

**KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID ("KEDLI")**  
**Estimated Temporary State Assessment ("TSA") for State Fiscal Year 2015/16 and**  
**Estimated September 2015 TSA Payment including Working Capital and Bad Debt Underlying the Incremental State Assessment Surcharge**

Calculation of Calendar Year 2015 Assessable Revenues:

(1) Total Gas Operating Revenues	PSC Annual Report, Page 64 (Line 28)	\$	1,066,974,531
Adjustments:			
(2) Less Sales for Resale	PSC Annual Report, Page 64 (Line 7)	\$	(64,498,782)
(3) Less Transportation for Power Generation		\$	(6,698,541)
(4) Less Exempt Revenues @ \$500,000		\$	(500,000)
(5) Total Adjustments	Sum of Lines (2) through (4)	\$	(71,697,323)
(6) Assessable Gas Utility Revenues	Line (1) + Line (5)	\$	995,277,208
(7) Estimated ESCO Energy Revenues	PSC Annual Report, Page 2 (footnote)	\$	103,086,691
(8) Total Gas Assessable Revenue Estimate	Line (6) + Line (7)	\$	1,098,363,899

Calculation of Estimated Temporary State Assessment:

(9) Combined General & Temporary State Assessment	Line (8) x 0.73%	0.73%	\$	8,018,056
(10) Less: Amount of General Assessment in Base Rates	a\		\$	(3,377,433)
(11) Estimated Temporary State Assessment	Line (9) + Line (10)		\$	4,640,623

Basis for Determination of Incremental State Assessment Surcharge

March 2016 Payment of Combined General & Temporary State Assessment				
(12) General Assessment in Base Rates	b\		\$	1,210,554
(13) Temporary State Assessment	b\		\$	2,857,292
(14) Combined General & Temporary State Assessment	b\		\$	4,067,846
Estimated September 2016 Payment of Combined General & Temporary State Assessment				
(15) General Assessment in Base Rates	Line (10*-1) - Line (12)		\$	2,166,880
(16) Temporary State Assessment	Line (11) - Line (13)		\$	1,783,331
(17) Combined General & Temporary State Assessment	Line (9) - Line (14)		\$	3,950,211
(18) Carrying Charges on Cash Working Capital	Line (16) x: 3.77%	3.77%	\$	67,232
(19) Bad Debt Allowance		0.75%	\$	13,984
(20) Estimated September 2016 TSA Payment including Working Capital and Bad Debt	Line (16)+ Line (18) + Line (19)		\$	1,864,547

a\ - Case 06-G-1186 Appendix 3, Page 9 , Line "PSC Assessment Fees" with applicable inflation

b\ - Per February 1, 2016 Statement of Estimated Assessment

**KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID ("KEDLI")**  
**Estimated Temporary State Assessment("TSA") for State Fiscal Year 2017/18 and**  
**Estimated March 2017 TSA Payment including Working Capital and Bad Debt Underlying the Incremental State Assessment Surcharge**

Estimate of Calendar Year 2016 Assessable Revenues:

(1)	Estimated Temporary State Assessment	Page 1, Line (11)	\$	4,640,623
(2)	Estimated One-Half of Fiscal Year 2016-2017	Line (1) * 50%	\$	2,320,312

Basis for Determination of Incremental State Assessment Surcharge

(3)	Carrying Charges on Cash Working Capital	Line (2) x: 3.77%	3.77%	\$	87,476
(4)	Bad Debt Allowance		0.75%	\$	18,194.87
(5)	Estimated Incremental State Assessment Surcharge including Working Capital and Bad Debt	Sum of Lines (2) through (4)		\$	2,425,982