Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid, D.P.U. 20-75

Responses to the Department's Second Set of Information Requests

Exhibit: EDC-2-5 Date: May 21, 2021 H.O.: Katie Zilgme Page 1 of 2

<u>Information Request EDC-2-5</u>

Request:

Refer to National Grid's response to EDC-2, at 1. Please provide:

- (a) An updated bill impact estimate assuming all of the identified upgrades are constructed, but no distributed energy resources ultimately pay CIP fees to interconnect; and
- (b) An updated bill impact estimate assuming all capacity enabled by the upgrades identified is utilized by distributed energy resources over the next ten years.

Response:

- (a) See Attachments EDC-2-5-1 through EDC-2-5-5.
- (b) See Attachments EDC-2-5-6 through EDC-2-5-10.

For purposes of Attachments EDC-2-5-1 and EDC-2-5-6, the Company has continued to use its March 1, 2021 rates, which it used to calculate the high-level illustrative monthly bill impacts for a 500 kWh residential customer receiving Basic Service in Attachment EDC-2-1 submitted on April 6, 2021, to allow the Department to compare the illustrative bill impacts presented in this response to those presented in Information Request EDC-2. The Company has presented illustrative bill impacts associated with the revenue requirements associated with each of the assumed amortization periods of 10, 20, and 30 years consistent with those presented in Information Request EDC-2. The Company began the bill impact analysis using a monthly residential bill based on rates effective March 1, 2021 and determined each year's incremental increase in the illustrative factor to arrive at the illustrative incremental bill impact for each successive year.

Consistent with the Company's response to Information Request EDC-2, the illustrative bill impacts and illustrative revenue requirements presented in this response reflect those resulting from the Company's investment in distribution plant additions and cost of removal and exclude investments in transmission plant that may be required by the Company or its transmission affiliate, New England Power Company. In addition to resolving the open issues identified in the Company's response to Information Request EDC-5 submitted on April 6, 2021, the Company would need a complete estimate of all associated transmission upgrades and how they would be allocated between DG customers and distribution customers, and then would need to allocate costs to distribution rate classes based on a coincident peak allocator, consistent with the

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allocation of transmission costs billed to the Company (on the basis of the Company's demand at the time of the system's peak).

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-1 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Summary of Illustrative Bill Impacts - No CIP Fees 10, 20, and 30 Year Amortization

		Year 1 Year 2		Year 3 Year 4		Year 5
		(a)	(b)	(c)	(d)	(e)
(1)	Illustrative % Increase @ 10 Year Amortization	1.71%	0.80%	-0.03%	-0.16%	-0.15%
(2)	Illustrative % Increase @ 20 Year Amortization	1.41%	0.54%	0.06%	-0.08%	-0.08%
(3)	Illustrative % Increase @ 30 Year Amortization	1.31%	0.46%	0.08%	-0.06%	-0.06%

⁽¹⁾ Page 2, Line (11)

⁽²⁾ Page 3, Line (11)

⁽³⁾ Page 4, Line (11)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-1 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Illustrative Factor and Residential Bill Impact - No CIP Fees Assuming 10 Year Amortization

	-	Year 1	Year 2	Year 3	Year 4	Year 5
		(a)	(b)	(c)	(d)	(e)
(1)	Total Annual Recovery	\$67,026,944	\$98,573,918	\$97,476,483	\$91,205,866	\$85,268,707
(2)	Residential Distribution Revenue Allocator	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>
(3)	Total Allocated Residential Recovery	\$38,674,547	\$56,877,151	\$56,243,931	\$52,625,785	\$49,200,044
(4)	Forecasted Annual Residential kWh	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508
(5)	Illustrative Annual Factor	\$0.00476	\$0.00701	\$0.00693	\$0.00648	\$0.00606
(6)	Illustrative Incremental Change in Factor	\$0.00476	\$0.00225	(\$0.00008)	(\$0.00045)	(\$0.00042)
(7)	Monthly Residential kWh Deliveries	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
(8)	Year-Over-Year Illustrative Increase in Monthly Bill	\$2.38	\$1.13	(\$0.04)	(\$0.23)	(\$0.21)
(9)	Residential Monthly Bill at Start of Year	<u>\$139.56</u>	<u>\$141.94</u>	<u>\$143.07</u>	<u>\$143.03</u>	<u>\$142.80</u>
(10)	Illustrative Residential Monthly Bill	\$141.94	\$143.07	\$143.03	\$142.80	\$142.59
(11)	Illustrative % Increase	1.71%	0.80%	-0.03%	-0.16%	-0.15%

- (1) Attachment EDC-2-5-2, Line 4
- (2) Currently effective R-1/R-2 Distribution Revenue Allocator percentage
- (3) Line (1) x Line (2)
- (4) Company forecast for for the furthest year in the Company's forecast (calendar year 2025)
- (5) Line (3) ÷ Line (4), trucated to 5 decimal places
- (6) Line (5) Line (5) from prior year
- (7) 500 kWh
- (8) Line (6) x Line (7)
- (9) Year 1: Page 5; all other years: prior year Line 16
- (10) Line (8) + Line (9)
- (11) Line (8) ÷ Line (9)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-1 Page 3 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Illustrative Factor and Residential Bill Impact - No CIP Fees Assuming 20 Year Amortization

	•	Year 1	Year 2	Year 3	Year 4	Year 5
		(a)	(b)	(c)	(d)	(e)
(1)	Total Annual Recovery	\$55,442,749	\$77,102,942	\$79,644,821	\$76,516,336	\$73,449,907
(2)	Residential Distribution Revenue Allocator	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>
(3)	Total Allocated Residential Recovery	\$31,990,466	\$44,488,398	\$45,955,062	\$44,149,926	\$42,380,596
(4)	Forecasted Annual Residential kWh	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508
(5)	Illustrative Annual Factor	\$0.00394	\$0.00548	\$0.00566	\$0.00544	\$0.00522
(6)	Illustrative Incremental Change in Factor	\$0.00394	\$0.00154	\$0.00018	(\$0.00022)	(\$0.00022)
(7)	Monthly Residential kWh Deliveries	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
(8)	Year-Over-Year Illustrative Increase in Monthly Bill	\$1.97	\$0.77	\$0.09	(\$0.11)	(\$0.11)
(9)	Residential Monthly Bill at Start of Year	<u>\$139.56</u>	<u>\$141.53</u>	<u>\$142.30</u>	<u>\$142.39</u>	<u>\$142.28</u>
(10)	Illustrative Residential Monthly Bill	\$141.53	\$142.30	\$142.39	\$142.28	\$142.17
(11)	Illustrative % Increase	1.41%	0.54%	0.06%	-0.08%	-0.08%

- (1) Attachment EDC-2-5-2, Line 8
- (2) Currently effective R-1/R-2 Distribution Revenue Allocator percentage
- (3) Line (1) x Line (2)
- (4) Company forecast for for the furthest year in the Company's forecast (calendar year 2025)
- (5) Line (3) ÷ Line (4), trucated to 5 decimal places
- (6) Line (5) Line (5) from prior year
- (7) 500 kWh
- (8) Line (6) x Line (7)
- (9) Year 1: Page 5; all other years: prior year Line 16
- (10) Line (8) + Line (9)
- (11) Line (8) ÷ Line (9)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-1 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Illustrative Factor and Residential Bill Impact - No CIP Fees Assuming 30 Year Amortization

	-	Year 1	Year 2	Year 3	Year 4	Year 5
	-	(a)	(b)	(c)	(d)	(e)
(1)	Total Annual Recovery	\$51,447,238	\$69,446,384	\$72,804,307	\$70,442,828	\$68,143,406
(2)	Residential Distribution Revenue Allocator	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>
(3)	Total Allocated Residential Recovery	\$29,685,056	\$40,070,564	\$42,008,085	\$40,645,512	\$39,318,745
(4)	Forecasted Annual Residential kWh	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508
(5)	Illustrative Annual Factor	\$0.00365	\$0.00494	\$0.00517	\$0.00501	\$0.00484
(6)	Illustrative Incremental Change in Factor	\$0.00365	\$0.00129	\$0.00023	(\$0.00016)	(\$0.00017)
(7)	Monthly Residential kWh Deliveries	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
(8)	Year-Over-Year Illustrative Increase in Monthly Bill	\$1.83	\$0.65	\$0.12	(\$0.08)	(\$0.09)
(9)	Residential Monthly Bill at Start of Year	<u>\$139.56</u>	<u>\$141.39</u>	<u>\$142.04</u>	<u>\$142.16</u>	<u>\$142.08</u>
(10)	Illustrative Residential Monthly Bill	\$141.39	\$142.04	\$142.16	\$142.08	\$141.99
(11)	Illustrative % Increase	1.31%	0.46%	0.08%	-0.06%	-0.06%

- (1) Attachment EDC-2-5-2, Line 12
- (2) Currently effective R-1/R-2 Distribution Revenue Allocator percentage
- (3) Line (1) x Line (2)
- (4) Company forecast for for the furthest year in the Company's forecast (calendar year 2025)
- (5) Line (3) ÷ Line (4), trucated to 5 decimal places
- (6) Line (5) Line (5) from prior year
- (7) 500 kWh
- (8) Line (6) x Line (7)
- (9) Year 1: Page 5; all other years: prior year Line 16
- (10) Line (8) + Line (9)
- (11) Line (8) ÷ Line (9)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-1 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Current Monthly Residential Bill

		Effective	
(1)	500	March 1, 2021	<u>Amount</u>
		(a)	(b)
(-)	Delivery Service		
(2)	Customer Charge		\$7.00
(3)	Base Distribution Charge	\$0.04906	
(4)	CapEx Factor	\$0.00352	
(5)	Basic Service Adjustment Factor	\$0.00105	
(6)	Residential Assistance Adjustment Factor	\$0.00488	
(7)	Storm Fund Replenishment Factor	\$0.00301	
(8)	Pension/PBOP Factor	\$0.00179	
(9)	Revenue Decoupling Mechanism Adjustment Factor	\$0.00255	
(10)	Attorney General Consulting Expense Factor	\$0.00003	
(11)	Solar Cost Adjustment Factor	\$0.00033	
(12)	Smart Grid Distribution Adjustment Factor	\$0.0008	
(13)	Net Metering Recovery Surcharge	\$0.01163	
(14)	Renewable Energy Recovery Factor	\$0.00075	
(15)	Tax Act Credit Factor	(\$0.00062)	
(16)	Vegetation Management Factor	\$0.00054	
(17)	Grid Modernization Factor	<u>\$0.00032</u>	
(18)	Total Distribution Energy Charge	\$0.07892	\$39.46
(19)	SMART Factor	\$0.00315	\$1.58
(20)	Electric Vehicle Program Factor	\$0.00011	\$0.06
(21)	Transition Charge	(\$0.00104)	(\$0.52)
(22)	Transmission Service Adjustment Factor	\$0.03858	\$19.29
(23)	Energy Efficiency Charge	\$0.02098	\$10.49
(24)	Renewables Charge	\$0.00050	\$0.2 <u>5</u>
(25)	Subtotal Delivery Charges	φ0.00030	\$77.61
(23)	Subtotal Delivery Charges		\$77.01
	Supply Service		
(26)	Base Basic Service Charge	\$0.11965	\$59.83
(27)	Basic Service Admin Cost Factor	\$0.00011	\$0.06
(28)	Smart Grid Customer Cost Adjustment Factor	<u>\$0.00412</u>	<u>\$2.06</u>
(29)	Commodity Subtotal	\$0.12388	\$ <u>61.95</u>
(30)	Total		\$139.56

⁽a) M.D.P.U. No. 1-21-C

⁽b) Line (1) x Column (a), Lines (18) thru (28)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-2 Page 1 of 1 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - No CIP Fees

			Year 1	Year 2	Year 3	Year 4	Year 5
			(a)	(b)	(c)	(d)	(e)
1 2	10 Year Amortization Annual Revenue Requirement on CapEx O&M related to capex	Attachment EDC-2-5-3, Page 1, Line 2 Attachment EDC-2-5-3, Page 1, Line 6	\$47,927,444 \$19,099,500	\$98,573,918 \$0	\$97,476,483 \$0	\$91,205,866 \$0	\$85,268,707 \$0
3 4	Total Revenue Requirement		\$67,026,944	\$98,573,918	\$97,476,483	\$91,205,866	\$85,268,707
5 6 7	20 Year Amortization Annual Revenue Requirement on CapEx O&M related to capex	Attachment EDC-2-5-4, Page 1, Line 2 Attachment EDC-2-5-4, Page 1, Line 6	\$36,343,249 \$19,099,500	\$77,102,942 \$0	\$79,644,821 \$0	\$76,516,336 \$0	\$73,449,907 \$0
8	Total Revenue Requirement		\$55,442,749	\$77,102,942	\$79,644,821	\$76,516,336	\$73,449,907
9	30 Year Amortization Annual Revenue Requirement on CapEx O&M related to capex	Attachment EDC-2-5-5, Page 1, Line 2 Attachment EDC-2-5-5, Page 1, Line 6	\$32,347,738 \$19,099,500	\$69,446,384 \$0	\$72,804,307 \$0	\$70,442,828 \$0	\$68,143,406 \$0
11 12	Total Revenue Requirement		\$51,447,238	\$69,446,384	\$72,804,307	\$70,442,828	\$68,143,406

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-3 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - No CIP Fees Summary Illustrative Revenue Requirement - 10 Years

			Year 1	Year 2	Year 3	Year 4	Year 5
	_		(a)	(b)	(c)	(d)	(e)
1	Cumulative Net Historic Capital Adjustment						
2	Annual Revenue Requirement on CapEx	Page 2, Line (32)	\$47,927,444	\$98,573,918	\$97,476,483	\$91,205,866	\$85,268,707
3							
4	Cumulative Net CapEx Adjustment		\$47,927,444	\$98,573,918	\$97,476,483	\$91,205,866	\$85,268,707
5							
6	O&M related to capex		\$19,099,500	\$0	\$0	\$0	\$0
7							
8	Total		\$67,026,944	\$98,573,918	\$97,476,483	\$91,205,866	\$85,268,707

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-3 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Illustrative Revenue Requirement - 10 Years

