

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID'S PROPOSED :
2013 STANDARD OFFER SUPPLY PROCUREMENT : DOCKET NO. 4315
PLAN AND 2013 RENEWABLE ENERGY SUPPLY :
PROCUREMENT PLAN :

ORDER

WHEREAS, On November 20, 2012, The Narragansett Electric Company d/b/a National Grid ("NGrid") filed with the Public Utilities Commission ("Commission") its Rate Schedule for Standard Offer Service ("SOS") for the period commencing January 1, 2013; and

WHEREAS, The proposed Rate Schedule available to the Residential Group would increase from 6.674 cents per kWh to 6.935 cents per kWh or an increase of 0.261 cents per kWh, reflecting the weighted cost of the SOS contracts of 6.789 cents per kWh, the Standard Offer Adjustment Factor of 0.016 cents per kWh, previously approved by the Commission, and the SOS Administrative Cost Factor of 0.121 cents per kWh, previously approved by the Commission; and

WHEREAS, The Rate Schedule for Standard Offer Service includes language regarding the calculation of the Billing Adjustment When Leaving Standard Offer Service for those taking service under the Fixed Price Option; and

WHEREAS, The proposed Fixed Price Option applicable to the Commercial Group shows an increase from 5.969 cents per kWh to 6.833 cents per kWh or an increase of 0.864 cents per kWh, reflecting the weighted cost of the SOS contracts of 6.534 cents per kWh, the Standard Offer Adjustment Factor of 0.184 cents per kWh,

previously approved by the Commission, and the SOS Administrative Cost Factor of 0.115 cents per kWh, previously approved by the Commission; and

WHEREAS, The proposed Variable Price Option available to the Commercial Group reflects the monthly pricing in the SOS contracts, the Standard Offer Adjustment Factor of 0.184 cents per kWh, previously approved by the Commission, and the SOS Administrative Cost Factor of 0.115 cents per kWh, previously approved by the Commission; and

WHEREAS, The proposed Variable Pricing available to the Industrial Group reflects the monthly pricing in the SOS contracts, the Standard Offer Adjustment Credit Factor of (0.332) cents per kWh, previously approved by the Commission, and the SOS Administrative Cost Factor of 0.100 cents per kWh, previously approved by the Commission; and

WHEREAS, On December 3, 2012, the Division of Public Utilities and Carriers (“Division”) submitted a Staff Memorandum summarizing National Grid’s filing and indicating it was in compliance with the Commission’s Order approving National Grid’s 2013 Standard Offer Service Procurement Plan¹; and

WHEREAS, On December 10, 2012, after public notice, the Commission conducted a hearing at its Offices at 89 Jefferson Boulevard, Warwick, Rhode Island for the purposes of taking testimony and providing an opportunity for public comment to which no members of the public appeared for comment; and

WHEREAS, Each of the proposed rates represented an increase over the current rates. However, National Grid noted at the hearing that the rates for the Commercial and Residential Groups are still lower than in January 2012 and because of the staggered

¹ Order No. 20795 (issued August 10, 2012).

procurements mixed with spot market prices, represent the market, but avoid large fluctuations for customers. Further, while the proposed rates for the Industrial Group are higher than January 2012, these are the customers with the most choices available in the competitive market²; and

WHEREAS, National Grid and the Division presented a witness for cross-examination before the Commission; and

WHEREAS, At an Open Meeting held on December 20, 2012, the Commission considered the evidence and found that the Rate Schedule for Standard Offer Service reflects NGrid's SOS Procurement Plan as approved in Order Nos. 20756 and 20795 and further appropriately reflects the SOS Adjustment Factors and Administrative Cost Factors approved in Order No. 20794.

Accordingly, it is hereby

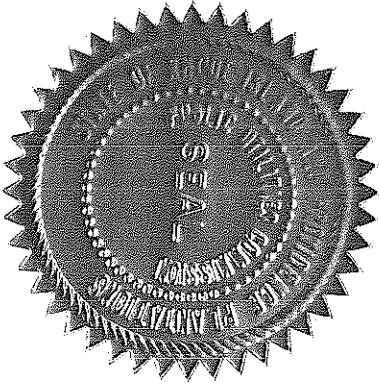
(20919) ORDERED:

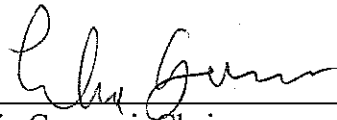
1. Narragansett Electric Company d/b/a National Grid's Rate Schedules for Standard Offer Service, filed on November 20, 2012, is hereby approved for usage on and after January 1, 2013.

² At the hearing, Ms. Jeanne A. Lloyd testified that approximately forty percent (40%) of customers in the Industrial Group were on SOS, representing only twenty-five percent (25%) of the customer group's load.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2013
PURSUANT TO AN OPEN MEETING DECISION ON DECEMBER 20, 2012.
WRITTEN ORDER ISSUED JANUARY 7, 2013.

PUBLIC UTILITIES COMMISSION

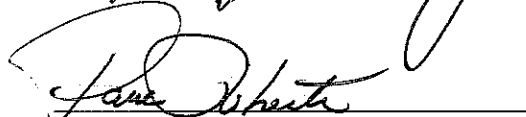




Elia Germani, Chairman



Mary E. Bray, Commissioner



Paul J. Roberti, Commissioner

NOTICE OF RIGHT OF APPEAL PURSUANT TO R.I.G.L. SECTION 39-5-1, ANY PERSON AGGRIEVED BY A DECISION OR ORDER OF THE COMMISSION MAY, WITHIN SEVEN DAYS (7) DAYS FROM THE DATE OF THE ORDER, PETITION THE SUPREME COURT FOR A WRIT OF CERTIORARI TO REVIEW THE LEGALITY AND REASONABLENESS OF THE DECISION OR ORDER.