



STATE OF RHODE ISLAND

Public Utilities Commission

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Chairman Ronald T. Gerwatowski
Commissioner Marion S. Gold
Commissioner Abigail Anthony

Memorandum

To: Jennifer Brooks Hutchinson, Esq., Adam Ramos, Esq., and Christine Dieter, Esq.
Copy: Service List
From: Cynthia Wilson-Frias, Chief of Legal Services
Date: May 12, 2023
Re: Dkt. 22-49-EL – AMF Business Case – Supplemental Testimony

Rebuttal Testimony is currently due on June 1, 2023. In an effort to avoid amending the schedule, the Commission requests the following supplemental testimony to be provided with the Rebuttal. Other parties will have the opportunity to respond in Surrebuttal, if necessary. Some of this information was provided as part of the Company's unsworn statements at the Technical Session. However, in order to ensure admissibility and veracity, please include the following in testimony. Please note that the following are meant to be topical and not an exhaustive list of questions – Counsel should guide the witnesses in developing appropriate direct testimony with attachments as necessary.

- (1) Please explain why the contractual arrangements with Landis and Gyr are the most cost-effective solution for customers.
- (2) Please explain whether and how the Company assessed the reasonableness of the pricing in the contractual arrangements and separately, the reasonableness pricing of the meters as listed in the Rhode Island Energy Hardware Pricing letter dated December 7, 2022, with the later clarification.
- (3) Referencing the AMF Program and TSA Exit Program Statement of Work, please explain how the Company is separating and tracking costs for each work type. Where there is an allocation of cost for one activity (or group of activities) between AMF and TSA, please explain how the allocation was developed and why it was a reasonable methodology. For the MDMS, the Company should indicate whether it received pricing from the vendor for "MDMS for AMR" separately from "MDMS for AMI." The Company should also explain how it is allocating costs between CapEx and OpEx, citing any accounting rules it is following. The Company should also specifically address how training costs are being treated.
- (4) Referencing the Software as a Service and Services Agreement, with respect to the work in each of the Service Orders, the Company should calculate the costs to be paid to the

vendor over the 20-year period by type (Production/Disaster Recovery – electric and gas) and tie those costs to how the Company is accounting for them in terms of CapEx versus OpEx. The Company should cite any accounting rules it is following.

- (5) The Company should provide an illustrative revenue requirement that clearly reflects the testimony responsive to issues 3 and 4 in this list.
- (6) If there are licenses that are being capitalized and others that are being expensed, please provide a clear explanation of the differences between the licenses.
- (7) Identify other products or services that are included in the project cost estimates that will be competitively bid. For any other related activities for which the Company has chosen a sole source vendor (or will be choosing a sole source vendor), please identify the activity, justify not bidding, and explain how the Company evaluated (or will evaluate) the reasonableness of the pricing received.