

June 4, 2012

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4323 - Application for Approval of a Change in Electric and Gas Base Distribution Rates Pursuant to R.I.G.L. Sections 39-3-10 and 39-3-11 Responses to Commission Data Requests Set-1-ELEC/GAS**

Dear Ms. Massaro:

Enclosed is an original and ten (10) copies of National Grid's<sup>1</sup> responses to the Commission's First Set of Data Requests in the above-captioned proceeding.

The responses to the First Set included with this filing are listed in the enclosed discovery log.

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

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 4323 Service List  
Leo Wold, Esq.  
Steve Scialabba, Division

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid (herein referred to as "National Grid" or the "Company").

## Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate were electronically submitted, hand delivered and mailed to the individuals listed below.

/S/  
Janea Dunne

June 4, 2012  
Date

### **National Grid (NGrid) – Request for Change in Electric & Gas Distribution Rates Docket No. 4323 – Service List updated on 5/24/12**

<b>Name/Address</b>	<b>E-mail Distribution</b>	<b>Phone</b>
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Thomas R. Teehan, Esq. National Grid 280 Melrose St. Providence, RI 02907	<a href="mailto:Thomas.teehan@us.ngrid.com">Thomas.teehan@us.ngrid.com</a>	401-784-7667
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Cheryl M. Kimball, Esq. (for NGrid) Keegan Werlin LLP 265 Franklin Street Boston, MA 02110	<a href="mailto:ckimball@keeganwerlin.com">ckimball@keeganwerlin.com</a>	617-951-1400
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Gerald Petros, Esq. Hinckley, Allen & Snyder	<a href="mailto:gpetros@haslaw.com">gpetros@haslaw.com</a>	
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Leo Wold, Esq. (for Division) 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:dmacrae@riag.ri.gov">dmacrae@riag.ri.gov</a>	
	<a href="mailto:Steve.scialabba@ripuc.state.ri.us">Steve.scialabba@ripuc.state.ri.us</a>	
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Matthew Kahal c/o Exeter Associates 10480 Little Patuxent Pkwy, Suite 300 Columbia, MD 21044	<a href="mailto:mkahal@exeterassociates.com">mkahal@exeterassociates.com</a>	410-992-7500
<b>File original &amp; 11 copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>	401-780-2107
	<a href="mailto:Anault@puc.state.ri.us">Anault@puc.state.ri.us</a>	
	<a href="mailto:Adalessandro@puc.state.ri.us">Adalessandro@puc.state.ri.us</a>	
	<a href="mailto:Nucci@puc.state.ri.us">Nucci@puc.state.ri.us</a>	
	<a href="mailto:Dshah@puc.state.ri.us">Dshah@puc.state.ri.us</a>	
	<a href="mailto:Sccamara@puc.state.ri.us">Sccamara@puc.state.ri.us</a>	

The Narragansett Electric Company  
d/b/a National Grid  
R.I.P.U.C. Docket No. 4323  
Discovery Log

DATA SET	DATA REQUEST	DATE ISSUED	DATE FILED	WITNESS	ATTACHMENT	CONFIDENTIAL ATTACHMENT
<b>DIVISION SET 1</b>						
Division Set 1	Division 1-1-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 1-1-ELEC	
Division Set 1	Division 1-2-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 1-2-ELEC	
Division Set 1	Division 1-3-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 1-3-ELEC	
Division Set 1	Division 1-4-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 1-4-ELEC	
Division Set 1	Division 1-5-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-6-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme	Att. DIV 1-6-ELEC	
Division Set 1	Division 1-7-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-8-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 1-8-ELEC	
Division Set 1	Division 1-9-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme	Att. DIV 1-9-ELEC	
Division Set 1	Division 1-10-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-11-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme	Att. DIV 1-11-ELEC	
Division Set 1	Division 1-12-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-13-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme	Att. DIV 1-13-ELEC	
Division Set 1	Division 1-14-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-15-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-16-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-17-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-18-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-19-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-20-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-21-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme	Att. DIV 1-21-ELEC	
Division Set 1	Division 1-22-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
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Division Set 1	Division 1-24-ELEC	05/09/2012	<b>05/25/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-25-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-26-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-27-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme	Att. DIV 1-27-ELEC	
Division Set 1	Division 1-28-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		