	Year		<u>1</u> (a)	<u>2</u> (b)	3 (c)	4 (d)	<u>5</u> (e)
(1) (2)	Depreciable Plant Additions Distribution Plant Additions CIAC/CIP		\$496,587,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
(3)		PY Line (3) + CY Line (1) & (2)	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000
(4)	Cumulative Cost of Removal		\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
	Deferred Tax Calculation:						
(5)	Composite Book Depreciation Rate	Assumes 10 year	10.00%	10.00%	10.00%	10.00%	10.00%
	Vintage Year Tax Depreciation:						
(6)		Page 3, Line (31)	\$79,672,200	\$89,385,660	\$71,508,528	\$57,206,822	\$45,785,321
(7)	Cumulative Federal Tax Depreciation	PY Line (7) + CY Line (6)	\$79,672,200	\$169,057,860	\$240,566,388	\$297,773,210	\$343,558,531
(8)	State Tax Depreciation	Page 3, Line (46)	\$79,672,200	\$89,385,660	\$71,508,528	\$57,206,822	\$45,785,321
(9)	Cumulative State Tax Depreciation	PY Line (9) + CY Line (8)	\$79,672,200	\$169,057,860	\$240,566,388	\$297,773,210	\$343,558,531
		Year 1: Line (3) x Line (5) x 50%; Year 2					
(10)	Book Depreciation	and beyond: Line (3) x Line (5)	\$24,829,350	\$49,658,700	\$49,658,700	\$49,658,700	\$49,658,700
(11)	Cumulative Book Depreciation	PY Line (11) + CY Line (10)	\$24,829,350	\$74,488,050	\$124,146,750	\$173,805,450	\$223,464,150
(12)	Cumulative State Book / Tax Timer	Line (9) - Line (11)	\$54,842,850	\$94,569,810	\$116,419,638	\$123,967,760	\$120,094,381
	Effective State Tax Rate	(*)(**)	8.000%	8.000%	8.000%	8.000%	8.000%
(14)	Deferred State Tax Reserve	Line (12) x Line (13)	\$4,387,428	\$7,565,585	\$9,313,571	\$9,917,421	\$9,607,550
		FY18 NOL true-up plus 75% of FY19 NOL					
,	Less: State NOL	per tax return	\$0	\$0	\$0	\$0	\$0
(14b)	Net Deferred State Tax Reserve	Line (14) plus Line (14a)	\$4,387,428	\$7,565,585	\$9,313,571	\$9,917,421	\$9,607,550
. ,	Cumulative Federal Book / Tax Timer Effective Tax Rate	Line (7) - Line (11)	\$54,842,850 21.000%	\$94,569,810 21.000%	\$116,419,638 21.000%	\$123,967,760 21.000%	\$120,094,381 21.000%
. ,	Deferred Federal Tax Reserve	Line (15) x Line (16)	\$11,516,999	\$19,859,660	\$24,448,124	\$26,033,230	\$25,219,820
	Less: Federal deduction for Deferred State	If Line (14b) > \$0, Line (14b) * -21%,					
(18)	Taxes	otherwise \$0	(\$921,360)	(\$1,588,773)	(\$1,955,850)	(\$2,082,658)	(\$2,017,586)
		FY18 NOL true-up plus 75% of FY19 NOL					
. ,	Less: Federal NOL	per tax return		\$0	\$0	\$0	\$0
(20)	Net Deferred Federal Tax Reserve	Sum of Line (17) through Line (19)	\$10,595,639	\$18,270,887	\$22,492,274	\$23,950,572	\$23,202,235
(21)	Total Deferred Tax Reserve	Line (14b) + Line (20)	\$14,983,067	\$25,836,472	\$31,805,845	\$33,867,993	\$32,809,785
	Rate Base Calculation:						
(22)	Gross Plant Additions	Line (3)	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000
, ,	Accumulated Book Depreciation	- Line (11)	(\$24,829,350)	(\$74,488,050)	(\$124,146,750)	(\$173,805,450)	(\$223,464,150)
	Deferred Tax Reserve	- Line (21)	(\$14,983,067)	(\$25,836,472)	(\$31,805,845)	(\$33,867,993)	(\$32,809,785)
(25)	Cumulative Cost of Removal	- Line (4)	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
(26)	Year End Rate Base	Sum of Lines (22) through (25)	\$486,788,083	\$426,275,978	\$370,647,905	\$318,927,057	\$270,326,566
	Revenue Requirement Calculation:						
	revenue requirement careatation.	Year 1: Line (26) ÷ 2; Year 2 and beyond:					
(27)	Average Rate Base	(PY Line (26) + CY Line (26)) ÷ 2	\$243,394,041	\$456,532,030	\$398,461,941	\$344,787,481	\$294,626,811
(28)	Pre-Tax ROR	Page 5	9.49%	9.49%	9.49%	9.49%	9.49%
	Return and Taxes	Line (27) x Line (28)	\$23,098,094	\$43,324,890	\$37,814,038	\$32,720,332	\$27,960,084
(30)	Book Depreciation	Line (10)	\$24,829,350	\$49,658,700	\$49,658,700	\$49,658,700	\$49,658,700
		Year 1: \$0, Year 2: (PY Line (3) - PY Line (11)) x Prop Tax Rate ÷ 2, Year 3 and					
(2.1)	D T	beyond: (PY Line (3) - PY Line (11)) x Prop	,	05.500.050	010.000.57	00.004.05	OF (10.055
	Property Tax expense	Tax Rate 1	\$0	\$5,590,328	\$10,003,745	\$8,826,834	\$7,649,923
(32)	Annual Revenue Requirement	Sum of Lines (29) through (31)	\$47,927,444	\$98,573,918	\$97,476,483	\$91,205,866	\$85,268,707

1/ Property Tax Rate Calculation

'ear Plant in Service \$4,554,343,860 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1 Rate Year Accumulated Depreciation (\$1,783,103,879) DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
Rate Year Net Plant in Service \$2,771,239,981

Rate Year Property Tax Expense \$65,650,673 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 7, Page 1

Property Tax Rate

Massachusetts Electric Company DG Capital Investment Recovery Illustration Calculation of Tax Depreciation and Repairs Deduction - 10 Years

Year			1 (a)	<u>2</u> (b)	<u>3</u> (c)	<u>4</u> (d)	<u>5</u> (e)
Federal Tax Depreciation Capital Repairs Deduction (1) Plant Additions (2) Capital Repairs Deduction Rate (3) Capital Repairs Deduction	Page 2, Line (3) Tax Dept Line (1) x Line (2)	1/_	\$496,587,000 0.00% \$0	(0)	(6)	(4)	(6)
Bonus Depreciation (4) Plant Additions (5) Less Capital Repairs Deduction (6) Plant Additions Net of Capital Repairs Deduction	Line (1) Line (3) Line (4) - Line (5)	_	\$496,587,000 <u>\$0</u> \$496,587,000				
Remaining Tax Depreciation (7) Plant Additions (8) Less Capital Repairs Deduction (9) Less Bonus Depreciation (10) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (11) Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation (12) 10 YR MACRS Tax Depreciation Rates (13) Total Tax Depreciation on 10 YR MACRS assets	Line (1) Line (3) Line (6) Per Tax Dept Line (7) - (8) - (9) - (10) IRS Publication 946, Table A-1 Line (11) x Line (12)	1/	\$496,587,000 \$0 \$0 \$0 \$0 \$0 \$10.000 \$496,587,000 \$49,658,700	\$496,587,000 18.00% \$89,385,660	\$496,587,000 14.40% \$71,508,528	\$496,587,000 11.52% \$57,206,822	\$496,587,000 9.22% \$45,785,321
 (14) Plant Additions Subject to 39 Yr Straight Line Depreciation (15) 39 YR SL Depreciation Rates (16) Total Tax Depreciation on 39 YR SL assets 	Line (10) IRS Publication 946 Line (14) * Line (15)	_	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0
(17) Total Tax Depreciation and Repairs Deduction	Sum of Lines (3), (13), (16)	_	\$49,658,700	\$89,385,660	\$71,508,528	\$57,206,822	\$45,785,321
(18) Includable Cost of Removal	Page 2, Line (4)		\$30,013,500	\$0	\$0	\$0	\$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal	Line (17) through (18)	_	\$79,672,200	\$89,385,660	\$71,508,528	\$57,206,822	\$45,785,321
State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction	Line (1) Line (2) Line (20) x Line (21)	_	\$496,587,000 0.00% \$0				
Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation (27) 10 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 10 YR MACRS assets	Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27)	1/_	\$496,587,000 \$0 \$0 \$496,587,000 10.0000% \$49,658,700	\$496,587,000 18.0000% \$89,385,660	\$496,587,000 14.4000% \$71,508,528	\$496,587,000 11.5200% \$57,206,822	\$496,587,000 9.2200% \$45,785,321
 (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets 	Line (25) IRS Publication 946 Line (29) * Line (30)	_	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0
(32) Total Tax Depreciation and Repairs Deduction	Line (22) + Line (28) + Line (31)	_	\$49,658,700	\$89,385,660	\$71,508,528	\$57,206,822	\$45,785,321
(33) Includable Cost of Removal	Page 2, Line (4)	_	\$30,013,500	\$0	\$0	\$0	\$0
(34) Total State Tax Depreciation, Repairs Deduction and Cost of Removal	Line (32) + Line (33)	_	\$79,672,200	\$89,385,660	\$71,508,528	\$57,206,822	\$45,785,321

^{1/} Per FY 2019 Tax return

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-3 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration MACRS Table

MACRS DEPRECIATION BY CLASS OF PROPERTY

Year	3-year	5-year	7-year	10-year	15-year	20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
2	44.45	32	24.49	18%	9.5	7.219
3	14.81	19.2	17.49	14.40%	8.55	6.677
4	7.41	11.52	12.49	11.52%	7.7	6.177
5		11.52	8.93*	9.22%	6.93	5.713
6		5.76	8.92	7.37%	6.23	5.285
7			8.93	6.55%	5.9	4.888
8			4.46	6.55%	5.9	4.522
9				6.56%	5.91	4.462
10				6.55%	5.9	4.461
11				3.28%	5.9	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-3 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Cost of Capital

		Capital	Cost	Weighted		Pre-tax
	Description	Structure	Rate	Return	Taxes	Return
		(a)	(b)	$(c) = (a) \times (b)$	(d)	(e) = (c) + (d)
1 2	Long Term Debt	46.43%	5.22% 1/	2.42%		2.42%
3 4	Preferred Stock	0.08%	4.44% 1/	0.00%		0.00%
5 6	Total Common Equity	53.49%	9.60% 3/	5.14%	1.93% 2/	7.07%
7	Total Capitalization	100.00%		7.56%	1.93%	9.49%

- 1/ Company's Effective Cost of Long Term Debt and Preferred Stock
- 2/ Line 5(c) /(1-0.2732) Line 5(c)
- 3/ Per Docket No. 18-150 final order Page 497

Effective Tax Rate	From Jan 1, 2018
Federal Tax Rate	21.00%
State Tax Rate	8.00%
Federal Deduction for State Income Taxes	1.68%
State Tax, net of Federal Deduction	6.32%
Federal Tax Rate	21.00%
Effective Tax rate	27.32%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-4 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - No CIP Fees Summary Illustrative Revenue Requirement - 20 years

			Year 1	Year 2	Year 3	Year 4	Year 5
	•		(a)	(b)	(c)	(d)	(e)
1	Cumulative Net Historic Capital Adjustment						
2	Annual Revenue Requirement on Year 1 CapEx	Page 2, Line (32)	\$36,343,249	\$77,102,942	\$79,644,821	\$76,516,336	\$73,449,907
3							
4	Cumulative Net CapEx Adjustment		\$36,343,249	\$77,102,942	\$79,644,821	\$76,516,336	\$73,449,907
5							
6	O&M		\$19,099,500	\$0	\$0	\$0	\$0
7							
8	Total		\$55,442,749	\$77,102,942	\$79,644,821	\$76,516,336	\$73,449,907

Massachusetts Electric Company DG Capital Investment Recovery Illustration Illustrative Revenue Requirement - 20 Years

	Year		<u>1</u> (a)	<u>2</u> (b)	<u>3</u> (c)	4 (d)	<u>5</u> (e)
(1) Gros	reciable Plant Additions as Distribution Plant Additions CIAC		\$496,587,000 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
. ,	um. Gross Distribution Plant Additions	PY Line (3) + CY Line (1) & (2)	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000
(4) Cum	ulative Cost of Removal		\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
Defe	erred Tax Calculation:						
(5) Com	posite Book Depreciation Rate	Assumes 20 year	5.00%	5.00%	5.00%	5.00%	5.00%
(6) Fede	age Year Tax Depreciation: ral Tax Depreciation ulative Federal Tax Depreciation	Page 3, Line (31) PY Line (7) + CY Line (6)	\$48,635,513 \$48,635,513	\$35,848,616 \$84,484,129	\$33,157,114 \$117,641,243	\$30,674,179 \$148,315,422	\$28,370,015 \$176,685,437
	e Tax Depreciation sulative State Tax Depreciation	Page 3, Line (46) PY Line (9) + CY Line (8)	\$48,635,513 \$48,635,513	\$35,848,616 \$84,484,129	\$33,157,114 \$117,641,243	\$30,674,179 \$148,315,422	\$28,370,015 \$176,685,437
()	ī		,,.		, ,,,	, ,,,	, ,,,,,,,
	k Depreciation ulative Book Depreciation	Year 1: Line (3) x Line (5) x 50%; Year 2 and beyond: Line (3) x Line (5) PY Line (11) + CY Line (10)	\$12,414,675 \$12,414,675	\$24,829,350 \$37,244,025	\$24,829,350 \$62,073,375	\$24,829,350 \$86,902,725	\$24,829,350 \$111,732,075
. ,	ulative State Book / Tax Timer	Line (9) - Line (11)	\$36,220,838 8.000%	\$47,240,104 8.000%	\$55,567,868 8.000%	\$61,412,697 8.000%	\$64,953,362 8.000%
. /	erred State Tax Reserve	Line (12) x Line (13)	\$2,897,667	\$3,779,208	\$4,445,429	\$4,913,016	\$5,196,269
(14a) Less:	: State NOL	FY18 NOL true-up plus 75% of FY19 NOL per tax return	\$0	\$0	\$0	\$0	\$0
. ,	Deferred State Tax Reserve	Line (14) plus Line (14a)	\$2,897,667	\$3,779,208	\$4,445,429	\$4,913,016	\$5,196,269
. /	ulative Federal Book / Tax Timer	Line (7) - Line (11)	\$36,220,838 21.000%	\$47,240,104 21.000%	\$55,567,868 21.000%	\$61,412,697 21.000%	\$64,953,362 21.000%
	erred Federal Tax Reserve	Line (15) x Line (16)	\$7,606,376	\$9,920,422	\$11,669,252	\$12,896,666	\$13,640,206
Lecc	: Federal deduction for Deferred State						
(18) Taxe		If Line (14b) > \$0, Line (14b) * -21%, otherwise \$0 FY18 NOL true-up plus 75% of FY19 NOL per tax	(\$608,510)	(\$793,634)	(\$933,540)	(\$1,031,733)	(\$1,091,216)
. /	: Federal NOL Deferred Federal Tax Reserve	return Sum of Line (17) through Line (19)	\$6,997,866	\$9,126,788	\$0 \$10,735,712	\$0 \$11,864,933	\$0 \$12,548,990
(20) Net 1	Deterred Federal Tax Reserve	Sum of Line (17) through Line (19)	\$0,997,800	\$9,120,788	\$10,733,712	\$11,604,933	\$12,348,990
(21) Total	l Deferred Tax Reserve	Line (14b) + Line (20)	\$9,895,533	\$12,905,996	\$15,181,141	\$16,777,949	\$17,745,259
Rate	Base Calculation:						
	ss Plant Additions	Line (3)	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000
	umulated Book Depreciation erred Tax Reserve	- Line (11)	(\$12,414,675)	(\$37,244,025)	(\$62,073,375)	(\$86,902,725)	(\$111,732,075)
	ulative Cost of Removal	- Line (21) - Line (4)	(\$9,895,533) \$30,013,500	(\$12,905,996) \$30,013,500	(\$15,181,141) \$30,013,500	(\$16,777,949) \$30,013,500	(\$17,745,259) \$30,013,500
. ,	End Rate Base	Sum of Lines (22) through (25)	\$504,290,292	\$476,450,479	\$449,345,984	\$422,919,826	\$397,123,166
Reve	enue Requirement Calculation:						
(26) Aver	rage Rate Base	Year 1: Line (26) ÷ 2; Year 2 and beyond: (PY Line (26) + CY Line (26)) ÷ 2	\$252,145,146	\$490,370,385	\$462,898,231	\$436,132,905	\$410,021,496
(27) Pre-7		Page 5	9.49%	9.49%	9.49%	9.49%	9.49%
	rn and Taxes	Line (27) x Line (28)	\$23,928,574	\$46,536,150	\$43,929,042	\$41,389,013	\$38,911,040
(29) Book	k Depreciation	Line (10)	\$12,414,675	\$24,829,350	\$24,829,350	\$24,829,350	\$24,829,350
		Year 1: \$0, Year 2: (PY Line (3) - PY Line (11)) x Prop Tax Rate ÷ 2, Year 3 and beyond: (PY Line (3) -					
(30) Prop	erty Tax expense	PY Line (11)) x Prop Tax Rate 1/	\$0	\$5,737,442	\$10,886,429	\$10,297,973	\$9,709,517
(31) Annu	ual Revenue Requirement	Sum of Lines (29) through (31)	\$36,343,249	\$77,102,942	\$79,644,821	\$76,516,336	\$73,449,907

1/ Property Tax Rate Calculation
Rate Year Plant in Service \$4,554,343,860 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1 Rate Year Accumulated Depreciation (\$1,783,103,879) DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1 Rate Year Net Plant in Service \$2,771,239,981

\$65,650,673 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 7, Page 1 Rate Year Property Tax Expense

Property Tax Rate 2.37%

Massachusetts Electric Company DG Capital Investment Recovery Illustration Calculation of Tax Depreciation and Repairs Deduction - 20 Years

