate these costs in its rebuttal testimony.

Q. What is the Company's position on Staff's proposal?

A. As explained in the rebuttal testimony of the Shared Services Panel, the Company estimates the incremental cost to KEDLI of Staff's proposal is between $2.4 million to $2.7 million, but there is uncertainty how many customers would pay their bills by credit/debit cards. KEDLI has not adjusted the revenue requirement to reflect these costs. If Staff's proposal is adopted, the Company requests authority to defer the difference between the actual credit/debit card costs it incurs and the amount reflected in base rates.

V. <u>Regulatory Deferrals</u>

Q. What is Staff's position regarding KEDLI's proposal to record a regulatory asset related to pension and OPEB curtailment and/or settlement gains/losses in connection with the termination of the Management Services Agreement with LIPA?

A. Staff does not agree at this time that KEDLI should be allowed to record this regulatory asset. Staff indicates that it is still auditing the proposed pension and OPEB deferral and cannot yet determine if the proposed treatment is appropriate.

Q. What is the Company's response to Staff's position?

A. The Company understands Staff's need to adequately examine the pension and OPEB deferral and related information before forming a recommendation on the Company's proposal. The Company is prepared to provide additional information as may be requested to facilitate Staff's review.

VI. <u>Taxes Other Than Income Taxes</u>

Q. What does Staff recommend regarding KEDLI's property taxes?

A. Staff recommends using a three-year average annual property tax growth rate of 2.81 percent for KEDLI rather than the 5.22 percent growth rate proposed by the Company. For the reasons described in the rebuttal testimony of the Shared Services Panel, the Company does not accept Staff's proposed growth factor for KEDLI's property tax expense. The Company also rejects Staff's proposal to eliminate the property tax reconciliation mechanism. As discussed in the rebuttal testimony of the Shared Services Panel, eliminating the property tax reconciliation places undue risk on the Company and its customers even in a one-year case.

VII. <u>Rate Base</u>

Q. Did Staff propose adjustments to the Company's proposed capital

investment plan?

A. Yes, Staff proposed several adjustments to KEDLI's capital investment plan. The rebuttal testimony of the Gas Infrastructure and Operations Panel responds to Staff's adjustments.

Q. Where are the revenue requirement effects of the capital investment adjustments accepted by KEDLI shown?

A. The effects of the accepted capital investment adjustments are reflected in Exhibit __ (RRP-6R), Schedule 1.

Q. What is the Company's response to Staff's adjustments to KEDLI's depreciation rates?

A. As explained in the rebuttal testimony of Company Witness Normand, the Company does not accept Staff's proposed adjustments with respect to changes in any depreciation parameters or rates.

VIII. <u>Flow-Through Adjustments</u>

Q. Has the Company reflected any additional flow-through adjustments in its revenue requirement?

A. Yes. Changes to O&M expense have an impact on working capital requirements. Additionally, any change in rate base results in a change to

return on rate base. Moreover, there are flow-through adjustments for uncollectible expense, income taxes, and deferred taxes. The flow-through adjustments are reflected in Exhibit ___ (RRP-1R).

IX. <u>Other Adjustments and Corrections</u>

Q. Does the Company have any further comment on other adjustments or proposals presented by Staff?

A. Yes. In some instances, Staff's testimony proposed adjustments that were not reflected in Staff's exhibits. In other instances, flow-through adjustments were not reflected. In a small number of instances, Staff's case did not reflect certain changes that the Company had identified and described during the discovery process. Although the Company does not necessarily agree with all of Staff's proposed adjustments, the Company presented Staff with an information request (IR BULI-7 (RRP-2)) that lists all the differences it identified between what the Company believes Staff intended and what was reflected in Staff's revenue requirement, and has requested that Staff confirm those differences. As of the date our rebuttal testimony went to print, Staff has not yet responded to all portions of IR BULI-7 (RRP-2). Staff did, however, agree to the Company's corrections to Staff's plant model in Staff's response to IR BULI-5 (RRP-2). Exhibit __ (RRP-9R) includes a copy of Staff's response to IR BULI-5 (RRP-2)

and a copy of IR BULI-7 (RRP-2). Although the revenue requirement supported by and reflected in the Company's rebuttal case includes the effects of the adjustments shown in IR BULI-7 (RRP-2), Staff has not yet responded to all of the indicated adjustments at this time.

X. <u>Conclusion</u>

Q. Does this conclude the Panel's rebuttal testimony?

A. Yes.

Rebuttal Testimony of the Revenue Requirements Panel

Index of Exhibits

Exhibit ___ (RRP-1R)	Summary Revenue Requirements Pages
Exhibit ___ (RRP-2R)	Service Company Rent Adjustments
Exhibit ___ (RRP-3R)	Transportation Expense Adjustments
Exhibit ___ (RRP-4R)	Other Initiatives Adjustments
Exhibit ___ (RRP-5R)	General Assessment Inflation Change
Exhibit ___ (RRP-6R)	Net Utility Plant Model
Exhibit ___ (RRP-7R)	Energy Efficiency Labor Adjustments
Exhibit ___ (RRP-8R)	Relevant Portions of Company IR Responses
Exhibit ___ (RRP-9R)	Staff IR Responses

Exhibit __ (RRP-1R)

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-1R)

Summary Revenue Requirements Pages

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Statement of Operating Income - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

		C&U Filing Rate Year Ending December 31, 2017		Staff Adjustments	Rate Year Ending December 31, 2017	Company Adjustments to Staff Case	Rate Year Company Rebuttal	Base Revenue Increase Required	Rate Year Ending December 31, 2017 with Base Revenue Requirement
Operating Revenues		$ 900,176	(1)	$ 284	$ 900,460	$ (32,137)	$ 868,323	$ 179,991	$ 1,048,314
Deductions									
Purchased Gas Costs		250,522	(2)	26,206	276,728	(26,206)	250,522		250,522
Revenue Taxes		9,374	(3)	396	9,770	(306)	9,464	1,964	11,428
Total Deductions		259,896		26,602	286,498	(26,512)	259,986	1,964	261,950
Gross Margin		640,280		(26,318)	613,962	(5,625)	608,337	178,027	786,364
Total Operation & Maintenance Expenses		279,643	(4)	13,763	293,406	6,414	299,820	1,906	301,726
Amortization of Regulatory Deferrals	Note 1	40,108	(5)	(47,090)	(6,982)	6,982	0		0
Depreciation, Amort. & Loss on Disposition		93,836	(6)	(15,103)	78,733	15,102	93,835		93,835
Taxes Other Than Revenue & Income Taxes		147,311	(7)	(6,284)	141,027	6,284	147,311		147,311
Total Operating Revenue Deductions		560,898		(54,714)	506,184	34,782	540,966	1,906	542,871
Operating Income Before Income Taxes		79,382		28,396	107,778	(40,407)	67,370	176,121	243,492
Income Taxes									
Federal Income Taxes		4,127		12,641	16,768	(14,257)	2,511	56,514	59,025
State Income Taxes		438		3,277	3,715	(3,698)	18	14,653	14,671
Total Income Taxes		4,565		15,918	20,483	(17,955)	2,528	71,167	73,695
Operating Income After Income Taxes		$ 74,817		$ 12,478	$ 87,295	$ (22,453)	$ 64,842	$ 104,954	$ 169,797
Rate Base		$ 2,297,432		$ (4,588)	$ 2,292,844	$ 4,797	$ 2,297,641		$ 2,297,641
Rate of Return		3.26%			3.81%				7.39%

Note 1: The SIR Amortization Surcharge in the C&U filing as amortization expense was incorrectly stated as $47.090 million. The correct amount should be $40.108 million. The amount was presented in operating revenues in the C&U filing was correct. The C&U amortization expense is restated and the revenue and amortization expense adjustments on Schedule 6 were adjusted for the difference of $6.982 million.

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Statement of Operating Income
Exhibit____(RRP-1R)
Schedule 1 of 11
Page 1 of 1

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Summary of O&M Expenses - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Company Adjustments to Staff Case	Rate Year Company Rebuttal
Operation & Maintenance Expenses:						
Departmental Items:						
Consultants	$ 7,623	(4k)	0	$ 7,623	(40)	$ 7,583
Contractors	28,494		0	28,494	-	28,494
Donations	0		0	0	-	-
Employee Expenses	2,469		0	2,469	-	2,469
Hardware	212		0	212	-	212
Software	2,874		0	2,874	-	2,874
Other	4,948		0	4,948	-	4,948
Rents	3,113		0	3,113	-	3,113
Service Company Rents	15,264	(4a)	(1,309)	13,955	1,547	15,502
Construction Reimbursement	(508)		0	(508)	-	(508)
FAS 106	9,958		0	9,958	-	9,958
FAS 112	174		0	174	-	174
Health Care	11,576		0	11,576	-	11,576
Group Life Insurance	737		0	737	-	737
Other Benefits	93		0	93	-	93
Pensions	17,966		0	17,966	-	17,966
Thrift Plan	1,711		0	1,711	-	1,711
Workers Comp	900		0	900	-	900
Materials Outside Vendor	3,085		0	3,085	-	3,085
Materials From Inventory	2,303		0	2,303	-	2,303
Materials Stores Handling	256		0	256	-	256
Postage	5,355		0	5,355	-	5,355
Total Labor	78,203	(4b)	(60)	78,143	60	78,203
Transportation	3,690	(4c)	(993)	2,697	987	3,684
Energy Efficiency program	11,707	(4d)	1,128	12,835	-	12,835
Injuries and Damages	11,120		0	11,120	-	11,120
Other Initiatives	21,045	(4e)	(1,669)	19,376	2,433	21,809
Productivity Adjustment	(1,834)	(4f)	(1,812)	(3,646)	1,812	(1,834)
Rate Case Expense	369		0	369	-	369
Regulatory Assessment Fees	5,307	(4g)	29	5,336	4	5,340
Uncollectible Accounts	9,041	(4j)	0	9,041	(390)	8,651
SIR	13,402		0	13,402	-	13,402
Amortization of SIR Deferral	0	(4h)	14,168	14,168	-	14,168
Joint Facilities	5,279		0	5,279	-	5,279
PEX Savings	(1,623)		0	(1,623)	-	(1,623)
Paving	2,416		0	2,416	-	2,416
Legal	773		0	773	-	773
Accounting	764		0	764	-	764
Incentive Programs	1,379	(4i)	(380)	999	-	999
Residential Reduced Rate Program	0	(4j)	4,661	4,661	0	4,661
Sub Total - Departmental	$ 279,643		$ 13,763	$ 293,406	$ 6,414	$ 299,820
TOTAL	$ 279,643		$ 13,763	$ 293,406	$ 6,414	$ 299,820

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Income Tax Summary

Exhibit____(RRP-1R)
Schedule 3 of 11
Page 1 of 2

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Federal Income Taxes - Company Rebuttal
For the Rate Year Ending December 31, 2017
(Whole Dollars)

	Company Rebuttal Position						
	Federal Taxable Income	Deferrable Basis	Staff Adjustments	Book Taxable Income	@ the Statutory Rate	DFIT Reversals	Net FIT Before Rev Req
NET INCOME BEFORE FEDERAL & STATE INCOME TAXES	$ 67,370,178			$ 67,370,178	$ 23,580,000		$ 23,580,000
ADDITIONS							
MERGER RATE PLAN STRANDED COSTS-AMORTIZATION POVISION FOR DEPRECIATION	0		0	0	0	0	0
REAL ESTATE TAXES PER BOOKS	0		0	0	0	0	0
BUSINESS MEALS 50% DISALLOWANCE	19,250		0	19,250	7,000	0	7,000
DEDUCTIONS					0	0	0
GAIN ON REDEMPTION BONDS	0		0	0	0	0	0
INTEREST	(60,198,000)		0	(60,198,000)	(21,069,300)	0	(21,069,300)
NEW YORK STATE RATE CHANGE (FITon SIT)	0		0	0	0	203,024	203,024
DIVIDEND PAID CREDIT	0		0	0	0	0	0
NEW YORK STATE INCOME TAXES - CURRENT PROVISION	(598,526)	0	0	(598,526)	(209,000)	0	(209,000)
OTHER STATE INCOME TAXES	0		0	0	0	0	0
COST OF REMOVAL	0	0	0	0	0	0	0
TAX DEPRECIATION	0		0	0	0	0	0
REAL ESTATE TAXES FOR TAX	0		0	0	0	0	0
AMORTIZATION PASNY CONTRACT	0		0	0	0	0	0
CLASS B CONTRACTS AMORTIZATION	0		0	0	0	0	0
TOTAL FIT EXPENSE	$ 6,592,902	$ -	$ -	$ 6,592,902	$ 2,308,700	$ 203,024	$ 2,511,724

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
State Income Taxes - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

	Company Rebuttal Position						
	State Taxable Income	Deferrable Basis	Staff Adjustments	Book Taxable Income	@ the Statutory Rate	DSIT Reversals	Net SIT Before Rev Req
NET INCOME BEFORE FEDERAL & STATE INCOME TAXES	$ 67,370,178			$ 67,370,178	$ 5,605,000		$ 5,605,000
ADDITIONS							
MERGER RATE PLAN STRANDED COSTS-AMORTIZATION POVISION FOR DEPRECIATION	0		0	0	0		0
REAL ESTATE TAXES PER BOOKS	0		0	19,250	2,000		2,000
BUSINESS MEALS 50% DISALLOWANCE	19,250		0				
DEDUCTIONS							
GAIN ON REDEMPTION BONDS	0		0	0	0		0
OTHER POST RETIREMENT BENEFIT LIABILITY-MEDICARE PIECE	0		0	0	0		0
INTEREST	(60,198,000)	0	0	(60,198,000)	(5,008,474)		(5,008,474)
NEW YORK STATE RATE CHANGE	0		0	0	0	(580,068)	(580,068)
GAS CONTINGENCY RESERVE	0		0	0	0		0
IBM CUSTOMER SYSTEM SETTLEMENT	0		0	0	0		
REAL ESTATE TAXES FOR TAX	0		0	0	0		
TOTAL SIT EXPENSE	$ 7,191,428	$ -	$ -	$ 7,191,428	$ 598,526	$ (580,068)	$ 18,458

8.32%

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Income Tax Summary

Exhibit____(RRP-1R)
Schedule 3 of 11
Page 2 of 2

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Federal Income Taxes - Company Rebuttal
For the Rate Year Ending December 31, 2017
(Whole Dollars)

	Staff Adjusted						
	Federal Taxable Income	Deferrable Basis	Staff Adjustments	Book Taxable Income	@ the Statutory Rate	DFIT Reversals	Net FIT Before Rev Req
NET INCOME BEFORE FEDERAL & STATE INCOME TAXES	$ 107,777,600			$ 107,777,600	$ 37,722,000		$ 37,722,000
ADDITIONS							
MERGER RATE PLAN STRANDED COSTS-AMORTIZATION POVISION FOR DEPRECIATION	0		0	0	0	0	0
REAL ESTATE TAXES PER BOOKS	0		0	0	0	0	0
BUSINESS MEALS 50% DISALLOWANCE	19,250		0	19,250	7,000	0	7,000
DEDUCTIONS					0	0	0
GAIN ON REDEMPTION BONDS	0		0	0	0	0	0
INTEREST	(56,175,000)		0	(56,175,000)	(19,661,250)	0	(19,661,250)
NEW YORK STATE RATE CHANGE (FITon SIT)	0		0	0	0	203,024	203,024
DIVIDEND PAID CREDIT	0		0	0	0	0	0
NEW YORK STATE INCOME TAXES - CURRENT PROVISION	(4,295,240)	0	0	(4,295,240)	(1,503,000)	0	(1,503,000)
OTHER STATE INCOME TAXES	0		0	0	0	0	0
COST OF REMOVAL	0	0	0	0	0	0	0
TAX DEPRECIATION	0		0	0	0	0	0
REAL ESTATE TAXES FOR TAX	0		0	0	0	0	0
AMORTIZATION PASNY CONTRACT	0		0	0	0	0	0
CLASS B CONTRACTS AMORTIZATION	0		0	0	0	0	0
TOTAL FIT EXPENSE	$ 47,326,610	$ -	$ -	$ 47,326,610	$ 16,564,750	$ 203,024	$ 16,767,774

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
State Income Taxes - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

	Staff Adjusted						
	State Taxable Income	Deferrable Basis	Staff Adjustments	Book Taxable Income	@ the Statutory Rate	DSIT Reversals	Net SIT Before Rev Req
NET INCOME BEFORE FEDERAL & STATE INCOME TAXES	$ 107,777,600			$ 107,777,600	$ 8,967,000		$ 8,967,000
ADDITIONS							
MERGER RATE PLAN STRANDED COSTS-AMORTIZATION POVISION FOR DEPRECIATION	0		0	0	0		0
REAL ESTATE TAXES PER BOOKS	0		0	19,250	2,000		2,000
BUSINESS MEALS 50% DISALLOWANCE	19,250		0				
DEDUCTIONS							
GAIN ON REDEMPTION BONDS	0		0	0	0		0
OTHER POST RETIREMENT BENEFIT LIABILITY-MEDICARE PIECE	0		0	0	0		0
INTEREST	(56,175,000)	0	0	(56,175,000)	(4,673,760)		(4,673,760)
NEW YORK STATE RATE CHANGE	0		0	0	0	(580,068)	(580,068)
GAS CONTINGENCY RESERVE	0		0	0	0		0
IBM CUSTOMER SYSTEM SETTLEMENT	0		0	0	0		
REAL ESTATE TAXES FOR TAX	0		0	0	0		
TOTAL SIT EXPENSE	$ 51,621,850	$ -	$ -	$ 51,621,850	$ 4,295,240	$ (580,068)	$ 3,715,172
	8.32%						

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Summary of Rate Base - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	Rate Year Ending December 31, 2017	Company Adjustments to Staff Case	Rate Year Company Rebuttal
Net Utility Plant	$ 2,967,562	(8a)1	$ (8,699)	$ 2,958,863	$ 8,647	$ 2,967,510
Regulatory Assets / Liabilities	4,535		0	4,535	-	4,535
Accumulated Deferred Income Taxes - Federal	(713,040)	(8a)2	2,056	(710,984)	(2,138)	(713,122)
Accumulated Deferred Income Taxes - State	(120,243)	(8a)3	335	(119,908)	(68)	(119,976)
Working Capital						
Materials and supplies	72,923		0	72,923	-	72,923
Prepayments	8,818		0	8,818	-	8,818
O&M Cash Allowance (1/8 O&M exp)	32,137	(8b)	1,720	33,857	(1,644)	32,213
Supply Cash Allowance (Sep 09 lead/lag study)	28,269		0	28,269	-	28,269
Change in Supply Cash Allowance (3.64% x RY Gas exp)	(11,717)		0	(11,717)	0	(11,717)
subtotal Working Capital	130,430		1,720	132,150	(1,644)	130,506
subtotal avg. before EBCAP adj.	2,269,244		(4,588)	2,264,656	4,797	2,269,453
Excess Earnings Base adjustment	28,187		0	28,187	0	28,187
Total Rate Base	$ 2,297,432		$ (4,588)	$ 2,292,844	$ 4,797	$ 2,297,641

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Summary of Rate Base
Exhibit ____ (RRP-1R)
Schedule 4 of 11
Page 1 of 1

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Capital Structure - Company Rebuttal
For the Rate Year Ending December 31, 2017

Company Rebuttal Position
Company's Capital Structure Forecast

	Total Annual Avg	Weighting Percent	Cost	Weighted Cost	Pre-Tax Weighted Cost
Long Term Debt	$ 1,179,174	51.33%	5.09%	2.61%	2.61%
Customer Deposits	15,490	0.67%	0.85%	0.01%	0.01%
Common Equity	1,102,767	48.00%	9.94%	4.77%	8.00%
Total	$ 2,297,432	100.00%		7.39%	10.62%

Staff's Capital Structure Forecast

	Total Annual Avg	Weighting Percent	Cost	Weighted Cost	Pre-Tax Weighted Cost
Long Term Debt	$ 2,054,792	50.69%	4.81%	2.44%	2.44%
Customer Deposits	27,664	1.31%	0.85%	0.01%	0.01%
Common Equity	2,137,111	48.00%	8.60%	4.13%	6.93%
Total	$ 4,219,567	100.00%		6.58%	9.38%

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OTHER REVENUE REQUIREMENT INPUTS

Forecast Rate Year Rates to apply to Rev Req				
Bad Debt % for Rev Req	0.00%	1.05933%	GRT	$ 9,464
GRT rate for Rev Req	1.09%		tax	$ 868,323
Federal Income Tax rate	35.00%		revenue	1.0899175%
NYS Income Tax rate	8.32%	59.5920%		
Historic Year EBCAP	0.00%			
General Inflation (from 09/30/15 to 12/31/17)	3.773197%			

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Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Capital Structure
Exhibit____(RRP-1R)
Schedule 5 of 11
Page 1 of 1

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Company Rebuttal to PSC Staff Direct Case
Company Rebuttal to Staff Adjustments for the Rate Year Ending December 31, 2017
($000's)

		Staff Direct Amount		Company Adjustments Amount		Company Rebuttal Amount	
Adj. 1	Operating Revenues						
(a)	To properly reconcile SIR Surcharge revenues to the amortization expense	$ (32,922)		$ 6,982		(25,940)	
(b)	To transfer amortization of SIR deferral balance to base rates	(14,168)		-		(14,168)	
(c)	To properly reconcile MFC revenues to the associated expenses	(1,952)		(30)		(1,982)	
(d)	To reflect the Commission authorizations for the Company's EE tracker surcharges	123		-		123	
(e)	To reflect the Commission authorizations for the Company's NYSERDA SBC	1,005		-		1,005	
(f)	To correct Company correction and updates Operating Revenues to reconcile with the Company Rate Design Panel operating revenues	606		-		606	
(g)	To adjust Joint Facilities revenue to reflect the historic year level increased for inflation	4,299		-		4,299	
(h)	To reflect the Residential Reduced Rate Program in revenues	3,694		418		4,112	
(i)	To adjust operating revenues to reflect Staff's sales forecast	39,599	$ 284	(39,509)	$ (32,137)	90	$ (31,853)
Adj. 2	Purchased Gas Costs						
(a)	To adjust purchased gas costs to reflect Staff's forecast	26,206	$ 26,206	(26,206)	$ (26,206)	-	$ -
Adj. 3	Revenue Taxes						
(a)	To adjust revenue taxes to reflect Staff's forecast	396	$ 396	(306)	$ (306)	90	$ 90
Adj. 4	Operating and Maintenance Expenses						
(a)	Service Company Rents						
(1)	To reflect the removal of the Customer Choice ESCO Gas project (INVP #3564)	(655)		655		-	
(2)	To reflect removal of bonus depreciation	(468)		(41)		(509)	
(3)	To reflect Staff service company return allowance of 9.38% which is based on Staff capital structure	(186)		186		-	
(4)	To add additional projects excluded from Corrections & Updates filing	0	$ (1,309)	747	$ 1,547	747	$ 238
(b)	Total Labor						
	To reflect the reduction of management wage increases from 3.2% to 3.0%	(60)	$ (60)	60	$ 60	-	$ -
(c)	Transportation						
	To reflect Staff's forecast of transportation lease expense	(993)	$ (993)	987	$ 987	(6)	$ (6)
(d)	Energy Efficiency program						
	To reflect the Commission authorizations for the Company's EE tracker surcharges and NYSERDA SBC	1,128	$ 1,128	-	$ -	1,128	$ 1,128
(e)	Other Initiatives						
(1)	To remove 3.5 FTEs compliance analysts	(385)		385		-	
(2)	To remove 1 gas estimator and adjust allocation of gas estimator manager	(9)		-		(9)	
(3)	To adjust salaries on select engineering titles	(1,177)		1,177		-	
(4)	To remove 0.8 I&R tech FTE	(104)		104		-	
(5)	To adjust productivity adjustment from 1.0% to 2.0% for incremental employees	6		16		22	
(6)	To adjust Energy Efficiency Labor - underspent in HTY	0	$ (1,669)	751	$ 2,433	751	$ 764
(f)	Productivity Adjustment						
(1)	Tracking adjustment for management wage increase reduction from 3.2% to 3.0%.	1		(1)		-	
(2)	To adjust productivity adjustment from 1.0% to 2.0%	(1,813)	$ (1,812)	1,813	$ 1,812	-	$ -
(g)	Regulatory Assessment Fees						
	To reflect the latest assessment as of February 2016	29	$ 29	4	$ 4	33	$ 33
(h)	Amortization of SIR Deferral						
	To include amortization of SIR deferral in base rates	14,168	$ 14,168	-	$ -	14,168	$ 14,168
(i)	Incentive Programs						
	To remove costs related to the Smart Thermostat Initiative	(380)	$ (380)	-	$ -	(380)	$ (380)
(j)	Residential Reduced Rate Program						
	To reflect the residential reduced rate program expenses in the rate year	4,661	$ 4,661	-	$ -	4,661	$ 4,661
(j)	Uncollectible Accounts						
	To reflect change in revenue forecast	0	$ -	(390)	$ (390)	(390)	$ (390)
(k)	Consultants						
	To adjust Lobbying expenses per IR DPS-403	0	$ -	(40)	$ (40)	(40)	$ (40)
	Total Operating & Maintenance Expense Adjustments		$ 13,763		$ 6,414		$ 20,177

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Company Rebuttal to PSC Staff Direct Case
Company Rebuttal to Staff Adjustments for the Rate Year Ending December 31, 2017
($000's)

		Staff Direct Amount		Company Adjustments Amount		Company Rebuttal Amount	
Adj. 5	Amortization of Regulatory Deferrals						
(a)	To properly reflect the Company's proposal for rate year amortization of SIR deferral	(32,922)		6,982		(25,940)	
(b)	To reflect the amortization of SIR deferral as an O&M expense item	(14,168)	$ (47,090)	-	$ 6,982	(14,168)	$ (40,108)
Adj. 6	Depreciation Expense						
(a)	To adjust depreciation expense to reflect Staff's depreciation rates	(15,103)	$ (15,103)	15,102	$ 15,102	(1)	$ (1)
Adj. 7	Taxes Other Than Revenue & Income Taxes						
(a)	Real Estate Taxes						
	To adjust KEDLI's growth factor to reflect a three-year average	(6,281)	$ (6,281)	6,281	$ 6,281	-	$ -
(b)	Payroll Taxes						
	Tracking adjustment for management wage increase reduction from 3.2% to 3.0%	(3)	$ (3)	3	$ 3	-	$ -
	Total Taxes Other Than Revenue & Income Taxes		$ (6,284)		$ 6,284		$ -
Adj. 8	Rate Base						
(a)	Net Utility Plant						
(1)	To reflect Staff's forecast of plant additions	(8,699)	$ (8,699)	8,647	$ 8,647	(52)	$ (52)
	Accumulated Deferred Income Taxes						
(2)	To adjust ADFIT tracking OEGW's plant in service adjustments at a rate of 25.58% per Company, allocated between ADFIT and ADSIT	2,056		(2,138)		(82)	
(3)	To adjust ADSIT tracking OEGW's plant in service adjustments at a rate of 25.58% per Company, allocated between ADFIT and ADSIT	335	$ 2,391	(68)	$ (2,206)	267	$ 185
(b)	Working Capital						
	To adjust working capital to reflect Staff's O&M adjustments	1,720	$ 1,720	(1,644)	$ (1,644)	76	$ 76
	Total Rate Base Adjustments		$ (4,588)		$ 4,797		$ 209

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Taxes Other Than Income Taxes - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

Taxes Other Than Revenue and Income Taxes	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	Rate Year As Adjusted By Staff	Company Adjustments to Staff Case	Rate Year Company Rebuttal
Real Estate Taxes						
Real Property	$ 141,690	(7a)	$ (6,281)	$ 135,409	$ 6,281	$ 141,690
Special Franchise	0		0	0	-	-
Total Real Estate Taxes	141,690		(6,281)	135,409	6,281	141,690
Payroll Taxes	5,531	(7b)	(3)	5,528	3	5,531
Other	90		0	90	-	90
Total Taxes Other Than Revenue and Income Taxes	$ 147,311		$ (6,284)	$ 141,027	$ 6,284	$ 147,311

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Taxes Other Than Income Taxes
Exhibit____(RRP-1R)
Schedule 7 of 11
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KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Summary of Depreciation and Amortization Expense - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Company Adjustments to Staff Case	Rate Year Company Rebuttal
Depreciation Expense (acct 403)	$ 93,836	(6)	$ (15,103)	$ 78,733	$ 15,102	$ 93,835
Amortization Expense (acct 404-405)	0		0	0	0	0
Accretion Expense (acct 411.10)	0		0	0	0	0
(Gain) Loss on Disposition of Utility Plant (acct 411.7)	0		0	0	0	0
Total Depreciation & Amortization Expense	$ 93,836		$ (15,103)	$ 78,733	$ 15,102	$ 93,835

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Summary of Depreciation and Amortization Expense

Exhibit____(RRP-1R)
Schedule 8 of 11
Page 1 of 1

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Tax Deduction for Interest Expense - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Company Adjustments to Staff Case	Rate Year Company Rebuttal
Avg Rate Base Per Books	$ 2,269,244	$ (4,588)	$ 2,264,656	$ 4,797	$ 2,269,453
Plus: Forecast of Avg Interest Bearing CWIP	0	0	0	0	0
Less: Rate Base moved to GAC	0	0	0	0	0
Less: Excess Earnings Adj (EBCAP)	(28,187)	0	(28,187)	0	(28,187)
Rate Base	2,297,432	(4,588)	2,292,843	4,797	2,297,640
Weighted Cost of LTD Debt	2.61%	-0.17%	2.44%	0.17%	2.61%
Weighted Cost of Cust Deposits	0.01%	0.00%	0.01%	0.00%	0.01%
subtotal weighted cost of debt	2.62%	-0.17%	2.45%	0.17%	2.62%
Total Income Tax Interest Deduction	$ 60,193	$ (4,018)	$ 56,175	$ 4,023	$ 60,198

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Tax Deduction for Interest Expense
Exhibit ____ (RRP-1R)
Schedule 9 of 11
Page 1 of 1

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Working Capital - Cash Allowance - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

Description	C&U Filing Rate Year Ending December 31, 2017	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Company Adjustments to Staff Case	Rate Year Company Rebuttal
Total O&M Expense	$ 279,643	$ 13,763	$ 293,406	$ 6,414	$ 299,820
Remove major non-cash items included O&M expense :					
Bad Debt expense	(9,042)	0	(9,042)	390	(8,652)
Other (Energy Efficiency, 18-a Assessment, Residential Reduced Rate Program, and Amortization SIR Deferral)	(13,502)	0	(13,502)	(19,957)	(33,459)
Subtotal	(22,544)	0	(22,544)	(19,567)	(42,111)
Add major cash items not included in O&M expense:					
Other	0	0	0	0	0
Subtotal	0	0	0	0	0
Total Adjustments	(22,544)	0	(22,544)	(19,567)	(42,111)
Adjusted O&M Expense	$ 257,099	$ 13,763	$ 270,862	$ (13,153)	$ 257,709
Departmental Cash Allowance - 1/8 (45 days)	32,137	1,720	33,858	(1,644)	32,214
Supply Cost Cash Allowance (3.64% x HY Gas exp)	0	0	0	0	0

(note: The Supply Cost Allowance is being presented separately, therefore will be removed from the historic Excess Earnings Base Adjustment)

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Working Capital - Cash Allowance
Exhibit ____ (RRP-1R)
Schedule 10 of 11
Page 1 of 1

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Comparison of Average Historic Rate Base and Capitalization - Company Rebuttal
For the Rate Year Ending December 31, 2017
($000's)

		TOTAL	Staff Adjustments	TOTAL	Company Adjustments	TOTAL
(A)	AVERAGE RATE BASE - PER BOOKS	$ 1,991,881	0	$ 1,991,881	0	$ 1,991,881
(B)	ADD: Average interest-bearing CWIP	57,624	0	57,624	0	57,624
(C)	TOTAL EARNINGS BASE (A+B)	2,049,505	0	2,049,505	0	2,049,505
	Percent	100.00%				
(D)	AVERAGE CAPITALIZATION (CE excludes merger Goodwill, and may be adj for TCI if required):					
	Long Term Debt	883,084		883,084		883,084
	Notes Payable	0		0		0
	Gas Supplier Refunds	0		0		0
	Customer Deposits	8,102		8,102		8,102
	Preferred Stock	0		0		0
	Common Equity (excludes merger GW; incl TCI adj)	729,152 [1]		729,152		729,152
	Avg. Allocated to Elec / Gas based on Earnings Base	1,620,338		1,620,338		1,620,338
(E)	Add dividends declared but unpaid representing the timing difference between declaration and payment	0	0	0	0	0
(F)	SUBTOTAL (D+E)	1,620,338		1,620,338		1,620,338
	LESS Average Investments in:					
	Detailed balance sheet accounts	(524,091)	0	(524,091)	0	(524,091)
	Accumulated Def Inc Tax Adjustment	38,467	0	38,467	0	38,467
	Goodwill	n/a [1]				
(G)	Total Deductions	(485,624)		(485,624)		(485,624)
(H)	Capitalization Dedicated to Public Service (F-G)	2,105,962		2,105,962		2,105,962
(J)	Excess Earnings Base (Total Earnings Base) less Average Capitalization Devoted to Service Current Customers) (C-H)	$ (56,457)		$ (56,457)		$ (56,457)

[1] Goodwill related to the NM merger with National Grid is excluded from the equity component of capitalization, pursuant to section 6.1 of the approved Stipulation Agreement.

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Comparison of Average Historic Rate Base and Capitalization
Exhibit ____ (RRP-1R)
Schedule 11 of 11
Page 1 of 1

Exhibit __ (RRP-2R)

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-2R)

Service Company Rent Adjustments

Keyspan Gas East Corporation d/b/a National Grid
Operating Expenses by Component
Service Company Rents
($000's)

	Historic Year Ended September 30, 2015 (Per Books) Total	Adjustments to Normalize Historic Test Year Total	Historic Year Ended September 30, 2015 (as Adjusted) Total
Provider Company:			
Keyspan Gas East Corporation	$ 11,796.0	$ (11,796.0)	$ -
National Grid USA Service Company	-	10,274.6	10,274.6
All Other Companies	-	-	-
Total	$ 11,796.0	$ (1,521.4)	$ 10,274.6
Operation:			
Production Expenses	$ -	$ -	$ -
Power Production Expenses	-	-	-
Natural Gas Storag, Terminaling and Processing Exp.	-	-	-
Transmission Expenses	-	-	-
Regional Market Expenses	-	-	-
Distribution Expenses	-	-	-
Customer Accounts Expenses	-	-	-
Customer Service and Informational Expenses	-	-	-
Sales Expenses	-	-	-
Administrative & General Expenses	11,796.0	(1,521.4)	10,274.6
Sub Total	$ 11,796.0	$ (1,521.4)	$ 10,274.6
Maintenance:			
Transmission Expenses	$ -	$ -	$ -
Distribution Expenses	-	-	-
Administrative & General Expenses	-	-	-
Sub Total	$ -	$ -	$ -
TOTAL	$ 11,796.0	$ (1,521.4)	$ 10,274.6

Keyspan Gas East Corporation d/b/a National Grid
Operating Expenses by Component
Service Company Rents
($000's)

	Historic Year Ended September 30, 2015 (as Adjusted)	Adjustments to Reflect Conditions in Rate Year	Rate Year Ending December 31, 2017
	Total	Total	Total
Provider Company:			
Keyspan Gas East Corporation	$ -	$ -	$ -
National Grid USA Service Company	10,274.6	5,227.9	15,502.5
All Other Companies	-	-	-
Total	$ 10,274.6	$ 5,227.9	$ 15,502.5
Operation:			
Production Expenses	$ -	$ -	$ -
Power Production Expenses	-	-	-
Natural Gas Storag, Terminaling and Processing Exp.	-	-	-
Transmission Expenses	-	-	-
Regional Market Expenses	-	-	-
Distribution Expenses	-	-	-
Customer Accounts Expenses	-	-	-
Customer Service and Informational Expenses	-	-	-
Sales Expenses	-	-	-
Administrative & General Expenses	10,274.6	5,227.8	15,502.4
Sub Total	$ 10,274.6	$ 5,227.8	$ 15,502.4
Maintenance:			
Transmission Expenses	$ -	$ -	$ -
Distribution Expenses	-	-	-
Administrative & General Expenses	-	-	-
Sub Total	$ -	$ -	$ -
TOTAL	$ 10,274.6	$ 5,227.8	$ 15,502.4

Exhibit_____(RRP-3CU)
Schedule 9
Page 3 of 4

Keyspan Gas East Corporation d/b/a National Grid
Operating Expenses by Component
Service Company Rents
($000's)

	Rate Year Ending December 31, 2017 Gas	Adjustments to Reflect Conditions in Data Year Gas	Data Year Ending December 31, 2018 Gas	Adjustments to Reflect Conditions in Data Year Gas	Data Year Ending December 31, 2019 Gas
Provider Company:					
Keyspan Gas East Corporation	$ -	$ -	$ -	$ -	$ -
National Grid USA Service Company	15,502.5	1,423.4	16,925.8	1,863.2	18,789.0
All Other Companies	-	-	-	-	-
Total	$ 15,502.5	$ 1,423.4	$ 16,925.8	$ 1,863.2	$ 18,789.0
Operation:					
Production Expenses	$ -	$ -	$ -	$ -	$ -
Power Production Expenses	-	-	-	-	-
Natural Gas Storag, Terminaling and Processing Exp.	-	-	-	-	-
Transmission Expenses	-	-	-	-	-
Regional Market Expenses	-	-	-	-	-
Distribution Expenses	-	-	-	-	-
Customer Accounts Expenses	-	-	-	-	-
Customer Service and Informational Expenses	-	-	-	-	-
Sales Expenses	-	-	-	-	-
Administrative & General Expenses	15,502.4	1,423.4	16,925.8	1,863.2	18,788.9
Sub Total	$ 15,502.4	$ 1,423.4	$ 16,925.8	$ 1,863.2	$ 18,788.9
Maintenance:					
Transmission Expenses	$ -	$ -	$ -	$ -	$ -
Distribution Expenses	-	-	-	-	-
Administrative & General Expenses	-	-	-	-	-
Sub Total	$ -	$ -	$ -	$ -	$ -
TOTAL	$ 15,502.4	$ 1,423.4	$ 16,925.8	$ 1,863.2	$ 18,788.9

Keyspan Gas East Corporation d/b/a National Grid
Operating Expenses by Component
Service Company Rents
($000's)

		Provider Company	Source Workpaper	Total
Explanation of Adjustments:				
Page 1	Adjustments: (to normalize Historic Year)			
	Reclass to originating Service Company	KS Gas East Corp.		$ (11,796.0)
	Reclass to originating Service Company	National Grid USA Service Co.		11,796.0
	Normalizing Adjustment	National Grid USA Service Co.	WP-1	(1,521.4)
	TOTAL			$ (1,521.4)
Page 2	Adjustments: (to reflect conditions in the Rate Year 2017)			
	General inflation %	KS Gas East Corp.		$ -
	3.7732%	National Grid USA Service Co.		-
	IS Rate Year Adjustment	National Grid USA Service Co.	WP-2	3,483.4
	Facilities Rate Year Adjustment	National Grid USA Service Co.	WP-3	1,744.4
	TOTAL			$ 5,227.8
Page 3	Adjustments: (to reflect conditions in the Data Year 2018)			
	General inflation %	KS Gas East Corp.		$ -
	2.1000%	National Grid USA Service Co.		-
	IS Data Year Adjustment	National Grid USA Service Co.	WP-4	65.9
	Facilities Data Year Adjustment	National Grid USA Service Co.	WP-5	1,357.4
	TOTAL			$ 1,423.4
Page 3	Adjustments: (to reflect conditions in the Data Year 2019)			
	General inflation %	KS Gas East Corp.		$ -
	2.1000%	National Grid USA Service Co.		-
	IS Data Year Adjustment	National Grid USA Service Co.	WP-6	770.8
	Facilities Data Year Adjustment	National Grid USA Service Co.	WP-7	1,092.4
	TOTAL			$ 1,863.2

Exhibit _____(RRP-11CU)
Workpapers to Exhibit RRP-3CU
Schedule 9
Workpaper 1
Page 1 of 1

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Normalizing Adjustment

Test Year
Asset Recovery Charge Per Books

ARC-DEBT RECOVERY CHGE	$	519,319
ARC-DEPRECIATION RECOVERY CHGE	$	6,551,629
ARC-EQUITY RECOVERY CHGE	$	3,880,878
ARC-PROPERTY TAX RECOVERY CHGE	$	844,187
Grand Total	$	11,796,014

Test Year
Return & Depreciation Calculation Adjustment

IS Existing Projects	$6,317,433
Facilities Test Year	$3,957,167
Total Calculated Return & Depreciation	$10,274,600
Per Books	$11,796,014
Normalizing Adjustment	($1,521,414)

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital Software allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g)
									12/31/2016
	Investment Name	INVP #	Inception to Date $	Bill Pool	Adjustments	Total US Spend	In Service Date	Amortization Period	12/31/2016 Balance
3	AMAG Upgrades	1172	$3,698,542	G020		$5,991,812	10/1/2016	84	$ 5,777,818
4	US CNI DKMS	3019A	$249,414	G098	-$249,414	$0	3/1/2017	84	$ -
7	CI Services Foundation	3492	$2,197,232	G020		$2,644,306	2/1/2016	84	$ 2,298,028
8	US CNI Frame Relay Replacement	2495H	$6,071,268	G210		$6,398,268	12/1/2015	84	$ 5,408,060
9	Cascade System for Gas	3629	$2,282,823	G210		$2,282,823	11/1/2015	84	$ 1,902,352
10	Customer Choice ESCO Gas	3564	$7,774,478	C225	-$521,285	$9,629,193	4/1/2016	84	$ 8,597,494
14	IAM Ph2: Federated Identity (Cyber Security)	3614A1	$1,598,706	G020		$1,598,706	12/1/2015	84	$ 1,351,287
15	IAM Ph3 Identity Administration - (Cyber Security)	3614A2	$661	G020		$1,240,600	9/1/2016	84	$ 1,181,524
17	CNI Network Security - (Cyber Security)	3614B7	$556,501	G020		$3,801,588	9/1/2016	84	$ 3,620,560
18	Security Incident & Event Monitoring (SIEM) 2 - (Cyber Security)	3614E3	$144,307	G020		$1,362,769	6/1/2016	84	$ 1,249,205
21	CNI SIEM - (Cyber Security)	3614B14	$0	G020		$1,106,000	9/1/2016	84	$ 1,053,333
22	Enterprise Network Security - (Cyber Security)	3614D1	$3,000,805	G020		$5,946,273	9/1/2016	84	$ 5,663,117
24	Security Operations Center - (Cyber Security)	3614E2	$27,818	G020		$1,461,890	4/1/2016	84	$ 1,305,259
25	End user initiated secure file & email transfer - (Cyber Security)	3614C1	$0	G020		$121,600	4/1/2016	84	$ 108,571
26	Security Reference Architecture - (Cyber Security)	3614G1	$0	G020		$60,800	9/1/2016	84	$ 57,905
27	Cyber Security prioritised investments - (Cyber Security)	3614	$0	G020		$725,146	9/1/2016	84	$ 690,615
28	NY Retail Access	3839	$2,088,663	G170		$2,872,399	12/1/2016	84	$ 2,838,204
29	US Web Initiatives 2	3600B	$3,402,522	C175		$3,831,522	2/1/2016	84	$ 3,329,775
32	DSNY Capitalized Equipment Installs - Physical Security	3617B		G235		$475,000	4/1/2016	84	$ 424,107
35	EHR1 - PMO		$6,218,548	G012		$8,928,548	12/1/2015	84	$ 7,546,749
36	EHR1 - Supply Chain		$10,339,439	G012		$14,769,439	12/1/2015	84	$ 12,483,692
37	EHR1 - Finance		$15,565,346	G012		$16,145,346	12/1/2015	84	$ 13,646,661
38	EHR1 - IT Delivery		$2,414,316	G012		$2,414,316	12/1/2015	84	$ 2,040,672
39	EHR1 - Payroll		$10,937,165	G012		$12,187,165	12/1/2015	84	$ 10,301,056
43	US Desktop Refresh	2927	$5,813,532	G020		$7,430,690	3/1/2016	48	$ 5,882,629
44	Internet Explorer Upgrade	3644	$137,061	G020		$300,090	3/1/2016	84	$ 264,365
45	Mobile Device for PTO	3883	$242,471	G173		$2,442,471	9/1/2016	48	$ 2,238,932
46	SMI Conversion Mobilization	3896	$402,655	G020		$2,187,292	7/1/2016	84	$ 2,031,057
47	S005242 M112 Systemic Improvement		$843,635	G012		$3,500,000	3/1/2016	12	$ 583,333
48	Cadency Account Reconciliation Tool		$146,894	G012		$146,894	3/1/2016	12	$ 24,482
49	Soft Off Program	4024	$836,485	C207		$1,278,485	2/1/2016	84	$ 1,111,064
50	LI CSS Stabilization	4133	$0	5230		$847,000	3/1/2016	84	$ 746,167
51	Mobile Capture of Data Fusion	4102	$0	G207		$1,580,000	10/1/2016	84	$ 1,523,571
52	Gas GIS Upgrade	2577C	$0	G210		$1,200,000	10/1/2016	84	$ 1,157,143
53	NY Pipeline Safety CMS Regulatory Compliance	3882	$0	G207		$3,374,000	10/1/2016	84	$ 3,253,500
56	Team Center Replacement or Upgrade	3958	$0	G236		$600,000	10/1/2016	84	$ 578,571
58	Legacy VSTIG Migration and Decommission	3538		G020		$1,501,788	9/1/2017	84	$ -
61	US Mobile Device Refresh	2935		G173		$4,000,000	4/1/2017	48	$ -
66	New Redundant SCC	3840		G020		$900,000	3/1/2017	84	$ -
75	DSNY Capitalized Equipment Installs - Physical Security	3617B		G235		$649,000	4/1/2017	84	$ -
80	Field PC Refresh	2935	$49,570	5230		$963,188	2/1/2016	48	$ 742,457
82	Access Violation (& Regulation) Management	3922		G020		$290,000	4/1/2017	84	$ -
83	Active Directory Upgrade	4287		G020		$350,000	4/1/2017	84	$ -