The Narragansett Electric Company  
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Division Set 1	Division 1-30-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
Division Set 1	Division 1-31-ELEC	05/09/2012	<b>05/23/2012</b>	Michael D. Laflamme		
<b>DIVISION SET 2</b>						
Division Set 2	Division 2-1-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-1-GAS	
Division Set 2	Division 2-2-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-2-GAS	
Division Set 2	Division 2-3-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-4-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-4-GAS	
Division Set 2	Division 2-5-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-6-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-6-GAS	
Division Set 2	Division 2-7-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-7-GAS	
Division Set 2	Division 2-8-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-8-GAS	
Division Set 2	Division 2-9-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-9-GAS	
Division Set 2	Division 2-10-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-11-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-12-GAS	05/14/2012	<b>05/25/2012</b>	Michael D. Laflamme	Att. DIV 2-12-GAS	
Division Set 2	Division 2-13-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-14-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-15-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-16-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme	Att. DIV 2-16-1-GAS Att. DIV 2-16-2-GAS Att. DIV 2-16-3-GAS	
Division Set 2	Division 2-17-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-18-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
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Division Set 2	Division 2-23-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme	Att. DIV 2-23-GAS	
Division Set 2	Division 2-24-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		
Division Set 2	Division 2-25-GAS	05/14/2012	<b>05/29/2012</b>	Michael D. Laflamme		

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DATA SET	DATA REQUEST	DATE ISSUED	DATE FILED	WITNESS	ATTACHMENT	CONFIDENTIAL ATTACHMENT
<b>DIVISION SET 3</b>						
Division Set 3	Division 3-1-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-2-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-3-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-4-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-5-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-6-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-7-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-8-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-9-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-10-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-11-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-12-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-13-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-14-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-15-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-16-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-17-ELEC/GAS	05/30/2012	<i>Pending</i>	Michael D. Laflamme		
Division Set 3	Division 3-18-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-19-ELEC	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-20-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-21-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-22-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-23-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-24-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-25-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-26-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		
Division Set 3	Division 3-27-ELEC/GAS	05/30/2012	<i>Pending</i>	Robert B. Hevert		

The Narragansett Electric Company  
d/b/a National Grid  
R.I.P.U.C. Docket No. 4323  
Discovery Log

DATA SET	DATA REQUEST	DATE ISSUED	DATE FILED	WITNESS	ATTACHMENT	CONFIDENTIAL ATTACHMENT
<b>COMMISSION SET 1</b>						
Commission Set 1	Commission 1-1-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-2-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-3-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-4-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-5-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-6-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-7-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-8-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-9-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-10-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-11-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-12-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-13-ELEC/GAS	05/24/2012	<b>06/04/2012</b>	Evelyn M. Kaye		
Commission Set 1	Commission 1-14-ELEC/GAS	05/24/2012	<b>06/04/2012</b>	Evelyn M. Kaye		
Commission Set 1	Commission 1-15-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-16-ELEC/GAS	05/24/2012	<b>06/04/2012</b>	Evelyn M. Kaye and Michael D. Laflamme		
Commission Set 1	Commission 1-17-ELEC/GAS	05/24/2012	<b>06/04/2012</b>	Evelyn M. Kaye		
Commission Set 1	Commission 1-18-ELEC/GAS	05/24/2012	<b>06/04/2012</b>	Evelyn M. Kaye		
Commission Set 1	Commission 1-19-ELEC/GAS	05/24/2012	<b>06/04/2012</b>	Evelyn M. Kaye	Attachment Comm 1-19-ELEC/GAS	
Commission Set 1	Commission 1-20-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-21-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-22-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-23-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-24-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-25-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-26-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-27-GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-28-GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-29-ELEC	05/24/2012	<b>06/04/2012</b>	Alfred P. Morrissey		

The Narragansett Electric Company  
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<b>COMMISSION SET 1</b>						
Commission Set 1	Commission 1-30-ELEC	05/24/2012	<b>06/04/2012</b>	Alfred P. Morrissey		
Commission Set 1	Commission 1-31-ELEC	05/24/2012	<b>06/04/2012</b>	Alfred P. Morrissey		
Commission Set 1	Commission 1-32-ELEC	05/24/2012	<b>06/04/2012</b>	Alfred P. Morrissey		
Commission Set 1	Commission 1-33-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-34-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-35-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-36-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-37-GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-38-ELEC	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-39-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-40-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-41-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-42-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-43-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-44-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-45-ELEC/GAS	05/24/2012	<i>Pending</i>			
Commission Set 1	Commission 1-46-GAS	05/24/2012	<i>Pending</i>			

Commission 1-13-ELEC/GAS

Request:

Referring to Evelyn Kaye, p. 17, line 1, what is a "cut season"?