Page Line Capital Regram Deduction Rate Line Capital Regram Deduction		Year			1 (a)	<u>2</u> (b)	3 (c)	4 (d)	<u>5</u> (e)
					(u)	(0)	(6)	(a)	(6)
Bame Depreciation Line (1) x Line (2) So So So So So So So S	(1) I	Plant Additions	Page 2, Line (3)		\$496,587,000				
	(2)	Capital Repairs Deduction Rate	Tax Dept	1/					
1 mit Additions Line (1)	(3)	Capital Repairs Deduction	Line (1) x Line (2)		\$0				
Signate Sign	_								
Remaining Tax_Despeciation	. ,		* /						
Remaining Tax Depreciation				_					
Column C	(6) I	Plant Additions Net of Capital Repairs Deduction	Line (4) - Line (5)		\$496,587,000				
Sea Lase Carpital Repairs Deduction Line (3) So Per Tax Dept Line (6) So So Per Tax Dept Line (6) So So Per Tax Dept So So So So So So So S									
0 1.8s Bouns Depreciation Line (6) S0 Color	. ,		* /						
(1) Less Plant Additions Subject to 39 Yr Straight Line Depreciation Per Tax Dept 1 30 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000 3496.587,000			* /						
1									
1 20 YN R MACRS Tax Depreciation Rates IRS Publication 946, Table A-1 3.7500% 2.190% 6.670% 6.170% 5.7130% (13) Total Tax Depreciation on 20 YR MACRS assets Line (11) x Line (12) \$18,622,013 \$35,848,616 \$33,157,114 \$30,674,179 \$28,370,015 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00 \$1.00			-	1/					
13 Total Tax Depreciation on 20 YR MACRS assets Line (11) x Line (12) S18,622,013 S18,648,616 S33,157,114 S30,674,179 S28,370,015 14 Plant Additions Subject to 39 YR SL assets Line (14) * Line (15) S0 S0 S0 S0 S0 S0 S0 S									
1. Plant Additions Subject to 39 Yr Straight Line Depreciation Line (10) Line (14) * Line (15) Sy YR SL Depreciation Rates Line (14) * Line (15) Line (14) * Line (15) So So So So So So So S				-					
185 Publication 946 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.	(13)	I otal Tax Depreciation on 20 YR MACRS assets	Line (11) x Line (12)		\$18,622,013	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Column C			` /						
(17) Total Tax Depreciation and Repairs Deduction Sum of Lines (3), (13), (16) \$18,622,013 \$35,848,616 \$33,157,114 \$30,674,179 \$28,370,015 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10 \$10		•		-					
Page 2, Line (4) \$30,013,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0	(16)	I otal Tax Depreciation on 39 YR SL assets	Line (14) * Line (15)		\$0	20	20	\$0	\$0
State Tax Deduction Line (17) through (18) \$48.635,513 \$33,848.616 \$33,157,114 \$30,674,179 \$228,370,015	(17)	Total Tax Depreciation and Repairs Deduction	Sum of Lines (3), (13), (16)	-	\$18,622,013	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
State Tax Deduction C20 Plant Additions Line (1) S496,587,000 C21 Capital Repairs Deduction Rate Line (2) Line (20) x Line (21) S0	(18) I	ncludable Cost of Removal	Page 2, Line (4)		\$30,013,500	\$0	\$0	\$0	\$0
Can Plant Additions Line (1) S496,587,000 Can Ca	(19)	Total Federal Tax Depreciation Repairs Deduction and Cost of Removal							
Capital Repairs Deduction Rate Line (2) 0.00%	(17)	Tour Fourth That Beprevation, respins Bedavior and Cost of Removal	Line (17) through (18)	=	\$48,635,513	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Capital Repairs Deduction Rate Line (2) 0.00%	(-)		Line (17) through (18)	=	\$48,635,513	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Line (20) x Line (21) S0 S0 S0 S0 S0 S0 S0 S	5	State Tax Deduction		=	, ,	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Case Plant Additions Line (20) S496,587,000 Case	(20) I	State Tax Deduction	Line (1)	=	\$496,587,000	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Line (22) Less Capital Repairs Deduction Line (22) S0 Per Tax Dept 1 S0 S496,587,000 S496,587	(20) I (21) C	State Tax Deduction Plant Additions Capital Repairs Deduction Rate	Line (1) Line (2)	=	\$496,587,000 0.00%	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
25 Less Plant Additions Subject to 39 Yr Straight Line Depreciation Per Tax Dept 1/	(20) I (21) Q (22) Q	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction	Line (1) Line (2)	-	\$496,587,000 0.00%	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Care	(20) II (21) ((22) (State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation	Line (1) Line (2) Line (20) x Line (21)	-	\$496,587,000 0.00% \$0	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
RS Publication 946, Table A-1 3.7500% 7.2190% 6.6770% 6.1770% 5.7130%	(20) H (21) G (22) G (23) H	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions	Line (1) Line (2) Line (20) x Line (21) Line (20)	-	\$496,587,000 0.00% \$0	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
Case Total Tax Depreciation on 20 YR MACRS assets Line (26) x Line (27) \$18,622,013 \$35,848,616 \$33,157,114 \$30,674,179 \$28,370,015	(20) F (21) C (22) C (23) F (24) I	State Tax Deduction Plant Additions Lapital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22)	-	\$496,587,000 0.00% \$0 \$496,587,000 \$0	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
(29) Plant Additions Subject to 39 Yr Straight Line Depreciation Line (25) \$0 \$0 \$0 \$0 \$0 (30) 39 YR SL Depreciation Rates IRS Publication 946 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641%<	(20) I (21) ((22) ((23) I (24) I (25) I	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction Less Plant Additions Subject to 39 Yr Straight Line Depreciation	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept	- 1/_	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0				
(30) 39 YR SL Depreciation Rates IRS Publication 946 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% <td>(20) I (21) C (22) C <u>I</u> (23) I (24) I (25) I (26) I</td> <td>State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction Less Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation</td> <td>Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25)</td> <td>- 1/_</td> <td>\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0 \$496,587,000</td> <td>\$496,587,000</td> <td>\$496,587,000</td> <td>\$496,587,000</td> <td>\$496,587,000</td>	(20) I (21) C (22) C <u>I</u> (23) I (24) I (25) I (26) I	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction Less Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25)	- 1/_	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0 \$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000
(31) Total Tax Depreciation on 39 YR SL assets Line (29) * Line (30) \$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 \$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 \$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	(20) II (21) (22) (22) (23) II (23) II (24) II (25) II (26) II (27) 2	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction Less Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation Remaining Plant Additions Rates	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1	1/_	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$496,587,000 3.7500%	\$496,587,000 7.2190%	\$496,587,000 6.6770%	\$496,587,000 6.1770%	\$496,587,000 5.7130%
(32) Total Tax Depreciation and Repairs Deduction Line (22) + Line (28) + Line (31) S18,622,013 \$35,848,616 \$33,157,114 \$30,674,179 \$28,370,015 (33) Includable Cost of Removal Page 2, Line (4) \$30,013,500 \$0 \$0 \$0 \$0	(20) I (21) C (22) C I (23) I (24) I (25) I (26) I (27) 2 (28) T	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction Less Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation To YR MACRS Tax Depreciation Rates Total Tax Depreciation on 20 YR MACRS assets	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27)	1/_	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$496,587,000 3.7500% \$18,622,013	\$496,587,000 7.2190% \$35,848,616	\$496,587,000 6.6770% \$33,157,114	\$496,587,000 6.1770% \$30,674,179	\$496,587,000 5.7130% \$28,370,015
(33) Includable Cost of Removal Page 2, Line (4) \$30,013,500 \$0 \$0 \$0 \$0	(20) I (21) C (22) C I (23) I (24) I (25) I (26) I (27) 2 (28) I	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Less Capital Repairs Deduction Less Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation 20 YR MACRS Tax Depreciation Rates Total Tax Depreciation on 20 YR MACRS assets Plant Additions Subject to 39 Yr Straight Line Depreciation	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25)	1/_	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$496,587,000 3.7500% \$18,622,013	\$496,587,000 7.2190% \$35,848,616 \$0 2.5641%	\$496,587,000 \$6,6770% \$33,157,114 \$0 2.5641%	\$496,587,000 6.1770% \$30,674,179 \$0 2.5641%	\$496,587,000 \$5.7130% \$28,370,015 \$0 2.5641%
	(20) I (21) C (22) C I (23) I (24) I (25) I (26) I (27) 2 (28) 7 (29) I (30) 3	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Cess Capital Repairs Deduction Cess Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation Remaining Plant Additions Rates Total Tax Depreciation on 20 YR MACRS assets Plant Additions Subject to 39 Yr Straight Line Depreciation By YR SL Depreciation Rates	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946	I/_ -	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$496,587,000 3.7500% \$18,622,013	\$496,587,000 7.2190% \$35,848,616 \$0 2.5641%	\$496,587,000 \$6,6770% \$33,157,114 \$0 2.5641%	\$496,587,000 6.1770% \$30,674,179 \$0 2.5641%	\$496,587,000 \$5.7130% \$28,370,015 \$0 2.5641%
(34) Total State Tax Depreciation, Repairs Deduction and Cost of Removal Line (32) + Line (33) \$48,635,513 \$35,848,616 \$33,157,114 \$30,674,179 \$28,370,015	(20) I (21) C (22) C (23) I (24) I (25) I (26) I (27) 2 (28) T (29) I (30) 3 (31) T	State Tax Deduction Plant Additions Papital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Plant Additions Less Capital Repairs Deduction Remaining Plant Additions Subject to 39 Yr Straight Line Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation Plant Additions Subject to 39 Yr Straight Line Depreciation	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (25) IRS Publication 946 Line (29) * Line (30)	1/_ -	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0 \$496,587,000 3.7500% \$18,622,013 \$0 2.5641% \$0	\$496,587,000 7.2190% \$35,848,616 \$0 2.5641% \$0	\$496,587,000 6.6770% \$33,157,114 \$0 2.5641% \$0	\$496,587,000 6.1770% \$30,674,179 \$0 2.5641% \$0	\$496,587,000 5.7130% \$28,370,015 \$0 2.5641% \$0
	(20) F (21) C (22) C (22) C (23) F (24) F (25) F (27) F (27) F (28) F (27) F (28) F (28) F (29) F (30) F (32) F (3	State Tax Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction Remaining Tax Depreciation Plant Additions Cess Capital Repairs Deduction Cess Plant Additions Cess Plant Additions Subject to 39 Yr Straight Line Depreciation Cemaining Plant Additions Subject to 20 YR MACRS Tax Depreciation COMPRIMACRS Tax Depreciation Rates Cotal Tax Depreciation on 20 YR MACRS assets Plant Additions Subject to 39 Yr Straight Line Depreciation COMPRIMACRS Tax Depreciation Rates Cotal Tax Depreciation Rates Cotal Tax Depreciation on 39 YR SL assets Cotal Tax Depreciation and Repairs Deduction	Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30) Line (22) + Line (28) + Line (31)	1/_ - -	\$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0 \$496,587,000 3.7500% \$18,622,013 \$0 2.5641% \$0 \$18,622,013	\$496,587,000 7.2190% \$35,848,616 \$0 2.5641% \$0 \$35,848,616	\$496,587,000 \$6,6770% \$33,157,114 \$0 2.5641% \$0 \$33,157,114	\$496,587,000 \$6,1770% \$30,674,179 \$0 2.5641% \$0 \$30,674,179	\$496,587,000 \$5.7130% \$28,370,015 \$0 2.5641% \$0 \$28,370,015

^{1/} Per FY 2019 Tax return

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-4 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration MACRS Table

MACRS DEPRECIATION BY CLASS OF PROPERTY

Year	3-year	5-year	7-year	10-year	15-year	20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
2	44.45	32	24.49	18	9.5	7.219
3	14.81	19.2	17.49	14.4	8.55	6.677
4	7.41	11.52	12.49	11.52	7.7	6.177
5		11.52	8.93	9.22	6.93	5.713
6		5.76	8.92	7.37	6.23	5.285
7			8.93	6.55	5.9	4.888
8			4.46	6.55	5.9	4.522
9				6.56	5.91	4.462
10				6.55	5.9	4.461
11				3.28	5.9	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-4 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Cost of Capital

	Description	Capital Structure (a)	Cost Rate (b)	Weighted Return $(c) = (a) x (b)$	Taxes (d)	Pre-tax Return $(e) = (c) + (d)$
1 2	Long Term Debt	46.43%	5.22% 1/	2.42%		2.42%
3	Preferred Stock	0.08%	4.44% 1/	0.00%		0.00%
5	Total Common Equity	53.49%	9.60% 3/	5.14%	1.93% 2/	7.07%
6 7	Total Capitalization	100.00%		7.56%	1.93%	9.49%

- 1/ Company's Effective Cost of Long Term Debt and Preferred Stock
- 2/ Line 5(c) /(1-0.2732) Line 5(c)
- 3/ Per Docket No. 18-150 final order Page 497

	From Jan 1,
Effective Tax Rate	2018
Federal Tax Rate	21.00%
State Tax Rate	8.00%
Federal Deduction for State Income Taxes	1.68%
State Tax, net of Federal Deduction	6.32%
Federal Tax Rate	21.00%
Effective Tax rate	27.32%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-5 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - No CIP Fees Summary Illustrative Revenue Requirement - 30 years

			Year 1	Year 2	Year 3	Year 4	Year 5
			(a)	(b)	(c)	(d)	(e)
1	Cumulative Net Historic Capital Adjustment						
2 3	Annual Revenue Requirement on Year 1 CapEx	Page 2, Line (32)	\$32,347,738	\$69,446,384	\$72,804,307	\$70,442,828	\$68,143,406
4	Cumulative Net CapEx Adjustment		\$32,347,738	\$69,446,384	\$72,804,307	\$70,442,828	\$68,143,406
5	2.216		***				**
6 7	O&M		\$19,099,500	\$0	\$0	\$0	\$0
8	Total		\$51,447,238	\$69,446,384	\$72,804,307	\$70,442,828	\$68,143,406

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-5 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Illustrative Revenue Requirement - 30 Years

	Year		1 (a)	<u>2</u> (b)	3 (c)	4 (d)	<u>5</u> (e)
(/	Depreciable Plant Additions Gross Distribution Plant Additions GRAGALG		\$496,587,000	\$0	\$0	\$0	\$0
	CIP/CIAC Accum. Gross Distribution Plant Additions	PY Line (3) + CY Line (1) & (2)	\$0 \$496,587,000	\$0 \$496,587,000	\$0 \$496,587,000	\$0 \$496,587,000	\$0 \$496,587,000
(4)			020.012.500	620.012.500	620.012.500	620.012.500	020 012 500
(4)	Cumulative Cost of Removal		\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
	Deferred Tax Calculation:						
(5)	Composite Book Depreciation Rate	Assumes 30 year	3.33%	3.33%	3.33%	3.33%	3.33%
	Vintage Year Tax Depreciation:						
(6) (7)	Federal Tax Depreciation Cumulative Federal Tax Depreciation	Page 3, Line (31) PY Line (7) + CY Line (6)	\$48,635,513 \$48,635,513	\$35,848,616 \$84,484,129	\$33,157,114 \$117,641,243	\$30,674,179 \$148,315,422	\$28,370,015 \$176,685,437
(7)	Cumulative I cuerar Tax Depreciation	T I Ellie (7) + C I Ellie (0)	\$40,033,313	\$64,464,127	\$117,041,243	\$170,313,722	\$170,005,457
(8)	State Tax Depreciation	Page 3, Line (46)	\$48,635,513	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
(9)	Cumulative State Tax Depreciation	PY Line (9) + CY Line (8)	\$48,635,513	\$84,484,129	\$117,641,243	\$148,315,422	\$176,685,437
		Year 1: Line (3) x Line (5) x 50%; Year 2 and					
	Book Depreciation	beyond: Line (3) x Line (5)	\$8,276,450	\$16,552,900	\$16,552,900	\$16,552,900	\$16,552,900
(11)	Cumulative Book Depreciation	PY Line (11) + CY Line (10)	\$8,276,450	\$24,829,350	\$41,382,250	\$57,935,150	\$74,488,050
(12)	Cumulative State Book / Tax Timer	Line (9) - Line (11)	\$40,359,063	\$59,654,779	\$76,258,993	\$90,380,272	\$102,197,387
	Effective State Tax Rate	<u>-</u>	8.000%	8.000%	8.000%	8.000%	8.000%
(14)	Deferred State Tax Reserve	Line (12) x Line (13)	\$3,228,725	\$4,772,382	\$6,100,719	\$7,230,422	\$8,175,791
		FY18 NOL true-up plus 75% of FY19 NOL					
	Less: State NOL	per tax return	\$0	\$0	\$0	\$0	\$0
(146	Net Deferred State Tax Reserve	Line (14) plus Line (14a)	\$3,228,725	\$4,772,382	\$6,100,719	\$7,230,422	\$8,175,791
(15)	Cumulative Federal Book / Tax Timer	Line (7) - Line (11)	\$40,359,063	\$59,654,779	\$76,258,993	\$90,380,272	\$102,197,387
	Effective Tax Rate	Line (15) - Line (10)	21.000% \$8,475,403	21.000% \$12,527,504	21.000% \$16,014,389	21.000% \$18,979,857	\$21,461,451
(17)	Deferred Federal Tax Reserve	Line (15) x Line (16)	\$8,475,405	\$12,327,304	\$10,014,389	\$18,979,837	\$21,461,431
	Less: Federal deduction for Deferred State	If Line (14b) > \$0, Line (14b) * -21%,					
(18)	Taxes	otherwise \$0	(\$678,032)	(\$1,002,200)	(\$1,281,151)	(\$1,518,389)	(\$1,716,916)
(19)	Less: Federal NOL	FY18 NOL true-up plus 75% of FY19 NOL per tax return	_	\$0	\$0	\$0	\$0
	Net Deferred Federal Tax Reserve	Sum of Line (17) through Line (19)	\$7,797,371	\$11,525,304	\$14,733,238	\$17,461,468	\$19,744,535
(21)	Total Deferred Tax Reserve	Line (14b) + Line (20)	\$11,026,096	\$16,297,686	\$20,833,957	\$24,691,890	\$27,920,326
(21)	Total Deferred Tax Reserve	Ellie (140) + Ellie (20)	\$11,020,070	\$10,277,000	\$20,633,737	\$24,071,070	\$21,720,320
	Rate Base Calculation:						
	Gross Plant Additions	Line (3)	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000	\$496,587,000
	Accumulated Book Depreciation Deferred Tax Reserve	- Line (11) - Line (21)	(\$8,276,450) (\$11,026,096)	(\$24,829,350) (\$16,297,686)	(\$41,382,250) (\$20,833,957)	(\$57,935,150) (\$24,691,890)	(\$74,488,050) (\$27,920,326)
	Cumulative Cost of Removal	- Line (21) - Line (4)	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
	Year End Rate Base	Sum of Lines (22) through (25)	\$507,297,954	\$485,473,464	\$464,384,293	\$443,973,460	\$424,192,124
	Revenue Requirement Calculation:	_					
		Year 1: Line (26) ÷ 2; Year 2 and beyond: (PY					
	Average Rate Base	Line (26) + CY Line (26)) ÷ 2	\$253,648,977	\$496,385,709	\$474,928,879	\$454,178,876	\$434,082,792
	Pre-Tax ROR Return and Taxes	Page 5	9.49% \$24,071,288	9.49% \$47,107,004	9.49% \$45,070,751	9.49% \$43,101,575	9.49% \$41,194,457
	Book Depreciation	Line (27) x Line (28) Line (10)	\$8,276,450	\$16,552,900	\$16,552,900	\$16,552,900	\$16,552,900
		Year 1: \$0, Year 2: (PY Line (3) - PY Line					
(30)	Property Tax expense	(11)) x Prop Tax Rate ÷ 2, Year 3 and beyond: (PY Line (3) - PY Line (11)) x Prop Tax Rate 1/	\$0	\$5,786,480	\$11,180,656	\$10,788,353	\$10,396,049
	Annual Revenue Requirement	_					
(31)	Annual Revenue Requirement	Sum of Lines (29) through (31)	\$32,347,738	\$69,446,384	\$72,804,307	\$70,442,828	\$68,143,406