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital Software allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization
3	AMAG Upgrades	1172	$ 4,921,845	$ 5,349,832	9.9500%	$ 532,308	$ (154,065)	$ 378,243	855,973
4	US CNI DKMS	3019A	$ 0	$ 0	9.9500%	$ 0	$ (0)	$ 0	0
7	CI Services Foundation	3492	$ 1,920,270	$ 2,109,149	9.9500%	$ 209,860	$ (57,919)	$ 151,942	377,758
8	US CNI Frame Relay Replacement	2495H	$ 4,494,022	$ 4,951,041	9.9500%	$ 492,629	$ (176,705)	$ 315,923	914,038
9	Cascade System for Gas	3629	$ 1,576,235	$ 1,739,294	9.9500%	$ 173,060	$ (61,959)	$ 111,100	326,118
10	Customer Choice ESCO Gas	3564	$ 7,221,895	$ 7,909,694	9.9500%	$ 787,015	$ (220,081)	$ 566,934	1,375,599
14	IAM Ph2: Federated Identity (Cyber Security)	3614A1	$ 1,122,900	$ 1,237,094	9.9500%	$ 123,091	$ (44,153)	$ 78,938	228,387
15	IAM Ph3 Identity Administration - (Cyber Security)	3614A2	$ 1,004,296	$ 1,092,910	9.9500%	$ 108,745	$ (31,308)	$ 77,436	177,229
17	CNI Network Security - (Cyber Security)	3614B7	$ 3,077,476	$ 3,349,018	9.9500%	$ 333,227	$ (95,939)	$ 237,289	543,084
18	Security Incident & Event Monitoring (SIEM) 2 - (Cyber Security)	3614E3	$ 1,054,524	$ 1,151,864	9.9500%	$ 114,610	$ (32,445)	$ 82,166	194,681
21	CNI SIEM - (Cyber Security)	3614B14	$ 895,333	$ 974,333	9.9500%	$ 96,946	$ (27,912)	$ 69,035	158,000
22	Enterprise Network Security - (Cyber Security)	3614D1	$ 4,813,650	$ 5,238,384	9.9500%	$ 521,219	$ (150,063)	$ 371,156	849,468
24	Security Operations Center - (Cyber Security)	3614E2	$ 1,096,417	$ 1,200,838	9.9500%	$ 119,483	$ (33,412)	$ 86,071	208,841
25	End user initiated secure file & email transfer - (Cyber Security)	3614C1	$ 91,200	$ 99,886	9.9500%	$ 9,939	$ (2,779)	$ 7,159	17,371
26	Security Reference Architecture - (Cyber Security)	3614G1	$ 49,219	$ 53,562	9.9500%	$ 5,329	$ (1,534)	$ 3,795	8,686
27	Cyber Security prioritised investments - (Cyber Security)	3614	$ 587,023	$ 638,819	9.9500%	$ 63,562	$ (18,300)	$ 45,262	103,592
28	NY Retail Access	3839	$ 2,427,861	$ 2,633,033	9.9500%	$ 261,987	$ (76,593)	$ 185,394	410,343
29	US Web Initiatives 2	3600B	$ 2,782,415	$ 3,056,095	9.9500%	$ 304,081	$ (83,923)	$ 220,159	547,360
32	DSNY Capitalized Equipment Installs - Physical Security	3617B	$ 356,250	$ 390,179	9.9500%	$ 38,823	$ (10,856)	$ 27,966	67,857
35	EHR1 - PMO		$ 6,271,242	$ 6,908,996	9.9500%	$ 687,445	$ (246,586)	$ 440,859	1,275,507
36	EHR1 - Supply Chain		$ 10,373,772	$ 11,428,732	9.9500%	$ 1,137,159	$ (407,898)	$ 729,261	2,109,920
37	EHR1 - Finance		$ 11,340,183	$ 12,493,422	9.9500%	$ 1,243,096	$ (445,897)	$ 797,198	2,306,478
38	EHR1 - IT Delivery		$ 1,695,769	$ 1,868,220	9.9500%	$ 185,888	$ (66,678)	$ 119,210	344,902
39	EHR1 - Payroll		$ 8,560,033	$ 9,430,545	9.9500%	$ 938,339	$ (336,581)	$ 601,758	1,741,024
43	US Desktop Refresh	2927	$ 4,024,957	$ 4,953,793	9.9500%	$ 492,902	$ (123,834)	$ 369,068	1,857,672
44	Internet Explorer Upgrade	3644	$ 221,495	$ 242,930	9.9500%	$ 24,172	$ (6,716)	$ 17,456	42,870
45	Mobile Device for PTO	3883	$ 1,628,314	$ 1,933,623	9.9500%	$ 192,396	$ (52,916)	$ 139,479	610,618
46	SMI Conversion Mobilization	3896	$ 1,718,586	$ 1,874,822	9.9500%	$ 186,545	$ (53,116)	$ 133,428	312,470
47	S005242 M112 Systemic Improvement		$ -	$ 291,667	9.9500%	$ 29,021	$ 23,336	$ 52,357	583,333
48	Cadency Account Reconciliation Tool		$ -	$ 12,241	9.9500%	$ 1,218	$ 979	$ 2,197	24,482
49	Soft Off Program	4024	$ 928,423	$ 1,019,744	9.9500%	$ 101,465	$ (28,003)	$ 73,462	182,641
50	LI CSS Stabilization	4133	$ 625,167	$ 685,667	9.9500%	$ 68,224	$ (18,955)	$ 49,268	121,000
51	Mobile Capture of Data Fusion	4102	$ 1,297,857	$ 1,410,714	9.9500%	$ 140,366	$ (40,626)	$ 99,740	225,714
52	Gas GIS Upgrade	2577C	$ 985,714	$ 1,071,429	9.9500%	$ 106,607	$ (30,855)	$ 75,752	171,429
53	NY Pipeline Safety CMS Regulatory Compliance	3882	$ 2,771,500	$ 3,012,500	9.9500%	$ 299,744	$ (86,754)	$ 212,989	482,000
56	Team Center Replacement or Upgrade	3958	$ 492,857	$ 535,714	9.9500%	$ 53,304	$ (15,428)	$ 37,876	85,714
58	Legacy VSTIG Migration and Decommission	3538	$ 1,430,274	$ 715,137	9.9500%	$ 71,156	$ (33,610)	$ 37,546	71,514
61	US Mobile Device Refresh	2935	$ 3,250,000	$ 1,625,000	9.9500%	$ 161,688	$ (78,330)	$ 83,357	750,000
66	New Redundant SCC	3840	$ 792,857	$ 396,429	9.9500%	$ 39,445	$ (18,856)	$ 20,588	107,143
75	DSNY Capitalized Equipment Installs - Physical Security	3617B	$ 579,464	$ 289,732	9.9500%	$ 28,828	$ (13,752)	$ 15,076	69,536
80	Field PC Refresh	2935	$ 501,660	$ 622,059	9.9500%	$ 61,895	$ (15,249)	$ 46,646	240,797
82	Access Violation (& Regulation) Management	3922	$ 258,929	$ 129,464	9.9500%	$ 12,882	$ (6,145)	$ 6,737	31,071
83	Active Directory Upgrade	4287	$ 312,500	$ 156,250	9.9500%	$ 15,547	$ (7,416)	$ 8,131	37,500

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			(o)	(p) = (m)* (n)	(q) = (n)* (o)	(r)	(s)	Cumulative Tax Depreciation (t)	
			5230G						12/31/2016
	Investment Name	INVP #	KEDLI Allocation	KEDLI Rate Year Rent-Return	KEDLI Rate Year Rent - Depn	Amortization Period	Tax Expensing	Bonus Depreciation	12/31/2016 Balance
3	AMAG Upgrades	1172	8.68%	$ 32,831	$ 74,298	36	-	2,995,906	$ 3,994,441
4	US CNI DKMS	3019A	8.95%	$ 0	$ 0	36	-	0	$ 0
7	CI Services Foundation	3492	8.68%	$ 13,189	$ 32,789	36	-	1,322,153	$ 1,762,827
8	US CNI Frame Relay Replacement	2495H	22.81%	$ 72,062	$ 208,492	36	-	3,199,134	$ 5,331,677
9	Cascade System for Gas	3629	22.81%	$ 25,342	$ 74,387	36	-	1,141,411	$ 1,902,276
10	Customer Choice ESCO Gas	3564	31.63%	$ -	$ -	36	-	4,814,596	$ 6,419,301
14	IAM Ph2: Federated Identity (Cyber Security)	3614A1	8.68%	$ 6,852	$ 19,824	36	-	799,353	$ 1,332,202
15	IAM Ph3 Identity Administration - (Cyber Security)	3614A2	8.68%	$ 6,721	$ 15,383	36	-	620,300	$ 827,046
17	CNI Network Security - (Cyber Security)	3614B7	8.68%	$ 20,597	$ 47,140	36	-	1,900,794	$ 2,534,328
18	Security Incident & Event Monitoring (SIEM) 2 - (Cyber Security)	3614E3	8.68%	$ 7,132	$ 16,898	36	-	681,384	$ 908,490
21	CNI SIEM - (Cyber Security)	3614B14	8.68%	$ 5,992	$ 13,714	36	-	553,000	$ 737,315
22	Enterprise Network Security - (Cyber Security)	3614D1	8.68%	$ 32,216	$ 73,734	36	-	2,973,137	$ 3,964,083
24	Security Operations Center - (Cyber Security)	3614E2	8.68%	$ 7,471	$ 18,127	36	-	730,945	$ 974,569
25	End user initiated secure file & email transfer - (Cyber Security)	3614C1	8.68%	$ 621	$ 1,508	36	-	60,800	$ 81,065
26	Security Reference Architecture - (Cyber Security)	3614G1	8.68%	$ 329	$ 754	36	-	30,400	$ 40,532
27	Cyber Security prioritised investments - (Cyber Security)	3614	8.68%	$ 3,929	$ 8,992	36	-	362,573	$ 483,419
28	NY Retail Access	3839	19.60%	$ 36,337	$ 80,427	36	-	1,436,200	$ 1,914,885
29	US Web Initiatives 2	3600B	8.29%	$ 18,251	$ 45,376	36	-	1,915,761	$ 2,554,284
32	DSNY Capitalized Equipment Installs - Physical Security	3617B	35.76%	$ 10,001	$ 24,266	36	-	237,500	$ 316,659
35	EHR1 - PMO		8.68%	$ 38,267	$ 110,714	36	-	4,464,274	$ 7,440,159
36	EHR1 - Supply Chain		8.68%	$ 63,300	$ 183,141	36	-	7,384,719	$ 12,307,373
37	EHR1 - Finance		8.68%	$ 69,197	$ 200,202	36	-	8,072,673	$ 13,453,917
38	EHR1 - IT Delivery		8.68%	$ 10,347	$ 29,938	36	-	1,207,158	$ 2,011,849
39	EHR1 - Payroll		8.68%	$ 52,233	$ 151,121	36	-	6,093,583	$ 10,155,565
43	US Desktop Refresh	2927	8.68%	$ 32,035	$ 161,246	36	-	3,715,345	$ 4,953,669
44	Internet Explorer Upgrade	3644	8.68%	$ 1,515	$ 3,721	36	-	150,045	$ 200,055
45	Mobile Device for PTO	3883	10.82%	$ 15,092	$ 66,069	36	-	1,221,236	$ 1,628,274
46	SMI Conversion Mobilization	3896	8.68%	$ 11,582	$ 27,122	36	-	1,093,646	$ 1,458,158
47	S005242 M112 Systemic Improvement		8.68%	$ 4,545	$ 50,633	36	-	1,750,000	$ 2,333,275
48	Cadency Account Reconciliation Tool		8.68%	$ 191	$ 2,125	36	-	73,447	$ 97,927
49	Soft Off Program	4024	23.79%	$ 17,477	$ 43,450	36	-	639,242	$ 852,302
50	LI CSS Stabilization	4133	100.00%	$ 49,268	$ 121,000	36	-	423,500	$ 564,653
51	Mobile Capture of Data Fusion	4102	34.02%	$ 33,932	$ 76,788	36	-	790,000	$ 1,053,307
52	Gas GIS Upgrade	2577C	22.81%	$ 17,279	$ 39,103	36	-	600,000	$ 799,980
53	NY Pipeline Safety CMS Regulatory Compliance	3882	34.02%	$ 72,459	$ 163,976	36	-	1,687,000	$ 2,249,277
56	Team Center Replacement or Upgrade	3958	35.27%	$ 13,359	$ 30,231	36	-	300,000	$ 399,990
58	Legacy VSTIG Migration and Decommission	3538	8.68%	$ 3,259	$ 6,207	36	-	750,894	$ 750,894
61	US Mobile Device Refresh	2935	10.82%	$ 9,019	$ 81,150	36	-	2,000,000	$ 2,000,000
66	New Redundant SCC	3840	8.68%	$ 1,787	$ 9,300	36	-	450,000	$ 450,000
75	DSNY Capitalized Equipment Installs - Physical Security	3617B	35.76%	$ 5,391	$ 24,866	36	-	324,500	$ 324,500
80	Field PC Refresh	2935	100.00%	$ 46,646	$ 240,797	36	-	481,594	$ 642,109
82	Access Violation (& Regulation) Management	3922	8.68%	$ 585	$ 2,697	36	-	145,000	$ 145,000
83	Active Directory Upgrade	4287	8.68%	$ 706	$ 3,255	36	-	175,000	$ 175,000

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			(u)	(v) = (t) + (u)/2	(w) = (v)*Eff Rate	(x)	(y)	(z) = (x) + (y)/2
						Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
3	AMAG Upgrades	1172	$ 4,992,977	$ 4,493,709	$ 1,806,471	$ 213,993	$ 1,069,966	$ 641,980
4	US CNI DKMS	3019A	$ 0	$ 0	$ 0	$ -	$ 0	$ 0
7	CI Services Foundation	3492	$ 2,203,500	$ 1,983,163	$ 797,232	$ 346,278	$ 724,036	$ 535,157
8	US CNI Frame Relay Replacement	2495H	$ 6,398,268	$ 5,864,972	$ 2,357,719	$ 990,208	$ 1,904,246	$ 1,447,227
9	Cascade System for Gas	3629	$ 2,282,823	$ 2,092,549	$ 841,205	$ 380,470	$ 706,588	$ 543,529
10	Customer Choice ESCO Gas	3564	$ 8,024,006	$ 7,221,654	$ 2,903,105	$ 1,031,699	$ 2,407,298	$ 1,719,499
14	IAM Ph2: Federated Identity (Cyber Security)	3614A1	$ 1,598,706	$ 1,465,454	$ 589,112	$ 247,419	$ 475,805	$ 361,612
15	IAM Ph3 Identity Administration - (Cyber Security)	3614A2	$ 1,033,792	$ 930,419	$ 374,029	$ 59,076	$ 236,305	$ 147,691
17	CNI Network Security - (Cyber Security)	3614B7	$ 3,167,863	$ 2,851,096	$ 1,146,140	$ 181,028	$ 724,112	$ 452,570
18	Security Incident & Event Monitoring (SIEM) 2 - (Cyber Security)	3614E3	$ 1,135,595	$ 1,022,043	$ 410,861	$ 113,564	$ 308,245	$ 210,905
21	CNI SIEM - (Cyber Security)	3614B14	$ 921,630	$ 829,472	$ 333,448	$ 52,667	$ 210,667	$ 131,667
22	Enterprise Network Security - (Cyber Security)	3614D1	$ 4,955,030	$ 4,459,556	$ 1,792,742	$ 283,156	$ 1,132,623	$ 707,890
24	Security Operations Center - (Cyber Security)	3614E2	$ 1,218,193	$ 1,096,381	$ 440,745	$ 156,631	$ 365,472	$ 261,052
25	End user initiated secure file & email transfer - (Cyber Security)	3614C1	$ 101,329	$ 91,197	$ 36,661	$ 13,029	$ 30,400	$ 21,714
26	Security Reference Architecture - (Cyber Security)	3614G1	$ 50,665	$ 45,598	$ 18,331	$ 2,895	$ 11,581	$ 7,238
27	Cyber Security prioritised investments - (Cyber Security)	3614	$ 604,264	$ 543,841	$ 218,624	$ 34,531	$ 138,123	$ 86,327
28	NY Retail Access	3839	$ 2,393,570	$ 2,154,228	$ 866,000	$ 34,195	$ 444,538	$ 239,367
29	US Web Initiatives 2	3600B	$ 3,192,808	$ 2,873,546	$ 1,155,165	$ 501,747	$ 1,049,107	$ 775,427
32	DSNY Capitalized Equipment Installs - Physical Security	3617B	$ 395,818	$ 356,238	$ 143,208	$ 50,893	$ 118,750	$ 84,821
35	EHR1 - PMO		$ 8,928,548	$ 8,184,354	$ 3,290,110	$ 1,381,799	$ 2,657,306	$ 2,019,553
36	EHR1 - Supply Chain		$ 14,769,439	$ 13,538,406	$ 5,442,439	$ 2,285,746	$ 4,395,666	$ 3,340,706
37	EHR1 - Finance		$ 16,145,346	$ 14,799,631	$ 5,949,452	$ 2,498,684	$ 4,805,162	$ 3,651,923
38	EHR1 - IT Delivery		$ 2,414,316	$ 2,213,082	$ 889,659	$ 373,644	$ 718,546	$ 546,095
39	EHR1 - Payroll		$ 12,187,165	$ 11,171,365	$ 4,490,889	$ 1,886,109	$ 3,627,133	$ 2,756,621
43	US Desktop Refresh	2927	$ 6,191,994	$ 5,572,832	$ 2,240,278	$ 1,548,060	$ 3,405,733	$ 2,476,897
44	Internet Explorer Upgrade	3644	$ 250,065	$ 225,060	$ 90,474	$ 35,725	$ 78,595	$ 57,160
45	Mobile Device for PTO	3883	$ 2,035,311	$ 1,831,793	$ 736,381	$ 203,539	$ 814,157	$ 508,848
46	SMI Conversion Mobilization	3896	$ 1,822,670	$ 1,640,414	$ 659,446	$ 156,235	$ 468,705	$ 312,470
47	S005242 M112 Systemic Improvement		$ 2,916,550	$ 2,624,912	$ 1,055,215	$ 2,916,667	$ 3,500,000	$ 3,208,333
48	Cadency Account Reconciliation Tool		$ 122,407	$ 110,167	$ 44,287	$ 122,412	$ 146,894	$ 134,653
49	Soft Off Program	4024	$ 1,065,361	$ 958,832	$ 385,450	$ 167,421	$ 350,061	$ 258,741
50	LI CSS Stabilization	4133	$ 705,805	$ 635,229	$ 255,362	$ 100,833	$ 221,833	$ 161,333
51	Mobile Capture of Data Fusion	4102	$ 1,316,614	$ 1,184,961	$ 476,354	$ 56,429	$ 282,143	$ 169,286
52	Gas GIS Upgrade	2577C	$ 999,960	$ 899,970	$ 361,788	$ 42,857	$ 214,286	$ 128,571
53	NY Pipeline Safety CMS Regulatory Compliance	3882	$ 2,811,554	$ 2,530,416	$ 1,017,227	$ 120,500	$ 602,500	$ 361,500
56	Team Center Replacement or Upgrade	3958	$ 499,980	$ 449,985	$ 180,894	$ 21,429	$ 107,143	$ 64,286
58	Legacy VSTIG Migration and Decommission	3538	$ 1,001,167	$ 876,030	$ 352,164	$ -	$ 71,514	$ 35,757
61	US Mobile Device Refresh	2935	$ 2,666,600	$ 2,333,300	$ 937,987	$ -	$ 750,000	$ 375,000
66	New Redundant SCC	3840	$ 599,985	$ 524,993	$ 211,047	$ -	$ 107,143	$ 53,571
75	DSNY Capitalized Equipment Installs - Physical Security	3617B	$ 432,656	$ 378,578	$ 152,188	$ -	$ 69,536	$ 34,768
80	Field PC Refresh	2935	$ 802,625	$ 722,367	$ 290,392	$ 220,731	$ 461,528	$ 341,129
82	Access Violation (& Regulation) Management	3922	$ 193,329	$ 169,164	$ 68,004	$ -	$ 31,071	$ 15,536
83	Active Directory Upgrade	4287	$ 233,328	$ 204,164	$ 82,074	$ -	$ 37,500	$ 18,750

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			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate	
			40.2000%		9.9500%	
	Investment Name	**INVP #**	**Book Tax**	**Cash to Book Tax Difference**	**Return on Accum Taxes**	**Adj. In Service Date**
3	AMAG Upgrades	1172	$ 258,076	$ 1,548,395	$ 154,065	
4	US CNI DKMS	3019A	$ 0	$ 0	$ 0	
7	CI Services Foundation	3492	$ 215,133	$ 582,099	$ 57,919	
8	US CNI Frame Relay Replacement	2495H	$ 581,785	$ 1,775,934	$ 176,705	
9	Cascade System for Gas	3629	$ 218,499	$ 622,706	$ 61,959	
10	Customer Choice ESCO Gas	3564	$ 691,238	$ 2,211,866	$ 220,081	
14	IAM Ph2: Federated Identity (Cyber Security)	3614A1	$ 145,368	$ 443,744	$ 44,153	
15	IAM Ph3 Identity Administration - (Cyber Security)	3614A2	$ 59,372	$ 314,657	$ 31,308	
17	CNI Network Security - (Cyber Security)	3614B7	$ 181,933	$ 964,207	$ 95,939	
18	Security Incident & Event Monitoring (SIEM) 2 - (Cyber Security)	3614E3	$ 84,784	$ 326,077	$ 32,445	
21	CNI SIEM - (Cyber Security)	3614B14	$ 52,930	$ 280,518	$ 27,912	
22	Enterprise Network Security - (Cyber Security)	3614D1	$ 284,572	$ 1,508,170	$ 150,063	
24	Security Operations Center - (Cyber Security)	3614E2	$ 104,943	$ 335,802	$ 33,412	
25	End user initiated secure file & email transfer - (Cyber Security)	3614C1	$ 8,729	$ 27,932	$ 2,779	
26	Security Reference Architecture - (Cyber Security)	3614G1	$ 2,910	$ 15,421	$ 1,534	
27	Cyber Security prioritised investments - (Cyber Security)	3614	$ 34,703	$ 183,921	$ 18,300	
28	NY Retail Access	3839	$ 96,225	$ 769,774	$ 76,593	
29	US Web Initiatives 2	3600B	$ 311,722	$ 843,444	$ 83,923	
32	DSNY Capitalized Equipment Installs - Physical Security	3617B	$ 34,098	$ 109,110	$ 10,856	
35	EHR1 - PMO		$ 811,860	$ 2,478,250	$ 246,586	
36	EHR1 - Supply Chain		$ 1,342,964	$ 4,099,475	$ 407,898	
37	EHR1 - Finance		$ 1,468,073	$ 4,481,379	$ 445,897	
38	EHR1 - IT Delivery		$ 219,530	$ 670,129	$ 66,678	
39	EHR1 - Payroll		$ 1,108,162	$ 3,382,727	$ 336,581	
43	US Desktop Refresh	2927	$ 995,712	$ 1,244,566	$ 123,834	
44	Internet Explorer Upgrade	3644	$ 22,978	$ 67,496	$ 6,716	
45	Mobile Device for PTO	3883	$ 204,557	$ 531,824	$ 52,916	
46	SMI Conversion Mobilization	3896	$ 125,613	$ 533,833	$ 53,116	
47	S005242 M112 Systemic Improvement		$ 1,289,750	$ (234,535)	$ (23,336)	
48	Cadency Account Reconciliation Tool		$ 54,130	$ (9,843)	$ (979)	
49	Soft Off Program	4024	$ 104,014	$ 281,436	$ 28,003	
50	LI CSS Stabilization	4133	$ 64,856	$ 190,506	$ 18,955	
51	Mobile Capture of Data Fusion	4102	$ 68,053	$ 408,301	$ 40,626	
52	Gas GIS Upgrade	2577C	$ 51,686	$ 310,102	$ 30,855	
53	NY Pipeline Safety CMS Regulatory Compliance	3882	$ 145,323	$ 871,904	$ 86,754	
56	Team Center Replacement or Upgrade	3958	$ 25,843	$ 155,051	$ 15,428	
58	Legacy VSTIG Migration and Decommission	3538	$ 14,374	$ 337,790	$ 33,610	Dec-14
61	US Mobile Device Refresh	2935	$ 150,750	$ 787,237	$ 78,330	
66	New Redundant SCC	3840	$ 21,536	$ 189,511	$ 18,856	
75	DSNY Capitalized Equipment Installs - Physical Security	3617B	$ 13,977	$ 138,212	$ 13,752	
80	Field PC Refresh	2935	$ 137,134	$ 153,258	$ 15,249	
82	Access Violation (& Regulation) Management	3922	$ 6,245	$ 61,759	$ 6,145	
83	Active Directory Upgrade	4287	$ 7,538	$ 74,536	$ 7,416	

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	Investment Name	INVP #	Adjustment	FY16 Sep - Mar 16	FY17 (16/17)	FY18 (17/18)	FY19 (18/19)	FY20 (19/20)	Total US Spend
3	AMAG Upgrades	1172		$1,699,270	$ 594,000				$5,991,812
4	US CNI DKMS	3019A	-$249,414	$0					$0
7	CI Services Foundation	3492		$447,074					$2,644,306
8	US CNI Frame Relay Replacement	2495H		$327,000					$6,398,268
9	Cascade System for Gas	3629							$2,282,823
10	Customer Choice ESCO Gas	3564		$1,380,000	$ 996,000				$10,150,478
14	IAM Ph2: Federated Identity (Cyber Security)	3614A1		$0	$ -	$0	$0	$0	$1,598,706
15	IAM Ph3 Identity Administration - (Cyber Security)	3614A2		$785,539	$ 454,400	$0	$0	$0	$1,240,600
17	CNI Network Security - (Cyber Security)	3614B7		$2,873,025	$ 372,062	$0	$0	$0	$3,801,588
18	Security Incident & Event Monitoring (SIEM) 2 - (Cyber Security)	3614E3		$1,154,642	$ 63,820	$0	$0	$0	$1,362,769
21	CNI SIEM - (Cyber Security)	3614B14		$1,106,000	$ -	$0	$0	$0	$1,106,000
22	Enterprise Network Security - (Cyber Security)	3614D1		$2,269,431	$ 676,037				$5,946,273
24	Security Operations Center - (Cyber Security)	3614E2		$1,434,072	$ -	$0	$0	$0	$1,461,890
25	End user initiated secure file & email transfer - (Cyber Security)	3614C1		$112,000	$ 9,600				$121,600
26	Security Reference Architecture - (Cyber Security)	3614G1		$59,200	$ 1,600				$60,800
27	Cyber Security prioritised investments - (Cyber Security)	3614		$0	$ 725,146				$725,146
28	NY Retail Access	3839		$783,736					$2,872,399
29	US Web Initiatives 2	3600B		$429,000					$3,831,522
32	DSNY Capitalized Equipment Installs - Physical Security	3617B		$475,000					$475,000
35	EHR1 - PMO			$2,710,000					$8,928,548
36	EHR1 - Supply Chain			$4,430,000					$14,769,439
37	EHR1 - Finance			$580,000					$16,145,346
38	EHR1 - IT Delivery								$2,414,316
39	EHR1 - Payroll			$1,250,000					$12,187,165
43	US Desktop Refresh	2927		$1,617,158					$7,430,690
44	Internet Explorer Upgrade	3644		$163,029					$300,090
45	Mobile Device for PTO	3883		$1,900,000	$ 300,000				$2,442,471
46	SMI Conversion Mobilization	3896		$1,464,637	$ 320,000				$2,187,292
47	S005242 M112 Systemic Improvement			$2,656,365					$3,500,000
48	Cadency Account Reconciliation Tool								$146,894
49	Soft Off Program	4024		$442,000					$1,278,485
50	LI CSS Stabilization	4133		$847,000					$847,000
51	Mobile Capture of Data Fusion	4102		$1,080,000	$ 500,000				$1,580,000
52	Gas GIS Upgrade	2577C		$600,000	$ 600,000				$1,200,000
53	NY Pipeline Safety CMS Regulatory Compliance	3882		$1,874,000	$ 1,500,000				$3,374,000
56	Team Center Replacement or Upgrade	3958		$450,000	$ 150,000				$600,000
58	Legacy VSTIG Migration and Decommission	3538		$1,451,788	$ 50,000	$50,000			$1,551,788
61	US Mobile Device Refresh	2935			$ 4,000,000				$4,000,000
66	New Redundant SCC	3840		$350,000	$ 550,000				$900,000
75	DSNY Capitalized Equipment Installs - Physical Security	3617B			$ 649,000				$649,000
80	Field PC Refresh	2935		$913,618					$963,188
82	Access Violation (& Regulation) Management	3922			$ 290,000				$290,000
83	Active Directory Upgrade	4287			$ 350,000				$350,000

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			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g)
									12/31/2016
	Investment Name	**INVP #**	**Inception to Date $**	**Bill Pool**	**Adjustments**	**Total US Spend**	**In Service Date**	**Amortization Period**	**12/31/2016 Balance**
87	Risk Based Authentication (Cyber Security)	3863		G020		$235,080	6/1/2017	84	$ -
88	Enhanced Phishing Protection (Cyber Security)	3863		G020		$120,000	8/1/2017	84	$ -
91	Identity & Access Management - Role Based Access Management (Cyber Security)	3863		G020		$1,650,000	10/1/2017	84	$ -
99	Enhanced DLP Gateway and Endpoint (Cyber Security)	3863		G020		$1,305,780	12/1/2017	84	$ -
100	Cloud Security (Cyber Security)	3863		G020		$1,460,000	5/1/2017	84	$ -
101	Situational Intelligence & Cyber Intelligence - Phase 1 (Cyber Security)	3863		G020		$100,000	11/1/2017	84	$ -
109	Threat Behavior Modeling (Cyber Security)	3863		G020		$800,000	3/1/2017	84	$ -
117	Mobility - Mobile Device Management (MDM) System	3430		G020		$100,000	3/1/2017	84	$ -
119	RAS Re-Platform/Mobile	4269		G020		$400,000	4/1/2017	84	$ -
124	US Network Improvements	4289		G020		$350,000	4/1/2017	84	$ -
126	VSTIG Hardware Refresh	4274		G020		$300,000	4/1/2017	84	$ -
127	VSTIG upgrade Phase 2	4280		G020		$2,600,000	4/1/2017	84	$ -
128	VSTIG upgrade Phase 3	4266		G020		$1,300,000	4/1/2017	84	$ -
129	Wireless Network Expansion	3425		G020		$1,600,000	6/1/2017	84	$ -
130	Mandated Customer Systems Projects - FY16	4094		C173		$828,000	4/1/2016	84	$ 739,286
131	Mandated Customer Systems Projects - FY17	4207		C173		$4,000,000	4/1/2017	84	$ -
141	Distributed Generation Application Tracking	3941		C173		$600,000	12/1/2016	84	$ 592,857
143	Mandated Customer Choice Systems Projects	4186		C173		$3,100,000	4/1/2017	84	$ -
149	US SAP: Business Planning Consolidation - HANA	4217		G020		$3,500,000	4/1/2017	84	$ -
155	New Medical System	3718		G020		$800,000	10/31/2017	84	$ -
162	Ageing System Stabization/Upgrades/Replacements	4188		G020		$1,500,000	3/31/2017	84	$ -
166	Document Management System Replacement	3985		G020		$4,040,000	5/31/2017	84	$ -
181	US Control-Electroinic Bulletin Board Gas Trading Day Changes	4244		G210		$2,200,000	3/31/2016	84	$ 1,964,286
	Subtotal		**$188,734,505**		**-$946,189**	**$327,804,227**			**$ 200,629,413**

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			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization
87	Risk Based Authentication (Cyber Security)	3863	$ 215,490	$ 107,745	9.9500%	$ 10,721	$ (5,093)	$ 5,627	19,590
88	Enhanced Phishing Protection (Cyber Security)	3863	$ 112,857	$ 56,429	9.9500%	$ 5,615	$ (2,657)	$ 2,958	7,143
91	Identity & Access Management - Role Based Access Management (Cyber Security)	3863	$ 1,591,071	$ 795,536	9.9500%	$ 79,156	$ (37,320)	$ 41,836	58,929
99	Enhanced DLP Gateway and Endpoint (Cyber Security)	3863	$ 1,290,235	$ 645,118	9.9500%	$ 64,189	$ (30,156)	$ 34,033	15,545
100	Cloud Security (Cyber Security)	3863	$ 1,320,952	$ 660,476	9.9500%	$ 65,717	$ (31,284)	$ 34,433	139,048
101	Situational Intelligence & Cyber Intelligence - Phase 1 (Cyber Security)	3863	$ 97,619	$ 48,810	9.9500%	$ 4,857	$ (2,286)	$ 2,571	2,381
109	Threat Behavior Modeling (Cyber Security)	3863	$ 704,762	$ 352,381	9.9500%	$ 35,062	$ (16,761)	$ 18,301	95,238
117	Mobility - Mobile Device Management (MDM) System	3430	$ 88,095	$ 44,048	9.9500%	$ 4,383	$ (2,095)	$ 2,288	11,905
119	RAS Re-Platform/Mobile	4269	$ 357,143	$ 178,571	9.9500%	$ 17,768	$ (8,476)	$ 9,292	42,857
124	US Network Improvements	4289	$ 312,500	$ 156,250	9.9500%	$ 15,547	$ (7,416)	$ 8,131	37,500
126	VSTIG Hardware Refresh	4274	$ 267,857	$ 133,929	9.9500%	$ 13,326	$ (6,357)	$ 6,969	32,143
127	VSTIG upgrade Phase 2	4280	$ 2,321,429	$ 1,160,714	9.9500%	$ 115,491	$ (55,093)	$ 60,398	278,571
128	VSTIG upgrade Phase 3	4266	$ 1,160,714	$ 580,357	9.9500%	$ 57,746	$ (27,546)	$ 30,199	139,286
129	Wireless Network Expansion	3425	$ 1,466,667	$ 733,333	9.9500%	$ 72,967	$ (34,665)	$ 38,301	133,333
130	Mandated Customer Systems Projects - FY16	4094	$ 621,000	$ 680,143	9.9500%	$ 67,674	$ (18,924)	$ 48,750	118,286
131	Mandated Customer Systems Projects - FY17	4207	$ 3,571,429	$ 1,785,714	9.9500%	$ 177,679	$ (84,758)	$ 92,920	428,571
141	Distributed Generation Application Tracking	3941	$ 507,143	$ 550,000	9.9500%	$ 54,725	$ (15,999)	$ 38,726	85,714
143	Mandated Customer Choice Systems Projects	4186	$ 2,767,857	$ 1,383,929	9.9500%	$ 137,701	$ (65,688)	$ 72,013	332,143
149	US SAP: Business Planning Consolidation - HANA	4217	$ 3,125,000	$ 1,562,500	9.9500%	$ 155,469	$ (74,164)	$ 81,305	375,000
155	New Medical System	3718	$ 780,952	$ 390,476	9.9500%	$ 38,852	$ (18,285)	$ 20,567	19,048
162	Ageing System Stabization/Upgrades/Replacements	4188	$ 1,339,286	$ 669,643	9.9500%	$ 66,629	$ (31,784)	$ 34,845	160,714
166	Document Management System Replacement	3985	$ 3,703,333	$ 1,851,667	9.9500%	$ 184,241	$ (87,530)	$ 96,711	336,667
181	US Control-Electroinic Bulletin Board Gas Trading Day Changes	4244	$ 1,650,000	$ 1,807,143	9.9500%	$ 179,811	$ (50,282)	$ 129,528	314,286
	Subtotal		**$ 202,459,155**	**$ 201,544,284**		**$ 20,053,656**	**$ (6,382,909)**	**$ 13,670,747**	**38,604,334**

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			(o)	(p) = (m)* (n)	(q) = (n)* (o)	(r)	(s)	Cumulative Tax Depreciation	(t)
			5230G						12/31/2016
	Investment Name	INVP #	KEDLI Allocation	KEDLI Rate Year Rent-Return	KEDLI Rate Year Rent - Depn	Amortization Period	Tax Expensing	Bonus Depreciation	12/31/2016 Balance
87	Risk Based Authentication (Cyber Security)	3863	8.68%	$ 488	$ 1,700	36	-	117,540	$ 117,540
88	Enhanced Phishing Protection (Cyber Security)	3863	8.68%	$ 257	$ 620	36	-	60,000	$ 60,000
91	Identity & Access Management - Role Based Access Management (Cyber Security)	3863	8.68%	$ 3,631	$ 5,115	36	-	825,000	$ 825,000
99	Enhanced DLP Gateway and Endpoint (Cyber Security)	3863	8.68%	$ 2,954	$ 1,349	36	-	652,890	$ 652,890
100	Cloud Security (Cyber Security)	3863	8.68%	$ 2,989	$ 12,069	36	-	730,000	$ 730,000
101	Situational Intelligence & Cyber Intelligence - Phase 1 (Cyber Security)	3863	8.68%	$ 223	$ 207	36	-	50,000	$ 50,000
109	Threat Behavior Modeling (Cyber Security)	3863	8.68%	$ 1,588	$ 8,267	36	-	400,000	$ 400,000
117	Mobility - Mobile Device Management (MDM) System	3430	8.68%	$ 199	$ 1,033	36	-	50,000	$ 50,000
119	RAS Re-Platform/Mobile	4269	8.68%	$ 807	$ 3,720	36	-	200,000	$ 200,000
124	US Network Improvements	4289	8.68%	$ 706	$ 3,255	36	-	175,000	$ 175,000
126	VSTIG Hardware Refresh	4274	8.68%	$ 605	$ 2,790	36	-	150,000	$ 150,000
127	VSTIG upgrade Phase 2	4280	8.68%	$ 5,243	$ 24,180	36	-	1,300,000	$ 1,300,000
128	VSTIG upgrade Phase 3	4266	8.68%	$ 2,621	$ 12,090	36	-	650,000	$ 650,000
129	Wireless Network Expansion	3425	8.68%	$ 3,325	$ 11,573	36	-	800,000	$ 800,000
130	Mandated Customer Systems Projects - FY16	4094	8.29%	$ 4,041	$ 9,806	36	-	414,000	$ 551,986
131	Mandated Customer Systems Projects - FY17	4207	8.29%	$ 7,703	$ 35,529	36	-	2,000,000	$ 2,000,000
141	Distributed Generation Application Tracking	3941	8.29%	$ 3,210	$ 7,106	36	-	300,000	$ 399,990
143	Mandated Customer Choice Systems Projects	4186	8.29%	$ 5,970	$ 27,535	36	-	1,550,000	$ 1,550,000
149	US SAP: Business Planning Consolidation - HANA	4217	8.68%	$ 7,057	$ 32,550	36	-	1,750,000	$ 1,750,000
155	New Medical System	3718	8.68%	$ 1,785	$ 1,653	36	-	400,000	$ 400,000
162	Ageing System Stabization/Upgrades/Replacements	4188	8.68%	$ 3,025	$ 13,950	36	-	750,000	$ 750,000
166	Document Management System Replacement	3985	8.68%	$ 8,395	$ 29,223	36	-	2,020,000	$ 2,020,000
181	US Control-Electroinic Bulletin Board Gas Trading Day Changes	4244	22.81%	$ 29,545	$ 71,689	36	-	1,100,000	$ 1,466,630
	Subtotal			**$ 965,710**	**$ 2,901,973**			**$ 136,428,012**	**$ 187,990,263**

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			(u)			(x)	(y)	(z) = (x) + (y)/2
				(v) = (t) + (u)/2	(w) = (v)*Eff Rate	Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
87	Risk Based Authentication (Cyber Security)	3863	$ 156,716	$ 137,128	$ 55,125	$ -	$ 19,590	$ 9,795
88	Enhanced Phishing Protection (Cyber Security)	3863	$ 79,998	$ 69,999	$ 28,140	$ -	$ 7,143	$ 3,571
91	Identity & Access Management - Role Based Access Management (Cyber Security)	3863	$ 1,099,973	$ 962,486	$ 386,919	$ -	$ 58,929	$ 29,464
99	Enhanced DLP Gateway and Endpoint (Cyber Security)	3863	$ 870,498	$ 761,694	$ 306,201	$ -	$ 15,545	$ 7,773
100	Cloud Security (Cyber Security)	3863	$ 973,309	$ 851,655	$ 342,365	$ -	$ 139,048	$ 69,524
101	Situational Intelligence & Cyber Intelligence - Phase 1 (Cyber Security)	3863	$ 66,665	$ 58,333	$ 23,450	$ -	$ 2,381	$ 1,190
109	Threat Behavior Modeling (Cyber Security)	3863	$ 533,320	$ 466,660	$ 187,597	$ -	$ 95,238	$ 47,619
117	Mobility - Mobile Device Management (MDM) System	3430	$ 66,665	$ 58,333	$ 23,450	$ -	$ 11,905	$ 5,952
119	RAS Re-Platform/Mobile	4269	$ 266,660	$ 233,330	$ 93,799	$ -	$ 42,857	$ 21,429
124	US Network Improvements	4289	$ 233,328	$ 204,164	$ 82,074	$ -	$ 37,500	$ 18,750
126	VSTIG Hardware Refresh	4274	$ 199,995	$ 174,998	$ 70,349	$ -	$ 32,143	$ 16,071
127	VSTIG upgrade Phase 2	4280	$ 1,733,290	$ 1,516,645	$ 609,691	$ -	$ 278,571	$ 139,286
128	VSTIG upgrade Phase 3	4266	$ 866,645	$ 758,323	$ 304,846	$ -	$ 139,286	$ 69,643
129	Wireless Network Expansion	3425	$ 1,066,640	$ 933,320	$ 375,195	$ -	$ 133,333	$ 66,667
130	Mandated Customer Systems Projects - FY16	4094	$ 689,972	$ 620,979	$ 249,634	$ 88,714	$ 207,000	$ 147,857
131	Mandated Customer Systems Projects - FY17	4207	$ 2,666,600	$ 2,333,300	$ 937,987	$ -	$ 428,571	$ 214,286
141	Distributed Generation Application Tracking	3941	$ 499,980	$ 449,985	$ 180,894	$ 7,143	$ 92,857	$ 50,000
143	Mandated Customer Choice Systems Projects	4186	$ 2,066,615	$ 1,808,308	$ 726,940	$ -	$ 332,143	$ 166,071
149	US SAP: Business Planning Consolidation - HANA	4217	$ 2,333,275	$ 2,041,638	$ 820,738	$ -	$ 375,000	$ 187,500
155	New Medical System	3718	$ 533,320	$ 466,660	$ 187,597	$ -	$ 19,048	$ 9,524
162	Ageing System Stabization/Upgrades/Replacements	4188	$ 999,975	$ 874,988	$ 351,745	$ -	$ 160,714	$ 80,357
166	Document Management System Replacement	3985	$ 2,693,266	$ 2,356,633	$ 947,366	$ -	$ 336,667	$ 168,333
181	US Control-Electroinic Bulletin Board Gas Trading Day Changes	4244	$ 1,833,260	$ 1,649,945	$ 663,278	$ 235,714	$ 550,000	$ 392,857
	Subtotal		**$ 233,352,577**	**$ 210,671,420**	**$ 84,689,911**	**$ 31,792,535**	**$ 70,396,869**	**$ 51,094,702**

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			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate	
			40.2000%		9.9500%	
	Investment Name	**INVP #**	**Book Tax**	**Cash to Book Tax Difference**	**Return on Accum Taxes**	**Adj. In Service Date**
87	Risk Based Authentication (Cyber Security)	3863	$ 3,938	$ 51,188	$ 5,093	
88	Enhanced Phishing Protection (Cyber Security)	3863	$ 1,436	$ 26,704	$ 2,657	
91	Identity & Access Management - Role Based Access Management (Cyber Security)	3863	$ 11,845	$ 375,075	$ 37,320	
99	Enhanced DLP Gateway and Endpoint (Cyber Security)	3863	$ 3,125	$ 303,076	$ 30,156	
100	Cloud Security (Cyber Security)	3863	$ 27,949	$ 314,417	$ 31,284	
101	Situational Intelligence & Cyber Intelligence - Phase 1 (Cyber Security)	3863	$ 479	$ 22,971	$ 2,286	
109	Threat Behavior Modeling (Cyber Security)	3863	$ 19,143	$ 168,454	$ 16,761	
117	Mobility - Mobile Device Management (MDM) System	3430	$ 2,393	$ 21,057	$ 2,095	
119	RAS Re-Platform/Mobile	4269	$ 8,614	$ 85,184	$ 8,476	
124	US Network Improvements	4289	$ 7,538	$ 74,536	$ 7,416	
126	VSTIG Hardware Refresh	4274	$ 6,461	$ 63,888	$ 6,357	
127	VSTIG upgrade Phase 2	4280	$ 55,993	$ 553,698	$ 55,093	
128	VSTIG upgrade Phase 3	4266	$ 27,996	$ 276,849	$ 27,546	
129	Wireless Network Expansion	3425	$ 26,800	$ 348,395	$ 34,665	
130	Mandated Customer Systems Projects - FY16	4094	$ 59,439	$ 190,195	$ 18,924	
131	Mandated Customer Systems Projects - FY17	4207	$ 86,143	$ 851,844	$ 84,758	
141	Distributed Generation Application Tracking	3941	$ 20,100	$ 160,794	$ 15,999	
143	Mandated Customer Choice Systems Projects	4186	$ 66,761	$ 660,179	$ 65,688	
149	US SAP: Business Planning Consolidation - HANA	4217	$ 75,375	$ 745,363	$ 74,164	
155	New Medical System	3718	$ 3,829	$ 183,769	$ 18,285	
162	Ageing System Stabization/Upgrades/Replacements	4188	$ 32,304	$ 319,441	$ 31,784	
166	Document Management System Replacement	3985	$ 67,670	$ 879,696	$ 87,530	
181	US Control-Electroinic Bulletin Board Gas Trading Day Changes	4244	$ 157,929	$ 505,349	$ 50,282	
	Subtotal		**$ 20,540,070**	**$ 64,149,840**	**$ 6,382,909**	**Jan-30**

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	Investment Name	INVP #	Adjustment	FY16 Sep - Mar 16	FY17 (16/17)	FY18 (17/18)	FY19 (18/19)	FY20 (19/20)	Total US Spend
87	Risk Based Authentication (Cyber Security)	3863			$ 235,080				$235,080
88	Enhanced Phishing Protection (Cyber Security)	3863			$ 120,000				$120,000
91	Identity & Access Management - Role Based Access Management (Cyber Security)	3863			$ 1,650,000				$1,650,000
99	Enhanced DLP Gateway and Endpoint (Cyber Security)	3863			$ 1,305,780	$932,700			$2,238,480
100	Cloud Security (Cyber Security)	3863			$ 1,460,000				$1,460,000
101	Situational Intelligence & Cyber Intelligence - Phase 1 (Cyber Security)	3863			$ 100,000				$100,000
109	Threat Behavior Modeling (Cyber Security)	3863			$ 800,000				$800,000
117	Mobility - Mobile Device Management (MDM) System	3430			$ 100,000				$100,000
119	RAS Re-Platform/Mobile	4269			$ 400,000				$400,000
124	US Network Improvements	4289			$ 350,000				$350,000
126	VSTIG Hardware Refresh	4274			$ 300,000				$300,000
127	VSTIG upgrade Phase 2	4280			$ 2,600,000				$2,600,000
128	VSTIG upgrade Phase 3	4266			$ 1,300,000				$1,300,000
129	Wireless Network Expansion	3425			$ 1,600,000				$1,600,000
130	Mandated Customer Systems Projects - FY16	4094		$828,000					$828,000
131	Mandated Customer Systems Projects - FY17	4207			$ 4,000,000				$4,000,000
141	Distributed Generation Application Tracking	3941			$ 600,000				$600,000
143	Mandated Customer Choice Systems Projects	4186			$ 3,100,000				$3,100,000
149	US SAP: Business Planning Consolidation - HANA	4217			$ 3,500,000				$3,500,000
155	New Medical System	3718			$ 800,000	$300,000			$1,100,000
162	Ageing System Stabization/Upgrades/Replacements	4188			$ 1,500,000				$1,500,000
166	Document Management System Replacement	3985			$ 4,040,000				$4,040,000
181	US Control-Electroinic Bulletin Board Gas Trading Day Changes	4244		$2,200,000					$2,200,000
	Subtotal		**-$424,904**	**$68,925,998**	**$ 71,089,913**	**$66,639,626**	**$81,959,926**	**$98,435,544**	**$575,360,608**

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	Investment Name	INVP #	(a) Inception to Date $	(b) Bill Pool	(c) Adjustments	(d) = (a)+(c) Total US Spend	(e) In Service Date	(f) Amortization Period	(g) 12/31/2016 12/31/2016 Balance
			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g) 12/31/2016
	Investment Name		Inception to Date $	Bill Pool	Adjustments	Total US Spend	In Service Date	Amortization Period	12/31/2016 Balance
	AIMMS Project - Bill Pool 233		$47,097	G220		$47,097	10/1/2010	84	$5,046
	Bnk Lease W MA F Optic Proj		$435,545	G284		$435,545	9/1/2010	84	$41,480
	Cascade		$1,576,557	G194		$1,576,557	12/1/2011	84	$431,676
	Cascade		$588,773	G198		$588,773	10/1/2010	84	$63,083
	Cascade		$392,515	G220		$392,515	7/1/2010	84	$28,037
	Cascade		$1,051,038	G220		$1,051,038	12/1/2011	84	$287,784
1	CDH Acct Initiation		$516,140	G012		$516,140	3/1/2012	84	$159,758
2	CM-NEW02-Simp Order Proc		$7,803	G198		$7,803	2/1/2014	84	$4,552
3	CNI Transformation		$114,360	G012		$114,360	3/1/2014	120	$81,958
4	Combine Meter Reading Routes		$364,462	G285		$364,462	5/1/2011	84	$69,421
5	Contact Centers Call Recording		$361,473	G012		$361,473	3/1/2010	84	$8,606
6	CSS Consolidation		$28,900,771	C284		$28,900,771	9/1/2010	87	$3,654,120
7	Data Center Rationalization		$793,491	GT03		$793,491	3/1/2012	84	$245,604
8	DECUS05-Autom for Mng Req		$1,914,655	G198		$1,914,655	10/1/2011	84	$478,664
9	Desktop (email, AD & SharePoint)		$1,258,446	GT03		$1,258,446	3/1/2012	84	$389,519
10	Desktop (refresh)		$950,271	G012		$950,271	3/1/2012	84	$294,131
11	EDOT-Customer Management-CM-NEW03		$208,231	G198		$208,231	11/1/2013	84	$114,031
12	EMS - IN N/A NE & NY EMS NERC-CEMS - IP Auth MW		$64,286	U273		$64,286	3/1/2014	84	$38,266
13	EMS - IN1043 NE EMS Replacement		$27,313,654	U273		$27,313,654	4/22/2015	84	$20,810,403
14	EMS - INVP N/A- NE EMS TSS		$255,055	U273		$255,055	3/1/2014	84	$151,819
15	GIS		$4,345,552	G198		$4,345,552	6/1/2012	84	$1,500,250
16	GIS		$309,785	G198		$309,785	7/1/2014	84	$199,148
17	GIS		$2,882,206	G429		$2,882,206	1/1/2015	84	$2,058,719
18	Global Web Implementation		$4,281,380	G012		$4,281,380	11/1/2013	120	$2,925,610
19	IN0309-SCM-ENGAGE VENDOR		$312,721	GT03		$312,721	3/1/2011	84	$52,120
20	IN0823 Security Enhance Project		$313,244	GT03		$313,244	9/1/2011	84	$74,582
21	IN0980E - FiServ Solutions		$453,167	G179		$453,167	3/1/2012	84	$140,266
22	IN1242D-ISP-Integrated Strat Plan		$360,244	G198		$360,244	12/1/2010	84	$47,175
23	IN1482--ACIS Target Pricing Model		$569,716	G198		$569,716	6/1/2012	84	$196,688
24	IN1488-Remote Access to Fault REC		$247,958	G220		$247,958	9/1/2012	84	$94,460
25	IN1588-21st Cent. FOR SYRACUSE/NORTHBORO		$273,401	G012		$273,401	9/1/2010	84	$26,038
26	IN1642--Radio Standardization Cons		$3,046,691	G012		$3,046,691	7/1/2014	120	$2,285,018
27	IN1642--Radio Standardization Cons		$130,644	G012		$130,644	10/1/2014	120	$101,249
28	IN1671-US Transaction DEL HUB		$526,002	G012		$526,002	8/1/2012	84	$194,120
29	IN2172-IDS Reporting & Analysis		$710,520	G198		$710,520	11/1/2013	84	$389,094
30	IN2330 ETRM Repl Nucleus-Elec Bene		$579,164	G194		$579,164	10/1/2012	84	$227,529
31	IN2960B CRM SAAS IMPLEMEN		$1,117,121	G175		$1,117,121	10/1/2013	120	$754,057
32	IN3124B GLOBAL HR STRATEGY		$1,752,217	G012		$1,752,217	4/1/2015	120	$1,445,579

