

PUC 1-1 – Supplemental

Request:

Refer to Docket 22-49-EL and the response to PUC 7-10. Page 5 of Attachment 7-10-1 and Attachment PUC 7-10-2 forecasted \$0 of software being placed in service for ISR Fiscal Year 2025 and \$61.8 million of meters being placed in service for ISR Fiscal Year 2025. Please explain why the Company's current forecast for ISR Fiscal Year 2025 contained in Attachment 3 of Section 5 of the ISR filing (forecasting \$19.7 million of software being placed into service and approximately \$30 million of meters being placed into service) is so materially different than the original forecast provided in the AMF docket 22-49-EL.

Original Response:

Attachment PUC 7-10-1, Page 5, showed \$0 of software being placed in service for ISR Fiscal Year ("FY") 2025. The current FY 2025 ISR filing is a more up-to-date forecast of when the software and network will be placed in service and used by customers. The Company originally forecasted that it would not place software capital costs in service until all software installation was complete. The Company now expects to place the portions of software capital costs that have been installed into service when the Company installs the first meters (projected for January of 2025) because it will begin providing the functionalities associated with the completed software costs and they will be serving customers with those functionalities. Then, as the Company completes further software installations for additional functionalities, it will place the costs associated with those additional functionalities into service.

The meter costs to be placed in service during FY 2025, as shown in the current FY 2025 ISR filing, differs from Docket 22-49-EL, Attachment PUC 7-10-1 due to the shift in meter deployment timing. Attachment PUC 7-10-1, Page 5, showed \$61.8 million of meters being placed in service for ISR Fiscal Year 2025. Based on the receipt of regulatory approval in late September 2023, the current forecast for ISR FY 2025, per Attachment 3, Section 5, is \$30.0 million, which estimates 68 percent of meters deployed in calendar year 2025 and 32 percent deployed in calendar year 2026. The first meter is now estimated to be installed in January 2025.

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Supplemental Response:

Through this response, Rhode Island Energy is addressing updates to the Advanced Metering Functionality (“AMF”) implementation schedule.

The primary reason for the AMF updates is the schedule shift of the final Transition Services Agreement (“TSA”) exit date from National Grid USA’s systems to PPL’s systems moving from May 2024 to August 2024. The shift of the TSA exit date results in a shift of AMF timing and approach. Along with a needed update in the systems functionality release approach and schedule, meter deployment start will move from January 2025 to March 2025. There is no change to the timing of pre-sweeps and network deployment.

The secondary reason for the AMF updates is a result of finalizing or near finalization of vendor contracts, resulting in firm cost estimates. There is no change to the overall AMF program cost, but the update does reduce FY 2025 forecasted spend and increases FY 2026 and FY 2027.

Assuming the first meter is estimated to be installed in March 2025, total meters in service is \$28,724,587 plus an allocation of \$2,286,202 for program management costs totaling \$31,010,789 for ISR year 2025.

Additionally, please see Attachment PUC 9-19-5, which is an updated Section 5, Attachment 3, which was originally filed as part of the Proposed FY 2025 Electric Infrastructure, Safety, and Reliability Plan Filing (starting on Bates 277). The revised revenue requirement reflects the updated forecasted FY 2025 capital in service for the reasons described above, as well as reflecting 1) the corrected book depreciation rate for network investments as described in the response to PUC 2-3 and 2) the removal of MDMS costs from software rather than meters as was described in the response to PUC 4-5. On the attachment, the Company has highlighted the cells that have input changes from the originally filed revenue requirement. The Company did not highlight all of the flow through cells that changed.

PUC 1-2 - Supplemental

Request:

Attachment 3 of Section 5 contains a series of schedules which reflect a revenue requirement calculation for AMF capital investments placed into service (relating to meters, software, and network). On pages 2, 3, and 4 of the Attachment, line 1 of each page appears to sum to a total of \$55,161,477 of AMF investments being placed into service during ISR FY 2025.