1/ Property Tax Rate Calculation

Year Plant in Service \$4,554,343,860 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1 Rate Year Accumulated Depreciation (\$1,783,103,879) DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
Rate Year Net Plant in Service \$2,771,239,981

\$65,650,673 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 7, Page 1 Rate Year Property Tax Expense

Property Tax Rate 2.37%

Massachusetts Electric Company DG Capital Investment Recovery Illustration Calculation of Tax Depreciation and Repairs Deduction -30 Years

Year			1 (a)	<u>2</u> (b)	3 (c)	4 (d)	<u>5</u> (e)
Federal Tax Depreciation Capital Repairs Deduction (1) Plant Additions (2) Capital Repairs Deduction Rate (3) Capital Repairs Deduction	Page 2, Line (3) Tax Dept Line (1) x Line (2)	1/ _	\$496,587,000 0.00% \$0	(6)	(6)	(u)	(6)
Bonus Depreciation (4) Plant Additions (5) Less Capital Repairs Deduction (6) Plant Additions Net of Capital Repairs Deduction	Line (1) Line (3) Line (4) - Line (5)	_	\$496,587,000 \$0 \$496,587,000				
Remaining Tax Depreciation (7) Plant Additions (8) Less Capital Repairs Deduction (9) Less Bonus Depreciation (10) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (11) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (12) 20 YR MACRS Tax Depreciation Rates (13) Total Tax Depreciation on 20 YR MACRS assets	Line (1) Line (3) Line (6) Per Tax Dept Line (7) - (8) - (9) - (10) IRS Publication 946, Table A-1 Line (11) x Line (12)	1/	\$496,587,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$496,587,000 7.2190% \$35,848,616	\$496,587,000 6.6770% \$33,157,114	\$496,587,000 6.1770% \$30,674,179	\$496,587,000 5.7130% \$28,370,015
 (14) Plant Additions Subject to 39 Yr Straight Line Depreciation (15) 39 YR SL Depreciation Rates (16) Total Tax Depreciation on 39 YR SL assets 	Line (10) IRS Publication 946 Line (14) * Line (15)	_	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0
(17) Total Tax Depreciation and Repairs Deduction	Sum of Lines (3), (13), (16)	_	\$18,622,013	\$35,848,616	\$33,157,114	\$30,674,179	\$28,370,015
(18) Includable Cost of Removal	Page 2, Line (4)	_	\$30,013,500	\$0	\$0	\$0	\$0
(18) Includable Cost of Removal (19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal	Page 2, Line (4) Line (17) through (18)	- =	\$30,013,500 \$48,635,513	\$0 \$35,848,616	\$0 \$33,157,114	\$0 \$30,674,179	\$0 \$28,370,015
		- -					
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate	Line (17) through (18) Line (1) Line (2)	1/_	\$48,635,513 \$496,587,000 0.00%				
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1	1/_	\$48,635,513 \$496,587,000 0.00% \$0 \$496,587,000 \$0 \$496,587,000 3.7500%	\$35,848,616 \$496,587,000 7.2190%	\$33,157,114 \$496,587,000 6.6770%	\$30,674,179 \$496,587,000 6.1770%	\$28,370,015 \$496,587,000 5.7130%
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946	1/	\$48,635,513 \$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0 \$496,587,000 3.7500% \$18,622,013 \$0 2.5641%	\$35,848,616 \$496,587,000 7.2190% \$35,848,616 \$0 2.5641%	\$496,587,000 6.6770% \$33,157,114 \$0 2.5641%	\$30,674,179 \$496,587,000 6.1770% \$30,674,179 \$0 2.5641%	\$28,370,015 \$496,587,000 5.7130% \$28,370,015 \$0 2.5641%
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30)	1/_ - -	\$48,635,513 \$496,587,000 0.00% \$0 \$496,587,000 \$0 \$0 \$0 \$0 \$18,622,013 \$0 2.5641% \$0	\$35,848,616 \$496,587,000 7.2190% \$35,848,616 \$0 2.5641% \$0	\$496,587,000 6.6770% \$33,157,114 \$0 2.5641% \$0	\$30,674,179 \$496,587,000 6.1770% \$30,674,179 \$0 2.5641% \$0	\$28,370,015 \$496,587,000 5.7130% \$28,370,015 \$0 2.5641% \$0

1/ Per FY 2019 Tax return

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-5 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration MACRS Table

MACRS DEPRECIATION BY CLASS OF PROPERTY

Year	3-year	5-year	7-year	10-year	15-year	20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
2	44.45	32	24.49	18	9.5	7.219
3	14.81	19.2	17.49	14.4	8.55	6.677
4	7.41	11.52	12.49	11.52	7.7	6.177
5		11.52	8.93	9.22	6.93	5.713
6		5.76	8.92	7.37	6.23	5.285
7			8.93	6.55	5.9	4.888
8			4.46	6.55	5.9	4.522
9				6.56	5.91	4.462
10				6.55	5.9	4.461
11				3.28	5.9	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-5 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Cost of Capital

	Description	Capital Structure (a)	Cost Rate (b)	Weighted Return $(c) = (a) x (b)$	Taxes (d)	Pre-tax Return $(e) = (c) + (d)$
1 2	Long Term Debt	46.43%	5.22% 1/	2.42%		2.42%
3 4	Preferred Stock	0.08%	4.44% 1/	0.00%		0.00%
5	Total Common Equity	53.49%	9.60% 3/	5.14%	1.93% 2/	7.07%
7	Total Capitalization	100.00%		7.56%	1.93%	9.49%

- 1/ Company's Effective Cost of Long Term Debt and Preferred Stock
- 2/ Line 5(c) /(1-0.2732) Line 5(c)
- 3/ Per Docket No. 18-150 final order Page 497

Effective Tax Rate	From Jan 1, 2018
Federal Tax Rate	21.00%
State Tax Rate	8.00%
Federal Deduction for State Income Taxes	1.68%
State Tax, net of Federal Deduction	6.32%
Federal Tax Rate	21.00%
Effective Tax rate	27.32%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-6 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Summary of Illustrative Bill Impacts - 10 Years 10, 20, and 30 Year Amortization

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
(1) Illustrative % Increase @ 10 Year Amortization	1.24%	0.25%	-0.10%	-0.18%	-0.17%	-0.15%	-0.13%	-0.13%	-0.14%	-0.15%
(2) Illustrative % Increase @ 20 Year Amortization	1.06%	0.12%	-0.02%	-0.11%	-0.11%	-0.10%	-0.09%	-0.09%	-0.09%	-0.10%
(3) Illustrative % Increase @ 30 Year Amortization	1.00%	0.06%	-0.01%	-0.09%	-0.09%	-0.09%	-0.07%	-0.07%	-0.07%	-0.09%

⁽¹⁾ Page 2, Line (11) (2) Page 3, Line (11) (3) Page 4, Line (11)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-6 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Illustrative Factor and Residential Bill Impact - 10 Years Assuming 10 Year Amortization

	-	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
(1)	Total Annual Recovery	\$48,518,984	\$58,755,479	\$54,701,428	\$47,638,081	\$40,897,167	\$34,948,474	\$29,744,954	\$24,602,609	\$19,499,690	\$13,567,250
(2)	Residential Distribution Revenue Allocator	<u>57.7%</u>	<u>57.7%</u>	57.7%	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	57.7%	<u>57.7%</u>	<u>57.7%</u>
(3)	Total Allocated Residential Recovery	\$27,995,454	\$33,901,911	\$31,562,724	\$27,487,173	\$23,597,665	\$20,165,269	\$17,162,838	\$14,195,705	\$11,251,321	\$7,828,303
(4)	Forecasted Annual Residential kWh	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508
(5)	Illustrative Annual Factor	\$0.00345	\$0.00417	\$0.00389	\$0.00338	\$0.00290	\$0.00248	\$0.00211	\$0.00175	\$0.00138	\$0.00096
(6)	Illustrative Incremental Change in Factor	\$0.00345	\$0.00072	(\$0.00028)	(\$0.00051)	(\$0.00048)	(\$0.00042)	(\$0.00037)	(\$0.00036)	(\$0.00037)	(\$0.00042)
(7)	Monthly Residential kWh Deliveries	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
(8)	Year-Over-Year Illustrative Increase in Monthly Bill	\$1.73	\$0.36	(\$0.14)	(\$0.26)	(\$0.24)	(\$0.21)	(\$0.19)	(\$0.18)	(\$0.19)	(\$0.21)
(9)	Residential Monthly Bill at Start of Year	<u>\$139.56</u>	<u>\$141.29</u>	<u>\$141.65</u>	<u>\$141.51</u>	<u>\$141.25</u>	\$141.01	\$140.80	<u>\$140.61</u>	<u>\$140.43</u>	<u>\$140.24</u>
(10)	Illustrative Residential Monthly Bill	\$141.29	\$141.65	\$141.51	\$141.25	\$141.01	\$140.80	\$140.61	\$140.43	\$140.24	\$140.03
(11)	Illustrative % Increase	1.24%	0.25%	-0.10%	-0.18%	-0.17%	-0.15%	-0.13%	-0.13%	-0.14%	-0.15%

⁽¹⁾ Attachment EDC-2-5-7, Line 4

⁽²⁾ Currently effective R-1/R-2 Distribution Revenue Allocator percentage

⁽³⁾ Line (1) x Line (2)

⁽⁴⁾ Company forecast for for the furthest year in the Company's forecast (calendar year 2025)

⁽⁵⁾ Line (3) ÷ Line (4), trucated to 5 decimal places

⁽⁶⁾ Line (5) - Line (5) from prior year

^{(7) 500} kWh

⁽⁸⁾ Line (6) x Line (7)

⁽⁹⁾ Year 1: Page 5; all other years: prior year Line 16

⁽¹⁰⁾ Line (8) + Line (9)

⁽¹¹⁾ Line (8) ÷ Line (9)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-6 Page 3 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Illustrative Factor and Residential Bill Impact - 10 Years Assuming 20 Year Amortization

	_										
	_	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
(1)	Total Annual Recovery	\$41,506,957	\$46,179,966	\$45,127,443	\$40,687,809	\$36,339,861	\$32,468,385	\$29,080,368	\$25,706,654	\$22,335,992	\$18,306,895
(2)	Residential Distribution Revenue Allocator	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	57.7%	<u>57.7%</u>	<u>57.7%</u>
(3)	Total Allocated Residential Recovery	\$23,949,514	\$26,645,840	\$26,038,535	\$23,476,866	\$20,968,100	\$18,734,258	\$16,779,372	\$14,832,739	\$12,887,867	\$10,563,078
(4)	Forecasted Annual Residential kWh	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508
(5)	Illustrative Annual Factor	\$0.00295	\$0.00328	\$0.00321	\$0.00289	\$0.00258	\$0.00230	\$0.00206	\$0.00182	\$0.00158	\$0.00130
(6)	Illustrative Incremental Change in Factor	\$0.00295	\$0.00033	(\$0.00007)	(\$0.00032)	(\$0.00031)	(\$0.00028)	(\$0.00024)	(\$0.00024)	(\$0.00024)	(\$0.00028)
(7)	Monthly Residential kWh Deliveries	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
(8)	Year-Over-Year Illustrative Increase in Monthly Bill	\$1.48	\$0.17	(\$0.03)	(\$0.16)	(\$0.16)	(\$0.14)	(\$0.12)	(\$0.12)	(\$0.12)	(\$0.14)
(9)	Residential Monthly Bill at Start of Year	<u>\$139.56</u>	<u>\$141.04</u>	\$141.21	<u>\$141.18</u>	<u>\$141.02</u>	\$140.86	<u>\$140.72</u>	\$140.60	<u>\$140.48</u>	<u>\$140.36</u>
(10)	Illustrative Residential Monthly Bill	\$141.04	\$141.21	\$141.18	\$141.02	\$140.86	\$140.72	\$140.60	\$140.48	\$140.36	\$140.22
(11)	Illustrative % Increase	1.06%	0.12%	-0.02%	-0.11%	-0.11%	-0.10%	-0.09%	-0.09%	-0.09%	-0.10%

- (1) Attachment EDC-2-5-7, Line 8
- (2) Currently effective R-1/R-2 Distribution Revenue Allocator percentage
- (3) Line (1) x Line (2)
- (4) Company forecast for for the furthest year in the Company's forecast (calendar year 2025)
- (5) Line (3) ÷ Line (4), trucated to 5 decimal places
- (6) Line (5) Line (5) from prior year
- (7) 500 kWh
- (8) Line (6) x Line (7)
- (9) Year 1: Page 5; all other years: prior year Line 16
- (10) Line (8) + Line (9)
- (11) Line (8) ÷ Line (9)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-6 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Illustrative Factor and Residential Bill Impact - 10 Years Assuming 30 Year Amortization

	-	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
(1)	Total Annual Recovery	\$39,088,435	\$41,694,363	\$41,423,141	\$37,714,035	\$34,073,584	\$30,841,772	\$28,026,148	\$25,212,427	\$22,388,900	\$18,967,367
(2)	Residential Distribution Revenue Allocator	<u>57.7%</u>	<u>57.7%</u>	57.7%	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	<u>57.7%</u>	57.7%	<u>57.7%</u>	<u>57.7%</u>
(3)	Total Allocated Residential Recovery	\$22,554,027	\$24,057,647	\$23,901,152	\$21,760,998	\$19,660,458	\$17,795,702	\$16,171,087	\$14,547,570	\$12,918,395	\$10,944,171
(4)	Forecasted Annual Residential kWh	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508	8,111,041,508
(5)	Illustrative Annual Factor	\$0.00278	\$0.00296	\$0.00294	\$0.00268	\$0.00242	\$0.00219	\$0.00199	\$0.00179	\$0.00159	\$0.00134
(6)	Illustrative Incremental Change in Factor	\$0.00278	\$0.00018	(\$0.00002)	(\$0.00026)	(\$0.00026)	(\$0.00023)	(\$0.00020)	(\$0.00020)	(\$0.00020)	(\$0.00025)
(7)	Monthly Residential kWh Deliveries	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>	<u>500</u>
(8)	Year-Over-Year Illustrative Increase in Monthly Bill	\$1.39	\$0.09	(\$0.01)	(\$0.13)	(\$0.13)	(\$0.12)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.13)
(9)	Residential Monthly Bill at Start of Year	<u>\$139.56</u>	\$140.95	<u>\$141.04</u>	<u>\$141.03</u>	<u>\$140.90</u>	<u>\$140.77</u>	<u>\$140.65</u>	<u>\$140.55</u>	<u>\$140.45</u>	<u>\$140.35</u>
(10)	Illustrative Residential Monthly Bill	\$140.95	\$141.04	\$141.03	\$140.90	\$140.77	\$140.65	\$140.55	\$140.45	\$140.35	\$140.22
(11)	Illustrative % Increase	1.00%	0.06%	-0.01%	-0.09%	-0.09%	-0.09%	-0.07%	-0.07%	-0.07%	-0.09%