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			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization

	Investment Name	(h) 12/31/2017 12/31/2017 Balance	(i) = (g+h)/2 Average Balance	(j) 9.9500% Service Co Return	(k) = (i)*(j) Rate Year Return	(l) = (-ac) RY Return on Accum Taxes	(m) = (k) + (l) Total Return	(n) Rate Year Amortization
	AIMMS Project - Bill Pool 233	$0	$2,523	9.9500%	$251	($101)	$150	$5,046
	Bnk Lease W MA F Optic Proj	$0	$20,740	9.9500%	$2,064	($830)	$1,234	$41,480
	Cascade	$206,454	$319,065	9.9500%	$31,747	($12,762)	$18,985	$225,222
	Cascade	$0	$31,541	9.9500%	$3,138	($1,262)	$1,877	$63,083
	Cascade	$0	$14,018	9.9500%	$1,395	($561)	$834	$28,037
	Cascade	$137,636	$212,710	9.9500%	$21,165	($8,508)	$12,656	$150,148
1	CDH Acct Initiation	$86,023	$122,891	9.9500%	$12,228	($4,915)	$7,312	$73,734
2	CM-NEW02-Simp Order Proc	$3,437	$3,994	9.9500%	$397	($160)	$238	$1,115
3	CNI Transformation	$70,522	$76,240	9.9500%	$7,586	($3,050)	$4,536	$11,436
4	Combine Meter Reading Routes	$17,355	$43,388	9.9500%	$4,317	($1,735)	$2,582	$52,066
5	Contact Centers Call Recording	$0	$4,303	9.9500%	$428	($172)	$256	$8,606
6	CSS Consolidation	$0	$1,827,060	9.9500%	$181,792	($73,081)	$108,712	$3,654,120
7	Data Center Rationalization	$132,248	$188,926	9.9500%	$18,798	($7,557)	$11,241	$113,356
8	DECUS05-Autom for Mng Req	$205,142	$341,903	9.9500%	$34,019	($13,676)	$20,344	$273,522
9	Desktop (email, AD & SharePoint)	$209,741	$299,630	9.9500%	$29,813	($11,985)	$17,828	$179,778
10	Desktop (refresh)	$158,378	$226,255	9.9500%	$22,512	($9,050)	$13,462	$135,753
11	EDOT-Customer Management-CM-NEW03	$84,284	$99,157	9.9500%	$9,866	($3,966)	$5,900	$29,747
12	EMS - IN N/A NE & NY EMS NERC-CEMS - IP Auth MW	$29,082	$33,674	9.9500%	$3,351	($1,347)	$2,004	$9,184
13	EMS - IN1043 NE EMS Replacement	$16,908,452	$18,859,428	9.9500%	$1,876,513	($742,856)	$1,133,657	$3,901,951
14	EMS - INVP N/A- NE EMS TSS	$115,382	$133,600	9.9500%	$13,293	($5,344)	$7,949	$36,436
15	GIS	$879,457	$1,189,853	9.9500%	$118,390	($47,593)	$70,797	$620,793
16	GIS	$154,893	$177,020	9.9500%	$17,614	($7,081)	$10,533	$44,255
17	GIS	$1,646,975	$1,852,847	9.9500%	$184,358	($64,503)	$119,855	$411,744
18	Global Web Implementation	$2,497,472	$2,711,541	9.9500%	$269,798	($108,459)	$161,339	$428,138
19	IN0309-SCM-ENGAGE VENDOR	$7,446	$29,783	9.9500%	$2,963	($1,191)	$1,772	$44,674
20	IN0823 Security Enhance Project	$29,833	$52,207	9.9500%	$5,195	($2,088)	$3,106	$44,749
21	IN0980E - FiServ Solutions	$75,528	$107,897	9.9500%	$10,736	($4,316)	$6,420	$64,738
22	IN1242D-ISP-Integrated Strat Plan	$0	$23,587	9.9500%	$2,347	($943)	$1,403	$47,175
23	IN1482--ACIS Target Pricing Model	$115,300	$155,994	9.9500%	$15,521	($6,240)	$9,282	$81,388
24	IN1488-Remote Access to Fault REC	$59,038	$76,749	9.9500%	$7,637	($3,070)	$4,567	$35,423
25	IN1588-21st Cent. FOR SYRACUSE/NORTHBORO	$0	$13,019	9.9500%	$1,295	($521)	$775	$26,038
26	IN1642--Radio Standardization Cons	$1,980,349	$2,132,684	9.9500%	$212,202	($85,305)	$126,897	$304,669
27	IN1642--Radio Standardization Cons	$88,185	$94,717	9.9500%	$9,424	($3,789)	$5,636	$13,064
28	IN1671-US Transaction DEL HUB	$118,977	$156,548	9.9500%	$15,577	($6,262)	$9,315	$75,143
29	IN2172-IDS Reporting & Analysis	$287,591	$338,343	9.9500%	$33,665	($13,533)	$20,132	$101,503
30	IN2330 ETRM Repl Nucleus-Elec Bene	$144,791	$186,160	9.9500%	$18,523	($7,446)	$11,077	$82,738
31	IN2960B CRM SAAS IMPLEMEN	$642,345	$698,201	9.9500%	$69,471	($27,927)	$41,544	$111,712
32	IN3124B GLOBAL HR STRATEGY	$1,270,358	$1,357,968	9.9500%	$135,118	($54,317)	$80,800	$175,222

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	Investment Name	INVP #	(o) 5230G KEDLI Allocation	(p) = (m)* (n) KEDLI Rate Year Rent-Return	(q) = (n)* (o) KEDLI Rate Year Rent - Depn	(r) Amortization Period	(s) Cumulative Tax Depreciation Tax Expensing	Cumulative Tax Depreciation Bonus Depreciation	(t) Cumulative Tax Depreciation 12/31/2016 12/31/2016 Balance
	AIMMS Project - Bill Pool 233		0.00%	$ -	$ -	36	$47,097	$0	$47,097
	Bnk Lease W MA F Optic Proj		0.00%	$ -	$ -	36		$217,772	$435,545
	Cascade		0.00%	$ -	$ -	36		$1,576,557	$1,576,557
	Cascade		0.00%	$ -	$ -	36		$294,386	$588,773
	Cascade		0.00%	$ -	$ -	36		$196,258	$392,515
	Cascade		0.00%	$ -	$ -	36		$1,051,038	$1,051,038
1	CDH Acct Initiation		8.68%	$ 634.69	$ 6,400.14	36		$258,070	$516,140
2	CM-NEW02-Simp Order Proc		0.00%	$ -	$ -	36		$3,901	$7,803
3	CNI Transformation		8.68%	$ 393.76	$ 992.65	36		$57,180	$114,360
4	Combine Meter Reading Routes		0.00%	$ -	$ -	36		$364,462	$364,462
5	Contact Centers Call Recording		8.68%	$ 22.22	$ 747.04	36		$180,736	$361,473
6	CSS Consolidation		0.00%	$ -	$ -	36	$28,900,771	$0	$28,900,771
7	Data Center Rationalization		6.98%	$ 784.64	$ 7,912.24	36		$396,745	$793,491
8	DECUS05-Autom for Mng Req		0.00%	$ -	$ -	36	$546,007	$1,368,648	$1,914,655
9	Desktop (email, AD & SharePoint)		6.98%	$ 1,244.41	$ 12,548.50	36	$772,466	$242,990	$1,258,446
10	Desktop (refresh)		8.68%	$ 1,168.54	$ 11,783.36	36		$475,135	$950,271
11	EDOT-Customer Management-CM-NEW03		0.00%	$ -	$ -	36		$104,115	$208,231
12	EMS - IN N/A NE & NY EMS NERC-CEMS - IP Auth MW		0.00%	$ -	$ -	36		$32,143	$64,286
13	EMS - IN1043 NE EMS Replacement		0.00%	$ -	$ -	36	$23,863,614	$1,725,020	$26,738,532
14	EMS - INVP N/A- NE EMS TSS		0.00%	$ -	$ -	36		$127,528	$255,055
15	GIS		0.00%	$ -	$ -	36	$3,330,245	$507,653	$4,345,552
16	GIS		0.00%	$ -	$ -	36		$154,893	$309,785
17	GIS		8.58%	$ 10,283.58	$ 35,327.61	36		$1,441,103	$2,401,743
18	Global Web Implementation		8.68%	$ 14,004.26	$ 37,162.38	36	$122,333	$2,079,524	$4,281,380
19	IN0309-SCM-ENGAGE VENDOR		6.98%	$ 123.69	$ 3,118.27	36		$312,721	$312,721
20	IN0823 Security Enhance Project		6.98%	$ 216.83	$ 3,123.49	36		$313,244	$313,244
21	IN0980E - FiServ Solutions		0.00%	$ -	$ -	36		$226,583	$453,167
22	IN1242D-ISP-Integrated Strat Plan		0.00%	$ -	$ -	36		$180,122	$360,244
23	IN1482--ACIS Target Pricing Model		0.00%	$ -	$ -	36		$284,858	$569,716
24	IN1488-Remote Access to Fault REC		0.00%	$ -	$ -	36		$123,979	$247,958
25	IN1588-21st Cent. FOR SYRACUSE/NORTHBORO		8.68%	$ 67.24	$ 2,260.11	36		$136,700	$273,401
26	IN1642--Radio Standardization Cons		8.68%	$ 11,014.64	$ 26,445.28	36	$3,046,691	$0	$3,046,691
27	IN1642--Radio Standardization Cons		8.68%	$ 489.18	$ 1,133.99	36		$65,322	$130,644
28	IN1671-US Transaction DEL HUB		8.68%	$ 808.52	$ 6,522.43	36		$263,001	$526,002
29	IN2172-IDS Reporting & Analysis		0.00%	$ -	$ -	36		$355,260	$710,520
30	IN2330 ETRM Repl Nucleus-Elec Bene		0.00%	$ -	$ -	36		$289,582	$579,164
31	IN2960B CRM SAAS IMPLEMEN		9.96%	$ 4,137.75	$ 11,126.52	36		$558,560	$1,117,121
32	IN3124B GLOBAL HR STRATEGY		8.68%	$ 7,013.48	$ 15,209.25	36	$1,752,217	$0	$1,752,217

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			(u)	(v) = (t) + (u)/2	(w) = (v)*Eff Rate	(x)	(y)	(z) = (x) + (y)/2
						Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
			(u)	(v) = (t) + (u)/2	(w) = (v)*Eff Rate	(x)	(y)	(z) = (x) + (y)/2
						Cumulative Book Depreciation		
	Investment Name		12/31/2017 12/31/2017 Balance	Average Balance	40.2000% Cash Tax	12/31/2016 12/31/2016 Balance	12/31/2017 12/31/2017 Balance	Average Balance
	AIMMS Project - Bill Pool 233		$47,097	$47,097	$18,933	$42,051	$47,097	$44,574
	Bnk Lease W MA F Optic Proj		$435,545	$435,545	$175,089	$394,064	$435,545	$414,804
	Cascade		$1,576,557	$1,576,557	$633,776	$1,144,881	$1,370,103	$1,257,492
	Cascade		$588,773	$588,773	$236,687	$525,690	$588,773	$557,231
	Cascade		$392,515	$392,515	$157,791	$364,478	$392,515	$378,497
	Cascade		$1,051,038	$1,051,038	$422,517	$763,254	$913,402	$838,328
1	CDH Acct Initiation		$516,140	$516,140	$207,488	$356,383	$430,117	$393,250
2	CM-NEW02-Simp Order Proc		$7,803	$7,803	$3,137	$3,251	$4,366	$3,809
3	CNI Transformation		$114,360	$114,360	$45,973	$32,402	$43,838	$38,120
4	Combine Meter Reading Routes		$364,462	$364,462	$146,514	$295,041	$347,107	$321,074
5	Contact Centers Call Recording		$361,473	$361,473	$145,312	$352,866	$361,473	$357,170
6	CSS Consolidation		$28,900,771	$28,900,771	$11,618,110	$25,246,650	$28,900,771	$27,073,711
7	Data Center Rationalization		$793,491	$793,491	$318,983	$547,886	$661,242	$604,564
8	DECUS05-Autom for Mng Req		$1,914,655	$1,914,655	$769,692	$1,435,992	$1,709,514	$1,572,753
9	Desktop (email, AD & SharePoint)		$1,258,446	$1,258,446	$505,895	$868,927	$1,048,705	$958,816
10	Desktop (refresh)		$950,271	$950,271	$382,009	$656,139	$791,892	$724,016
11	EDOT-Customer Management-CM-NEW03		$208,231	$208,231	$83,709	$94,200	$123,947	$109,073
12	EMS - IN N/A NE & NY EMS NERC-CEMS - IP Auth MW		$64,286	$64,286	$25,843	$26,021	$35,204	$30,613
13	EMS - IN1043 NE EMS Replacement		$27,313,654	$27,026,093	$10,864,489	$6,503,251	$10,405,202	$8,454,226
14	EMS - INVP N/A- NE EMS TSS		$255,055	$255,055	$102,532	$103,237	$139,673	$121,455
15	GIS		$4,345,552	$4,345,552	$1,746,912	$2,845,302	$3,466,095	$3,155,698
16	GIS		$309,785	$309,785	$124,534	$110,638	$154,893	$132,765
17	GIS		$2,882,206	$2,641,974	$1,062,074	$823,488	$1,235,231	$1,029,359
18	Global Web Implementation		$4,281,380	$4,281,380	$1,721,115	$1,355,770	$1,783,908	$1,569,839
19	IN0309-SCM-ENGAGE VENDOR		$312,721	$312,721	$125,714	$260,601	$305,275	$282,938
20	IN0823 Security Enhance Project		$313,244	$313,244	$125,924	$238,662	$283,411	$261,037
21	IN0980E - FiServ Solutions		$453,167	$453,167	$182,173	$312,901	$377,639	$345,270
22	IN1242D-ISP-Integrated Strat Plan		$360,244	$360,244	$144,818	$313,069	$360,244	$336,656
23	IN1482--ACIS Target Pricing Model		$569,716	$569,716	$229,026	$373,028	$454,416	$413,722
24	IN1488-Remote Access to Fault REC		$247,958	$247,958	$99,679	$153,498	$188,921	$171,209
25	IN1588-21st Cent. FOR SYRACUSE/NORTHBORO		$273,401	$273,401	$109,907	$247,363	$273,401	$260,382
26	IN1642--Radio Standardization Cons		$3,046,691	$3,046,691	$1,224,770	$761,673	$1,066,342	$914,007
27	IN1642--Radio Standardization Cons		$130,644	$130,644	$52,519	$29,395	$42,459	$35,927
28	IN1671-US Transaction DEL HUB		$526,002	$526,002	$211,453	$331,882	$407,025	$369,454
29	IN2172-IDS Reporting & Analysis		$710,520	$710,520	$285,629	$321,426	$422,929	$372,177
30	IN2330 ETRM Repl Nucleus-Elec Bene		$579,164	$579,164	$232,824	$351,635	$434,373	$393,004
31	IN2960B CRM SAAS IMPLEMEN		$1,117,121	$1,117,121	$449,083	$363,064	$474,776	$418,920
32	IN3124B GLOBAL HR STRATEGY		$1,752,217	$1,752,217	$704,391	$306,638	$481,860	$394,249

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			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate
			40.2000%		9.9500%
	Investment Name	INVP #	Book Tax	Cash to Book Tax Difference	Return on Accum Taxes

	Investment Name	(aa) = (z)* Eff Rate 40.2000% Book Tax	(ab) = (w) - (aa) Cash to Book Tax Difference	(ac) = (ab)* Eff Rate 9.9500% Return on Accum Taxes
	AIMMS Project - Bill Pool 233	$17,919	$1,014	$101
	Bnk Lease W MA F Optic Proj	$166,751	$8,338	$830
	Cascade	$505,512	$128,264	$12,762
	Cascade	$224,007	$12,680	$1,262
	Cascade	$152,156	$5,635	$561
	Cascade	$337,008	$85,509	$8,508
1	CDH Acct Initiation	$158,086	$49,402	$4,915
2	CM-NEW02-Simp Order Proc	$1,531	$1,606	$160
3	CNI Transformation	$15,324	$30,649	$3,050
4	Combine Meter Reading Routes	$129,072	$17,442	$1,735
5	Contact Centers Call Recording	$143,582	$1,730	$172
6	CSS Consolidation	$10,883,632	$734,478	$73,081
7	Data Center Rationalization	$243,035	$75,948	$7,557
8	DECUS05-Autom for Mng Req	$632,247	$137,445	$13,676
9	Desktop (email, AD & SharePoint)	$385,444	$120,451	$11,985
10	Desktop (refresh)	$291,054	$90,954	$9,050
11	EDOT-Customer Management-CM-NEW03	$43,847	$39,861	$3,966
12	EMS - IN N/A NE & NY EMS NERC-CEMS - IP Auth MW	$12,306	$13,537	$1,347
13	EMS - IN1043 NE EMS Replacement	$3,398,599	$7,465,891	$742,856
14	EMS - INVP N/A- NE EMS TSS	$48,825	$53,707	$5,344
15	GIS	$1,268,591	$478,321	$47,593
16	GIS	$53,372	$71,162	$7,081
17	GIS	$413,802	$648,271	$64,503
18	Global Web Implementation	$631,075	$1,090,039	$108,459
19	IN0309-SCM-ENGAGE VENDOR	$113,741	$11,973	$1,191
20	IN0823 Security Enhance Project	$104,937	$20,987	$2,088
21	IN0980E - FiServ Solutions	$138,798	$43,375	$4,316
22	IN1242D-ISP-Integrated Strat Plan	$135,336	$9,482	$943
23	IN1482--ACIS Target Pricing Model	$166,316	$62,709	$6,240
24	IN1488-Remote Access to Fault REC	$68,826	$30,853	$3,070
25	IN1588-21st Cent. FOR SYRACUSE/NORTHBORO	$104,673	$5,234	$521
26	IN1642--Radio Standardization Cons	$367,431	$857,339	$85,305
27	IN1642--Radio Standardization Cons	$14,443	$38,076	$3,789
28	IN1671-US Transaction DEL HUB	$148,520	$62,932	$6,262
29	IN2172-IDS Reporting & Analysis	$149,615	$136,014	$13,533
30	IN2330 ETRM Repl Nucleus-Elec Bene	$157,988	$74,836	$7,446
31	IN2960B CRM SAAS IMPLEMEN	$168,406	$280,677	$27,927
32	IN3124B GLOBAL HR STRATEGY	$158,488	$545,903	$54,317

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			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g)
									12/31/2016
	Investment Name	INVP #	Inception to Date $	Bill Pool	Adjustments	Total US Spend	In Service Date	Amortization Period	12/31/2016 Balance
33	INN/A-NERC CIP Compliance		$1,155,595	G186		$1,155,595	7/1/2010	84	$82,543
34	Inspect System Resources/Hard/Softw		$26,246	G160		$26,246	2/1/2014	84	$15,310
35	INVP 0887		$258,131	G077		$258,131	3/1/2014	84	$153,649
36	INVP N/A-Talent Management		$208,232	G012		$208,232	3/1/2011	84	$34,705
37	INVP0823 DATA LOSS PREVENTION		$312,017	G012		$312,017	3/1/2015	120	$254,814
38	INVP0823 DATA LOSS PREVENTION		$312,017	G012		$312,017	3/1/2015	120	$254,814
39	INVP0823c Laptop & Port Device Info		$1,180,029	G012		$1,180,029	3/1/2015	120	$963,690
40	INVP0823c Laptop & Port Device Info		$1,363,055	G012		$1,363,055	3/1/2015	120	$1,113,162
41	INVP0845		$464,135	G012		$464,135	9/1/2010	84	$44,203
42	INVP1224		$601,562	G220		$601,562	10/1/2011	84	$150,391
43	INVP1242 - DECUS05		$253,998	G198		$253,998	10/1/2011	84	$63,500
44	INVP1242 - WCOR01		$3,750	G198		$3,750	3/1/2014	84	$2,232
45	INVP1242TB - KPI Metrics		$622,592	G198		$622,592	10/1/2011	84	$155,648
46	INVP1356A US Retail Web Customer &		$6,726,634	G179		$6,726,634	11/1/2013	84	$3,683,633
47	INVP1389 US Computing Minor Works		$267,594	G012		$267,594	11/1/2013	120	$182,856
48	INVP1391		$523,093	G077		$523,093	9/1/2011	84	$124,546
49	INVP1401		$527,701	G012		$527,701	9/1/2010	84	$50,257
50	INVP1485 Computapole		$28,705	G186		$28,705	3/1/2015	84	$21,187
51	INVP1485 Computapole Migration W7		$845,398	G186		$845,398	7/1/2014	84	$543,470
52	INVP1549B Meter Reading System Con		$1,176,389	G173		$1,176,389	3/1/2015	84	$868,287
53	INVP1549-Non-Interval Collect Sys C		$1,099,783	G012		$1,099,783	11/1/2013	84	$602,262
54	INVP2135-Cust Choice Email Tracking		$621,113	G012		$621,113	11/1/2013	84	$340,133
55	INVP2162 - PRIMAVERA EXPANSION		$228,928	G376		$228,928	7/1/2014	84	$147,168
56	INVP2391-Implement UI Planner-CAPEX		$1,686,410	G138		$1,686,410	3/1/2011	84	$281,068
57	INVP2522 VTL Replacement Cap Software		$648,194	HT71		$648,194	11/1/2013	84	$354,963
58	INVP2630 Intelligent Mail Barcode		$1,023,605	G012		$1,023,605	11/1/2013	84	$560,546
59	INVP2732 US Storage Switch Replace		$588,353	G012		$588,353	11/1/2013	120	$402,042
60	INVP2832 - ACIS Alliance Contracts		$324,412	G186		$324,412	11/1/2013	84	$177,654
61	INVP2892B Security Access Panels		$687,129	G220		$687,129	12/21/2014	84	$490,806
62	INVP2940-GRC Enterprise Risk & Comp		$3,533,188	G020		$3,533,188	9/1/2014	84	$2,355,459
63	INVP2951 - Legal Hold Automation		$647,040	G012		$647,040	3/1/2015	120	$528,416
64	INVP2970 Security Info & Event Mgm		$1,547,795	G012		$1,547,795	4/1/2015	120	$1,276,931
65	INVP2981 US Security Awareness		$250,393	G012		$250,393	3/1/2014	120	$179,448
66	INVP2982b Identity & Access Mgt Pr		$4,137,815	G012		$4,137,815	3/1/2015	120	$3,379,216
67	INVP2982b Identity & Access Mgt Pr		$2,708	G012		$2,708	5/1/2015	120	$2,257
68	INVP2983a CNI Network Security Pro		$115,489	G012		$115,489	12/1/2014	120	$91,428
69	INVP2997 Earned Value Mgmt Rptg		$603,575	G186		$603,575	7/1/2014	84	$388,013
70	INVP2997B EVM Phase 2		$138,248	G186		$138,248	7/1/2014	84	$88,874
71	INVP3022 Internet Toolset		$233,866	G173		$233,866	3/1/2015	84	$172,616
72	INVP3039 US eDiscovery		$393,008	G012		$393,008	3/1/2015	120	$320,956
73	INVP3076-QAS Address Hygiene		$270,279	G012		$270,279	11/1/2013	84	$148,010
74	INVP3103 Business Capture Software		$3,036,545	G012		$3,036,545	2/1/2014	120	$2,150,886
75	INVP3195 Storms Archive Tool Imple		$627,573	G160		$627,573	12/1/2013	84	$351,142

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			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization
33	INN/A-NERC CIP Compliance		$0	$41,271	9.9500%	$4,106	($1,651)	$2,456	$82,543
34	Inspect System Resources/Hard/Softw		$11,561	$13,436	9.9500%	$1,337	($537)	$799	$3,749
35	INVP 0887		$116,774	$135,211	9.9500%	$13,454	($5,408)	$8,045	$36,876
36	INVP N/A-Talent Management		$4,958	$19,832	9.9500%	$1,973	($793)	$1,180	$29,747
37	INVP0823 DATA LOSS PREVENTION		$223,612	$239,213	9.9500%	$23,802	($8,528)	$15,274	$31,202
38	INVP0823 DATA LOSS PREVENTION		$223,612	$239,213	9.9500%	$23,802	($8,528)	$15,274	$31,202
39	INVP0823c Laptop & Port Device Info		$845,687	$904,689	9.9500%	$90,017	($32,253)	$57,764	$118,003
40	INVP0823c Laptop & Port Device Info		$976,856	$1,045,009	9.9500%	$103,978	($37,255)	$66,723	$136,306
41	INVP0845		$0	$22,102	9.9500%	$2,199	($884)	$1,315	$44,203
42	INVP1224		$64,453	$107,422	9.9500%	$10,688	($4,297)	$6,392	$85,937
43	INVP1242 - DECUS05		$27,214	$45,357	9.9500%	$4,513	($1,814)	$2,699	$36,285
44	INVP1242 - WCOR01		$1,696	$1,964	9.9500%	$195	($79)	$117	$536
45	INVP1242TB - KPI Metrics		$66,706	$111,177	9.9500%	$11,062	($4,447)	$6,615	$88,942
46	INVP1356A US Retail Web Customer &		$2,722,685	$3,203,159	9.9500%	$318,714	($128,123)	$190,591	$960,948
47	INVP1389 US Computing Minor Works		$156,096	$169,476	9.9500%	$16,863	($6,779)	$10,084	$26,759
48	INVP1391		$49,818	$87,182	9.9500%	$8,675	($3,487)	$5,187	$74,728
49	INVP1401		$0	$25,129	9.9500%	$2,500	($1,005)	$1,495	$50,257
50	INVP1485 Computapole		$17,086	$19,137	9.9500%	$1,904	($670)	$1,234	$4,101
51	INVP1485 Computapole Migration W7		$422,699	$483,085	9.9500%	$48,067	($19,323)	$28,744	$120,771
52	INVP1549B Meter Reading System Con		$700,232	$784,260	9.9500%	$78,034	($27,812)	$50,222	$168,056
53	INVP1549-Non-Interval Collect Sys C		$445,150	$523,706	9.9500%	$52,109	($20,948)	$31,161	$157,112
54	INVP2135-Cust Choice Email Tracking		$251,403	$295,768	9.9500%	$29,429	($11,830)	$17,598	$88,730
55	INVP2162 - PRIMAVERA EXPANSION		$114,464	$130,816	9.9500%	$13,016	($5,233)	$7,784	$32,704
56	INVP2391-Implement UI Planner-CAPEX		$40,153	$160,610	9.9500%	$15,981	($6,424)	$9,556	$240,916
57	INVP2522 VTL Replacement Cap Software		$262,364	$308,664	9.9500%	$30,712	($12,346)	$18,366	$92,599
58	INVP2630 Intelligent Mail Barcode		$414,316	$487,431	9.9500%	$48,499	($19,497)	$29,003	$146,229
59	INVP2732 US Storage Switch Replace		$343,206	$372,624	9.9500%	$37,076	($14,905)	$22,171	$58,835
60	INVP2832 - ACIS Alliance Contracts		$131,309	$154,482	9.9500%	$15,371	($6,179)	$9,192	$46,345
61	INVP2892B Security Access Panels		$392,645	$441,726	9.9500%	$43,952	($15,378)	$28,574	$98,161
62	INVP2940-GRC Enterprise Risk & Comp		$1,850,718	$2,103,088	9.9500%	$209,257	($84,121)	$125,136	$504,741
63	INVP2951 - Legal Hold Automation		$463,712	$496,064	9.9500%	$49,358	($17,685)	$31,673	$64,704
64	INVP2970 Security Info & Event Mgm		$1,122,151	$1,199,541	9.9500%	$119,354	($42,820)	$76,534	$154,779
65	INVP2981 US Security Awareness		$154,409	$166,929	9.9500%	$16,609	($6,677)	$9,932	$25,039
66	INVP2982b Identity & Access Mgt Pr		$2,965,434	$3,172,325	9.9500%	$315,646	($116,024)	$199,623	$413,782
67	INVP2982b Identity & Access Mgt Pr		$1,986	$2,122	9.9500%	$211	($76)	$135	$271
68	INVP2983a CNI Network Security Pro		$79,880	$85,654	9.9500%	$8,523	($3,426)	$5,097	$11,549
69	INVP2997 Earned Value Mgmt Rptg		$301,788	$344,900	9.9500%	$34,318	($13,796)	$20,522	$86,225
70	INVP2997B EVM Phase 2		$69,124	$78,999	9.9500%	$7,860	($3,160)	$4,701	$19,750
71	INVP3022 Internet Toolset		$139,206	$155,911	9.9500%	$15,513	($5,457)	$10,057	$33,409
72	INVP3039 US eDiscovery		$281,655	$301,306	9.9500%	$29,980	($10,742)	$19,238	$39,301
73	INVP3076-QAS Address Hygiene		$109,399	$128,704	9.9500%	$12,806	($5,148)	$7,658	$38,611
74	INVP3103 Business Capture Software		$1,847,231	$1,999,059	9.9500%	$198,906	($79,960)	$118,946	$303,654
75	INVP3195 Storms Archive Tool Imple		$261,489	$306,316	9.9500%	$30,478	($12,252)	$18,226	$89,653

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			(o)	(p) = (m)* (n)	(q) = (n)* (o)	(r)	(s)	(t)	
							Cumulative Tax Depreciation		
			5230G						12/31/2016
	Investment Name	INVP #	KEDLI Allocation	KEDLI Rate Year Rent-Return	KEDLI Rate Year Rent - Depn	Amortization Period	Tax Expensing	Bonus Depreciation	12/31/2016 Balance
33	INN/A-NERC CIP Compliance		0.00%	$ -	$ -	36		$577,798	$1,155,595
34	Inspect System Resources/Hard/Softw		0.00%	$ -	$ -	36		$13,123	$26,246
35	INVP 0887		0.00%	$ -	$ -	36		$129,065	$258,131
36	INVP N/A-Talent Management		8.68%	$ 102.42	$ 2,582.08	36	$208,232	$0	$208,232
37	INVP0823 DATA LOSS PREVENTION		8.68%	$ 1,325.75	$ 2,708.30	36		$156,008	$260,003
38	INVP0823 DATA LOSS PREVENTION		8.68%	$ 1,325.75	$ 2,708.30	36		$156,008	$260,003
39	INVP0823c Laptop & Port Device Info		8.68%	$ 5,013.92	$ 10,242.65	36		$590,014	$983,318
40	INVP0823c Laptop & Port Device Info		8.68%	$ 5,791.59	$ 11,831.32	36		$681,528	$1,135,834
41	INVP0845		8.68%	$ 114.15	$ 3,836.85	36	$464,135	$0	$464,135
42	INVP1224		0.00%	$ -	$ -	36	$119,205	$482,357	$601,562
43	INVP1242 - DECUS05		0.00%	$ -	$ -	36		$253,998	$253,998
44	INVP1242 - WCOR01		0.00%	$ -	$ -	36		$1,875	$3,750
45	INVP1242TB - KPI Metrics		0.00%	$ -	$ -	36		$622,592	$622,592
46	INVP1356A US Retail Web Customer &		0.00%	$ -	$ -	36	$6,414,974	$155,830	$6,726,634
47	INVP1389 US Computing Minor Works		8.68%	$ 875.29	$ 2,322.72	36	$135,731	$65,931	$267,594
48	INVP1391		0.00%	$ -	$ -	36		$523,093	$523,093
49	INVP1401		8.68%	$ 129.78	$ 4,362.33	36		$263,851	$527,701
50	INVP1485 Computapole		0.00%	$ -	$ -	36		$14,353	$23,920
51	INVP1485 Computapole Migration W7		0.00%	$ -	$ -	36	$679,342	$83,028	$845,398
52	INVP1549B Meter Reading System Con		10.82%	$ 5,434.00	$ 18,183.62	36	$109,290	$533,550	$998,504
53	INVP1549-Non-Interval Collect Sys C		8.68%	$ 2,704.78	$ 13,637.31	36		$549,891	$1,099,783
54	INVP2135-Cust Choice Email Tracking		8.68%	$ 1,527.55	$ 7,701.80	36		$310,556	$621,113
55	INVP2162 - PRIMAVERA EXPANSION		10.77%	$ 838.30	$ 3,522.22	36		$114,464	$228,928
56	INVP2391-Implement UI Planner-CAPEX		8.16%	$ 779.81	$ 19,658.72	36	$998,974	$687,436	$1,686,410
57	INVP2522 VTL Replacement Cap Software		7.79%	$ 1,430.70	$ 7,213.47	36		$324,097	$648,194
58	INVP2630 Intelligent Mail Barcode		8.68%	$ 2,517.43	$ 12,692.71	36		$511,803	$1,023,605
59	INVP2732 US Storage Switch Replace		8.68%	$ 1,924.49	$ 5,106.91	36		$294,177	$588,353
60	INVP2832 - ACIS Alliance Contracts		0.00%	$ -	$ -	36		$162,206	$324,412
61	INVP2892B Security Access Panels		0.00%	$ -	$ -	36		$343,564	$572,584
62	INVP2940-GRC Enterprise Risk & Comp		8.68%	$ 10,861.79	$ 43,811.53	36	$2,698,257	$417,466	$3,533,188
63	INVP2951 - Legal Hold Automation		8.68%	$ 2,749.26	$ 5,616.30	36		$323,520	$539,178
64	INVP2970 Security Info & Event Mgm		8.68%	$ 6,643.16	$ 13,434.86	36		$773,897	$1,289,777
65	INVP2981 US Security Awareness		8.68%	$ 862.13	$ 2,173.41	36		$125,197	$250,393
66	INVP2982b Identity & Access Mgt Pr		8.68%	$ 17,327.24	$ 35,916.24	36	$878,570	$1,629,623	$3,594,499
67	INVP2982b Identity & Access Mgt Pr		8.68%	$ 11.74	$ 23.51	36		$1,354	$2,257
68	INVP2983a CNI Network Security Pro		8.68%	$ 442.38	$ 1,002.44	36		$57,744	$115,489
69	INVP2997 Earned Value Mgmt Rptg		0.00%	$ -	$ -	36		$301,788	$603,575
70	INVP2997B EVM Phase 2		0.00%	$ -	$ -	36		$69,124	$138,248
71	INVP3022 Internet Toolset		10.82%	$ 1,088.12	$ 3,614.90	36		$116,933	$194,881
72	INVP3039 US eDiscovery		8.68%	$ 1,669.88	$ 3,411.31	36		$196,504	$327,493
73	INVP3076-QAS Address Hygiene		8.68%	$ 664.72	$ 3,351.46	36		$135,140	$270,279
74	INVP3103 Business Capture Software		8.68%	$ 10,324.51	$ 26,357.21	36		$1,518,272	$3,036,545
75	INVP3195 Storms Archive Tool Imple		0.00%	$ -	$ -	36		$313,787	$627,573

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			(u)	(v) = (t) + (u)/2	(w) = (v)*Eff Rate	(x)	(y)	(z) = (x) + (y)/2
						Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
33	INN/A-NERC CIP Compliance		$1,155,595	$1,155,595	$464,549	$1,073,053	$1,155,595	$1,114,324
34	Inspect System Resources/Hard/Softw		$26,246	$26,246	$10,551	$10,936	$14,685	$12,811
35	INVP 0887		$258,131	$258,131	$103,769	$104,482	$141,357	$122,919
36	INVP N/A-Talent Management		$208,232	$208,232	$83,709	$173,527	$203,274	$188,400
37	INVP0823 DATA LOSS PREVENTION		$312,017	$286,010	$114,976	$57,203	$88,405	$72,804
38	INVP0823 DATA LOSS PREVENTION		$312,017	$286,010	$114,976	$57,203	$88,405	$72,804
39	INVP0823c Laptop & Port Device Info		$1,180,029	$1,081,674	$434,833	$216,339	$334,342	$275,340
40	INVP0823c Laptop & Port Device Info		$1,363,055	$1,249,445	$502,277	$249,893	$386,199	$318,046
41	INVP0845		$464,135	$464,135	$186,582	$419,931	$464,135	$442,033
42	INVP1224		$601,562	$601,562	$241,828	$451,172	$537,109	$494,140
43	INVP1242 - DECUS05		$253,998	$253,998	$102,107	$190,499	$226,784	$208,642
44	INVP1242 - WCOR01		$3,750	$3,750	$1,507	$1,518	$2,053	$1,786
45	INVP1242TB - KPI Metrics		$622,592	$622,592	$250,282	$466,944	$555,886	$511,415
46	INVP1356A US Retail Web Customer &		$6,726,634	$6,726,634	$2,704,107	$3,043,001	$4,003,949	$3,523,475
47	INVP1389 US Computing Minor Works		$267,594	$267,594	$107,573	$84,738	$111,497	$98,118
48	INVP1391		$523,093	$523,093	$210,283	$398,547	$473,275	$435,911
49	INVP1401		$527,701	$527,701	$212,136	$477,444	$527,701	$502,573
50	INVP1485 Computapole		$28,705	$26,312	$10,578	$7,518	$11,619	$9,568
51	INVP1485 Computapole Migration W7		$845,398	$845,398	$339,850	$301,928	$422,699	$362,314
52	INVP1549B Meter Reading System Con		$1,176,389	$1,087,447	$437,154	$308,102	$476,158	$392,130
53	INVP1549-Non-Interval Collect Sys C		$1,099,783	$1,099,783	$442,113	$497,521	$654,633	$576,077
54	INVP2135-Cust Choice Email Tracking		$621,113	$621,113	$249,687	$280,980	$369,710	$325,345
55	INVP2162 - PRIMAVERA EXPANSION		$228,928	$228,928	$92,029	$81,760	$114,464	$98,112
56	INVP2391-Implement UI Planner-CAPEX		$1,686,410	$1,686,410	$677,937	$1,405,341	$1,646,257	$1,525,799
57	INVP2522 VTL Replacement Cap Software		$648,194	$648,194	$260,574	$293,231	$385,830	$339,530
58	INVP2630 Intelligent Mail Barcode		$1,023,605	$1,023,605	$411,489	$463,060	$609,289	$536,174
59	INVP2732 US Storage Switch Replace		$588,353	$588,353	$236,518	$186,312	$245,147	$215,730
60	INVP2832 - ACIS Alliance Contracts		$324,412	$324,412	$130,413	$146,758	$193,102	$169,930
61	INVP2892B Security Access Panels		$687,129	$629,857	$253,202	$196,323	$294,484	$245,403
62	INVP2940-GRC Enterprise Risk & Comp		$3,533,188	$3,533,188	$1,420,342	$1,177,729	$1,682,471	$1,430,100
63	INVP2951 - Legal Hold Automation		$647,040	$593,109	$238,430	$118,624	$183,328	$150,976
64	INVP2970 Security Info & Event Mgm		$1,547,795	$1,418,786	$570,352	$270,864	$425,644	$348,254
65	INVP2981 US Security Awareness		$250,393	$250,393	$100,658	$70,945	$95,984	$83,464
66	INVP2982b Identity & Access Mgt Pr		$4,137,815	$3,866,157	$1,554,195	$758,600	$1,172,381	$965,490
67	INVP2982b Identity & Access Mgt Pr		$2,708	$2,483	$998	$451	$722	$587
68	INVP2983a CNI Network Security Pro		$115,489	$115,489	$46,426	$24,060	$35,609	$29,835
69	INVP2997 Earned Value Mgmt Rptg		$603,575	$603,575	$242,637	$215,563	$301,788	$258,675
70	INVP2997B EVM Phase 2		$138,248	$138,248	$55,576	$49,374	$69,124	$59,249
71	INVP3022 Internet Toolset		$233,866	$214,373	$86,178	$61,251	$94,660	$77,955
72	INVP3039 US eDiscovery		$393,008	$360,250	$144,821	$72,051	$111,352	$91,702
73	INVP3076-QAS Address Hygiene		$270,279	$270,279	$108,652	$122,269	$160,880	$141,575
74	INVP3103 Business Capture Software		$3,036,545	$3,036,545	$1,220,691	$885,659	$1,189,313	$1,037,486
75	INVP3195 Storms Archive Tool Imple		$627,573	$627,573	$252,284	$276,431	$366,084	$321,258

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			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate
			40.2000%		9.9500%
	Investment Name	**INVP #**	**Book Tax**	**Cash to Book Tax Difference**	**Return on Accum Taxes**
33	INN/A-NERC CIP Compliance		$447,958	$16,591	$1,651
34	Inspect System Resources/Hard/Softw		$5,150	$5,401	$537
35	INVP 0887		$49,414	$54,355	$5,408
36	INVP N/A-Talent Management		$75,737	$7,972	$793
37	INVP0823 DATA LOSS PREVENTION		$29,267	$85,709	$8,528
38	INVP0823 DATA LOSS PREVENTION		$29,267	$85,709	$8,528
39	INVP0823c Laptop & Port Device Info		$110,687	$324,146	$32,253
40	INVP0823c Laptop & Port Device Info		$127,855	$374,422	$37,255
41	INVP0845		$177,697	$8,885	$884
42	INVP1224		$198,644	$43,184	$4,297
43	INVP1242 - DECUS05		$83,874	$18,233	$1,814
44	INVP1242 - WCOR01		$718	$790	$79
45	INVP1242TB - KPI Metrics		$205,589	$44,693	$4,447
46	INVP1356A US Retail Web Customer &		$1,416,437	$1,287,670	$128,123
47	INVP1389 US Computing Minor Works		$39,443	$68,129	$6,779
48	INVP1391		$175,236	$35,047	$3,487
49	INVP1401		$202,034	$10,102	$1,005
50	INVP1485 Computapole		$3,846	$6,731	$670
51	INVP1485 Computapole Migration W7		$145,650	$194,200	$19,323
52	INVP1549B Meter Reading System Con		$157,636	$279,517	$27,812
53	INVP1549-Non-Interval Collect Sys C		$231,583	$210,530	$20,948
54	INVP2135-Cust Choice Email Tracking		$130,789	$118,899	$11,830
55	INVP2162 - PRIMAVERA EXPANSION		$39,441	$52,588	$5,233
56	INVP2391-Implement UI Planner-CAPEX		$613,371	$64,565	$6,424
57	INVP2522 VTL Replacement Cap Software		$136,491	$124,083	$12,346
58	INVP2630 Intelligent Mail Barcode		$215,542	$195,947	$19,497
59	INVP2732 US Storage Switch Replace		$86,723	$149,795	$14,905
60	INVP2832 - ACIS Alliance Contracts		$68,312	$62,102	$6,179
61	INVP2892B Security Access Panels		$98,652	$154,550	$15,378
62	INVP2940-GRC Enterprise Risk & Comp		$574,900	$845,441	$84,121
63	INVP2951 - Legal Hold Automation		$60,692	$177,737	$17,685
64	INVP2970 Security Info & Event Mgm		$139,998	$430,354	$42,820
65	INVP2981 US Security Awareness		$33,553	$67,105	$6,677
66	INVP2982b Identity & Access Mgt Pr		$388,127	$1,166,068	$116,024
67	INVP2982b Identity & Access Mgt Pr		$236	$762	$76
68	INVP2983a CNI Network Security Pro		$11,993	$34,433	$3,426
69	INVP2997 Earned Value Mgmt Rptg		$103,987	$138,650	$13,796
70	INVP2997B EVM Phase 2		$23,818	$31,758	$3,160
71	INVP3022 Internet Toolset		$31,338	$54,840	$5,457
72	INVP3039 US eDiscovery		$36,864	$107,957	$10,742
73	INVP3076-QAS Address Hygiene		$56,913	$51,739	$5,148
74	INVP3103 Business Capture Software		$417,069	$803,622	$79,960
75	INVP3195 Storms Archive Tool Imple		$129,146	$123,139	$12,252

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			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g)
									12/31/2016
	Investment Name	INVP #	Inception to Date $	Bill Pool	Adjustments	Total US Spend	In Service Date	Amortization Period	12/31/2016 Balance
76	INVP3210 - Infographics Conversion		$1,327,228	G259		$1,327,228	11/1/2013	84	$726,816
77	INVP3232A - Tallyman & Paperless B		$953,115	G179		$953,115	11/1/2013	84	$521,944
78	INVP3294 - PowerPlant Leased Asset		$969,208	G012		$969,208	2/1/2014	120	$686,522
79	INVP3294B PowerPlan Phase 2		$244,374	G012		$244,374	3/1/2015	120	$199,572
80	INVP3307 iFactor Storm Center Host		$668,684	G012		$668,684	11/1/2013	84	$366,184
81	INVP3310 US HR Applicant Track Sys		$326,615	G012		$326,615	10/1/2013	120	$220,465
82	INVP3375B Challenge the Limits XML		$592,576	G179		$592,576	3/15/2015	84	$437,378
83	INVP3375D Challenge Limit Letters		$372,232	C434		$372,232	6/15/2015	84	$288,037
84	INVP3378 Rubber Goods Testing		$379,536	G186		$379,536	3/1/2015	84	$280,134
85	INVP3393 Enhancement Res Woods Cap SW		$101,136	J063		$101,136	2/1/2014	84	$58,996
86	INVP3412 - New Security Control Ctr		$1,385,615	G012		$1,385,615	3/1/2015	120	$1,131,585
87	INVP3425 Wireless LAN Network Expansion		$147,233	G020		$147,233	3/1/2015	84	$108,672
88	INVP3600 - US Web Initiatives		$1,380,415	G173		$1,380,415	3/1/2015	84	$1,018,878
89	INVP3615 Success Enterprise Reporti		$623,254	G186		$623,254	3/1/2015	84	$460,021
90	INVP823D Guardium		$158,135	G012		$158,135	3/1/2015	120	$129,144
91	ISP01-Integrated Strat Plan		$1,105,706	G198		$1,105,706	12/1/2010	84	$144,795
92	IVR Project Work		$1,193,074	C284		$1,193,074	9/1/2010	84	$113,626
93	JBCRD01I-Wholesale Re-Des		$436,385	G198		$436,385	10/1/2011	84	$109,096
94	KPI Reporting Tool		$1,184,110	G012		$1,184,110	8/1/2012	84	$436,993
95	LIM/ZEMA Project		$402,988	G012		$402,988	3/1/2011	84	$67,165
96	Meter Test Equipment		$186,308	G284		$186,308	10/1/2014	84	$126,423
97	New England Telecom Network Alarm		$88,951	G284		$88,951	10/1/2014	84	$60,360
98	OneNet		$4,483,264	G012		$4,483,264	6/1/2010	84	$266,861
99	S&M Data Warehouse Expansion		$981,583	GT03		$981,583	3/1/2011	84	$163,597
100	SHORT04-Prima P6 Upgrade		$1,443,524	G198		$1,443,524	12/1/2010	84	$189,033
101	STD01-Concept Est Tool		$873,898	G198		$873,898	2/1/2014	84	$509,774
102	UHF Spectrum Purchase Project		$2,116,624	G284		$2,116,624	10/1/2011	84	$529,156
103	USFP - Build & Unit Test -R1		$26,765,794	G012		$26,765,794	11/1/2012	120	$15,613,380
104	USFP - Build & Unit Test-DD		$2,783,413	G012		$2,783,413	11/1/2012	120	$1,623,657
105	USFP - Business Engagement -R1		$154,570	G012		$154,570	11/1/2012	120	$90,166
106	USFP - Business Readiness -R1		$2,020,438	G012		$2,020,438	11/1/2012	120	$1,178,589
107	USFP - Controls & Roles -R1		$7,773,544	G012		$7,773,544	11/1/2012	120	$4,534,567
108	USFP - Controls & Roles-DD		$2,694,151	G012		$2,694,151	11/1/2012	120	$1,571,588
109	USFP - Cutover -R1		$2,728,737	G012		$2,728,737	11/1/2012	120	$1,591,763
110	USFP - Cutover-DD		$118,108	G012		$118,108	11/1/2012	120	$68,896
111	USFP - Data Strategy - R1		$7,738,324	G012		$7,738,324	11/1/2012	120	$4,514,022
112	USFP - Data Strategy-DD		$2,531,924	G012		$2,531,924	11/1/2012	120	$1,476,955
113	USFP - DESIGN AUTH - DESIGN CAPEX		$318,531	G012		$318,531	11/1/2012	120	$185,810
114	USFP - FINANCE STREAM - DESIGN CAPEX		$1,441,354	G012		$1,441,354	11/1/2012	120	$840,790
115	USFP - Hardware & Software-DD		$2,770,640	G012		$2,770,640	11/1/2012	120	$1,616,206
116	USFP - Hardware & Software-R1		$23,426,143	G012		$23,426,143	11/1/2012	120	$13,665,250
117	USFP - HR STREAM - DESIGN CAPEX		$826,202	G012		$826,202	11/1/2012	120	$481,951
118	USFP - INFORMATION MGMT - DESIGN CAPEX		$346,941	G012		$346,941	11/1/2012	120	$202,382

