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June 1, 2018

Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888
Attn: Clerk's Office

**RE: Narragansett Electric Company
Distribution Rate Filing No. 4770**

Dear Sir or Madam:

Enclosed for filing please find the following documents with regard to the above matter:

- Notice of Appearance of Clint D. Watts;
- Notice of Appearance of Paul E. Dwyer;
- Notice of Appearance of Robert A. Weishaar, Jr.;
- Notice of Appearance of Kenneth R. Stark; and
- Motion to Intervene

Should you have any questions, please feel free to contact me.

Very truly yours,



Clint D. Watts

MC ELROY, DEUTSCH, MULVANEY & CARPENTER, LLP

/cr
Enclosures

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID – APPLICATION FOR
APPROVAL OF A CHANGE IN ELECTRIC
AND GAS BASE DISTRIBUTION RATES

DOCKET NO. 4770

**MOTION TO INTERVENE OUT OF TIME BY
NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK)**

Pursuant to Rule 1.13 of the Rhode Island Public Utilities Commission's (PUC) Rules of Practice and Procedure National Railroad Passenger Corporation (Amtrak), by its attorneys, moves to intervene out of time in the above-captioned proceeding to address a narrow issue related to The Narragansett Electric Company d/b/a National Grid (National Grid) proposed rates for Propulsion Rate X-01. Amtrak seeks to intervene for the limited purpose of supporting an agreement between Amtrak and National Grid, to be made part of the overall settlement agreement between and among the parties to this docket and Docket 4780, regarding the proposed rates for Propulsion Rate X-01 or, if this agreement is not included in any overall settlement in this case, for the limited purpose of litigating to address only the revenue allocation for Propulsion Rate X-01. In support of this Motion, Amtrak states:

1. Amtrak provides intercity rail passenger transportation services in the State of Rhode Island. Amtrak serves stations in Westerly and Providence, Rhode Island. The Providence station is one of Amtrak's 25 busiest stations in the nation, serving almost 750,000 passengers a year. Rhode Island passengers can travel to Boston, and then north to Maine, or to New York, Philadelphia, Washington, D.C., or to any of the other more than 500 destinations in 46 states

and three Canadian provinces served by Amtrak. All regularly scheduled Amtrak service in the state of Rhode Island utilizes electric locomotives that receive their power from an overhead catenary system. This catenary system receives its power from the National Grid electric system.

2. Amtrak's facilities are served by National Grid under Propulsion Rate X-01. As a customer of National Grid, Amtrak's electricity is delivered by National Grid. Energy costs, including electric distribution services, are one of the largest operational costs for Amtrak to conduct business in Rhode Island.

3. On November 27, 2017, National Grid filed the above-referenced application seeking a distribution base rate increase of approximately \$41.3 million for its electric system. On April 3, 2018, National Grid filed revised schedules and workpapers, including a revised Cost of Service Study (COSS) and Revenue Allocation Proposal, to reflect the impact of the Tax Cuts and Jobs Act of 2017. In Schedule HSG-3 (REV-1), National Grid's revised COSS indicates a distribution revenue requirement of \$104,000 for Propulsion Rate X-01 Schedule. Yet, National Grid proposes rates that would yield \$689,000 in revenue¹ from Propulsion Rate X-01 – a difference between costs and revenue of nearly \$600,000. Amtrak, which receives service under Propulsion Rate X-01, did not become aware of the implications for Amtrak of the COSS and the revised COSS, and the positions of the parties in this proceeding, until very recently. Since that time, Amtrak has been working closely with National Grid in an effort to address Amtrak's concerns.

4. Rule 1.13 of the Commission's Rules of Practice and Procedure governs interventions. Any person with "an interest of such nature that intervention is necessary or appropriate may intervene." Rule 1.13(b). A person or entity with "an interest which may be directly affected

¹ In the proposed \$689,000 total revenue allocation to Propulsion Rate X-01, National Grid attributes \$678,000 to distribution rate revenue and \$11,000 to "other" revenue.

and which is not adequately represented by existing parties” may initiate intervention upon a motion to intervene. Rule 1.13(a)-(b). The motion to intervene shall set forth the grounds of the proposed intervention, the movant’s rights/interest, and the position of the movant. Rule 1.13(c). Interventions are due no later than the deadline set by the Commission or the date of the hearing. Rule 1.13(d). The Commission may authorize a late-filed intervention for good cause shown. *Id.* Late intervenors will be bound to the agreements reached and orders issued prior to their intervention and may not broaden the issues in the case. Rule 1.13(f).

5. Granting Amtrak’s Motion to Intervene is necessary and appropriate because Amtrak has a significant and direct interest that is affected by National Grid’s proposed rate increase and COSS in this proceeding. Under the COSS, Amtrak’s distribution revenue requirement under Propulsion Rate X-01 Schedule is approximately \$104,000. Yet, in its filings, National Grid proposes rates that would recover approximately \$689,000 in total revenue from Rate X-01. Therefore, the proposed rate for the Propulsion Rate X-01 Schedule would produce revenues that exceed the cost of service for Rate X-01 by nearly \$600,000 per year. Notably, Schedule HSG-3 (REV-1) in National Grid’s COSS and Revenue Allocation Proposal reveals a 235.21% return on rate base at the proposed rates. The 235.21% return is materially higher than the percentage return on rate base earned under the other class schedules, as National Grid would not earn more than a 10% return on rate base for any other classes. Propulsion Rate X-01’s relative return is 31.66 times parity, whereas the other rate classes have returns that are all less than 1.5 times parity.