- (a) Please provide a separate schedule which itemizes all of the referenced investments that sum to the \$55 million,
- (b) Please indicate in the schedule which of the investments will be placed into service for actual use in serving customers during FY 2025 (as opposed to simply being “ready for its intended use” during FY 2025).
- (c) For each category of investment which will actually be used for service to customers during FY 2025, please describe the assets and explain how they will be performing that service function in FY 2025.

Original Response:

- (a) Please see Attachment PUC 1-2 for itemization of the \$55 million of assets to be placed in service for ISR FY 2025.
- (b) All of the investments shown on Attachment PUC 1-2 are forecasted to be placed into service for actual use during ISR FY 2025. Consistent with the testimony provided in Docket 22-49-EL, all network equipment and supporting software systems that were or are planned to be installed prior to the meters being installed have been manually held back for in service until the first meter is installed (planned for January 2025). This includes accumulated costs for meter software, computer hardware, and costs expended for distribution equipment. Under the current Rhode Island accounting policy, meters are generally purchased as “blanket” projects, and placed in service during the same month in which they are received and tested. Even though some AMF meters will be purchased, received, and tested prior to January 2025, the Company intends to manually hold those meters back from in service until the first meter is installed. This treatment is consistent with the testimony given in Docket 22-49-EL, along with standard FERC and GAAP accounting policies.
- (c) The meters and network costs represent the costs to install meters during this time, along with the software costs for functionality of those meters installed. Please see Attachment PUC 1-2 for a description of each of the investments and their functions.

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Supplemental Response:

Through this response, Rhode Island Energy is addressing updates to the Advanced Metering Functionality (“AMF”) implementation schedule.

The primary reason for the AMF updates is the schedule shift of the final Transition Services Agreement (“TSA”) exit date from National Grid USA’s systems to PPL’s systems moving from May 2024 to August 2024. The shift of the TSA exit date results in a shift of AMF timing and approach. Along with a needed update in the systems functionality release approach and schedule, meter deployment start will move from January 2025 to March 2025. There is no change to the timing of pre-sweeps and network deployment.

The secondary reason for the AMF updates is a result of finalizing or near finalization of vendor contracts, resulting in firm cost estimates. There is no change to the overall AMF program cost, but the update does reduce FY 2025 forecasted spend and increases FY 2026 and FY 2027.

- (a) The total in service is \$49.5 million because the assets will be placed into service when the first meter is planned to be installed. This does not include MDMS costs. Please see Attachment PUC 1-2 - Supplemental.
- (b) Consistent with the Company’s explanation of its practices and the approach to be used from testimony provided in Docket No. 22-49-EL, the Company will place the meters purchased, as well as the network hardware purchased and software put into production and operational, into service when the first meter is installed and the AMF system is providing service to customers. Meter and network equipment, software that is operational, and equipment installed will be placed into service for actual use in serving customers during FY 2025; in that they will be functioning and delivering metering service to the customers for whom an AMF meter has been installed. With respect to meters, the Company acknowledges that only the 70 meters forecast to be installed in March of 2025 would “be placed into service for actual use in serving customers during FY 2025,” in the sense that they will be metering customer usage and delivering the other functionalities associated with AMF meters.
- (c) See Attachment PUC 1-2 - Supplemental for a description of the items included in ISR year 2025. Please note that, with respect to meters, the Company considers all meter costs incurred up to the date of installation to be in service once the first meter is installed, and notes that the 70 meters planned to be installed in FY 2025 have an equipment cost of \$8,636.

The Narragansett Electric Company  
d/b/a Rhode Island Energy  
RIPUC Docket No. 23-48-EL  
In Re: Proposed FY 2025 Electric Infrastructure, Safety and Reliability Plan  
Responses to the Commission's First Set of Data Requests  
Issued on December 26, 2023

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PUC 1-2 – Supplemental, page 3

Additionally, please see Attachment PUC 9-19-5, which is an updated Section 5, Attachment 3, which was originally filed as part of the Proposed FY 2025 Electric Infrastructure, Safety, and Reliability Plan Filing (starting on Bates 277). The revised revenue requirement reflects the updated forecasted FY 2025 capital in service for the reasons described above, as well as reflecting 1) the corrected book depreciation rate for network investments as described in the response to PUC 2-3 and 2) the removal of MDMS costs from software rather than meters as was described in the response to PUC 4-5. On the attachment, the Company has highlighted the cells that have input changes from the originally filed revenue requirement. The Company did not highlight all of the flow through cells that changed.

