

Explanatory Statement

II. SUMMARY OF BASIC SERVICE RATES

The Company's proposed fixed Basic Service rates for the periods November 1, 2020 through April 30, 2021 for the residential and commercial customer groups and November 1, 2020 through January 31, 2021 for the industrial customer group, including currently effective BSACFs and SGCCAFs, are set forth below.

<u>National Grid</u>	<u>Proposed Fixed Basic Service Rates Including Currently Effective BSACFs and SGCCAFs</u>
Residential	12.388¢
Commercial	10.763¢
Industrial NEMA	11.325¢
Industrial SEMA	11.305¢
Industrial WCMA	11.066¢

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 7, 2020 to supply National Grid's Basic Service needs. For the residential and commercial customer groups, this procurement covered 50 percent of National Grid's Basic Service supply needs for the period November 2020 through April 2021 and 50 percent of National Grid's Basic Service supply needs for the period May 2021 through October 2021. For the industrial customer group, this procurement covered National Grid's entire Basic Service supply needs for the period November 2020 through January 2021. Bidders were required to provide Zone-specific bids for load blocks in each of the three Zones in which National Grid provides Basic Service. This procurement is consistent with past procurements performed by National Grid.

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

Consistent with National Grid's Basic Service rates currently in effect, the proposed Basic Service rates contained in this filing include an estimate of the costs associated with National Grid's compliance with the Massachusetts Renewable Energy Portfolio Standard ("RPS") – Class I, RPS – Class II, Alternative Energy Portfolio Standard ("APS"), the Clean Energy