

May 31, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 2509 - Storm Contingency Fund
 Hurricane Earl Event Report
 Responses to Division Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed are ten copies of the National Grid's¹ responses to the Division's First Set of Data Requests concerning the above-referenced storm in Docket 2509.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

cc: Leo Wold, Esq.
 Steve Scialabba, Division

¹ The Narragansett Electric Company d/b/a National Grid ("the Company").

Division 1-1

Request:

According to the 2011 Storm Fund Report, the beginning of the year balance in the fund was modified to reflect the inclusion of Hurricane Earl and the recalculation of interest. Please provide a detailed listing of these modifications.

Response:

The recalculation of interest for previous calendar years and the inclusion of calendar year 2010 incremental Hurricane Earl storm charges are set forth on Attachment DIV 1-1.

The Narragansett Electric Company
d/b/a National Grid
Storm Fund Modifications

Line #								Amount
1	December 2010 balance as filed in 2010 Annual Storm Fund Report							\$ 22,093,487
2	Updated December 2010 balance as filed in 2011 Annual Storm Fund Report							\$ 21,577,502
3	Difference							<u>\$ (515,985)</u>
5	Components of difference:							
6	Calendar	As Filed	As Filed	Revised	Revised	Interest	Hurricane Earl	Total
7	Year	Interest (%)	Interest (\$)	Interest (%)	Interest (\$)	Increase/(Decrease)	Storm Charges	Adjustment
8	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
9	2001	5.790%	\$ 496,475	6.030%	\$ 514,152	\$ 17,677		\$ 17,677
10	2002	4.990%	536,409	5.020%	542,998	6,589		6,589
11	2003	4.440%	557,565	4.610%	577,270	19,705		19,705
12	2004	4.040%	579,020	4.010%	581,191	2,171		2,171
13	2005	4.290%	679,511	4.270%	677,975	(1,536)		(1,536)
14	2006	4.340%	775,744	4.290%	769,464	(6,280)		(6,280)
15	2007	4.830%	873,317	4.800%	868,894	(4,423)		(4,423)
16	2008	4.460%	881,288	4.630%	910,129	28,841		28,841
17	2009	3.490%	772,331	3.660%	811,386	39,055		39,055
18	2010	3.426%	<u>756,912</u>	3.260%	<u>734,305</u>	<u>(22,607)</u>	\$ (595,177)	<u>(617,784)</u>
19			\$ 6,908,572		\$ 6,987,764	\$ 79,192	\$ (595,177)	\$ (515,985)

Division 1-2

Request:

According to the April 30, 2012 Hurricane Earl Event Report, the Company was going to simultaneously file with the Commission a report detailing the incremental costs associated with Earl. Has that report been provided? If so please identify it. If not, please provide a copy of the report.

Response:

In its Annual Storm Fund Report for calendar year 2011 that was filed on April 30, 2012 in Docket 2509, the Company provided preliminary incremental costs associated with the Hurricane Earl storm event that were charged to the storm fund during that calendar year, as shown on Attachment 5, pages 1 and 2 of that report. The Company did not, however, provide preliminary incremental costs charged to the storm fund during calendar year 2010. Attachment DIV 1-2 provides total preliminary incremental costs for the Hurricane Earl storm event for both calendar years 2010 and 2011.

The Narragansett Electric Company
d/b/a National Grid
Incremental Costs associated with Storm of September 3, 2010

Line No.	Outside Companies	CY 2010 Amount (a)	Sep-2010 (b)	Oct-2010 (c)	Nov-2010 (d)	Dec-2010 (e)	Jan-2011 (f)	Feb-2011 (g)	Mar-2011 (h)
1	ABC Professional Tree Service Inc.	\$ 28,381	\$ -	\$ 28,381	\$ -	\$ -	\$ -	\$ -	\$ -
2	Lewis Tree Service Inc.	28,107		28,107					
3	McDonough Electric Const Corp			102,228					
4	Nelson Tree Service Inc.	63,231		63,231					
5	Stanley Tree Service Inc.	10,678		10,678					
6	The Davey Tree Expert Company	17,440		17,440					
7	The Energy Group Inc.	425,168			425,168				
8	National Grid USA Service Co.	119,184	119,184				15,882	(16,847)	
9	Items under \$10,000	65,927	8,974	27,302	27,816	1,836			2,074
10	Subtotal Outside Companies	\$ 860,345	\$ 128,158	\$ 277,368	\$ 452,984	\$ 1,836	\$ 15,882	\$ (16,847)	\$ 2,074
11	Incremental Company Payroll	109,415	106,819	2,596					
12	Incremental Materials & Supplies	0					370		
13	Incremental Employee Expenses	416	284	132					
14	Total Incremental Costs	\$ 970,177	235,261	\$ 280,097	\$ 452,984	\$ 1,836	\$ 16,252	\$ (16,847)	\$ 2,074
15	Less Deductible	(375,000)	(235,261)	(139,739)					
16	Amount Charged to Storm Contingency Fund	\$ 595,177	\$ -	\$ 140,357	\$ 452,984	\$ 1,836	\$ 16,252	\$ (16,847)	\$ 2,074

Incremental costs for January, February and March of 2011 were included in the 2011 Annual Report.

Division 1-3

Request:

According to the settlement agreement in Docket 2509, the Company is required to file with the Commission within 90 days after the occurrence of a storm a report that provides a description of the storm event. Please explain why the Company didn't file the required report for Hurricane Earl in accordance with the terms of the settlement.

Response:

The Company did not file a summary report for Hurricane Earl within the required 90-day timeframe in accordance with the terms of the settlement agreement in Docket 2509 because at that time, the Company had not determined whether this storm event would qualify for inclusion in the Storm Fund.