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			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization
76	INVP3210 - Infographics Conversion		$537,211	$632,014	9.9500%	$62,885	($25,280)	$37,605	$189,604
77	INVP3232A - Tallyman & Paperless B		$385,785	$453,864	9.9500%	$45,159	($18,154)	$27,005	$136,159
78	INVP3294 - PowerPlant Leased Asset		$589,602	$638,062	9.9500%	$63,487	($25,522)	$37,965	$96,921
79	INVP3294B PowerPlan Phase 2		$175,135	$187,354	9.9500%	$18,642	($6,679)	$11,962	$24,437
80	INVP3307 iFactor Storm Center Host		$270,658	$318,421	9.9500%	$31,683	($12,737)	$18,946	$95,526
81	INVP3310 US HR Applicant Track Sys		$187,804	$204,135	9.9500%	$20,311	($8,165)	$12,146	$32,662
82	INVP3375B Challenge the Limits XML		$352,724	$395,051	9.9500%	$39,308	($13,826)	$25,482	$84,654
83	INVP3375D Challenge Limit Letters		$234,861	$261,449	9.9500%	$26,014	($9,217)	$16,797	$53,176
84	INVP3378 Rubber Goods Testing		$225,915	$253,024	9.9500%	$25,176	($8,855)	$16,321	$54,219
85	INVP3393 Enhancement Res Woods Cap SW		$44,548	$51,772	9.9500%	$5,151	($2,071)	$3,080	$14,448
86	INVP3412 - New Security Control Ctr		$993,024	$1,062,304	9.9500%	$105,699	($37,872)	$67,828	$138,561
87	INVP3425 Wireless LAN Network Expansion		$87,638	$98,155	9.9500%	$9,766	($3,435)	$6,331	$21,033
88	INVP3600 - US Web Initiatives		$821,676	$920,277	9.9500%	$91,568	($32,617)	$58,951	$197,202
89	INVP3615 Success Enterprise Reporti		$370,985	$415,503	9.9500%	$41,343	($14,542)	$26,801	$89,036
90	INVP823D Guardium		$113,330	$121,237	9.9500%	$12,063	($4,322)	$7,741	$15,814
91	ISP01-Integrated Strat Plan		$0	$72,397	9.9500%	$7,204	($2,896)	$4,308	$144,795
92	IVR Project Work		$0	$56,813	9.9500%	$5,653	($2,272)	$3,380	$113,626
93	JBCRD01I-Wholesale Re-Des		$46,756	$77,926	9.9500%	$7,754	($3,117)	$4,637	$62,341
94	KPI Reporting Tool		$267,834	$352,414	9.9500%	$35,065	($14,096)	$20,969	$169,159
95	LIM/ZEMA Project		$9,595	$38,380	9.9500%	$3,819	($1,535)	$2,284	$57,570
96	Meter Test Equipment		$99,808	$113,115	9.9500%	$11,255	($4,524)	$6,730	$26,615
97	New England Telecom Network Alarm		$47,652	$54,006	9.9500%	$5,374	($2,160)	$3,213	$12,707
98	OneNet		$0	$133,430	9.9500%	$13,276	($5,337)	$7,939	$266,861
99	S&M Data Warehouse Expansion		$23,371	$93,484	9.9500%	$9,302	($3,739)	$5,562	$140,226
100	SHORT04-Prima P6 Upgrade		$0	$94,516	9.9500%	$9,404	($3,781)	$5,624	$189,033
101	STD01-Concept Est Tool		$384,931	$447,353	9.9500%	$44,512	($17,894)	$26,618	$124,843
102	UHF Spectrum Purchase Project		$226,781	$377,969	9.9500%	$37,608	($15,118)	$22,490	$302,375
103	USFP - Build & Unit Test -R1		$12,936,801	$14,275,090	9.9500%	$1,420,371	($570,989)	$849,382	$2,676,579
104	USFP - Build & Unit Test-DD		$1,345,316	$1,484,487	9.9500%	$147,706	($59,378)	$88,328	$278,341
105	USFP - Business Engagement -R1		$74,709	$82,438	9.9500%	$8,203	($3,297)	$4,905	$15,457
106	USFP - Business Readiness -R1		$976,545	$1,077,567	9.9500%	$107,218	($43,102)	$64,116	$202,044
107	USFP - Controls & Roles -R1		$3,757,213	$4,145,890	9.9500%	$412,516	($165,831)	$246,685	$777,354
108	USFP - Controls & Roles-DD		$1,302,173	$1,436,881	9.9500%	$142,970	($57,474)	$85,496	$269,415
109	USFP - Cutover -R1		$1,318,890	$1,455,326	9.9500%	$144,805	($58,212)	$86,593	$272,874
110	USFP - Cutover-DD		$57,085	$62,991	9.9500%	$6,268	($2,520)	$3,748	$11,811
111	USFP - Data Strategy - R1		$3,740,190	$4,127,106	9.9500%	$410,647	($165,080)	$245,567	$773,832
112	USFP - Data Strategy-DD		$1,223,763	$1,350,359	9.9500%	$134,361	($54,013)	$80,348	$253,192
113	USFP - DESIGN AUTH - DESIGN CAPEX		$153,957	$169,883	9.9500%	$16,903	($6,795)	$10,108	$31,853
114	USFP - FINANCE STREAM - DESIGN CAPEX		$696,655	$768,722	9.9500%	$76,488	($30,748)	$45,740	$144,135
115	USFP - Hardware & Software-DD		$1,339,142	$1,477,674	9.9500%	$147,029	($59,106)	$87,923	$277,064
116	USFP - Hardware & Software-R1		$11,322,636	$12,493,943	9.9500%	$1,243,147	($499,745)	$743,402	$2,342,614
117	USFP - HR STREAM - DESIGN CAPEX		$399,331	$440,641	9.9500%	$43,844	($17,625)	$26,219	$82,620
118	USFP - INFORMATION MGMT - DESIGN CAPEX		$167,688	$185,035	9.9500%	$18,411	($7,401)	$11,010	$34,694

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			(o)	(p) = (m)* (n)	(q) = (n)* (o)	(r)	(s)	(t)	
							Cumulative Tax Depreciation		
			5230G						12/31/2016
	Investment Name	INVP #	KEDLI Allocation	KEDLI Rate Year Rent-Return	KEDLI Rate Year Rent - Depn	Amortization Period	Tax Expensing	Bonus Depreciation	12/31/2016 Balance
76	INVP3210 - Infographics Conversion		0.00%	$ -	$ -	36	$1,287,669	$19,780	$1,327,228
77	INVP3232A - Tallyman & Paperless B		0.00%	$ -	$ -	36		$476,557	$953,115
78	INVP3294 - PowerPlant Leased Asset		8.68%	$ 3,295.39	$ 8,412.73	36		$484,604	$969,208
79	INVP3294B PowerPlan Phase 2		8.68%	$ 1,038.34	$ 2,121.17	36		$122,187	$203,637
80	INVP3307 iFactor Storm Center Host		8.68%	$ 1,644.54	$ 8,291.68	36		$334,342	$668,684
81	INVP3310 US HR Applicant Track Sys		8.68%	$ 1,054.29	$ 2,835.02	36		$163,308	$326,615
82	INVP3375B Challenge the Limits XML		0.00%	$ -	$ -	36		$296,288	$493,794
83	INVP3375D Challenge Limit Letters		0.00%	$ -	$ -	36		$186,116	$310,181
84	INVP3378 Rubber Goods Testing		0.00%	$ -	$ -	36		$189,768	$316,268
85	INVP3393 Enhancement Res Woods Cap SW		6.36%	$ 195.92	$ 918.89	36		$50,568	$101,136
86	INVP3412 - New Security Control Ctr		8.68%	$ 5,887.44	$ 12,027.13	36		$692,807	$1,154,633
87	INVP3425 Wireless LAN Network Expansion		8.68%	$ 549.55	$ 1,825.68	36		$73,616	$122,689
88	INVP3600 - US Web Initiatives		10.82%	$ 6,378.47	$ 21,337.28	36	$122,634	$628,891	$1,170,743
89	INVP3615 Success Enterprise Reporti		0.00%	$ -	$ -	36		$311,627	$519,358
90	INVP823D Guardium		8.68%	$ 671.91	$ 1,372.61	36		$79,068	$131,774
91	ISP01-Integrated Strat Plan		0.00%	$ -	$ -	36		$552,853	$1,105,706
92	IVR Project Work		0.00%	$ -	$ -	36	$1,193,074	$0	$1,193,074
93	JBCRD01I-Wholesale Re-Des		0.00%	$ -	$ -	36		$436,385	$436,385
94	KPI Reporting Tool		8.68%	$ 1,820.11	$ 14,682.96	36		$592,055	$1,184,110
95	LIM/ZEMA Project		8.68%	$ 198.22	$ 4,997.05	36	$402,988	$0	$402,988
96	Meter Test Equipment		0.00%	$ -	$ -	36		$93,154	$186,308
97	New England Telecom Network Alarm		0.00%	$ -	$ -	36		$44,475	$88,951
98	OneNet		8.68%	$ 689.13	$ 23,163.53	36	$124,068	$2,179,598	$4,483,264
99	S&M Data Warehouse Expansion		6.98%	$ 388.26	$ 9,787.79	36		$981,583	$981,583
100	SHORT04-Prima P6 Upgrade		0.00%	$ -	$ -	36	($9,549)	$726,537	$1,443,524
101	STD01-Concept Est Tool		0.00%	$ -	$ -	36		$436,949	$873,898
102	UHF Spectrum Purchase Project		0.00%	$ -	$ -	36	$1,133,824	$982,800	$2,116,624
103	USFP - Build & Unit Test -R1		8.68%	$ 73,726.37	$ 232,327.10	36		$13,382,897	$26,765,794
104	USFP - Build & Unit Test-DD		8.68%	$ 7,666.91	$ 24,160.02	36		$1,391,706	$2,783,413
105	USFP - Business Engagement -R1		8.68%	$ 425.76	$ 1,341.67	36		$77,285	$154,570
106	USFP - Business Readiness -R1		8.68%	$ 5,565.30	$ 17,537.40	36		$1,010,219	$2,020,438
107	USFP - Controls & Roles -R1		8.68%	$ 21,412.22	$ 67,474.36	36		$3,886,772	$7,773,544
108	USFP - Controls & Roles-DD		8.68%	$ 7,421.04	$ 23,385.23	36		$1,347,075	$2,694,151
109	USFP - Cutover -R1		8.68%	$ 7,516.31	$ 23,685.44	36		$1,364,369	$2,728,737
110	USFP - Cutover-DD		8.68%	$ 325.33	$ 1,025.18	36		$59,054	$118,108
111	USFP - Data Strategy - R1		8.68%	$ 21,315.21	$ 67,168.65	36		$3,869,162	$7,738,324
112	USFP - Data Strategy-DD		8.68%	$ 6,974.18	$ 21,977.10	36		$1,265,962	$2,531,924
113	USFP - DESIGN AUTH - DESIGN CAPEX		8.68%	$ 877.39	$ 2,764.85	36		$159,266	$318,531
114	USFP - FINANCE STREAM - DESIGN CAPEX		8.68%	$ 3,970.21	$ 12,510.96	36		$720,677	$1,441,354
115	USFP - Hardware & Software-DD		8.68%	$ 7,631.73	$ 24,049.15	36		$1,385,320	$2,770,640
116	USFP - Hardware & Software-R1		8.68%	$ 64,527.30	$ 203,338.93	36		$11,713,072	$23,426,143
117	USFP - HR STREAM - DESIGN CAPEX		8.68%	$ 2,275.77	$ 7,171.43	36		$413,101	$826,202
118	USFP - INFORMATION MGMT - DESIGN CAPEX		8.68%	$ 955.65	$ 3,011.44	36		$173,470	$346,941

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			(u)	(v) = (t) + (u)/2	(w) = (v)*Eff Rate	(x)	(y)	(z) = (x) + (y)/2
						Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
76	INVP3210 - Infographics Conversion		$1,327,228	$1,327,228	$533,546	$600,413	$790,017	$695,215
77	INVP3232A - Tallyman & Paperless B		$953,115	$953,115	$383,152	$431,171	$567,330	$499,251
78	INVP3294 - PowerPlant Leased Asset		$969,208	$969,208	$389,622	$282,686	$379,607	$331,146
79	INVP3294B PowerPlan Phase 2		$244,374	$224,006	$90,050	$44,802	$69,239	$57,021
80	INVP3307 iFactor Storm Center Host		$668,684	$668,684	$268,811	$302,500	$398,026	$350,263
81	INVP3310 US HR Applicant Track Sys		$326,615	$326,615	$131,299	$106,150	$138,812	$122,481
82	INVP3375B Challenge the Limits XML		$592,576	$543,185	$218,360	$155,199	$239,852	$197,525
83	INVP3375D Challenge Limit Letters		$372,232	$341,206	$137,165	$84,195	$137,371	$110,783
84	INVP3378 Rubber Goods Testing		$379,536	$347,902	$139,857	$99,402	$153,622	$126,512
85	INVP3393 Enhancement Res Woods Cap SW		$101,136	$101,136	$40,656	$42,140	$56,588	$49,364
86	INVP3412 - New Security Control Ctr		$1,385,615	$1,270,124	$510,590	$254,029	$392,591	$323,310
87	INVP3425 Wireless LAN Network Expansion		$147,233	$134,961	$54,254	$38,561	$59,594	$49,078
88	INVP3600 - US Web Initiatives		$1,380,415	$1,275,579	$512,783	$361,537	$558,740	$460,138
89	INVP3615 Success Enterprise Reporti		$623,254	$571,306	$229,665	$163,233	$252,270	$207,751
90	INVP823D Guardium		$158,135	$144,955	$58,272	$28,991	$44,805	$36,898
91	ISP01-Integrated Strat Plan		$1,105,706	$1,105,706	$444,494	$960,911	$1,105,706	$1,033,309
92	IVR Project Work		$1,193,074	$1,193,074	$479,616	$1,079,448	$1,193,074	$1,136,261
93	JBCRD01I-Wholesale Re-Des		$436,385	$436,385	$175,427	$327,289	$389,630	$358,459
94	KPI Reporting Tool		$1,184,110	$1,184,110	$476,012	$747,117	$916,275	$831,696
95	LIM/ZEMA Project		$402,988	$402,988	$162,001	$335,823	$393,393	$364,608
96	Meter Test Equipment		$186,308	$186,308	$74,896	$59,885	$86,500	$73,192
97	New England Telecom Network Alarm		$88,951	$88,951	$35,758	$28,591	$41,299	$34,945
98	OneNet		$4,483,264	$4,483,264	$1,802,272	$4,216,403	$4,483,264	$4,349,834
99	S&M Data Warehouse Expansion		$981,583	$981,583	$394,596	$817,986	$958,212	$888,099
100	SHORT04-Prima P6 Upgrade		$1,443,524	$1,443,524	$580,297	$1,254,491	$1,443,524	$1,349,008
101	STD01-Concept Est Tool		$873,898	$873,898	$351,307	$364,124	$488,967	$426,545
102	UHF Spectrum Purchase Project		$2,116,624	$2,116,624	$850,883	$1,587,468	$1,889,843	$1,738,655
103	USFP - Build & Unit Test -R1		$26,765,794	$26,765,794	$10,759,849	$11,152,414	$13,828,994	$12,490,704
104	USFP - Build & Unit Test-DD		$2,783,413	$2,783,413	$1,118,932	$1,159,755	$1,438,097	$1,298,926
105	USFP - Business Engagement -R1		$154,570	$154,570	$62,137	$64,404	$79,861	$72,133
106	USFP - Business Readiness -R1		$2,020,438	$2,020,438	$812,216	$841,849	$1,043,893	$942,871
107	USFP - Controls & Roles -R1		$7,773,544	$7,773,544	$3,124,965	$3,238,977	$4,016,331	$3,627,654
108	USFP - Controls & Roles-DD		$2,694,151	$2,694,151	$1,083,049	$1,122,563	$1,391,978	$1,257,270
109	USFP - Cutover -R1		$2,728,737	$2,728,737	$1,096,952	$1,136,974	$1,409,847	$1,273,411
110	USFP - Cutover-DD		$118,108	$118,108	$47,479	$49,212	$61,022	$55,117
111	USFP - Data Strategy - R1		$7,738,324	$7,738,324	$3,110,806	$3,224,302	$3,998,134	$3,611,218
112	USFP - Data Strategy-DD		$2,531,924	$2,531,924	$1,017,833	$1,054,968	$1,308,161	$1,181,564
113	USFP - DESIGN AUTH - DESIGN CAPEX		$318,531	$318,531	$128,050	$132,721	$164,574	$148,648
114	USFP - FINANCE STREAM - DESIGN CAPEX		$1,441,354	$1,441,354	$579,424	$600,564	$744,700	$672,632
115	USFP - Hardware & Software-DD		$2,770,640	$2,770,640	$1,113,797	$1,154,433	$1,431,497	$1,292,965
116	USFP - Hardware & Software-R1		$23,426,143	$23,426,143	$9,417,310	$9,760,893	$12,103,507	$10,932,200
117	USFP - HR STREAM - DESIGN CAPEX		$826,202	$826,202	$332,133	$344,251	$426,871	$385,561
118	USFP - INFORMATION MGMT - DESIGN CAPEX		$346,941	$346,941	$139,470	$144,559	$179,253	$161,906

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			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate
			40.2000%		9.9500%
	Investment Name	INVP #	Book Tax	Cash to Book Tax Difference	Return on Accum Taxes
76	INVP3210 - Infographics Conversion		$279,476	$254,069	$25,280
77	INVP3232A - Tallyman & Paperless B		$200,699	$182,453	$18,154
78	INVP3294 - PowerPlant Leased Asset		$133,121	$256,501	$25,522
79	INVP3294B PowerPlan Phase 2		$22,922	$67,128	$6,679
80	INVP3307 iFactor Storm Center Host		$140,806	$128,005	$12,737
81	INVP3310 US HR Applicant Track Sys		$49,237	$82,062	$8,165
82	INVP3375B Challenge the Limits XML		$79,405	$138,955	$13,826
83	INVP3375D Challenge Limit Letters		$44,535	$92,630	$9,217
84	INVP3378 Rubber Goods Testing		$50,858	$88,999	$8,855
85	INVP3393 Enhancement Res Woods Cap SW		$19,844	$20,812	$2,071
86	INVP3412 - New Security Control Ctr		$129,971	$380,619	$37,872
87	INVP3425 Wireless LAN Network Expansion		$19,729	$34,525	$3,435
88	INVP3600 - US Web Initiatives		$184,976	$327,807	$32,617
89	INVP3615 Success Enterprise Reporti		$83,516	$146,149	$14,542
90	INVP823D Guardium		$14,833	$43,439	$4,322
91	ISP01-Integrated Strat Plan		$415,390	$29,104	$2,896
92	IVR Project Work		$456,777	$22,839	$2,272
93	JBCRD01I-Wholesale Re-Des		$144,101	$31,326	$3,117
94	KPI Reporting Tool		$334,342	$141,670	$14,096
95	LIM/ZEMA Project		$146,573	$15,429	$1,535
96	Meter Test Equipment		$29,423	$45,472	$4,524
97	New England Telecom Network Alarm		$14,048	$21,710	$2,160
98	OneNet		$1,748,633	$53,639	$5,337
99	S&M Data Warehouse Expansion		$357,016	$37,581	$3,739
100	SHORT04-Prima P6 Upgrade		$542,301	$37,996	$3,781
101	STD01-Concept Est Tool		$171,471	$179,836	$17,894
102	UHF Spectrum Purchase Project		$698,939	$151,943	$15,118
103	USFP - Build & Unit Test -R1		$5,021,263	$5,738,586	$570,989
104	USFP - Build & Unit Test-DD		$522,168	$596,764	$59,378
105	USFP - Business Engagement -R1		$28,997	$33,140	$3,297
106	USFP - Business Readiness -R1		$379,034	$433,182	$43,102
107	USFP - Controls & Roles -R1		$1,458,317	$1,666,648	$165,831
108	USFP - Controls & Roles-DD		$505,423	$577,626	$57,474
109	USFP - Cutover -R1		$511,911	$585,041	$58,212
110	USFP - Cutover-DD		$22,157	$25,322	$2,520
111	USFP - Data Strategy - R1		$1,451,710	$1,659,097	$165,080
112	USFP - Data Strategy-DD		$474,989	$542,844	$54,013
113	USFP - DESIGN AUTH - DESIGN CAPEX		$59,756	$68,293	$6,795
114	USFP - FINANCE STREAM - DESIGN CAPEX		$270,398	$309,026	$30,748
115	USFP - Hardware & Software-DD		$519,772	$594,025	$59,106
116	USFP - Hardware & Software-R1		$4,394,745	$5,022,565	$499,745
117	USFP - HR STREAM - DESIGN CAPEX		$154,996	$177,138	$17,625
118	USFP - INFORMATION MGMT - DESIGN CAPEX		$65,086	$74,384	$7,401

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			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g)
									12/31/2016
	Investment Name	INVP #	Inception to Date $	Bill Pool	Adjustments	Total US Spend	In Service Date	Amortization Period	12/31/2016 Balance
119	USFP - Plan & Perf for Exec & US Dir		$294,053	G012		$294,053	3/1/2011	84	$49,009
120	USFP - PMO - R1		$13,294,040	G012		$13,294,040	11/1/2012	120	$7,754,856
121	USFP - PMO TEAM - DESIGN CAPEX		$5,995,338	G012		$5,995,338	11/1/2012	120	$3,497,280
122	USFP - PMO-DD		$4,761,712	G012		$4,761,712	11/1/2012	120	$2,777,665
123	USFP - PROCESS & DATA - DESIGN CAPEX		$271,405	G012		$271,405	11/1/2012	120	$158,320
124	USFP - Process & Design -R1		$7,564,718	G012		$7,564,718	11/1/2012	120	$4,412,752
125	USFP - Process & Design-DD		$17,463,817	G012		$17,463,817	11/1/2012	120	$10,187,226
126	USFP - PROCESS CONTROL - DESIGN CAPEX		$138,806	G012		$138,806	11/1/2012	120	$80,970
127	USFP - R3 Finance		$73,762	G012		$73,762	1/1/2015	120	$59,010
128	USFP - R3 Finance		$1,392	G012		$1,392	2/1/2015	120	$1,125
129	USFP - R3 Finance		$13,701,999	G012		$13,701,999	1/1/2015	96	$10,276,499
130	USFP - R3 Payroll		$1,812,281	G012		$1,812,281	1/1/2015	120	$1,449,825
131	USFP - R3 Payroll		$5,600,000	G012		$5,600,000	1/1/2015	96	$4,200,000
132	USFP - R3 Supply Chain		$14,175	G012		$14,175	1/1/2015	120	$11,340
133	USFP - R3 Supply Chain		$9,800,000	G012		$9,800,000	1/1/2015	96	$7,350,000
134	USFP - Release 3 - IT Delivery		$8,773,460	G012		$8,773,460	1/1/2015	120	$7,018,768
135	USFP - Release 3 - IT Delivery		$518,239	G012		$518,239	1/1/2015	96	$388,679
136	USFP - Reporting & Info - R1		$6,197,728	G012		$6,197,728	11/1/2012	120	$3,615,341
137	USFP - Reporting & Info-DD		$2,503,961	G012		$2,503,961	11/1/2012	120	$1,460,644
138	USFP - S\CHAIN STREAM - DESIGN CAPEX		$1,038,127	G012		$1,038,127	11/1/2012	120	$605,574
139	USFP - SOLUTION ARCH - DESIGN CAPEX		$199,928	G012		$199,928	11/1/2012	120	$116,625
140	USFP - Solution Architecture-DD		$2,908,470	G012		$2,908,470	11/1/2012	120	$1,696,608
141	USFP - Solution Architecture-R1		$2,536,861	G012		$2,536,861	11/1/2012	120	$1,479,836
142	USFP - SOLUTION DEL - DESIGN CAPEX		$906,402	G012		$906,402	11/1/2012	120	$528,734
143	USFP - Tech Delivery - R1		$4,595,067	G012		$4,595,067	11/1/2012	120	$2,680,456
144	USFP - Tech Delivery-DD		$1,708,792	G012		$1,708,792	11/1/2012	120	$996,795
145	USFP - Test Finance		$3,910,865	G012		$3,910,865	11/1/2012	120	$2,281,338
146	USFP - Test HR		$9,899	G012		$9,899	11/1/2012	120	$5,775
147	USFP - Test Net Strat		$1,305,452	G012		$1,305,452	11/1/2012	120	$761,514
148	USFP - Test Ops		$4,359,638	G012		$4,359,638	11/1/2012	120	$2,543,122
149	USFP - Test Procure		$311,956	G012		$311,956	11/1/2012	120	$181,975
150	USFP - Test SS		$46,113,564	G012		$46,113,564	11/1/2012	120	$26,899,579
151	USFP - Testing -R1		$61,366,885	G012		$61,366,885	11/1/2012	120	$35,797,349
152	USFP - Testing-DD		$209,496	G012		$209,496	11/1/2012	120	$122,206
153	USFP - US FOUNDATION PRGM ARCH/DECOM		$1,242,446	G012		$1,242,446	11/1/2012	120	$724,760
154	USFP - US Pre-BLUEPRINT STRATEGY PLAN		$6,530,003	G012		$6,530,003	11/1/2012	120	$3,809,168
155	US-NG Global Intranet Design CAPEX		$1,617,868	GT03		$1,617,868	2/1/2012	84	$481,508
156	Video Conferencing		$1,207,479	G012		$1,207,479	10/1/2011	84	$301,870
157	WCLS13 - Auto Gen Work Req		$20,566	G198		$20,566	2/1/2014	84	$11,997
158	WCOR09 - AVLS Integration		$313,523	G198		$313,523	10/1/2011	84	$78,381
159	Web Initiatives FY09 - Phase 1		$2,010,464	G012		$2,010,464	9/1/2010	84	$191,473
160	BUS TRANS - WIRES & PIPES - CAPITAL	1TXFER00099	$178	G227		$178	3/1/2007	84	$0
161	FDC Enhancement	1TXFER00099	$2,245,499	C310		$2,245,499	10/1/2012	84	$882,160

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			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization
119	USFP - Plan & Perf for Exec & US Dir		$7,001	$28,005	9.9500%	$2,787	($1,120)	$1,666	$42,008
120	USFP - PMO - R1		$6,425,452	$7,090,154	9.9500%	$705,470	($283,599)	$421,871	$1,329,404
121	USFP - PMO TEAM - DESIGN CAPEX		$2,897,747	$3,197,513	9.9500%	$318,153	($127,897)	$190,255	$599,534
122	USFP - PMO-DD		$2,301,494	$2,539,579	9.9500%	$252,688	($101,581)	$151,108	$476,171
123	USFP - PROCESS & DATA - DESIGN CAPEX		$131,179	$144,750	9.9500%	$14,403	($5,790)	$8,613	$27,141
124	USFP - Process & Design -R1		$3,656,281	$4,034,517	9.9500%	$401,434	($161,377)	$240,058	$756,472
125	USFP - Process & Design-DD		$8,440,845	$9,314,036	9.9500%	$926,747	($372,552)	$554,194	$1,746,382
126	USFP - PROCESS CONTROL - DESIGN CAPEX		$67,090	$74,030	9.9500%	$7,366	($2,961)	$4,405	$13,881
127	USFP - R3 Finance		$51,634	$55,322	9.9500%	$5,505	($1,967)	$3,538	$7,376
128	USFP - R3 Finance		$986	$1,055	9.9500%	$105	($38)	$67	$139
129	USFP - R3 Finance		$8,563,749	$9,420,124	9.9500%	$937,302	($331,114)	$606,188	$1,712,750
130	USFP - R3 Payroll		$1,268,597	$1,359,211	9.9500%	$135,241	($48,325)	$86,916	$181,228
131	USFP - R3 Payroll		$3,500,000	$3,850,000	9.9500%	$383,075	($135,326)	$247,749	$700,000
132	USFP - R3 Supply Chain		$9,922	$10,631	9.9500%	$1,058	($378)	$680	$1,417
133	USFP - R3 Supply Chain		$6,125,000	$6,737,500	9.9500%	$670,381	($236,821)	$433,560	$1,225,000
134	USFP - Release 3 - IT Delivery		$6,141,422	$6,580,095	9.9500%	$654,719	($233,947)	$420,772	$877,346
135	USFP - Release 3 - IT Delivery		$323,899	$356,289	9.9500%	$35,451	($12,523)	$22,927	$64,780
136	USFP - Reporting & Info - R1		$2,995,568	$3,305,455	9.9500%	$328,893	($132,215)	$196,678	$619,773
137	USFP - Reporting & Info-DD		$1,210,248	$1,335,446	9.9500%	$132,877	($53,416)	$79,460	$250,396
138	USFP - S\CHAIN STREAM - DESIGN CAPEX		$501,761	$553,668	9.9500%	$55,090	($22,146)	$32,944	$103,813
139	USFP - SOLUTION ARCH - DESIGN CAPEX		$96,632	$106,628	9.9500%	$10,610	($4,265)	$6,344	$19,993
140	USFP - Solution Architecture-DD		$1,405,761	$1,551,184	9.9500%	$154,343	($62,046)	$92,297	$290,847
141	USFP - Solution Architecture-R1		$1,226,150	$1,352,993	9.9500%	$134,623	($54,118)	$80,504	$253,686
142	USFP - SOLUTION DEL - DESIGN CAPEX		$438,094	$483,414	9.9500%	$48,100	($19,336)	$28,764	$90,640
143	USFP - Tech Delivery - R1		$2,220,949	$2,450,702	9.9500%	$243,845	($98,026)	$145,819	$459,507
144	USFP - Tech Delivery-DD		$825,916	$911,356	9.9500%	$90,680	($36,453)	$54,227	$170,879
145	USFP - Test Finance		$1,890,251	$2,085,795	9.9500%	$207,537	($83,430)	$124,107	$391,086
146	USFP - Test HR		$4,785	$5,280	9.9500%	$525	($211)	$314	$990
147	USFP - Test Net Strat		$630,969	$696,241	9.9500%	$69,276	($27,849)	$41,427	$130,545
148	USFP - Test Ops		$2,107,158	$2,325,140	9.9500%	$231,351	($93,003)	$138,348	$435,964
149	USFP - Test Procure		$150,779	$166,377	9.9500%	$16,554	($6,655)	$9,900	$31,196
150	USFP - Test SS		$22,288,223	$24,593,901	9.9500%	$2,447,093	($983,731)	$1,463,362	$4,611,356
151	USFP - Testing -R1		$29,660,661	$32,729,005	9.9500%	$3,256,536	($1,309,127)	$1,947,409	$6,136,688
152	USFP - Testing-DD		$101,257	$111,731	9.9500%	$11,117	($4,469)	$6,648	$20,950
153	USFP - US FOUNDATION PRGM ARCH/DECOM		$600,515	$662,638	9.9500%	$65,932	($26,505)	$39,428	$124,245
154	USFP - US Pre-BLUEPRINT STRATEGY PLAN		$3,156,168	$3,482,668	9.9500%	$346,525	($139,303)	$207,222	$653,000
155	US-NG Global Intranet Design CAPEX		$250,384	$365,946	9.9500%	$36,412	($14,637)	$21,774	$231,124
156	Video Conferencing		$129,373	$215,621	9.9500%	$21,454	($8,625)	$12,830	$172,497
157	WCLS13 - Auto Gen Work Req		$9,059	$10,528	9.9500%	$1,048	($421)	$626	$2,938
158	WCOR09 - AVLS Integration		$33,592	$55,986	9.9500%	$5,571	($2,239)	$3,331	$44,789
159	Web Initiatives FY09 - Phase 1		$0	$95,736	9.9500%	$9,526	($3,829)	$5,696	$191,473
160	BUS TRANS - WIRES & PIPES - CAPITAL	1TXFER00099	$0	$0	9.9500%	$0	$0	$0	$0
161	FDC Enhancement	1TXFER00099	$561,375	$721,768	9.9500%	$71,816	($28,870)	$42,946	$320,786

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			(o)	(p) = (m)* (n)	(q) = (n)* (o)	(r)	(s)	(t)	
							Cumulative Tax Depreciation		
			5230G						12/31/2016
	Investment Name	INVP #	KEDLI Allocation	KEDLI Rate Year Rent-Return	KEDLI Rate Year Rent - Depn	Amortization Period	Tax Expensing	Bonus Depreciation	12/31/2016 Balance
119	USFP - Plan & Perf for Exec & US Dir		8.68%	$ 144.64	$ 3,646.26	36		$294,053	$294,053
120	USFP - PMO - R1		8.68%	$ 36,618.43	$ 115,392.26	36		$6,647,020	$13,294,040
121	USFP - PMO TEAM - DESIGN CAPEX		8.68%	$ 16,514.16	$ 52,039.53	36		$2,997,669	$5,995,338
122	USFP - PMO-DD		8.68%	$ 13,116.13	$ 41,331.66	36		$2,380,856	$4,761,712
123	USFP - PROCESS & DATA - DESIGN CAPEX		8.68%	$ 747.59	$ 2,355.80	36		$135,703	$271,405
124	USFP - Process & Design -R1		8.68%	$ 20,837.01	$ 65,661.76	36		$3,782,359	$7,564,718
125	USFP - Process & Design-DD		8.68%	$ 48,104.08	$ 151,585.93	36		$8,731,908	$17,463,817
126	USFP - PROCESS CONTROL - DESIGN CAPEX		8.68%	$ 382.34	$ 1,204.84	36		$69,403	$138,806
127	USFP - R3 Finance		8.68%	$ 307.07	$ 640.26	36		$36,881	$61,466
128	USFP - R3 Finance		8.68%	$ 5.85	$ 12.08	36		$696	$1,160
129	USFP - R3 Finance		8.68%	$ 52,617.13	$ 148,666.69	36		$6,851,000	$11,417,876
130	USFP - R3 Payroll		8.68%	$ 7,544.34	$ 15,730.60	36		$906,141	$1,510,174
131	USFP - R3 Payroll		8.68%	$ 21,504.60	$ 60,760.00	36		$2,800,000	$4,666,480
132	USFP - R3 Supply Chain		8.68%	$ 59.01	$ 123.04	36		$7,087	$11,812
133	USFP - R3 Supply Chain		8.68%	$ 37,633.04	$ 106,330.00	36		$4,900,000	$8,166,340
134	USFP - Release 3 - IT Delivery		8.68%	$ 36,523.03	$ 76,153.64	36		$4,386,730	$7,310,925
135	USFP - Release 3 - IT Delivery		8.68%	$ 1,990.09	$ 5,622.89	36		$259,119	$431,848
136	USFP - Reporting & Info - R1		8.68%	$ 17,071.64	$ 53,796.28	36		$3,098,864	$6,197,728
137	USFP - Reporting & Info-DD		8.68%	$ 6,897.16	$ 21,734.38	36		$1,251,980	$2,503,961
138	USFP - S\CHAIN STREAM - DESIGN CAPEX		8.68%	$ 2,859.52	$ 9,010.94	36		$519,063	$1,038,127
139	USFP - SOLUTION ARCH - DESIGN CAPEX		8.68%	$ 550.70	$ 1,735.38	36		$99,964	$199,928
140	USFP - Solution Architecture-DD		8.68%	$ 8,011.38	$ 25,245.52	36		$1,454,235	$2,908,470
141	USFP - Solution Architecture-R1		8.68%	$ 6,987.78	$ 22,019.96	36		$1,268,431	$2,536,861
142	USFP - SOLUTION DEL - DESIGN CAPEX		8.68%	$ 2,496.68	$ 7,867.57	36		$453,201	$906,402
143	USFP - Tech Delivery - R1		8.68%	$ 12,657.11	$ 39,885.18	36		$2,297,534	$4,595,067
144	USFP - Tech Delivery-DD		8.68%	$ 4,706.87	$ 14,832.31	36		$854,396	$1,708,792
145	USFP - Test Finance		8.68%	$ 10,772.48	$ 33,946.31	36		$1,955,432	$3,910,865
146	USFP - Test HR		8.68%	$ 27.27	$ 85.92	36		$4,950	$9,899
147	USFP - Test Net Strat		8.68%	$ 3,595.87	$ 11,331.33	36		$652,726	$1,305,452
148	USFP - Test Ops		8.68%	$ 12,008.62	$ 37,841.66	36		$2,179,819	$4,359,638
149	USFP - Test Procure		8.68%	$ 859.28	$ 2,707.78	36		$155,978	$311,956
150	USFP - Test SS		8.68%	$ 127,019.80	$ 400,265.74	36		$23,056,782	$46,113,564
151	USFP - Testing -R1		8.68%	$ 169,035.06	$ 532,664.56	36		$30,683,442	$61,366,885
152	USFP - Testing-DD		8.68%	$ 577.06	$ 1,818.43	36		$104,748	$209,496
153	USFP - US FOUNDATION PRGM ARCH/DECOM		8.68%	$ 3,422.32	$ 10,784.43	36		$621,223	$1,242,446
154	USFP - US Pre-BLUEPRINT STRATEGY PLAN		8.68%	$ 17,986.89	$ 56,680.42	36	$6,529,917	$43	$6,530,003
155	US-NG Global Intranet Design CAPEX		6.98%	$ 1,519.84	$ 16,132.46	36	$680,873	$468,498	$1,617,868
156	Video Conferencing		8.68%	$ 1,113.62	$ 14,972.74	36		$1,207,479	$1,207,479
157	WCLS13 - Auto Gen Work Req		0.00%	$ -	$ -	36		$10,283	$20,566
158	WCOR09 - AVLS Integration		0.00%	$ -	$ -	36		$313,523	$313,523
159	Web Initiatives FY09 - Phase 1		8.68%	$ 494.45	$ 16,619.83	36		$1,005,232	$2,010,464
160	BUS TRANS - WIRES & PIPES - CAPITAL	1TXFER00099	28.55%	$ -	$ -	36		$89	$178
161	FDC Enhancement	1TXFER00099	0.00%	$ -	$ -	36		$1,122,750	$2,245,499

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			(u)	(v) = (t) + (u)/2	(w) = (v)*Eff Rate	(x)	(y)	(z) = (x) + (y)/2
						Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
119	USFP - Plan & Perf for Exec & US Dir		$294,053	$294,053	$118,209	$245,044	$287,052	$266,048
120	USFP - PMO - R1		$13,294,040	$13,294,040	$5,344,204	$5,539,183	$6,868,587	$6,203,885
121	USFP - PMO TEAM - DESIGN CAPEX		$5,995,338	$5,995,338	$2,410,126	$2,498,057	$3,097,591	$2,797,824
122	USFP - PMO-DD		$4,761,712	$4,761,712	$1,914,208	$1,984,046	$2,460,218	$2,222,132
123	USFP - PROCESS & DATA - DESIGN CAPEX		$271,405	$271,405	$109,105	$113,086	$140,226	$126,656
124	USFP - Process & Design -R1		$7,564,718	$7,564,718	$3,041,017	$3,151,966	$3,908,438	$3,530,202
125	USFP - Process & Design-DD		$17,463,817	$17,463,817	$7,020,454	$7,276,590	$9,022,972	$8,149,781
126	USFP - PROCESS CONTROL - DESIGN CAPEX		$138,806	$138,806	$55,800	$57,836	$71,717	$64,776
127	USFP - R3 Finance		$73,762	$67,614	$27,181	$14,752	$22,129	$18,441
128	USFP - R3 Finance		$1,392	$1,276	$513	$267	$406	$336
129	USFP - R3 Finance		$13,701,999	$12,559,938	$5,049,095	$3,425,500	$5,138,250	$4,281,875
130	USFP - R3 Payroll		$1,812,281	$1,661,228	$667,813	$362,456	$543,684	$453,070
131	USFP - R3 Payroll		$5,600,000	$5,133,240	$2,063,563	$1,400,000	$2,100,000	$1,750,000
132	USFP - R3 Supply Chain		$14,175	$12,993	$5,223	$2,835	$4,252	$3,544
133	USFP - R3 Supply Chain		$9,800,000	$8,983,170	$3,611,234	$2,450,000	$3,675,000	$3,062,500
134	USFP - Release 3 - IT Delivery		$8,773,460	$8,042,193	$3,232,961	$1,754,692	$2,632,038	$2,193,365
135	USFP - Release 3 - IT Delivery		$518,239	$475,044	$190,968	$129,560	$194,340	$161,950
136	USFP - Reporting & Info - R1		$6,197,728	$6,197,728	$2,491,486	$2,582,386	$3,202,159	$2,892,273
137	USFP - Reporting & Info-DD		$2,503,961	$2,503,961	$1,006,592	$1,043,317	$1,293,713	$1,168,515
138	USFP - S\CHAIN STREAM - DESIGN CAPEX		$1,038,127	$1,038,127	$417,327	$432,553	$536,365	$484,459
139	USFP - SOLUTION ARCH - DESIGN CAPEX		$199,928	$199,928	$80,371	$83,303	$103,296	$93,300
140	USFP - Solution Architecture-DD		$2,908,470	$2,908,470	$1,169,205	$1,211,863	$1,502,710	$1,357,286
141	USFP - Solution Architecture-R1		$2,536,861	$2,536,861	$1,019,818	$1,057,026	$1,310,712	$1,183,869
142	USFP - SOLUTION DEL - DESIGN CAPEX		$906,402	$906,402	$364,374	$377,667	$468,308	$422,987
143	USFP - Tech Delivery - R1		$4,595,067	$4,595,067	$1,847,217	$1,914,611	$2,374,118	$2,144,365
144	USFP - Tech Delivery-DD		$1,708,792	$1,708,792	$686,934	$711,997	$882,876	$797,436
145	USFP - Test Finance		$3,910,865	$3,910,865	$1,572,168	$1,629,527	$2,020,614	$1,825,070
146	USFP - Test HR		$9,899	$9,899	$3,979	$4,125	$5,115	$4,620
147	USFP - Test Net Strat		$1,305,452	$1,305,452	$524,792	$543,938	$674,484	$609,211
148	USFP - Test Ops		$4,359,638	$4,359,638	$1,752,574	$1,816,516	$2,252,480	$2,034,498
149	USFP - Test Procure		$311,956	$311,956	$125,406	$129,982	$161,177	$145,580
150	USFP - Test SS		$46,113,564	$46,113,564	$18,537,653	$19,213,985	$23,825,342	$21,519,663
151	USFP - Testing -R1		$61,366,885	$61,366,885	$24,669,488	$25,569,535	$31,706,224	$28,637,879
152	USFP - Testing-DD		$209,496	$209,496	$84,218	$87,290	$108,240	$97,765
153	USFP - US FOUNDATION PRGM ARCH/DECOM		$1,242,446	$1,242,446	$499,463	$517,686	$641,930	$579,808
154	USFP - US Pre-BLUEPRINT STRATEGY PLAN		$6,530,003	$6,530,003	$2,625,061	$2,720,835	$3,373,835	$3,047,335
155	US-NG Global Intranet Design CAPEX		$1,617,868	$1,617,868	$650,383	$1,136,360	$1,367,484	$1,251,922
156	Video Conferencing		$1,207,479	$1,207,479	$485,407	$905,609	$1,078,106	$991,858
157	WCLS13 - Auto Gen Work Req		$20,566	$20,566	$8,267	$8,569	$11,507	$10,038
158	WCOR09 - AVLS Integration		$313,523	$313,523	$126,036	$235,142	$279,931	$257,537
159	Web Initiatives FY09 - Phase 1		$2,010,464	$2,010,464	$808,206	$1,818,991	$2,010,464	$1,914,727
160	BUS TRANS - WIRES & PIPES - CAPITAL	1TXFER00099	$178	$178	$72	$178	$178	$178
161	FDC Enhancement	1TXFER00099	$2,245,499	$2,245,499	$902,691	$1,363,339	$1,684,124	$1,523,732

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			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate
			40.2000%		9.9500%
	Investment Name	INVP #	Book Tax	Cash to Book Tax Difference	Return on Accum Taxes
119	USFP - Plan & Perf for Exec & US Dir		$106,951	$11,258	$1,120
120	USFP - PMO - R1		$2,493,962	$2,850,242	$283,599
121	USFP - PMO TEAM - DESIGN CAPEX		$1,124,725	$1,285,400	$127,897
122	USFP - PMO-DD		$893,297	$1,020,911	$101,581
123	USFP - PROCESS & DATA - DESIGN CAPEX		$50,916	$58,189	$5,790
124	USFP - Process & Design -R1		$1,419,141	$1,621,876	$161,377
125	USFP - Process & Design-DD		$3,276,212	$3,744,242	$372,552
126	USFP - PROCESS CONTROL - DESIGN CAPEX		$26,040	$29,760	$2,961
127	USFP - R3 Finance		$7,413	$19,768	$1,967
128	USFP - R3 Finance		$135	$378	$38
129	USFP - R3 Finance		$1,721,314	$3,327,781	$331,114
130	USFP - R3 Payroll		$182,134	$485,679	$48,325
131	USFP - R3 Payroll		$703,500	$1,360,063	$135,326
132	USFP - R3 Supply Chain		$1,425	$3,799	$378
133	USFP - R3 Supply Chain		$1,231,125	$2,380,109	$236,821
134	USFP - Release 3 - IT Delivery		$881,733	$2,351,229	$233,947
135	USFP - Release 3 - IT Delivery		$65,104	$125,864	$12,523
136	USFP - Reporting & Info - R1		$1,162,694	$1,328,793	$132,215
137	USFP - Reporting & Info-DD		$469,743	$536,849	$53,416
138	USFP - S\CHAIN STREAM - DESIGN CAPEX		$194,753	$222,574	$22,146
139	USFP - SOLUTION ARCH - DESIGN CAPEX		$37,507	$42,865	$4,265
140	USFP - Solution Architecture-DD		$545,629	$623,576	$62,046
141	USFP - Solution Architecture-R1		$475,915	$543,903	$54,118
142	USFP - SOLUTION DEL - DESIGN CAPEX		$170,041	$194,333	$19,336
143	USFP - Tech Delivery - R1		$862,035	$985,182	$98,026
144	USFP - Tech Delivery-DD		$320,569	$366,365	$36,453
145	USFP - Test Finance		$733,678	$838,489	$83,430
146	USFP - Test HR		$1,857	$2,122	$211
147	USFP - Test Net Strat		$244,903	$279,889	$27,849
148	USFP - Test Ops		$817,868	$934,706	$93,003
149	USFP - Test Procure		$58,523	$66,883	$6,655
150	USFP - Test SS		$8,650,905	$9,886,748	$983,731
151	USFP - Testing -R1		$11,512,428	$13,157,060	$1,309,127
152	USFP - Testing-DD		$39,302	$44,916	$4,469
153	USFP - US FOUNDATION PRGM ARCH/DECOM		$233,083	$266,380	$26,505
154	USFP - US Pre-BLUEPRINT STRATEGY PLAN		$1,225,029	$1,400,033	$139,303
155	US-NG Global Intranet Design CAPEX		$503,273	$147,110	$14,637
156	Video Conferencing		$398,727	$86,680	$8,625
157	WCLS13 - Auto Gen Work Req		$4,035	$4,232	$421
158	WCOR09 - AVLS Integration		$103,530	$22,506	$2,239
159	Web Initiatives FY09 - Phase 1		$769,720	$38,486	$3,829
160	BUS TRANS - WIRES & PIPES - CAPITAL	1TXFER00099	$72	$0	$0
161	FDC Enhancement	1TXFER00099	$612,540	$290,151	$28,870