Response:

The "cut season" refers to the period of time during the year when the majority of service terminations for non-payment occur. More specifically, the Company defines the "cut season" for Rhode Island as April 16 through October 31. This time frame is outside the utility termination moratorium period as defined in the Rhode Island Rules and Regulations Governing the Termination of Residential Electric, Gas and Water Utility Service. The moratorium period strictly applies to the prevention of termination of service to protected customers. In recent years, this season has been shortened to May 2 through October 31 because of moratorium period extensions.



Commission 1-14-ELEC/GAS

Request:

Referring to Evelyn Kaye, p. 17, line 19, has the Company recovered any uncollectibles as a result of the 36 liens filed?

Response:

Yes. The Company has recovered a total of \$3,000 to date on the 36 liens filed since 2009. This recovery occurred in February 2012.

Commission 1-16-ELEC/GAS

Request:

In what year(s) is the Company proposing to recover the amounts listed on page 20, lines 7-8 of Evelyn Kaye's Testimony (\$35,018,924 for electric and \$46,579,771 for gas)?

Response:

The \$35.0 million on Schedule EMK-1 page 1 for Narragansett Electric and the \$46.6 million on Schedule EMK-1 page 3 for Narragansett Gas represent the three years of aggregate net charge-offs used to calculate the three-year average uncollectible rates for Narragansett Electric and Narragansett Gas, respectively. The uncollectible rates of 1.35 percent for Narragansett Electric at Schedule EMK-1 page 1 and 3.79 percent for Narragansett Gas at Schedule EMK-1 page 3 are used to determine the rate year uncollectible expense as shown within Schedule MDL-3-ELEC and Schedule MDL-3-GAS, respectively.

The distribution bad debt expense in the rate year is summarized in the following tables:

**ELECTRIC DISTRIBUTION BAD DEBT EXPENSE  
(Per Book 4 of 11; Schedule MDL-3-ELEC)**

**Rate Yr  
Bad Debt Expense  
(\$000's)**

Pg 46 of 71, Row 36, Column d	\$ 3,264.90	Distribution Bad Debt Expense
Pg 46 of 71, Row 36, Column f	659.50	Conservation Revenue Bad Debt (1)
Pg 1 of 71, Row 7; Column f	<u>424.60</u>	Revenue Requirement True-Up
<b>Rate Year Bad Debt Expense</b>	<b>\$4,348.90</b>	<b>Total Distribution &amp; Conservation Bad Debt Expense</b>

(1) Collected outside of base rates.

Commission 1-16-ELEC/GAS, page 2

**GAS DISTRIBUTION BAD DEBT EXPENSE**  
**(Per Book 4 of 11; Schedule MDL-3-GAS)**

**Rate Yr**  
**Bad Debt Expense**  
(\$000's)

Pg 45 of 65, Row 31, Column d	\$5,245.40	Distribution Bad Debt Expense
Pg 1 of 65, Row 7, Column f	756.20	Revenue Requirement True-Up
<b><i>Rate Year Bad Debt Expense</i></b>	<b>\$6,001.60</b>	<b>Total Distribution Bad Debt Expense</b>

Commission 1-17-ELEC/GAS

Request:

Referring to Evelyn Kaye, p. 24, lines 18-20, please elaborate on the following statement, "When large companies foresee layoffs, the Consumer Advocates provide information to assist the unemployed."

- a. Does this mean the consumer advocate would reach out to the Company that is doing the lay-off?
- b. Would the Consumer Advocate get involved before or after the layoff?

