

Niagara Mohawk Power Corporation  
d/b/a National Grid  
Calculation of Pole Attachment Fee Pursuant to FCC Formula  
Based Upon Year Ended December 31, 2010 Financial Information

<u>Net Investment per Pole</u>		<u>Source</u>
(1)	Total Gross Investment in Pole Plant	\$881,773,635
(2)	Accumulated Depreciation (Pole)	\$316,483,409
(3)	Accumulated Deferred Taxes (Poles)	<u>\$149,172,654</u>
(4)	Net Investment in Pole Plant	\$416,117,571
(5)	Net Investment in Appurtenance	<u>\$62,417,636</u>
(6)	Net Investment in Bare Pole	\$353,699,936
(7)	Number of Pole Equivalents	936,636
(8)	Net Investment per Bare Pole	\$377.63
<u>Carrying Charges</u>		
<u>Administrative</u>		
(9)	Administrative Expense	\$375,117,556
(10)	Electric Plant in Service	\$6,765,790,850
(11)	Depreciation Reserve for Electric Plant in Service	\$2,392,222,999
(12)	Accumulated Deferred Income Taxes	\$1,123,461,261
(13)	Net Electric Plant in Service	\$3,250,106,590
(14)	Administrative Carrying Charge	11.54%
<u>Tax</u>		
(15)	Normalized Tax Expense	\$414,511,711
(16)	Total Plant in Service	\$8,921,400,026
(17)	Depreciation Reserve for Total Plant in Service	\$3,163,857,114
(18)	Accumulated Deferred Income Taxes	\$1,527,187,441
(19)	Net Plant in Service	\$4,230,355,471
(20)	Tax Carrying Charge	9.80%
<u>Maintenance</u>		
(21)	Maintenance of Overhead Lines Expense	\$101,670,913
(22)	Net Investment in Overhead Structures	\$1,069,923,268
(23)	Maintenance Carrying Charge	9.50%
<u>Depreciation</u>		
(24)	Annual Depreciation for Poles	1.62%
(25)	Gross Investment in Pole Plant	\$881,773,635
(26)	Net Investment in Pole Plant	\$416,117,571
(27)	Gross / Net Adjustment	211.90%
(28)	Depreciation Carrying Charge	3.43%
<u>Return</u>		
(29)	Rate of Return	11.25%
(30)	Total Carrying Charge	45.53%
<u>Allocation of Usable Space</u>		
(31)	Assumed Cable Attachment Space (in feet)	1
(32)	Usable Space (in feet)	13.5
(33)	Usage Factor	7.41%
<u>Pole Attachment Rate</u>		
(34)	Net Investment per Bare Pole	\$377.63
(35)	Total Carrying Charge	45.53%
(36)	Usage Factor	7.41%
(37)	Pole Attachment Fee for Cable Attachments	<b>\$12.73</b>

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**Net Investment in Overhead Structures**

(1) Gross Investment in FERC Accounts 364, 365, 369 Page 3, Line (4) \$2,267,220,118

Depreciation Reserve Associated with Overhead Structures:*Percent of Distribution Plant Associated with Overhead Structures:*

(2) 
$$\frac{\text{FERC Accounts 364, 365, 369}}{\text{Total Electric Distribution Plant (Excl Land \& Land Rights)}} = \frac{\text{Page 3, Line (4)}}{\text{Page 3, Lines (21) - (22)}} = \frac{\$2,267,220,118}{\$4,478,454,469} = 50.63\%$$

*Amount of Accumulated Depreciation Associated with Overhead Structures:*

(3) 
$$\begin{array}{ccccccc} \text{Percent of Distribution Plant Assoc with Overhead Structures} & \times & \text{Depreciation Reserve -} & = & 50.63\% & \times & \$1,607,392,740 \\ & & \text{Distribution} & & \text{Line (2)} & & \text{Page 3, Line (20)} \end{array} = \$813,743,487$$

Accumulated Deferred Income Taxes Associated with Overhead Structures:*Percent of Electric Plant Associated with Overhead Structures:*

(4) 
$$\frac{\text{FERC Accounts 364, 365, 369}}{\text{Total Electric Plant (Excl Land \& Land Rights)}} = \frac{\text{Page 3, Line (4)}}{\text{Page 3, Lines (18) - (22) - (23)}} = \frac{\$2,267,220,118}{\$6,640,885,524} = 34.14\%$$

