



STATE OF RHODE ISLAND

Public Utilities Commission

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Chairman Ronald T. Gerwatowski
Commissioner Abigail Anthony
Commissioner Karen M. Bradbury

MEMORANDUM

To: Service List
From: Cynthia G. Wilson-Frias, Chief of Legal Services
Date: November 7, 2025
RE: Docket No. 25-33-GE – In re: Proposal to Change Rate Accounting and Issue Bill Credits Relating to a Commitment to Hold Customers Harmless from an Acquisition-Related Increase in Rates

Preliminary Clarification of Scope of Rate Design Inquiry

At the November 4, 2025 prehearing conference, Commission counsel advised the Company that cost allocation and rate design questions might be inappropriate for the witness who sponsored a discovery response on that issue and suggested the Company present an additional witness appropriately qualified to respond to cost allocation and rate design questions. The Company requested clarification, noting the question sought numerical data.

PUC 1-24 asked the Company to explain (1) why Hold Harmless Credits are allocated based on the number of active accounts rather than ISR rate base allocators, and (2) why this approach is just and reasonable given the differing customer class distributions. The request also included a table for completion.

The same witness sponsored responses to all parts of PUC 1-24, although her background does not indicate cost allocation or rate design expertise. The same response appears in witness Elmore's testimony (page 17), whose role and qualifications likewise do not suggest expertise in those areas. The remaining witnesses also did not address or have qualifications in cost allocation or rate design. Thus, the Company does not appear to have presented a witness who is qualified to respond to questions about the analysis undertaken by the Company to support its rate design proposal. The witness should be qualified to discuss the principles, policies, and standards behind designing rates that are based on cost allocation and departures therefrom, with specific reference to the proposal before the Commission.