

US Databook

New York and New England regulated businesses

May 2023

Cautionary statement

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For further details regarding these and other assumptions, risks and uncertainties that may impact National Grid, please read the Strategic Report section and the 'Risk factors' on pages 253 to 256 of National Grid's most recent Annual Report and Accounts, as updated by National Grid's unaudited half-year financial information for the six months ended 30 September 2022 published on 10 November 2022. In addition, new factors emerge from time to time and National Grid cannot assess the potential impact of any such factor on its activities or the extent to which any factor, or combination of factors, may cause actual future results to differ materially from those contained in any forward-looking statement. Except as may be required by law or regulation, the Company undertakes no obligation to update any of its forward-looking statements, which speak only as of the date of this presentation.

Return on equity – New York



NEW YORK

	KEDNY		KEDLI		NIMO Electric		NIMO Gas	
	Allowed	Achieved	Allowed	Achieved	Allowed	Achieved	Allowed	Achieved
FY2017	9.0%	8.2%	9.0%	9.5%	9.3%	8.5%	9.3%	6.6%
FY2018	9.0%	9.0%	9.0%	10.1%	9.0%	8.8%	9.0%	7.9%
FY2019	9.0%	6.2%	9.0%	9.9%	9.0%	9.4%	9.0%	9.8%
FY2020	9.0%	7.7%	9.0%	9.7%	9.0%	8.9%	9.0%	8.7%
FY2021	9.0%	6.1%	9.0%	8.2%	9.0%	6.3%	9.0%	7.2%
FY2022	8.8%	8.1%	8.8%	11.0%	9.0%	8.5%	9.0%	8.1%
FY2023	8.8%	9.2%	8.8%	9.2%	9.0%	8.1%	9.0%	7.1%

Return on equity – New England



MASSACHUSETTS

	Mass Electric		Mass Gas	
	Allowed	Achieved	Allowed	Achieved
FY2017	9.9%	4.3%	9.75%	7.7%
FY2018	9.9%	9.0%	9.75%	6.6%
FY2019	9.9%	7.8%	9.5%	7.4%
FY2020	9.6%	10.3%	9.5%	7.8%
FY2021	9.6%	5.3%	9.5%	5.7%
FY2022	9.6%	7.1%	9.6%	6.9%
FY2023	9.6%	5.9%	9.7%	8.6%

FERC

	New England Power		Canadian Interconnector	
	Allowed	Achieved	Allowed	Achieved
FY2017	10.57%	11.1%	13.0%	13.0%
FY2018	10.57%	11.0%	13.0%	13.0%
FY2019	10.57%	11.0%	13.0%	13.0%
FY2020	10.57%	11.0%	13.0%	13.0%
FY2021	10.57%	11.0%	13.0%	13.0%
FY2022	10.57%	10.9%	11.1%	11.1%
FY2023	10.57%	11.1%	11.1%	11.1%

Rate Base – New York and New England



NEW YORK

\$m	KEDNY	KEDLI	NIMO Electric	NIMO Gas	Total New York
FY2017	2,722	2,256	4,737	1,052	10,767
FY2018	3,159	2,355	5,000	1,167	11,681
FY2019	3,711	2,630	5,358	1,266	12,965
FY2020	4,555	2,932	5,881	1,328	14,696
FY2021	4,959	3,158	6,206	1,467	15,790
FY2022	5,429	3,369	6,603	1,584	16,985
FY2023	6,048	3,774	7,045	1,800	18,667

MASSACHUSETTS

\$m	Massachusetts Electric	Massachusetts Gas	Total Massachusetts
FY2017	2,281	2,251	4,532
FY2018	2,457	2,488	4,945
FY2019	2,564	2,761	5,325
FY2020	2,858	3,108	5,966
FY2021	3,033	3,521	6,554
FY2022	3,049	3,820	6,869
FY2023	3,106	4,170	7,276

FERC

\$m	New England Power	Canadian Interconnector ¹	Total FERC
FY2017	1,543	31	1,574
FY2018	1,667	30	1,697
FY2019	1,630	79	1,709
FY2020	1,844	52	1,896
FY2021	1,970	58	2,028
FY2022	2,260	46	2,306
FY2023	2,420	59	2,479

Capital Expenditure – New York and New England



Excludes cost of removal and Service Company

NEW YORK

\$m	KEDNY	KEDLI	NIMO Electric	NIMO Gas	Total New York
FY2017	459	244	462	116	1,281
FY2018	677	313	533	128	1,651
FY2019	727	386	566	145	1,824
FY2020	806	402	615	154	1,977
FY2021	641	407	664	167	1,879
FY2022	790	510	821	176	2,297
FY2023	757	448	896	212	2,313

MASSACHUSETTS

\$m	Massachusetts Electric	Massachusetts Gas	Total Massachusetts
FY2017	279	512	791
FY2018	346	611	957
FY2019	320	385	705
FY2020	319	568	887
FY2021	307	610	917
FY2022	346	705	1,051
FY2023	405	808	1,213

FERC

\$m	New England Power	Canadian Interconnector ¹	Total FERC
FY2017	187	67	345
FY2018	192	22	253
FY2019	180	33	278
FY2020	227	60	335
FY2021	239	93	412
FY2022	278	133	494
FY2023	354	115	469

¹ Includes other FERC companies (INTE, MECOT, LNG)

Summary of US rate plans

		Rate base (31 Mar 2023)	Equity-to-debt ratio	Allowed return on equity	Achieved return on equity (31 Mar 2023)	Revenue decoupling	Capital tracker	Commodity-related bad debt true-up	Pension/OPEB true-up
New York Public Service Commission	Niagara Mohawk (upstate, electricity)	\$7,045m	48:52	9.0%	8.1%	✓	P	P	✓
	Niagara Mohawk (upstate, gas)	\$1,800m	48:52	9.0%	7.1%	✓	P	P	✓
	KEDNY (downstate)	\$6,048m	48:52	8.8%	9.2%	✓	P	P	✓
	KEDLI (downstate)	\$3,774m	48:52	8.8%	9.2%	✓	P	P	✓
Massachusetts Department of Public Utilities	Massachusetts Electric/ Nantucket Electric	\$3,106m	53:47	9.6%	5.9%	✓	P	✓	✓
	Massachusetts Gas	\$4,170m	53:47	9.7%	8.6%	✓	P	✓	✓
Federal Energy Regulatory Commission	FERC Other Incl. Canadian Interconnector	\$59m	65:35	11.1%	11.1%	n/a	✓	n/a	✓
	New England Power	\$2,420m	61:39	10.57%	11.1%	n/a	✓	n/a	✓

Revenue decoupling

A mechanism that removes the link between a utility's revenue and sales volume so that the utility is indifferent to changes in usage. Revenues are reconciled to a revenue target, with differences billed or credited to customers. Allows the utility to support energy efficiency.

Capital tracker

A mechanism that allows for the recovery of the revenue requirement of incremental capital investment above that embedded in base rates, including depreciation, property taxes and a return on the incremental investment.

Commodity-related bad debt true-up

A mechanism that allows a utility to reconcile commodity-related bad debt to either actual commodity-related bad debt or to a specified commodity-related bad debt write-off percentage. For electricity utilities, this mechanism also includes working capital.

Pension/OPEB true-up

A mechanism that reconciles the actual non-capitalised costs of pension and OPEB and the actual amount recovered in base rates. The difference may be amortised and recovered over a period or deferred for a future rate case.

✓ Features in place P Features partly in place