

**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 2014 Assessable Revenues:

(1) Total Gas Operating Revenues	PSC Annual Report, Page 64 (Line 28)	\$ 1,081,514,275
Adjustments:		
(2) Less Sales for Resale	PSC Annual Report, Page 64 (Line 7)	\$ (114,388,214)
(3) Less Transportation for Power Generation		\$ (8,895,880)
(4) Less Exempt Revenues @ \$500,000		\$ (500,000)
(5) Total Adjustments	Sum of Lines (2) through (4)	\$ (123,784,094)
(6) Assessable Gas Utility Revenues	Line (1) + Line (5)	\$ 957,730,181
(7) Estimated ESCO Energy Revenues	PSC Annual Report, Page 2 (footnote)	\$ 156,748,156
(8) Total Gas Assessable Revenue Estimate	Line (6) + Line (7)	\$ 1,114,478,337

Calculation of Estimated Temporary State Assessment:

(9) Combined General & Temporary State Assessment	Line (8) x 1.00%	1.00%	\$ 11,144,783
(10) Less: Amount of General Assessment in Base Rates	a\		\$ (3,377,433)
(11) Estimated Temporary State Assessment	Line (9) + Line (10)		\$ 7,767,350

Basis for Determination of Incremental State Assessment Surcharge

March 2015 Payment of Combined General & Temporary State Assessment			
(12) General Assessment in Base Rates	b\		\$ 1,173,421
(13) Temporary State Assessment	b\		\$ 3,934,405
(14) Combined General & Temporary State Assessment	b\		\$ 5,107,825
Estimated September 2015 Payment of Combined General & Temporary State Assessment			
(15) General Assessment in Base Rates	Line (17) - Line (16)		\$ 2,204,013
(16) Temporary State Assessment	Line (11) - Line (13)		\$ 3,832,945
(17) Combined General & Temporary State Assessment	Line (9) - Line (14)		\$ 6,036,958
(18) Carrying Charges on Cash Working Capital	Line (11) x: 3.77%	3.77%	\$ 144,502
(19) Bad Debt Allowance		0.75%	\$ 30,056
(20) Estimated September 2015 TSA Payment including Working Capital and Bad Debt	Sum of Lines (11) through (13)		\$ 4,007,504

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

b\ - Per January 30, 2015 Statement of Estimated Assessment

**KEYSPAN GAS EAST CORPORATION d/b/a NATIONAL GRID ("KEDLI")**  
**Estimated Temporary State Assessment("TSA") for State Fiscal Year 2016/17 and**  
**Estimated March 2016 TSA Payment including Working Capital and Bad Debt Underlying the Incremental State Assessment Surcharge**

Estimate of Calendar Year 2015 Assessable Revenues:

(1) Total Gas Operating Revenues	Estimated Revenues	\$ 1,081,514,275
Adjustments:		
(2) Less Sales for Resale	Estimated Revenues	\$ (114,388,214)
(3) Less Transportation for Power Generation	Estimated Revenues	\$ (8,895,880)
(4) Less Exempt Revenues @ \$500,000		\$ (500,000)
(5) Total Adjustments	Sum of Lines (2) through (4)	\$ (123,784,094)
(6) Assessable Gas Utility Revenues	Line (1) + Line (5)	\$ 957,730,181
(7) Estimated ESCO Energy Revenues	Estimated Revenues	\$ 156,748,156
(8) Total Gas Assessable Revenue Estimate	Line (6) + Line (7)	\$ 1,114,478,337

Calculation of Estimated Temporary State Assessment:

(9) Combined General & Temporary State Assessment	Line (8) x 0.73%	0.73%	\$ 8,135,692
(10) Less: Amount of General Assessment in Base Rates	a\		\$ (3,377,433)
(11) Estimated Temporary State Assessment	Line (9) + Line (10)		\$ 4,758,258

Basis for Determination of Incremental State Assessment Surcharge

(12) Carrying Charges on Cash Working Capital	Line (11) x: 3.77%	3.77%	\$ 179,386
(13) Bad Debt Allowance		0.75%	\$ 37,312
(14) Estimated Incremental State Assessment Surcharge including Working Capital and Bad Debt	Sum of Lines (11) through (13)		\$ 4,974,957
(15) Estimated March 2016 TSA Payment including Working Capital and Bad Debt	Line (14) ÷ 2		\$ 2,487,478

a\ - Case 06-G-1186 Appendix 3, Page 9 , Line "PSC Assessment Fees" with applicable inflation  
b\ - Per January 30, 2015 Statement of Estimated Assessment