The Narragansett Electric Company  
d/b/a Rhode Island Energy

Row No.	Cost Category 1	Cost Category 2	Cost Category 3	Cost Category 4	Full Description	FERC Account	ISR year 2024	ISR year 2025	ISR year 2026	ISR year 2027	ISR years 2024-2027	
							April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS	
1	04 Program	Project Management	PPL Labor	PPL Labor	PPL PMO Oversight (IT) - AMF Implementation PMO	303	\$280,006	\$1,120,022	\$1,120,022	\$280,006	\$2,800,056	
2	03 Systems	Analytics	Network Model Analytics	NMA/AGA	Network Model Analytics / AGA	303	\$0	\$0	\$0	\$391,538	\$391,538	
3	03 Systems	Analytics	Data Lake	Data Lake	Data Lake - Internal	303	\$0	\$288,600	\$288,600	\$0	\$577,200	
4	03 Systems	Analytics	Advanced Analytics	Adv Analytics	Advanced Analytics (Theft Analytics)	303	\$0	\$0	\$0	\$0	\$0	
5	03 Systems	Analytics	Data Lake	Data Lake	Data Lake - SI VENDOR	303	\$0	\$244,170	\$486,749	\$431,881	\$1,162,800	
6	03 Systems	CSS	CSS	CSS	Customer Service Software	303	\$741,064	\$1,803,284	\$360,483	\$0	\$2,904,831	
7	03 Systems	CSS	CSS	CSS	Customer Service Software - internal	303	\$0	\$384,800	\$192,400	\$0	\$577,200	
8	03 Systems	Deployment Exchange Mgt.	Deployment Exchange Management (Electric)	Deply. xchg. Mgt.	Deployment Exchange Management - internal	303	\$0	\$96,200	\$0	\$0	\$96,200	
9	03 Systems	Deployment Exchange Mgt.	Deployment Exchange Management (Electric)	Deply. xchg. Mgt.	Deployment Work Management - SI Vendor	303	\$0	\$761,940	\$84,660	\$0	\$846,600	
10	03 Systems	Headend	Headend	Headend	SGW - Vendor - Headend (Implement)	303	\$696,053	\$1,934,216	\$1,934,217	\$2,149,436	\$6,713,923	
11	03 Systems	Headend	Headend	Headend	SI Vendor - Headend (Implement)	303	\$0	\$859,276	\$1,340,694	\$1,002,830	\$3,202,800	
12	03 Systems	Headend	Headend Upgrade	Headend	E2E System Testing (Headend Upgrade)	303	\$0	\$0	\$0	\$0	\$0	
13	03 Systems	Headend	Headend	WiSun	Software as a Service (SaaS) - WiSun (Implement)	303	\$0	\$0	\$0	\$0	\$0	
14	03 Systems	MDMS	MDMS	MDMS	SOW - Vendor - MDMS (Implement)	303	\$319,589	\$888,085	\$888,085	\$986,902	\$3,082,660	
15	03 Systems	MDMS	MDMS	MDMS	SI Vendor - MDMS (Implement)	303	\$0	\$284,152	\$542,255	\$468,992	\$1,295,400	
16	03 Systems	MDMS	MDMS Upgrade	MDMS	E2E System Testing (MDMS Upgrade)	303	\$0	\$0	\$0	\$0	\$0	
17	03 Systems	Middleware	Middleware	Middleware	Middleware (Implement)	303	\$0	\$340,080	\$425,100	\$85,020	\$850,200	
18	03 Systems	Middleware	Middleware	Middleware	Middleware - SI Vendor (Implement)	303	\$0	\$468,684	\$798,439	\$640,277	\$1,907,400	
