



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS

Accounting Section
89 Jefferson Boulevard
Warwick, Rhode Island 02888
(401) 941-4500
(401) 941-9248 – Fax

**To: Stephanie DeLaRosa, Commission Clerk
Rhode Island Public Utilities Commission**

**From: Joel Munoz, Assistant to the Chief Accountant
Division of Public Utilities & Carriers**

Date: March 20, 2025

**Re: R.I.P.U.C. Docket No. 25-06-EL
Purchase of Receivables Program – Standard Complete Billing Percentage**

On February 24, 2025, 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, 2025, 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, 2025, 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 is the same as last year; Commercial is 0.91% less; and Industrial is 0.19% more, than last year’s 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%	0.94%	0%
Commercial	(0.15%)	0.76%	(0.91%)
Industrial	0.06%	(0.13%)	0.19%

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, 2025. These payment periods reflect the average payment period of the relevant Customer Group: Residential, 35 days - a decrease of fourteen days over the prior period; Commercial, 33 days - a decrease of five days over the prior period; and Industrial, 31 days - a decrease of six days 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, all payment periods are decreasing from those currently in place and they are all approximately one month in time which on the surface appears reasonable.

The Division recommends that the Commission approve the SCBPs, reconciliation, and payment periods as filed by the Company on February 24, 2025, and approve an effective date of April 1, 2025.