

June 17, 2011

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4209 - Proposed Revised Gas Energy Efficiency Program Tariff Provisions

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed ten (10) copies of the Company's proposed revised gas Energy Efficiency Program ("EEP") tariff provisions and accompanying EE charges with an effective date of August 1, 2011. These gas tariffs are designed to comply with System Reliability and Least Cost Procurement Act that provides for a "fully reconciling funding mechanism" to support approved energy efficiency plans and with recent amendments to the Demand Side Management provisions of R.I.G.L. § 32-2-1.2. This filing contains a red-lined version (Attachment 1) and clean version (Attachment 2) of the proposed tariff provisions. In addition, the Company is enclosing a draft notice to notify the public of the Company's revised Gas Energy Efficiency Program Plan filing on June 15 as well as the proposed revised Gas Energy Efficiency Program Tariff Provisions filing. The notice will be published in *The Providence Journal* in accordance with Commission Rule 1.9(d)(2). This draft notice is attached as Attachment 3.

Consistent with the revised gas program plan, effective August 1, 2011, this tariff filing contains a proposed gas "Energy Efficiency Program" (EEP) charge of \$0.0411 per therm. Under these tariff provisions, going forward the Company will file proposed charges under the fully reconciling funding mechanism on November 1 of each year coincident with the filing of an annual EEP plan and reflecting the funding levels contained in that plan, with that EEP charge to be for effect on the upcoming January 1. The proposed gas tariff provisions will replace RIPUC NG-GAS N0. 101, Section 1, Schedule C, Sheet 2, Clause 4.0.

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

Very truly yours,



Thomas R. Teehan

Cc: Leo Wold, Esq.
Steve Scialabba, Division

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

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TAXES AND SURCHARGES

GET credit, whereas the remaining 5% of the billed amount will be subject to the standard GET rate. If usage is separately metered for manufacturing use only, the entire amount will be subject to the reduced manufacturing GET rate.

No other use of gas will be included in this rate for billing purposes.

3.0 OTHER RHODE ISLAND TAXES:

Where applicable at rate or rates in effect from time-to-time.

4.0 GAS ENERGY EFFICIENCY SURCHARGE:

As provided for in Section [39-1-27.7](#) and Section [39-2-1.2](#) of [Rhode Island General Laws](#), a charge per dekatherm (Dt) designed to recover the costs of the Company's gas Energy Efficiency Program ("EEP"),

[For 2011, the EEP charge will collect \\$.15 per Dt plus the per Dt rate designed to collect incremental estimated costs for the period August 1, 2011 to December 31, 2011. Thereafter, on November 1 of each year for effect the following January 1, coincident with the filing of the Company's EEP plan for the upcoming calendar year, the Company will file its EEP per Dt surcharge. The EEP charge will be designed to collect the estimated costs of the Company's EEP plan for the upcoming calendar year plus a full reconciliation of all costs and revenues for the current year including a reconciliation of forecasted revenue and costs for months of the current year for which actual data is not available at the time of the filing. Any projected amounts included in the EEP charge filing are subject to reconciliation to actual amounts and any difference will be reflected in a future EEP charge filing.](#) Upon approval by the Commission, such charge (adjusted for gross earnings tax and the uncollectible percentage approved in the most recent rate case proceeding) shall become effective with usage on or after the effective date.

[The Company may file to change the EEP surcharge at any time should significant over- or under-recoveries occur.](#)

Deleted: 39-2-1.2(d) of Rhode Island General Laws, a charge of up to fifteen cents (\$0.15) per dekatherm (Dt) shall be collected for programs including, but not limited to, cost-effective energy efficiency, energy conservation, combined heat and power systems, and weatherization services for low income households.

Deleted: A Gas Energy Efficiency Program shall be annually filed with the Public Utilities Commission for review and approval. Such filing shall include: (1) a detailed description of the various programs; (2) a projection of costs for the following year; (3) a reconciliation of costs and revenues for the current year with any differential between the actual and authorized amounts collected and or funds expended, with interest, being added or subtracted from the amount to be collected during the following calendar year; and (4) the calculation of an applicable per therm surcharge for the upcoming year

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Issued: [June 17, 2011](#)

Effective: [August 1, 2011](#)

TAXES AND SURCHARGES

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The Company may file to change the EEP surcharge at any time should significant over- or under-recoveries occur.

**Legal Notice
National Grid
Revised Gas Energy Efficiency
Program Plan
And
Amended Tariff Provisions for
Gas Energy Efficiency Program Plan
R.I.P.U.C. Docket No. 4209**

Pursuant to Rhode Island General Laws §39-3-11 and Rule 1.9 of the Rules of Practice and Procedure of the Rhode Island Public Utilities Commission (“Commission”), The Narragansett Electric Company, d/b/a National Grid (“Company”) hereby gives notice that on June 15, 2011, it filed a revised gas energy efficiency program plan proposing an expansion of the gas energy efficiency plan for the remainder of 2011 and increasing the energy efficiency program charge from \$0.15 per dekatherm to \$0.4111 for effect August 1, 2011.

Additionally, the Company hereby gives notice that on June 17, 2011, it filed amended tariff provisions in order to implement the proposed revised gas energy efficiency program plan. These tariff provisions are proposed to become effective August 1, 2011. The revised gas program plan and amended tariff provisions filings were made pursuant to the provisions of Section 39-1-27.7(c)(5) and the recently amended Section 39-2-1.2 of the General Laws, which provide for a fully reconciling funding mechanism to fund investments in all energy efficiency measures that are cost effective and lower cost than acquisition of additional supply.

These filings have been made in the Commission’s R.I.P.U.C. Docket No. 4209.

National Grid