19	03 Systems	CyberSecurity	CyberSecurity	CyberSecurity	CyberSecurity (Implement)	303	\$0	\$253,500	\$0	\$0	\$253,500	
20	03 Systems	CyberSecurity	CyberSecurity	CyberSecurity	CyberSecurity - Internal	303	\$0	\$109,200	\$109,200	\$0	\$218,400	
21	03 Systems	CyberSecurity	CyberSecurity	CyberSecurity	SI Vendor - CyberSecurity (Implement)	303	\$0	\$431,778	\$747,202	\$606,020	\$1,785,000	
22	03 Systems	Customer Engagement	Customer Portal	Customer Portal	Customer Portal	303	\$0	\$205,840	\$51,460	\$0	\$257,300	
23	03 Systems	Customer Engagement	Customer Portal	Customer Portal	Customer Portal - Internal	303	\$0	\$592,000	\$495,000	\$0	\$1,087,000	
24	03 Systems	Customer Engagement	Outage Alerts	Outage Alerts	Customer Outage Alerts	303	\$0	\$0	\$0	\$0	\$0	
25	03 Systems	Customer Engagement	Outage Alerts	Outage Alerts	Customer Outage Alerts - Internal	303	\$0	\$0	\$345,365	\$0	\$345,365	
26	03 Systems	Customer Engagement	Green Button	Green Button	Green Button Connect	303	\$0	\$0	\$0	\$0	\$0	
27	03 Systems	Customer Engagement	Green Button	Green Button	Green Button Connect - Internal	303	\$0	\$0	\$289,467	\$0	\$289,467	
28	03 Systems	Customer Engagement	Bill Alerts	Bill Alerts	Bill Alerts	303	\$0	\$0	\$0	\$0	\$0	
29	03 Systems	Customer Engagement	Bill Alerts	Bill Alerts	Bill Alerts - Internal	303	\$0	\$0	\$257,400	\$0	\$257,400	
30	03 Systems	Customer Engagement	DG Portal	DG Portal	Solar Marketplace	303	\$0	\$0	\$0	\$0	\$0	
31	03 Systems	Customer Engagement	Carbon Footprint Calc.	Carbon Footprint Calc.	Carbon Footprint Calculator	303	\$0	\$0	\$0	\$0	\$0	
32	03 Systems	Customer Engagement	C&I and Multi-Family Port. View	Portfolio View	C&I and Multi-Family Portfolio View	303	\$0	\$0	\$0	\$0	\$0	
33	03 Systems	Customer Engagement	Time Varying Rates (TVR)	TVR	Time Varying Rates (TVR) - Full Implementation	303	\$0	\$0	\$0	\$0	\$0	
34	03 Systems	ADMS & OMS	ADMS & OMS	ADMS & OMS	ADMS & OMS	303	\$0	\$0	\$673,400	\$288,600	\$962,000	
35	03 Systems	ADMS & OMS	ADMS & OMS	ADMS & OMS	ADMS & OMS - Internal	303	\$0	\$0	\$540,800	\$135,200	\$676,000	
36	03 Systems	Grid Edge & Load Dissag.	Customer Load Dissagregation App (HAN)	HAN APP	Customer Load Dissagregation App Vendor (HAN Solution)	303	\$0	\$0	\$1,069,924	\$130,076	\$1,200,000	
37	03 Systems	Grid Edge & Load Dissag.	Customer Load Dissagregation App (HAN)	HAN APP	Customer Load Dissagregation App Vendor (HAN Solution) - Internal	303	\$0	\$0	\$239,200	\$0	\$239,200	
38	03 Systems	AFUDC	AFUDC	AFUDC	AFUDC	303	\$367,054	\$421,206	\$0	\$0	\$788,260	
39								\$2,403,766	\$11,487,033	\$13,280,123	\$7,596,778	\$34,767,700