*Amount of Accumulated Deferred Income Taxes Associated with Overhead Structures:*

(5) 
$$\begin{array}{ccccccc} \text{Percent of Electric Plant Assoc with Overhead Structures} & \times & \text{Accumulated Deferred Income} & = & 34.14\% & \times & \$1,123,461,261 \\ & & \text{Taxes (excl FAS 109)} & & \text{Line (4)} & & \text{Page 3, Sum of Lines (27) thru (29)} \end{array} = \$383,553,363$$

(6) Net Investment in Overhead Structures Line (1) - Line (3) - Line (5) \$1,069,923,268

**Net Investment in Pole Plant**

(7) Gross Investment in FERC Account 364 Page 3, Line (1) \$881,773,635

Depreciation Reserve Associated with Pole Plant:*Percent of Distribution Plant Associated with Pole Plant:*

(8) 
$$\frac{\text{FERC Account 364}}{\text{Total Distribution Plant (Excl Land \& Land Rights)}} = \frac{\text{Page 3, Line (1)}}{\text{Page 3, Lines (21) - (22)}} = \frac{\$881,773,635}{\$4,478,454,469} = 19.69\%$$

*Amount of Accumulated Depreciation Associated with Pole Plant:*

(9) 
$$\begin{array}{ccccccc} \text{Percent of Distribution Plant Assoc with Poles} & \times & \text{Depreciation Reserve -} & = & 19.69\% & \times & \$1,607,392,740 \\ & & \text{Distribution} & & \text{Line (8)} & & \text{Page 3, Line (20)} \end{array} = \$316,483,409$$

Accumulated Deferred Income Taxes Associated with Pole Plant:*Percent of Overhead Structures Associated with Pole Plant:*

(10) 
$$\frac{\text{FERC Account 364}}{\text{FERC Accounts 364, 365, 369}} = \frac{\text{Page 3, Line (1)}}{\text{Page 3, Line (4)}} = \frac{\$881,773,635}{\$2,267,220,118} = 38.89\%$$

*Amount of Overhead Structures Deferred Income Taxes Associated with Pole Plant:*

(11) 
$$\begin{array}{ccccccc} \text{Percent of Overhead Structures Assoc with Pole Plant} & \times & \text{Accumulated Deferred Income} & = & 38.89\% & \times & \$383,553,363 \\ & & \text{Taxes (excl FAS 109)} & & \text{Line (10)} & & \text{Line (5)} \\ & & \text{Allocated to Overhead} & & & & \\ & & \text{Structures} & & & & \end{array} = \$149,172,654$$

(12) Net Investment in Pole Plant Line (7) - Line (9) - Line (11) \$416,117,571

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Calculation of Pole Attachment Fee Pursuant to FCC Formula  
2010 Data

