

November 4, 2016

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket No. 4290 – LIHEAP Enhancement Charge For Calendar Year 2017  
Responses to Division Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed please find 10 copies of National Grid's<sup>1</sup> responses to the first set of data requests issued by the Rhode Island Division of Public Utilities and Carriers in the above-referenced matter.

Thank you for your attention to matter. If you have any questions, please contact me at 401-784-7415.

Sincerely,



Robert J. Humm

Enclosure

cc: Docket 4290 Service List  
Steve Scialabba  
Leo Wold, Esq.

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

\_\_\_\_\_  
Joanne M. Scanlon

November 4, 2016  
Date

**Docket No. 4290 – Office of Energy Resources – LIHEAP Enhancement  
Charge Filing    Service List updated 10/5/16**

<b>Name/Address</b>	<b>E-mail Address</b>	<b>Phone</b>
Deborah A. Barclay, General Counsel Lewis Babbitt Dept. of Human Services 57 Howard Avenue Cranston, RI 02920	<a href="mailto:Deborah.barclay@ohhs.ri.gov">Deborah.barclay@ohhs.ri.gov</a> ;	401-462-6816
	<a href="mailto:Lewis.Babbitt@dhs.ri.gov">Lewis.Babbitt@dhs.ri.gov</a> ;	
Christopher Kearns RI Office of Energy Resources	<a href="mailto:Christopher.Kearns@energy.ri.gov">Christopher.Kearns@energy.ri.gov</a> ;	
	<a href="mailto:Nicholas.Ucci@energy.ri.gov">Nicholas.Ucci@energy.ri.gov</a> ;	
Robert Humm, Esq. National Grid 280 Melrose St. Providence, RI 02907	<a href="mailto:Robert.humm@nationalgrid.com">Robert.humm@nationalgrid.com</a> ;	401-784-7415
	<a href="mailto:Celia.obrien@nationalgrid.com">Celia.obrien@nationalgrid.com</a> ;	
	<a href="mailto:Joanne.scanlon@nationalgrid.com">Joanne.scanlon@nationalgrid.com</a> ;	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	<a href="mailto:Lwold@riag.ri.gov">Lwold@riag.ri.gov</a> ;	401-222-2424
	<a href="mailto:Steve.scialabba@dpuc.ri.gov">Steve.scialabba@dpuc.ri.gov</a> ;	
	<a href="mailto:Al.mancini@dpuc.ri.gov">Al.mancini@dpuc.ri.gov</a> ;	
	<a href="mailto:John.spirito@dpuc.ri.gov">John.spirito@dpuc.ri.gov</a> ;	
	<a href="mailto:Kevin.lynch@dpuc.ri.gov">Kevin.lynch@dpuc.ri.gov</a> ;	
	<a href="mailto:dmacrae@riag.ri.gov">dmacrae@riag.ri.gov</a> ;	
<b>File an original &amp; 9 copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ;	401-780-2107
	<a href="mailto:Cynthia.WilsonFrias@puc.ri.gov">Cynthia.WilsonFrias@puc.ri.gov</a> ;	
	<a href="mailto:Todd.bianco@puc.ri.gov">Todd.bianco@puc.ri.gov</a> ;	
	<a href="mailto:Alan.nault@puc.ri.gov">Alan.nault@puc.ri.gov</a> ;	
Bob Bromley, Senate Finance	<a href="mailto:rbromley@rilin.state.ri.us">rbromley@rilin.state.ri.us</a> ;	
Henry Shelton	<a href="mailto:debbiec@georgewileycenter.org">debbiec@georgewileycenter.org</a> ;	

The George Wiley Center	<a href="mailto:b.flambeau@juno.com">b.flambeau@juno.com</a> ;	
Elizabeth Morancy	<a href="mailto:emorancy@cox.net">emorancy@cox.net</a> ;	

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4290  
In Re: Office of Energy Resources Proposed  
LIHEAP Enhancement Charge for Calendar Year 2017  
Responses to Division's First Set of Data Requests  
Issued on October 27, 2016

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Division 1-1

Request:

Please explain why the LIHEAP enhancement charge reported revenue for electric and gas service reported on page 1 of 3 of the 9/30/16 filing can vary on a month to month basis, in some cases by more than \$50,000, as the charge is assessed at a uniform rate and applied to monthly bills.