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			(a)	(b)	(c)	(d) = (a)+(c)	(e)	(f)	(g)
									12/31/2016
	Investment Name	**INVP #**	**Inception to Date $**	**Bill Pool**	**Adjustments**	**Total US Spend**	**In Service Date**	**Amortization Period**	**12/31/2016 Balance**
162	FFA (NIMO)	90000108449	$7,411,737	G750		$7,411,737	3/1/2011	29	$0
163	GAS SCADA Upgrade/Modernize	1TXFER00099	$2,987,041	G239		$2,987,041	9/1/2010	84	$284,480
164	GTIS	1TXFER00099	$3,866,615	C225		$3,866,615	6/1/2012	84	$1,334,903
165	GTIS	90000124369	$1,780,960	G227		$1,780,960	7/1/2014	84	$1,144,903
166	Meter Route Consolidation	90000124368	$410,384	G227		$410,384	3/1/2014	84	$244,276
167	GTIS	90000124375	$1,675,640	N237		$1,675,640	3/1/2014	84	$997,405
168	HR BENEFITS	1TXFER00099	$5,405,642	N237		$5,405,642	7/1/1999	84	$0
169	IN1656-CUST.Systems Agent desktop	90000104112	$10,436,678	C225		$10,436,678	8/1/2012	84	$3,851,631
170	IN2330 ETRM Repl Nucleus-Gas Benef	90000106246	$6,005,256	G210		$6,005,256	10/1/2012	84	$2,359,208
171	IN2366 LI CNI Direct HW Upgrade	90000124371	$66,932	C225		$66,932	8/1/2014	84	$43,825
172	INVP2960C GridForce SaaS Phase 2	90000144051	$3,049,009	G210		$3,049,009	3/1/2015	84	$2,250,459
173	**Subtotal**		**$ 525,739,474**			**$ 525,739,474**	**$ 7,355,146**		**$ 282,669,255**

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			(h)	(i) = (g+h)/2	(j)	(k) = (i)*(j)	(l) = (-ac)	(m) = (k) + (l)	(n)
			12/31/2017		9.9500%				
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Service Co Return	Rate Year Return	RY Return on Accum Taxes	Total Return	Rate Year Amortization
162	FFA (NIMO)	90000108449	$0	$0	9.9500%	$0	$0	$0	$0
163	GAS SCADA Upgrade/Modernize	1TXFER00099	$0	$142,240	9.9500%	$14,153	($5,689)	$8,463	$284,480
164	GTIS	1TXFER00099	$782,529	$1,058,716	9.9500%	$105,342	($42,348)	$62,995	$552,374
165	GTIS	90000124369	$890,480	$1,017,691	9.9500%	$101,260	($40,707)	$60,554	$254,423
166	Meter Route Consolidation	90000124368	$185,650	$214,963	9.9500%	$21,389	($8,598)	$12,791	$58,626
167	GTIS	90000124375	$758,028	$877,716	9.9500%	$87,333	($35,108)	$52,225	$239,377
168	HR BENEFITS	1TXFER00099	$0	$0	9.9500%	$0	$0	$0	$0
169	IN1656-CUST.Systems Agent desktop	90000104112	$2,360,677	$3,106,154	9.9500%	$309,062	($124,243)	$184,819	$1,490,954
170	IN2330 ETRM Repl Nucleus-Gas Benef	90000106246	$1,501,314	$1,930,261	9.9500%	$192,061	($77,208)	$114,852	$857,894
171	IN2366 LI CNI Direct HW Upgrade	90000124371	$34,263	$39,044	9.9500%	$3,885	($1,562)	$2,323	$9,562
172	INVP2960C GridForce SaaS Phase 2	90000144051	$1,814,887	$2,032,673	9.9500%	$202,251	($71,140)	$131,111	$435,573
173	**Subtotal**		**$ 225,083,080**	**$ 253,876,167**		**$ 25,260,679**	**$ (9,935,184)**	**$ 15,325,494**	**$ 57,586,174**

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital Software allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

			(o)	(p) = (m)* (n)	(q) = (n)* (o)	(r)	(s)	(t)
							Cumulative Tax Depreciation	
			5230G					12/31/2016
	Investment Name	INVP #	KEDLI Allocation	KEDLI Rate Year Rent-Return	KEDLI Rate Year Rent - Depn	Amortization Period	Tax Expensing	Bonus Depreciation	12/31/2016 Balance
162	FFA (NIMO)	90000108449	0.00%	$ -	$ -	36		$3,705,869	$7,411,737
163	GAS SCADA Upgrade/Modernize	1TXFER00099	28.55%	$ 2,416.31	$ 81,219.06	36		$1,493,520	$2,987,041
164	GTIS	1TXFER00099	31.63%	$ 19,925.21	$ 174,715.75	36		$1,933,307	$3,866,615
165	GTIS	90000124369	28.55%	$ 17,288.07	$ 72,637.72	36		$890,480	$1,780,960
166	Meter Route Consolidation	90000124368	28.55%	$ 3,651.69	$ 16,737.79	36		$205,192	$410,384
167	GTIS	90000124375	30.27%	$ 15,808.51	$ 72,459.48	36		$837,820	$1,675,640
168	HR BENEFITS	1TXFER00099	30.27%	$ -	$ -	36		$2,702,821	$5,405,642
169	IN1656-CUST.Systems Agent desktop	90000104112	31.63%	$ 58,458.34	$ 471,588.77	36		$5,218,339	$10,436,678
170	IN2330 ETRM Repl Nucleus-Gas Benef	90000106246	22.81%	$ 26,197.84	$ 195,685.54	36		$3,002,628	$6,005,256
171	IN2366 LI CNI Direct HW Upgrade	90000124371	31.63%	$ 734.81	$ 3,024.38	36		$33,466	$66,932
172	INVP2960C GridForce SaaS Phase 2	90000144051	22.81%	$ 29,906.47	$ 99,354.15	36		$1,524,505	$2,540,740
173	**Subtotal**			**$ 1,272,993**	**$ 4,660,199**		**$ 86,553,649**	**$ 225,478,898**	**$ 514,758,776**

$ 5,933,193	**Existing IS Projects**
$ 9,800,876	**Total RY 17 IS Projects**
$ 6,317,433	**Test Year IS Projects**
$ 3,483,443	**Adjustment**

Keyspan Gas East Corporation d/b/a National Grid
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			(u)			(x)	(y)	(z) = (x) + (y)/2
				(v) = (t) + (u)/2	(w) = (v)*Eff Rate	Cumulative Book Depreciation		
			12/31/2017		40.2000%	12/31/2016	12/31/2017	
	Investment Name	INVP #	12/31/2017 Balance	Average Balance	Cash Tax	12/31/2016 Balance	12/31/2017 Balance	Average Balance
162	FFA (NIMO)	90000108449	$7,411,737	$7,411,737	$2,979,518	$7,411,737	$7,411,737	$7,411,737
163	GAS SCADA Upgrade/Modernize	1TXFER00099	$2,987,041	$2,987,041	$1,200,790	$2,702,561	$2,987,041	$2,844,801
164	GTIS	1TXFER00099	$3,866,615	$3,866,615	$1,554,379	$2,531,712	$3,084,086	$2,807,899
165	GTIS	90000124369	$1,780,960	$1,780,960	$715,946	$636,057	$890,480	$763,269
166	Meter Route Consolidation	90000124368	$410,384	$410,384	$164,974	$166,108	$224,734	$195,421
167	GTIS	90000124375	$1,675,640	$1,675,640	$673,607	$678,235	$917,613	$797,924
168	HR BENEFITS	1TXFER00099	$5,405,642	$5,405,642	$2,173,068	$5,405,642	$5,405,642	$5,405,642
169	IN1656-CUST.Systems Agent desktop	90000104112	$10,436,678	$10,436,678	$4,195,545	$6,585,047	$8,076,001	$7,330,524
170	IN2330 ETRM Repl Nucleus-Gas Benef	90000106246	$6,005,256	$6,005,256	$2,414,113	$3,646,048	$4,503,942	$4,074,995
171	IN2366 LI CNI Direct HW Upgrade	90000124371	$66,932	$66,932	$26,907	$23,108	$32,669	$27,888
172	INVP2960C GridForce SaaS Phase 2	90000144051	$3,049,009	$2,794,874	$1,123,540	$798,550	$1,234,123	$1,016,336
173	**Subtotal**		**$ 525,739,474**	**$ 520,249,125**	**$ 209,140,148**	**$ 243,070,220**	**$ 300,656,394**	**$ 271,863,307**

Keyspan Gas East Corporation d/b/a National Grid
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For the Rate Year ended December 31, 2017

			(aa) = (z)* Eff Rate	(ab) = (w) - (aa)	(ac) = (ab)* Eff Rate
			40.2000%		9.9500%
	Investment Name	**INVP #**	**Book Tax**	**Cash to Book Tax Difference**	**Return on Accum Taxes**
162	FFA (NIMO)	90000108449	$2,979,518	$0	$0
163	GAS SCADA Upgrade/Modernize	1TXFER00099	$1,143,610	$57,180	$5,689
164	GTIS	1TXFER00099	$1,128,775	$425,604	$42,348
165	GTIS	90000124369	$306,834	$409,112	$40,707
166	Meter Route Consolidation	90000124368	$78,559	$86,415	$8,598
167	GTIS	90000124375	$320,765	$352,842	$35,108
168	HR BENEFITS	1TXFER00099	$2,173,068	$0	$0
169	IN1656-CUST.Systems Agent desktop	90000104112	$2,946,871	$1,248,674	$124,243
170	IN2330 ETRM Repl Nucleus-Gas Benef	90000106246	$1,638,148	$775,965	$77,208
171	IN2366 LI CNI Direct HW Upgrade	90000124371	$11,211	$15,696	$1,562
172	INVP2960C GridForce SaaS Phase 2	90000144051	$408,567	$714,972	$71,140
173	**Subtotal**		**$ 109,289,049**	**$ 99,851,099**	**$ 9,935,184**

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital for Facilities allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

Line	Work order	Investment Name	(a) Inception to Date $	(c) Bill Pool	(d) In Service Date	(e) Amortization Period	(f) 12/31/2016 Balance	(g) 12/31/2017 Balance	(h)= (f+g)/2 Average Balance	(i) 9.9500% Service Co Return
2	90000095326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	879	J128	11/1/2013	120	$601	$513	$557	9.9500%
3	90000099326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	1,683,316	J128	7/1/2014	120	$1,262,487	$1,094,155	$1,178,321	9.9500%
4	90000104257	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	738,425	J128	11/1/2013	120	$504,590	$430,748	$467,669	9.9500%
6	90000104631	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	1,271,599	J128	11/1/2013	120	$868,926	$741,766	$805,346	9.9500%
8	90000117533	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	1,253	J128	3/1/2014	120	$898	$773	$835	9.9500%
9	90000124378	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	98,728	J128	10/1/2014	120	$76,514	$66,641	$71,577	9.9500%
10	90000124268	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	9,485	J135	6/1/2013	243	$7,806	$7,338	$7,572	9.9500%
12	90000097849	SVC8000 - Servco Capital Major Location - MA	63,793	G012	11/1/2012	120	$37,212	$30,833	$34,023	9.9500%
13	90000098934	SVC8000 - Servco Capital Major Location - MA	31,861	G012	4/1/2012	120	$16,727	$13,541	$15,134	9.9500%
14	90000111311	SVC8000 - Servco Capital Major Location - MA	44,636	G012	10/1/2014	243	$39,676	$37,472	$38,574	9.9500%
15	90000095332	SVC8000 - Servco Capital Major Location - NY	517,010	G012	2/1/2012	60	$8,617	$0	$4,308	9.9500%
16	90000096381	SVC8000 - Servco Capital Major Location - NY	794,589	G012	7/1/2010	120	$278,106	$198,647	$238,377	9.9500%
17	90000096390	SVC8000 - Servco Capital Major Location - NY	1,676,102	G012	12/1/2011	120	$824,083	$656,473	$740,278	9.9500%
22	90000103784	SVC8000 - Servco Capital Major Location - NY	828,258	G012	3/1/2012	120	$427,933	$345,107	$386,520	9.9500%
31	90000140143	SVC8000 - Servco Intangible Major Location-NY	274,180	G173	8/1/2014	120	$207,919	$180,502	$194,211	9.9500%
32	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	27,628,137	J063	9/1/2009	120	$7,367,503	$4,604,690	$5,986,096	9.9500%
33	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	5,860,234	J063	3/1/2010	60	$0	$0	$0	9.9500%
34	90000102548	SVC8000 - Waltham Reservoir Woods Building Asset Location	572,006	J063	4/1/2012	120	$300,303	$243,102	$271,703	9.9500%
35	90000131767	SVC8000 - Waltham Reservoir Woods Building Asset Location	100,103	J063	11/1/2013	243	$84,449	$79,506	$81,977	9.9500%
36	90000133949	SVC8000 - Waltham Reservoir Woods Building Asset Location	19,847	J063	11/1/2013	120	$13,562	$11,577	$12,570	9.9500%
37	90000135359	SVC8000 - Waltham Reservoir Woods Building Asset Location	18,572	J063	5/1/2015	243	$17,044	$16,127	$16,585	9.9500%
38	90000114690	SVC8000 - Company 99 tax district - INVP 2974 IDS/IPS Service	1,483,732	G012	3/1/2015	120	$1,211,715	$1,063,341	$1,137,528	9.9500%
39	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	23,183,157	J152	7/1/2008		$23,183,055	$23,183,043	$23,183,049	9.9500%
40	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	616,843	J152	7/1/1900		$615,443	$615,431	$615,437	9.9500%
41	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	8,340,102	J106	7/1/2008		$8,340,000	$8,339,988	$8,339,994	9.9500%
42	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	484,898	J106	7/1/1900		$483,498	$483,486	$483,492	9.9500%
43	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	19,960,443	J148	7/1/2008		$19,960,341	$19,960,329	$19,960,335	9.9500%
44	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	39,557	J148	7/1/1900		$38,157	$38,145	$38,151	9.9500%
45	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	43,031,649	J128	7/1/2008		$43,031,547	$43,031,535	$43,031,541	9.9500%
46	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	417,215	J128	7/1/1900		$415,815	$415,803	$415,809	9.9500%
47	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	854,945	J135	7/1/2008		$854,843	$854,831	$854,837	9.9500%
48	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	145,055	J135	7/1/1900		$143,655	$143,643	$143,649	9.9500%
49	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	1,360,995	J140	7/1/2008		$1,360,893	$1,360,881	$1,360,887	9.9500%
50	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	676,493	J140	7/1/1900		$675,093	$675,081	$675,087	9.9500%
51	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	62,512	J140	7/1/1995		$62,254	$62,242	$62,248	9.9500%
52	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	217,445	J140	10/1/2011		$217,382	$217,370	$217,376	9.9500%
53	1TXFER00099	SVC8000 - 0500 - 00428 (BROOKHAVEN TOWN) - (CENTER MORICHES DISTR. SUBSTA. SITE / PORT. NOT IN UTIL SERV)	588,783	J140	7/1/2008		$588,681	$588,669	$588,675	9.9500%
54	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	5,794,261	J115	7/1/2008		$5,794,159	$5,794,147	$5,794,153	9.9500%

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Line	Work order	Investment Name	(j)=(h)*(i) RY Dec 2017 Return	(k) = -(dd) TY Return on Accum Taxes	(l)= (j)+(k) Total Return	(m) RY Dec 2017 Amortization	(n) 5230G KEDLI Allocation	(q)= l*(n+o) KEDLI Rate Year Rent-Return
2	90000095326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$55	($20)	$35	$88	7.41%	$3
3	90000099326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$117,243	($39,375)	$77,868	$168,332	7.41%	$5,767
4	90000104257	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$46,533	($17,005)	$29,528	$73,842	7.41%	$2,187
6	90000104631	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$80,132	($29,283)	$50,849	$127,160	7.41%	$3,766
8	90000117533	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$83	($28)	$55	$125	7.41%	$4
9	90000124378	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$7,122	($2,408)	$4,714	$9,873	7.41%	$349
10	90000124268	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$753	($281)	$472	$468	17.11%	$81
12	90000097849	SVC8000 - Servco Capital Major Location - MA	$3,385	($1,324)	$2,061	$6,379	8.68%	$179
13	90000098934	SVC8000 - Servco Capital Major Location - MA	$1,506	($587)	$919	$3,186	8.68%	$80
14	90000111311	SVC8000 - Servco Capital Major Location - MA	$3,838	($1,337)	$2,501	$2,204	8.68%	$217
15	90000095332	SVC8000 - Servco Capital Major Location - NY	$429	$125	$554	$8,617	8.68%	$48
16	90000096381	SVC8000 - Servco Capital Major Location - NY	$23,718	($9,535)	$14,184	$79,459	8.68%	$1,231
17	90000096390	SVC8000 - Servco Capital Major Location - NY	$73,658	($29,610)	$44,047	$167,610	8.68%	$3,823
22	90000103784	SVC8000 - Servco Capital Major Location - NY	$38,459	($14,983)	$23,475	$82,826	8.68%	$2,038
31	90000140143	SVC8000 - Servco Intangible Major Location-NY	$19,324	($6,505)	$12,819	$27,418	10.82%	$1,387
32	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	$595,617	($239,438)	$356,179	$2,762,814	4.55%	$16,206
33	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	$0	$0	$0	$0	4.55%	$0
34	90000102548	SVC8000 - Waltham Reservoir Woods Building Asset Location	$27,034	($10,209)	$16,826	$57,201	4.55%	$766
35	90000131767	SVC8000 - Waltham Reservoir Woods Building Asset Location	$8,157	($2,818)	$5,339	$4,943	4.55%	$243
36	90000133949	SVC8000 - Waltham Reservoir Woods Building Asset Location	$1,251	($411)	$839	$1,985	4.55%	$38
37	90000135359	SVC8000 - Waltham Reservoir Woods Building Asset Location	$1,650	($378)	$1,272	$917	4.55%	$58
38	90000114690	SVC8000 - Company 99 tax district - INVP 2974 IDS/IPS Service	$113,184	($34,105)	$79,079	$148,373	8.68%	$6,864
39	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	$2,306,713	$0	$2,306,713	$0	42.79%	$987,043
40	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	$61,236	$0	$61,236	$0	42.79%	$26,203
41	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	$829,829	$0	$829,829	$0	95.49%	$792,404
42	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	$48,107	$0	$48,107	$0	95.49%	$45,938
43	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	$1,986,053	$0	$1,986,053	$0	34.26%	$680,339
44	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	$3,796	$0	$3,796	$0	34.26%	$1,300
45	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$4,281,638	$0	$4,281,638	$0	7.41%	$317,122
46	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$41,373	$0	$41,373	$0	7.41%	$3,064
47	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$85,056	$0	$85,056	$0	17.11%	$14,553
48	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$14,293	$0	$14,293	$0	17.11%	$2,446
49	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$135,408	$0	$135,408	$0	31.26%	$42,334
50	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$67,171	$0	$67,171	$0	31.26%	$21,001
51	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$6,194	$0	$6,194	$0	31.26%	$1,936
52	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$21,629	$0	$21,629	$0	31.26%	$6,762
53	1TXFER00099	SVC8000 - 0500 - 00428 (BROOKHAVEN TOWN) - (CENTER MORICHES DISTR. SUBSTA. SITE / PORT. NOT IN UTIL SERV)	$58,573	$0	$58,573	$0	31.26%	$18,312
54	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	$576,518	$0	$576,518	$0	42.88%	$247,211

Keyspan Gas East Corporation d/b/a National Grid
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For the Rate Year ended December 31, 2017

Line	Work order	Investment Name	(r)= m*(n+o) KEDLI Rate Year Rent - Depn	(u) Amortization Period	Bonus Depreciation	(u) Cumulative Tax Depreciation 12/31/2016 Balance	(v) 12/31/2017 Balance	(w)= (u+v)/2 Average Balance	(x)= (w) * Eff rate 40.2000% Cash Tax
2	90000095326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$7	60	439	803	854	$828	$333
3	90000099326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$12,468	60	841,658	1,440,919	1,537,878	$1,489,398	$598,738
4	90000104257	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$5,469	60	369,212	674,625	717,158	$695,891	$279,748
6	90000104631	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$9,418	60	635,800	1,161,733	1,234,977	$1,198,355	$481,739
8	90000117533	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$9	60	626	1,072	1,145	$1,108	$446
9	90000124378	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$731	60	49,364	84,511	90,197	$87,354	$35,116
10	90000124268	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$80	60	4,742	8,665	9,212	$8,939	$3,593
12	90000097849	SVC8000 - Servco Capital Major Location - MA	$554	60	31,896	61,955	63,793	$62,874	$25,275
13	90000098934	SVC8000 - Servco Capital Major Location - MA	$277	60	15,931	30,944	31,861	$31,402	$12,624
14	90000111311	SVC8000 - Servco Capital Major Location - MA	$191	60	22,318	38,208	40,779	$39,494	$15,877
15	90000095332	SVC8000 - Servco Capital Major Location - NY	$748	60	258,505	502,120	517,010	$509,565	$204,845
16	90000096381	SVC8000 - Servco Capital Major Location - NY	$6,897	60	397,294	794,589	794,589	$794,589	$319,425
17	90000096390	SVC8000 - Servco Capital Major Location - NY	$14,549	60	1,676,102	1,676,102	1,676,102	$1,676,102	$673,793
22	90000103784	SVC8000 - Servco Capital Major Location - NY	$7,189	60	414,129	804,404	828,258	$816,331	$328,165
31	90000140143	SVC8000 - Servco Intangible Major Location-NY	$2,967	60	137,090	234,698	250,490	$242,594	$97,523
32	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	$125,708	468	-	27,628,137	27,628,137	$27,628,137	$11,106,511
33	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	$0	468	-	5,860,234	5,860,234	$5,860,234	$2,355,814
34	90000102548	SVC8000 - Waltham Reservoir Woods Building Asset Location	$2,603	468	-	539,058	572,006	$555,532	$223,324
35	90000131767	SVC8000 - Waltham Reservoir Woods Building Asset Location	$225	468	-	82,805	94,337	$88,571	$35,606
36	90000133949	SVC8000 - Waltham Reservoir Woods Building Asset Location	$90	468	-	16,417	18,704	$17,561	$7,059
37	90000135359	SVC8000 - Waltham Reservoir Woods Building Asset Location	$42	468	-	9,658	13,224	$11,441	$4,599
38	90000114690	SVC8000 - Company 99 tax district - INVP 2974 IDS/IPS Service	$12,879	60	741,866	1,127,636	1,270,075	$1,198,855	$481,940
39	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	$0	0	-	23,183,157	23,183,157	$23,183,157	$9,319,629
40	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	$0	0	-	616,843	616,843	$616,843	$247,971
41	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	$0	0	-	8,340,102	8,340,102	$8,340,102	$3,352,721
42	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	$0	0	-	484,898	484,898	$484,898	$194,929
43	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	$0	0	-	19,960,443	19,960,443	$19,960,443	$8,024,098
44	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	$0	0	-	39,557	39,557	$39,557	$15,902
45	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$0	0	-	43,031,649	43,031,649	$43,031,649	$17,298,723
46	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$0	0	-	417,215	417,215	$417,215	$167,721
47	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$0	0	-	854,945	854,945	$854,945	$343,688
48	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$0	0	-	145,055	145,055	$145,055	$58,312
49	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$0	0	-	1,360,995	1,360,995	$1,360,995	$547,120
50	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$0	0	-	676,493	676,493	$676,493	$271,950
51	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$0	0	-	62,512	62,512	$62,512	$25,130
52	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$0	0	-	217,445	217,445	$217,445	$87,413
53	1TXFER00099	SVC8000 - 0500 - 00428 (BROOKHAVEN TOWN) - (CENTER MORICHES DISTR. SUBSTA. SITE / PORT. NOT IN UTIL SERV)	$0	0	-	588,783	588,783	$588,783	$236,691
54	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	$0	0	-	5,794,261	5,794,261	$5,794,261	$2,329,293

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For the Rate Year ended December 31, 2017

			(y)	(z)	(aa)= (y+z)/2	(bb)= (aa) * Eff rate	(cc)= (x)-(bb)	(dd)= (cc) * (j)
			Cumulative Book Depreciation			40.2000%		9.9500%
			12/31/2016	12/31/2017	Average	Book	Cash to Book	Return on
Line	Work order	Investment Name	Balance	Balance	Balance	Tax	Tax Difference	Accum Taxes
2	90000095326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$278	$366	$322	$130	$203	$20
3	90000099326	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$420,829	$589,161	$504,995	$203,008	$395,730	$39,375
4	90000104257	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$233,834	$307,677	$270,756	$108,844	$170,905	$17,005
6	90000104631	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$402,673	$529,833	$466,253	$187,434	$294,305	$29,283
8	90000117533	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$355	$480	$418	$168	$278	$28
9	90000124378	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$22,214	$32,086	$27,150	$10,914	$24,202	$2,408
10	90000124268	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$1,678	$2,147	$1,913	$769	$2,824	$281
12	90000097849	SVC8000 - Servco Capital Major Location - MA	$26,580	$32,960	$29,770	$11,967	$13,308	$1,324
13	90000098934	SVC8000 - Servco Capital Major Location - MA	$15,134	$18,320	$16,727	$6,724	$5,899	$587
14	90000111311	SVC8000 - Servco Capital Major Location - MA	$4,960	$7,164	$6,062	$2,437	$13,440	$1,337
15	90000095332	SVC8000 - Servco Capital Major Location - NY	$508,393	$517,010	$512,702	$206,106	($1,261)	($125)
16	90000096381	SVC8000 - Servco Capital Major Location - NY	$516,483	$595,941	$556,212	$223,597	$95,827	$9,535
17	90000096390	SVC8000 - Servco Capital Major Location - NY	$852,018	$1,019,629	$935,823	$376,201	$297,592	$29,610
22	90000103784	SVC8000 - Servco Capital Major Location - NY	$400,325	$483,150	$441,737	$177,578	$150,587	$14,983
31	90000140143	SVC8000 - Servco Intangible Major Location-NY	$66,260	$93,678	$79,969	$32,148	$65,375	$6,505
32	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	$20,260,634	$23,023,448	$21,642,041	$8,700,100	$2,406,411	$239,438
33	90000092476	SVC8000 - Waltham Reservoir Woods Building Asset Location	$5,860,234	$5,860,234	$5,860,234	$2,355,814	$0	$0
34	90000102548	SVC8000 - Waltham Reservoir Woods Building Asset Location	$271,703	$328,903	$300,303	$120,722	$102,602	$10,209
35	90000131767	SVC8000 - Waltham Reservoir Woods Building Asset Location	$15,654	$20,597	$18,126	$7,287	$28,319	$2,818
36	90000133949	SVC8000 - Waltham Reservoir Woods Building Asset Location	$6,285	$8,270	$7,277	$2,925	$4,134	$411
37	90000135359	SVC8000 - Waltham Reservoir Woods Building Asset Location	$1,529	$2,446	$1,987	$799	$3,800	$378
38	90000114690	SVC8000 - Company 99 tax district - INVP 2974 IDS/IPS Service	$272,018	$420,391	$346,204	$139,174	$342,766	$34,105
39	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	$23,183,157	$23,183,157	$23,183,157	$9,319,629	$0	$0
40	1TXFER00099	SVC8000 - 0100 - 00285 (HEMPSTEAD TOWN) - (HEWLETT OPERATIONS CENTER)	$616,843	$616,843	$616,843	$247,971	$0	$0
41	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	$8,340,102	$8,340,102	$8,340,102	$3,352,721	$0	$0
42	1TXFER00099	SVC8000 - 0100 - 00372 (HEMPSTEAD TOWN) - (BELLMORE OPERATIONS CENTER)	$484,898	$484,898	$484,898	$194,929	$0	$0
43	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	$19,960,443	$19,960,443	$19,960,443	$8,024,098	$0	$0
44	1TXFER00099	SVC8000 - 0200 - 00033 (NORTH HEMPSTEAD TOWN) - (ROSLYN OPERATIONS CENTER / DISTRIBUTION SUBSTATION SITE)	$39,557	$39,557	$39,557	$15,902	$0	$0
45	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$43,031,649	$43,031,649	$43,031,649	$17,298,723	$0	$0
46	1TXFER00099	SVC8000 - 0300 - 00227 (OYSTER BAY TOWN) - (HICKSVILLE OPERATIONS CENTER)	$417,215	$417,215	$417,215	$167,721	$0	$0
47	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$854,945	$854,945	$854,945	$343,688	$0	$0
48	1TXFER00099	SVC8000 - 0300 - 00470 (OYSTER BAY TOWN) - (HICKSVILLE OFFICE BLDG 100 OLD COUNTRY RD)	$145,055	$145,055	$145,055	$58,312	$0	$0
49	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$1,360,995	$1,360,995	$1,360,995	$547,120	$0	$0
50	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$676,493	$676,493	$676,493	$271,950	$0	$0
51	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$62,512	$62,512	$62,512	$25,130	$0	$0
52	1TXFER00099	SVC8000 - 0500 - 00421 (BROOKHAVEN TOWN) - (PATCHOGUE OPERATIONS CENTER E. MAIN ST / CONKLIN AVE.)	$217,445	$217,445	$217,445	$87,413	$0	$0
53	1TXFER00099	SVC8000 - 0500 - 00428 (BROOKHAVEN TOWN) - (CENTER MORICHES DISTR. SUBSTA. SITE / PORT. NOT IN UTIL SERV)	$588,783	$588,783	$588,783	$236,691	$0	$0
54	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	$5,794,261	$5,794,261	$5,794,261	$2,329,293	$0	$0

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital for Facilities allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

Line	Work order	Investment Name	(a) Inception to Date $	(c) Bill Pool	(d) In Service Date	(e) Amortization Period	(f) 12/31/2016 Balance	(g) 12/31/2017 Balance	(h)= (f+g)/2 Average Balance	(i) 9.9500% Service Co Return
55	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	205,739	J115	7/1/1900		$204,339	$204,327	$204,333	9.9500%
58	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	196,731	J101	7/1/2008		$196,629	$196,617	$196,623	9.9500%
59	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	1,376,302	J101	7/1/2008		$1,376,200	$1,376,188	$1,376,194	9.9500%
60	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	3,269	J101	7/1/1900		$1,869	$1,857	$1,863	9.9500%
61	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	6,645,822	J107	7/1/2008		$6,645,720	$6,645,708	$6,645,714	9.9500%
62	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	174,178	J107	7/1/1900		$172,778	$172,766	$172,772	9.9500%
63	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	137,403	J101	7/1/2008		$137,301	$137,289	$137,295	9.9500%
64	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	255,565	J101	7/1/2008		$255,463	$255,451	$255,457	9.9500%
65	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	2,597	J101	7/1/1900		$1,197	$1,185	$1,191	9.9500%
66	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	1,198,141	J101	8/1/2008		$1,198,040	$1,198,028	$1,198,034	9.9500%
67	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	1,859	J101	7/1/1900		$459	$447	$453	9.9500%
68	1TXFER00099	SVC8000 - 0805 - 00065 (ISLANDIA) - (ISLANDIA DISTRIBUTION SUBSTATION / J W DYE CTR-TRAINING)	4,793	J107	7/1/1900		$3,393	$3,381	$3,387	9.9500%
69	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	7,791,103	J143	7/1/2008		$7,791,001	$7,790,989	$7,790,995	9.9500%
70	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	808,897	J143	7/1/1900		$807,497	$807,485	$807,491	9.9500%
71	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	9,670,021	J112	7/1/2008		$9,669,919	$9,669,907	$9,669,913	9.9500%
72	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	57,722	J112	7/1/1900		$56,322	$56,310	$56,316	9.9500%
73	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	272,257	J112	7/1/1993		$271,975	$271,963	$271,969	9.9500%
74	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	1,000,000	J143	7/1/2008		$999,898	$999,886	$999,892	9.9500%
75	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	1	J143	9/1/2008		($99)	$0	($50)	9.9500%
76		Hub Drive Security Enhancements	770,000	G207	10/1/2016	120	$750,750	$673,750	$712,250	9.9500%
77		Long Island Serv Co - Asset Replacement	3,900,000	5230	4/1/2016	120	$3,607,500	$3,217,500	$3,412,500	9.9500%
78		Hicksville Site Renovation (Ops areas)	2,000,000	5230	4/1/2016	120	$1,850,000	$1,650,000	$1,750,000	9.9500%
79		Other LI	2,000,000	5230	4/1/2016	120	$1,850,000	$1,650,000	$1,750,000	9.9500%
80		Brentwood Customer Office1	1,730,000	5230	7/1/2017	120	$0	$1,643,500	$821,750	9.9500%
83		Res Woods Capital	500,000	J063	4/1/2016	120	$462,500	$412,500	$437,500	9.9500%
84		**Total Facilities**	**$ 208,615,579**				**$ 169,374,218**	**$ 166,796,316**	**$ 168,085,267**	

Keyspan Gas East Corporation d/b/a National Grid
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Service Company Capital for Facilities allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

Line	Work order	Investment Name	(j)=(h)*(i) RY Dec 2017 Return	(k) = -(dd) TY Return on Accum Taxes	(l)= (j)+(k) Total Return	(m) RY Dec 2017 Amortization	(n) 5230G KEDLI Allocation	(q)= l*(n+o) KEDLI Rate Year Rent-Return
55	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	$20,331	$0	$20,331	$0	42.88%	$8,718
58	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$19,564	$0	$19,564	$0	100.00%	$19,564
59	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$136,931	$0	$136,931	$0	100.00%	$136,931
60	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$185	$0	$185	$0	100.00%	$185
61	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	$661,249	$0	$661,249	$0	17.64%	$116,644
62	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	$17,191	$0	$17,191	$0	17.64%	$3,032
63	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$13,661	$0	$13,661	$0	100.00%	$13,661
64	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$25,418	$0	$25,418	$0	100.00%	$25,418
65	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$119	$0	$119	$0	100.00%	$119
66	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	$119,204	$0	$119,204	$0	100.00%	$119,204
67	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	$45	$0	$45	$0	100.00%	$45
68	1TXFER00099	SVC8000 - 0805 - 00065 (ISLANDIA) - (ISLANDIA DISTRIBUTION SUBSTATION / J W DYE CTR-TRAINING)	$337	$0	$337	$0	17.64%	$59
69	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	$775,204	$0	$775,204	$0	19.57%	$151,696
70	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	$80,345	$0	$80,345	$0	19.57%	$15,722
71	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$962,156	$0	$962,156	$0	13.33%	$128,255
72	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$5,603	$0	$5,603	$0	13.33%	$747
73	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$27,061	$0	$27,061	$0	13.33%	$3,607
74	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	$99,489	$0	$99,489	$0	19.57%	$19,469
75	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	($5)	$0	($5)	$0	19.57%	($1)
76		Hub Drive Security Enhancements	$70,869	($18,634)	$52,235	$77,000	34.02%	$17,770
77		Long Island Serv Co - Asset Replacement	$339,544	($86,578)	$252,966	$390,000	100.00%	$252,966
78		Hicksville Site Renovation (Ops areas)	$174,125	($44,399)	$129,726	$200,000	100.00%	$129,726
79		Other LI	$174,125	($44,399)	$129,726	$200,000	100.00%	$129,726
80		Brentwood Customer Office1	$81,764	($36,329)	$45,435	$86,500	100.00%	$45,435
83		Res Woods Capital	$43,531	($11,100)	$32,432	$50,000	4.55%	$1,476
84		**Total Facilities**	**$ 16,724,484**	**$ (877,392)**	**$ 15,847,092**	**$ 5,807,568**		**$ 4,593,480**

$ 5,701,550

$3,957,167
$1,744,382

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital for Facilities allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

Line	Work order	Investment Name	(r)= m*(n+o) KEDLI Rate Year Rent - Depn	(u) Amortization Period	Bonus Depreciation	(u) Cumulative Tax Depreciation 12/31/2016 Balance	(v) 12/31/2017 Balance	(w)= (u+v)/2 Average Balance	(x)= (w) * Eff rate 40.2000% Cash Tax
55	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDQRTS / TRANSM. AND DISTR. SUBSTATION SITE)	$0	0	-	205,739	205,739	$205,739	$82,707
58	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$0	0	-	196,731	196,731	$196,731	$79,086
59	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$0	0	-	1,376,302	1,376,302	$1,376,302	$553,274
60	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$0	0	-	3,269	3,269	$3,269	$1,314
61	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	$0	0	-	6,645,822	6,645,822	$6,645,822	$2,671,620
62	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	$0	0	-	174,178	174,178	$174,178	$70,020
63	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$0	0	-	137,403	137,403	$137,403	$55,236
64	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$0	0	-	255,565	255,565	$255,565	$102,737
65	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$0	0	-	2,597	2,597	$2,597	$1,044
66	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	$0	0	-	1,198,141	1,198,141	$1,198,141	$481,653
67	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	$0	0	-	1,859	1,859	$1,859	$747
68	1TXFER00099	SVC8000 - 0805 - 00065 (ISLANDIA) - (ISLANDIA DISTRIBUTION SUBSTATION / J W DYE CTR-TRAINING)	$0	0	-	4,793	4,793	$4,793	$1,927
69	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	$0	0	-	7,791,103	7,791,103	$7,791,103	$3,132,023
70	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	$0	0	-	808,897	808,897	$808,897	$325,177
71	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$0	0	-	9,670,021	9,670,021	$9,670,021	$3,887,349
72	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$0	0	-	57,722	57,722	$57,722	$23,204
73	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$0	0	-	272,257	272,257	$272,257	$109,447
74	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	$0	0	-	1,000,000	1,000,000	$1,000,000	$402,000
75	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	$0	0	-	1	1	$1	$0
76		Hub Drive Security Enhancements	$26,195	60	385,000	462,000	585,200	$523,600	$210,487
77		Long Island Serv Co - Asset Replacement	$390,000	60	1,950,000	2,340,000	2,964,000	$2,652,000	$1,066,104
78		Hicksville Site Renovation (Ops areas)	$200,000	60	1,000,000	1,200,000	1,520,000	$1,360,000	$546,720
79		Other LI	$200,000	60	1,000,000	1,200,000	1,520,000	$1,360,000	$546,720
80		Brentwood Customer Office1	$86,500	60	865,000	865,000	1,038,000	$951,500	$382,503
83		Res Woods Capital	$2,275	60	250,000	300,000	380,000	$340,000	$136,680
84		**Total Facilities**	**$ 1,108,070**		**$ 19,725,979**	**$ 202,184,745**	**$ 204,547,402**	**$ 203,366,074**	**$ 81,753,162**

Total Facilities
Return/Dep
Test Year
Return/Dep
Adjustment

Keyspan Gas East Corporation d/b/a National Grid
Service Company Rents
Service Company Capital for Facilities allocated to Operating Companies as Rent Expense
For the Rate Year ended December 31, 2017

			(y)	(z)	(aa)= (y+z)/2	(bb)= (aa) * Eff rate	(cc)= (x)-(bb)	(dd)= (cc) * (j)
			Cumulative Book Depreciation			40.2000%		9.9500%
			12/31/2016	12/31/2017	Average	Book	Cash to Book	Return on
Line	Work order	Investment Name	Balance	Balance	Balance	Tax	Tax Difference	Accum Taxes
55	1TXFER00099	SVC8000 - 0700 - 00351 (HUNTINGTON TOWN) - (GREENLAWN AREA HDORTS / TRANSM. AND DISTR. SUBSTATION SITE)	$205,739	$205,739	$205,739	$82,707	$0	$0
58	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$196,731	$196,731	$196,731	$79,086	$0	$0
59	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$1,376,302	$1,376,302	$1,376,302	$553,274	$0	$0
60	1TXFER00099	SVC8000 - 0800 - 00042 (ISLIP TOWN) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL.	$3,269	$3,269	$3,269	$1,314	$0	$0
61	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	$6,645,822	$6,645,822	$6,645,822	$2,671,620	$0	$0
62	1TXFER00099	SVC8000 - 0800 - 00300 (ISLIP TOWN) - (BRENTWOOD OPERATIONS CENTER / DISTRICT OFFICE)	$174,178	$174,178	$174,178	$70,020	$0	$0
63	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$137,403	$137,403	$137,403	$55,236	$0	$0
64	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$255,565	$255,565	$255,565	$102,737	$0	$0
65	1TXFER00099	SVC8000 - 0802 - 00042 (BRIGHTWATERS) - (B.SHR./BRIGTWTRS. STORAGE YD./ PARK SITE / NOT IN UTIL. SER.)	$2,597	$2,597	$2,597	$1,044	$0	$0
66	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	$1,198,141	$1,198,141	$1,198,141	$481,653	$0	$0
67	1TXFER00099	SVC8000 - 0803 - 00137 (OCEAN BEACH) - (OCEAN BEACH COMMERCIAL / OPER. OFFICE SITE)	$1,859	$1,859	$1,859	$747	$0	$0
68	1TXFER00099	SVC8000 - 0805 - 00065 (ISLANDIA) - (ISLANDIA DISTRIBUTION SUBSTATION / J W DYE CTR-TRAINING)	$4,793	$4,793	$4,793	$1,927	$0	$0
69	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	$7,791,103	$7,791,103	$7,791,103	$3,132,023	$0	$0
70	1TXFER00099	SVC8000 - 0900 - 00449 (RIVERHEAD TOWN) - (RIVERHEAD OPERATIONS CENTER)	$808,897	$808,897	$808,897	$325,177	$0	$0
71	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$9,670,021	$9,670,021	$9,670,021	$3,887,349	$0	$0
72	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$57,722	$57,722	$57,722	$23,204	$0	$0
73	1TXFER00099	SVC8000 - 1200 - 00385 (SOUTHAMPTON TOWN) - (BRIDGEHAMPTON THE HAMPTONS OPERATIONS CENTER)	$272,257	$272,257	$272,257	$109,447	$0	$0
74	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	$1,000,000	$1,000,000	$1,000,000	$402,000	$0	$0
75	1TXFER00099	SVC8000- 0900 - 00461 (RIVERHEAD TOWN) - (JAMESPORT FUTURE NUCLEAR POWER STATION	$1	$1	$1	$0	$0	$0
76		Hub Drive Security Enhancements	$19,250	$96,250	$57,750	$23,216	$187,272	$18,634
77		Long Island Serv Co - Asset Replacement	$292,500	$682,500	$487,500	$195,975	$870,129	$86,578
78		Hicksville Site Renovation (Ops areas)	$150,000	$350,000	$250,000	$100,500	$446,220	$44,399
79		Other LI	$150,000	$350,000	$250,000	$100,500	$446,220	$44,399
80		Brentwood Customer Office1	$0	$86,500	$43,250	$17,387	$365,117	$36,329
83		Res Woods Capital	$37,500	$87,500	$62,500	$25,125	$111,555	$11,100
84		**Total Facilities**	**$ 178,532,611**	**$ 184,339,236**	**$ 181,435,923**	**$ 72,937,241**	**$ 8,815,920**	**$ 877,184**

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-3R)

Transportation Expense Adjustments

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Compare Forecast Methods
Forecast Rate Year Lease Expense for 295 Replacement Vehicles
Replaced after HTY and before Rate Year 2017

	Companies' Forecast Method			Staff's Forecast Method (HTY Inflated)				
	Rate Year Replacement Cost	**O&M Expense Ratio**	**O&M Expense**	**HTY Actual Cost**	**Inflated to RY @ 3.77%**	**O&M Expense Ratio**	**O&M Expense**	**Rate Year 2017 Difference in Methods**
The Brooklyn Union Gas Co. (KEDNY)	1,160,752	54.13%	628,302	104,360	108,297	54.13%	58,620	569,682
Keyspan Gas East Corp. (KEDLI)	2,426,650	34.32%	832,904	266,249	276,295	34.32%	94,833	738,071
Total			1,461,206				153,453	1,307,753

Exhibit_____(RRP-3R)
Schedule 1
2 of 8

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Lease Expense for 253 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Historic Test Year Lease Expense

		CY2014			CY2015									
Company	**Equipment #**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Grand Total**
KEDNY	13865	378	378	377	376	376	375	374	374	373	372	372	338	4,463
	15769	920	918	917	915	913	912	910	908	907	905	904	902	10,931
	15923	1,132	1,130	1,128	1,126	1,124	1,122	1,120	1,118	984	15	15	15	10,030
	16191	15	15	15	15	15	15	15	15	15	15	15	15	180
	16192	15	15	15	15	15	15	15	15	15	15	15	15	180
	16193	15	15	15	15	15	15	15	15	15	15	15	15	180
	16194	15	15	15	15	15	15	15	15	15	15	15	15	180
	16195	16	16	16	16	16	16	16	16	16	16	16	16	196
	16206	15	15	15	15	15	15	15	15	15	15	15	15	180
	16207	15	15	15	15	15	15	15	15	15	15	15	15	180
	16208	15	15	15	15	15	15	15	15	15	15	15	15	180
	17516	7	7	7	7	7	7	7	7	7	7	7	7	89
	17586	11	11	11	11	11	11	11	11	11	11	11	11	137
	17612	16	16	16	16	16	16	16	16	16	16	16	16	188
	17613	15	15	15	15	15	15	15	15	15	15	15	15	186
	17618	8	8	8	8	8	8	8	8	8	8	8	8	102
	17662	8	8	8	8	8	8	8	8	8	8	8	8	96
	17664	18	18	18	18	18	18	18	18	18	18	18	18	221
	17665	9	9	9	9	9	9	9	9	9	9	9	9	111
	17668	10	10	10	10	10	10	10	10	10	10	10	10	125
	17676	10	10	10	10	10	10	10	10	10	10	10	60	170
	17677	10	10	10	10	10	10	10	10	10	10	132	60	292
	17678	25	25	25	25	25	25	25	25	25	25	25	25	305
	17679	10	10	10	10	10	10	10	10	10	10	10	10	120
	17680	1,146	1,146	1,146	1,146	1,146	10	10	10	10	10	10	10	5,800
	17685	10	10	10	10	10	10	10	10	10	10	10	10	120
	17689	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	1,619	10	10	16,210
	17691	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	1,194	14,333
	17712	10	10	10	10	10	10	10	10	10	10	10	10	120
	17725	10	10	10	10	10	10	10	10	10	10	440	60	600
	17726	10	10	10	10	10	10	10	10	10	10	440	60	600
	17728	830	10	10	10	10	10	10	10	10	10	10	10	940
	17729	10	10	10	10	10	10	10	10	10	10	10	10	120
	17741	10	10	10	10	10	10	10	10	10	10	10	10	120
	17742	10	10	10	10	10	10	10	10	10	10	10	10	120
	17743	10	10	10	10	10	10	10	10	10	10	10	10	120
	17744	11	11	11	11	11	11	11	11	11	11	11	11	128
	17753	10	10	10	10	10	10	10	10	10	10	10	10	120
	17767	10	10	10	10	10	10	10	10	10	10	10	10	120
	17828	11	11	11	11	11	11	11	11	11	11	11	11	130
	17876	9	9	9	9	9	9	9	9	9	9	9	9	111
	17954	16	16	16	16	16	16	16	16	16	16	16	16	186
	17971	11	11	11	11	11	11	11	11	11	11	11	11	132
	17983	11	11	11	11	11	11	11	11	11	11	11	11	133

Fully Amortized Vehicles

(If monthly cost is nominal (<$50) vehicle is amortized and has count of 1.)

CY2014			CY2015									
Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1
1	1	1	1	1	1	1	1	1	1	1	1

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Lease Expense for 253 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Historic Test Year Lease Expense

Company	Equipment #	CY2014 Oct	Nov	Dec	CY2015 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Grand Total
	17990	11	11	11	11	11	11	11	11	11	11	11	11	131
	18001	10	10	10	10	10	10	10	10	10	10	10	10	124
	18002	10	10	10	10	10	10	10	10	10	10	10	10	124
	18010	9	9	9	9	9	9	9	9	9	9	9	9	111
	18011	9	9	9	9	9	9	9	9	9	9	9	9	111
	18012	9	9	9	9	9	9	9	9	9	9	9	9	112
	18013	10	10	10	10	10	10	10	10	10	10	10	10	123
	18014	10	10	10	10	10	10	10	10	10	10	10	10	122
	18018	14	14	14	14	14	14	14	14	14	14	14	14	172
	18029	26	26	26	26	26	26	26	26	26	26	26	26	179
	18030	26	26	26	26	26	26	26	26	26	26	26	26	315
	18031	26	26	26	26	26	26	26	26	26	26	26	26	315
	18032	26	26	26	26	26	26	26	26	26	26	26	26	316
	18034	10	10	10	10	10	10	10	10	10	10	10	10	120
	18037	10	10	10	10	10	10	10	10	10	10	10	10	120
	18038	31	31	31	31	31	31	31	31	31	31	31	31	376
	18039	25	25	25	25	25	25	25	25	25	25	25	25	301
	18070	10	10	10	10	10	10	10	10	10	10	10	60	170
	18073	10	10	10	10	10	10	10	10	10	10	10	10	120
	18074	(1,915)												(1,915)
	18080	10	10	10	10	10	10	10	10	10	10	560	60	720
	18082	10	10	10	10	10	10	10	10	10	10	10	10	120
	18088	10	10	10	10	10	10	10	10	10	10	242	60	402
	18103	10	10	10	10	10	10	10	10	10	10	10	10	120
	18113	10	10	10	10	10	10	10	10	10	10	10	10	120
	18147	10	10	10	10	10	10	10	10	10	10	10	10	120
	18150	10	10	10	10	10	10	10	10	10	10	10	10	120
	18233	7	7	7	7	7	7	7	7	7	7	7	7	89
	18673	11	11	11	11	11	11	11	11	11	11	11	11	131
	18680	10	10	10	10	10	10	10	10	97				177
	18731	11	11	11	11	11	11	11	11	11	11	11	11	22
	19357	11	11	11	11	11	11	11	11	11	11	11	11	130
	19703	16	16	16	16	16	16	16	16	16	16	16	16	186
	19707	10	10	10	10	10	10	10	10	10	10	10	10	115
	19722	12	12	12	12	12	12	12	12	12	12	12	12	143
	19723	18	18	18	18	18	18	18	18	18	18	18	18	221
	19726	9	9	9	9	9	9	9	9	9	9	9	9	111
	19732	10	10	10	10	10	10	10	10	10	10	10	10	120
	19735	10	10	10	10	10	10	10	10	10	10	10	10	120
	19748	10	10	10	10	10	10	10	10	10	10	10	10	120
	19751	10	10	10	10	10	10	10	10	10	10	440	60	600
	20106	2,365	2,361	2,357	2,353	2,349	2,345	2,341	2,337	2,333	2,329	2,874	2,370	28,712
	6099	37	37	37	37	37	37	37	37	37	37	37	37	447
KEDNY Total		**8,676**	**9,763**	**9,754**	**9,746**	**9,738**	**8,594**	**8,585**	**8,577**	**8,524**	**7,451**	**8,580**	**6,246**	**103,998**

Fully Amortized Vehicles

(If monthly cost is nominal (<$50) vehicle is amortized and has count of 1.)