Response:

- a. To provide Consumer Advocate services to the company that is doing the layoff, the Company would work with the State of Rhode Island's Department of Labor and Training in a manner similar to the way in which the Company's Upstate New York affiliate, Niagara Mohawk Power Corporation ("Niagara Mohawk"), works with the New York State Department of Labor ("NYSDOL") to provide Consumer Advocate services to large companies that foresee layoffs. In New York, upon request of the company that is doing the layoff, the NYSDOL task force team's rapid response coordinators organize meetings in which Niagara Mohawk's Consumer Advocates participate. Niagara Mohawk's Consumer Advocates work directly with the NYSDOL by providing informational brochures that are included in information packets given to impacted employees at meetings held by the requesting company that is doing the layoffs.
- b. Consumer Advocates are involved both before and after the layoff. The Company's brochures would be provided to the Rhode Island Department of Labor and Training, which would then include the Company's brochures among the materials it provides to the requesting company that is doing the layoffs. In New York, Niagara Mohawk's Consumer Advocates also maintain a regular presence in the NYSDOL offices and training sites to assist payment-troubled customers.

Commission 1-18-ELEC/GAS

Request:

Evelyn Kaye. Does the Company have consumer advocates in other service territories that perform the same or similar role as that proposed in this docket?

- a. If yes, how has the consumer advocates in other service territories contributed to the decline in collectibles?

Response:

Yes.

- a. The Company's Upstate New York affiliate, Niagara Mohawk Power Corporation ("Niagara Mohawk"), has Consumer Advocates in its service territory who perform the same role as that proposed in this docket. Niagara Mohawk's Consumer Advocates work with the New York State Department of Labor ("NYSDOL") to provide services to low-income, elderly, disabled, medical and unemployed customers who have difficulty meeting their financial obligations to Niagara Mohawk. The Consumer Advocates assist such customers in identifying and enrolling in social assistance programs available for their benefit that are offered by National Grid or other entities. The program options available to eligible customers may include referrals to low-income programs, fuel funds and the low-income heating assistance program (LIHEAP). National Grid believes that, for certain payment-troubled customers, multiple, integrated and sustainable solutions, such as those services provided by the Consumer Advocates, will support the mitigation of uncollectible accounts expense in lieu of quickly terminating such customers' accounts.

Commission 1-19-ELEC/GAS

Request:

Evelyn Kaye, p. 25, lines 1-2, states that consumer advocates go to schools to provide students information on "how their actions affect our environment and their communities." Page 24, line 6 also states the consumer advocates would provide energy saving tips to customers.

- a. This testimony implies that the role of the consumer advocate, at least in part, would be to educate customers and the community in general about energy efficiency. Is this true or false?
- b. If true, doesn't the Company already have staff dedicated to educating the community about energy efficiency?
- c. If the answer to b is yes, please explain the need for the consumer advocate to perform a task that is already performed by other employees.

Response:

- a. This is true. Consumer Advocates discuss many no cost/low cost energy saving tips, such as those set forth on Attachment COMM 1-19-ELEC/GAS, with low-income customers. They routinely present programs focused on saving energy to various community action and human services organizations. They also educate customers on various energy-saving topics, such as how to calculate the energy costs for new appliances, the use of compact fluorescent light bulbs, and money saving tips for home electronics.
- b. The Company does not employ staff dedicated to educating the community about energy efficiency. The Company has employees and vendors who promote our energy efficiency programs and may provide general information about energy efficiency.
- c. Not applicable.

## **No Cost/Low Cost Energy Saving Tips**

### **In the Kitchen:**

- \* Microwaves, toaster ovens and crock pots use less energy than ranges.
- \* Cooking with lids on pots or pans will save energy.
- \* Setting refrigerator (36-38 F) and freezer (0-5 F) cooler than necessary wastes energy.
- \* Use the energy/water saving cycles on dishwashers.
- \* Operate the dishwasher only when full.

### **In the Basement:**

- \* Hot water tanks set higher than 120 F waste energy and can cause possible burns.
- \* Insulate hot water pipes to reduce heat loss.
- \* Use cold water for washing clothes.
- \* Dry clothes in consecutive loads to use the heat from the previous load.
- \* Hang clothes outside for free energy from the sun.

### **In the Bath:**

- \* Install a low flow shower head which saves water and energy.
- \* Showers require less heated water than taking baths.
- \* Shave from a full sink basin rather than letting the hot water run.