						ISR year 2024	ISR year 2025	ISR year 2026	ISR year 2027	ISR years 2024-2027	
Row No.	Cost Category_1	Cost Category_2	Cost Category_3	Cost Category_4	Full Description	FERC Account	April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS
1	01.Meter	Project Management	Vendor /External Labor	Installation Vendor	Meter Installation Vendor Project Management Oversight	370		\$643,275	\$1,418,883	\$476,133	\$2,538,290
2	01.Meter	Hardware	Ancillary Equipment	Antennas	External Antenna Cost (Residential)	370		\$26,868	\$26,868		\$53,735
3	01.Meter	Hardware	Ancillary Equipment	Antennas	External Antenna Cost (Commercial)	370		\$2,985	\$2,985		\$5,971
4	01.Meter	Hardware	Meters	Meters	Meter Development and Testing - Meters	370					\$0
5	01.Meter	Pre-Sweeps	Meter Base	Meter Bases	Total Electric Meter Pre-Sweeps for deployment	370		\$2,165,316	\$3,339,661		\$5,504,977
6	01.Meter	Installs	QA/QC	Testing Vendor	Shipment Sample Meter Testing (Residential & Commercial)	370		\$12,490	\$21,720		\$34,210
7	01.Meter	Installs	Facility	Crossdock	Deployment Center, Facility cost (Crossdock)	370		\$454,559	\$1,002,628	\$336,451	\$1,793,638
8	01.Meter	Installs	Facility	Call Center	Deployment Call Center & Notification Letters	370		\$546,891	\$1,206,288	\$404,793	\$2,157,971
9	01.Meter	Installs	Meters	Resid. Meters	Deployment - Automated RF (AMF) Meter Install Cost - Residential	370			\$9,534,646	\$2,407,304	\$11,941,950
10	01.Meter	Installs	Meters	C&I Meters	Deployment - Automated RF (AMF) Meter Install Cost - Commercial	370			\$1,433,103	\$341,276	\$1,774,379
11	01.Meter	Installs	Meters	Resid. Antennas	Deployment - External Antenna Electric Meter Install Cost - Residential	370			\$106,680	\$5,334	\$112,014
12	01.Meter	Installs	Meters	C&I Antennas	Deployment - External Antenna Electric Meter Install Cost - Commercial	370			\$28,194	\$1,524	\$29,718
13	04.Program	Project Management	PPL Labor	PPL Labor	PPL PMO Oversight - AMF Implementation PMO	370			\$420,507	\$238,859	\$659,366
14	04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Project Manager / Deployment Lead	370					\$0
15	04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Metrics, Measures, and Financial Tracking	370					\$0
16	04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Meter Inventory Management Analyst	370					\$0
17	04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - Deployment Exception Coordinator(s)	370					\$0
18	01.Meter	Hardware	Meters	Meters	Automated RF (AMF) Meter Cost (Residential)	370		\$22,090,170	\$39,545,081		\$61,635,251
19	01.Meter	Hardware	Meters	Meters	Automated RF (AMF) Meter Cost (Commercial)	370		\$2,782,033	\$2,864,428		\$5,646,461
20	01.Meter	Hardware	Meters	Meter Seed Stock	Automated RF (AMF) Meter Cost - Spares / Seed Stock (Residential)	370			\$769,202		\$769,202
21	01.Meter	Hardware	Meters	Meter Seed Stock	Automated RF (AMF) Meter Cost - Spares / Seed Stock (Commercial)	370			\$73,678		\$73,678
22							\$0	\$28,724,587	\$61,794,551	\$4,211,674	\$94,730,812