Equipment #	CY2014 Oct	Nov	Dec	CY2015 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
17990	1	1	1	1	1	1	1	1	1	1	1	1
18001	1	1	1	1	1	1	1	1	1	1	1	1
18002	1	1	1	1	1	1	1	1	1	1	1	1
18010	1	1	1	1	1	1	1	1	1	1	1	1
18011	1	1	1	1	1	1	1	1	1	1	1	1
18012	1	1	1	1	1	1	1	1	1	1	1	1
18013	1	1	1	1	1	1	1	1	1	1	1	1
18014	1	1	1	1	1	1	1	1	1	1	1	1
18018	1	1	1	1	1	1	1	1	1	1	1	1
18029	1	1	1	1	1	1	1	1	1	1	1	1
18030	1	1	1	1	1	1	1	1	1	1	1	1
18031	1	1	1	1	1	1	1	1	1	1	1	1
18032	1	1	1	1	1	1	1	1	1	1	1	1
18034	1	1	1	1	1	1	1	1	1	1	1	1
18037	1	1	1	1	1	1	1	1	1	1	1	1
18038	1	1	1	1	1	1	1	1	1	1	1	1
18039	1	1	1	1	1	1	1	1	1	1	1	1
18070	1	1	1	1	1	1	1	1	1	1	1	0
18073	1	1	1	1	1	1	1	1	1	1	1	1
18074	1	1	1	1	1	1	1	1	1	1	1	1
18080	1	1	1	1	1	1	1	1	1	1	0	0
18082	1	1	1	1	1	1	1	1	1	1	1	1
18088	1	1	1	1	1	1	1	1	1	1	0	0
18103	1	1	1	1	1	1	1	1	1	1	1	1
18113	1	1	1	1	1	1	1	1	1	1	1	1
18147	1	1	1	1	1	1	1	1	1	1	1	1
18150	1	1	1	1	1	1	1	1	1	1	1	1
18233	1	1	1	1	1	1	1	1	1	1	1	1
18673	1	1	1	1	1	1	1	1	1	1	1	1
18680	1	1	1	1	1	1	1	1	0	1	1	1
18731	1	1	1	1	1	1	1	1	1	1	1	1
19357	1	1	1	1	1	1	1	1	1	1	1	1
19703	1	1	1	1	1	1	1	1	1	1	1	1
19707	1	1	1	1	1	1	1	1	1	1	1	1
19722	1	1	1	1	1	1	1	1	1	1	1	1
19723	1	1	1	1	1	1	1	1	1	1	1	1
19726	1	1	1	1	1	1	1	1	1	1	1	1
19732	1	1	1	1	1	1	1	1	1	1	1	1
19735	1	1	1	1	1	1	1	1	1	1	1	1
19748	1	1	1	1	1	1	1	1	1	1	1	1
19751	1	1	1	1	1	1	1	1	1	1	0	0
20106	0	0	0	0	0	0	0	0	0	0	0	0
6099	1	1	1	1	1	1	1	1	1	1	1	1
KEDNY Total	79	80	80	80	80	81	81	81	80	82	77	75

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Lease Expense for 253 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Historic Test Year Lease Expense: CY2014 (Oct–Dec), CY2015 (Jan–Sep)

Fully Amortized Vehicles (If monthly cost is nominal (<$50) vehicle is amortized and has count of 1.): CY2014 (Oct–Dec), CY2015 (Jan–Sep)

Company	Equipment #	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Grand Total	FA Oct	FA Nov	FA Dec	FA Jan	FA Feb	FA Mar	FA Apr	FA May	FA Jun	FA Jul	FA Aug	FA Sep
KEDLI	12904	(4,641)												(4,641)	1	1	1	1	1	1	1	1	1	1	1	1
	12952	1,875	11	11	11	11	11	11	11	11	11	11	11	1,995	0	1	1	1	1	1	1	1	1	1	1	1
	14840	291	291	290	290	289	289	254	8	8	8	8	8	2,034	0	0	0	0	0	0	0	1	1	1	1	1
	15307	584	583	583	582	581	580	579	578	577	576	575	506	6,883	0	0	0	0	0	0	0	0	0	0	0	0
	15860	16	16	16	16	16	16	16	16	16	16	16	16	195	1	1	1	1	1	1	1	1	1	1	1	1
	16187	16	16	16	16	16	16	16	16	16	16	16	16	195	1	1	1	1	1	1	1	1	1	1	1	1
	16199	16	16	16	16	16	16	16	16	16	16	16	16	195	1	1	1	1	1	1	1	1	1	1	1	1
	16209	16	16	16	16	16	16	16	16	16	16	16	16	195	1	1	1	1	1	1	1	1	1	1	1	1
	16497	1,467	1,465	1,463	1,460	1,458	1,456	1,453	1,451	1,448	1,446	1,444	1,441	17,452	0	0	0	0	0	0	0	0	0	0	0	0
	16812	12	12	12	12	12	12	12	12	12	12	12	12	150	1	1	1	1	1	1	1	1	1	1	1	1
	16818	12	12	12	12	12	12	12	12	12	12	12	12	145	1	1	1	1	1	1	1	1	1	1	1	1
	16819	12	12	12	12	12	12	12	12	12	12	12	12	146	1	1	1	1	1	1	1	1	1	1	1	1
	16822	12	12	12	12	12	12	12	12	12	12	12	12	145	1	1	1	1	1	1	1	1	1	1	1	1
	16828	12	12	12	12	12	12	12	12	12	12	12	12	142	1	1	1	1	1	1	1	1	1	1	1	1
	16832	26	26	26	26	26	26	26	26	26	26	26	26	309	1	1	1	1	1	1	1	1	1	1	1	1
	16833	25	25	25	25	25	25	25	25	(405)		286		84	1	1	1	1	1	1	1	1	1	1	0	1
	16836	24	24	24	24	24	24	24	24	24	24	24	24	283	1	1	1	1	1	1	1	1	1	1	1	1
	16837	24	24	24	24	24	24	24	24	24	24	24	24	282	1	1	1	1	1	1	1	1	1	1	1	1
	16838	24	24	24	24	24	24	24	24	24	24	24	24	282	1	1	1	1	1	1	1	1	1	1	1	1
	16839	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	16840	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	16844	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16845	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16846	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16847	11	11	11	11	11	11	11	11	11	11	11	61	181	1	1	1	1	1	1	1	1	1	1	1	0
	16848	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16851	11	11	11	11	11	11	11	11	11	11	287	61	456	1	1	1	1	1	1	1	1	1	1	0	0
	16853	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16854	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16855	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16856	11	11	11	11	11	11	11	11	11	11	11	61	180	1	1	1	1	1	1	1	1	1	1	1	0
	16858	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,427	11	11	61	12,932	0	0	0	0	0	0	0	0	0	1	1	0
	16861	1,382	1,382	1,382	1,382	1,382	1,383	11	11	11	11	11	61	8,410	0	0	0	0	0	0	1	1	1	1	1	0
	16863	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	16868	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	16874	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	16875	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	16876	11	11	11	11	11	11	11	11	11	11	11	11	130	1	1	1	1	1	1	1	1	1	1	1	1
	17225	20	20	20	20	20	20	20	20	20	20	20	20	245	1	1	1	1	1	1	1	1	1	1	1	1
	17232	13	13	13	13	13	13	13	13	13	13	13	13	160	1	1	1	1	1	1	1	1	1	1	1	1
	17233	422	14	14	14	14	14	14	14	14	14	14	14	572	0	1	1	1	1	1	1	1	1	1	1	1
	17238	23	23	23	23	23	23	23	23	23	23	23	23	278	1	1	1	1	1	1	1	1	1	1	1	1
	17248	27	27	27	27	27	27	27	27	27	27	27	27	318	1	1	1	1	1	1	1	1	1	1	1	1

Exhibit_____(RRP-3R)
Schedule 1
5 of 8

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Lease Expense for 253 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Historic Test Year Lease Expense

Company	Equipment #	Oct (CY2014)	Nov	Dec	Jan (CY2015)	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Grand Total
	17249	11	11	11	11	11	11	11	11	11	11	11	11	130
	17251	11	11	11	11	11	11	11	11	11	11	11	11	130
	17252	11	11	11	11	11	11	11	11	11	11	11	11	130
	17253	11	11	11	11	11	11	11	11	11	11	11	11	130
	17254	11	11	11	11	11	11	11	11	11	11	11	11	130
	17255	11	11	11	11	11	11	11	11	11	11	11	11	130
	17284	11	11	11	11	11	11	11	11	11	11	287	61	456
	17294	1,431	1,431	1,431	1,431	1,431	1,431	1,431	1,431	1,431	1,431	287	61	14,660
	17307	11	11	11	11	11	11	11	11	11	11	11	11	130
	17318	11	11	11	11	11	11	11	11	11	11	11	11	130
	17319	11	11	11	11	11	11	11	11	11	11	11	11	130
	17320	11	11	11	11	11	11	11	11	11	11	11	11	130
	17327	11	11	11	11	11	11	11	11	11	11	11	11	130
	17410	10	10	10	10	10	10	10	10	10	10	10	10	120
	17415	11	11	11	11	11	11	11	11	11	11	11	11	130
	17793	22	22	22	22	22	22	22	22	22	22	22	22	263
	17794	11	11	11	11	11	11	11	11	11	11	11	11	130
	17795	11	11	11	11	11	11	11	11	11	11	11	11	130
	17796	11	11	11	11	11	11	11	11	11	11	11	11	130
	17797	11	11	11	11	11	11	11	11	11	11	11	11	130
	17805	11	11	11	11	11	11	11	11	11	11	561	61	730
	17810	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	11	61	14,216
	17811	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	11	61	14,278
	17822	11	11	11	11	11	11	11	11	11	11	11	11	130
	17823	11	11	11	11	11	11	11	11	11	11	11	11	130
	17963								10	10	10	10	10	50
	17976						11	11	11	11	11	11	11	76
	18173	14	14	14	14	159	14	14	14	14	14	14	14	312
	18208	12	12	12	12	12	12	12	12	12	12	12	12	142
	18236	11	11	11	11	11	11	11	11	11	11	11	11	130
	18237	11	11	11	11	11	11	11	11	11	11	11	11	130
	18238	11	11	11	11	11	11	11	11	11	11	11	61	180
	18249	17	17	17	17	17	17	17	17	17	17	17	17	206
	18269	20	20	20	20	20	20	20	20	20	20	20	20	246
	18275	11	11	11	11	11	11	11	11	11	11	11	11	130
	18281	11	11	11	11	11	11	11	11	11	11	11	11	130
	18299	11	11	11	11	11	11	11	11	11	11	11	61	180
	18309	11	11	11	11	11	11	11	11	11	11	561	61	730
	18311	11	11	11	11	11	11	11	11	11	11	11	61	180
	18312	11	11	11	11	11	11	11	11	11	11	11	61	180
	18313	11	11	11	11	11	11	11	11	11	11	11	61	180
	18316	11	11	11	11	11	11	11	11	11	11	11	61	180
	18320	1,441	1,441	11	11	11	11	11	11	11	11	11	61	3,040
	18322	1,398	1,398	1,398	1,398	1,398	1,398	1,398	1,399	11	11	287	61	11,558

Fully Amortized Vehicles
(If monthly cost is nominal (<$50) vehicle is amortized and has count of 1.)

Equipment #	Oct (CY2014)	Nov	Dec	Jan (CY2015)	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
17249	1	1	1	1	1	1	1	1	1	1	1	1
17251	1	1	1	1	1	1	1	1	1	1	1	1
17252	1	1	1	1	1	1	1	1	1	1	1	1
17253	1	1	1	1	1	1	1	1	1	1	1	1
17254	1	1	1	1	1	1	1	1	1	1	1	1
17255	1	1	1	1	1	1	1	1	1	1	1	1
17284	1	1	1	1	1	1	1	1	1	1	0	0
17294	0	0	0	0	0	0	0	0	0	0	0	0
17307	1	1	1	1	1	1	1	1	1	1	1	1
17318	1	1	1	1	1	1	1	1	1	1	1	1
17319	1	1	1	1	1	1	1	1	1	1	1	1
17320	1	1	1	1	1	1	1	1	1	1	1	1
17327	1	1	1	1	1	1	1	1	1	1	1	1
17410	1	1	1	1	1	1	1	1	1	1	1	1
17415	1	1	1	1	1	1	1	1	1	1	1	1
17793	1	1	1	1	1	1	1	1	1	1	1	1
17794	1	1	1	1	1	1	1	1	1	1	1	1
17795	1	1	1	1	1	1	1	1	1	1	1	1
17796	1	1	1	1	1	1	1	1	1	1	1	1
17797	1	1	1	1	1	1	1	1	1	1	1	1
17805	1	1	1	1	1	1	1	1	1	1	0	0
17810	0	0	0	0	0	0	0	0	0	0	1	0
17811	0	0	0	0	0	0	0	0	0	0	1	0
17822	1	1	1	1	1	1	1	1	1	1	1	1
17823	1	1	1	1	1	1	1	1	1	1	1	1
17963	1	1	1	1	1	1	1	1	1	1	1	1
17976	1	1	1	1	1	1	1	1	1	1	1	1
18173	1	1	1	1	0	1	1	1	1	1	1	1
18208	1	1	1	1	1	1	1	1	1	1	1	1
18236	1	1	1	1	1	1	1	1	1	1	1	1
18237	1	1	1	1	1	1	1	1	1	1	1	1
18238	1	1	1	1	1	1	1	1	1	1	1	0
18249	1	1	1	1	1	1	1	1	1	1	1	1
18269	1	1	1	1	1	1	1	1	1	1	1	1
18275	1	1	1	1	1	1	1	1	1	1	1	1
18281	1	1	1	1	1	1	1	1	1	1	1	1
18299	1	1	1	1	1	1	1	1	1	1	1	0
18309	1	1	1	1	1	1	1	1	1	1	0	0
18311	1	1	1	1	1	1	1	1	1	1	1	0
18312	1	1	1	1	1	1	1	1	1	1	1	0
18313	1	1	1	1	1	1	1	1	1	1	1	0
18316	1	1	1	1	1	1	1	1	1	1	1	0
18320	0	0	1	1	1	1	1	1	1	1	1	0
18322	0	0	0	0	0	0	0	0	1	1	0	0

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Lease Expense for 253 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Historic Test Year Lease Expense

		CY2014			CY2015									
Company	**Equipment #**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Grand Total**
	18325	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,408	1,407	11	11	61	12,751
	18326	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	1,421	11	11	61	12,873
	18327	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	1,419	11	11	61	12,853
	18328	1,364	1,364	1,364	1,364	1,364	1,364	11	11	11	11	11	61	8,301
	18329	1,364	1,364	1,364	1,364	1,364	1,364	11	11	11	11	287	61	8,577
	18334	11	11	11	11	11	11	11	11	11	11	11	11	130
	18340	11	11	11	11	11	11	11	11	11	11	11	11	130
	18341	11	11	11	11	11	11	11	11	11	11	11	11	130
	18342	11	11	11	11	11	11	11	11	11	11	11	11	130
	18351	11	11	11	11	11	11	11	11	11	11	11	11	130
	18352	11	11	11	11	11	11	11	11	11	11	11	11	130
	18362	11	11	11	11	11	11	11	11	11	11	11	11	130
	18363	11	11	11	11	11	11	11	11	11	11	11	11	130
	18364	11	11	11	11	11	11	11	11	11	11	11	11	130
	18365	11	11	11	11	11	11	11	11	11	11	11	11	130
	18541	11	11	11	11	11	11	11	11	11	11	11	11	130
	18542	11	11	11	11	11	11	11	11	11	11	11	11	130
	18543	11	11	11	11	11	11	11	11	11	11	11	11	130
	18603	11	11	11	11	11	11	11	11	11	11	11	11	130
	18607	18	18	18	18	18	18	18	18	18	18	18	18	212
	18612	11	11	11	11	11	11	11	11	11	11	11	11	130
	18613	11	11	11	11	11	11	11	11	11	11	11	11	130
	18633	11	11	11	11	11	11	11	11	11	11	11	61	180
	18652	11	11	11	11	11	11	11	11	11	11	243	61	412
	18654	1,351	1,351	11	11	11	11	11	11	11	11	287	61	3,137
	18655	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	11	287	61	13,141
	18656	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	11	287	61	13,209
	18671	11	11	11	11	11	11	11	11	11	11	11	11	130
	18697	11	11	11	11	11	11	11	11	11	11	11	11	130
	18698	11	11	11	11	11	11	11	11	11	11	11	11	130
	18710	11	11	11	11	11	11	11	11	11	11	11	11	130
	18711	11	11	11	11	11	11	11	11	11	11	11	11	130
	18712	11	11	11	11	11	11	11	11	11	11	11	11	130
	18717	11	11	11	11	11	11	11	11	11	11	11	11	130
	18737	11	11	11	11	11	11	11	11	11	11	11	11	130
	19052	13	13	13	13	13	13	13	13	13	13	13	13	156
	19081	11	11	11	11	11	11	11	11	11	11	11	11	130
	19301	12	12	12	12	12	12	12	12	12	12	12	12	150
	19310	12	12	12	12	12	12	12	12	12	12	12	12	138
	19314	20	20	20	20	20	20	20	20	20	20	20	20	242
	19319	13	13	13	13	13	13	13	13	13	13	13	13	160
	19323	26	26	26	26	26	26	26	26	26	26	26	26	310
	19324	25	25	25	25	25	25	25	25	25	25	25	25	303
	19325	11	11	11	11	11	11	11	11	11	11	11	11	130

Fully Amortized Vehicles

(If monthly cost is nominal (<$50) vehicle is amortized and has count of 1.)

	CY2014						CY2015					
Equipment #	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
18325	0	0	0	0	0	0	0	0	0	1	1	0
18326	0	0	0	0	0	0	0	0	0	1	1	0
18327	0	0	0	0	0	0	0	0	0	1	1	0
18328	0	0	0	0	0	0	1	1	1	1	1	0
18329	0	0	0	0	0	0	1	1	1	1	0	0
18334	1	1	1	1	1	1	1	1	1	1	1	1
18340	1	1	1	1	1	1	1	1	1	1	1	1
18341	1	1	1	1	1	1	1	1	1	1	1	1
18342	1	1	1	1	1	1	1	1	1	1	1	1
18351	1	1	1	1	1	1	1	1	1	1	1	1
18352	1	1	1	1	1	1	1	1	1	1	1	1
18362	1	1	1	1	1	1	1	1	1	1	1	1
18363	1	1	1	1	1	1	1	1	1	1	1	1
18364	1	1	1	1	1	1	1	1	1	1	1	1
18365	1	1	1	1	1	1	1	1	1	1	1	1
18541	1	1	1	1	1	1	1	1	1	1	1	1
18542	1	1	1	1	1	1	1	1	1	1	1	1
18543	1	1	1	1	1	1	1	1	1	1	1	1
18603	1	1	1	1	1	1	1	1	1	1	1	1
18607	1	1	1	1	1	1	1	1	1	1	1	1
18612	1	1	1	1	1	1	1	1	1	1	1	1
18613	1	1	1	1	1	1	1	1	1	1	1	1
18633	1	1	1	1	1	1	1	1	1	1	1	0
18652	1	1	1	1	1	1	1	1	1	1	0	0
18654	0	0	1	1	1	1	1	1	1	1	0	0
18655	0	0	0	0	0	0	0	0	0	1	0	0
18656	0	0	0	0	0	0	0	0	0	1	0	0
18671	1	1	1	1	1	1	1	1	1	1	1	1
18697	1	1	1	1	1	1	1	1	1	1	1	1
18698	1	1	1	1	1	1	1	1	1	1	1	1
18710	1	1	1	1	1	1	1	1	1	1	1	1
18711	1	1	1	1	1	1	1	1	1	1	1	1
18712	1	1	1	1	1	1	1	1	1	1	1	1
18717	1	1	1	1	1	1	1	1	1	1	1	1
18737	1	1	1	1	1	1	1	1	1	1	1	1
19052	1	1	1	1	1	1	1	1	1	1	1	1
19081	1	1	1	1	1	1	1	1	1	1	1	1
19301	1	1	1	1	1	1	1	1	1	1	1	1
19310	1	1	1	1	1	1	1	1	1	1	1	1
19314	1	1	1	1	1	1	1	1	1	1	1	1
19319	1	1	1	1	1	1	1	1	1	1	1	1
19323	1	1	1	1	1	1	1	1	1	1	1	1
19324	1	1	1	1	1	1	1	1	1	1	1	1
19325	1	1	1	1	1	1	1	1	1	1	1	1

Exhibit_____(RRP-3R)
Schedule 1
7 of 8

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Lease Expense for 253 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Historic Test Year Lease Expense

		CY2014			CY2015									
Company	**Equipment #**	**Oct**	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**	**Grand Total**
	19326	11	11	11	11	11	11	11	11	11	11	111	61	280
	19327	11	11	11	11	11	11	11	11	11	11	11	11	130
	19334	11	11	11	11	11	11	11	11	11	11	11	61	180
	19342	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	1,413	11	287	61	13,078
	19349	11	11	11	11	11	11	11	11	11	11	11	11	130
	19360	11	11	11	11	11	11	11	11	11	11	11	11	130
	19363	11	11	11	11	11	11	11	11	11	11	11	11	130
	19432	22	22	22	22	22	22	22	22	22	22	22	22	267
	19443	13	13	13	13	13	13	13	13	13	13	13	13	161
	19444	13	13	13	13	13	13	13	13	13	13	13	13	161
	19452	11	11	11	11	11	11	11	11	11	11	11	11	130
	19463	11	11	11	11	11	11	11	11	11	11	561	61	730
	19465	11	11	11	11	11	11	11	11	11	11	11	61	180
	19472	11	11	11	11	11	11	11	11	11	11	11	11	130
	19479	11	11	11	11	11	11	11	11	11	11	11	11	130
	19485	11	11	11	11	11	11	11	11	11	11	11	11	130
	19486	11	11	11	11	11	11	11	11	11	11	11	11	130
	19488	11	11	11	11	11	11	11	11	11	11	11	11	130
	19493	11	11	11	11	11	11	11	11	11	11	11	11	130
	19574	11	11	11	11	11	11	11	11	11	11	11	11	130
	19590	(2,242)												(2,242)
	19591	21	21	21	21	21	21	21	21	21	21	21	21	257
	19611	11	11	11	11	11	11	11	11	11	11	11	61	180
	19612	11	11	11	11	11	11	11	11	11	11	11	61	180
	19618	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	1,428	11	11	61	12,933
	19619	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,422	1,423	11	11	61	12,884
	19625	11	11	11	11	11	11	11	11	11	11	11	11	130
	19626	11	11	11	11	11	11	11	11	11	11	11	11	130
	19628	11	11	11	11	11	11	11	11	11	11	11	11	130
	19641	11	11	11	11	11	11	11	11	11	11	11	11	130
	19642	11	11	11	11	11	11	11	11	11	11	11	11	130
	19644	11	11	11	11	11	11	11	11	11	11	11	11	130
	19645	11	11	11	11	11	11	11	11	11	11	11	11	130
	6260	10	10	10	10	10	10	10	10	10	10	10	10	120
	9413	1,384	1,382	1,381	1,380	1,378	1,377	1,376	1,375	1,373	1,372	1,371	1,369	10,991
KEDLI Total		**26,237**	**30,844**	**28,068**	**28,063**	**28,203**	**28,064**	**23,947**	**23,706**	**21,884**	**9,594**	**10,108**	**7,533**	**260,723**
Grand Total		**34,913**	**40,606**	**37,822**	**37,809**	**37,941**	**36,658**	**32,532**	**32,283**	**30,407**	**17,045**	**18,688**	**13,779**	**364,721**

Fully Amortized Vehicles
(If monthly cost is nominal (<$50) vehicle is amortized and has count of 1.)

Equipment #	CY2014			CY2015								
	Oct	**Nov**	**Dec**	**Jan**	**Feb**	**Mar**	**Apr**	**May**	**Jun**	**Jul**	**Aug**	**Sep**
19326	1	1	1	1	1	1	1	1	1	1	0	0
19327	1	1	1	1	1	1	1	1	1	1	1	1
19334	1	1	1	1	1	1	1	1	1	1	1	0
19342	0	0	0	0	0	0	0	0	0	1	0	0
19349	1	1	1	1	1	1	1	1	1	1	1	1
19360	1	1	1	1	1	1	1	1	1	1	1	1
19363	1	1	1	1	1	1	1	1	1	1	1	1
19432	1	1	1	1	1	1	1	1	1	1	1	1
19443	1	1	1	1	1	1	1	1	1	1	1	1
19444	1	1	1	1	1	1	1	1	1	1	1	1
19452	1	1	1	1	1	1	1	1	1	1	1	1
19463	1	1	1	1	1	1	1	1	1	1	0	0
19465	1	1	1	1	1	1	1	1	1	1	1	0
19472	1	1	1	1	1	1	1	1	1	1	1	1
19479	1	1	1	1	1	1	1	1	1	1	1	1
19485	1	1	1	1	1	1	1	1	1	1	1	1
19486	1	1	1	1	1	1	1	1	1	1	1	1
19488	1	1	1	1	1	1	1	1	1	1	1	1
19493	1	1	1	1	1	1	1	1	1	1	1	1
19574	1	1	1	1	1	1	1	1	1	1	1	1
19590	1	1	1	1	1	1	1	1	1	1	1	1
19591	1	1	1	1	1	1	1	1	1	1	1	1
19611	1	1	1	1	1	1	1	1	1	1	1	0
19612	1	1	1	1	1	1	1	1	1	1	1	0
19618	0	0	0	0	0	0	0	0	0	1	1	0
19619	0	0	0	0	0	0	0	0	0	1	1	0
19625	1	1	1	1	1	1	1	1	1	1	1	1
19626	1	1	1	1	1	1	1	1	1	1	1	1
19628	1	1	1	1	1	1	1	1	1	1	1	1
19641	1	1	1	1	1	1	1	1	1	1	1	1
19642	1	1	1	1	1	1	1	1	1	1	1	1
19644	1	1	1	1	1	1	1	1	1	1	1	1
19645	1	1	1	1	1	1	1	1	1	1	1	1
6260	1	1	1	1	1	1	1	1	1	1	1	1
9413	0	0	0	0	0	0	0	0	0	0	0	0
KEDLI Total	142	144	146	146	145	146	149	150	151	160	148	118
Grand Total	221	224	226	226	225	227	230	231	231	242	225	193
											HTY Average	225

Exhibit_____(RRP-3R)
Schedule 1
8 of 8

The Brooklyn Union Gas Company (KEDNY)
KeySpan Gas East Corporation (KEDLI)
Case 16-G-0058, Case 16-G-0059
Equipment # of 41 of 295 Replacement Vehicles
Vehicles replaced after HTY and before Rate Year 2017

Company	Owned during HTY	Sold prior to HTY
KEDNY	17146	17466
	17765	17690
	18091	18033
	18140	18146
	18141	12973
	18142	13347
	18143	15773
	18144	17916
	18145	19705
	19764	19713
	6127	
	6140	
KEDLI	17427	16834
	17813	16835
	17824	17321
	18540	18254
	19366	18304
	19395	18331
	19487	18546
	19494	18691
		18725
		19320
		20163

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-4R)

Other Initiatives Adjustments

Keyspan Gas East Corporation
National Grid Incremental FTE's
Rate Year Beginning January 31, 2017
Case 16-G-0058
Company Rebuttal - FTE Count and Opex Salary

CU W/P	Co	Function	Program/Position	C&U Count	Staff's Count	Co Adjust to Staff Count	Company Rebuttal Count	Band/Job Title	Mgmt/ Rep	Opex	Salary	Rebuttal Total Cost	KEDNY %	KEDLY %	KEDNY - End HTY Salary	KEDLI - End HTY Salary	KEDNY - RY17	KEDLI - RY17
9	ServCo	Services Delivery Ctr	SDC - A/C Maintenance	5.0	5.0	-	5.0	E	Mgmt	100%	$ 79,000.00	$ 395,000	19%	9%	75,287	34,997	78,709	36,588
9	ServCo	Services Delivery Ctr	SDC - A/C Maintenance	6.0	6.0	-	6.0	Union	Union	100%	$ 23,088.00	$ 138,528	58%	0%	80,693	-	84,510	-
9	ServCo	Customer	Customer - Process & Perf		-	-	-	C	Mgmt	100%	$ 140,000.00	$	18%	8%				
9	ServCo	Customer	Customer - Process & Perf		-	-	-	E/ D	Mgmt	100%	$ 115,000.00	$	18%	8%				
9	ServCo	Customer	Customer - Econ Dev	1.0	1.0	-	1.0	E/ D	Mgmt	100%	$ 100,000.00	$ 000	50%	50%	50,000	50,000	52,273	52,273
9	ServCo	Procurement	Procurement - Gas Growth	2.0	2.0	-	2.0	D2	Mgmt	100%	$ 110,000	$ 220,000	57%	43%	125,400	94,600	131,099	98,900
9	ServCo	Procurement	Procurement - Gas Growth	2.0	2.0	-	2.0	D1	Mgmt	100%	$ 100,000	$ 200,000	57%	43%	114,000	86,000	119,181	89,909
9	ServCo	Procurement	Procurement - Gas Growth	6.0	6.0	-	6.0	E2	Mgmt	100%	$ 80,000	$ 480,000	57%	43%	273,600	206,400	286,035	215,781
1	KEDNY	OPEX related to CAPEX	Gas Estimating Office of Excellence- Estimator	3.0	2.0	-	2.0	Engineer	Mgmt	5%	$ 79,099.24	$ 7,909.92	100%		7,910		8,269	-
1	KEDNY	OPEX related to CAPEX	Main & Service Replacement- Designer	3.0	3.0	-	3.0	Engineer	Mgmt	5%	$ 79,099.24	$ 11,864.89	100%		11,865		12,404	-
1	KEDNY	OPEX related to CAPEX	Gas Estimating Office of Excellence- Manager	0.5	0.3	-	0.3	Manager	Mgmt	5%	$ 123,482.01	$ 2,037.45	100%		2,037		2,130	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Clerks	2.0	2.0	-	2.0	Operations Clerk	Union	10%	$ 54,414.78	$ 10,882.96	100%		10,883		11,404	-
1	KEDNY	OPEX related to CAPEX	Gas Transmission Engineering- Engineer	0.5	0.5	-	0.5	Engineer	Mgmt	10%	$ 79,099.24	$ 3,954.96	100%		3,955		4,135	-
1	KEDNY	OPEX related to CAPEX	CNG/LNG- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	10%	$ 79,099.24	$ 7,909.92	100%		7,910		8,269	-
1	KEDNY	OPEX related to CAPEX	Gas Long Term Planning- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	10%	$ 79,099.24	$ 7,909.92	100%		7,910		8,269	-
1	KEDNY	OPEX related to CAPEX	Construction- Public Works- Engineer	2.0	2.0	-	2.0	Engineer	Mgmt	10%	$ 79,099.24	$ 15,819.85	100%		15,820		16,539	-
1	KEDNY	OPEX related to CAPEX	Pressure Regulation Engineering- Engineer	2.0	2.0	-	2.0	Engineer	Mgmt	10%	$ 79,099.24	$ 15,819.85	100%		15,820		16,539	-
1	KEDNY	OPEX related to CAPEX	Construction- Main Replacement- Engineer	3.0	3.0	-	3.0	Engineer	Mgmt	10%	$ 79,099.24	$ 23,729.77	100%		23,730		24,808	-
1	KEDNY	OPEX related to CAPEX	Gas Project Eng & Design- Designer	3.0	3.0	-	3.0	Engineer	Mgmt	10%	$ 79,099.24	$ 23,729.77	100%		23,730		24,808	-
1	KEDNY	OPEX related to CAPEX	Gas Project Eng & Design- Engineer	7.0	7.0	-	7.0	Engineer	Mgmt	10%	$ 79,099.24	$ 55,369.46	100%		55,369		57,886	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Inspectors	2.0	2.0	-	2.0	Field Operations Inspector A	Union	10%	$ 79,969.73	$ 15,993.95	100%		15,994		16,760	-
1	KEDNY	OPEX related to CAPEX	Construction- Main Replacement- Construction Inspectors	5.0	5.0	-	5.0	Field Operations Inspector A	Union	10%	$ 79,969.73	$ 39,984.86	100%		39,985		41,899	-
1	KEDNY	OPEX related to CAPEX	Construction- Main Replacement- Construction Inspection Supervisor	1.0	1.0	-	1.0	Supv Operations	Mgmt	10%	$ 88,265.91	$ 8,826.59	100%		8,827		9,228	-
1	KEDNY	OPEX related to CAPEX	Complex Construction- Construction Inspectors	9.8	9.8	-	9.8	Supv Operations	Mgmt	10%	$ 88,265.91	$ 86,500.59	100%		86,501		90,432	-
1	KEDNY	OPEX related to CAPEX	Resource Planning- Coordinator	1.0	1.0	-	1.0	Sr Coordinator	Mgmt	10%	$ 85,370.59	$ 8,537.06	100%		8,537		8,925	-
1	KEDNY	OPEX related to CAPEX	Construction- Permit/Summons/Paving Coordinator	2.0	2.0	-	2.0	Sr Coordinator	Mgmt	10%	$ 85,370.59	$ 17,074.12	100%		17,074		17,850	-
1	KEDNY	OPEX related to CAPEX	Corrosion- Techs	2.0	2.0	-	2.0	Corrosion Technician Sr	Union	10%	$ 85,155.00	$ 17,031.00	100%		17,031		17,846	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- In Year Budget- Program Manager	1.0	1.0	-	1.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 8,601.04	100%		8,601		8,992	-
1	KEDNY	OPEX related to CAPEX	Resource Planning- Work Package Reviewer- Program Manager	1.0	1.0	-	1.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 8,601.04	100%		8,601		8,992	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- Rate Case Support- Program Manager	2.0	2.0	-	2.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 17,202.08	100%		17,202		17,984	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Program Manager	2.0	2.0	-	2.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 17,202.08	100%		17,202		17,984	-
1	KEDNY	OPEX related to CAPEX	Contract Strategy & Administration- Program Manager	3.2	3.2	-	3.2	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 27,523.33	100%		27,523		28,774	-
1	KEDNY	OPEX related to CAPEX	Resource Planning- Program Manager	3.5	3.5	-	3.5	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 30,103.65	100%		30,104		31,472	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Lead Program Manager	1.0	1.0	-	1.0	Lead Program Manager	Mgmt	10%	$ 95,000.00	$ 9,500.00	100%		9,500		9,932	-
1	KEDNY	OPEX related to CAPEX	Construction- Main Replacement- Manager	1.0	1.0	-	1.0	Manager	Mgmt	10%	$ 123,482.01	$ 12,348.20	100%		12,348		12,909	-
1	KEDNY	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Manager	1.0	1.0	-	1.0	Manager	Mgmt	10%	$ 123,482.01	$ 12,348.20	100%		12,348		12,909	-
1	KEDNY	OPEX related to CAPEX	Resource Planning- Manager	1.0	1.0	-	1.0	Manager	Mgmt	10%	$ 123,482.01	$ 12,348.20	100%		12,348		12,909	-
1	KEDNY	OPEX related to CAPEX	Project Management- Project Manager	3.5	3.5	-	3.5	Sr Program Manager	Mgmt	15%	$ 86,010.42	$ 45,155.47	100%		45,155		47,208	-
1	KEDNY	OPEX related to CAPEX	Operations Support- Permit Clerks	5.0	5.0	-	5.0	Operations Clerk	Union	20%	$ 54,414.78	$ 54,414.78	100%		54,415		57,020	-
1	KEDNY	OPEX related to CAPEX	Operations Support- ESRI Analyst	2.0	2.0	-	2.0	Sr Analyst	Mgmt	20%	$ 81,502.83	$ 32,601.13	100%		32,601		34,083	-
1	KEDNY	OPEX related to CAPEX	Project Controls- Analyst	2.0	2.0	-	2.0	Sr Analyst	Mgmt	20%	$ 81,502.83	$ 32,601.13	100%		32,601		34,083	-
1	KEDNY	OPEX related to CAPEX	Operations Support- Supervisor	1.0	1.0	-	1.0	Supv Operations	Mgmt	20%	$ 88,265.91	$ 17,653.18	100%		17,653		18,456	-
1	KEDNY	OPEX related to CAPEX	Operations Support- Mappers	3.0	3.0	-	3.0	Graphic Techn Sr 40 Hr	Union	20%	$ 85,544.00	$ 51,326.40	100%		51,326		53,783	-
1	KEDNY	OPEX related to CAPEX	Operations Support- Manager	0.5	0.5	-	0.5	Manager	Mgmt	20%	$ 123,482.01	$ 12,348.20	100%		12,348		12,909	-
1	KEDNY	OPEX related to CAPEX	Resource Planning- Analyst	1.0	1.0	-	1.0	Sr Analyst	Mgmt	30%	$ 81,502.83	$ 24,450.85	100%		24,451		25,562	-
1	KEDNY	OPEX related to CAPEX	Resource Planning- Report Analyst	1.0	1.0	-	1.0	Sr Analyst	Mgmt	30%	$ 81,502.83	$ 24,450.85	100%		24,451		25,562	-
1	KEDNY	Safety Programs	Process Safety- Engineering	1.0	1.0	-	1.0	Engineer	Mgmt	40%	$ 79,099.24	$ 31,639.69	100%		31,640		33,078	-
1	KEDNY	Safety Programs	Process Safety- Analyst	0.5	0.5	-	0.5	Sr Analyst	Mgmt	40%	$ 81,502.83	$ 16,300.57	100%		16,301		17,041	-

Keypsan Gas East Corporation d/b/a National Grid
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Keyspan Gas East Corporation
National Grid Incremental FTE's
Rate Year Beginning January 31, 2017
Case 16-G-0058
Company Rebuttal - FTE Count and Opex Salary

CU W/P	Co	Function	Program/Position	C&U Count	Staff's Count	Co Adjust to Staff Count	Company Rebuttal Count	Band/Job Title	Mgmt/ Rep	Opex	Salary	Rebuttal Total Cost	KEDNY %	KEDLY %	KEDNY - End HTY Salary	KEDLI - End HTY Salary	KEDNY - RY17	KEDLI - RY17
1	KEDNY	Safety Programs	Process Safety- Lead Program Manager	1.0	1.0	-	1.0	Lead Program Manager	Mgmt	40%	$ 95,000.00	$ 38,000.00	100%		38,000		39,727	-
1	KEDNY	Safety Programs	Process Safety- Director	0.5	0.5	-	0.5	Director	Mgmt	40%	$ 156,123.41	$ 31,224.68	100%		31,225		32,644	-
1	KEDNY	OPEX related to CAPEX	Gas Operations Engineering	1.0	1.0	-	1.0	Engineer	Mgmt	80%	$ 79,099.24	$ 63,279.39	100%		63,279		66,155	-
1	KEDNY	OPEX related to CAPEX	Gas Operations Engineering	1.0	1.0	-	1.0	Engineer	Mgmt	80%	$ 79,099.24	$ 63,279.39	100%		63,279		66,155	-
1	KEDNY	Increased OPEX Workload	I&R- Supervisor	2.0	2.0	-	2.0	Supv Operations	Mgmt	80%	$ 88,265.91	$ 141,225.46	100%		141,225		147,644	-
1	KEDNY	Increased OPEX Workload	I&R- Techs	15.0	12.7	2.3	15.0	GSO Station & Field Operator	Union	80%	$ 83,732.00	$ 1,004,784.00	100%		1,004,784		1,052,885	-
1	KEDNY	Increased OPEX Workload	CMS- MSR (Helpers)	8.0	8.0	-	8.0	Meter Service Representative	Union	83%	$ 47,840.00	$ 317,657.60	100%		317,658		332,864	-
1	KEDNY	Increased OPEX Workload	CMS- Supervisor	3.0	3.0	-	3.0	Supv Operations	Mgmt	83%	$ 88,265.91	$ 219,782.12	100%		219,782		229,771	-
1	KEDNY	Increased OPEX Workload	CMS- Working Leader	5.0	5.0	-	5.0	Working Leader	Union	83%	$ 93,050.16	$ 386,158.17	100%		386,158		404,644	-
1	KEDNY	Increased OPEX Workload	CMS- Director	0.5	0.5	-	0.5	Director	Mgmt	83%	$ 156,123.41	$ 64,791.22	100%		64,791		67,736	-
1	KEDNY	OPEX related to CAPEX	Gas Distribution Engineering- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	95%	$ 79,099.24	$ 75,144.27	100%		75,144		78,560	-
1	KEDNY	Safety Programs	Field Operations- Soft Offs	4.0	4.0	-	4.0	Crew AverageField Operations- Soft O	Union	100%	$ 29,624.50	$ 118,498.00	100%		118,498		124,171	-
1	KEDNY	Increased OPEX Workload	Field Operations- Pressure Testing	5.0	5.0	-	5.0	Crew AverageField Operations- Pressu	Union	100%	$ 33,932.70	$ 169,663.50	100%		169,664		177,786	-
1	KEDNY	OPEX related to CAPEX	LNG- Clerk	1.0	1.0	-	1.0	Operations Clerk	Union	100%	$ 54,414.78	$ 54,414.78	100%		54,415		57,020	-
1	KEDNY	Other OPEX	CMS- Meter Reading	-	-	-	-	Meter Service Representative	Union	100%	$ 47,840.00	$ -	100%		-		-	-
1	KEDNY	Increased OPEX Workload	CMS- Field Collections	10.0	10.0	-	10.0	Meter Service Representative	Union	100%	$ 47,840.00	$ 478,400.00	100%		478,400		501,302	-
1	KEDNY	Increased OPEX Workload	Field Operations- Type 3 Leaks	2.0	2.0	-	2.0	Crew AverageField Operations- Type 3	Union	100%	$ 49,894.88	$ 99,789.76	100%		99,790		104,567	-
1	KEDNY	Increased OPEX Workload	CMS- Related to Meter Reading	0.0	0.0	-	0.0	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 1,203.13	100%		1,203		1,261	-
1	KEDNY	Increased OPEX Workload	CMS- Other Emergency	0.6	0.6	-	0.6	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 42,826.08	100%		42,826		44,876	-
1	KEDNY	Increased OPEX Workload	CMS- Meter/Regulator	0.7	0.7	-	0.7	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 47,876.67	100%		47,877		50,169	-
1	KEDNY	Increased OPEX Workload	CMS- Investigations	5.3	5.3	-	5.3	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 352,458.65	100%		352,459		369,331	-
1	KEDNY	Increased OPEX Workload	CMS- Surveillance	7.9	7.9	-	7.9	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 528,709.43	100%		528,709		554,020	-
1	KEDNY	Increased OPEX Workload	CMS- Gas Leak Investigations	14.1	14.1	-	14.1	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 935,745.73	100%		935,746		980,541	-
1	KEDNY	Increased OPEX Workload	CMS- Meter Oriented Services	20.8	20.8	-	20.8	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 1,384,811.05	100%		1,384,811		1,451,104	-
1	KEDNY	Safety Programs	CMS- Soft Offs	29.8	29.8	-	29.8	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 1,984,008.14	100%		1,984,008		2,078,986	-
1	KEDNY	OPEX related to CAPEX	LNG- Field Engineer	1.0	-	1.0	1.0	Engineer	Mgmt	100%	$ 79,099.24	$ 79,099.24	100%		79,099		82,694	-
1	KEDNY	Safety Programs	Gas Pipeline and Safety Compliance- QA/QC Inspectors	1.0	1.0	-	1.0	Field Operations Inspector A	Mgmt	100%	$ 79,969.73	$ 79,969.73	100%		79,970		83,604	-
1	KEDNY	OPEX related to CAPEX	Damage Prevention- A Inspector	2.0	2.0	-	2.0	Field Operations Inspector A	Union	100%	$ 79,969.73	$ 159,939.45	100%		159,939		167,596	-
1	KEDNY	Safety Programs	Gas Pipeline and Safety Compliance- Compliance Analyst	3.5	-	3.5	3.5	Sr Analyst	Mgmt	100%	$ 81,502.83	$ 285,259.90	100%		285,260		298,225	-
1	KEDNY	OPEX related to CAPEX	Gas Control- Control Room Operator	3.0	3.0	-	3.0	Sr Gas Sys Operator	Mgmt	100%	$ 93,561.70	$ 280,685.10	100%		280,685		293,442	-
1	KEDNY	OPEX related to CAPEX	Gas Control- SOP Coordinator	1.5	1.5	-	1.5	Lead SOP Coordinator	Mgmt	100%	$ 96,638.00	$ 144,957.00	100%		144,957		151,545	-
1	KEDLI	Increased OPEX Workloac	CMS- Director	0.5	0.5	-	0.5	Director	Mgmt	85%	$ 156,123.41	$ 66,352.45		100%		66,352	-	69,368
1	KEDLI	Increased OPEX Workload	CMS- Field Collections	1.4	1.4	-	1.4	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 90,270.97		100%		90,271	-	94,270
1	KEDLI	Increased OPEX Workload	CMS- Gas Leak Investigations	0.8	0.8	-	0.8	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 53,261.96		100%		53,262	-	55,622
1	KEDLI	Other OPEX	CMS- Investigations	(0.3)	(0.3)	-	(0.3)	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ (19,973.24)		100%		(19,973)	-	(20,858)
1	KEDLI	Increased OPEX Workload	CMS- Meter Oriented Services	4.4	4.4	-	4.4	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 292,940.80		100%		292,941	-	305,920
1	KEDLI	Increased OPEX Workload	CMS- Meter/Regulator	0.4	0.4	-	0.4	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 26,630.98		100%		26,631	-	27,811
1	KEDLI	Other OPEX	CMS- Other Emergency	(0.1)	(0.1)	-	(0.1)	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ (6,657.75)		100%		(6,658)	-	(6,953)
1	KEDLI	Other OPEX	CMS- Related to Meter Reading	(6.6)	(6.6)	-	(6.6)	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ (439,411.20)		100%		(439,411)	-	(458,879)
1	KEDLI	Other OPEX	CMS- Shift Work	(1.0)	(1.0)	-	(1.0)	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ (66,577.45)		100%		(66,577)	-	(69,527)
1	KEDLI	Safety Programs	CMS- Soft Offs	2.1	2.1	-	2.1	Meter Service Technician C/B	Union	100%	$ 66,577.45	$ 139,812.65		100%		139,813	-	146,007
1	KEDLI	Increased OPEX Workload	CMS- Supervisor	1.0	1.0	-	1.0	Supv Operations	Mgmt	85%	$ 88,265.91	$ 75,026.03		100%		75,026	-	78,436
1	KEDLI	OPEX related to CAPEX	Complex Construction- Contractor Oversight	4.2	4.2	-	4.2	Supv Operations	Mgmt	10%	$ 88,265.91	$ 37,071.68		100%		37,072	-	38,757
1	KEDLI	OPEX related to CAPEX	Construction- Main Replacement- Construction Inspectors	6.0	6.0	-	6.0	Field Operations Inspector A	Union	10%	$ 79,969.73	$ 47,981.84		100%		47,982	-	50,108
1	KEDLI	OPEX related to CAPEX	Construction- Main Replacement- Engineer	3.0	3.0	-	3.0	Engineer	Mgmt	10%	$ 79,099.24	$ 23,729.77		100%		23,730	-	24,808
1	KEDLI	OPEX related to CAPEX	Construction- Main Replacement- Supervisor	1.0	1.0	-	1.0	Supv Operations	Mgmt	10%	$ 88,265.91	$ 8,826.59		100%		8,827	-	9,228
1	KEDLI	OPEX related to CAPEX	Construction- Permit/Summons/Paving Coordinator	2.0	2.0	-	2.0	Sr Coordinator	Mgmt	10%	$ 85,370.59	$ 17,074.12		100%		17,074	-	17,850
1	KEDLI	OPEX related to CAPEX	Contract Strategy & Administration- Program Manager	1.4	1.4	-	1.4	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 12,041.46		100%		12,041	-	12,589
1	KEDLI	OPEX related to CAPEX	Corrosion- Techs	2.0	2.0	-	2.0	Corrosion Technician Sr	Union	10%	$ 85,155.00	$ 17,031.00		100%		17,031	-	17,786
1	KEDLI	OPEX related to CAPEX	Damage Prevention- Supervisor	1.0	1.0	-	1.0	Supv Operations	Mgmt	100%	$ 88,265.91	$ 88,265.91		100%		88,266	-	92,278
1	KEDLI	Safety Programs	Field Operations- Soft Offs	2.0	2.0	-	2.0	Crew AverageField Operations- Soft O	Union	100%	$ 67,475.50	$ 134,951.00		100%		134,951	-	140,930

