



STATE OF RHODE ISLAND
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Peter F. Neronha
Attorney General

September 13, 2022

Luly Massaro, Clerk
Division of Public Utilities and Carriers
89 Jefferson Blvd.
Warwick, RI 02888
Luly.massaro@puc.ri.gov

***RE: In Re: Rhode Island Energy's Electric Pension Adjustment Factor Filing
Docket 22-19-EL***

Dear Luly:

Enclosed herewith for filing, please find a Memorandum which the Administrator has adopted as the Division's position in this docket.

Should you have any questions, please do not hesitate to contact me.

Regards,

/s/ Gregory S. Schultz
Special Assistant Attorney General
gschultz@riag.ri.gov



STATE OF RHODE ISLAND

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To: Linda George, Esq., Administrator
Division of Public Utilities and Carriers

From: John Bell, Chief Accountant
Division of Public Utilities & Carriers

CC: John Spirito, Esq., Deputy Administrator
Christy Hetherington, Esq., Chief Legal Counsel
Paul Roberti, Esq., Chief Economic & Policy Advisor
Division of Public Utilities and Carriers

Date: September 13, 2022

Re: Docket 22-19-EL, Rhode Island Energy's Electric Pension Adjustment Factor Filing

The purpose of this memo is to provide you with my recommended position concerning Rhode Island Energy's Electric Pension and Postretirement Benefits Other than Pension (PBOP) Adjustment Factor (PAF) filing submitted on August 1, 2022 in the above referenced docket.

Rhode Island Energy ("RIE" or the "Company") submitted the filing in accordance with its Pension Adjustment Mechanism Provision tariff. The tariff states in part:

The PAF shall recover or refund the prior year's reconciliation of the Company's actual pension and OPEB expenses to the Company's most recently approved pension and OPEB expense allowance include in distribution base rates, including interest at the rate of interest paid on customer deposits.

The tariff further states:

The PAF shall be a uniform per kilowatt-hour factor based on the estimated kilowatt-hours to be delivered by the Company to its retail delivery customers. For billing purposes, the PAF will be included with the distribution kWh charge on customers' bills.

RIE's filing included joint testimony and supporting schedules of Jeffrey D. Oliveira and James H. Allen. The joint testimony explains both the PAF mechanism and the schedules/calculations that support the Company's proposed PAF for effect on October 1, 2022. The current PAF is a credit of \$0.00006/kWh and the proposed PAF is a credit of \$0.00045/kWh which if approved would result in a bill decrease of \$0.21 for a residential customer using 500 kWhs per month. The proposed PAF is based on a net over recover, including interest, of \$3.36M and forecasted kWh sales for the period October 1, 2022 through September 3, 2023 of 7,399,766,076.

On August 12, 2022, the Division issued a set of data requests seeking copies of Excel files and additional supporting documentation for certain amounts included in the filing. The Company provided full responses to our data requests on August 19, 2022. I, along with our consultant Dave Effron, reviewed the filing, including the detailed calculations and supporting documentation. We concluded that the proposed PAF was accurately calculated and in accordance with the tariff. It is my position that the Division recommend to the Public Utilities Commission that the proposed PAF be approved as filed.