Response:

The LIHEAP enhancement charge reported revenue for electric and gas service will vary from month to month as the number of bills processed in both the Electric and Gas businesses varies.

The Narragansett Electric Company  
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Division 1-2

Request:

What would be National Grid's total projected revenue for 2017 if the LIHEAP Enhancement Charge remains at \$0.73 per month?

Response:

For electric service, based on a 2016 LIHEAP Enhancement surcharge of \$0.73, and a projected number of customer bills of 5,992,502 (approximately 499,375 customer per month), the Company estimates 2017 LIHEAP Revenue of \$4,374,526.

For gas service, based on a 2016 LIHEAP Enhancement surcharge of \$0.73, and a projected number of customer bills of 3,170,298 (approximately 264,192 customer per month), the Company estimates 2017 LIHEAP Revenue of \$2,314,318.

For electric and gas service combined, based on the foregoing, the Company estimates total 2017 LIHEAP Revenue of \$6,688,844.

The Narragansett Electric Company  
d/b/a National Grid  
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Division 1-3

Request:

If the LIHEAP Enhancement Charge is increased to \$0.83 per month effective in 2017, as requested by DHS, what would National Grid's total projected revenue be for 2017?

Response:

For electric service, based on a 2017 LIHEAP Enhancement surcharge of \$0.83 (as proposed by Department of Human Services), and a projected number of customer bills 5,992,502 (approximately 499,375 customer per month), the Company estimates 2017 LIHEAP Revenue of \$4,973,776.

For gas service, based on a 2017 LIHEAP Enhancement surcharge of \$0.83 (as proposed by Department of Human Services), and a projected number of customer bills of 3,170,298 (approximately 264,192 customer per month), the Company estimates 2017 LIHEAP Revenue of \$2,631,347.

For electric and gas service combined, based on the foregoing, the Company estimates total 2017 LIHEAP Revenue of \$7,605,123 if the LIHEAP Enhancement Charge is increased to \$0.83 per month effective in 2017. This amount exceeds the \$7.5 million annual maximum amount that is allowed to be surcharged to customers in any one year.

The Narragansett Electric Company  
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Division 1-4

Request:

Please provide a projection of the balance in the LIHEAP reconciliation account for electric and gas service, both individually and combined, through December of 2016.

Response:

The projected LIHEAP balance for electric and gas service combined as of December 2016 is \$3,766,795. This estimate includes the estimated LIHEAP revenues for November and December 2016, but does not include an estimate of LIHEAP payments for this time period as the Company has no basis upon which to estimate these payments. Please see Attachment DIV 1-4 for details.

The Narragansett Electric Company  
d/b/a National Grid  
Forecasted LIHEAP Enhancement Plan Reconciliation

Combined Electric and Gas:

	<u>Month</u>	<u>Beginning Over(Under) Recovery Balance</u> (a)	<u>LIHEAP Enhancement Charge Revenue - Electric Service</u> (b)	<u>LIHEAP Enhancement Credits Issued - Electric Service</u> (c)	<u>Monthly Over/(Under)</u> (d)	<u>Ending Balance</u> (e)	<u>Interest Balance</u> (f)	<u>Interest Rate</u> (g)	<u>Interest</u> (h)	<u>Ending Over/(Under) Recovery w/ Interest</u> (i)
(1)	Sep-15	\$819,119	\$550,873	\$0	\$550,873	\$1,369,992	\$1,094,555	2.54%	\$2,317	\$1,372,309
(2)	Oct-15	\$1,372,309	\$548,795	\$900	\$547,895	\$1,920,204	\$1,646,256	2.54%	\$3,485	\$1,923,688
(3)	Nov-15	\$1,923,688	\$549,503	\$0	\$549,503	\$2,473,192	\$2,198,440	2.54%	\$4,653	\$2,477,845
(4)	Dec-15	\$2,477,845	\$603,640	\$0	\$603,640	\$3,081,485	\$2,779,665	2.54%	\$5,884	\$3,087,369
(5)	Jan-16	\$3,087,369	\$556,562	\$250	\$556,312	\$3,643,681	\$3,365,525	2.54%	\$7,124	\$3,650,804
(6)	Feb-16	\$3,650,804	\$555,044	\$250	\$554,794	\$4,205,598	\$3,928,201	2.54%	\$8,315	\$4,213,913
(7)	Mar-16	\$4,213,913	\$562,198	\$2,557,500	(\$1,995,302)	\$2,218,611	\$3,216,262	2.14%	\$5,736	\$2,224,347
(8)	Apr-16	\$2,224,347	\$554,010	\$2,490,750	(\$1,936,740)	\$287,606	\$1,255,977	2.14%	\$2,240	\$289,846
(9)	May-16	\$289,846	\$543,066	\$732,500	(\$189,434)	\$100,412	\$195,129	2.14%	\$348	\$100,760
(10)	Jun-16	\$100,760	\$566,501	\$196,500	\$370,001	\$470,761	\$285,760	2.14%	\$510	\$471,270
(11)	Jul-16	\$471,270	\$555,082	\$2,250	\$552,832	\$1,024,102	\$747,686	2.14%	\$1,333	\$1,025,436
(12)	Aug-16	\$1,025,436	\$551,574	\$9,000	\$542,574	\$1,568,009	\$1,296,723	2.14%	\$2,312	\$1,570,322
(13)	Sep-16	\$1,570,322	\$552,631	\$35,250	\$517,381	\$2,087,703	\$1,829,013	2.14%	\$3,262	\$2,090,965
(14)	Oct-16	\$2,090,965	\$552,635	\$4,750	\$547,885	\$2,638,850	\$2,364,907	2.14%	\$4,217	\$2,643,067
(15)	Nov-16	\$2,643,067	\$555,737	\$0	\$555,737	\$3,198,804	\$2,920,936	2.14%	\$5,209	\$3,204,013
(16)	Dec-16	\$3,204,013	\$556,571	\$0	\$556,571	\$3,760,584	\$3,482,299	2.14%	\$6,210	\$3,766,795

Column and Line Notes:

- (a) Beginning balance per 2015 LIHEAP Enhancement Plan Reconciliation, filed September 30, 2015 page 1, column (a)
- (b) Per company revenue reports
- (c) LIHEAP Enhancement credits processed
- (d) Column (b) - column (c)
- (e) Column (a) + Column (d)
- (f) (Column (a) + Column (e)) ÷ 2
- (g) Rate of interest paid on cust. deposits - per the PUC order in Docket No. 4290 issued 3/26/2014 regarding the Company's 2013 LIHEAP Enhancement reconciliation, the Company is required to apply interest at the rate of interest applied to customer deposits to the balance in the 2014 LIHEAP reconciliation and going forward.
- (h) (Column (f) x (Column (g) ÷ 12))
- (i) Column (e) + Column (h)
- (1) - (14) Actuals
- (15) - (16) Forecast



The Narragansett Electric Company  
d/b/a National Grid  
Forecasted LIHEAP Enhancement Plan Reconciliation