The Narragansett Electric Company  
d/b/a Rhode Island Energy  
RIPUC Docket No. 23-48-EL  
Attachment PUC 1-2 - Supplemental  
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Row No.	Cost Category 1	Cost Category 2	Cost Category 3	Cost Category 4	Full Description	FERC Account	ISR years 2024-2027					
							April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS	
1	02.Network	Project Management	Vendor /External Labor	Installation Vendor	RF Network Installation Vendor Project Management Oversight	397	\$	\$ 350,000	\$ 150,000	\$ 1,380,042	\$ 1,880,042	
2	02.Network	Project Management	Vendor /External Labor	Network Gateway	RF Network Installation Vendor Project Management Oversight	397	\$		\$3,379,639.76		\$ 3,379,640	
3	02.Network	Hardware	Gateway	Network Gateway	(High Capacity Gateways) Hardware - High Capacity Network Gateway	397	\$	\$ 247,170	\$ 161,035		\$ 408,205	
4	02.Network	Hardware	Gateway	Modem	(High Capacity Gateways) Hardware - Cellular Backhaul Modem	397	\$				\$ -	
5	02.Network	Hardware	Gateway	Telecom Cabinet	(High Capacity Gateways) Hardware - Telecom Cabinet	397	\$	\$ 337,050	\$ 99,510		\$ 436,560	
6	02.Network	Hardware	Gateway	Poles	Service Disconnect Switch	397	\$	\$ 54,133			\$ 54,133	
7	02.Network	Hardware	Gateway	Poles	(Gateways) Pole (Equipment) - Steel	397	\$	\$ 456,376			\$ 456,376	
8	02.Network	Hardware	Gateway	Poles	(Gateways) Pole (Equipment) - Wood	397	\$	\$ 60,926			\$ 60,926	
9	02.Network	Hardware	Gateway	Network Gateway	(Standard Capacity Gateways) Hardware - Network Gateway	397	\$	\$ 750,926	\$ 496,480		\$ 1,247,406	
10	02.Network	Hardware	Router	Routers	(Routers) Hardware - Routers	397	\$	\$ 1,072,397	\$ 714,391		\$ 1,786,788	
11	02.Network	Hardware	Transformers	Transformers	Additional Transformers required - material	397	\$	\$ 94,226			\$ 94,226	
12	02.Network	Hardware	Gateway	Network Testing	Network Development and Testing - Routers, Gateways, Antennas, Modem	397	\$	\$ 12,642			\$ 12,642	
13	02.Network	Hardware	Ancillary Equipment	Network Testing	Network Development and Testing - Equipment	397	\$	\$ 8,560			\$ 8,560	
14	02.Network	Installs	Gateway	Site Installations	(High Capacity Gateways) Site Installation (pole, antennas, cabinets, etc)	397	\$	\$ 60,000	\$ 1,172,000	\$ 604,781	\$ 1,836,781	
15	02.Network	Installs	Site Engineering	Site Engineering Permits	(High Capacity Gateways) Site Engineering design (power, permits, FAA, etc)	397	\$	\$ 300,000	\$ 24,600		\$ 324,600	
16	02.Network	Installs	Gateway	Network Gateway	(Standard Capacity Gateways) Installation - Network Gateway	397	\$	\$ 140,000	\$ 616,200		\$ 756,200	
17	02.Network	Installs	Router	Routers	(Routers) Installation - Routers	397	\$	\$ 472,500	\$ 1,539,700		\$ 2,012,200	
18	02.Network	Installs	Transformers	Transformers	Additional Transformers required - Install	397	\$	\$ 50,000	\$ 20,000		\$ 70,000	
19	02.Network	Installs	Gateway	Network Testing	Network Development and Testing - Installation	397	\$	\$ 12,000			\$ 12,000	
20	04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - AMO Network lead	397	\$				\$ -	
21	04.Program	Project Management	Vendor /External Labor	PMO Vendor Labor	PMO Vendor - AMO Network Analyst	397	\$				\$ -	
22							\$	\$0	\$4,478,906	\$8,373,556	\$1,984,823	\$14,837,285

