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Peter F. Neronha
Attorney General

March 10, 2023

Via Electronic Mail

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

RE: Docket No. 23-04-EL
The Narragansett Electric Company d/b/a Rhode Island Energy's Tariff Advice to Amend the Transmission Service Cost Adjustment Provision

Dear Ms. Massaro:

On behalf of the Division of Public Utilities and Carriers, please accept for filing the attached memorandum from Joel Munoz, Rate Analyst, that provides the agency's comments regarding the above reference docket.

Thank you for your attention to this submission.

Very truly yours,

/s/ Gregory S. Schultz

Gregory S. Schultz
Special Assistant Attorney General
On behalf of the Division of Public Utilities and Carriers

Enclosure

cc: 23-04-EL Service List
Linda George, Esq., Division Administrator
John Spirito, Esq., Division Deputy Administrator
Christy Hetherington, Esq., Division Chief Legal Counsel
Paul Roberti, Esq., Division Chief Economic and Policy Analyst



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

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**To: Luly Massaro, Commission Clerk
Rhode Island Public Utilities Commission**

**From: Joel Munoz, Rate Analyst
Division of Public Utilities & Carriers**

Date: March 10, 2023

**Re: R.I.P.U.C. Docket No. 23-04-EL – The Narragansett Electric Company
d/b/a Rhode Island Energy’s Tariff Advice to Amend the Transmission Service Cost
Adjustment Provision**

On February 13, 2023, Rhode Island Energy (the “Company”) filed with the Public Utilities Commission (“Commission”) a Tariff Advice to Amend the Transmission Service Cost Adjustment Provision (“Tariff Advice filing”), R.I.P.U.C. No. 2266 cancelling R.I.P.U.C. No. 2198, effective March 20, 2023.

This filing stems from the Division of Public Utilities and Carrier’s (“Division”) review and submitted recommendations in Docket 22-48-REG, the Company’s Tariff Advice on Renewable Energy Growth Cost Recovery Provision. In that docket, the Division’s February 1, 2023, memo stated that a review of other reconciling tariff provisions that include references to interest rates revealed that the customer deposit rate is used to calculate interest in all instances, except for the Renewable Energy Growth Cost Recovery Provision and the Long-Term Contracting for Renewable Energy Recovery Provision. In a footnote, the Division’s memo also noted that although R.I.P.U.C. 2198, the Transmission Service Cost Adjustment Provision, does not include an interest rate reference, the Division verified with the Company that it uses the customer deposit rate in its calculations.

Based on the Division’s review and analysis of this filing, we recommend approval of the Tariff Advice filing dated February 13, 2023, because the amendments and changes to the language of the tariff clarifies that the Company utilizes the customer deposit rate for purposes of calculating interest on any over-or-under recoveries of transmission costs incurred during the prior year.