

KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID (KEDLI)
Computation of Annual Incremental State Assessment Surcharge (ISAS)
Based on Calendar Year Revenues

			KEDLI	
			2009	2008
(1)	Total Gas Operating Revenues	PSC Annual Report, Page 64 (Line 28)	\$ 1,342,345,938	\$ 1,520,339,251
	Adjustments:			
(2)	Less Sales for Resale	PSC Annual Report, Page 64 (Line 7)	(145,898,036)	(253,644,774)
(3)	Less Transportation for Power Generation		(10,843,473)	(23,322,497)
(4)	Less Exempt Revenues @ \$500,000		<u>(500,000)</u>	<u>(500,000)</u>
(5)	Total Adjustments	Sum of Lines (2) through (4)	\$ (157,241,509)	\$ (277,467,271)
(6)	Assessable Gas Utility Revenues	Line (1) + Line (5)	\$ 1,185,104,429	\$ 1,242,871,980
(7)	Estimated ESCO Energy Revenues	As provided to Staff	\$ 159,416,946	\$ 153,469,503
(8)	Total Gas Assessable Revenue Estimate	Line (6) + Line (9)	\$ 1,344,521,375	\$ 1,396,341,483
	Estimated Incremental State Assessment:			
(9)	Combined §18-a General & Temporary State Assessment	Line (10) x 2% 2.00%	\$ 26,890,427	2.00% \$ 27,926,830
(10)	Less Amount of General Assessment Currently in Base Rates	a\	<u>(3,257,615)</u>	<u>(3,190,990)</u>
(11)	Estimated Incremental State Assessment Surcharge Amount		\$ 23,632,812	\$ 24,735,840
(12)	Plus Carrying Charges	2009: Line (13) x 6.71%; 2008: Line (13) x 3.37%	6.71% 1,586,032	3.37% 833,628
(13)	Plus Bad Debt Allowance	(Line (13)+Line(14))/(1-0.75%)- (Line(13)+Line(14))	0.75% <u>190,571</u>	0.75% <u>193,220</u>
(14)	Estimated Incremental State Assessment Surcharge Amount including Working Capital and Bad Debt Allowance, excluding Annual Imbalance Surcharge	Sum of Lines (11) through (13)	\$ 25,409,415	\$ 25,762,688
(15)	Plus Annual Imbalance Surcharge	Attachment 2, Line (8)	\$ <u>1,208,687</u>	N/A
(16)	Estimated Incremental State Assessment Surcharge Amount including Working Capital and Bad Debt Allowance, and including Annual Imbalance Surcharge, for the period July 1, 2010 to June 30, 2011		\$ 26,618,101	

a\ - Case 06-G-1186 Appendix 3, Page 9 , Line "PSC Assessment Fees" x 76.3% (General Assessment as a percentage of total Assessment), adjusted for inflation @ 2.1%