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Also admitted in Massachusetts

March 23, 2023

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

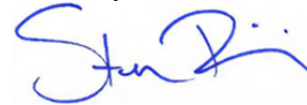
**RE: Docket No. 22-54-NG – The Narragansett Electric Company
Proposed Fiscal Year 2024 Gas Infrastructure, Safety, and Reliability Plan
Responses to PUC Record Requests**

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a Rhode Island Energy (“Rhode Island Energy” or the “Company”), I have enclosed the Company’s responses to the Public Utilities Commission’s Record Requests in the above-referenced docket.

Thank you for your attention to this matter. If you have any questions, please contact me at 401-709-3359.

Sincerely,



Steven J. Boyajian

Enclosure

cc: Docket 22-54-NG Service List

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate were electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Heidi J. Seddon

March 23, 2023

Date

No. 22-54-NG- RI Energy's Gas Infrastructure, Safety and Reliability (ISR) Plan 2024 - Service List 2/6/2023

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Record Request 1

Request:

Please clarify the nature and purpose of the Company's forecasted spending of \$500,000 with respect to Old Mill Lane in FY 2024.

Response:

The Company's forecasted spending of \$500,000 with respect to **Notable Capital Projects Not Currently Included in the ISR - Old Mill Lane** in FY 2024 is for the purpose of continued engineering services, environmental consultancy, legal expenses, and employee resources dedicated to the permitting of the proposed facility, including the pending applications before the Energy Facility Siting Board and Rhode Island Department of Environmental Management.

Record Request 2

Request:

Please provide a list of the Company's proposed non-ISR investments in the gas system.

Response:

Please see Attachment RR-2 for a summary of the Company's proposed Gas Capital Spending Forecast for FY 2024 through FY 2028.

Please note, the Company plans to include the Cumberland LNG Tank Replacement and Old Mill Lane portable LNG vaporization facility in future ISR proposals for the fiscal year in which the assets are forecasted to be placed in-service.

RI Energy - Proposed Gas Capital Spending Forecast - FY 2024 through FY 2028
(\$000)

Capital ISR/Non-ISR/Other	Categories	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
ISR	Discretionary	\$ 127,891	\$ 164,445	\$ 173,359	\$ 188,969	\$ 190,153
	Non-Discretionary	\$ 42,822	\$ 61,967	\$ 79,529	\$ 84,070	\$ 94,109
ISR Total		\$ 170,713	\$ 226,411	\$ 252,888	\$ 273,039	\$ 284,262
Non-ISR	Notable Capital Projects Not Currently in ISR LNG - Cumberland Tank Replacement	\$ 500	\$ 278	\$ 37,000	\$ 40,000	\$ 37,000
	Notable Capital Projects Not Currently in ISR Old Mill Lane	\$ 500	\$ 14,500	\$ -	\$ -	\$ -
	AMI	\$ -	\$ -	\$ 463	\$ 493	\$ 525
	Customer Connections	\$ 15,501	\$ 16,019	\$ 16,519	\$ 16,768	\$ 17,022
	Discretionary	\$ 8,860	\$ 11,075	\$ -	\$ -	\$ -
	Future of Heat	\$ 250	\$ 313	\$ 2,000	\$ 3,000	\$ 4,000
	LNG - Allens Ave Sea Wall	\$ 323	\$ -	\$ -		
	Meter Changes (Periodic Test Replacement Plan) - Proposed Pick for Test Pilot & Program	\$ 225	\$ 281	\$ 903	\$ 921	\$ 939
	System Reinforcement	\$ 6,410	\$ 8,013	\$ 8,925	\$ 9,371	\$ 9,840
	Non-ISR Total		\$ 32,568	\$ 50,478	\$ 65,810	\$ 70,554
Indirects	Indirects	\$ 937	\$ 1,171	\$ 1,302	\$ 1,407	\$ 1,412
Indirects Total		\$ 937	\$ 1,171	\$ 1,302	\$ 1,407	\$ 1,412
Grand Total		\$ 204,218	\$ 278,060	\$ 320,000	\$ 345,000	\$ 355,000

Record Request 3

Request:

Referring to the February 17, 2023, PPL Corporation "4th Quarter Investor Update," using a simplified set of assumptions, please calculate the rate increases year-on-year through 2026 for the gas business based on the capital expenditure plan for Rhode Island, as depicted on Slides 18, 19, and 26.

Response:

Please see Attachment RR-3 for the rate increases year-on-year in a similar format to the Electric capital spend impacts provided in Docket No. 22-53-EL, response to PUC 1-3, Attachment PUC 1-3.

Please note that for the purpose of this response, the Company used the forecasted gas capital expenditures and in-service amounts for Fiscal Years (FY) 2024 – FY 2027. The forecasted total capital spend for the four year period FY 2024-FY 2027 on Attachment RR-3, Line 3, Cumulative Total, aligns with the total "Gas Operations" capital expenditures for the four year period 2023 - 2026, in the PPL Corporation "4th Quarter Investor Update," Page 26, Rhode Island, Gas Operations line, SubTotal column.

The Narragansett Electric Company d/b/a Rhode Island Energy
Estimated Revenue Requirement on Gas Capital Spend
Total Gas Capital Investment

	(\$000's)				
	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>Cumulative Total</u>
1 Gas ISR Capital Spend	\$ 170,713	\$ 226,411	\$ 252,888	\$ 273,039	\$ 923,052
2 Non-ISR Gas Capital Spend	33,505	51,649	67,112	71,961	224,226
3 Total Gas Capital Spend	<u>204,218</u>	<u>278,060</u>	<u>320,000</u>	<u>345,000</u>	<u>1,147,278</u>
4 Estimate Revenue Requirement - current year additions	12,006	16,301	22,771	21,645	72,723
5 Estimate Revenue Requirement - on prior year additions	-	19,774	46,201	82,738	<u>148,713</u>
6 Total Estimated Revenue Requirement - Gas Capital	\$ 12,006	\$ 36,075	\$ 68,972	\$ 104,383	\$ 221,436
7 Incremental Revenue Requirement from Prior Year	\$ -	\$ 24,069	\$ 32,897	\$ 35,411	

Notes

- 1 Capital Spend related to ISR investments
- 2 Capital Spend related to Non-ISR Gas investments
- 3 Line 1 + Line 2
- 4 For current year additions - assumes half year convention in first year
- 5 For prior year additions
- 6 Line 4 + Line 5
- 7 Current Year Line 7 less Prior Year Line 6

Assumptions:

- a) Used forecasted FY 2024 - FY 2027 capital spend and in-service amounts for calculation of revenue requirement. Aligns with the total CY 2023-CY 2026 on Page 26 of the 4th Quarter Investor Update, "Gas Operations" Spend line
- b) ISR - FY 2024 ISR Revenue Requirement based on proposed FY2024 Gas ISR Plan
- c) ISR - FY 2025 through FY 2027 ISR Revenue Requirement uses forecasted in-service amounts for those years and uses the same FY 2024 ISR model assumptions
- d) Non-ISR - FY2024 - FY2027 - applied ISR % of in-service to spend in that year to determine in-service amounts and assumed recovery through ISR mechanism for purposes of determining Revenue Requirement
- e) The first year revenue requirement for each investment year assumes a half year convention
- f) Non-ISR investments will not be recovered from customers until the next applicable base rate case unless specifically ordered by the PUC