

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**IN RE: THE NARRAGANSETT ELECTRIC COMPANY :
d/b/a RHODE ISLAND ENERGY LAST RESORT SERVICE : DOCKET NO. 23-01-EL
RATES FOR THE RESIDENTIAL, COMMERCIAL :
AND INDUSTRIAL GROUPS PURSUANT TO THE :
PROCUREMENT PLAN :**

ORDER

I. Introduction

On January 19, 2023, The Narragansett Electric Company d/b/a Rhode Island Energy (Rhode Island Energy or Company) filed its proposed Last Resort Service (LRS) Rates for the Residential and Commercial Groups, for the period of April 1, 2023 through September 30, 2023, and the Industrial Group for the period of April 1, 2023 through June 30, 2023.¹ Rhode Island Energy currently procures LRS supply on behalf of its customers pursuant to the LRS Procurement Plan approved by the Public Utilities Commission (PUC) at an Open Meeting on July 23, 2020.² The procurement plan authorizes Rhode Island Energy to conduct solicitations throughout the year for Last Resort Service in varying contract lengths.³ Based on the solicitations, the Company files LRS rates for the Residential and Commercial Groups twice a year and for the Industrial Group quarterly.⁴ Rhode Island Energy proposed rates are designed to recover the cost of these procurements pursuant to R.I. Gen. Laws § 39-1-27.8. The Company derives no profit from the collection of standard offer service rates.⁵

A. Residential Group Rates

¹ All filings in this docket are available at the PUC offices located at 89 Jefferson Boulevard, Warwick, Rhode Island or at <https://ripuc.ri.gov/Docket-23-01-EL>.

² Minutes at <https://opengov.sos.ri.gov/Common/DownloadMeetingFiles?FilePath=\Minutes\439\2020\371171.pdf>.

³ The term last resort service refers to the energy supply provided to distribution customers who have elected to receive energy supply from National Grid instead of a competitive supplier.

⁴ The proposed LRS rates include the current per kWh LRS Adjustment Factor, LRS Administrative Cost Factor, and Renewable Energy Charge.

⁵ R.I. Gen. Laws § 39-1-27.3.

The proposed rate for the Residential Group for the period April 2023 through September 2023 is \$0.09761/kWh,⁶ a decrease of \$0.08024/kWh, or 45%, compared with the current LRS rate of \$0.17785/kWh.⁷ The bill impact for a typical A-16 residential customer using 500 kWh per month is a decrease of \$41.80, or 28%.⁸

B. Commercial Group Rates

The fixed-price option LRS rate proposed for the Commercial Group for the period April 2023 through September 2023 is \$0.10385/kWh, a decrease of \$0.07894/kWh, or 43%, compared with the current the current fixed-price option rate of \$0.18279/kWh.⁹

The variable price option¹⁰ proposed LRS rates for the Commercial Group are as follows: April 2023, \$0.11609/kWh; May 2023, \$0.11266/kWh; June 2023, \$0.09748/kWh; July 2023, \$0.10200/kWh; August 2023, \$0.10013/kWh; and September 2023, \$0.09702/kWh.¹¹

C. Industrial Group Rates

The proposed rates for the Industrial Group vary by each month of the quarter: \$0.12831 /kWh for April 2023; \$0.12054/kWh for May 2023; and \$0.12672/kWh for June 2023.¹² The three-month average of these rates is \$0.12519/kWh, a decrease of 67% when compared with the January 2023 through March 2023 average Industrial LRS rate of \$0.37775/kWh.¹³

⁶ Filing at Sch. 1 at 2 (Jan .19, 2023).

⁷ Division Mem. at 4.

⁸ *Id.* at 5.

⁹ *Id.* at 4.

¹⁰ Both the fixed and variable price options include the current per kWh LRS Adjustment Factor, LRS Administrative Cost Factor, and a Renewable Energy Charge.

¹¹ Division Mem. at 4.

¹² Filing at Sch. 1 at 2.

¹³ Division Mem. at 3.

II. Division's Position

On March 3, 2023, the Division of Public Utilities and Carriers (Division) filed a memorandum summarizing Rhode Island Energy's proposal and concluding that Rhode Island Energy's proposed Residential, Commercial and Industrial LRS rates were correctly calculated and that the filing complied with the PUC-approved LRS Procurement Plan.¹⁴ The Division noted that it had reviewed copies of the Company's Request for Proposals to solicit LRS supply, a redacted summary of the procurement process identifying key actions taken by the Company, and redacted versions of executed Transaction Confirmations for the Industrial, Residential, and Commercial Groups.

III. Commission's Decision

The Commission conducted an evidentiary hearing on March 22, 2023 for the purpose of examining several rate changes proposed by Rhode Island Energy in various dockets.¹⁵ At an Open Meeting on March 29, 2023, the PUC unanimously approved the Company's rates as filed, finding the same to be reasonable and in conformance with the approved procurement plan.

Accordingly, it is hereby

(24691) ORDERED:

1. The proposed Standard Offer Service rates for the Residential and Commercial Groups for the period April 1, 2023 through September 30, 2023 and for the Industrial Group for the period April 1, 2023 through June 30, 2023, are approved.
2. The Narragansett Electric Company d/b/a/ Rhode Island Energy's Motion for Protective Treatment for Confidential Schedules 4 and 5 is hereby granted.¹⁶

¹⁴ Division Mem. At 6.

¹⁵ Consolidated hearing in Docket No. 23-01-EL, Docket No. 23-03-EL, Docket No. 22-43-EL and Docket No. 4978.

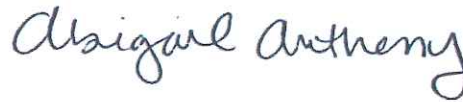
¹⁶ At hearing held March 22, 2023.

EFFECTIVE AT WARWICK, RHODE ISLAND ON APRIL 1, 2023 PURSUANT TO
A BENCH DECISION ON MARCH 22, 2023 AND OPEN MEETING DECISION ON
MARCH 29, 2023. WRITTEN ORDER ISSUED JUNE 26, 2023.

PUBLIC UTILITIES COMMISSION



Ronald T. Gerwatowski, Chairman



Abigail Anthony, Commissioner



John C. Revens, Jr., Commissioner



NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws §39-5-1, any person aggrieved by a decision or order of the PUC may, within seven (7) days from the date of the order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.