

January 24, 2013

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4366 - Revised Energy Efficiency Factor**

Dear Ms Massaro:

Concurrent with implementation of new base distribution rates pursuant to the Rhode Island Public Utilities Commission (“Commission”) approved Settlement Agreement in Docket 4323, National Grid<sup>1</sup> hereby files revised Gas and Electric Energy Efficiency Factor (“EE”) rates to incorporate changes approved in Docket 4323.

The specific changes approved in Docket 4323 that impact the calculation of EE rates is the inclusion of an uncollectible percentage of 1.25 percent for Electric and the update of uncollectible percentage of 3.18 percent for Gas.

Attachment 1 demonstrates the calculation of the revised gas Energy Efficiency factor of \$0.417 per Dth. This attachment is a revised exhibit from the Company’s EE filing in Docket No. 4366, included in that filing as Attachment 6 to the Company’s 2013 EE Plan, and has been updated to reflect the gas uncollectible rate approved in Docket No. 4323.

Attachment 2 shows the calculation of the electric Energy Efficiency Program Charge of 0.906¢ per kWh. The revised charge is calculated by applying the approved electric uncollectible percentage of 1.25% to the current Energy Efficiency Program charge of 0.865¢ per kWh approved by the Commission in Dockets 4366 and 4367. Please note that for billing purposes, the Renewables Charge of 0.030¢ is included with the Energy Efficiency Program Charge on customer bills. This charge has not been adjusted for the uncollectible rate.

The impact of the revised EE rates on customer’s bills is included in the Company’s Docket 4323 Compliance filing.

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”).

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Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Leo Wold, Esq.  
Steve Scialabba  
Bruce Oliver

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate were electronically transmitted to the individuals listed below. Copies of this filing were hand delivered to the RI Public Utilities Commission.

\_\_\_\_\_  
 Joanne M. Scanlon  
 National Grid

January 24, 2013

Date

**Docket No. 4366 - National Grid - 2013 Energy Efficiency Program Plan  
 Service list updated 11/1/12**

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**Table G-1 REVISED**  
**National Grid**  
**Gas DSM Funding Sources in 2013 by Sector**  
**\$(000)**

	<u>Projections by Sector</u>				Total
	Income Eligible Residential	Non-Income Eligible Residential	Commercial & Industrial		
<b>(1) Projected Budget (from G-2):</b>	<b>\$4,282.7</b>	<b>\$7,847.9</b>	<b>\$7,033.4</b>		<b>\$19,540.0</b>
<b>Sources of Other Funding:</b>					
(2) Estimated Year-End 2012 Fund Balance and Interest:	\$ (223.7)	\$ 1,459.8	\$ 4,032.1		\$ 5,268.3
(3) Low Income Weatherization in Base Rates:	<u>\$ 200.0</u>				<u>\$ 200.0</u>
<b>(4) Total Other Funding:</b>	<b>\$ (23.7)</b>	<b>\$ 1,459.8</b>	<b>\$ 4,032.1</b>		<b>\$ 5,468.3</b>
<b>(5) Customer Funding Required:</b>					<b>\$ 14,071.7</b>
<b>(6) Forecasted Dth Sales:</b>					
(7) Forecasted Dth Sales:	1,681,012	16,365,729	16,770,190		34,816,931
(8) Uncollectible Rate of 3.18%:	<u>53,456</u>	<u>520,430</u>	<u>533,292</u>		<u>1,107,178</u>
<b>(9) Forecasted Dth Sales:</b>	<b>1,627,556</b>	<b>15,845,299</b>	<b>16,236,898</b>		<b>33,709,753</b>
<b>(10) Energy Efficiency Program Charge per Dth:</b>					<b>\$ 0.417</b>
(11) Currently Effective 2013 EE Program Charge					\$ 0.414
(12) Adjustment to Reflect Fully Reconciling Funding Mechanism					\$ 0.003

The Narragansett Electric Company  
Proposed Energy Efficiency Program Charge

1	2013 Approved Energy Efficiency Program Charge	\$0.00865
2		
3	Uncollectibles Rate	<u>1.25%</u>
4		
5	2013 Approved Energy Efficiency Program Charge as adjusted for Uncollectible Rate	\$0.00876
6		
7	Renewable Charge (Included for billing purposes with Energy Efficiency Program Charge)	<u>\$0.00030</u>
8		
9	Total Energy Efficiency Program Charge	\$0.00906

Notes:

1. As approved by the Commission in Docket No. 4366/4367
3. Per Energy Efficiency Program Provision as approved in Docket No. 4323
5. Line 2 x Line 3
7. per R.I.G.L. §39-2-1.2
9. Line 5 + Line 7