⁽¹⁾ Attachment EDC-2-5-7, Line 12

⁽²⁾ Currently effective R-1/R-2 Distribution Revenue Allocator percentage

⁽³⁾ Line (1) x Line (2)

⁽⁴⁾ Company forecast for for the furthest year in the Company's forecast (calendar year 2025)

⁽⁵⁾ Line (3) ÷ Line (4), trucated to 5 decimal places

⁽⁶⁾ Line (5) - Line (5) from prior year

^{(7) 500} kWh

⁽⁸⁾ Line (6) x Line (7)

⁽⁹⁾ Year 1: Page 5; all other years: prior year Line 16

⁽¹⁰⁾ Line (8) + Line (9)

⁽¹¹⁾ Line (8) ÷ Line (9)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-6 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company Nantucket Electric Company Calculation of Current Monthly Residential Bill

		Effective	
(1)	500	March 1, 2021	Amount
		(a)	(b)
	Delivery Service		
(2)	Customer Charge		\$7.00
(3)	Base Distribution Charge	\$0.04906	
(4)	CapEx Factor	\$0.00352	
(5)	Basic Service Adjustment Factor	\$0.00105	
(6)	Residential Assistance Adjustment Factor	\$0.00488	
(7)	Storm Fund Replenishment Factor	\$0.00301	
(8)	Pension/PBOP Factor	\$0.00179	
(9)	Revenue Decoupling Mechanism Adjustment Factor	\$0.00255	
(10)	Attorney General Consulting Expense Factor	\$0.00003	
(11)	Solar Cost Adjustment Factor	\$0.00033	
(12)	Smart Grid Distribution Adjustment Factor	\$0.0008	
(13)	Net Metering Recovery Surcharge	\$0.01163	
(14)	Renewable Energy Recovery Factor	\$0.00075	
(15)	Tax Act Credit Factor	(\$0.00062)	
(16)	Vegetation Management Factor	\$0.00054	
(17)	Grid Modernization Factor	<u>\$0.00032</u>	
(18)	Total Distribution Energy Charge	\$0.07892	\$39.46
(19)	SMART Factor	\$0.00315	\$1.58
(20)	Electric Vehicle Program Factor	\$0.00011	\$0.06
(21)	Transition Charge	(\$0.00104)	(\$0.52)
(22)	Transmission Service Adjustment Factor	\$0.03858	\$19.29
(23)	Energy Efficiency Charge	\$0.02098	\$10.49
(24)	Renewables Charge	\$0.00050	<u>\$0.25</u>
(25)	Subtotal Delivery Charges		\$77.61
	Supply Service		
(26)	Base Basic Service Charge	\$0.11965	\$59.83
(27)	Basic Service Admin Cost Factor	\$0.00011	\$0.06
(28)	Smart Grid Customer Cost Adjustment Factor	<u>\$0.00412</u>	<u>\$2.06</u>
(29)	Commodity Subtotal	\$0.12388	\$ <u>61.95</u>
(30)	Total		\$139.56

- (a) M.D.P.U. No. 1-21-C
- (b) Line (1) x Column (a), Lines (18) thru (28)

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-7 Page 1 of 1 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - CIP Fees Over 10 Years

(a) (b) (c) (d) (e) (f) (g) (h)	(j)
10 Year Amortization 1 Annual Revenue Requirement on CapEx Attachment EDC-2-5-8, Page 1, Line 2 \$29,419,484 \$58,755,479 \$54,701,428 \$47,638,081 \$40,897,167 \$34,948,474 \$29,744,954 \$24,602,609 \$19,099,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0	99,690 \$13,567,250 \$0 \$0
4 Total Revenue Requirement \$48,518,984 \$58,755,479 \$54,701,428 \$47,638,081 \$40,897,167 \$34,948,474 \$29,744,954 \$24,602,609 \$19,	99,690 \$13,567,250
6 O&M related to capex Attachment EDC-2-5-9, Page 1, Line 6 \$19,099,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	35,992 \$18,306,895 \$0 \$0
8 Total Revenue Requirement \$41,506,957 \$46,179,966 \$45,127,443 \$40,687,809 \$36,339,861 \$32,468,385 \$29,080,368 \$25,706,654 \$22,	35,992 \$18,306,895
10 O&M related to capex Attachment EDC-2-5-10, Page 1, Line 6 \$19,099,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	88,900 \$18,967,367 \$0 \$0
12 Total Revenue Requirement \$39,088,435 \$41,694,363 \$41,423,141 \$37,714,035 \$34,073,584 \$30,841,772 \$28,026,148 \$25,212,427 \$22,	88,900 \$18,967,367

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-8 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - CIP Fees Over 10 Years Summary Illustrative Revenue Requirement - 10 Years

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Cumulative Net Historic Capital Adjustment											
2	Annual Revenue Requirement on CapEx	Page 2, Line (32)	\$29,419,484	\$58,755,479	\$54,701,428	\$47,638,081	\$40,897,167	\$34,948,474	\$29,744,954	\$24,602,609	\$19,499,690	\$13,567,250
3												
4	Cumulative Net CapEx Adjustment		\$29,419,484	\$58,755,479	\$54,701,428	\$47,638,081	\$40,897,167	\$34,948,474	\$29,744,954	\$24,602,609	\$19,499,690	\$13,567,250
5												
6	O&M related to capex		\$19,099,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7												
8	Total		\$48,518,984	\$58,755,479	\$54,701,428	\$47,638,081	\$40,897,167	\$34,948,474	\$29,744,954	\$24,602,609	\$19,499,690	\$13,567,250

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-8 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees over 10 Years Illustrative Revenue Requirement - 10 Years

Year		1 (a)	<u>2</u> (b)	3 (c)	4 (d)	<u>5</u> (e)	<u>6</u>	<u>7</u>	8	9	<u>10</u>
Depreciable Plant Additions (1) Distribution Plant Additions (2) CIAC/CIP		\$496,587,000 (\$195,998,000)	\$0 (\$18,517,000)	\$0 (\$18,973,000)	\$0 (\$19,494,000)	\$0 (\$19,803,000)	\$0 \$ (14,835,000)	\$0 \$ (14,767,000)	\$0 (\$16,135,000)	\$0 (\$16,135,000)	\$0 (\$26,743,000)
(3) Accum. Gross Distribution Plant Ad	ditio PY Line (3) + CY Line (1) & (2)	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(4) Cumulative Cost of Removal		\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
Deferred Tax Calculation:											
(5) Composite Book Depreciation Rate	Assumes 10 year	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Vintage Year Tax Depreciation:											
(6) Federal Tax Depreciation	Page 3, Line (31)	\$60,072,400	\$50,772,960	\$37,886,256	\$28,063,296	\$20,634,544	\$15,400,868	\$12,720,100	\$11,663,258	\$10,622,608	\$8,854,749
(7) Cumulative Federal Tax Depreciatio	n PY Line (7) + CY Line (6)	\$60,072,400	\$110,845,360	\$148,731,616	\$176,794,912	\$197,429,456	\$212,830,324	\$225,550,424	\$237,213,682	\$247,836,290	\$256,691,039
(8) State Tax Depreciation	Page 3, Line (46)	\$60,072,400	\$50,772,960	\$37,886,256	\$28,063,296	\$20,634,544	\$15,400,868	\$12,720,100	\$11,663,258	\$10,622,608	\$8,854,749
(9) Cumulative State Tax Depreciation	PY Line (9) + CY Line (8)	\$60,072,400	\$110,845,360	\$148,731,616	\$176,794,912	\$197,429,456	\$212,830,324	\$225,550,424	\$237,213,682	\$247,836,290	\$256,691,039
(10) Book Depreciation	Year 1: Line (3) x Line (5) x 50%; Year 2 and beyond: Line (3) x Line (5)	\$15,029,450	\$29,133,050	\$27.258.550	\$25,335,200	\$23,370,350	\$21,638,450	\$20,158,350	\$18,613,250	\$16,999,750	\$14.855.850
(11) Cumulative Book Depreciation	PY Line (11) + CY Line (10)	\$15,029,450	\$44,162,500	\$71,421,050	\$96,756,250	\$120,126,600	\$141,765,050	\$161,923,400	\$180,536,650	\$197,536,400	\$212,392,250
(12) Cumulative State Book / Tax Timer	Line (9) - Line (11)	\$45,042,950	\$66,682,860	\$77,310,566	\$80,038,662	\$77,302,856	\$71,065,274	\$63,627,024	\$56,677,032	\$50,299,890	\$44,298,789
(13) Effective State Tax Rate (14) Deferred State Tax Reserve	Line (12) x Line (13)	8.000% \$3,603,436	8.000% \$5,334,629	8.000% \$6,184,845	8.000% \$6,403,093	8.000% \$6,184,228	8.000% \$5,685,222	8.000% \$5,090,162	8.000% \$4,534,163	8.000% \$4,023,991	8.000% \$3,543,903
(14) Deterred State Tax Reserve	FY18 NOL true-up plus 75% of FY19	\$5,005,450	95,554,027	30,104,045	30,403,073	30,104,220	95,005,222	93,070,102	94,554,105	34,023,771	\$3,343,703
(14a) Less: State NOL	NOL per tax return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14b) Net Deferred State Tax Reserve	Line (14) plus Line (14a)	\$3,603,436	\$5,334,629	\$6,184,845	\$6,403,093	\$6,184,228	\$5,685,222	\$5,090,162	\$4,534,163	\$4,023,991	\$3,543,903
(15 C 17 E1 15 17 T	T: (7) T: (11)	645.042.050	866 602 060	677 210 566	800 020 662	677 202 054	671 065 274	662 627 024	657 777 022	650 200 000	644 200 700
(15) Cumulative Federal Book / Tax Tim (16) Effective Tax Rate	er Line (7) - Line (11)	\$45,042,950 21,000%	\$66,682,860 21,000%	\$77,310,566 21,000%	\$80,038,662 21.000%	\$77,302,856 21,000%	\$71,065,274 21.000%	\$63,627,024 21,000%	\$56,677,032 21.000%	\$50,299,890 21,000%	\$44,298,789 21.000%
(17) Deferred Federal Tax Reserve	Line (15) x Line (16)	\$9,459,020	\$14,003,401	\$16,235,219	\$16,808,119	\$16,233,600	\$14,923,708	\$13,361,675	\$11,902,177	\$10,562,977	\$9,302,746
Less: Federal deduction for Deferred											
(18) State Taxes	otherwise \$0	(\$756,722)	(\$1,120,272)	(\$1,298,817)	(\$1,344,650)	(\$1,298,688)	(\$1,193,897)	(\$1,068,934)	(\$952,174)	(\$845,038)	(\$744,220)
(19) Less; Federal NOL	FY18 NOL true-up plus 75% of FY19 NOL per tax return		\$0	SO.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(20) Net Deferred Federal Tax Reserve	Sum of Line (17) through Line (19)	\$8,702,298	\$12,883,129	\$14,936,402	\$15,463,469	\$14,934,912	\$13,729,811	\$12,292,741	\$10,950,003	\$9,717,939	\$8,558,526
	_										
(21) Total Deferred Tax Reserve	Line (14b) + Line (20)	\$12,305,734	\$18,217,758	\$21,121,247	\$21,866,562	\$21,119,140	\$19,415,033	\$17,382,903	\$15,484,166	\$13,741,930	\$12,102,429
Rate Base Calculation:											
(22) Gross Plant Additions	Line (3)	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(23) Accumulated Book Depreciation	- Line (11)	(\$15,029,450)	(\$44,162,500)	(\$71,421,050)	(\$96,756,250)	(\$120,126,600)	(\$141,765,050)	(\$161,923,400)	(\$180,536,650)	(\$197,536,400)	(\$212,392,250)
(24) Deferred Tax Reserve	- Line (21)	(\$12,305,734)	(\$18,217,758)	(\$21,121,247)	(\$21,866,562)	(\$21,119,140)	(\$19,415,033)	(\$17,382,903)	(\$15,484,166)	(\$13,741,930)	(\$12,102,429)
(25) Cumulative Cost of Removal	- Line (4)	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
(26) Year End Rate Base	Sum of Lines (22) through (25)	\$303,267,316	\$249,705,242	\$200,570,203	\$154,995,688	\$112,569,760	\$77,800,417	\$44,907,197	\$12,057,684	(\$19,334,830)	(\$59,294,179)
Revenue Requirement Calculation:											
revenue requirement cureaturen.	Year 1: Line (26) ÷ 2; Year 2 and										
	beyond: (PY Line (26) + CY Line (26)) ÷										
(27) Average Rate Base	2	\$151,633,658	\$276,486,279	\$225,137,723	\$177,782,945	\$133,782,724	\$95,185,088	\$61,353,807	\$28,482,441	(\$3,638,573)	(\$39,314,505)
(28) Pre-Tax ROR	Page 5	9.49%	9.49%	9.49%	9.49%	9.49%	9.49%	9.49%	9.49%	9.49%	9.49%
(29) Return and Taxes (30) Book Depreciation	Line (27) x Line (28) Line (10)	\$14,390,034 \$15,029,450	\$26,238,548 \$29,133,050	\$21,365,570 \$27,258,550	\$16,871,601 \$25,335,200	\$12,695,981 \$23,370,350	\$9,033,065 \$21,638,450	\$5,822,476 \$20,158,350	\$2,702,984 \$18,613,250	(\$345,301) \$16,999,750	(\$3,730,947) \$14,855,850
(50) Book Depreciation	Year 1: \$0, Year 2: (PY Line (3) - PY	313,027,430	927,133,030	921,230,330	000ء,دود,دعو	\$23,370,330	921,030,430	\$20,130,330	\$10,015,230	\$10,777,730	\$14,023,030
	Year 1: \$0, Year 2: (PY Line (3) - PY Line (11)) x Prop Tax Rate ÷ 2, Year 3										
	and beyond: (PY Line (3) - PY Line (11))										
(31) Property Tax expense	x Prop Tax Rate 1/	\$0	\$3,383,881	\$6,077,308	\$5,431,280	\$4,830,836	\$4,276,959	\$3,764,128	\$3,286,375	\$2,845,241	\$2,442,347
(32) Annual Revenue Requirement	Sum of Lines (29) through (31)	\$29,419,484	\$58,755,479	\$54,701,428	\$47,638,081	\$40,897,167	\$34,948,474	\$29,744,954	\$24,602,609	\$19,499,690	\$13,567,250

1/ Property Tax Rate Calculation

Rate Year Plant in Service
Rate Year Accumulated Depreciation
(S1,783,103,879)
Rate Year Accumulated Depreciation
(S1,783,103,879)
PU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
S2,771,239,981

Rate Year Property Tax Expense \$65,650,673 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 7, Page 1

Property Tax Rate 2.37%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-8 Page 3 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees over 10 Years Calculation of Tax Depreciation and Repairs Deduction - 10 Years

