

March 1, 2007

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 3804 – Affordable Energy Plan
Updated Responses to Commission Data Requests – Set 1

Dear Ms. Massaro:

Enclosed please find ten (10) copies of National Grid's updated responses to Commission Data Requests 1-1, 1-2, 1-3 and 1-6 issued on February 9, 2007, in the above-captioned proceeding.

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

Very truly yours,



Laura S. Olton

cc: Docket 3804 Service List
Paul Roberti, Esq.
Steve Scialabba, RI Division

Commission Data Request 1-1 Updated

Request:

Indicate separately the number of gas and electric customers who are considered very low income pursuant to R.I.G.L. § 42-141-2(f).

Response:

The Office of Energy Resource (“OER”) originally provided the Company with names, addresses and service account numbers of 10,991 electric customers and 7,759 gas customers who are considered very low income pursuant to R.I.G.L. § 42-141-2(f).

On February 26, 2007, the OER provided the Company with an updated data file which contained account information for 11,337 electric customers.

Additionally, although OER’s response to Commission Data Request 1-1 indicated that there were 8,845 very low income gas customers, the actual data file provided to the Company on February 20, 2007 contained account information for 7,759 accounts.

Commission Data Request 1-2 Updated

Request:

Indicate separately the current cumulative unpaid balance for gas and electric customers who are considered very low income pursuant to R.I.G.L. § 42-141-2(f).

Response:

Of the 7,759 gas customers indicated in the updated response to Commission Data Request 1-1 who are considered very low income, the Company found that 5,515 of these accounts had a current or past due balance.¹ The total service arrears associated with those 5,515 accounts as of December 31, 2006 is approximately \$1.5 million. This arrearage amount reflects the application of any LIHEAP grants and Company matching funds received in December.

Of the 11,337 electric customers indicated in the updated response to Commission Data Request 1-1 who are considered very low income, 8,387 electric customers were identified as having active accounts. The total service arrears associated with those 8,387 accounts as of February 2007 is approximately \$1.8 million.

¹ The Company was unable to match the account numbers for 2,244 accounts provided by OER in its list of 7,759.

Commission Data Request 1-3 Updated

Request:

Utilizing the current unpaid balances provided in response 2 above, please indicate separately the cost for arrearage forgiveness assuming all gas and electric customers who are considered very low income pursuant to R.I.G.L. § 42-141-2(f) participate in arrearage forgiveness plan and the arrearage forgiven is limited to the percentages and amounts pursuant to R.I.G.L. § 39-2-1(e)(1).

Response:

Assuming that all of the customers with the associated cumulative current unpaid balances identified in the updated response to Commission Data Request 1-2 above were to participate in the arrearage forgiveness program, then pursuant to R.I.G.L. § 39-2-1(e)(1), 25% of the amount of the unpaid balance would be paid by the customer and one half of the remaining balance would need to be paid over the next 36 months. The remaining amount would then be forgiven. The cost of the arrearage forgiveness program is determined as follows:

		Gas	Electric
Cumulative Unpaid Balances		\$1,500,000	\$1,800,000
	Times:	25%	25%
Customer Down-payment		\$375,000	\$450,000
Remaining Balance		\$1,125,000	\$1,350,000
	Times:	50%	50%
Customer Payments over 36 Months		\$562,500	\$675,000
Write-Off Balance		\$562,500	\$675,000

Prepared by or under the supervision of:
Peter Czekanski

Commission Data Request 1-6 Updated

Request:

Please update Schedule 1 (Range of Costs for the Low Income Rate for Gas Delivery Service). The update should add a column that provides a range of costs assuming the discount rate is offered only to very low income customers as defined by the 2006 Act.

Response:

Using the list of very low income gas customers indicated in the updated response to Commission Data Request 1-2, the Company has updated Schedule 1 from the January 2, 2007 filing to add a column for costs associated with applying the discount only to very low income customers as defined in the 2006 Act. The calculation of the costs is based on a query of the Company’s billing system to identify twelve months of historic gas consumption for those very low income customers that the Company was able to identify. The results reflect a monthly average of 5,144 very low income customers with usage over the 12-month period (November 2005- October 2006). The updated Schedule 1 is as follows:

Percentage Reduction to Gas Distribution Charges	Estimated Cost of Discounted Rate Plan	Estimated Cost of Discounted Rate Plan Applied to Very Low Income
50%	\$3,457,932	\$1,152,300
45%	\$3,112,139	\$1,037,070
40%	\$2,766,346	\$921,840
35%	\$2,420,552	\$806,610
30%	\$2,074,759	\$691,380
25%	\$1,728,966	\$576,150
20%	\$1,383,173	\$460,920
15%	\$1,037,380	\$345,690
10%	\$691,586	\$230,460
5%	\$345,793	\$115,230

Prepared by or under the supervision of:
Peter Czekanski

Certificate of Service

I certify that a copy of the cover letter and materials accompanying this certificate were mailed or hand-delivered to the individuals listed below.



Date: March 1, 2007

Joanne M. Scanlon
National Grid

**Docket 3804 – National Grid – Affordable Energy Plan
Service List as of 1/10/07**

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