Cost Category 1	Cost Category 3	Cost Category 4	Description	ISR years 2024-2027				
				April 2023 to March 2024	April 2024 to March 2025	April 2025 to March 2026	April 2026 to March 2027	TOTAL COSTS
23	04.Program	Vendor /External Labor	PMO External	\$0	\$1,978,054	\$1,978,054	\$989,027	\$4,945,135
24	04.Program	PMO/Internal Labor	PMO Internal	\$126,988	\$1,523,851	\$1,523,851	\$761,925	\$3,936,615
				\$126,988	\$3,501,905	\$3,501,905	\$1,750,952	\$8,881,750

25				\$2,530,754	\$48,192,432	\$86,950,135	\$15,544,226	\$153,217,547
26			Less: MDMS	\$319,589	\$888,085	\$888,085	\$986,902	\$3,082,660
27			Total without MDMS	\$2,211,165	\$47,304,347	\$86,062,050	\$14,557,325	\$150,134,887
28			IN -SERVICE without MDMS	\$0	\$49,515,512	\$86,062,050	\$14,557,325	\$150,134,887

FY 2025 INSERVICE with Program Management allocated to Meters, Network, and Software (without MDM):

			with Program Management costs allocated:
29	Meters	\$28,724,587	\$31,010,789
30	Network	\$4,478,906	\$4,841,796
31	Software	\$12,683,126	\$13,662,927
32	Program costs	\$3,628,893	\$0
33		\$49,515,512	\$49,515,512



PUC 1-3 – Supplemental

Request:

Refer to Attachment 3 of Section 5. To the extent there are any investments among the \$55 million that the Company is forecasting to be “In-Service Plant”, but such investments will not actually be used for service to customers during FY 2025 (as opposed to simply being “ready for its intended use” during FY 2025), please reconcile why the Company has treated them as “in service” for rate base treatment, given the questions and testimony reflected in the transcript of the AMF proceedings in Docket 22-49-EL (See Hearing Transcript for July 25, 2023, pages 390-400).

Original Response:

As indicated in the response to PUC 1-2, all investments included in the \$55 million are considered placed into service for actual use during FY 25 when the first meter is planned to be installed and used for service to customers (January 2025). The Company does not intend to place any investments into service for rate recovery until the first meter is installed. This treatment is consistent with the testimony provided during the AMF proceedings in Docket 22-49-EL.

Supplemental Response:

Through this response, Rhode Island Energy is addressing updates to the Advanced Metering Functionality (“AMF”) implementation schedule. The primary reason for the AMF updates, which are included in this response, is the schedule shift of the final Transition Services Agreement (“TSA”) exit date from National Grid USA’s systems to PPL’s systems moving from May 2024 to August 2024. The shift of the TSA exit date results in a shift of AMF timing and approach. Along with a needed update in the systems functionality release approach and schedule, meter deployment start will move from January 2025 to March 2025. There is no change to the timing of pre-sweeps and network deployment.

The secondary reason for the AMF updates is a result of finalizing or near finalization of vendor contracts, resulting in firm cost estimates. There is no change to the overall AMF program cost, but the update does reduce FY 2025 forecasted spend and increases FY 2026 and FY 2027.

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All investments included in the \$49.5 million are considered placed into service for actual use during FY 25 when the first meter is planned to be installed and used for service to customers (March 2025). The Company does not intend to place any investments into service for rate recovery until the first meter is installed. This treatment is consistent with the testimony provided during the AMF proceedings in Docket 22-49-EL.

Please see the Company's supplemental response PUC 1-2, part b., for an explanation of the Company's rationale for placing investments into service.

Additionally, please see Attachment PUC 9-19-5, which is an updated Section 5, Attachment 3, which was originally filed as part of the Proposed FY 2025 Electric Infrastructure, Safety, and Reliability Plan Filing (starting on Bates 277). The revised revenue requirement reflects the updated forecasted FY 2025 capital in service for the reasons described above, as well as reflecting 1) the corrected book depreciation rate for network investments as described in the response to PUC 2-3 and 2) the removal of MDMS costs from software rather than meters as was described in the response to PUC 4-5. On the attachment, the Company has highlighted the cells that have input changes from the originally filed revenue requirement. The Company did not highlight all of the flow through cells that changed.

