

November 22, 2013

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI02888

**RE: Docket 4453 – The Narragansett Electric Company, d/b/a National Grid
2014 System Reliability Procurement Report
Supplemental Filing**

Dear Ms. Massaro:

Enclosed are ten (10) copies of revised Table S-1 of Appendix 3 to National Grid's¹ proposed System Reliability Procurement Report for 2014 (the "2014 SRP Report"). The Company is simultaneously filing revisions to Attachment 4 of its Energy Efficiency Program Plan for 2014 (the "2014 EEP Plan") to correct some inconsistencies in the electric sales forecast that the Company had used in calculating the electric Energy Efficiency Program ("EEP") charge and to include the uncollectible gross up in the calculation of the electric EEP charge that the Company had inadvertently omitted in its November 1 filing of the 2014 Plan. The Company is also revising the electric sales forecast reflected in its November 1 filing of the 2014 SRP Report, which did not materially impact the calculation of the SRP factor. However, in the Company's November 1 filing of the 2014 SRP Report, the Company rounded this factor to \$0.00005 per kWh, rather than truncating it to \$0.00004 per kWh. The Company has revised the factor to reflect \$0.00004 per kWh in the attached table identified as Appendix 3, Table S-1-Revised.

As the Company indicated in its November 1 filing, the Company is proposing to roll the additional SRP funding into the existing EEP charge, if approved, rather than as a separate line item on customers' bills. Therefore, when added to the proposed EEP charge of \$0.00896 per kWh requested as part of the 2014 EEP Plan, the total EEP charge would be \$0.00900 per kWh (compared to \$0.00901 per kWh in the original proposal).² The Company has not made any changes to the proposed budget that the Company requested in its November 1 filing. As with the Energy Efficiency funds, actual revenues will be reconciled against actual expenses at the end of the year and any difference will be credited or charged to customers in 2015.

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

² Table E-1 of Attachment 4-Revised to the 2014 EEP Plan that the Company filed with the Commission on November 22, 2013 illustrates the base EEP charge and the SRP factor as adjusted by the uncollectible rate. The combined net impact on the typical residential Standard Offer Service customer using 500 kWh per month is an increase of \$0.18 or 0.2%.

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The Company has consulted with the settlement parties (i.e. the Division of Public Utilities and Carriers, the Rhode Island Energy Efficiency and Resources Management Council, Environment Northeast, and The Energy Council of Rhode Island), and they have each indicated their support for and approval of Appendix 3, Table S-1-Revised.

The Company respectfully requests that the Commission approve the 2014 SRP Report, as revised in this supplemental filing.

Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (401) 784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

cc: Docket 4453 Service List
Karen Lyons, Esq.
Jon Hagopian, Esq.
Steve Scialabba, Division

**Table S-1
National Grid
System Reliability Procurement - Tiverton/Little Compton
Funding Sources
\$(000)**

	2012	2013	2014	2015	2016	2017	Total
(1) Projected Budget:	\$221.0	\$343.5	\$399.2	\$376.2	\$363.1	\$370.1	\$2,073.1
(2) Projected Year-End 2013 Fund Balance and Interest:			\$57.2				
(3) Customer Funding Required:	\$221.0	\$209.3	\$342.0	\$376.2	\$363.1	\$370.1	\$1,881.8
(4) Forecasted kWh Sales:	6,459,688,660	7,853,900,593	7,804,930,467	7,863,188,315	7,972,811,520	7,994,354,852	45,948,874,407
(5) Additional SRP Funding Needed per kWh:	\$0.00003	\$0.00003	\$0.00004	\$0.00004	\$0.00004	\$0.00004	\$0.00004
(6) Proposed Energy Efficiency Program charge in 2013 EEPP	\$0.00589	\$0.00862	\$0.00896				
(7) Proposed Total Energy Efficiency Program charge	\$0.00592	\$0.00865	\$0.00900				

Notes

- (1) Projected Budget includes only additional funds for SRP. It does not include costs associated with focused energy efficiency.
- (2) Proposed Total Energy Efficiency Program charge is the sum of the "Additional SRP Funding Needed per kWh" and "Proposed Energy Efficiency Program charge in 2012 EEPP" lines.
- (3) The 2013 System Reliability Procurement Report seeks approval only for 2013 funds. Future projections over the life of the Tiverton/Little Compton pilot are estimates subject to change.
- (4) All dollar amounts shown are in \$current year.
- (5) The Forecasted kWh Sales represent 12 months of sales except for 2012 which represents 10 months of sales due to the timing of the filing.
- (6) Forecasted kWh Sales for 2016 and 2017 were not available. 2015 forecasts were held constant through those years as a conservative estimate.

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 will be hand delivered to the RI Public Utilities Commission and the RI Division of Public Utilities and Carriers.

Joanne M. Scanlon

November 22, 2013

Date

**Docket No. 4453 - National Grid - 2014 System Reliability Plan
Service list updated 11/5/13**

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