Capital Repairs Deduction Rate	3 4 5 6 7 8 9 10	<u>4</u> <u>5</u>	<u>3</u>	<u>2</u>	1		Year
Capital Repairs Deduction Rate Page 2, Line (3) S300, 889,000 S282,072,000 S283,099,000 S283,059,000 S223,802,000 S283,059,000 S283,059,00	(c) (d) (e) (f) (g) (h) (i) (j)	(d) (e)	(c)	(b)	(a)		F 1 1 1 5 5 1 1
Some Depreciation Line (1) x Line (2) So So So So So So So S						6 / (/	(1) Plant Additions
Sample S						-	
Line (1) S300,589,000 S28,072,000 S28,072,000 S28,072,000 S23,802,000 S28,807,000 S194,200,000 S178,065,000 S161,930,000 S151,874,05 Less Capital Repairs Deduction Line (3) S300,589,000 S28,072,000 S28,072,000 S263,099,000 S243,605,000 S223,802,000 S28,967,000 S194,200,000 S178,065,000 S161,930,000 S155,1874,05 S161,930,000 S151,874,05 S161,930,000 S178,065,000 S178	20 20 20 30 30 30 30	20	\$0	20	30	Line (1) x Line (2)	(5) Capital Repairs Deduction
Line (3) Less Capital Repairs Deduction Line (3) S0 S0 S0 S0 S0 S0 S0 S							
Remaining Tax Depreciation Line (4) - Line (5) \$300,589,000 \$282,072,000 \$263,099,000 \$243,605,000 \$223,802,000 \$208,967,000 \$194,200,000 \$178,065,000 \$161,930,000 \$135,187,400 \$194,000,000 \$178,065,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104,000,000 \$104					, ,	. ,	* /
Remaining Tax Depreciation	TT	•		**		. ,	` ' 1
Column C	···· v-······ v-······· v-········ v-········	,,	,,	,,	,,	(,,(,,	(*)
Line (3) Less Capital Repairs Deduction Line (3) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$	000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000 000	6242 605 000 6222 002	62/2 000 000	6202.072.000	6200 500 000	Y: (1)	
Line (6) Less Bonus Depreciation Line (6) \$0			, ,		, ,	. ,	* /
(11) Remaining Plant Additions Subject to 10 YR MACRS Tax Depreciation Rates						* /	
(12) 10 YR MACRS Tax Depreciation Rates IRS Publication 946, Table A-1 10.00% 18.00% 14.40% 11.52% 9.22% 7.37% 6.55% 6.55% 6.56% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55% 6.55%							
(13) Total Tax Depreciation on 10 YR MACRS assets Line (11) x Line (12) \$30,058,900 \$50,772,960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,700 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,000 \$10,0							
(14) Plant Additions Subject to 39 Yr Straight Line Depreciation Line (10) S0 S0 S0 S0 S0 S0 S0 S0 S0							
(15) 39 YR SL Depreciation Rates IRS Publication 946 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
(16) Total Tax Depreciation on 39 YR SL assets Line (14) * Line (15) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0						` /	
						. , , , ,	•
(17) Total Tax Depreciation and Repairs Deduction Sum of Lines (3), (13), (16) \$30,058,900 \$50,772,960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,700,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,100 \$10,600,	960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,749	\$28,063,296 \$20,634,	\$37,886,256	\$50,772,960	\$30,058,900	Sum of Lines (3), (13), (16)	(17) Total Tax Depreciation and Repairs Deduction
(18) Includable Cost of Removal Page 2, Line (4) \$30,013,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0	\$0	\$0	\$30,013,500	Page 2, Line (4)	(18) Includable Cost of Removal
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal Line (17) through (18) \$60,072,400 \$50,772,960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$88,854,700,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100 \$10,000,100	960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,749	\$28,063,296 \$20,634,	\$37,886,256	\$50,772,960	\$60,072,400	Line (17) through (18)	(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal
State Tax Deduction							State Tax Deduction
		, , , . , , , ,	, ,	, ,	, ,	()	()
						. ,	
(22) Capital Repairs Deduction 50 50 50 50 50 50 50 50 50	30 30 30 30 30 30	30	30	30	30	Line (20) x Line (21)	(22) Capital Repairs Deduction
Remaining Tax Depreciation							
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(28) Total Tax Depreciation on 10 YR MACRS assets Line (26) x Line (27) \$30,058,900 \$50,772,960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854;	960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,749	\$28,063,296 \$20,634,	\$37,886,256	\$50,772,960	\$30,058,900	Line (26) x Line (27)	(28) Total Tax Depreciation on 10 YR MACRS assets
(29) Plant Additions Subject to 39 Yr Straight Line Depreciation Line (25) \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0	\$0	\$0	\$0	Line (25)	(29) Plant Additions Subject to 39 Yr Straight Line Depreciation
(30) 39 YR SL Depreciation Rates IRS Publication 946 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2.5641% 2							
(31) Total Tax Depreciation on 39 YR SL assets Line (29) * Line (30) \$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 \$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 \$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 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0<	\$0	\$0	\$0	\$0	Line (29) * Line (30)	(31) Total Tax Depreciation on 39 YR SL assets
(32) Total Tax Depreciation and Repairs Deduction Line (22) + Line (28) + Line (31) \$30,058,900 \$50,772,960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854, \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,608 \$10,622,60	960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,749	\$28,063,296 \$20,634,	\$37,886,256	\$50,772,960	\$30,058,900	Line (22) + Line (28) + Line (31)	(32) Total Tax Depreciation and Repairs Deduction
(33) Includable Cost of Removal Page 2, Line (4) \$30,013,500 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$0	\$0	\$0	\$30,013,500	Page 2, Line (4)	(33) Includable Cost of Removal
(34) Total State Tax Depreciation, Repairs Deduction and Cost of Removal Line (32) + Line (33) \$60,072,400 \$50,772,960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$88,854,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10,600,772,900 \$10	960 \$37,886,256 \$28,063,296 \$20,634,544 \$15,400,868 \$12,720,100 \$11,663,258 \$10,622,608 \$8,854,749	\$28,063,296 \$20,634,	\$37,886,256	\$50,772,960	\$60,072,400	Line (32) + Line (33)	(34) Total State Tax Depreciation, Repairs Deduction and Cost of Removal

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-8 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration MACRS Table

MACRS DEPRECIATION BY CLASS OF PROPERTY

Year	3-year	5-year	7-year	10-year	15-year	20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
2	44.45	32	24.49	18%	9.5	7.219
3	14.81	19.2	17.49	14.40%	8.55	6.677
4	7.41	11.52	12.49	11.52%	7.7	6.177
5		11.52	8.93*	9.22%	6.93	5.713
6		5.76	8.92	7.37%	6.23	5.285
7			8.93	6.55%	5.9	4.888
8			4.46	6.55%	5.9	4.522
9				6.56%	5.91	4.462
10				6.55%	5.9	4.461
11				3.28%	5.9	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-8 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Cost of Capital

		Capital	Cost	Weighted		Pre-tax
	Description	Structure	Rate	Return	Taxes	Return
		(a)	(b)	$(c) = (a) \times (b)$	(d)	(e) = (c) + (d)
1 2	Long Term Debt	46.43%	5.22% 1/	2.42%		2.42%
3 4	Preferred Stock	0.08%	4.44% 1/	0.00%		0.00%
5 6	Total Common Equity	53.49%	9.60% 3/	5.14%	1.93% 2/	7.07%
7	Total Capitalization	100.00%		7.56%	1.93%	9.49%

- 1/ Company's Effective Cost of Long Term Debt and Preferred Stock
- 2/ Line 5(c) /(1-0.2732) Line 5(c)
- 3/ Per Docket No. 18-150 final order Page 497

Effective Tax Rate	From Jan 1, 2018
Federal Tax Rate	21.00%
State Tax Rate	8.00%
Federal Deduction for State Income Taxes	1.68%
State Tax, net of Federal Deduction	6.32%
Federal Tax Rate	21.00%
Effective Tax rate	27.32%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-9 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - CIP Fees Over 10 Years Summary Illustrative Revenue Requirement - 20 years

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Cumulative Net Historic Capital Adjustment											
2	Annual Revenue Requirement on Year 1 CapEx	Page 2, Line (32)	\$22,407,457	\$46,179,966	\$45,127,443	\$40,687,809	\$36,339,861	\$32,468,385	\$29,080,368	\$25,706,654	\$22,335,992	\$18,306,895
3												
4	Cumulative Net CapEx Adjustment		\$22,407,457	\$46,179,966	\$45,127,443	\$40,687,809	\$36,339,861	\$32,468,385	\$29,080,368	\$25,706,654	\$22,335,992	\$18,306,895
5												
6	O&M	-	\$19,099,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7												
8	Total	:	\$41,506,957	\$46,179,966	\$45,127,443	\$40,687,809	\$36,339,861	\$32,468,385	\$29,080,368	\$25,706,654	\$22,335,992	\$18,306,895

Massachusetts Electric Company Nantucket Electric Company
each d/b/a National Grid
D.P.U. 20-75
Attachment EDC-2-5-9 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees Over 10 Years Illustrative Revenue Requirement - 20 Years

Year		1	2	<u>3</u>	4	<u>5</u>	6	7	8	9	<u>10</u>
Depreciable Plant Additions		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
(1) Gross Distribution Plant Additions		\$496,587,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(2) CIP/CIAC	-	(\$195,998,000)	(\$18,517,000)	(\$18,973,000)	(\$19,494,000)	(\$19,803,000)			(\$16,135,000)	(\$16,135,000)	(\$26,743,000)
(3) Accum. Gross Distribution Plant Additions	PY Line (3) + CY Line (1) & (2)	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(4) Cumulative Cost of Removal		\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
Deferred Tax Calculation:											
(5) Composite Book Depreciation Rate	Assumes 20 year	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Vintage Year Tax Depreciation:											
(6) Federal Tax Depreciation	Page 3, Line (31)	\$41,285,588	\$20,362,778	\$17,567,120	\$15,047,481	\$12,785,808	\$11,043,906	\$9,492,496	\$8,052,099	\$7,225,317	\$6,030,692
(7) Cumulative Federal Tax Depreciation	PY Line (7) + CY Line (6)	\$41,285,588	\$61,648,366	\$79,215,486	\$94,262,967	\$107,048,775	\$118,092,681	\$127,585,177	\$135,637,276	\$142,862,593	\$148,893,285
(8) State Tax Depreciation	Page 3, Line (46)	\$41,285,588	\$20,362,778	\$17,567,120	\$15,047,481	\$12,785,808	\$11,043,906	\$9,492,496	\$8,052,099	\$7,225,317	\$6,030,692
(9) Cumulative State Tax Depreciation	PY Line (9) + CY Line (8)	\$41,285,588	\$61,648,366	\$79,215,486	\$94,262,967	\$107,048,775	\$118,092,681	\$127,585,177	\$135,637,276	\$142,862,593	\$148,893,285
	Year 1: Line (3) x Line (5) x 50%; Year 2 and										
(10) Book Depreciation	beyond: Line (3) x Line (5)	\$7,514,725	\$14,566,525	\$13,629,275	\$12,667,600	\$11,685,175	\$10,819,225	\$10,079,175	\$9,306,625	\$8,499,875	\$7,427,925
(11) Cumulative Book Depreciation	PY Line (11) + CY Line (10)	\$7,514,725	\$22,081,250	\$35,710,525	\$48,378,125	\$60,063,300	\$70,882,525	\$80,961,700	\$90,268,325	\$98,768,200	\$106,196,125
(12) Cumulative State Book / Tax Timer	Line (9) - Line (11)	\$33,770,863	\$39,567,116	\$43,504,961	\$45,884,842	\$46,985,475	\$47,210,156	\$46,623,477	\$45,368,951	\$44,094,393	\$42,697,160
(12) Cumulative State Book / Tax Timer (13) Effective State Tax Rate	Line (9) - Line (11)	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%	8.000%
(14) Deferred State Tax Reserve	Line (12) x Line (13)	\$2,701,669	\$3,165,369	\$3,480,397	\$3,670,787	\$3,758,838	\$3,776,812	\$3,729,878	\$3,629,516	\$3,527,551	\$3,415,773
	FY18 NOL true-up plus 75% of FY19 NOL per tax										
(14a) Less: State NOL	return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(14b) Net Deferred State Tax Reserve	Line (14) plus Line (14a)	\$2,701,669	\$3,165,369	\$3,480,397	\$3,670,787	\$3,758,838	\$3,776,812	\$3,729,878	\$3,629,516	\$3,527,551	\$3,415,773
(15) Cumulative Federal Book / Tax Timer	Line (7) - Line (11)	\$33,770,863	\$39,567,116	\$43,504,961	\$45,884,842	\$46,985,475	\$47,210,156	\$46,623,477	\$45,368,951	\$44,094,393	\$42,697,160
(16) Effective Tax Rate	_	21.000%	21.000%	21.000%	21.000%	21.000%	21.000%	21.000%	21.000%	21.000%	21.000%
(17) Deferred Federal Tax Reserve	Line (15) x Line (16)	\$7,091,881	\$8,309,094	\$9,136,042	\$9,635,817	\$9,866,950	\$9,914,133	\$9,790,930	\$9,527,480	\$9,259,823	\$8,966,404
Less: Federal deduction for Deferred State											
(18) Taxes	If Line (14b) > \$0, Line (14b) * -21%, otherwise \$0	(\$567,350)	(\$664,727)	(\$730,883)	(\$770,865)	(\$789,356)	(\$793,131)	(\$783,274)	(\$762,198)	(\$740,786)	(\$717,312)
40.7	FY18 NOL true-up plus 75% of FY19 NOL per tax										
(19) Less: Federal NOL (20) Net Deferred Federal Tax Reserve	return Sum of Line (17) through Line (19)	\$6,524,531	\$0 \$7,644,367	\$0 \$8,405,159	\$0 \$8,864,952	\$9,077,594	\$0 \$9,121,002	\$9,007,656	\$0 \$8,765,282	\$0 \$8,519,037	\$0 \$8,249,092
	_										
(21) Total Deferred Tax Reserve	Line (14b) + Line (20)	\$9,226,200	\$10,809,736	\$11,885,556	\$12,535,739	\$12,836,432	\$12,897,814	\$12,737,534	\$12,394,798	\$12,046,588	\$11,664,865
Rate Base Calculation:											
(22) Gross Plant Additions	Line (3)	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(23) Accumulated Book Depreciation	- Line (11)	(\$7,514,725)	(\$22,081,250)	(\$35,710,525)	(\$48,378,125)	(\$60,063,300)	(\$70,882,525)	(\$80,961,700)	(\$90,268,325)	(\$98,768,200)	(\$106,196,125)
(24) Deferred Tax Reserve	- Line (21)	(\$9,226,200)	(\$10,809,736)	(\$11,885,556)	(\$12,535,739)	(\$12,836,432)	(\$12,897,814)	(\$12,737,534)	(\$12,394,798)	(\$12,046,588)	(\$11,664,865)
(25) Cumulative Cost of Removal	- Line (4)	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
(25) Year End Rate Base	Sum of Lines (22) through (25)	\$313,861,575	\$279,194,514	\$245,516,419	\$212,704,636	\$180,915,768	\$155,200,161	\$130,514,266	\$105,415,377	\$81,128,712	\$47,339,510
Revenue Requirement Calculation:											
20 t P t P	Year 1: Line (26) ÷ 2; Year 2 and beyond: (PY Line	6156 020 700	6207 520 045	62/2 255 4/7	6220 110 520	6106 010 202	6170 057 074	6142 057 212	6117.074.022	\$93,272,045	\$64,234,111
(26) Average Rate Base (27) Pre-Tax ROR	(26) + CY Line (26)) ÷ 2	\$156,930,788 9.49%	\$296,528,045 9.49%	\$262,355,467 9.49%	\$229,110,528 9,49%	\$196,810,202 9,49%	\$168,057,964 9.49%	\$142,857,213 9.49%	\$117,964,822 9.49%	\$93,272,045 9.49%	\$64,234,111 9.49%
(28) Return and Taxes	Page 5 Line (27) x Line (28)	\$14,892,732	\$28,140,511	\$24,897,534	\$21,742,589	\$18,677,288	\$15,948,701	\$13,557,150	\$11,194,862	\$8,851,517	\$6,095,817
(29) Book Depreciation	Line (27) x Line (28)	\$7,514,725	\$14,566,525	\$13,629,275	\$12,667,600	\$11,685,175	\$10,819,225	\$10,079,175	\$9,306,625	\$8,499,875	\$7,427,925
-											
	Year 1: \$0, Year 2: (PY Line (3) - PY Line (11)) x										
(30) Property Tax expense	Prop Tax Rate ÷ 2, Year 3 and beyond: (PY Line (3) - PY Line (11)) x Prop Tax Rate 1/	\$0	\$3,472,930	\$6,600,634	\$6,277,620	\$5,977,398	\$5,700,459	\$5,444,043	\$5,205,167	\$4,984,600	\$4,783,153
(31) Annual Revenue Requirement	- · · · · · · · · · · · · · · · · · · ·			,						,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
(51) Annual Kevenue Kequirement	Sum of Lines (29) through (31)	\$22,407,457	\$46,179,966	\$45,127,443	\$40,687,809	\$36,339,861	\$32,468,385	\$29,080,368	\$25,706,654	\$22,335,992	\$18,306,895

1/ Property Tax Rate Calculation
Rate Year Plant in Service \$4,554,343,860 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
Rate Year Accumulated Depression (\$1,783,103,879) DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
\$2,771,239,981

Rate Year Property Tax Expense \$65,650,673 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 7, Page 1

Property Tax Rate 2.37%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-9 Page 3 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees Over 10 Years Calculation of Tax Depreciation and Repairs Deduction - 20 Years