**Electric:**

	<u>Month</u>	<u>Beginning Over/(Under) Recovery Balance</u> (a)	<u>LIHEAP Enhancement Charge Revenue - Electric Service</u> (b)	<u>LIHEAP Enhancement Credits Issued - Electric Service</u> (c)	<u>Monthly Over/(Under)</u> (d)	<u>Ending Balance</u> (e)	<u>Interest Balance</u> (f)	<u>Interest Rate</u> (g)	<u>Interest</u> (h)	<u>Ending Over/(Under) Recovery w/ Interest</u> (i)
(1)	Sep-15	\$13,142,557	\$361,202	\$0	\$361,202	\$13,503,759	\$13,323,158	2.54%	\$28,201	\$13,531,959
(2)	Oct-15	\$13,531,959	\$359,479	\$0	\$359,479	\$13,891,438	\$13,711,699	2.54%	\$29,023	\$13,920,461
(3)	Nov-15	\$13,920,461	\$359,530	\$0	\$359,530	\$14,279,992	\$14,100,227	2.54%	\$29,845	\$14,309,837
(4)	Dec-15	\$14,309,837	\$394,000	\$0	\$394,000	\$14,703,837	\$14,506,837	2.54%	\$30,706	\$14,734,543
(5)	Jan-16	\$14,734,543	\$363,520	\$250	\$363,270	\$15,097,813	\$14,916,178	2.54%	\$31,573	\$15,129,386
(6)	Feb-16	\$15,129,386	\$361,689	\$250	\$361,439	\$15,490,825	\$15,310,105	2.54%	\$32,406	\$15,523,231
(7)	Mar-16	\$15,523,231	\$366,061	\$526,500	(\$160,439)	\$15,362,792	\$15,443,011	2.14%	\$27,540	\$15,390,332
(8)	Apr-16	\$15,390,332	\$361,418	\$372,750	(\$11,332)	\$15,379,000	\$15,384,666	2.14%	\$27,436	\$15,406,436
(9)	May-16	\$15,406,436	\$353,934	\$168,500	\$185,434	\$15,591,870	\$15,499,153	2.14%	\$27,640	\$15,619,510
(10)	Jun-16	\$15,619,510	\$369,105	\$37,250	\$331,855	\$15,951,365	\$15,785,437	2.14%	\$28,151	\$15,979,515
(11)	Jul-16	\$15,979,515	\$362,124	\$1,000	\$361,124	\$16,340,639	\$16,160,077	2.14%	\$28,819	\$16,369,458
(12)	Aug-16	\$16,369,458	\$360,828	\$3,250	\$357,578	\$16,727,036	\$16,548,247	2.14%	\$29,511	\$16,756,547
(13)	Sep-16	\$16,756,547	\$361,913	\$12,500	\$349,413	\$17,105,959	\$16,931,253	2.14%	\$30,194	\$17,136,153
(14)	Oct-16	\$17,136,153	\$361,309	\$1,500	\$359,809	\$17,495,962	\$17,316,058	2.14%	\$30,880	\$17,526,842
(15)	Nov-16	\$17,526,842	\$365,430	\$0	\$365,430	\$17,892,272	\$17,709,557	2.14%	\$31,582	\$17,923,854
(16)	Dec-16	\$17,923,854	\$364,653	\$0	\$364,653	\$18,288,507	\$18,106,180	2.14%	\$32,289	\$18,320,796

