

August 2, 2006

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Summer Moratorium**

Dear Ms. Massaro:

National Grid understands that the subject of a potential “summer moratorium” is on the Commission’s Open Meeting agenda for August 3, 2006. On July 31, Commissioner Bray requested that for the remainder of the summer National Grid not shut-off any protected class customer, especially the elderly, on days when the temperature goes above 90 degrees. On July 27, the George Wiley Center made a similar request for a rule change to institute a summer moratorium.

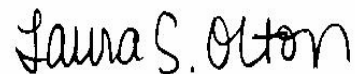
As the Company stated in its July 31 letter, given the extreme heat predicted for this week, the Company did not perform any residential shutoffs yesterday and will not do so today. In fact, given the forecast for Thursday anticipates the continuation of high temperatures above 90, the Company also will not perform any residential shutoffs on Thursday August 3. On Fridays, the Company does not typically do residential shutoffs and the temperature, in any event, is predicted to be in the low 80’s. Fortunately, the extended weather forecast for next week also appears to indicate that the highest temperatures for Providence will be in the low 80’s. Thus, there is time for the Commission to consider this subject matter before the unusually high temperatures may appear again.

The Company is considering the question whether it should voluntarily agree to a policy that would limit shutoffs when temperatures exceed 90 degrees. However, we believe that there are implementation issues that would need to be taken into account before an informed decision can be made. These issues relate to the forecast to be relied upon in each instance; establishing an appropriate temperature threshold; what happens when it is above the threshold only in some areas of the state and not in others; what customers should be protected under such circumstances; what happens if the temperature exceeds the threshold for only a limited time on a particular day; and the consequent administrative issues that would have to be addressed. The Company also would like to examine actual weather data from the past to determine the frequency of such events before the policy becomes permanently embedded in any practice. We are concerned that anything we might agree to today may become a permanent practice in the future.

In light of the Company's commitments for this week and the forecast for cooler weather next week, the Company respectfully requests additional time to submit a more complete response next week. This will allow the Company an opportunity to hear the Commission's discussion at its Open Meeting. This also will give the Company time to discuss the matter with the Division staff, taking into account historical data and the various implementation issues. The Company proposes to provide a further response to the Commission by Wednesday, August 9.

Thank you for your attention to this letter. If you have any further questions, please feel free to contact me at (401) 784-7667.

Very truly yours,

A handwritten signature in black ink that reads "Laura S. Olton". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Laura S. Olton

cc: Commissioner Mary Bray  
Chairman Elia Germani  
Commissioner Robert Holbrook  
George Wiley Center  
Michael Ryan, National Grid  
Tom Ahern, Division  
James Lanni, Division