

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID - 2013 DISTRIBUTION ADJUSTMENT CLAUSE
FILING & 2013 GAS COST RECOVERY FILING - DOCKET NOS. 4431 & 4436

NOTICE OF HEARING

Pursuant to the provisions of Rhode Island General Laws §§ 39-1-1 and 39-3-11, as amended, the Public Utilities Commission (“PUC”) will conduct a hearing on **Thursday, October 17, 2013 @ 9:30 A.M.** in Hearing Room A at the PUC’s office located at 89 Jefferson Boulevard, Warwick, Rhode Island. In these dockets, the PUC will examine the propriety of filings submitted by National Grid (“NGrid”) seeking to implement revised rates and charges effective November 1, 2013.

In Docket No. 4431, National Grid filed to decrease the Distribution Adjustment Clause (“DAC”) rate. The DAC is designed to provide for the recovery and reconciliation of the costs of identifiable special programs. It includes an annual System Pressure factor, an Advanced Gas Technology factor, a Low Income Assistance Program factor, an Environmental Response Cost factor, a Pension Adjustment factor, an On-System Margin Credit factor, a Service Quality Performance factor, an Earnings Sharing Mechanism factor, a Revenue Decoupling Adjustment factor, and rate class specific Infrastructure, Safety, and Reliability factors (previously approved in Docket No. 4380). The proposed DAC factors on a per therm cost basis for each rate class are: \$0.0197 for Residential Non-Heating; \$0.0197 for Residential Non-Heating Low Income; \$0.0425 for Residential Heating; \$0.0425 for Residential Heating Low Income; \$0.0442 for Small C&I; \$0.0429 for Medium C&I; \$0.0107 for Large Low Load Factor; \$0.0131 for Large High Load Factor; \$0.0083 for Extra Large Low Load Factor; and \$0.0095 for Extra Large High Load Factor. For the average residential heating customer using 846 therms annually, this represents an annual decrease of \$7.46 or 0.6 percent from the currently effective DAC rates.

In Docket No. 4436, National Grid filed to decrease the Gas Cost Recovery (“GCR”) charge for all customer classes. The GCR charge allows the Company to reconcile and recover its estimated costs for gas supplies for the period November 1, 2013 through October 31, 2014. The proposed GCR factors on a per therm cost basis are: \$0.6626 for Residential Heating customers, Small C&I customers, Medium C&I customers, Large Low-Load Factor customers, and Extra Large Low Load Factor customers; \$0.6381 per therm for Residential Non-Heating customers, Large High Load Factor customers, and Extra Large High Load Factor customers; and \$9.7373 per MDCQ dekatherm for FT-2 Demand rate. For the average residential heating customer using 846 therms annually, this represents an annual decrease of \$8.40 or 0.7 percent from the currently effective GCR rates.

If approved, the combined net bill impact of the GCR and DAC charges on a typical residential heating customer using 846 therms per year would be an annual reduction of approximately \$16 or 1.3 percent from \$1,185 to \$1,169. The PUC may approve different rates that may be higher or lower than those proposed by National Grid. The filings may be examined at the PUC’s office. The filings can also be accessed on the Commission’s Docket Menu at www.ripuc.org, Dockets 4431 & 4436. Reference is made to Chapters 39-1, 39-3 & 42-35 of the Rhode Island General Laws. The Public Utilities Commission is accessible to the handicapped.

Individuals requesting interpreter services for the hearing impaired must notify the Commission Clerk's office at 401-780-2107, seventy-two hours in advance of hearing date.

Luly E. Massaro, Commission Clerk
October 7, 2013