**GAS:**

	<u>Month</u>	<u>Beginning Over/(Under) Recovery Balance</u> (a)	<u>LIHEAP Enhancement Charge Revenue - Gas Service</u> (b)	<u>LIHEAP Enhancement Credits Issued - Gas Service</u> (c)	<u>Monthly Over/(Under)</u> (d)	<u>Ending Balance</u> (e)	<u>Interest Balance</u> (f)	<u>Interest Rate</u> (g)	<u>Interest</u> (h)	<u>Ending Over/(Under) Recovery w/ Interest</u> (i)
(17)	Sep-15	(\$12,323,438)	\$189,672	\$0	\$189,672	(\$12,133,766)	(\$12,228,602)	2.54%	(\$25,884)	(\$12,159,650)
(18)	Oct-15	(\$12,159,650)	\$189,316	\$900	\$188,416	(\$11,971,235)	(\$12,065,442)	2.54%	(\$25,539)	(\$11,996,773)
(19)	Nov-15	(\$11,996,773)	\$189,973	\$0	\$189,973	(\$11,806,800)	(\$11,901,786)	2.54%	(\$25,192)	(\$11,831,992)
(20)	Dec-15	(\$11,831,992)	\$209,640	\$0	\$209,640	(\$11,622,352)	(\$11,727,172)	2.54%	(\$24,823)	(\$11,647,174)
(21)	Jan-16	(\$11,647,174)	\$193,042	\$0	\$193,042	(\$11,454,133)	(\$11,550,653)	2.54%	(\$24,449)	(\$11,478,581)
(22)	Feb-16	(\$11,478,581)	\$193,355	\$0	\$193,355	(\$11,285,226)	(\$11,381,904)	2.54%	(\$24,092)	(\$11,309,318)
(23)	Mar-16	(\$11,309,318)	\$196,137	\$2,031,000	(\$1,834,863)	(\$13,144,181)	(\$12,226,749)	2.14%	(\$21,804)	(\$13,165,985)
(24)	Apr-16	(\$13,165,985)	\$192,592	\$2,118,000	(\$1,925,408)	(\$15,091,394)	(\$14,128,689)	2.14%	(\$25,196)	(\$15,116,590)
(25)	May-16	(\$15,116,590)	\$189,132	\$564,000	(\$374,868)	(\$15,491,458)	(\$15,304,024)	2.14%	(\$27,292)	(\$15,518,750)
(26)	Jun-16	(\$15,518,750)	\$197,396	\$159,250	\$38,146	(\$15,480,604)	(\$15,499,677)	2.14%	(\$27,641)	(\$15,508,245)
(27)	Jul-16	(\$15,508,245)	\$192,958	\$1,250	\$191,708	(\$15,316,537)	(\$15,412,391)	2.14%	(\$27,485)	(\$15,344,022)
(28)	Aug-16	(\$15,344,022)	\$190,746	\$5,750	\$184,996	(\$15,159,026)	(\$15,251,524)	2.14%	(\$27,199)	(\$15,186,225)
(29)	Sep-16	(\$15,186,225)	\$190,719	\$22,750	\$167,969	(\$15,018,256)	(\$15,102,240)	2.14%	(\$26,932)	(\$15,045,188)
(30)	Oct-16	(\$15,045,188)	\$191,326	\$3,250	\$188,076	(\$14,857,112)	(\$14,951,150)	2.14%	(\$26,663)	(\$14,883,775)
(31)	Nov-16	(\$14,883,775)	\$190,307	\$0	\$190,307	(\$14,693,468)	(\$14,788,621)	2.14%	(\$26,373)	(\$14,719,841)
(32)	Dec-16	(\$14,719,841)	\$191,918	\$0	\$191,918	(\$14,527,922)	(\$14,623,882)	2.14%	(\$26,079)	(\$14,554,002)
(33)							Forecasted Ending Balance			\$3,766,795

Column and Line Notes:

- (a) Electric beginning balance per 2015 LIHEAP Enhancement Plan Reconciliation, filed September 30, 2015 page 2, column (i)
- (a) Gas beginning balance per 2015 LIHEAP Enhancement Plan Reconciliation, filed September 30, 2015 page 3, column (i)
- (b) Per company revenue reports
- (c) LIHEAP Enhancement credits processed
- (d) Column (b) - column (c)
- (e) Column (a) + Column (d)
- (f) (Column (a) + Column (e)) ÷ 2
- (g) Rate of interest paid on cust. deposits - per the PUC order in Docket No. 4290 issued 3/26/2014 regarding the Company's 2013 LIHEAP Enhancement reconciliation, the Company is required to apply interest at the rate of interest applied to customer deposits to the balance in the 2014 LIHEAP reconciliation and going forward.
- (h) (Column (f) x (Column (g) ÷ 12))
- (i) Column (e) + Column (h)
- (1) - (14) Actuals
- (15) - (16) Forecast
- (17) - (30) Actuals
- (31) - (32) Forecast
- (33) Line (16), Column (i) + Line (32), Column (i)