Keypsan Gas East Corporation d/b/a National Grid
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Company Rebuttal Testimony
FTE Count and Opex Salary

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Keyspan Gas East Corporation
National Grid Incremental FTE's
Rate Year Beginning January 31, 2017
Case 16-G-0058
Company Rebuttal - FTE Count and Opex Salary

CU W/P	Co	Function	Program/Position	C&U Count	Staff's Count	Co Adjust to Staff Count	Company Rebuttal Count	Band/Job Title	Mgmt/ Rep	Opex	Salary	Rebuttal Total Cost	KEDNY %	KEDLY %	KEDNY - End HTY Salary	KEDLI - End HTY Salary	KEDNY - RY17	KEDLI - RY17
1	KEDLI	Increased OPEX Workload	Field Operations- Type 3 Leaks	4.0	4.0	-	4.0	Crew AverageField Operations- Type 3	Union	77%	$ 86,350.00	$ 265,958.00		100%		265,958	-	277,741
1	KEDLI	OPEX related to CAPEX	Gas Asset Management- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	80%	$ 79,099.24	$ 63,279.39		100%		63,279	-	66,155
1	KEDLI	OPEX related to CAPEX	Gas Asset Management- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	10%	$ 79,099.24	$ 7,909.92		100%		7,910	-	8,269
1	KEDLI	OPEX related to CAPEX	Gas Asset Management- Engineer	3.0	3.0	-	3.0	Engineer	Mgmt	10%	$ 79,099.24	$ 23,729.77		100%		23,730	-	24,808
1	KEDLI	OPEX related to CAPEX	Gas Control- Control Room Operator	3.0	3.0	-	3.0	Sr Gas Sys Operator	Mgmt	100%	$ 93,561.70	$ 280,685.10		100%		280,685	-	293,442
1	KEDLI	OPEX related to CAPEX	Gas Control- SOP Coordinator	1.5	1.5	-	1.5	Lead SOP Coordinator	Mgmt	100%	$ 96,638.00	$ 144,957.00		100%		144,957	-	151,545
1	KEDLI	OPEX related to CAPEX	Gas Distribution Engineering- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	95%	$ 79,099.24	$ 75,144.27		100%		75,144	-	78,560
1	KEDLI	Safety Programs	Gas Pipeline and Safety Compliance- Compliance Analyst	3.5	-	3.5	3.5	Sr Analyst	Mgmt	100%	$ 81,502.83	$ 285,259.90		100%		285,260	-	298,225
1	KEDLI	Safety Programs	Gas Pipeline and Safety Compliance- QA/QC Inspectors	1.0	1.0	-	1.0	Field Operations Inspector A	Mgmt	100%	$ 79,969.73	$ 79,969.73		100%		79,970	-	83,604
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Designer	3.0	3.0	-	3.0	Engineer	Mgmt	10%	$ 79,099.24	$ 23,729.77		100%		23,730	-	24,808
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	80%	$ 79,099.24	$ 63,279.39		100%		63,279	-	66,155
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Engineer	2.0	2.0	-	2.0	Engineer	Mgmt	10%	$ 79,099.24	$ 15,819.85		100%		15,820	-	16,539
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Engineer	8.0	8.0	-	8.0	Engineer	Mgmt	10%	$ 79,099.24	$ 63,279.39		100%		63,279	-	66,155
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Engineer	3.0	3.0	-	3.0	Engineer	Mgmt	5%	$ 79,099.24	$ 11,864.89		100%		11,865	-	12,404
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Estimator	3.0	2.0	-	2.0	Engineer	Mgmt	5%	$ 79,099.24	$ 7,909.92		100%		7,910	-	8,269
1	KEDLI	OPEX related to CAPEX	Gas System Engineering- Manager	0.5	0.3	-	0.3	Manager	Mgmt	5%	$ 123,482.01	$ 2,037.45		100%		2,037	-	2,130
1	KEDLI	Increased OPEX Workload	I&R- Techs	3.0	2.2	0.8	3.0	FCM Elec/Instrument Tech	Union	80%	$ 98,183.00	$ 235,639.20		100%		235,639	-	246,079
1	KEDLI	OPEX related to CAPEX	Investment Planning- In Year Budget- Program Manager	1.0	1.0	-	1.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 8,601.04		100%		8,601	-	8,992
1	KEDLI	OPEX related to CAPEX	Investment Planning- Rate Case- Program Manager	2.0	2.0	-	2.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 17,202.08		100%		17,202	-	17,984
1	KEDLI	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Clerks	2.0	2.0	-	2.0	Operations Clerk	Union	10%	$ 54,414.78	$ 10,882.96		100%		10,883	-	11,365
1	KEDLI	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Inspectors	2.0	2.0	-	2.0	Field Operations Inspector A	Union	10%	$ 79,969.73	$ 15,993.95		100%		15,994	-	16,703
1	KEDLI	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Lead Program Manager	1.0	1.0	-	1.0	Lead Program Manager	Mgmt	10%	$ 95,000.00	$ 9,500.00		100%		9,500	-	9,932
1	KEDLI	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Manager	1.0	1.0	-	1.0	Manager	Mgmt	10%	$ 123,482.01	$ 12,348.20		100%		12,348	-	12,909
1	KEDLI	OPEX related to CAPEX	Investment Planning- Work Order Closeout- Program Manager	2.0	2.0	-	2.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 17,202.08		100%		17,202	-	17,984
1	KEDLI	OPEX related to CAPEX	LNG- Field Engineer	1.0	1.0	-	1.0	Engineer	Mgmt	100%	$ 79,099.24	$ 79,099.24		100%		79,099	-	82,694
1	KEDLI	Increased OPEX Workload	LNG- Mechanics	3.0	3.0	-	3.0	FCM Mechanic	Union	100%	$ 72,675.00	$ 218,025.00		100%		218,025	-	227,685
1	KEDLI	Increased OPEX Workload	LNG- Techs	2.0	2.0	-	2.0	FCM Elec/Instrument Tech	Union	100%	$ 98,183.00	$ 196,366.00		100%		196,366	-	205,066
1	KEDLI	OPEX related to CAPEX	Operations Support- ESRI Analyst	2.0	2.0	-	2.0	Sr Analyst	Mgmt	20%	$ 81,502.83	$ 32,601.13		100%		32,601	-	34,083
1	KEDLI	OPEX related to CAPEX	Operations Support- Manager	0.5	0.5	-	0.5	Manager	Mgmt	20%	$ 123,482.01	$ 12,348.20		100%		12,348	-	12,909
1	KEDLI	OPEX related to CAPEX	Operations Support- Mappers	7.0	7.0	-	7.0	Graphic Techn Sr 40 Hr	Union	20%	$ 85,544.00	$ 119,761.60		100%		119,762	-	125,068
1	KEDLI	OPEX related to CAPEX	Operations Support- Permit Clerks	2.0	2.0	-	2.0	Operations Clerk	Union	20%	$ 54,414.78	$ 21,765.91		100%		21,766	-	22,730
1	KEDLI	Safety Programs	Process Safety- Analyst	0.5	0.5	-	0.5	Sr Analyst	Mgmt	40%	$ 81,502.83	$ 16,300.57		100%		16,301	-	17,041
1	KEDLI	Safety Programs	Process Safety- Director	0.5	0.5	-	0.5	Director	Mgmt	40%	$ 156,123.41	$ 31,224.68		100%		31,225	-	32,644
1	KEDLI	Safety Programs	Process Safety- Engineering	1.0	1.0	-	1.0	Engineer	Mgmt	40%	$ 79,099.24	$ 31,639.69		100%		31,640	-	33,078
1	KEDLI	Safety Programs	Process Safety- Lead Program Manager	1.0	1.0	-	1.0	Lead Program Manager	Mgmt	40%	$ 95,000.00	$ 38,000.00		100%		38,000	-	39,727
1	KEDLI	OPEX related to CAPEX	Project Controls- Analyst	1.0	1.0	-	1.0	Sr Analyst	Mgmt	15%	$ 81,502.83	$ 12,225.42		100%		12,225	-	12,781
1	KEDLI	OPEX related to CAPEX	Project Management- Project Manager	2.5	2.5	-	2.5	Sr Program Manager	Mgmt	15%	$ 86,010.42	$ 32,253.91		100%		32,254	-	33,720
1	KEDLI	OPEX related to CAPEX	Resource Planning- Analyst	1.0	1.0	-	1.0	Sr Analyst	Mgmt	30%	$ 81,502.83	$ 24,450.85		100%		24,451	-	25,562
1	KEDLI	OPEX related to CAPEX	Resource Planning- Coordinator	1.0	1.0	-	1.0	Sr Coordinator	Mgmt	10%	$ 85,370.59	$ 8,537.06		100%		8,537	-	8,925
1	KEDLI	OPEX related to CAPEX	Resource Planning- Program Manager	3.5	3.5	-	3.5	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 30,103.65		100%		30,104	-	31,472
1	KEDLI	OPEX related to CAPEX	Resource Planning- Report Analyst	1.0	1.0	-	1.0	Sr Analyst	Mgmt	30%	$ 81,502.83	$ 24,450.85		100%		24,451	-	25,562
1	KEDLI	OPEX related to CAPEX	Resource Planning- Work Package Reviewer- Program Manager	1.0	1.0	-	1.0	Sr Program Manager	Mgmt	10%	$ 86,010.42	$ 8,601.04		100%		8,601	-	8,992
3	ServCo	Customer Care	Incremental headcount driven by increased SL reqt for call center	6.0	3.0	3.0	6.0	Union	Union	100%	$ 23,088.00	$ 138,528.00	100%	0%	138,528	-	72,541	-
3	ServCo	Customer Care	Incremental supervisor to maintain spans & controls	1.0	-	1.0	1.0	E	Mgmt	100%	$ 79,000.00	$ 79,000.00	100%	0%	79,000	-	41,295	-
3	ServCo	Customer Care	Incremental customer complaint analysts	2.0	1.0	1.0	2.0	E	Mgmt	100%	$ 79,000.00	$ 158,000.00	50%	50%	79,000	79,000	41,295	41,295
3	ServCo	Customer Care	Brentwood Outreach	2.0	2.0	-	2.0	E	Mgmt	100%	$ 79,000.00	$ 158,000.00	0%	100%	-	158,000	-	82,591
4	ServCo	Customer Care	Intern Sustainability Hub at Metrotech	1.0	1.0	-	1.0	Intern	Intern	100%	$ 37,440.00	$ 37,440.00	100%		37,440	-	18,720	-
12	KEDNY	SIR	SIR	2.0	2.0	-	2.0	D	Mgmt	100%	$ 112,133.73	$ 224,267.45	100%		224,267	-	234,460	-

Keyspan Gas East Corporation
National Grid Incremental FTE's
Rate Year Beginning January 31, 2017
Case 16-G-0058
Company Rebuttal - FTE Count and Opex Salary

CU W/P	Co	Function	Program/Position	C&U Count	Staff's Count	Co Adjust to Staff Count	Company Rebuttal Count		Band/Job Title	Mgmt/ Rep	Opex	Salary	Rebuttal Total Cost	KEDNY %	KEDLY %	KEDNY - End HTY Salary	KEDLI - End HTY Salary	KEDNY - RY17	KEDLI - RY17
8	ServCo	Human Resources	HR - Technical Training	1.0	1.0	-	1.0	E		Mgmt	100%	$ 84,507.33	$ 84,507.33	66%	34%	55,559	28,948	58,085	30,264
8	ServCo	Human Resources	HR - Technical Training	1.0	1.0	-	1.0	E		Mgmt	100%	$ 84,507.33	$ 84,507.33	66%	34%	55,559	28,948	58,085	30,264
8	ServCo	Human Resources	Recruiting	1.0	1.0	-	1.0	E		Mgmt	100%	$ 84,507.33	$ 84,507.33	14%	7%	11,701	6,097	12,233	6,374
8	ServCo	Human Resources	Recruiting	1.0	1.0	-	1.0	E		Mgmt	100%	$ 84,507.33	$ 84,507.33	14%	7%	11,701	6,097	12,233	6,374
8	ServCo	Human Resources	Recruiting	1.0	1.0	-	1.0	E		Mgmt	100%	$ 84,507.33	$ 84,507.33	14%	7%	11,701	6,097	12,233	6,374
8	ServCo	Human Resources	HR - SWFP	1.0	1.0	-	1.0	D		Mgmt	100%	$ 112,133.73	$ 112,133.73	14%	7%	15,527	8,090	16,232	8,458
13,14	ServCo	Rev	REV	1.0	1.0	-	1.0	D		Mgmt	100%	$ 112,133.73	$ 112,133.73	50%	50%	56,067	56,067	58,615	58,615
16	ServCo	Energy Procurement	Gas Procurement	1.0	1.0	-	1.0	D		Mgmt	100%	$ 95,000.00	$ 95,000.00	35%	16%	33,279	15,400	34,791	16,099
R	ServCo	Energy Efficiency	Energy Efficiency LIP	-	-	1.0	1.0	E		Mgmt	100%	$ 84,507.33	$ 84,507.33		100%	-	84,507	-	88,348
				375.4	0	17.1	392.1												

Note:
* Incremental staff are forecast to start half way through Rate Year 2017 and thus 50% of salary is reflected in the revenue requirement for Rate Year 2017

Keypsan Gas East Corporation d/b/a National Grid
Case No. 16-G-0058
Company Rebuttal Testimony
FTE Count and Opex Salary

Exhibit_____(RRP-4R)
Schedule 1
Page 4 of 4

Exhibit __ (RRP-5R)

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-5R)

General Assessment Inflation Change

Staff's Calculation:

12-Months Ending April 2017 (Base Year)

Year	Quarter	Weight (Month)	GDPIPD	Weighted	
2016	2	2	111.10000	74.06667	
2016	3	3	111.60000	111.60000	
2016	4	3	112.20000	112.20000	
2017	1	3	112.70000	112.70000	
2017	2	1	113.30000	37.76667	
			Weighted Average	112.08333	**A**

Forecast Year Ending December 2017 (Rate Year)

Year	Quarter	Weight (Month)	GDPIPD	Weighted	
2017	1	3	112.70000	112.70000	
2017	2	3	113.30000	113.30000	
2017	3	3	113.90000	113.90000	
2017	4	3	114.50000	114.50000	
			Weighted Average	113.60000	**B**

Inflation Rate for period April 1, 2017 through December 31, 2017 1.35% **(B/A)-1**

Company Calculation:

12-Months Ending March 2017 (Base Year)

Year	Quarter	Weight (Month)	GDPIPD	Weighted	
2016	2	3	111.10000	111.10000	
2016	3	3	111.60000	111.60000	
2016	4	3	112.20000	112.20000	
2017	1	3	112.70000	112.70000	
			Weighted Average	111.90000	**C**

Forecast Year Ending December 2017 (Rate Year)

Year	Quarter	Weight (Month)	GDPIPD	Weighted	
2017	1	3	112.70000	112.70000	
2017	2	3	113.30000	113.30000	
2017	3	3	113.90000	113.90000	
2017	4	3	114.50000	114.50000	
			Weighted Average	113.60000	**D**

Inflation Rate for period April 1, 2017 through December 31, 2017 1.52% **(D/C)-1**

Regulatory General Assessment Calculation:

	Staff	Company	Variance
General Assessment per February 2016 Invoice	$2,421,108	$2,421,108	
Inflation Rate - April 1, 2017 through December 31, 2017	1.35%	1.52%	
Subtotal	$2,453,869	$2,457,889	
General Assessment Included in Company's C&U Filing	$2,425,021	$2,425,021	
Adjustment to General Assessment	$28,848	$32,868	$4,020

Exhibit __ (RRP-6R)

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-6R)

Net Utility Plant Model

Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Rate Year and Data Years Balances of Gas Net Utility Plant
($000's)

	Rate Year and Data Years Ending December 31,		
	2017	2018	2019
Total Net Plant per Corrections and Updates	$ 2,967,561.7	$ 3,216,361.2	$ 3,456,625.6
Adjustments to Reflect Rebuttal:			
1. Updated Net Utility Plant Forecast			
Updates for capital investment changes	(53.2)	(128,103.1)	(499.9)
Total Adjustments	$ (53.2)	$ (128,103.1)	$ (499.9)
Revised Total Net Plant to Reflect Rebuttal	$ 2,967,508.5	$ 3,088,258.1	$ 3,456,125.7
Revenue Requirement Effect of Rate Base Change			
Total Adjustments	$ (53.2)	$ (128,103.1)	$ (499.9)
Pre-Tax Return %	10.62%	10.62%	10.62%
Revenue Requirement Change due to Net Plant Adjustments	$ (5.7)	$ (13,610.2)	$ (53.1)
Total Depreciation Expense per Corrections and Updates	$ 93,835.6	$ 98,448.2	$ 103,048.7
1. Updated Net Utility Plant Forecast			
Updates for capital investment changes	$ (0.4)	$ (3.1)	$ (6.2)
Total Adjustments	$ (0.4)	$ (3.1)	$ (6.2)
Revised Total Depreciation Expense to Reflect Rebuttal	$ 93,835.1	$ 98,445.2	$ 103,042.5

Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Monthly Balances of Gas Net Utility Plant
Rate Year Ending December 31, 2017

($000's)

	Balance at Month End	Total Gas Plant in Service (a)	Non-Interest Bearing CWIP (b)	Reserve for Depreciation (c)	Gas Net Utility Plant in Service (d)	Depreciation (e)
1	Dec-16 (1/2 month)	$ 1,837,442	$ 13,167	$ (415,681)	$ 1,434,928	
2	Jan-17	$ 3,696,203	$ 25,566	$ (835,832)	$ 2,885,937	$ 7,670
3	Feb-17	$ 3,722,346	$ 22,005	$ (840,094)	$ 2,904,257	$ 7,698
4	Mar-17	$ 3,746,814	$ 21,997	$ (843,992)	$ 2,924,819	$ 7,731
5	Apr-17	$ 3,768,456	$ 20,941	$ (848,738)	$ 2,940,660	$ 7,762
6	May-17	$ 3,786,578	$ 21,559	$ (853,751)	$ 2,954,385	$ 7,790
7	Jun-17	$ 3,799,591	$ 23,767	$ (859,294)	$ 2,964,065	$ 7,814
8	Jul-17	$ 3,822,999	$ 23,984	$ (863,592)	$ 2,983,390	$ 7,832
9	Aug-17	$ 3,837,325	$ 26,579	$ (868,905)	$ 2,994,999	$ 7,863
10	Sep-17	$ 3,854,027	$ 30,167	$ (873,676)	$ 3,010,518	$ 7,882
11	Oct-17	$ 3,871,697	$ 35,122	$ (878,061)	$ 3,028,757	$ 7,905
12	Nov-17	$ 3,892,431	$ 39,077	$ (882,176)	$ 3,049,332	$ 7,930
13	Dec-17 (1/2 month)	$ 1,956,653	$ 20,701	$ (443,302)	$ 1,534,053	$ 7,958
14	Total Gas (Sum of Lines 1 to 13)	45,592,563	324,632	(10,307,094)	35,610,102	93,835
17	Average Monthly Balance (Line 16 / 12)	$ 3,799,380	$ 27,053	$ (858,924)	$ 2,967,508	

Column (a) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (b) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (c) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (d) - Lines 1 through 13 - Column (a) + Column (b) + Column (c)
Column (e) - Lines 2 through 13 - Per plant model detail supporting Exhibit (RRP-6R)

Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Monthly Balances of Gas Net Utility Plant
Data Year Ending December 31, 2018

($000's)

	Balance at Month End	Total Gas Plant in Service (a)	Non-Interest Bearing CWIP (b)	Reserve for Depreciation (c)	Gas Net Utility Plant in Service (d)	Depreciation (e)
1	Dec-17 (1/2 month)	$ 1,956,653	$ 20,701	$ (443,302)	$ 1,534,053	
2	Jan-18	$ 3,939,230	$ 41,338	$ (890,637)	$ 3,089,931	$ 7,988
3	Feb-18	$ 3,970,381	$ 37,862	$ (894,546)	$ 3,113,697	$ 8,023
4	Mar-18	$ 4,041,544	$ 27,000	$ (893,534)	$ 3,175,010	$ 8,064
5	Apr-18	$ 4,066,599	$ 25,228	$ (898,289)	$ 3,193,538	$ 8,153
6	May-18	$ 4,089,253	$ 24,935	$ (903,166)	$ 3,211,021	$ 8,183
7	Jun-18	$ 4,105,063	$ 26,745	$ (908,752)	$ 3,223,056	$ 8,211
8	Jul-18	$ 4,133,786	$ 25,944	$ (912,805)	$ 3,246,925	$ 8,233
9	Aug-18	$ 4,148,501	$ 28,827	$ (918,413)	$ 3,258,916	$ 8,271
10	Sep-18	$ 4,165,818	$ 32,476	$ (923,471)	$ 3,274,822	$ 8,292
11	Oct-18	$ 4,183,469	$ 37,583	$ (928,210)	$ 3,292,843	$ 8,316
12	Nov-18	$ 4,204,423	$ 41,675	$ (932,644)	$ 3,313,454	$ 8,341
13	Dec-18 (1/2 month)	$ 2,112,635	$ 21,989	$ (468,740)	$ 1,665,884	$ 8,369
14	Total Gas (Sum of Lines 1 to 13)	49,117,355	392,304	(10,916,508)	38,593,151	98,445
17	Average Monthly Balance (Line 16 / 12)	$ 4,093,113	$ 32,692	$ (909,709)	$ 3,216,096	

Column (a) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (b) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (c) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (d) - Lines 1 through 13 - Column (a) + Column (b) + Column (c)
Column (e) - Lines 2 through 13 - Per plant model detail supporting Exhibit (RRP-6R)

Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Monthly Balances of Gas Net Utility Plant
Data Year Ending December 31, 2019

($000's)

	Balance at Month End	Total Gas Plant in Service (a)	Non-Interest Bearing CWIP (b)	Reserve for Depreciation (c)	Gas Net Utility Plant in Service (d)	Depreciation (e)
1	Dec-18 (1/2 month)	$ 2,112,635	$ 21,989	$ (468,740)	$ 1,665,884	
2	Jan-19	$ 4,250,555	$ 44,271	$ (941,979)	$ 3,352,848	$ 8,398
3	Feb-19	$ 4,280,818	$ 41,217	$ (946,396)	$ 3,375,639	$ 8,432
4	Mar-19	$ 4,324,243	$ 38,312	$ (948,675)	$ 3,413,879	$ 8,472
5	Apr-19	$ 4,347,905	$ 36,719	$ (953,924)	$ 3,430,700	$ 8,527
6	May-19	$ 4,370,009	$ 36,288	$ (959,217)	$ 3,447,080	$ 8,558
7	Jun-19	$ 4,385,099	$ 38,011	$ (965,236)	$ 3,457,874	$ 8,588
8	Jul-19	$ 4,413,400	$ 37,037	$ (969,682)	$ 3,480,755	$ 8,609
9	Aug-19	$ 4,428,015	$ 39,661	$ (975,650)	$ 3,492,026	$ 8,646
10	Sep-19	$ 4,445,010	$ 43,231	$ (981,053)	$ 3,507,189	$ 8,667
11	Oct-19	$ 4,462,130	$ 48,412	$ (986,124)	$ 3,524,418	$ 8,690
12	Nov-19	$ 4,482,760	$ 52,428	$ (990,888)	$ 3,544,299	$ 8,713
13	Dec-19 (1/2 month)	$ 2,251,512	$ 27,438	$ (498,033)	$ 1,780,917	$ 8,741
14	Total Gas (Sum of Lines 1 to 13)	52,554,093	505,014	(11,585,598)	41,473,509	103,042
17	Average Monthly Balance (Line 16 / 12)	$ 4,379,508	$ 42,084	$ (965,467)	$ 3,456,126	

Column (a) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (b) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (c) - Lines 1 through 13 - Per plant model detail supporting Exhibit (RRP-6R)
Column (d) - Lines 1 through 13 - Column (a) + Column (b) + Column (c)
Column (e) - Lines 2 through 13 - Per plant model detail supporting Exhibit (RRP-6R)

Exhibit_____(RRP-6R)
Schedule 1
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Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Capital Expenditures (CAPEX)
Based on CAPEX Budget Classifications

		In-Svc/ Closing Rule	(a) 3 mos Forecast Oct'15 - Dec'15	(b) CY2016	(c) CY2017	(d) CY2018	(e) CY2019	(f) CY2020
	GAS PLANT							
1	Gas Production and Storage	9 month	0	2,267,873	10,841,750	9,631,250	3,997,500	1,699,750
2	Gas land & land rights	1 month	0	0	0	0	0	0
3	Gas Mains & Services	4 months	0	206,100,451	254,212,039	262,055,841	263,906,303	268,831,267
4	Gas Meters & House Regulators	2 month	0	11,139,759	8,414,655	8,744,831	9,086,901	9,423,973
5	Gas Measuring and Regulating	4 months	0	5,376,111	8,675,889	10,122,988	11,091,573	11,914,796
6	Gas General Equipment	2 month	0	1,526,951	3,900,613	3,062,405	2,238,424	2,430,044
7	Northwest Nassau Trans Main & Control Valve	Various	0	750,000	34,000,000	60,000,000	53,750,000	14,750,000
8	LNG - Tank Upgrade	Sep-2019	0	0	0	0	5,250,000	13,562,500
9	Customer Gas REV Demonstration	2 month	0	0	751,512	0	0	0
10	Facilities Projects/Customer Office Equipment	9 month	0	600,000	447,700	200,000	200,000	200,000
11	Fleet and Inventory Management	6 month	0	271,825	1,645,000	1,030,000	420,000	260,000
12	Total Gas Plant (Sum of Lines 35 to 40)		0	228,032,971	322,889,158	354,847,315	349,940,701	323,072,329

Column (a-f) - Lines 1 through 11 - Per plant model detail supporting Exhibit (RRP-6R)

Exhibit_____(RRP-6R)
Schedule 1
Page 6 of 7

Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Cost of Removal (COR)
Based on CAPEX Budget Classifications

		(a) 3 mos Forecast Oct'15 - Dec'15	(b) CY2016	(c) CY2017	(d) CY2018	(e) CY2019	(f) CY2020
	GAS PLANT						
1	Gas Production and Storage	0	0	0	0	0	0
2	Gas land & land rights	0	0	0	0	0	0
3	Gas Mains & Services	0	12,199,744	13,598,084	14,803,739	15,268,407	15,622,601
4	Gas Meters & House Regulators	0	0	0	0	0	0
5	Gas Measuring and Regulating	0	0	0	0	0	0
6	Gas General Equipment	0	0	0	0	0	0
7	Northwest Nassau Trans Main & Control Valve	0	0	0	0	0	0
8	LNG - Tank Upgrade	0	0	0	0	0	0
9	Customer Gas REV Demonstration	0	0	0	0	0	0
10	Facilities Projects/Customer Office Equipment	0	150,000	50,000	50,000	50,000	50,000
11	Fleet and Inventory Management	0	0	0	0	0	0
12	Total Gas Plant (Sum of Lines 35 to 40)	0	12,349,744	13,648,084	14,853,739	15,318,407	15,672,601

Column (a-f) - Lines 3 - Per plant model detail supporting Exhibit (RRP-6R)
Column (a-f) - Lines 10 - Per plant model detail supporting Exhibit (RRP-6R)

Keyspan Gas East Corporation d/b/a National Grid
NY PSC Case 16-G-0058
Company Rebuttal
Capital Expenditures (Capex) and Cost of Removal (COR) Forecasts
For Calendar Years 2016 - 2020

Capex and COR Forecasts ($000)

		Company Corrections and Update					Co Rebuttal Adjustments					Co Rebuttal Proposal				
		CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020	CY 2016	CY 2017	CY 2018	CY 2019	CY 2020
1	Gas Growth	111,349	97,839	82,483	81,992	82,177	-	-	-	-	-	111,349	97,839	82,483	81,992	82,177
2	Gas Mandated	117,146	166,404	187,225	189,886	191,257	-	-	-	-	-	117,146	166,404	187,225	189,886	191,257
3	Gas Reliability	9,273	64,881	95,034	89,848	61,734	-	(216)	(238)	(248)	(254)	9,273	64,665	94,796	89,600	61,480
4	Gas Non-Infrastructure	1,594	4,736	3,917	3,111	3,321	-	-	-	-	-	1,594	4,736	3,917	3,111	3,321
5	Facilities	750	250	250	250	250	-	-	-	-	-	750	250	250	250	250
6	Fleet and IM/IR	272	1,645	1,030	420	260	-	-	-	-	-	272	1,645	1,030	420	260
7	Customer		999				-	-	-	-	-	-	999	-	-	-
8	Total	240,383	336,753	369,939	365,507	338,999	0	-216	-238	-248	-254	240,383	336,537	369,701	365,259	338,745

Keyspan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Company Rebuttal
Capital Expenditures (Capex) and Cost of Removal (COR) Forecasts
For Calendar Years 2016 - 2020

Exhibit_____(RRP-6R)
Schedule 1
Page 7 of 7

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-7R)

Energy Efficiency Labor Adjustments

KeySpan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Historic Labor Charges by Energy Efficiency Employees

Exhibit_____(RRP-7R)
Schedule 1
Page 1 of 2

Total Productive labor charges by any employee who charged KEDLI Energy Efficiency during the period January 2014 through December 2015

	Calendar Year 2014			Calendar Year 2015			HTY Ending Sept 2015			CY 2014 vs HTY Charges		
Receiving Company - Key	**EE**	**O&M**	**Total**	**EE**	**O&M**	**Total**	**EE**	**O&M**	**Total**	**EE**	**Other O&M**	**Total**
Brooklyn Union Gas-KEDNY	**1,135,003**	**1,141,992**	**2,276,995**	**1,164,432**	**1,194,594**	**2,359,026**	**1,228,238**	**1,169,279**	**2,397,517**	**(93,235)**	**(27,287)**	**(120,522)**
KS Gas East Corp-KEDLI	**629,432**	**888,737**	**1,518,168**	**160,812**	**759,193**	**920,006**	**252,341**	**747,143**	**999,483**	**377,091**	**141,594**	**518,685**
Boston Gas Company	590,750	520,111	1,110,862	667,671	614,557	1,282,228	667,468	588,345	1,255,814	(76,718)	(68,234)	(144,952)
Colonial Gas Company	220,544	140,381	360,925	272,493	168,141	440,634	266,372	158,150	424,523	(45,828)	(17,769)	(63,597)
KeySpan Corporation		104	104		15	15		17	17	-	87	87
Massachusetts Electric Co	1,127,940	898,233	2,026,173	1,417,259	1,049,438	2,466,697	1,377,624	1,013,334	2,390,958	(249,684)	(115,101)	(364,785)
Nantucket Electric Co	29,666	9,680	39,346	43,565	14,899	58,464	42,432	14,674	57,106	(12,766)	(4,994)	(17,760)
Narragansett Electric Co	811,128	514,436	1,325,564	844,065	559,986	1,404,051	863,421	554,150	1,417,571	(52,293)	(39,714)	(92,007)
National Grid USA Parent		53,231	53,231		9,575	9,575		10,528	10,528	-	42,703	42,703
NE Electric Trans Corp		294	294		86	86		127	127	-	168	168
NE Hydro-Trans Corp		1,840	1,840		631	631		877	877	-	964	964
NE Hydro-Trans Elec Co		1,911	1,911		656	656		898	898	-	1,013	1,013
New England Power Company		44,620	44,620		18,909	18,909		24,985	24,985	-	19,635	19,635
NG Development Holdings		632	632		13,444	13,444		12,491	12,491	-	(11,859)	(11,859)
NG Energy Management LLC					1,291	1,291		1,291	1,291	-	(1,291)	(1,291)
NG Energy Trading Srvcs		135	135		17	17		23	23	-	112	112
NG Generation LLC		60,626	60,626		15,261	15,261		21,394	21,394	-	39,231	39,231
NG Glenwood Energy Center		1,688	1,688		610	610		843	843	-	846	846
NG LNG LP RegulatedEntity		398	398		189	189		224	224	-	175	175
NG PortJeff Energy Center		1,928	1,928		660	660		923	923	-	1,005	1,005
NG Services, Inc.		9,406	9,406		9,517	9,517		8,134	8,134	-	1,273	1,273
NGUSA Service Company		23,776	23,776		18,301	18,301		41,635	41,635	-	(17,858)	(17,858)
Niagara Mohawk Power Corp	1,802,969	1,553,777	3,356,747	1,338,409	2,026,072	3,364,481	1,518,124	1,880,412	3,398,536	284,846	(326,635)	(41,789)
PSEG Electric Serv TSA Co		1,613	1,613							-	1,613	1,613
PSEG Long Island		(12,631)	(12,631)							-	(12,631)	(12,631)
Transgas Inc		338	338		258	258		269	269	-	68	68
Valley Appliance & Merch		13,976	13,976		18,769	18,769		18,283	18,283	-	(4,307)	(4,307)
Grand Total	6,347,432	5,871,235	12,218,667	5,908,707	6,495,070	12,403,777	6,216,020	6,268,427	12,484,448	131,412	(397,193)	(265,781)

KEDLI and KEDNY	283,856	114,307	398,163
All Other Companies	(152,444)	(511,500)	(663,944)
	131,412	(397,193)	(265,781)

	Labor Adders Rates		KEDNY		KEDLI	
	KEDNY	**KEDLI**	**HTY**	**RY**	**HTY**	**RY**
Inflation				5.085%		5.085%
Adjustment to Productive Labor			**(93,235)**		**377,091**	
Time Not Worked	17.4%	16.8%	(16,252)		63,290	
Total Base Labor			(109,487)	(115,055)	440,381	462,777
Pension Burden	11.3%	15.1%	(12,349)	(12,977)	66,362	69,737
Other Post Retirement FAS 106 OPEB	14.1%	18.5%	(15,418)	(16,202)	81,400	85,539
Other Post Employment FAS 112 Benefits	0.0%	0.0%	-	-	-	-
Healthcare	13.0%	15.0%	(14,267)	(14,992)	65,899	69,250
Group Insurance	0.5%	0.7%	(551)	(579)	3,251	3,416
401K Match Burden Thrift	3.0%	2.4%	(3,284)	(3,451)	10,650	11,192
Workers' Compensation Burden	1.7%	1.3%	(1,908)	(2,005)	5,766	6,059
Total Benefits			(47,777)	(50,207)	233,327	245,193
Variable Pay - Mgmt	4.3%	4.9%	(4,714)	(4,954)	21,729	22,834
Payroll Taxes Burden	6.4%	6.5%	(7,293)	(7,664)	29,971	31,495
Labor & PR Tax Subject to Productivity				(127,673)		517,105
Productivity Adjustment (from HTY)	-2.29%	-2.29%		2,924		(11,842)
Total Labor and Labor Adders			(169,271)	(174,955)	725,408	750,456
Total net of Pensions & OPEB's			(141,504)	(145,777)	577,646	595,180

KeySpan Gas East Corporation d/b/a National Grid
Case 16-G-0058
Historic and Forecast Energy Efficiency Spending

Exhibit_____(RRP-7R)
Schedule 1
Page 2 of 2

	IR DPS-256 Labor Actuals				Rate Case		
	2013 Actuals	**2014 Actuals**	**2015 Actuals**	**ETIP 2016**	**RY 2017**	**RY 2018**	**RY 2019**
KEDNY:							
Direct Labor (2)	$1,049,462	$1,481,223	$1,514,907	$1,537,600	$1,704,848	$1,755,993	$1,808,673
Overheads	$427,258	$639,429	$635,391	$538,160	$682,519	$698,785	$715,452
Pension/OPEB	$303,307	$435,344	$533,634	$538,160	$1,085,474	$843,468	$589,193
Total	**$1,780,027**	**$2,555,996**	**$2,683,932**	**$2,613,920**	**$3,472,841**	**$3,298,246**	**$3,113,318**
Net of Pension/OPEB	$1,476,720	$2,120,652	$2,150,298	$2,075,760	$2,387,367	$2,454,778	$2,524,125
Rebuttal Normalization Adjustment					($174,955)	($180,204)	($185,610)
Adjusted Total (Exclude Pension/OPEB)	$1,476,720	$2,120,652	$2,150,298	$2,075,760	$2,212,412	$2,274,574	$2,338,515
KEDLI:							
Direct Labor (2)	$818,291	$723,237	$183,991	$729,432	$309,680	$318,970	$328,539
Overheads	$320,407	$306,487	$75,872	$255,302	$126,003	$129,000	$132,071
Pension/OPEB	$249,532	$214,201	$62,142	$255,302	$128,390	$103,943	$78,735
Total	**$1,388,230**	**$1,243,925**	**$322,005**	**$1,240,036**	**$564,073**	**$551,913**	**$539,345**
Total Net of Pension/OPEB	$1,138,698	$1,029,724	$259,863	$984,734	$435,683	$447,970	$460,610
Rebuttal Adjustment					$750,456	$772,970	$796,159
Adjusted Total (Exclude Pension/OPEB)	$1,138,698	$1,029,724	$259,863	$984,734	$1,186,139	$1,220,940	$1,256,769

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-8R)

Relevant Portions of Company IR Responses

Date of Request: March 9, 2016 DPS Request No. DPS-279 JPC-10
Due Date: March 21, 2016 KEDNY/ KEDLI Req. No. BULI-146

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID
THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY

Case 16-G-0058 KeySpan Gas East Corporation d/b/a National Grid
Case 16-G-0059 The Brooklyn Union Gas Company d/b/a National Grid NY

Request for Information

FROM: NYPSC, John Castano

TO: National Grid, Revenue Requirements Panel

SUBJECT: Performance Excellence Program (PEX) Savings

Request:

In the testimony of the Revenue Requirements Panel, efficiency and productivity cost reductions are described relating to the PEX organization (see, KEDNY pp. 92-100; KEDLI pp. 93-100). The panel for both KEDNY and KEDLI stated on p. 92 and p. 93, respectively, that "National Grid established the PEX organization to improve overall performance, mitigate costs and enhance service to customers by simplifying and improving end-to-end processes across the business." PEX initiatives are classified into three types – Type I, Type II, Type III – based on the potential benefits they could provide. PEX teams have broken down the initiatives into (a) the "Top 35" most impactful initiatives and (b) "Other" initiatives that are considered to be outside of the Top 35.

1) Provide a list of the "Top 35" initiatives, broken by initiative type (*e.g.* Type I, Type II, Type III) and provide a detailed description of each. For each initiative identified, provide the initiative tracking form (similar to the workpapers provided in Exhibit __ (RRP-11) Schedule 34, Workpaper 3, pp. 1-25), and provide the backup calculations demonstrating the expected annual savings amount when fully implemented, and the various cost component elements the savings are expected to affect.

2) Provide a list of the "Other" initiatives, broken down by initiative type (*e.g.* Type I, Type II, Type III), and provide a detailed description of each. For each initiative identified, provide the initiative tracking form (similar to the workpapers provided in Exhibit __ (RRP-11) Schedule 34, Workpaper 3, pp. 1-25) and also provide the backup calculations

demonstrating the expected annual savings amount when fully implemented, and the various cost component elements the savings are expected to affect.

3) Provide the date the PEX Program was established, and copies of all (i) executive summaries provided to senior management related to the program and (2) communications from senior management to Company employees establishing and describing the program, and any PEX program updates.

4) Provide a list of employees within the PEX organization. In addition, provide their responsibility within the PEX organization, and their job title.

5) Provide all documents that identify which PEX initiatives were either approved to move forward, or denied for implementation by senior management.

6) For Each PEX savings initiative shown on Exhibit RRP-11, Schedule 34, Workpaper 2, p. 1 of 1, provide the backup calculations in excel format for:

    a. The identified Fiscal Year 2016 OPEX 1 savings amount;
    b. The identified Full Year OPEX 1 savings amount; and
    c. The derivation of the allocations, shown separately, for KEDNY and KEDLI.

7) Referring to p. 99 of Revenue Requirement Panel Testimony for KEDNY, the initial aspirational estimate for the Top 35 was identified as being in excess of $30 million for Type I O&M savings across the US companies. As work on the Top 35 progressed, the list of initiatives was updated and the aspiration savings was revised to $13.78 million for Type I O&M savings across the US companies. In the same format as Exhibit __ (RRP-11) Schedule 34, Workpaper 2, p. 1 of 1:

    a. Provide a breakdown of the Top 35 initiatives, and associated amount for each initiative, that make up the initial aspirational estimate amount of $30 million.

    b. Provide a breakdown of the Top 35 initiatives, and associated amount for each initiative, that make up the revised aspirational savings estimate amount of $13.78 million.

8) Provide a listing of the initiatives that have been determined to not be viable and that are closed. Provide a detailed explanation for each as to why that determination was made regarding viability and the determination to close the initiative.

9) Provide a listing of the initiatives that have been determined to not be viable and that are on hold. Provide a detailed explanation for each as to why the determination was made to put the initiative on hold.

10) Provide a detailed explanation as to whether all PEX initiatives will be fully implemented and whether all savings are expected to be achieved by the end of Fiscal Year 2016? If no, provide a schedule, in MS Excel, that identifies each initiative, with the expected date

of full implementation, the expected date of final savings achievement, and the aggregate annual savings amount.

Response:

1-2. Please see Attachment 1 for the following:

- A list of the "Top 35" and "Other" initiatives broken out by initiative type;
- Backup calculations; and
- An updated Workpaper 2 to Exhibit ___ (RRP-11), Schedule 34 that shows the current aspirational savings amounts.

Attachments 2 and 3 contain the initiative tracking forms for the Opex II, CapEx, and Revenue initiatives. Attachment 2 contains the "Top 35" initiatives. Attachment 3 contains the "Other" initiatives.

Please note the Company does not estimate the savings by cost element.

3. The PEX organization was established in October 2013. For copies of (1) executive summaries provided to senior management related to the PEX program and (2) communications from senior management to employees describing the PEX program and program updates, please see the following attachments:

- Attachment 4 – April 2014 Executive Summary
- Attachment 5 – June 2015 PEX Success Stories
- Attachment 6 – August 5, 2015 email communication from Terence Sobolewski
- Attachment 7 – Memorandum to US Executive Team from Terence Sobolewski

4. A list of employees working on PEX initiatives within the Business Planning and Performance organization as of 1) September 30, 2015 and 2) March 1, 2016 is provided in Attachment 8.

5. The "Top 35" and "Other" initiative lists contained in Attachments 1-3 are all of the PEX initiatives that are planned to be worked during FY16. Any initiative that was placed on hold, or cancelled, has been noted accordingly. Please see Attachment 9 for a list of all initiatives that have been placed on hold or canceled.

6. The backup calculations are shown in the "Top 35" and "Other" initiative lists provided in the answers to questions 1 and 2. An updated Workpaper has also been provided.

7.
a. A breakdown of the initial aspirational savings estimate is contained in Attachment 7.
b. A breakdown of the revised aspirational savings estimated is also shown in Attachment 7 as well as Exhibit ___ (RRP-11), Schedule 34, Workpapers 1 and 2.

8-9. For a listing of the initiatives that have been determined to not be viable and that are closed, please see Attachment 9.

10. All of the FY16 PEX initiatives are expected to be completed during the fiscal year, unless otherwise noted in Attachments 2 and 3.

The projected savings and backup provided in response to questions 1. and 2. above provide updates to the initiative estimates to reflect more recent information. However, the projected savings targets identified in the Companies' filing and the Executive Memo (Attachment 7) remain aspirational targets and the Companies will continue to hold to them. Therefore, no adjustment has been made, although the current forecast is lower than originally anticipated.

Name of Respondent: Date of Reply:
Adam Stevens March 21, 2016

Date of Request: April 5, 2016 DPS Request No. DPS-403 MEW-31
Due Date: April 15, 2016 KEDNY/ KEDLI Req. No. BULI-406

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID
THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY

Case 16-G-0058 KeySpan Gas East Corporation d/b/a National Grid
Case 16-G-0059 The Brooklyn Union Gas Company d/b/a National Grid NY

Request for Information

FROM: NYPSC, Molly Wright

TO: National Grid, Revenue Requirements Panel

SUBJECT: Consultants-KEDLI

Request:

1. In the same format as KEDLI Exhibit___RRP-11, Schedule 1, Workpaper 1, p. 6, provide a schedule showing by vendor, the Activity code, Activity Description, and total for Fiscal Year (FY) 2013, 2014, and 2015.

2. In the same format as KEDLI Exhibit___RRP-11 Schedule 1 Workpaper 1 pp.14-18, provide a schedule showing by vendor, the Activity code, Activity Description, and total for Fiscal Year (FY) 2013, 2014, and 2015.

3. Provide detailed explanation of Activity description 5230, including when and why this activity description is utilized.

4. Referring to KEDLI Exhibit___RRP-11, Schedule 1, Workpaper 1, p. 6, provide a copy of all historic test year costs incurred and charged either directly or indirectly to KEDLI for the entries below. Provide supporting documentation, calculations and workpapers for these costs. The supporting documentation should include invoices with the actual accounting applied so that verification of costs incurred can be reconciled with the historic test year Workpapers provided in RRP-11. If the number of invoices is voluminous please contact Staff to discuss the invoice request.

    a. David M. Israel Esq - $8,147;
    b. Clough Harbour & Associates LLP - $1,206,660;
    c. Cullen and Dykman - $9,002;

d. Ernst & Young - $97,844; and
e. Premier Utility Services - $214,970.

5. For (a.) to (e.) listed in question 4 above, provide a copy of the contract and purchase order KEDLI has with the vendor that supports and identifies the work being performed.

6. Referring to KEDLI Exhibit____RRP-11, Schedule 2, Workpaper 1, pp. 14-18, provide a copy of all historic test year costs incurred and charged indirectly to KEDLI for the entries below. Provide supporting documentation, calculations, and workpapers for these costs. The supporting documentation should include invoices with the actual accounting applied so that verification of costs incurred can be reconciled with the historic test year workpapers provided in RRP-11. If the number of invoices is voluminous please contact Staff to discuss the invoice request.

   a. Accenture UK Limited 0 $23,621;
   b. Ariba Inc - $88,280;
   c. Bridge Energy Group - $77,852;
   d. Deloitte & Touche LLP - $327,943;
   e. Deloitte Consulting LLP - $2,951,634;
   f. Ernst & Young LLP - $200,216;
   g. KPMG LLP - $189,564;
   h. KPMG LLP - $177,787;
   i. OC Tanner Recognition Co. - $130,957;
   j. Powerplan Inc - $91,083;
   k. SAP America Inc - $40,904;
   l. Tonio Burgos & Associates Inc - $3,200;
   m. Unipart Services America - $1,300,332;
   n. Wipro LTD - $1,275,538;
   o. Wipro LTD - $576,363; and
   p. Yoswein New York - $26,530.

7. For (a.) to (p.) listed in question 6 above, provide a copy of the contract and purchase order KEDLI has with the vendor that supports and identifies the work being performed.

8. For overall Consultant Expense, explain and provide a copy of the analysis that the Company undertook to determine that no additional normalizing adjustments to the historic test year were required for KEDLI, beyond the amount provided on RRP-3, Schedule 1, p. 4. Demonstrate how the analysis concludes that the historic year charges incurred would be recurring in the rate year, and that the charges were not non-recurring in nature.

9. Referring to KEDLI Exhibit___RRP-11, Schedule 1, Workpaper 1, pp. 19-47, for each charge/credit listed as $100,000 or more, provide a copy of the analysis that was done by KEDLI to conclude that the historic year charges/credits incurred would be recurring in the rate year, and that the charges/credits were not non-recurring in nature.

10. Provide an explanation of why there are law firm vendor charges included in the consultant costs when there is a separately identified legal expense cost element. Provide a detailed explanation as to how the Company ensured there is no double count of expenses being requested for the rate year and/or supporting documentation demonstrating that no double count of expenses exists?

Response:

1 and 2. Please see Attachment 1 for FY13, Attachment 2 for FY14, and Attachment 3 for FY15 for the requested information in the same format as Exhibit___RRP-11, Schedule 1 Workpaper 1, p. 6 and pp.14-18.

3. WBS elements with a company number for a description (5230 for KEDLI) are a result of the WBS element being generated by an external system (subsystem). Additional detailed information is maintained in the originating system.

