Received: 06/28/2016

Niagara Mohawk Power Corporation d/b/a National Grid
Annual Reconciliation of Revenue Decoupling Mechanism ("RDM"): Period April 1, 2015 to March 31, 2016
Calculation of Annual RDM Surcharge / (Credit) Effective July 1, 2016 to June 30, 2017

1. Reconciliation of Actual Delivery Revenue Per Customer to RPC Target

	Target Revenue Per Customer ($) (1)	Actual # of Customers (2)	Actual Delivery Revenue w/o MFC ($) (3)	Average Revenue Per Customer ($/Customer) (4) = (3)/(2)	RPC Variance (Target - Actual) ($) (5) = (1) - (4)	Surcharge/(Credit) ($) (6) = (2) * (5)
SC 1 Residential Non Heat	$ 290.85	35,853	$ 10,556,527.63	$ 294.44	$ (3.59)	$ (128,855.29)
SC 1 Residential Heat	$ 417.69	521,517	$ 216,889,007.11	$ 415.88	$ 1.81	$ 941,516.47
SC 1 Residential - Non Heat and Heat						$ 812,661.18
SC 2 Residential	$ 940.88	949	$ 885,703.59	$ 933.22	$ 7.66	$ 7,267.91
SC 2 Commercial	$ 1,025.91	44,763	$ 53,456,120.61	$ 1,194.21	$ (168.31)	$ (7,533,786.80)
SC 2 Industrial	$ 2,579.43	183	$ 499,553.64	$ 2,733.54	$ (154.11)	$ (28,163.20)
SC 7 Small Volume Firm Transportation	$ 11,927.19	695	$ 8,377,320.68	$ 12,046.48	$ (119.29)	$ (82,954.81)

2. Reconciliation of FY 14 RDM Surcharge/Credit

	Reconciliation of FY 15 RDM to be collected ($) (7)	Actual Collections Jul 2015 - Jun 2016 ($) (8)	Total Adjustments ($) (9) = (7) + (8)
SC 1 Residential - Non Heat and Heat	$ (1,763,974.96)	$ (1,925,344.94)	$ 161,369.98
SC 2 Residential	$ 24,682.52	$ 8,172.26	$ 16,510.26
SC 2 Commercial	$ (7,221,284.72)	$ (9,390,877.53)	$ 2,169,592.80
SC 2 Industrial	$ (109,237.18)	$ (118,361.25)	$ 9,124.06
SC 7 Small Volume Firm Transportation	$ (574,467.08)	$ (655,212.43)	$ 80,745.35

3. Calculation of Annual RDM Surcharge / (Credit) Including Interest

	RDM Surcharge/(Credit) for TME March 31, 2016 ($) (10) = (6) + (9)	Plus Interest ($) (11)	Total RDM Surcharge/(Credit) ($) (12) = (10) + (11)	Forecast Thruput July 1, 2016 - June 30, 2017 / Therms (13)	Rate Per Therm ($)/ Therm (14) = (12) / (13)
SC 1 Residential - Non Heat and Heat	$ 974,031.16	$135,984.79	$ 1,110,015.95	510,656,899	**$ 0.00217**
SC 2 Residential	$ 23,778.17	$1,039.15	$ 24,817.32	2,681,195	**$ 0.00926**
SC 2 Commercial	$ (5,364,194.00)	($46,554.79)	$ (5,410,748.79)	193,877,733	**$ (0.02791)**
SC 2 Industrial	$ (19,039.13)	$423.06	$ (18,616.07)	2,953,743	**$ (0.00630)**
SC 7 Small Volume Firm Transportation	$ (2,209.46)	$14,818.82	$ 12,609.36	63,758,618	**$ 0.00020**

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Workpapers for the RDM reconciliation for the period April 1, 2015 to March 31, 2016

Group 1 - SC1 Residential Non Heat	Apr-2015	May-2015	Jun-2015	Jul-2015	Aug-2015
TARIFF 401 - Gas SC1 Res Non Heat					
01 THM/KWH C/D Supply Chg GS	$ 333,030.21	$ 220,260.70	$ 138,165.32	$ 113,475.62	$ 101,646.42
02 CUST D Basic Svce/Custome	$ 675,780.18	$ 675,019.61	$ 671,330.46	$ 669,910.00	$ 672,497.83
TARIFF 412 - Gas SC1 Res Non Heat Monthly					
1K THM D GS Transp Mnthly Ba	$ 83,079.46	$ 59,371.53	$ 38,008.32	$ 30,910.62	$ 26,960.19
1L CUST D GS Transp Mnthly B	$ 144,606.15	$ 143,985.75	$ 141,228.95	$ 138,547.73	$ 137,941.91
Total Tariffs 401 and 412 Delivery Revenue with Adj	**$ 1,236,496.00**	**$ 1,098,637.59**	**$ 988,733.05**	**$ 952,843.97**	**$ 939,046.35**
Tariff 401 Number of Customers	35,123	35,093	35,016	35,033	35,201
Tariff 412 Number of Customers	7,584	7,473	7,368	7,278	7,169
Total Tariffs 401 and 412 Number of Customers	**42,707**	**42,566**	**42,384**	**42,311**	**42,370**

Group 2 - SC1 Residential Heat	Apr-2015	May-2015	Jun-2015	Jul-2015	Aug-2015
TARIFF 400 - Gas SC1 Res Heat					
01 THM/KWH C/D Supply Chg GS	$ 8,685,539.25	$ 6,011,348.60	$ 3,043,193.69	$ 2,186,414.42	$ 1,911,479.39
02 CUST D Basic Svce/Custome	$ 7,722,025.66	$ 7,736,429.19	$ 7,735,808.49	$ 7,733,919.30	$ 7,766,358.05
07 WNA D Weather Normalizati	$ (441,220.84)	$ 424,771.01	$ 805,469.29	$ 5,988.78	$ (126.25)
1K THM D GS Transp Mnthly Ba	$ -	$ -	$ -	$ -	$ -
1L CUST D GS Transp Mnthly B	$ -	$ -	$ -	$ -	$ -
1M WNA D GS Transp Monthly B	$ -	$ -	$ -	$ -	$ -
TARIFF 410 - Gas SC1 Res Heat Monthly Balancing					
01 THM/KWH C/D Supply Chg GS	$ -	$ -	$ -	$ -	$ -
02 CUST D Basic Svce/Custome	$ -	$ -	$ -	$ -	$ -
1K THM D GS Transp Mnthly Ba	$ 2,503,820.36	$ 1,734,248.15	$ 878,952.97	$ 618,104.71	$ 527,422.68
1L CUST D GS Transp Mnthly B	$ 2,114,033.72	$ 2,091,666.39	$ 2,063,262.43	$ 2,029,450.04	$ 2,005,868.51
1M WNA D GS Transp Monthly B	$ (129,749.88)	$ 113,741.94	$ 240,344.66	$ 1,756.87	$ (11.22)
Total Tariffs 400 and 410 Delivery Revenue with Adj	**$ 20,454,448.27**	**$ 18,112,205.28**	**$ 14,767,031.53**	**$ 12,575,634.12**	**$ 12,210,991.16**
Tariff 400 Number of Customers	404,354	404,838	405,316	406,117	407,560
Tariff 410 Number of Customers	109,814	108,295	106,937	105,479	104,189
Total Tariffs 400 and 410 Number of Customers	**514,168**	**513,133**	**512,253**	**511,596**	**511,749**