Year			1	<u>2</u>	<u>3</u>	4	<u>5</u>	<u>6</u>	7	<u>8</u>	9	<u>10</u>
E LIE D. CC			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Federal Tax Depreciation Capital Repairs Deduction												
(1) Plant Additions	Page 2, Line (3)		\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(2) Capital Repairs Deduction Rate	Tax Dept	1/	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(3) Capital Repairs Deduction	Line (1) x Line (2)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bonus Depreciation												
(4) Plant Additions	Line (1)		\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(5) Less Capital Repairs Deduction	Line (3)	_	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(6) Plant Additions Net of Capital Repairs Deduction	Line (4) - Line (5)		\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
Remaining Tax Depreciation												
(7) Plant Additions	Line (1)		\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(8) Less Capital Repairs Deduction	Line (1)		\$00,507,000	\$202,072,000	\$203,055,000	\$0	\$0	\$200,707,000	\$174,200,000	\$0	\$101,750,000	\$0
(9) Less Bonus Depreciation	Line (6)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(10) Less Plant Additions Subject to 39 Yr Straight Line Depreciation	Per Tax Dept	1/	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(11) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line (7) - (8) - (9) - (10)	_	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(12) 20 YR MACRS Tax Depreciation Rates	IRS Publication 946, Table A-1	_	3.7500%	7.2190%	6.6770%	6.1770%	5.7130%	5.2850%	4.8880%	4.5220%	4.4620%	4.4610%
(13) Total Tax Depreciation on 20 YR MACRS assets	Line (11) x Line (12)		\$11,272,088	\$20,362,778	\$17,567,120	\$15,047,481	\$12,785,808	\$11,043,906	\$9,492,496	\$8,052,099	\$7,225,317	\$6,030,692
(14) Plant Addition Calcinstan 20 Va Charinha Lina Donnariation	I : (10)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	¢o.
(14) Plant Additions Subject to 39 Yr Straight Line Depreciation (15) 39 YR SL Depreciation Rates	Line (10) IRS Publication 946		2.5641%	2.5641%	2.5641%	2.5641%	2.5641%	2.5641%	2.5641%	2.5641%	2.5641%	\$0 2.5641%
(16) Total Tax Depreciation on 39 YR SL assets	Line (14) * Line (15)	-	2.304176	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(10) Total Tax Depreciation on 37 TR SE assets	Enic (14) Enic (13)		50	40	30	50	50	50	50	30	30	30
(17) Total Tax Depreciation and Repairs Deduction	Sum of Lines (3), (13), (16)		\$11,272,088	\$20,362,778	\$17,567,120	\$15,047,481	\$12,785,808	\$11,043,906	\$9,492,496	\$8,052,099	\$7,225,317	\$6,030,692
		-										
(18) Includable Cost of Removal	Page 2, Line (4)		\$30,013,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
												-
(18) Includable Cost of Removal (19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal	Page 2, Line (4) Line (17) through (18)	-	\$30,013,500 \$41,285,588	\$0 \$20,362,778	\$0 \$17,567,120	\$0 \$15,047,481	\$0 \$12,785,808	\$0 \$11,043,906	\$0 \$9,492,496	\$0 \$8,052,099	\$0 \$7,225,317	\$6,030,692
		-										-
		-										-
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions	Line (17) through (18)	-	\$41,285,588 \$300,589,000	\$20,362,778 \$282,072,000	\$17,567,120 \$263,099,000	\$15,047,481 \$243,605,000	\$12,785,808 \$223,802,000		\$9,492,496 \$194,200,000	\$8,052,099 \$178,065,000		\$6,030,692 \$135,187,000
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate	Line (17) through (18) Line (1) Line (2)	<u>-</u>	\$41,285,588 \$300,589,000 0.00%	\$20,362,778 \$282,072,000 0.00%	\$17,567,120 \$263,099,000 0.00%	\$15,047,481 \$243,605,000 0.00%	\$12,785,808 \$223,802,000 0.00%	\$11,043,906 \$208,967,000 0.00%	\$9,492,496 \$194,200,000 0.00%	\$8,052,099 \$178,065,000 0.00%	\$7,225,317 \$161,930,000 0.00%	\$6,030,692 \$135,187,000 0.00%
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions	Line (17) through (18)	-	\$41,285,588 \$300,589,000	\$20,362,778 \$282,072,000	\$17,567,120 \$263,099,000	\$15,047,481 \$243,605,000	\$12,785,808 \$223,802,000	\$11,043,906 \$208,967,000	\$9,492,496 \$194,200,000	\$8,052,099 \$178,065,000	\$7,225,317 \$161,930,000	\$6,030,692 \$135,187,000
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction	Line (17) through (18) Line (1) Line (2)	-	\$41,285,588 \$300,589,000 0.00%	\$20,362,778 \$282,072,000 0.00%	\$17,567,120 \$263,099,000 0.00%	\$15,047,481 \$243,605,000 0.00%	\$12,785,808 \$223,802,000 0.00%	\$11,043,906 \$208,967,000 0.00%	\$9,492,496 \$194,200,000 0.00%	\$8,052,099 \$178,065,000 0.00%	\$7,225,317 \$161,930,000 0.00%	\$6,030,692 \$135,187,000 0.00%
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21)	-	\$41,285,588 \$300,589,000 0.00% \$0	\$20,362,778 \$282,072,000 0.00% \$0	\$17,567,120 \$263,099,000 0.00% \$0	\$15,047,481 \$243,605,000 0.00% \$0	\$12,785,808 \$223,802,000 0.00% \$0	\$11,043,906 \$208,967,000 0.00% \$0	\$9,492,496 \$194,200,000 0.00% \$0	\$8,052,099 \$178,065,000 0.00% \$0	\$7,225,317 \$161,930,000 0.00% \$0	\$6,030,692 \$135,187,000 0.00% \$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21)	-	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000	\$6,030,692 \$135,187,000 0.00% \$0 \$135,187,000
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21)	1/	\$41,285,588 \$300,589,000 0.00% \$0	\$20,362,778 \$282,072,000 0.00% \$0	\$17,567,120 \$263,099,000 0.00% \$0	\$15,047,481 \$243,605,000 0.00% \$0	\$12,785,808 \$223,802,000 0.00% \$0	\$11,043,906 \$208,967,000 0.00% \$0	\$9,492,496 \$194,200,000 0.00% \$0	\$8,052,099 \$178,065,000 0.00% \$0	\$7,225,317 \$161,930,000 0.00% \$0	\$6,030,692 \$135,187,000 0.00% \$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22)	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$0 \$0	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$0	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$0	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0	\$6,030,692 \$135,187,000 0.00% \$0 \$135,187,000 \$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$0 \$0	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$0	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$0	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$0	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$0	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$0	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$0 \$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25)	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$0 \$300,589,000	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$0 \$263,099,000	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$0 \$223,802,000	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$194,200,000	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$0 \$161,930,000	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27)	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$0 \$0 \$300,589,000 \$0 \$10,272,088	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$0 \$282,072,000 7.2190% \$20,362,778	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$0 \$0 \$263,099,000 6.6770% \$17,567,120	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$0 \$0 \$243,605,000 6.1770% \$15,047,481	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$223,802,000 5.7130% \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.2850% \$11,043,906	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4.5220% \$8,052,099	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25)	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$0 \$300,589,000 3.7500% \$11,272,088	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190% \$20,362,778	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$0 \$263,099,000 6.6770% \$17,567,120	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$243,605,000 6.1770% \$15,047,481	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$223,802,000 5.7130% \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$0 \$0 \$208,967,000 5.2850% \$11,043,906	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4.5220% \$8,052,099 \$0	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$0 \$161,930,000 4.4620% \$7,225,317 \$0	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates	Line (17) through (18) Line (1) Line (2) Line (20) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641%	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641%	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641%	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641%	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$223,802,000 \$12,785,808 \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641%	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641%	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$0 \$178,065,000 4.5220% \$8,052,099 \$0 2.5641%	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641%	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641%
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25)	1/_	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$0 \$300,589,000 3.7500% \$11,272,088	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190% \$20,362,778	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$0 \$263,099,000 6.6770% \$17,567,120	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$243,605,000 6.1770% \$15,047,481	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$223,802,000 5.7130% \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$0 \$0 \$208,967,000 5.2850% \$11,043,906	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4.5220% \$8,052,099 \$0	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$0 \$161,930,000 4.4620% \$7,225,317 \$0	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30)	- ν_ -	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641% \$0	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641% \$0	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641% \$0	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641% \$0	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$223,802,000 5.7130% \$12,785,808 \$0 2.5641% \$0	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 50 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641% \$0	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641% \$0	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4,5220% \$8,052,099 \$0 2.5641% \$0	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641% \$0	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641% \$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates	Line (17) through (18) Line (1) Line (2) Line (20) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946	1/	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641%	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641%	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641%	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641%	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$223,802,000 \$12,785,808 \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641%	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641%	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$0 \$178,065,000 4.5220% \$8,052,099 \$0 2.5641%	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641%	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641%
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30)	ν_ - -	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641% \$0	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641% \$0	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641% \$0	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641% \$0	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$223,802,000 5.7130% \$12,785,808 \$0 2.5641% \$0	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 50 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641% \$0	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641% \$0	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4,5220% \$8,052,099 \$0 2.5641% \$0	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641% \$0	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641% \$0
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets (32) Total Tax Depreciation and Repairs Deduction (33) Includable Cost of Removal	Line (17) through (18) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30) Line (22) + Line (30) Line (22) + Line (28) + Line (31) Page 2, Line (4)	- ν_ - -	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641% \$0 \$11,272,088	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641% \$0 \$20,362,778	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641% \$0 \$17,567,120	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641% \$0 \$15,047,481	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$223,802,000 5.7130% \$12,785,808 \$0 2.5641% \$0 \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641% \$0 \$11,043,906	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641% \$0 \$9,492,496	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 4.5220% \$8,052,099 \$0 2.5641% \$0 \$8,052,099	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641% \$0 \$7,225,317	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641% \$0 \$6,030,692
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets	Line (17) through (18) Line (1) Line (2) Line (20) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30) Line (22) + Line (28) + Line (31)	- 1/_ - -	\$41,285,588 \$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 \$11,272,088	\$20,362,778 \$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641% \$0 \$20,362,778	\$17,567,120 \$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641% \$0	\$15,047,481 \$243,605,000 0.00% \$0 \$243,605,000 \$0 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641% \$0	\$12,785,808 \$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$223,802,000 \$0 \$12,785,808 \$12,785,808	\$11,043,906 \$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.22850% \$11,043,906 \$0 \$11,043,906	\$9,492,496 \$194,200,000 0.00% \$0 \$194,200,000 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 \$9,492,496	\$8,052,099 \$178,065,000 0.00% \$0 \$178,065,000 \$0 \$0 \$178,065,000 4.5220% \$8,052,099 \$0 2.5641% \$0 \$8,052,099	\$7,225,317 \$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641% \$0 \$7,225,317	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641% \$0 \$0

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-9 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees Over 10 Years MACRS Table

MACRS DEPRECIATION BY CLASS OF PROPERTY

Year	3-year	5-year	7-year	10-year	15-year	20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
2	44.45	32	24.49	18	9.5	7.219
3	14.81	19.2	17.49	14.4	8.55	6.677
4	7.41	11.52	12.49	11.52	7.7	6.177
5		11.52	8.93	9.22	6.93	5.713
6		5.76	8.92	7.37	6.23	5.285
7			8.93	6.55	5.9	4.888
8			4.46	6.55	5.9	4.522
9				6.56	5.91	4.462
10				6.55	5.9	4.461
11				3.28	5.9	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19			_			4.462
20						4.461
21						2.231

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-9 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees Over 10 Years Cost of Capital

	Description	Capital Structure (a)	Cost Rate (b)	Weighted $\frac{\text{Return}}{(c) = (a) \times (b)}$	Taxes (d)	$\frac{\text{Pre-tax}}{\text{Return}}$ $\frac{(e) = (c) + (d)}{(d)}$
1 2	Long Term Debt	46.43%	5.22% 1/	2.42%		2.42%
3 4	Preferred Stock	0.08%	4.44% 1/	0.00%		0.00%
5 6	Total Common Equity	53.49%	9.60% 3/	5.14%	1.93% 2/	7.07%
7	Total Capitalization	100.00%		7.56%	1.93%	9.49%

- 1/ Company's Effective Cost of Long Term Debt and Preferred Stock
- 2/ Line 5(c) /(1-0.2732) Line 5(c)
- 3/ Per Docket No. 18-150 final order Page 497

	From Jan 1,
Effective Tax Rate	2018
Federal Tax Rate	21.00%
State Tax Rate	8.00%
Federal Deduction for State Income Taxes	1.68%
State Tax, net of Federal Deduction	6.32%
Federal Tax Rate	21.00%
Effective Tax rate	27.32%

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-10 Page 1 of 5 H.O. Zilgme

Massachusetts Electric Company Distribution DG Capital - CIP Fees Over 10 Years Summary Illustrative Revenue Requirement - 30 years

			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Cumulative Net Historic Capital Adjustment											
2	Annual Revenue Requirement on Year 1 CapEx	Page 2, Line (32)	\$19,988,935	\$41,694,362	\$41,423,141	\$37,714,035	\$34,073,584	\$30,841,772	\$28,026,148	\$25,212,426	\$22,388,900	\$18,967,367
3												
4	Cumulative Net CapEx Adjustment		\$19,988,935	\$41,694,362	\$41,423,141	\$37,714,035	\$34,073,584	\$30,841,772	\$28,026,148	\$25,212,426	\$22,388,900	\$18,967,367
5												
6	O&M		\$19,099,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7												
8	Total		\$39,088,435	\$41,694,362	\$41,423,141	\$37,714,035	\$34,073,584	\$30,841,772	\$28,026,148	\$25,212,426	\$22,388,900	\$18,967,367

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-10 Page 2 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees Over 10 Years Illustrative Revenue Requirement - 30 Years

