

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC
COMPANY d/b/a NATIONAL GRID'S ENERGY
EFFICIENCY PROGRAM PLAN FOR
2014 and 2014 SYSTEM RELIABILITY
PROCUREMENT REPORT

DOCKET NO. 4451
DOCKET NO. 4453

ORDER

WHEREAS, On November 1, 2013, Narragansett Electric Company d/b/a National Grid (National Grid or Company) filed the 2014 Energy Efficiency Program Plan and Settlement of the Parties (Plan);¹ and

WHEREAS, The parties to the settlement agreement are National Grid, the Division of Public Utilities and Carriers, the Energy Efficiency Resources Management Council, the Energy Council of R.I. and Environment Northeast; and

WHEREAS, The plan includes proposed budgets of \$87.1 million and \$23.5 million, respectively, for electric and gas efficiency programs;² and

WHEREAS, The plan includes a proposed, fully reconciling funding mechanisms that would increase the electric efficiency program charge from \$0.00876 per kWh to \$0.00896/kWh. For residential customers, the gas efficiency program charge would increase from \$0.417 per dekatherm to \$0.600 per dekatherm, and for commercial customers, from \$0.417 per dekatherm to \$0.492 per dekatherm; and

WHEREAS, The plan includes continued support for combined, heat, and power installations pursuant to R.I. Gen. Laws §39-1-27.7; and

¹ The Parties to the Settlement Agreement are National Grid, the Division of Public Utilities and Carriers, the Energy Efficiency and Resources Management Council ("EERMC"), TEC-RI and Environment Northeast.

² The budgets and numbers reflected in this Order are pursuant to the 2014 Energy Efficiency Plan and 2014 System Reliability Plan, as modified by the Supplemental Filings on November 22 and November 26, 2013.

WHEREAS, National Grid filed a 2014 System Reliability Procurement Report on November 1, 2013;³ and

WHEREAS, The System Reliability Procurement Report is filed pursuant to R.I. Gen. Laws §39-1-27.7 and the System Reliability Procurement Standards (“Standards”) approved in Docket No. 4202;⁴ and

WHEREAS, National Grid proposes to leverage existing energy efficiency funds and seeks approval of a proposed 2014 budget of \$399,208 to continue the Load Curtailment Pilot in the Tiverton/Little Compton area;⁵ and

WHEREAS, Approval of the 2014 budget of \$399,208 would result in an incremental System Reliability Procurement factor of \$0.00004 per kWh which would be added to the proposed energy efficiency program charge of \$0.00896 per kWh for a total, combined energy efficiency program charge of \$0.00911 per kwh;⁶ and

WHEREAS, The 2014 System Reliability Procurement Report has a cost benefit ratio in 2014 of 1.74, and the 2014 Energy Efficiency Program Plan has a benefit-cost ratio of 3.15 for electric efficiency programs and 1.70 for gas efficiency programs; and

WHEREAS, National Grid’s 2014 System Reliability Procurement Plan and 2014 Energy Efficiency Program Plan are both in compliance with both R.I. General Laws §39-1-27.7 and the Standards for Energy Efficiency and Conservation Procurement and System Reliability, and both plans are fully endorsed by the Division of Public Utilities and Carriers, the Energy

³ The SRP Plan is a Settlement Agreement executed by the parties in Footnote 2.

⁴ Commission Order No. 20419 (issued July 25, 2011).

⁵ Applying a 2013 carryover balance of \$57,158 brings the Company’s System Reliability Procurement funding request to \$342,050.

⁶ The total, combined energy efficiency program charge of \$0.00911 per kWh includes a 1.25% uncollectible rate approved in Docket No. 4323.

Efficiency Resources Management Council, the Energy Council of R.I. and Environment Northeast.

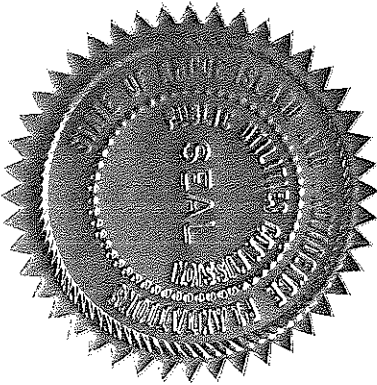
ACCORDINGLY, it is

(21298) ORDERED:

- 1) National Grid's 2014 Energy Efficiency Program Plan, as modified by the supplemental filings dated November 22 and November 26, 2013, including the fully reconciling funding mechanisms contained therein, is approved for effect on January 1, 2014.
- 2) Effective January 1, 2014, National Grid is authorized to collect a uniform, energy efficiency charge of \$0.00911 per kWh from electric distribution customers. This charge consists of an approved energy efficiency program charge of \$0.00896 per kWh, an approved system reliability procurement factor of \$0.00004 per kWh and an approved 1.25% uncollectible rate.
- 3) Effective January 1, 2014, National Grid is authorized to collect a gas efficiency program charge of \$0.600 per dekatherm from residential gas distribution customers and a gas energy efficiency program charge of \$0.492 per dekatherm from commercial and industrial distribution customers.
- 4) National Grid's 2014 System Reliability Procurement Report, as modified by the supplemental filing dated November 22, 2013, including the 2014 budget of \$399,208, and proposed System Reliability Procurement factor of \$0.00004 per kWh, are approved for effect on January 1, 2014.
- 5) All electric and gas tariff provisions filed by National Grid shall comply with the terms and provisions of this Order.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2014
PURSUANT TO AN OPEN MEETING DECISION ON DECEMBER 20, 2013. WRITTEN
ORDER ISSUED DECEMBER 24, 2013.

PUBLIC UTILITIES COMMISSION

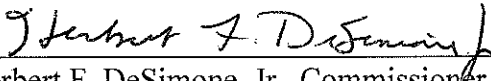




Margaret Curran, Chairman



Paul J. Roberti, Commissioner



Herbert F. DeSimone, Jr., Commissioner

NOTICE OF RIGHT OF APPEAL PURSUANT TO R.I.G.L. SECTION 39-5- , 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.