6. No other parties in this proceeding will adequately represent Amtrak’s interests in mitigating a substantial rate increase to Propulsion Rate X-01. Amtrak is the only customer receiving service pursuant to Propulsion Rate X-01. In rate cases, representatives of different

customer classes often disagree as to what constitutes a fair, just, and reasonable revenue allocation, COSS, and rate design. Amtrak recognizes that the Division of Public Utilities (the Division) is charged with representing the public interest generally. However, neither the Division nor any other parties in this proceeding have advocated for Amtrak's unique and narrow interests regarding Propulsion Rate X-01. The Division and other parties have already established their positions in testimony and, to date, none of those positions include closing the inequitable rate disparity in the COSS between Propulsion Rate X-01 and other customer classes. Accordingly, Amtrak's interests are substantial and unique and not adequately represented by the Division or any other party in this proceeding.

7. Amtrak's Motion to Intervene out of time is supported by good cause. Amtrak did not find out until very recently that National Grid's proposed COSS and Revenue Allocation Proposal would produce revenues that are substantially out of line with Amtrak's revenue requirement and cost of service. Amtrak also only recently became aware that no existing party's testimony and exhibits addressed the disparity between Amtrak's revenues and Amtrak's costs under Propulsion Rate X-01 in the proposed COSS. Once these facts were ascertained, Amtrak worked expeditiously with its outside counsel to evaluate Amtrak's options. Pursuant to Rule 1.15(b), a movant seeking to intervene in a proceeding must certify that it "shall make a good faith effort to determine whether a motion will be opposed." On May 7, 2018, Amtrak's outside counsel informed parties and participants on the service list in this proceeding that Amtrak would be seeking to intervene out of time and asked parties to state their positions relative to the Motion. In that correspondence, Amtrak explained that it would accept the record as it stands and would not seek to broaden the issues in the proceeding. *See* Rule

1.13(f). Amtrak corresponded further by phone and email with the Division and National Grid regarding Amtrak's concerns about the proposed COSS.

8. To date, the following parties have affirmatively indicated that they do not oppose Amtrak's Motion to Intervene Out of Time: The Conservation Law Foundation (CLF), Northeast Clean Energy Council (NECEC), the Rhode Island Office of Energy Resources (OER), and the Energy Consumers Alliance of New England, Inc. d/b/a People's Power and Light. Amtrak has not received any opposition from any parties. National Grid expressed a willingness to seek a resolution with Amtrak. Since notifying all parties of its intent to file the Motion, National Grid and Amtrak discussed Amtrak's issues with National Grid's proposed revenue allocation to Propulsion Rate X-01. Those discussions culminated in an agreement between National Grid and Amtrak regarding the proposed revenue allocation for Rate X-01 in this proceeding. National Grid has indicated its non-opposition to this Motion on the limited issue regarding the proposed revenue allocation for Rate X-01. National Grid's assent to this motion is not a waiver of its right to oppose any further efforts by Amtrak to expand its participation in this proceeding beyond supporting the agreement it has reached with National Grid regarding the proposed revenue allocation for Rate X-01.

9. In light of the agreement between Amtrak and National Grid, Amtrak's intervention is narrow and limited to defending and finalizing in this proceeding that agreement as concerns Propulsion Rate X-01. Amtrak will accept the record as it currently stands. If this case is fully litigated, Amtrak will not seek to file testimony out of time but would raise its issues and concerns with the COSS during cross-examination at hearing and in briefs and reply brief, with the limited objective of urging the Commission to adopt the agreement between Amtrak and

National Grid. Accordingly, Amtrak respectfully asks that the Commission grant Amtrak intervenor status in this proceeding.

WHEREFORE, Amtrak respectfully requests that the Rhode Island Public Utilities Commission grant this Motion and allow Amtrak to intervene.

Please direct service of any correspondence or pleadings in connection with this proceeding to:

Paul E. Dwyer
Clint D. Watts
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10 Dorrance Street, Suite 700
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Tel: (401) 519-3848

Counsel to Amtrak

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Counsel to Amtrak

Pro Hac Vice Admissions to the State of Rhode Island Pending

Respectfully Submitted,
Amtrak
By their Attorneys,



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Dated: June 1, 2018

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of June, 2018, I mailed this original pleading and 10 copies to the Public Utilities Commission and sent a true copy of the document by electronic mail or first-class mail to the parties Docket 4770 Service List as of June 1, 2018.



Clint D. Watts (#9342)
McElroy, Deutsch, Mulvaney &
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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID ELECTRIC AND GAS
DISTRIBUTION RATE FILING

DOCKET NO. 4770

NOTICE OF APPEARANCE OF COUNSEL

Pursuant to Rule 1.4 of the Rhode Island Public Utilities Commission's Rules of Practice and Procedure, please enter my appearance on behalf of Amtrak.

Respectfully Submitted,



Paul E. Dwyer (#3956)

Clint D. Watts (#9342)

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pro hac vice pending

Dated: June 1, 2018

CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of June, 2018, I mailed this original pleading and 10 copies to the Public Utilities Commission and sent a true copy of the document by electronic mail or first-class mail to the parties of Docket 4770 Service List as of June 1, 2018.



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