

Explanatory Statement

II. SUMMARY OF BASIC SERVICE RATES

The Company's proposed fixed Basic Service rates for the periods November 1, 2023 through July 31, 2024 for the residential and commercial customer groups and November 1, 2023 through January 31, 2024 for the industrial customer group, including currently effective BSACFs and SGCCAFs, are set forth below.

<u>Proposed Fixed Basic Service Rates</u> <u>Including Currently Effective BSACFs and SGCCAFs</u>	
<u>National Grid</u>	
Residential	18.213¢
Commercial	17.262¢
Industrial NEMA	21.450¢
Industrial SEMA	20.840¢
Industrial WCMA	21.015¢

III. COMPETITIVE PROCUREMENT PROCESS

Pursuant to the Department's parameters for Basic Service procurement set forth in the Department's orders in D.T.E. 99-60 and D.T.E. 02-40, National Grid issued an RFP on August 11, 2023 to supply National Grid's Basic Service needs. This RFP solicitation differs from past RFPs performed by National Grid. As directed in the Department's Order, for the residential and commercial customer groups, this RFP solicited 50 percent of National Grid's Basic Service supply needs for the period November 2023 through April 2024 and 100 percent of National Grid's Basic Service supply needs for the period May 2024 through July 2024. For the industrial customer group, consistent with normal practices, this RFP solicited National Grid's entire Basic Service supply needs for the period November 2023 through January 2024. Bidders were required to provide Zone-specific bids for load blocks in each of the three Zones in which National Grid provides Basic Service.

IV. COSTS ASSOCIATED WITH THE RENEWABLE ENERGY PORTFOLIO STANDARD – CLASS I, RENEWABLE ENERGY PORTFOLIO STANDARD – CLASS II, ALTERNATIVE ENERGY PORTFOLIO STANDARD, CLEAN ENERGY STANDARD, AND CLEAN PEAK ENERGY PORTFOLIO STANDARD