Year		1 (a)	2 (b)	3 (c)	4 (d)	<u>5</u> (e)	<u>6</u>	<u>7</u>	<u>8</u>	9	<u>10</u>
Depreciable Plant Additions (1) Gross Distribution Plant Additions (2) CIP/CIAC		\$496,587,000 (\$195,998,000)	\$0 (\$18.517.000)	\$0 (\$18,973,000)	\$0 (\$19,494,000)	\$0 (\$19.803.000)	\$0 \$ (14.835,000) :	\$0 \$ (14,767,000)	\$0 (\$16,135,000)	\$0 (\$16,135,000)	\$0 (\$26,743,000)
(3) Accum. Gross Distribution Plant Additions	PY Line (3) + CY Line (1) & (2)	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(4) Cumulative Cost of Removal		\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500	\$30,013,500
Deferred Tax Calculation:											
(5) Composite Book Depreciation Rate	Assumes 30 year	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%
Vintage Year Tax Depreciation: (6) Federal Tax Depreciation (7) Cumulative Federal Tax Depreciation	Page 3, Line (31) PY Line (7) + CY Line (6)	\$41,285,588 \$41,285,588	\$20,362,778 \$61,648,366	\$17,567,120 \$79,215,486	\$15,047,481 \$94,262,967	\$12,785,808 \$107,048,775	\$11,043,906 \$118,092,681	\$9,492,496 \$127,585,177	\$8,052,099 \$135,637,276	\$7,225,317 \$142,862,593	\$6,030,692 \$148,893,285
(8) State Tax Depreciation(9) Cumulative State Tax Depreciation	Page 3, Line (46) PY Line (9) + CY Line (8)	\$41,285,588 \$41,285,588	\$20,362,778 \$61,648,366	\$17,567,120 \$79,215,486	\$15,047,481 \$94,262,967	\$12,785,808 \$107,048,775	\$11,043,906 \$118,092,681	\$9,492,496 \$127,585,177	\$8,052,099 \$135,637,276	\$7,225,317 \$142,862,593	\$6,030,692 \$148,893,285
	Year 1: Line (3) x Line (5) x 50%; Year 2 and										
(10) Book Depreciation (11) Cumulative Book Depreciation	beyond: Line (3) x Line (5) PY Line (11) + CY Line (10)	\$5,009,817 \$5,009,817	\$9,711,016 \$14,720,833	\$9,086,183 \$23,807,016	\$8,445,067 \$32,252,083	\$7,790,117 \$40,042,200	\$7,212,817 \$47,255,016	\$6,719,450 \$53,974,466	\$6,204,416 \$60,178,882	\$5,666,583 \$65,845,465	\$4,951,949 \$70,797,415
(12) Cumulative State Book / Tax Timer (13) Effective State Tax Rate	Line (9) - Line (11)	\$36,275,771 8.000%	\$46,927,533 8.000%	\$55,408,470 8.000%	\$62,010,884 8.000%	\$67,006,575 8.000%	\$70,837,665 8.000%	\$73,610,711 8.000%	\$75,458,394 8.000%	\$77,017,128 8.000%	\$78,095,870 8.000%
(14) Deferred State Tax Reserve	Line (12) x Line (13)	\$2,902,062	\$3,754,203	\$4,432,678	\$4,960,871	\$5,360,526	\$5,667,013	\$5,888,857	\$6,036,671	\$6,161,370	\$6,247,670
	FY18 NOL true-up plus 75% of FY19 NOL										
(14a) Less: State NOL (14b) Net Deferred State Tax Reserve	per tax return Line (14) plus Line (14a)	\$0 \$2,902,062	\$0 \$3,754,203	\$0 \$4,432,678	\$0 \$4,960,871	\$0 \$5,360,526	\$0 \$5,667,013	\$0 \$5,888,857	\$0 \$6,036,671	\$0 \$6,161,370	\$6,247,670
(15) Cumulative Federal Book / Tax Timer (16) Effective Tax Rate	Line (7) - Line (11)	\$36,275,771 21,000%	\$46,927,533 21.000%	\$55,408,470 21,000%	\$62,010,884 21,000%	\$67,006,575 21,000%	\$70,837,665 21,000%	\$73,610,711 21,000%	\$75,458,394 21,000%	\$77,017,128 21,000%	\$78,095,870 21,000%
(17) Deferred Federal Tax Reserve	Line (15) x Line (16)	\$7,617,912	\$9,854,782	\$11,635,779	\$13,022,286	\$14,071,381	\$14,875,910	\$15,458,249	\$15,846,263	\$16,173,597	\$16,400,133
Less: Federal deduction for Deferred State	If Line (14b) > \$0, Line (14b) * -21%,										
(18) Taxes	otherwise \$0 FY18 NOL true-up plus 75% of FY19 NOL	(\$609,433)	(\$788,383)	(\$930,862)	(\$1,041,783)	(\$1,125,710)	(\$1,190,073)	(\$1,236,660)	(\$1,267,701)	(\$1,293,888)	(\$1,312,011)
(19) Less: Federal NOL (20) Net Deferred Federal Tax Reserve	per tax return Sum of Line (17) through Line (19)	\$7,008,479	\$0 \$9,066,399	\$0 \$10,704,917	\$0 \$11,980,503	\$0 \$12,945,671	\$0 \$13,685,837	\$0 \$14,221,589	\$0 \$14,578,562	\$0 \$14,879,709	\$0 \$15,088,122
(21) Total Deferred Tax Reserve	Line (14b) + Line (20)	\$9,910,541	\$12,820,602	\$15,137,595	\$16,941,374	\$18,306,197	\$19,352,850	\$20,110,446	\$20,615,233	\$21,041,079	\$21,335,792
Rate Base Calculation: (22) Gross Plant Additions	Line (3)	\$300,589,000	\$282,072,000	\$263,099,000	\$243,605,000	\$223,802,000	\$208,967,000	\$194,200,000	\$178,065,000	\$161,930,000	\$135,187,000
(23) Accumulated Book Depreciation	- Line (11)	(\$5,009,817)	(\$14,720,833)	(\$23,807,016)	(\$32,252,083)	(\$40,042,200)	(\$47,255,016)	(\$53,974,466)	(\$60,178,882)	(\$65,845,465)	(\$70,797,415)
(24) Deferred Tax Reserve	- Line (21)	(\$9,910,541)	(\$12,820,602)	(\$15,137,595)	(\$16,941,374)	(\$18,306,197)	(\$19,352,850)	(\$20,110,446)	(\$20,615,233)	(\$21,041,079)	(\$21,335,792)
(25) Cumulative Cost of Removal (25) Year End Rate Base	- Line (4) Sum of Lines (22) through (25)	\$30,013,500 \$315,682,142	\$30,013,500 \$284,544,064	\$30,013,500 \$254,167,889	\$30,013,500 \$224,425,043	\$30,013,500 \$195,467,104	\$30,013,500 \$172,372,633	\$30,013,500 \$150,128,588	\$30,013,500 \$127,284,385	\$30,013,500 \$105,056,955	\$30,013,500 \$73,067,293
Revenue Requirement Calculation:	_										
	Year 1: Line (26) ÷ 2; Year 2 and beyond:										
(26) Average Rate Base (27) Pre-Tax ROR	(PY Line (26) + CY Line (26)) ÷ 2 Page 5	\$157,841,071 9,49%	\$300,113,103 9,49%	\$269,355,977 9.49%	\$239,296,466 9,49%	\$209,946,073 9,49%	\$183,919,869 9.49%	\$161,250,611 9,49%	\$138,706,486 9,49%	\$116,170,670 9,49%	\$89,062,124 9,49%
(28) Return and Taxes	Line (27) x Line (28)	\$14,979,118	\$28,480,733	\$25,561,882	\$22,709,235	\$19,923,882	\$17,453,996	\$15,302,683	\$13,163,246	\$11,024,597	\$8,451,996
(29) Book Depreciation	Line (10)	\$5,009,817	\$9,711,016	\$9,086,183	\$8,445,067	\$7,790,117	\$7,212,817	\$6,719,450	\$6,204,416	\$5,666,583	\$4,951,949
	Year 1: \$0, Year 2: (PY Line (3) - PY Line (11)) x Prop Tax Rate ÷ 2, Year 3 and beyond:										
(30) Property Tax expense	(11)) x Prop 1 ax Rate ÷ 2, Year 3 and beyond: (PY Line (3) - PY Line (11)) x Prop Tax Rate 1/	\$0	\$3,502,613	\$6,775,076	\$6,559,733	\$6,359,585	\$6,174,959	\$6,004,015	\$5,844,764	\$5,697,720	\$5,563,422
(31) Annual Revenue Requirement	Sum of Lines (29) through (31)	\$19,988,935	\$41,694,362	\$41,423,141	\$37,714,035	\$34,073,584	\$30,841,772	\$28,026,148	\$25,212,426	\$22,388,900	\$18,967,367

1/ Property Tax Rate Calculation

Rate Year Plant in Service \$4,554,343,860 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
Rate Year Accumulated Depreciation (\$1,783,103,879) DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 6, Page 1
Rate Year Net Plant in Service \$2,771,239,981

Rate Year Property Tax Expense \$65,650,673 DPU 18-150, Exhibit NG-RRP-2 (C), Schedule 7, Page 1

Property Tax Rate

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-10 Page 3 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration - CIP Fees Over 10 Years Calculation of Tax Depreciation and Repairs Deduction -30 Years

Calculation of Tax Depreciation and Repairs Deduction -30 Years												
Year			1 (a)	<u>2</u> (b)	3 (c)	4 (d)	<u>5</u> (e)	6 (f)	<u>7</u> (g)	<u>8</u> (h)	9 (i)	10 (j)
Federal Tax Depreciation Capital Repairs Deduction (1) Plant Additions (2) Capital Repairs Deduction Rate (3) Capital Repairs Deduction	Page 2, Line (3) Tax Dept Line (1) x Line (2)	1/	\$300,589,000 0.00% \$0	\$282,072,000 0.00% \$0	\$263,099,000 0.00% \$0	\$243,605,000 0.00% \$0	\$223,802,000 0.00% \$0	\$208,967,000 0.00% \$0	\$194,200,000 0.00% \$0	\$178,065,000 0.00% \$0	\$161,930,000 0.00% \$0	\$135,187,000 0.00% \$0
Bonus Depreciation (4) Plant Additions (5) Less Capital Repairs Deduction (6) Plant Additions Net of Capital Repairs Deduction	Line (1) Line (3) Line (4) - Line (5)	_	\$300,589,000 \$0 \$300,589,000	\$282,072,000 \$0 \$282,072,000	\$263,099,000 \$0 \$263,099,000	\$243,605,000 \$0 \$243,605,000	\$223,802,000 \$0 \$223,802,000	\$208,967,000 \$0 \$208,967,000	\$194,200,000 \$0 \$194,200,000	\$178,065,000 \$0 \$178,065,000	\$161,930,000 \$0 \$161,930,000	\$135,187,000 \$0 \$135,187,000
Remaining Tax Depreciation (7) Plant Additions (8) Less Capital Repairs Deduction (9) Less Bonus Depreciation (10) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (11) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (12) 20 YR MACRS Tax Depreciation Rates (13) Total Tax Depreciation on 20 YR MACRS assets	Line (1) Line (3) Line (6) Per Tax Dept Line (7) - (8) - (9) - (10) IRS Publication 946, Table A-1 Line (11) x Line (12)	1/ _	\$300,589,000 \$0 \$0 \$0 \$300,589,000 3.7500% \$11,272,088	\$282,072,000 \$0 \$0 \$0 \$282,072,000 7.2190% \$20,362,778	\$263,099,000 \$0 \$0 \$0 \$263,099,000 6.6770% \$17,567,120	\$243,605,000 \$0 \$0 \$0 \$243,605,000 6.1770% \$15,047,481	\$223,802,000 \$0 \$0 \$0 \$223,802,000 5.7130% \$12,785,808	\$208,967,000 \$0 \$0 \$0 \$208,967,000 5.2850% \$11,043,906	\$194,200,000 \$0 \$0 \$0 \$194,200,000 4.8880% \$9,492,496	\$178,065,000 \$0 \$0 \$0 \$0 \$178,065,000 4.5220% \$8,052,099	\$161,930,000 \$0 \$0 \$0 \$161,930,000 4.4620% \$7,225,317	\$135,187,000 \$0 \$0 \$0 \$135,187,000 4.4610% \$6,030,692
 (14) Plant Additions Subject to 39 Yr Straight Line Depreciation (15) 39 YR SL Depreciation Rates (16) Total Tax Depreciation on 39 YR SL assets 	Line (10) IRS Publication 946 Line (14) * Line (15)	_	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0	\$0 2.5641% \$0
(17) Total Tax Depreciation and Repairs Deduction	Sum of Lines (3), (13), (16)	_	\$11,272,088	\$20,362,778	\$17,567,120	\$15,047,481	\$12,785,808	\$11,043,906	\$9,492,496	\$8,052,099	\$7,225,317	\$6,030,692
(18) Includable Cost of Removal	Page 2, Line (4)		\$30,013,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	(.)											
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal	Line (17) through (18)	_	\$41,285,588	\$20,362,778	\$17,567,120	\$15,047,481	\$12,785,808	\$11,043,906	\$9,492,496	\$8,052,099	\$7,225,317	\$6,030,692
(19) Total Federal Tax Depreciation, Repairs Deduction and Cost of Removal State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction		-	\$41,285,588 \$300,589,000 0.00% \$0	\$20,362,778 \$282,072,000 0.00% \$0	\$17,567,120 \$263,099,000 0.00% \$0	\$15,047,481 \$243,605,000 0.00% \$0	\$12,785,808 \$223,802,000 0.00% \$0	\$11,043,906 \$208,967,000 0.00% \$0	\$9,492,496 \$194,200,000 0.00% \$0	\$8,052,099 \$178,065,000 0.00% \$0	\$7,225,317 \$161,930,000 0.00% \$0	\$6,030,692 \$135,187,000 0.00% \$0
State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate	Line (17) through (18) Line (1) Line (2)	1/	\$300,589,000 0.00%	\$282,072,000 0.00%	\$263,099,000 0.00%	\$243,605,000 0.00%	\$223,802,000 0.00%	\$208,967,000 0.00%	\$194,200,000 0.00%	\$178,065,000 0.00%	\$161,930,000 0.00%	\$135,187,000 0.00%
State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1	1/	\$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500%	\$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190%	\$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$263,099,000 6.6770%	\$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000 6.1770%	\$223,802,000 0.00% \$0 \$223,802,000 \$0 \$223,802,000 5,7130%	\$208,967,000 0.00% \$0 \$208,967,000 \$0 \$0 \$208,967,000 5.2850%	\$194,200,000 0.00% \$0 \$194,200,000 \$0 \$194,200,000 4.8880%	\$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4.5220%	\$161,930,000 0.00% \$0 \$161,930,000 \$0 \$0 \$161,930,000 4.4620%	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610%
State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates	Line (17) through (18) Line (2) Line (20) x Line (21) Line (20) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946	1/	\$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641%	\$282,072,000 0.00% \$0 \$282,072,000 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641%	\$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$263,099,000 6.6770% \$17,567,120 \$0 2.5641%	\$243,605,000 0.00% \$0 \$243,605,000 \$0 \$1 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641%	\$223,802,000 0.00% \$0 \$223,802,000 \$0 \$223,802,000 5.7130% \$12,785,808	\$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641%	\$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641%	\$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4.5220% \$8,052,099 \$0 2.5641%	\$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641%
State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets	Line (17) through (18) Line (1) Line (2) Line (20) x Line (21) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30)	1/	\$300,589,000 0.00% \$0 \$300,589,000 \$0 \$300,589,000 3.7500% \$11,272,088 \$0 2.5641% \$0	\$282,072,000 0.00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7.2190% \$20,362,778 \$0 2.5641% \$0	\$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641% \$0	\$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$0 \$223,802,000 5.7130% \$12,785,808 \$0 2.5641% \$0	\$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.2850% \$11,043,906 \$0 2.5641%	\$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641%	\$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4.5220% \$8,052,099 \$0 2.5641% \$0	\$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641% \$0	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641% \$0
State Tax Deduction (20) Plant Additions (21) Capital Repairs Deduction Rate (22) Capital Repairs Deduction Remaining Tax Depreciation (23) Plant Additions (24) Less Capital Repairs Deduction (25) Less Plant Additions Subject to 39 Yr Straight Line Depreciation (26) Remaining Plant Additions Subject to 20 YR MACRS Tax Depreciation (27) 20 YR MACRS Tax Depreciation Rates (28) Total Tax Depreciation on 20 YR MACRS assets (29) Plant Additions Subject to 39 Yr Straight Line Depreciation (30) 39 YR SL Depreciation Rates (31) Total Tax Depreciation on 39 YR SL assets (32) Total Tax Depreciation and Repairs Deduction	Line (17) through (18) Line (2) Line (20) x Line (21) Line (20) x Line (21) Line (22) Per Tax Dept Line (23) - Line (24) - Line (25) IRS Publication 946, Table A-1 Line (26) x Line (27) Line (25) IRS Publication 946 Line (29) * Line (30) Line (29) + Line (31)	ν __ -	\$300,589,000 0.00% \$0 \$300,589,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	\$282,072,000 0,00% \$0 \$282,072,000 \$0 \$0 \$282,072,000 7,2190% \$20,362,778 \$0 2,5641% \$0 \$20,362,778	\$263,099,000 0.00% \$0 \$263,099,000 \$0 \$0 \$263,099,000 6,6770% \$17,567,120 \$0 2,5641% \$0 \$17,567,120	\$243,605,000 0.00% \$0 \$243,605,000 \$0 \$243,605,000 6.1770% \$15,047,481 \$0 2.5641% \$0 \$15,047,481	\$223,802,000 0.00% \$0 \$223,802,000 \$0 \$0 \$223,802,000 5.7130% \$12,785,808 \$0 2.5641% \$0 \$12,785,808	\$208,967,000 0.00% \$0 \$208,967,000 \$0 \$208,967,000 5.28530% \$11,043,906 \$0 2.5641% \$0	\$194,200,000 0.00% \$0 \$194,200,000 \$0 \$0 \$194,200,000 4.8880% \$9,492,496 \$0 2.5641% \$0 \$9,492,496	\$178,065,000 0.00% \$0 \$178,065,000 \$0 \$178,065,000 4,5220% \$8,052,099 \$0 2,5641% \$0 \$8,052,099	\$161,930,000 0.00% \$0 \$161,930,000 \$0 \$161,930,000 4.4620% \$7,225,317 \$0 2.5641% \$0 \$7,225,317	\$135,187,000 0.00% \$0 \$135,187,000 \$0 \$0 \$135,187,000 4.4610% \$6,030,692 \$0 2.5641% \$0 \$6,030,692

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-10 Page 4 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration MACRS Table

MACRS DEPRECIATION BY CLASS OF PROPERTY

Year	3-year	5-year	7-year	10-year	15-year	20-year
1	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
2	44.45	32	24.49	18	9.5	7.219
3	14.81	19.2	17.49	14.4	8.55	6.677
4	7.41	11.52	12.49	11.52	7.7	6.177
5		11.52	8.93	9.22	6.93	5.713
6		5.76	8.92	7.37	6.23	5.285
7			8.93	6.55	5.9	4.888
8			4.46	6.55	5.9	4.522
9				6.56	5.91	4.462
10				6.55	5.9	4.461
11				3.28	5.9	4.462
12					5.9	4.461
13					5.91	4.462
14					5.9	4.461
15					5.91	4.462
16					2.95	4.461
17						4.462
18						4.461
19						4.462
20						4.461
21						2.231

Massachusetts Electric Company Nantucket Electric Company each d/b/a National Grid D.P.U. 20-75 Attachment EDC-2-5-10 Page 5 of 5 H.O. Zilgme

Massachusetts Electric Company DG Capital Investment Recovery Illustration Cost of Capital

	Description	Capital Structure (a)	Cost Rate (b)	Weighted Return $(c) = (a) x (b)$	Taxes (d)	$\frac{\text{Pre-tax}}{\text{Return}}$ $(e) = (c) + (d)$
1 2	Long Term Debt	46.43%	5.22% 1/	2.42%		2.42%
3 4	Preferred Stock	0.08%	4.44% 1/	0.00%		0.00%
5	Total Common Equity	53.49%	9.60% 3/	5.14%	1.93% 2/	7.07%
7	Total Capitalization	100.00%		7.56%	1.93%	9.49%

- 1/ Company's Effective Cost of Long Term Debt and Preferred Stock
- 2/ Line 5(c) /(1-0.2732) Line 5(c)
- 3/ Per Docket No. 18-150 final order Page 497

	From Jan 1,
Effective Tax Rate	2018
Federal Tax Rate	21.00%
State Tax Rate	8.00%
Federal Deduction for State Income Taxes	1.68%
State Tax, net of Federal Deduction	6.32%
Federal Tax Rate	21.00%
Effective Tax rate	27.32%