<u>Components of Overhead Structures</u>			<u>Source</u>
(1)	Account 364	\$881,773,635	Form 1, Page 207, Line 64, Column (g)
(2)	Account 365	\$963,510,728	Form 1, Page 207, Line 65, Column (g)
(3)	Account 369	<u>\$421,935,755</u>	Form 1, Page 207, Line 69, Column (g)
(4)	Sum	\$2,267,220,118	
(5)	Number of Poles	936,636	Page 4, Line (7)
(6)	Depreciation Rate (Acct. 364)	1.62%	Case 10-E-0050 -Depreciation Rate effective 1/1/11
(7)	Rate of Return	11.25%	FCC default rate
(8)	Total Administrative & General Expense	\$375,117,556	Form 1, Page 323, Line 197, Column (b)
(9)	Account 593, Maintenance of OH Lines	\$101,670,913	Form 1, Page 322, Line 149, Column (b)
(10)	Account 408.1	\$261,277,684	Form 1, Page 114, Line 14, Column (c)
(11)	Account 409.1 - Federal	\$146,425,558	Form 1, Page 114, Line 15, Column (c)
(12)	Account 409.1 - Other	\$5,288,899	Form 1, Page 114, Line 16, Column (c)
(13)	Account 410.1	\$252,631,290	Form 1, Page 114, Line 17, Column (c)
(14)	Account 411.1	(\$251,111,720)	Form 1, Page 114, Line 18, Column (c)
(15)	Account 411.4	\$0	Form 1, Page 114, Line 19, Column (c)
(16)	Gross Utility Plant	\$8,921,400,026	Form 1, Page 200, Line 8, Column (b)
(17)	Depreciation Reserve	(\$3,163,857,114)	Form 1, Page 200, Line 33, Column (b)
(18)	Gross Electric Plant	\$6,765,790,850	Form 1, Page 200, Line 8, Column (c)
(19)	Depreciation Reserve for Electric Plant	(\$2,392,222,999)	Form 1, Page 200, Line 33, Column (c)
(20)	Depreciation Reserve - Distribution	(\$1,607,392,740)	Form 1, Page 219, Line 26, Column (c)
(21)	Total Distribution Plant	\$4,506,693,879	Form 1, Page 207, Line 75, Column (g)
(22)	Distribution Land & Land Rights	\$28,239,410	Form 1, Page 207, Line 60, Column (g)
(23)	Transmission Land & Land Rights	\$96,665,916	Form 1, Page 207, Line 48, Column (g)
(24)	Accum Deferred Income Taxes - 190	\$713,010,876	Form 1, Page 111, Line 82, Column (c)
(25)	Accum Deferred Income Taxes - 281/282/283	(\$2,190,806,730)	Form 1, Page 113, Lines 62 through 64 less Page 277, Line 3, Column (k)
(26)	FAS 109	(\$49,391,587)	Form 1, Page 278, Line 1, Column (f) plus Line 27, Column (f)
(27)	Accum Deferred Income Taxes - 190 E	\$619,765,506	Form 1, Page 234, Line 8, Column (c)
(28)	Accum Deferred Income Taxes - 281/282/283 E	(\$1,693,835,180)	Form 1, Page 275, Line 2, Column (k) plus Page 277, Lines 4 through 6
(29)	FAS 109 E	(\$49,391,587)	Form 1, Page 278, Line 1, Column (f) plus Line 27, Column (f)

Niagara Mohawk Power Corporation  
d/b/a National Grid  
Calculation of Pole Attachment Fee Pursuant to FCC Formula  
2010 Pole Counts (Poles)

	<u>Description</u>	<u>Jointly Owned</u> (a)	<u>Solely Owned</u> (b)	<u>Total NMPC Number</u> (c)
(1)	Up to 30 ft.	51,938	72,002	123,940
(2)	31-40 ft.	555,100	375,778	930,878
(3)	41-50 ft.	137,910	63,783	201,693
(4)	51-60 ft.	2,869	1,857	4,726
(5)	Above 60 ft.	328	514	842
(6)	Total	748,145	513,934	1,262,079
(7)	Equivalent Number of Poles			<b>936,636</b>

(7) Column (a), Line (6) x 56.5% pole ownership + Column (b), Line (6)

Source: Plant Accounting

Wireless Attachment to Distribution Pole  
Calculation of Wireless Attachment Fee consistent with PSC Order issued June 23, 2006 CASE 06-E-0082  
Based Upon Year Ended December 31, 2010 Financial Information

(A) - Licensor annual carrying charge rate	45.53%	Page 1, Line (30)					
(B) - Licensor net pole investment	\$416,117,571	Page 1, Line (4)					
(C) - Licensor total number of equivalent poles	936,636	Page 4, Line (7)					
(D) - Licensor net cost of bare pole [D = B/C]	\$444.27						
(E) - Licensor net cost of bare pole adjusted for appurtenances not usable [E = (.85)D]	\$377.63	Page 1, Line (8)					
	existing pole	Replaced pole - excess height required for wireless provider					
Pole height (ft) [Page1, Line (32)]	37.5	50	60	70	80	90	100
Total useable space (ft)	13.5	26	36	46	56	66	76
Additional pole space allocated as usable for panels (ft)	5	5	5	5	5	5	5
Usable space allocated to WSP (ft)	7	19.5	29.5	39.5	49.5	59.5	69.5
(F) - % of usable space allocated to WSP	37.84%	62.90%	71.95%	77.45%	81.15%	83.80%	85.80%
Wireless fee = carrying cost x bare pole cost x % of usable space [(A) x (E) x (F)]	\$65.05	\$108.14	\$123.70	\$133.15	\$139.51	\$144.07	\$147.51
Wireless rate for attachment to existing distribution pole (no required pole replacement)	\$65.05						
Wireless rate for attachment to distribution pole with excess height provided for wireless provider	\$133.15						