



**STATE OF RHODE ISLAND
DIVISION OF PUBLIC UTILITIES & CARRIERS**

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March 14, 2024

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

Re: Docket No. 24-09-EL

Dear Ms. Massaro,

Enclosed please find a Division Memo for filing with the Commission in the above-entitled matter.

Very truly yours,

/s/ Leo J. Wold

Leo J. Wold, Esq.
Chief of Legal Services, DPUC



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

Accounting Section
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Warwick, Rhode Island 02888
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**To: Luly Massaro, Commission Clerk
Rhode Island Public Utilities Commission**

**From: Joel Munoz, Rate Analyst
Division of Public Utilities & Carriers**

Date: March 14, 2024

**Re: R.I.P.U.C. Docket No. 24-09-EL
Purchase of Receivables Program – Standard Complete Billing Percentage**

On February 23, 2024, Narragansett Electric Company d/b/a Rhode Island Energy (the “Company”) filed with the Public Utilities Commission (“Commission”) a Standard Complete Billing Percentages, Reconciliation of Over or Under Recover, and Historical Payment Periods for effect April 1, 2024, as part of its Purchase of Receivables (“POR”) Program in accordance with R.I. Gen. Laws § 39-1-27.3, R.I.P.U.C. No. 2248, and R.I.P.U.C. No. 2249. The Company requests approval of the proposed Standard Complete Billing Percentages (“SCBP”), reconciliation, and payment periods in advance of an April 1, 2024, effective date.

The SCBP is the sum of the uncollectible percentage, the administrative cost percentage, and the prior period reconciliation percentage. The proposed SCBP for each Customer Group: Residential, Commercial, and Industrial are 0.42%, 0.69%, and 0.16% less, respectively, than last years’ factors. See the following table for a comparison of the proposed and last year’s SCBP factors:

Customer Group	Proposed SCBP	Last Year’s SCBP	Difference
Residential	0.94%	1.36%	(0.42%)
Commercial	0.76%	1.45%	(0.69%)
Industrial	(0.13%)	0.03%	(0.16%)

The Division reviewed the calculation of the SCBP (Attachment 1), as well as the calculations provided for its constituent sums: uncollectible percentage (Attachment 2), administrative cost percentage (Attachment 3) and prior period reconciliation (Attachments 4 and 5) for mathematical accuracy. The SCBP appears to be properly derived from each of its constituent sums. The calculations for each constituent sum also appear to be mathematically accurate.

The Company has also provided the payment periods for the POR Program that will be in place beginning April 1, 2024. These payment periods reflect the average payment period of the relevant customer group: Residential, 49 days - a decrease of ten days over the prior period; Commercial, 38 days - a decrease of seven days over the prior period; and Industrial, 37 days - an increase of one day from the prior period. The Division did not review the underlying data or review the calculations for the payment periods that have been provided. However, when viewed against uncollectible percentages for the Residential (1.01%), Commercial (1.31%) and Industrial Groups (0.01%), as reflected in Attachment 2, the payment periods do not appear to be unreasonable.

The Division recommends that the Commission approve the SCBPs, reconciliation, and payment periods as filed by the Company on February 23, 2024, and approve an effective date of April 1, 2024.