

December 27, 2016

BY HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: Docket No. 3569 – Public Notice of Proposed Rulemaking
National Grid’s Comments**

Dear Ms. Massaro,

National Grid submits these comments to assist the Rhode Island Public Utilities Commission (PUC) with its review of the Rules Governing the Acceptance of Credit Card by Utility Companies (Rules). In a notice dated November 23, 2016 (Notice), the PUC provided notice of its intent to repeal the Rules, which require electric, gas, wastewater, and water utilities that allow customers to make payments by credit card to pass through vendor fees to the credit card user rather than socializing the processing fee in rates. In the Notice, the PUC explains that since the promulgation of the Rules, utilities have sought waivers from these rules and the PUC has granted such waivers. Consequently, some utilities pass the cost of credit card payments through rates and some pass the costs on to the credit card user. The Notice further provides that “the effect of repealing the rules would neither require nor prohibit the charge of a convenience fee by the utility. Rather, the utility will follow the tariffs it has on file for payment by credit card until such time as the utility’s tariff is subject to further review by the PUC.” Notice at p. 1.

National Grid has no objection to the PUC repealing the Rules since, as explained in the Notice, such a repeal would neither require nor prohibit utilities from charging convenience fees. Notably, in accordance with the rules, National Grid customers may use credit cards to pay their utility bills, and a payment processing agency charges such customers a credit card convenience fee. National Grid is not a party to this transaction.

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If the Company were required to change its current approach to credit card fees and, for example, pass these associated fees on through rates, it would need to evaluate other means by which to address net incremental costs that could result under such a model.

The Company appreciates the opportunity to submit these comments. If you have any questions, please contact me at [781-907-2121](tel:781-907-2121).

Very truly yours,

A handwritten signature in blue ink, appearing to read "Raquel Webster". The signature is fluid and cursive, with a horizontal line extending to the right.

Raquel J. Webster

cc: Docket No. 3569 Service List
Steve Scialabba, Division
Leo Wold, Esq.
Al Contente, Division