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Peter F. Neronha
Attorney General

September 28, 2023

Via Electronic Mail

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

**RE: Docket No. 5209 - FY 2023 Electric Infrastructure, Safety, and Reliability Plan
Reconciliation Compliance Filing**

Dear Ms. Massaro:

On behalf of the Division of Public Utilities and Carriers, please accept for filing the attached Memorandum from John Bell, Chief Accountant, that provides the Division's comments regarding its review of the ISR Reconciliation Compliance filing.

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: 5209 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
Public Utilities Commission**

**From: John Bell, Chief Accountant
Division of Public Utilities & Carriers**

Date: September 28, 2023

Re: Docket No. 5209, Rhode Island Energy's FY 2023 Electric ISR Reconciliation

The purpose of this memo is to provide the Public Utilities Commission (“PUC” or “Commission”) with the Division of Public Utilities and Carriers’ (“Division”) position concerning Rhode Island Energy’s (“RIE”) compliance filing submitted on September 26, 2023, in the above-referenced docket. The purpose of the Compliance filing was to reflect the revised revenue requirements resulting from the PUC approved settlement reach between the Division and RIE in this docket.

The settlement terms impacting the revenue requirements calculation included:

- The removal of \$1,733,317 of plant additions associated with reclosers in the reliability blanket in FY 2023.
- The removal of \$26,729 related to adjustments resulting from the Company’s review of distributed generation (“DG”) projects.

The Division conducted a review of the Company’s compliance filing and verified that they properly removed the \$1,733,317 from plant additions. In the Company’s reconciliation filing submitted on August 1, 2023, the discretionary capital additions totaled \$53,320,145. In the compliance filing this amount was properly reduced by \$1,733,317 to \$51,586,828. The discretionary capital additions are shown on Attachment SAB/JDO-1, Page 20, Line 2, of each filing.

The Division also verified that the Company properly revised the DG adjustment amount in their compliance filing to reflect the additional \$26,729 settlement adjustment. This increased the

adjustment from (\$3,216,001) to (\$3,242,730) – these amounts are shown on SAB/JDO-1, Page 33, Line Page 20, Line 25, of each filing.

In addition, the Division conducted a high-level review of the revised revenue requirement calculations and did not note any exceptions. The updated revenue requirement is a reduction of \$170,698 from \$40,031,046 to \$39,860,348 and results in a proposed CapEx factor for the residential rate class of (\$0.00151) compared to (\$0.00148) in RIE's August 1, 2023 reconciliation filing. The proposed CapEx factor for other classes is shown on Revised Attachment TGS-2 (C), Page 1 of 4. The settlement did not result in any changes to the proposed OpEx factors.

Based on our review of the Company's compliance filing, the Division recommends approval of RIE's compliance filing as submitted.