4. Please see Attachment 4 for a detailed listing of the invoices and purchase order numbers for each of the vendors in part a through e. Please see Attachment 5 for copies of the invoices.

5. Please see Attachment 6 for copies of the purchase orders (if applicable) for the vendors in Part 4 above.

6. Please see Attachment 7 for a detailed listing of the invoices and purchase order numbers for each of the vendors in parts a through p. Please see Attachment 8 to DPS-402 for copies of the invoices. For OC Tanner, due to the volume, a summary invoice is included. While preparing this response, the Company noted that the costs for 1) Tonio Burgos & Associates Inc; 2) Yoswein New York; and 3) Statewide Public Affairs were related to lobbying costs and should be removed from consultant expense. The amounts to be removed are $39,778 for Rate Year, $40,613 for Data Year 1, and $41,466 for Data Year 2.

7. Please see Attachment 9 to DPS-402 for copies of the purchase orders (if applicable) for the vendors in Part 6 above.

8. Please see pages 12 to 37 of KEDLI's Revenue Requirement Panel testimony (and the related exhibits referenced therein) for a description of the comprehensive analyses the Company undertook of its Historic Test Year O&M expenses (including but not limited to vendor analyses, project analyses and trending). The Company did not specifically perform the analyses by expense category; however, Consultant Expense was included in the data set for the analyses, which was designed to ensure that the Historic Test Year and Rate Year contained costs that were appropriately charged to KEDLI and were proper to include in the Company's cost of service.

9. Please see response to Part 8 for procedures performed. In addition, the majority of the dollar amount for credits greater $100,000 represents entries to reclass the capital portion of SAP (EHR1) costs from expense to capital. Many of the vendors shown in Part 6 are

included in the capital/expense analysis. For the remaining charges/credits greater than $100,000, most represent accruals and reversals within the historic test year period resulting in a zero impact to overall consultant expense.

10. The Company used costs charged to legal department cost centers to identify the costs to include in the legal expense cost element. Because the law firm vendors included in the consultant cost element are related to collection services and charged to the credit and collection departments, these costs were not included in the legal expense cost element and remained in consultant expense. As such, there was no double count of expenses.

    Due to size, all attachments are being provided to Staff on a CD. Please note that Attachments 5 and 8 contain confidential pricing information and should be protected from disclosure. Attachments 5A and 5E have been redacted for attorney client and work product privileged information.

Name of Respondent: Date of Reply:
Stephanie A. Briggs April 15, 2016

Date of Request: May 5, 2016 DPS Request No. DPS-482 JS-10
Due Date: May 16, 2016 KEDNY/ KEDLI Req. No. BULI-627

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID
THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY

Case 16-G-0058 KeySpan Gas East Corporation d/b/a National Grid
Case 16-G-0059 The Brooklyn Union Gas Company d/b/a National Grid NY

Request for Information

FROM: NYPSC, John Sano

TO: National Grid, GIOP

SUBJECT: Information Systems Issues – Gas Transportation Information System (GTIS)

Request:

Referring to the Companies' response to information request DPS-350, Staff requested and received the year-to-date fiscal year budgeted versus actual expenditure amounts related to the GTIS system, temporary bulletin board, and staffing modifications during implementation of the GTIS system beginning in 2006. See the table of information provided below:

GTIS Financials ($000) as of February 29, 2016						
FY	**O&M**			**Capital**		
	Sanctioned	**Spent**	**Variance**	**Sanctioned**	**Spent**	**Variance**
FY10	196.0	2.1	(193.9)	600.0	599.0	(1.0)
FY11	202.0	64.2	(137.8)	2,500.0	2,500.0	826.5
FY12	23.0	3.1	(20.0)	2,820.0	3,014.1	194.2
FY13	24.0	14.7	(9.3)	1,779.0	775.0	(1,004.0)
FY14	404.0	293.5	(110.5)	1,110.0	1,631.1	521.1
FY15	81.0	43.3	(37.7)	7,044.0	4,635.0	(2,409.0)
FY16	267.0	134.5	(132.5)	4,852.0	4,215.0	(637.0)
Total	1,197.0	555.4	(641.6)	20,705.0	17,369.2	(3,335.8)
FY17	365.0			995.0		

Note that the total capital spend in the table above includes the $10.150 million for Customer Choice ESCO Gas project discussed in the Testimony of the Revenue Requirements Panel, as well as additional costs from other GTIS projects besides the Customer Choice ESCO Gas project

1. The Company notes the total capital spent is $17.369 million, and that is made up of costs for the Customer Choice ESCO Gas project as well as costs from other GTIS projects. The service company rent expense schedules, contained in Exhibit __ (RRP-11CU), Workpapers to Exhibit RRP-3CU, Schedule 9, Workpaper 2 for both KEDNY and KEDLI a listing of all the information services (IS) capital projects, the assets held at the service company level, and the costs expected to be incurred in rate year for either new or existing IS projects, and those that are included in the O&M rent expense cost element as well. Provide a list identifying every project (by line item) from both the attached KEDLI listing and the similar that comprises the $17.369 million shown in the table above.

2. For each project identified in response to question (1) above, provide a breakdown of costs in a format similar to the table above. The information should be broken down by specific project, and by year. Provide the information separately for KEDLI and KEDNY.

Response:

1) and 2)

Please see Attachment 1 for the projects that comprise $17,804,287 million in total capital spend for GTIS projects from FY2010 through February 2016. Please note that the Companies erroneously provided a total capital spend of $17.369 million in response to DPS-350. A total capital spend of $17,804,287 is reflected in the general ledger for GTIS projects, including the Customer Choice ESCO Gas project.

In the course of preparing Attachment 1, the Companies identified certain existing Service Company assets/projects that were not included in Exhibit __ (RRP-11-CU), Workpapers to Exhibit ___ (RRP-CU), Schedule 9, Workpaper 2 for both KEDNY and KEDLI. Attachment 2 identifies the missing projects and the total rent expense impact to KEDNY and KEDLI. The missing projects included three work orders for the GTIS project performed as part of investments INVP 1182 and INVP 1182B that delivered an early version of GTIS.
.

Work Order	INVP#	Total US Spend
1TXFER00099	1182	$3,866,615
900000124369	1182	$1,780,960
900000124375	1182B	$1,675,640

An updated Exhibit __ (RRP-11CU), Workpapers to Exhibit ___ (RRP-3CU), Schedule 9, Workpaper 2 is also included in Attachment 2.

With respect to the Customer Choice ESCO gas project in particular, of the $17,804,287 included in Attachment 1, only $10,150,478 relates to the total capital spend for the Customer Choice ESCO Gas project as shown in Exhibit_(RRP-11CU), Workpapers to RRP-3CU, Schedule 9, Workpaper 2 (line 10). In their Corrections and Updates filings, the Companies made a further adjustment to remove their share of $521,285 representing the AFUDC amount for project delays from the initial target GTIS implementation date of November 1, 2014 through the anticipated implementation date of April 30, 2016. As a

result of this adjustment, the Companies' rent expense for the Customer Choice ESCO Gas project is based on a total US spend of $9,629,193.

Name of Respondent:
Christophe Chirol
Thomas Gill

Date of Reply:
May 16, 2016

KeySpan Gas East Corporation
d/b/a National Grid
The Brooklyn Union Gas Company
d/b/a National Grid NY
Case 16-G-0058 and 16-G-0059
Attachment 1 to DPS-482 JS-10 BULI-627
Page 1 of 1

GTIS Financials - INVP1182

	OPEX			CAPEX		
	Sanctioned	Spent	Variance	Sanctioned	Spent	Variance
FY10	$ 196,000	$ 192,236	$ (3,764)	$ 600,000	$ 599,000	$ (1,000)
FY11	$ 202,000	$ 64,156	$ (137,844)	$ 1,673,000	$ 2,028,588	$ 355,588
FY12	$ 23,000	$ 3,050	$ (19,950)	$ 2,820,000	$ 2,927,964	$ 107,964
FY13			$ -		$ 81,622	$ 81,622
FY14			$ -		$ -	$ -
FY15			$ -		$ 10,401	$ 10,401
Total	$ 421,000	$ 259,442	$ (161,558)	$ 5,093,000	$ 5,647,575	$ 554,575

GTIS Financials - INVP1182B

	OPEX			CAPEX		
	Sanctioned	Spent	Variance	Sanctioned	Spent	Variance
FY13 (Oct&Mar)	$ 24,000	$ 30,284	$ 6,284	$ 1,779,000	$ 1,644,095	$ (134,905)
FY14		$ 305	$ 305		$ 31,545	$ 31,545
Total	$ 24,000	$ 30,589	$ 6,589	$ 1,779,000	$ 1,675,640	$ (103,360)

GTIS Financials - INVP3564 (as of February 29th, 2016)

	OPEX			CAPEX		
	Sanctioned	Spent	Variance	Sanctioned	Spent	Variance
FY14	$ 404,000	$ 293,452	$ (110,548)	$ 1,110,000	$ 1,631,147	$ 521,147
FY15	$ 81,000	$ 43,257	$ (37,743)	$ 7,044,000	$ 4,634,955	$ (2,409,045)
FY16	$ 267,000	$ 134,455	$ (132,545)	$ 4,852,000	$ 4,214,970	$ (637,030)
Total	$ 752,000	$ 471,163	$ (280,837)	$ 13,006,000	$ 10,481,072	$ (2,524,928)

KeySpan Gas East Corporation
d/b/a National Grid
The Brooklyn Union Gas Company
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Page 1 of 2

Missing Projects Adjustment - Service Company Rents

Information Systems Projects (As Reported in DPS-395)

	Rate Year 1	Data Year 1	Data Year 2
KEDNY	$ 13,623,116	$ 13,810,462	$ 15,842,291
KEDLI	$ 9,053,489	$ 9,225,013	$ 10,362,599
Total	**$ 22,676,604**	**$ 23,035,474**	**$ 26,204,890**

Information Systems Projects (With Missing Projects)

	Rate Year 1	Data Year 1	Data Year 2
KEDNY	$ 16,099,834	$ 16,049,098	$ 17,268,746
KEDLI	$ 10,415,299	$ 10,435,048	$ 11,169,813
Total	**$ 26,515,133**	**$ 26,484,146**	**$ 28,438,559**

Information Systems Projects (Difference)

	Rate Year 1	Data Year 1	Data Year 2
KEDNY	$ 2,476,719	$ 2,238,636	$ 1,426,455
KEDLI	$ 1,361,810	$ 1,210,036	$ 807,215
Total	**$ 3,838,529**	**$ 3,448,672**	**$ 2,233,670**

KeySpan Gas East Corporation
d/b/a National Grid
The Brooklyn Union Gas Company
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Page 2 of 2

		KEDNY	Rate Year	Data Year 1	Data Year 2
1TXFER00099	GAS SCADA Upgrade/Modernize	38.38%	$ 112,432	$ -	$ -
1TXFER00099	GTIS	68.37%	$ 420,727	$ 398,256	$ 162,039
90000124369	GTIS	38.38%	$ 120,888	$ 115,078	$ 109,268
90000124368	Meter Route Consolidation	38.38%	$ 27,410	$ 26,071	$ 24,732
90000124375	GTIS	58.10%	$ 169,421	$ 161,146	$ 152,870
90000104112	IN1656-CUST.Systems Agent desktop	68.37%	$ 1,145,726	$ 1,085,073	$ 612,320
90000106246	IN2330 ETRM Repl Nucleus-Gas Benef	30.66%	$ 298,244	$ 282,593	$ 203,142
90000124371	IN2366 LI CNI Direct HW Upgrade	68.37%	$ 8,126	$ 7,737	$ 7,348
90000144051	INVP2960C GridForce SaaS Phase 2	30.66%	$ 173,745	$ 162,683	$ 154,736
			$ 2,476,719	**$ 2,238,636**	**$ 1,426,455**

		KEDLI	Rate Year	Data Year 1	Data Year 2
1TXFER00099	GAS SCADA Upgrade/Modernize	28.55%	$ 83,635	$ -	$ -
1TXFER00099	GTIS	31.63%	$ 194,641	$ 184,245	$ 74,964
90000124369	GTIS	28.55%	$ 89,926	$ 85,604	$ 81,282
90000124368	Meter Route Consolidation	28.55%	$ 20,389	$ 19,394	$ 18,398
90000124375	GTIS	30.27%	$ 88,268	$ 83,957	$ 79,645
90000104112	IN1656-CUST.Systems Agent desktop	31.63%	$ 530,047	$ 501,987	$ 283,278
90000106246	IN2330 ETRM Repl Nucleus-Gas Benef	22.81%	$ 221,883	$ 210,240	$ 151,130
90000124371	IN2366 LI CNI Direct HW Upgrade	31.63%	$ 3,759	$ 3,579	$ 3,399
90000144051	INVP2960C GridForce SaaS Phase 2	22.81%	$ 129,261	$ 121,030	$ 115,119
			$ 1,361,810	**$ 1,210,036**	**$ 807,215**
	Total Impact		**$ 3,838,529**	**$ 3,448,672**	**$ 2,233,670**

Case 16-G-0058

Rebuttal Testimony of the Revenue Requirements Panel

Exhibit __ (RRP-9R)

Staff IR Responses

Request No.:	BULI-5
Requested By:	KEDNY&KEDLI Revenue Requirements Panel
Name of Respondent:	Staff Gas Infrastructure and Operations Panel
Date of Request:	May 26, 2016
Date of Response:	June 3, 2016
Subject:	Plant Model

Question:

As discussed with the Staff Gas Infrastructure and Operations Panel, there were some inadvertent capital adjustments in Staff's net plant model that were not intended to be included in Staff's case. Please confirm that Attachment 1 represents the net plant balances and depreciation forecasts intended by Staff in their plant model, and that adjustments should be reflected accordingly.

Response:

The net plant model did include some unintended capital adjustments. Refer to Staff's "Attachment to BULI-5 Response" which correctly reflects Staff's forecasts for net plant balances and depreciation expense.

Attachment 1
Revised Exhibit___(SGIOP-5)
Page 1 of 2

KEDNY Monthly Balances of Gas Net Utility Plant
Rate Year Ending December 31, 2017

($000's)

	Balance at Month End	Total Gas Plant in Service (a)	Non-Interest Bearing CWIP (b)	Reserve for Depreciation (c)	Gas Net Utility Plant in Service (d)	Depreciation (e)
1	Dec-16 (1/2 month)	$ 2,358,766	$ 25,353	$ (656,682)	$ 1,727,438	
2	Jan-17	$ 4,738,998	$ 52,937	$(1,314,195)	$ 3,477,740	$ 8,040
3	Feb-17	$ 4,761,874	$ 53,529	$(1,315,392)	$ 3,500,012	$ 8,072
4	Mar-17	$ 4,786,271	$ 58,045	$(1,314,419)	$ 3,529,896	$ 8,107
5	Apr-17	$ 4,812,470	$ 59,708	$(1,314,992)	$ 3,557,186	$ 8,142
6	May-17	$ 4,843,008	$ 59,776	$(1,314,960)	$ 3,587,824	$ 8,177
7	Jun-17	$ 4,874,161	$ 60,313	$(1,314,578)	$ 3,619,895	$ 8,219
8	Jul-17	$ 4,906,698	$ 61,595	$(1,313,616)	$ 3,654,677	$ 8,269
9	Aug-17	$ 4,935,912	$ 63,768	$(1,313,152)	$ 3,686,528	$ 8,317
10	Sep-17	$ 4,968,928	$ 66,157	$(1,311,533)	$ 3,723,552	$ 8,360
11	Oct-17	$ 4,994,973	$ 70,336	$(1,311,303)	$ 3,754,007	$ 8,413
12	Nov-17	$ 5,038,812	$ 71,213	$(1,307,347)	$ 3,802,677	$ 8,452
13	Dec-17 (1/2 month)	$ 2,557,784	$ 32,345	$ (653,443)	$ 1,936,687	$ 8,516
15	Total Gas (Sum of Lines 1 to 13)	58,578,657	735,075	(15,755,611)	43,558,121	99,084
19	Average Monthly Balance (Line 15 / 12)	$ 4,881,555	$ 61,256	$(1,312,968)	$ 3,629,843	
	Company Forecasted	$ 4,904,937	$ 60,548	$(1,321,224)	$ 3,644,261	117,796
	Adjustment	$ (23,382)	$ 708	$ 8,256	$ (14,418)	$ (18,712)

Attachment 1
Revised Exhibit___(SGIOP-5)
Page 2 of 2

KEDLI Monthly Balances of Gas Net Utility Plant
Rate Year Ending December 31, 2017

($000's)

	Balance at Month End	Total Gas Plant in Service (a)	Non-Interest Bearing CWIP (b)	Reserve for Depreciation (c)	Gas Net Utility Plant in Service (d)	Depreciation (e)
1	Dec-16 (1/2 month)	$ 1,837,442	$ 13,167	$ (415,681)	$ 1,434,928	
2	Jan-17	$ 3,696,203	$ 24,525	$ (834,848)	$ 2,885,881	$ 6,427
3	Feb-17	$ 3,722,346	$ 20,217	$ (838,052)	$ 2,904,511	$ 6,455
4	Mar-17	$ 3,746,613	$ 18,893	$ (841,070)	$ 2,924,436	$ 6,487
5	Apr-17	$ 3,768,111	$ 17,065	$ (844,787)	$ 2,940,390	$ 6,516
6	May-17	$ 3,782,614	$ 17,744	$ (849,169)	$ 2,951,188	$ 6,543
7	Jun-17	$ 3,793,064	$ 19,685	$ (853,974)	$ 2,958,775	$ 6,562
8	Jul-17	$ 3,811,850	$ 20,024	$ (857,792)	$ 2,974,082	$ 6,576
9	Aug-17	$ 3,823,362	$ 22,269	$ (862,420)	$ 2,983,212	$ 6,600
10	Sep-17	$ 3,836,763	$ 25,307	$ (866,637)	$ 2,995,433	$ 6,615
11	Oct-17	$ 3,850,876	$ 29,451	$ (870,573)	$ 3,009,754	$ 6,633
12	Nov-17	$ 3,867,432	$ 32,798	$ (874,291)	$ 3,025,939	$ 6,652
13	Dec-17 (1/2 month)	$ 1,942,039	$ 17,426	$ (439,120)	$ 1,520,345	$ 6,674
15	Total Gas (Sum of Lines 1 to 13)	45,478,715	278,572	(10,248,414)	35,508,873	78,738
17	Average Monthly Balance (Line 15 /	$ 3,789,893	$ 23,214 $ -	$ (854,034) $ -	$ 2,959,073	
	Company Forecasted	$ 3,799,416	$ 27,067	$ (858,921)	$ 2,967,562	93,836
	Adjustment	$ (9,523)	$ (3,853)	$ 4,887	$ (8,489)	$ (15,098)

Date of Request: June 3, 2016 KEDNY/KEDLI Request No. BULI-7 RRP-2
Due Date: June 13, 2016 Req. No. DPS-005

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID
THE BROOKLYN UNION GAS COMPANY d/b/a NATIONAL GRID NY

Case 16-G-0058 KeySpan Gas East Corporation d/b/a National Grid
Case 16-G-0059 The Brooklyn Union Gas Company d/b/a National Grid NY

Request for Information

FROM: KEDNY/KE DLI Revenue Requirement Panel

TO: Ronald Calkins, Staff Accounting Panel

SUBJECT: Revenue Requirement Models

Request:

The Company identified differences in Staff's adjustment amounts on the revenue requirement models (Exhibits SAP-1 and SAP-2). Attachment 1 to this request describes the differences. Attachments 2 and 3 to this request are revised Revenue Requirement models in excel format for KEDNY and KEDLI, respectively.

Please confirm if the Staff agrees with the identified differences and the revised models in Attachments 2 and 3.

Response:

Name of Respondent: Date of Reply:

Keyspan Gas East Corporation
d/b/a National Grid
Case No. 16-G-0058
BULI-7 RRP-2 DPS-005
Attachment 1

O&M

Company	Company Adj #	Testimony	Testimony Page #'s	Testimony Description	Staff Adjustment	Staff Adjustment Description	Staff Adjustment Amount	Corrected Staff Adjustment	Difference	Description of Reconciling Item(s)
KEDLI	(2a)	Revenue Requirements Panel	34	Revised Service Company return on assets percentage (9.38%)	4 (a) (1)	To adjust Service Rents to reflect Staff's Pre-Tax ROR	(185,957.00)	(447,720.81)	(261,763.81)	Staffs adjustment of pre tax ROR was only calculated for IS Rents and did not include an adjustment to Facilities Rents. If done correctly it would be an additional ($261,763) in adjustments. Also incorrectly labeled in staff's Exhibits on Schedule 6.
KEDLI	(2g)	Revenue Requirements Panel	N/A	N/A	N/A	N/A	-	(39,778.00)	(39,778.00)	In IR DPS-402, the Company stated lobbying costs should be removed from the RY and Data years from consultant expense. Staff did not remove
KEDLI	(2f)	Accounting Panel/ Gas Rates Panel	11-15; 9-40	Change in Revenues - Staff did not include uncollectible expense flow through	N/A	N/A	-	25,014.68	25,014.68	Staff Model does not reflect flow through of uncollectible expense as a result of change in operating revenues
KEDLI	(2e)	Accounting Panel	50-51	To reflect the latest assessment as of February 2016	4 (g)	To reflect the latest assessment as of February 2016	29,000.00	28,771.09	(228.91)	Rounding
KEDLI	(2b)	Staff Accounting Panel	41	Lower KEDLI Transportation forecast to HTY inflated plus additional vehicles	4 (c)	To reflect Staff's forecast of transportation lease expense	(993,000.00)	(942,797.81)	50,202.19	Staff exhibit SAP-1, Schedule 6, page1 reflects an adjustment of $993,000 where SAP testimony page 41 reflects an adjustment of $939,000. Appears to be a transposition error.
KEDLI	(2c)	Staff Gas Infrastructure Panel/SAP	76/47	FTE adjustment for reducing FTE's	4 (g) (5)	To remove 0.8 I&R tech FTE	(104,000.00)	(101,335.18)	2,664.82	Rounding - Staff rounded FTE adjustments to one decimal but SGIOP testimony pg 76 has to two decimals
KEDLI	(2c)	Staff Gas Infrastructure Panel/SAP	76	Salary adjustment for reducing salaries	4 (g) (5)	To adjust salaries on select engineering titles	(1,177,000.00)	(1,169,197.12)	7,802.88	Staff made an error between salary adjustment and productivity adjustment
KEDLI	(2d)	Staff Accounting Panel	48	Upward adjustment of productivity and flow thru on other labor adjustments	4 (g) (6)	To adjust productivity adjustment from 1.0% to 2.0% for incremental employees	6,000.00	(1,699.69)	(7,699.69)	Staff made an error between salary adjustment and productivity adjustment

RATE BASE

Company	Company Adj #	Testimony	Testimony Page #'s	Testimony Description	Staff Adjustment	Staff Adjustment Description	Staff Adjustment Amount	Corrected Staff Adjustment	Difference	Description of Reconciling Item(s)
KEDLI	(3d)	Revenue Requirements Panel	N/A	N/A	N/A	N/A	-	2,033,000.00	2,033,000.00	Staff updated the commodity revenue forecast but did not flow through the change to Change in Supply Cash Allowance (Rate Base) calculation
KEDLI	(3b)	Revenue Requirements Panel	N/A	Flow through adjustment to ADIT	8 (a) 2 and 8 (a) 3	To adjust ADFIT and ADSIT tracking OEGW's plant in service adjustments at a rate of 25.58%... (S/H/B 24.67%)	2,391,000.00	1,074,000.00	(1,317,000.00)	Staff made a high level adjustment to Federal and NYS ADIT to flow through the capex reductions which did not accurately reflect the impact on ADIT. Main driver relates to Staff's adj. not including the reduced deprec composite rate on embedded plant
KEDLI	(3a)	Revenue Requirements Panel			8 (a) 1	To reflect Staff's forecast of plant additions	(8,698,550.73)	(8,488,958.77)	209,591.97	Staff inadvertently included capex adjustments for tools that they did not ultimately intend - IR has been sent to Staff to confirm this error
KEDLI	(3a)	Revenue Requirements Panel					(15,103,147.48)	(15,097,549.68)	5,597.81	Staff inadvertently included capex adjustments for tools that they did not ultimately intend - IR has been sent to Staff to confirm this error
KEDLI	(3c)	Revenue Requirements Panel	SAP-1, Schedule 10 of 11	Flow through adjustment to working capital	8 (b)	To adjust working capital to reflect Staff's O&M adjustments	1,720,000.00	(774,000.00)	(2,519,000.00)	Staff's adjustment reflects all O&M adjustments as cash items. Changes to SIR amortization, Energy Efficiency and Residential Reduced Rate program should be non-cash. This also reflects flow through of above O&M adjustments

Revenue Requirement (Flow Through)

Company	Company Adj #	Testimony	Testimony Page #'s	Testimony Description	Staff Adjustment	Staff Adjustment Description	Staff Adjustment Amount	Corrected Staff Adjustment	Difference	Description of Reconciling Item(s)
KEDLI	(1)	Revenue Requirements Panel	N/A	N/A	N/A	N/A	-	49,000.00	49,000.00	Staff flow through adjustment to GRT for the revenue requirement increase used a GRT rate that wasn't updated for the GRT and revenue changes (this amount reflects flow through of rate change and all above adjustments)

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Statement of Operating Income -
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017		Staff Adjustments	Company Adj. #	Adjustments to Staff Amounts	Rate Year Ending December 31, 2017	Base Revenue Increase Required	Rate Year Ending December 31, 2017 with Base Revenue Requirement
Operating Revenues	$ 900,176	(1)	$ 284		$ -	$ 900,460	$ 115,746	$ 1,016,206
Deductions								
Purchased Gas Costs	250,522	(2)	26,206		-	276,728		276,728
Revenue Taxes	9,374	(3)	396	(1)	-	9,770	1,256	11,026
Total Deductions	259,896		26,602		0	286,498	1,256	287,754
Gross Margin	640,280		(26,318)		0	613,962	114,490	728,452
Total Operation & Maintenance Expenses	279,643	(4)	13,539	(2)	(224)	293,182	1,226	294,408
Amortization of Regulatory Deferrals	47,090	(5)	(47,090)		0	0		0
Depreciation, Amort. & Loss on Disposition	93,836	(6)	(15,103)		0	78,733		78,733
Taxes Other Than Revenue & Income Taxes	147,311	(7)	(6,284)		0	141,027		141,027
Total Operating Revenue Deductions	567,880		(54,938)		(224)	512,943	1,226	514,168
Operating Income Before Income Taxes	72,400		28,620		224	101,019	113,264	214,284
Income Taxes								
Federal Income Taxes	4,127		10,472	Flow through		14,599	36,344	50,943
State Income Taxes	438		2,715	Flow through		3,153	9,424	12,577
Total Income Taxes	4,565		13,187			17,752	45,768	63,520
Operating Income After Income Taxes	$ 67,835		$ 15,432		$ 224	$ 83,267	$ 67,496	$ 150,764
Rate Base	$ 2,297,432		$ (4,616)	(3)	$ (1,588)	$ 2,291,228		$ 2,291,228
Rate of Return	2.95%					3.63%		6.58%

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Summary of O&M Expenses
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Company Adj. #	Adjustments to Staff Amounts	Revised Adjusted by Staff Rate Year Ending December 31, 2017
Operation & Maintenance Expenses:							
Departmental Items:							
Consultants	$ 7,623		0	$ 7,623	(2g)	(40)	$ 7,583
Contractors	28,494		0	28,494		-	28,494
Donations	0		0	0		-	-
Employee Expenses	2,469		0	2,469		-	2,469
Hardware	212		0	212		-	212
Software	2,874		0	2,874		-	2,874
Other	4,948		0	4,948		-	4,948
Rents	3,113		0	3,113		-	3,113
Service Company Rents	15,264	(4a)	(1,309)	13,955	(2a)	(262)	13,693
Construction Reimbursement	(508)		0	(508)		-	(508)
FAS 106	9,958		0	9,958		-	9,958
FAS 112	174		0	174		-	174
Health Care	11,576		0	11,576		-	11,576
Group Life Insurance	737		0	737		-	737
Other Benefits	93		0	93		-	93
Pensions	17,966		0	17,966		-	17,966
Thrift Plan	1,711		0	1,711		-	1,711
Workers Comp	900		0	900		-	900
Materials Outside Vendor	3,085		0	3,085		-	3,085
Materials From Inventory	2,303		0	2,303		-	2,303
Materials Stores Handling	256		0	256		-	256
Postage	5,355		0	5,355		-	5,355
Total Labor	78,203	(4b)	(60)	78,143		-	78,143
Transportation	3,690	(4c)	(993)	2,697	(2b)	50	2,748
Energy Efficiency program	11,707	(4d)	1,128	12,835		-	12,835
Injuries and Damages	11,120		0	11,120		-	11,120
Other Initiatives	21,045	(4e)	(1,669)	19,376	(2c), (2d)	3	19,378
Productivity Adjustment	(1,834)	(4f)	(1,812)	(3,646)		-	(3,646)
Rate Case Expense	369		0	369		-	369
Regulatory Assessment Fees	5,307	(4g)	29	5,336	(2e)	(0)	5,336
Uncollectible Accounts	9,041		0	9,041	(2f)	25	9,066
SIR	13,402		0	13,402		-	13,402
Amortization of SIR Deferral	0	(4h)	14,168	14,168		-	14,168
Joint Facilities	5,279		0	5,279		-	5,279
PEX Savings	(1,623)		0	(1,623)		-	(1,623)
Paving	2,416		0	2,416		-	2,416
Legal	773		0	773		-	773
Accounting	764		0	764		-	764
Incentive Programs	1,379	(4i)	(380)	999		-	999
Residential Reduced Rate Program	0	(4j)	4,661	4,661		0	4,661
Sub Total - Departmental	$ 279,643		$ 13,763	$ 293,406		$ (224)	$ 293,182
TOTAL	$ 279,643		$ 13,763	$ 293,406		$ (224)	$ 293,182

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Federal Income Taxes
For the Rate Year Ending December 31, 2017
(Whole Dollars)

	Staff Adjusted						
	Federal Taxable Income	Deferrable Basis	Staff Adjustments	Book Taxable Income	@ the Statutory Rate	DFIT Reversals	Net FIT Before Rev Req
NET INCOME BEFORE FEDERAL & STATE INCOME TAXES	$ 101,019,354			$ 101,019,354	$ 35,357,000		$ 35,357,000
ADDITIONS							
MERGER RATE PLAN STRANDED COSTS-AMORTIZATION POVISION FOR DEPRECIATION	0		0	0	0	0	0
REAL ESTATE TAXES PER BOOKS	0		0	0	0	0	0
BUSINESS MEALS 50% DISALLOWANCE	19,250		0	19,250	7,000	0	7,000
DEDUCTIONS					0	0	0
GAIN ON REDEMPTION BONDS	0		0	0	0	0	0
INTEREST	(56,174,000)		0	(56,174,000)	(19,660,900)	0	(19,660,900)
NEW YORK STATE RATE CHANGE (FITon SIT)	0		0	0	0	203,024	203,024
DIVIDEND PAID CREDIT	0		0	0	0	0	0
NEW YORK STATE INCOME TAXES - CURRENT PROVISION	(3,733,323)	0	0	(3,733,323)	(1,307,000)	0	(1,307,000)
OTHER STATE INCOME TAXES	0		0	0	0	0	0
COST OF REMOVAL	0	0	0	0	0	0	0
TAX DEPRECIATION	0		0	0	0	0	0
REAL ESTATE TAXES FOR TAX	0		0	0	0	0	0
AMORTIZATION PASNY CONTRACT	0		0	0	0	0	0
CLASS B CONTRACTS AMORTIZATION	0		0	0	0	0	0
TOTAL FIT EXPENSE	$ 41,131,281	$ -	$ -	$ 41,131,281	$ 14,396,100	$ 203,024	$ 14,599,124

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
State Income Taxes
For the Rate Year Ending December 31, 2017
($000's)

	Staff Adjusted						
	State Taxable Income	Deferrable Basis	Staff Adjustments	Book Taxable Income	@ the Statutory Rate	DSIT Reversals	Net SIT Before Rev Req
NET INCOME BEFORE FEDERAL & STATE INCOME TAXES	$ 101,019,354			$ 101,019,354	$ 8,405,000		$ 8,405,000
ADDITIONS							
MERGER RATE PLAN STRANDED COSTS-AMORTIZATION POVISION FOR DEPRECIATION	0		0	0	0		0
REAL ESTATE TAXES PER BOOKS	0		0	19,250	2,000		2,000
BUSINESS MEALS 50% DISALLOWANCE	19,250		0				
DEDUCTIONS							
GAIN ON REDEMPTION BONDS	0		0	0	0		0
OTHER POST RETIREMENT BENEFIT LIABILITY-MEDICARE PIECE	0		0	0	0		0
INTEREST	(56,174,000)	0	0	(56,174,000)	(4,673,677)		(4,673,677)
NEW YORK STATE RATE CHANGE	0		0	0	0	(580,068)	(580,068)
GAS CONTINGENCY RESERVE	0		0	0	0		0
IBM CUSTOMER SYSTEM SETTLEMENT	0		0	0	0		
REAL ESTATE TAXES FOR TAX	0		0	0	0		
TOTAL SIT EXPENSE	$ 44,864,604	$ -	$ -	$ 44,864,604	$ 3,733,323	$ (580,068)	$ 3,153,255

8.32%

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Summary of Rate Base
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	Rate Year Ending December 31, 2017	Company Adj. #	Adjustments to Staff Amounts	Revised Rate Year Ending December 31, 2017
Net Utility Plant	$ 2,967,562	(8a)1	$ (8,699)	$ 2,958,863	(3a)	$ 215	$ 2,959,078
Regulatory Assets / Liabilities	4,535		0	4,535		-	4,535
Accumulated Deferred Income Taxes - Federal	(713,040)	(8a)2	2,056	(710,984)	(3b)	(1,133)	(712,116)
Accumulated Deferred Income Taxes - State	(120,243)	(8a)3	335	(119,908)	(3b)	(184)	(120,093)
Working Capital							
Materials and supplies	72,923		0	72,923		-	72,923
Prepayments	8,818		0	8,818		-	8,818
O&M Cash Allowance (1/8 O&M exp)	32,137	(8b)	1,692	33,829	(3c)	(2,519)	31,310
Supply Cash Allowance (Sep 09 lead/lag study)	28,269		0	28,269		-	28,269
Change in Supply Cash Allowance (3.64% x RY Gas exp)	(11,717)		0	(11,717)	(3d)	2,033	(9,684)
subtotal Working Capital	130,430		1,692	132,122		(486)	131,636
subtotal avg. before EBCAP adj.	2,269,244		(4,616)	2,264,628		(1,588)	2,263,040
Excess Earnings Base adjustment	28,187		0	28,187		0	28,187
Total Rate Base	$ 2,297,432		$ (4,616)	$ 2,292,816		$ (1,588)	$ 2,291,228

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Capital Structure
For the Rate Year Ending December 31, 2017

Company's Capital Structure Forecast

	Total Annual Avg	Weighting Percent	Cost	Weighted Cost	Pre-Tax Weighted Cost
Long Term Debt	$ 1,179,174	51.33%	5.09%	2.61%	2.61%
Customer Deposits	15,490	0.67%	0.85%	0.01%	0.01%
Common Equity	1,102,767	48.00%	9.94%	4.77%	8.00%
Total	$ 2,297,432	100.00%		7.39%	10.62%

Staff's Capital Structure Forecast

	Total Weighting Annual Avg	Percent	Cost	Weighted Cost	Pre-Tax Weighted Cost
Long Term Debt	$ 2,054,792	50.69%	4.81%	2.44%	2.44%
Customer Deposits	27,664	1.31%	0.85%	0.01%	0.01%
Common Equity	2,137,111	48.00%	8.60%	4.13%	6.93%
Total	$ 4,219,567	100.00%		6.58%	9.38%

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OTHER REVENUE REQUIREMENT INPUTS

Forecast Rate Year Rates to apply to Rev Req						Company Adjustment
Bad Debt % for Rev Req	0.00%	1.05933%	GRT	$	9,770	(1)
GRT rate for Rev Req	1.09%		tax	$	900,460	(1)
Federal Income Tax rate	35.00%		revenue		1.0850010%	(1)
NYS Income Tax rate	8.32%	59.5920%				
Historic Year EBCAP	0.00%					
General Inflation (from 09/30/15 to 12/31/17)	3.773197%					

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KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
PSC Staff Direct Case
Staff Adjustments for the Rate Year Ending December 31, 2017
($000's)

		Staff Direct Amount		Company Adjustment #	Adjustments to Staff Amount Amount		Revised Staff Amount	
Adj. 1	Operating Revenues							
(a)	To properly reconcile SIR Surcharge revenues to the amortization expense	$ (32,922)					(32,922)	
(b)	To transfer amortization of SIR deferral balance to base rates	(14,168)					(14,168)	
(c)	To properly reconcile MFC revenues to the associated expenses	(1,952)					(1,952)	
(d)	To reflect the Commission authorizations for the Company's EE tracker surcharges	123					123	
(e)	To reflect the Commission authorizations for the Company's NYSERDA SBC	1,005					1,005	
(f)	To correct Company correction and updates Operating Revenues to reconcile with the Company Rate Design Panel operating revenues	606					606	
(g)	To adjust Joint Facilities revenue to reflect the historic year level increased for inflation	4,299					4,299	
(h)	To reflect the Residential Reduced Rate Program in revenues	3,694					3,694	
(i)	To adjust operating revenues to reflect Staff's sales forecast	39,599	$ 284		-	$ -	39,599	$ 284
Adj. 2	Purchased Gas Costs							
(a)	To adjust purchased gas costs to reflect Staff's forecast	26,206	$ 26,206		-	$ -	26,206	$ 26,206
Adj. 3	Revenue Taxes							
(a)	To adjust revenue taxes to reflect Staff's forecast	396	$ 396		-	$ -	396	$ 396
Adj. 4	Operating and Maintenance Expenses							
(a)	Service Company Rents							
(1)	To reflect the removal of the Customer Choice ESCO Gas project (INVP #3564)	(186)					(186)	
(2)	To reflect removal of bonus depreciation	(655)					(655)	
(3)	To reflect Staff service company return allowance of 9.38% which is based on Staff capital structure	(468)	$ (1,309)	(2a)	(262)	$ (262)	(730)	$ (1,571)
(b)	Total Labor							
	To reflect the reduction of management wage increases from 3.2% to 3.0%	(60)	$ (60)		-	$ -	(60)	$ (60)
(c)	Transportation							
	To reflect Staff's forecast of transportation lease expense	(993)	$ (993)	(2b)	50	$ 50	(943)	$ (943)
(d)	Energy Efficiency program							
	To reflect the Commission authorizations for the Company's EE tracker surcharges and NYSERDA SBC	1,128	$ 1,128		-	$ -	1,128	$ 1,128
(e)	Other Initiatives							
(1)	To remove 3.5 FTEs compliance analysts	(385)					(385)	
(2)	To remove 1 gas estimator and adjust allocation of gas estimator manager	(9)					(9)	
(3)	To adjust salaries on select engineering titles	(1,177)					(1,177)	
(4)	To remove 0.8 I&R tech FTE	(104)		(2c)	10		(94)	
(5)	To adjust productivity adjustment from 1.0% to 2.0% for incremental employees	6	$ (1,669)	(2d)	(8)	$ 3	(2)	$ (1,666)
(f)	Productivity Adjustment							
(1)	Tracking adjustment for management wage increase reduction from 3.2% to 3.0%.	1			-		1	
(2)	To adjust productivity adjustment from 1.0% to 2.0%	(1,813)	$ (1,812)		-	$ -	(1,813)	$ (1,812)
(g)	Regulatory Assessment Fees							
	To reflect the latest assessment as of February 2016	29	$ 29	(2e)	(0)	$ (0)	29	$ 29
(h)	Amortization of SIR Deferral							
	To include amortization of SIR deferral in base rates	14,168	$ 14,168		-	$ -	14,168	$ 14,168
(i)	Incentive Programs							
	To remove costs related to the Smart Thermostat Initiative	(380)	$ (380)		-	$ -	(380)	$ (380)
(j)	Residential Reduced Rate Program							
	To reflect the residential reduced rate program expenses in the rate year	4,661	$ 4,661		-	$ -	4,661	$ 4,661
(k)	Uncollectible Expense							
	To reflect the flow through of changes to revenue	0	$ -	(2f)	25	$ 25	25	$ 25
(l)	Consultant Expense							
	To remove lobbying costs per DPS-402	0	$ -	(2g)	(40)	$ (40)	(40)	$ (40)
	Total Operating & Maintenance Expense Adjustments		$ 13,763			$ (224)		$ 13,539

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
PSC Staff Direct Case
Staff Adjustments for the Rate Year Ending December 31, 2017
($000's)

Adj. 5	Amortization of Regulatory Deferrals							
(a)	To properly reflect the Company's proposal for rate year amortization of SIR deferral	(32,922)			-		(32,922)	
(b)	To reflect the amortization of SIR deferral as an O&M expense item	(14,168)	$ (47,090)		-	$ -	(14,168)	$ (47,090)
Adj. 6	Depreciation Expense							
(a)	To adjust depreciation expense to reflect Staff's depreciation rates	(15,103)	$ (15,103)		-	$ -	(15,103)	$ (15,103)
Adj. 7	Taxes Other Than Revenue & Income Taxes							
(a)	Real Estate Taxes							
	To adjust KEDLI's growth factor to reflect a three-year average	(6,281)	$ (6,281)		-	$ -	(6,281)	$ (6,281)
(b)	Payroll Taxes							
	Tracking adjustment for management wage increase reduction from 3.2% to 3.0%	(3)	$ (3)		-	$ -	(3)	$ (3)
	Total Taxes Other Than Revenue & Income Taxes		$ (6,284)			$ -		$ (6,284)
Adj. 8	Rate Base							
(a)	Net Utility Plant							
(1)	To reflect Staff's forecast of plant additions	(8,699)	$ (8,699)	(3a)	215	$ 215	(8,484)	$ (8,484)
	Accumulated Deferred Income Taxes							
(2)	To adjust ADFIT tracking OEGW's plant in service adjustments at a rate of 25.58% per Company, allocated between ADFIT and ADSIT	2,056		(3b)	(1,133)		924	
(3)	To adjust ADSIT tracking OEGW's plant in service adjustments at a rate of 25.58% per Company, allocated between ADFIT and ADSIT	335	$ 2,391	(3b)	(184)	$ (1,317)	150	$ 1,074
(b)	Working Capital							
	To adjust working capital to reflect Staff's O&M adjustments	1,720	$ 1,720	(3c)	(2,519)	$ (2,519)	(799)	$ (799)
(c)	Working Capital							
	To adjust Supply Cash Allowance to reflect Staff's Commodity change	0	$ -	(3d)	2,033	$ 2,033	2,033	$ 2,033
	Total Rate Base Adjustments		$ (4,588)			$ (1,588)		$ (6,175)

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Taxes Other Than Income Taxes
For the Rate Year Ending December 31, 2017
($000's)

Taxes Other Than Revenue and Income Taxes	C&U Filing Rate Year Ending December 31, 2017	Adj. #	Staff Adjustments	Rate Year As Adjusted By Staff	Adjustments to Staff Amounts	Revised Rate Year As Adjusted By Staff
Real Estate Taxes						
Real Property	$ 141,690	(7a)	$ (6,281)	$ 135,409	$ -	$ 135,409
Special Franchise	0		0	0	-	-
Total Real Estate Taxes	141,690		(6,281)	135,409	-	135,409
Payroll Taxes	5,531	(7b)	(3)	5,528	-	5,528
Other	90		0	90	-	90
Total Taxes Other Than Revenue and Income Taxes	$ 147,311		$ (6,284)	$ 141,027	$ -	$ 141,027

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Summary of Depreciation and Amortization Expense
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Adjustments to Staff Amounts	Revised Adjusted by Staff Rate Year Ending December 31, 2017
Depreciation Expense (acct 403)	$ 93,836	$ (15,103)	$ 78,733	$ -	$ 78,733
Amortization Expense (acct 404-405)	0	0	0	0	0
Accretion Expense (acct 411.10)	0	0	0	0	0
(Gain) Loss on Disposition of Utility Plant (acct 411.7)	0	0	0	0	0
Total Depreciation & Amortization Expense	$ 93,836	$ (15,103)	$ 78,733	$ -	$ 78,733

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Tax Deduction for Interest Expense -
For the Rate Year Ending December 31, 2017
($000's)

	C&U Filing Rate Year Ending December 31, 2017	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Adjustments to Staff Amounts	Revised Adjusted by Staff Rate Year Ending December 31, 2017
Avg Rate Base Per Books	$ 2,269,244	$ (4,616)	$ 2,264,628	$ (1,588)	$ 2,263,040
Plus: Forecast of Avg Interest Bearing CWIP	0	0	0	0	0
Less: Rate Base moved to GAC	0	0	0	0	0
Less: Excess Earnings Adj (EBCAP)	(28,187)	0	(28,187)	0	(28,187)
Rate Base	2,297,432	(4,616)	2,292,815	(1,588)	2,291,227
Weighted Cost of LTD Debt	2.61%	-0.17%	2.44%	0.17%	2.61%
Weighted Cost of Cust Deposits	0.01%	0.00%	0.01%	0.00%	0.01%
subtotal weighted cost of debt	2.62%	-0.17%	2.45%	0.17%	2.62%
Total Income Tax Interest Deduction	$ 60,193	$ (4,019)	$ 56,174	$ 3,856	$ 60,030

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Working Capital - Cash Allowance
For the Rate Year Ending December 31, 2017
($000's)

Description	C&U Filing Rate Year Ending December 31, 2017	Staff Adjustments	As Adjusted by Staff Rate Year Ending December 31, 2017	Adjustments to Staff Amounts	Revised Adjusted by Staff Rate Year Ending December 31, 2017
Total O&M Expense	$ 279,643	$ 13,539	$ 293,182	$ (224)	$ 292,958
Remove major non-cash items included O&M expense :					
Bad Debt expense	(9,042)	0	(9,042)	25	(9,017)
Other (EE, 18A)	(13,502)	0	(13,502)	(19,957)	(33,459)
Subtotal	(22,544)	0	(22,544)	(19,932)	(42,476)
Add major cash items not included in O&M expense:					
Other	0	0	0	0	0
Subtotal	0	0	0	0	0
Total Adjustments	(22,544)	0	(22,544)	(19,932)	(42,476)
Adjusted O&M Expense	$ 257,099	$ 13,539	$ 270,638	$ (20,156)	$ 250,482
Departmental Cash Allowance - 1/8 (45 days)	32,137	1,692	33,830	(2,519)	31,310
Supply Cost Cash Allowance (3.64% x HY Gas exp)	0	0	0	0	0

(note: The Supply Cost Allowance is being presented separately, therefore will be removed from the historic Excess Earnings Base Adjustment)

KeySpan Gas East Company d/b/a NATIONAL GRID
PSC Case No. 16-G-0058
Comparison of Average Historic Rate Base and Capitalization
For the Rate Year Ending December 31, 2017
($000's)

		TOTAL	Staff Adjustments	TOTAL	Company Adjustments	TOTAL
(A)	AVERAGE RATE BASE - PER BOOKS	$ 1,991,881	0	$ 1,991,881	0	$ 1,991,881
(B)	ADD: Average interest-bearing CWIP	57,624	0	57,624	0	57,624
(C)	TOTAL EARNINGS BASE (A+B)	2,049,505	0	2,049,505	0	2,049,505
	Percent	100.00%				
(D)	AVERAGE CAPITALIZATION (CE excludes merger Goodwill, and may be adj for TCI if required):					
	Long Term Debt	883,084		883,084		883,084
	Notes Payable	0		0		0
	Gas Supplier Refunds	0		0		0
	Customer Deposits	8,102		8,102		8,102
	Preferred Stock	0		0		0
	Common Equity (excludes merger GW; incl TCI adj	729,152 [1]		729,152		729,152
	Avg. Allocated to Elec / Gas based on Earnings Base	1,620,338		1,620,338		1,620,338
(E)	Add dividends declared but unpaid representing the timing difference between declaration and payment	0	0	0	0	0
(F)	SUBTOTAL (D+E)	1,620,338		1,620,338		1,620,338
	LESS Average Investments in:					
	Detailed balance sheet accounts	(524,091)	0	(524,091)	0	(524,091)
	Accumulated Def Inc Tax Adjustment	38,467	0	38,467	0	38,467
	Goodwill	n/a [1]				
(G)	Total Deductions	(485,624)		(485,624)		(485,624)
(H)	Capitalization Dedicated to Public Service (F-G)	2,105,962		2,105,962		2,105,962
(J)	Excess Earnings Base (Total Earnings Base) less Average Capitalization Devoted to Service Current Customers) (C-H)	$ (56,457)		$ (56,457)		$ (56,457)

[1] Goodwill related to the NM merger with National Grid is excluded from the equity component of capitalization, pursuant to section 6.1 of the approved Stipulation Agreement.