### **Throughout the House:**

- \* Turn off lights both inside and out when they are not being used.
- \* Replace regular light bulbs with energy saving, longer lasting fluorescent bulbs.
- \* Open the curtains and use natural sunlight to add light and warmth to a room.
- \* Shut off heat and close doors to unused rooms.
- \* Close the damper on fireplaces when not in use.
- \* Seal holes and cracks with caulk.
- \* Use weather stripping around all exterior doors and windows.
- \* Remove window air conditioning units when not in use.
- \* Turn down the thermostat especially if you leave your home for more than two hours or at bedtime.
- \* Plug-in night lights use less energy than regular light bulbs and provide safety in the dark.
- \* Insulate exterior wall electrical sockets.
- \* Plastic grocery bags placed at the base of windows can stop drafts.
- \* Place a towel or draft dodger against a door to avoid drafts.

Commission 1-29-ELEC

Request:

Referring to Alfred Morrissey, page 7, line 16 through p. 8, line 2, please cite the source(s) from which the following projections were derived: RI employment levels, gross state product and population and number of households growth.

Response:

The source is Moody's Analytics' January 2012 forecast of the Rhode Island economy (see page 7, lines 8 - 10 of the Direct Testimony of Company Witness Morrissey). For a detailed description of Moody's Analytics forecasting service, please see page 8, lines 6 - 12 of Company Witness Morrissey's testimony.



Commission 1-30-ELEC

Request:

Referring to Alfred Morrissey, page 12, lines 20-22, please define the following in layman's terms:

- a. Ordinary Least Squares
- b. The Yule-Walker method
- c. The Durbin-Watson statistic

Response:

- a. Ordinary Least Squares

Ordinary least squares ("OLS") regression is a method of estimating the coefficients in an econometric model. In this case, the econometric models are equations in which the dependent variables are gWh sales and the independent variables are determinants of gWh sales, such as income, employment, gross state product, weather, days billed and electric price. The coefficients in the equations measure how much a change in the independent variables (also referred to in the Company Witness Morrissey's testimony as "explanatory variables") change the dependent variables. OLS estimates these coefficients by minimizing the sum of squared differences (hence the term "least squares") between the actual values of gWh sales over the historical period and the values predicted by the regression equations.

- b. The Yule-Walker method

In OLS estimation, the difference between the actual values of the dependent variable and the predicted values of the dependent variable over the historical period are known as "residuals." Autocorrelation occurs when the residuals are correlated with each other. In this case, the OLS method still yields unbiased estimates of the regression equation coefficients, but the precision of the estimates can be improved by correcting for the autocorrelation. The Yule-Walker method is a method of correcting for autocorrelation by incorporating information from the residuals into the estimation of the model coefficients.

- c. The Durbin-Watson statistic

The Durbin-Watson statistic tests for the presence of autocorrelation in a regression equation estimated using OLS. The Durbin-Watson statistic is calculated from the equation residuals (described in response to part b. above). If the Durbin-Watson statistic falls outside of a

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certain range, it indicates autocorrelation is present and the precision of the regression model coefficients can be improved by correcting for autocorrelation.

Commission 1-31-ELEC

Request:

Referring to Alfred Morrissey, page 13, lines 8-9, please explain the phrase, "regressed against the explanatory variables."

Response:

This phrase means that the coefficients of the econometric model were estimated using ordinary least squares regression, which is described in layman's terms in the Company's response to Commission 1-30-ELEC, part a. In ordinary least squares regression analysis, it is common terminology to say that the dependent variable is regressed against the explanatory variables. In this case, the dependent variable is residential kWh use per customer, as described on page 13, lines 6 - 8 of Company Witness Morrissey's testimony, and the explanatory variables are real per capita income, heating degree days, cooling degree days and number of days billed, as described on page 13, lines 13 - 14 of Company Witness Morrissey's testimony.

Commission 1-32-ELEC

Request:

Referring to APM-1, please provide the source or basis for the GWH sales listed in the 2012, 2013 and 2014 forecasts.

Response:

Please refer to pages 5 - 17 of the Direct Testimony of Company Witness Alfred P. Morrissey for a description of the source for the 2012, 2013 and 2014 gWh sales forecasts provided in Schedule APM-1.