

STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS Accounting Section 89 Jefferson Boulevard Warwick, Rhode Island 02888 (401) 941-4500 (401) 941-9248 - Fax

## To: Luly Massaro, Commission Clerk Public Utilities Commission

## From: Alberico Mancini, Chief Regulatory Analyst Division of Public Utilities & Carriers

Date: April 12, 2023

Re: Docket No. 22-20-NG - Rhode Island Energy BTU Content Factor Update

On April 5, 2023, The Narragansett Electric Company, d/b/a Rhode Island Energy ("RIE" or "Company") filed its Semi-Annual BTU content factor update in accordance with its gas tariff.<sup>1</sup> The intent of tracking the BTU content is to reflect the actual BTU content of the gas coming through the pipelines in billings to customers. BTU content can vary based on the source and processing of the gas. The Company's tariffs are based on a rate per therm, while the customers' meter readings are based on measurements of cubic feet of gas (volume) through the meter. A ccf to BTU conversion is therefore applied on the bills to convert the metered measure of volume use to the equivalent amount of therms, based on actual daily MMBtu readings at the various gate stations where the gas enters RIE's distribution system. The Company submitted actual BTU content data totaling 9,797,192 MMBtus with a volume of 9,534,887 Mcfs for the six-month period May 1, 2022 through October 31, 2022 resulting in a BTU content factor of 1.028 (9,797,192/9,534,887) = 1.028).

<sup>&</sup>lt;sup>1</sup> Per the Company's tariff, the BTU content factor is defined as follows: "One British thermal unit, (i.e., the amount of heat required to raise the temperature of one pound of water one-degree Fahrenheit at sixty degrees (60°) Fahrenheit). A Therm is one hundred thousand Btus. The BTU content factor for a given volume shall be calculated by the Company on a seasonal basis at the end of October and the end of April based upon an average of the Transporting Pipeline's prior six-month experience of recorded BTU factors."

I reviewed the filing and found it consistent with the approved tariff and prior filings and recommend approval of the proposed BTU conversion factor from 1.031 to 1.028 (1 ccf will now equate to 1.028 therms) effective May 1, 2023.