

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: LONG-TERM CONTRACTING FOR :
RENEWABLE ENERGY RECOVERY FACTOR : DOCKET NO. 4535

REPORT AND ORDER

On May 15, 2015, The Narragansett Electric Company d/b/a National Grid filed with the Public Utilities Commission (PUC) its semi-annual Long-Term Contracting Recovery Factor for the period July 1, 2015 through December 31, 2015.¹ In its filing, National Grid estimated that the six-month contract cost for twenty-three renewable energy contracts, including twenty-one distributed generation contracts and two non-distributed generation contracts, would be \$19,496,757. All but one contract are expected to cost more than the market prices, resulting in a loss to National Grid. That loss is offset slightly by one non-distributed generation contract, which is expected to cost less than the market prices. The difference between the estimated contract costs and net market value is \$4,606,557 in above-market cost.² When this credit is divided by National Grid's forecasted kWh deliveries for the upcoming six-month period, and adjusted for uncollectibles, the result is a proposed Long-Term Contract Recovery Factor of 0.23 cents per kWh. This is an increase of 0.173 cents per kWh from the currently effective factor.³ The impact on a residential customer using 500 kWh per month is an increase of 90 cents per month.⁴

On June 12, 2015, the Division of Public Utilities and Carriers filed with the PUC a memorandum summarizing the filing and recommending approval of the proposed credit factor

¹ National Grid's Semi-Annual LTR Recovery Factor Filing (May 15, 2015);

http://www.ripuc.org/eventsactions/docket/4535-NGrid-LTCRER-May2015_5-15-15.pdf.

² National Grid Attachment 1 – Supplemental at 4; [http://www.ripuc.org/eventsactions/docket/4535-NGrid-Supplement\(6-15-15\).pdf](http://www.ripuc.org/eventsactions/docket/4535-NGrid-Supplement(6-15-15).pdf).

³ National Grid's Filing at Attachment 1 and 2.

⁴ National Grid's Filing at 1.

for effect on July 1, 2015.⁵ At an open meeting held on June 15, 2015, the PUC reviewed the filing and, after finding good cause under R. I. Gen. Laws § 39-3-12 to waive a hearing, approved the proposed Long-Term Contract Recovery Factor to apply to electricity consumed on and after July 1, 2015.

Accordingly, it is hereby,

(21946) ORDERED:

The Narragansett Electric Company d/b/a National Grid's Long-Term Contract Recovery Factor of 0.230 cents per kWh is hereby approved. The new rate shall apply to electricity consumed on and after July 1, 2015.


EFFECTIVE AT WARWICK, RHODE ISLAND ON JULY 1, 2015 PURSUANT TO AN OPEN MEETING DECISION ON JUNE 15, 2015. WRITTEN ORDER ISSUED JUNE 18, 2015.

PUBLIC UTILITIES COMMISSION




Margaret E. Curran, Chairperson


Paul J. Roberti, Commissioner


Herbert F. DeSimone, Jr., Commissioner

NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws § 39-5-1, any person aggrieved by a decision or order of the PUC may, within seven days from the date of the order, petition the Rhode Island Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.

⁵ Memorandum of Alberico Mancini (Jun. 15, 2015); [http://www.ripuc.org/eventsactions/docket/4535-DPU-Memo\(6-12-15\).pdf](http://www.ripuc.org/eventsactions/docket/4535-DPU-Memo(6-12-15).pdf).