

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: OCTOBER 2005 NATIONAL GRID :
REQUEST TO INCREASE SOS RATE : Docket No. 3706

TESTIMONY AND POSITION STATEMENT
OF THE WILEY CENTER

Testimony

The George Wiley Center respectfully requests that the Rhode Island Public Utilities Commission (Commission) incorporate by reference into this proceeding the testimony of John Howat and supporting exhibits in Dockets No. 3689, 3690 and 3696.

Statement of Position

The Wiley Center asks that the Commission deny the requested increase. In the alternative, the Wiley Center asks that the Commission moderate the increase by permitting an anticipated under-collection of at least the amount the Commission permitted in *In re: Narragansett Electric Company Standard Offer Service Rate*, Docket No. 3508.

The proposed rate increase averages 18.6 % for A-60 customers using 500 kWh per month.¹ In September, the Commission approved an increase which averaged 15.6 % for the A-60 class.² The most distressed class of customer is thus facing an increase totaling 34.2 %.

Low-income Rhode Islanders – including people working full time at minimum wage jobs -- simply do not have enough money to pay these enormous increases. Rhode

¹ See, typical bill impact analysis provided by National Grid on December 5, 2006 at pp. 3-6.

² See, *JAL Exhibit 7* in Docket 3689 at pp. 2-6. The percentage increase for the A-60 class was higher than the percentage increase overall, which averaged 12.4 %.

Islanders earning less than the state median income already pay between 20 % and 50 % of their incomes on utilities alone.

Docket No. 3508 established two policies relevant here: rate stability and avoidance of large over- and under-collection. These policies are synergistic. As the Commission has noted, “it is appropriate to allow the accrual of a reasonable level of over- or under-collection” when faced with wholesale price volatility. Docket No. 3508 at p. 13.

The price today is not stable. And the risk (*i.e.*, the possibility) of an under-collection must be balanced against the reality (*i.e.*, the certainty) that draconian increases are going to damage the health and safety of many Rhode Islanders. It is not an overstatement to say that some will be choosing between electricity and food. Some will have accidents. Some may even die.

Under-collection is to be avoided, where possible. But placing electrical service out of reach for many Rhode Islanders is to be avoided as well, where possible. The Commission can help avoid the latter by permitting the former. The Wiley Center respectfully asks that it do so.

Respectfully submitted,
The Wiley Center
By its attorney,

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Certificate of Service

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