The Narragansett Electric Company  
d/b/a Rhode Island Energy  
RIPUC Docket No. 23-48-EL

In Re: Proposed FY 2025 Electric Infrastructure, Safety and Reliability Plan  
Responses to the Commission’s First Set of Data Requests  
Issued on December 26, 2023

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PUC 1-4 – Supplemental

Request:

Attachment 1 of Section 2 contains a table entitled “Capital Spending by Key Driver Category and Budget Classification.” Line 18 indicates a \$51,725,000 proposed budget spending for Advanced Metering Functionality. Please reconcile the figure of \$51 million for FY 2025 spending to the in-service plant forecast of approximately \$55 million contained in Attachment 3 of Section 5. If the difference relates to spending that occurred or will occur prior to FY 2025, simply confirm this is the case and itemize the investments reflecting that difference.

Original Response:

The difference does relate to the spending that occurred prior to April 2024. See Attachment PUC 1-4 which itemizes the difference. Additionally, the breakdown of the exact difference is as follows:

Attachment 1 Section 2	\$51,724,653	Represents capital from April 2024 to March 2025; includes \$1,422,767 of MDMS during this period
	<u>(\$1,422,767)</u>	Less MDMS
	<u>\$50,301,886</u>	
Attachment 3 Section 5	\$55,161,291	Represents capital from January 2023 to March 2025; see breakdown in Attachment PUC 1-2; does not include \$1,659,895 of MDMS during this period
	<u>(\$50,301,886)</u>	Attachment 1 Section 2 less MDMS
Difference	<u>\$4,859,405</u>	Represents spending prior to April 2024

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Supplemental Response:

Through this response, Rhode Island Energy is addressing updates to the Advanced Metering Functionality (“AMF”) implementation schedule.

The primary reason for the AMF updates is the schedule shift of the final Transition Services Agreement (“TSA”) exit date from National Grid USA’s systems to PPL’s systems moving from May 2024 to August 2024. The shift of the TSA exit date results in a shift of AMF timing and approach. Along with a needed update in the systems functionality release approach and schedule, meter deployment start will move from January 2025 to March 2025. There is no change to the timing of pre-sweeps and network deployment.

The secondary reason for the AMF updates is a result of finalizing or near finalization of vendor contracts, resulting in firm cost estimates. There is no change to the overall AMF program cost, but the update does reduce FY 2025 forecasted spend and increases FY 2026 and FY 2027.

Updated assuming March 2025 meter deployment:

\$50,723,185 Represents Capital from January 2023 to March 2025; see breakdown in PUC 4-1 supplemental; this number includes MDMS.

(\$1,207,674) Represents MDMS from January 2023 to March 2025; see breakdown in PUC 4-1 supplemental Software.

\$49,515,511 Represents Capital from January 2023 to March 2025 without MDMS

\$ 2,530,755 Spending Prior to April 2024 as shown in PUC 4-1 supplemental includes MDMS

(\$319,589) Represents MDMS from January 2023 to March 2024

\$ 2,211,166 Represents spending prior to April 2024 without MDMS

The difference between the \$4,859,405 previously reported and the \$2,211,166 (a difference of \$2,648,239), which assumes a March 2025 meter deployment, is due to a schedule shift.

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Additionally, please see Attachment PUC 9-19-5, which is an updated Section 5, Attachment 3, which was originally filed as part of the Proposed FY 2025 Electric Infrastructure, Safety, and Reliability Plan Filing (starting on Bates 277). The revised revenue requirement reflects the updated forecasted FY 2025 capital in service for the reasons described above, as well as reflecting 1) the corrected book depreciation rate for network investments as described in the response to PUC 2-3 and 2) the removal of MDMS costs from software rather than meters as was described in the response to PUC 4-5. On the attachment, the Company has highlighted the cells that have input changes from the originally filed revenue requirement. The Company did not highlight all of the flow through cells that changed.