

September 16, 2016

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4647 - 2016 Gas Cost Recovery Filing  
Responses to Division Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed please find 10 copies of National Grid's<sup>1</sup> responses to the first set of data requests issued by the Rhode Island Division of Public Utilities and Carriers (Division) in the above-referenced docket.

This filing also contains a Motion for Protective Treatment in accordance with Rule 1.2(g) of the Public Utilities commission's (PUC) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). The Company seeks protection from public disclosure of certain confidential and proprietary information, which is contained in the Company's response to Division 1-3. In compliance with Rule 1.2(g), the Company has also provided the PUC with the un-redacted, confidential version of this response in a sealed envelope marked, "**Contains Privileged and Confidential Materials – Do Not Release**", and has included a redacted copy in the filing.

Thank you for your attention to this filing. If you have any questions, please contact Jennifer Brooks Hutchinson at 401 784-7288 or Robert Humm at 401-784-7415.

Very truly yours,



Jennifer Brooks Hutchinson



Robert J. Humm

Enclosures

cc: Docket 4647 Service List  
Steve Scialabba, Division (w/conf. version)  
Bruce Oliver, Division(w/conf. version)

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

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

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Joanne M. Scanlon

September 16, 2016

Date

**Docket No. 4647 – National Grid – 2016 Annual Gas Cost Recovery Filing (GCR) - Service List as of 9/2/16**

<b>Name/Address</b>	<b>E-mail</b>	<b>Phone</b>
Jennifer Brooks Hutchinson, Esq. National Grid 280 Melrose St. Providence, RI 02907	<a href="mailto:Jennifer.hutchinson@nationalgrid.com">Jennifer.hutchinson@nationalgrid.com</a> ;	401-784-7288
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<b>File an original &amp; nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a> ;	401-780-2107
	<a href="mailto:Patricia.lucarelli@puc.ri.gov">Patricia.lucarelli@puc.ri.gov</a> ;	
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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**  
**RHODE ISLAND PUBLIC UTILITIES COMMISSION**

Annual Gas Cost Recovery Filing 2016	) ) ) )	Docket No. 4647
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**MOTION OF THE NARRAGANSETT ELECTRIC  
COMPANY D/B/A NATIONAL GRID FOR PROTECTIVE  
TREATMENT OF CONFIDENTIAL INFORMATION**

National Grid<sup>1</sup> hereby requests that the Rhode Island Public Utilities Commission (PUC) grant protection from public disclosure of certain confidential and proprietary information submitted in this proceeding, as permitted by PUC Rule 1.2(g) and R.I. Gen. Laws § 38-2-2(4)(B). National Grid also hereby requests that, pending entry of that finding, the PUC preliminarily grant National Grid’s request for confidential treatment pursuant to Rule 1.2(g)(2).

**I. BACKGROUND**

On September 16, 2016, the Company filed with the PUC its responses to the first set of data requests from the Division of Public Utilities and Carriers (Division) in this docket. Division 1-3 requests fixed and variable costs for replacement gas supplies and peaking gas supplies that National Grid has arranged for the winter of 2016-17 to offset the loss of supply from the Cumberland liquefied natural gas (LNG) tank. National Grid is seeking protective treatment for certain confidential gas-cost pricing information and forecasts in connection with its arrangement for replacement gas supplies and peaking

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

gas supplies. Specifically, National Grid is seeking protective treatment for the demand rate, total demand and average fixed cost in relation to its confidential LNG agreements with ENGIE Gas & LNG LLC (Engie) and Gaz Metro LNG, L.P. (Gaz Metro); gas-cost pricing information for portable vapor; and the weighted average cost of gas (WSCOG), cost of inventory and average variable cost for LNG in Providence and Exeter.

## **II. LEGAL STANDARD**

Rule 1.2(g) of the PUC's Rules of Practice and Procedure provides that access to public records shall be granted in accordance with the Access to Public Records Act (APRA), R.I. Gen. Laws § 38-2-1, *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). To the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of APRA to deem such information confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that the determination as to whether this exemption applies requires the application of a two-pronged test set forth in *Providence Journal Company v. Convention Center Authority*, 774 A.2d 40 (R.I. 2001). The exemption applies where the disclosure of information would be likely either (1) to

impair the Government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. *See Providence Journal*, 774 A.2d 40.

The first prong of the test assesses whether the information was provided voluntarily to the governmental agency. *Providence Journal*, 774 A.2d at 47. If the answer to the first question is affirmative, then the question becomes whether the information is "of a kind that would customarily not be released to the public by the person from whom it was obtained." *Id.*

### **III. BASIS FOR CONFIDENTIALITY**

The gas-cost pricing information and forecasts are confidential and privileged information of the type that National Grid would not ordinarily make public. Moreover, public disclosure of such information could impair National Grid's ability to obtain advantageous pricing in the future, thereby causing substantial competitive harm. Accordingly, National Grid seeks protection for such confidential information.

### **IV. CONCLUSION**

For the foregoing reasons, National Grid respectfully requests that the PUC grant its Motion for Protective Treatment.

Respectfully submitted,

**THE NARRAGANSETT ELECTRIC  
COMPANY d/b/a NATIONAL GRID**

By its attorneys,

A handwritten signature in blue ink, appearing to read "Jennifer Brooks Hutchinson", with a horizontal line extending to the right.

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Jennifer Brooks Hutchinson, Esq. (#6167)

Robert J. Humm, Esq. (#7920)

National Grid

280 Melrose Street

Providence, RI 02907

(401) 784-7415

Dated: September 16, 2016

Division 1-1

Request:

Re: the Cumberland LNG Tank decommissioning, please identify the date and day of the week for each day in each of the last three winter seasons that the Cumberland LNG Tank was used as a source of peaking supply and for each day identified provide:

- a. The degree days recorded for the day
- b. The volume of gas withdrawn from the Cumberland LNG Tank
- c. The total system sendout

Response:

Please see the Tables provided below showing the requested information.

Year	Month	Day of Week	Date	(a.)	(b.)	(c.)
				Degree Days	Volumes Withdrawn (MMBtu)	Total System Sendout (MMBtu)
2013	December	Wednesday	11	39	785.0	241,637.0
		Tuesday	31	43	921.0	251,459.0



The Narragansett Electric Company  
d/b/a National Grid  
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Division 1-1, page 2

Year	Month	Day of Week	Date	(a.)	(b.)	(c.)
				Degree Days	Volumes Withdrawn (MMBtu)	Total System Sendout (MMBtu)
<b>2014</b>						
	<b>January</b>	Thursday	2	54	14,986.0	310,963.0
		Friday	3	59	10,261.0	339,431.0
		Tuesday	7	55	3,874.0	334,440.0
		Wednesday	22	55	496.0	330,011.0
		Thursday	23	52	583.0	318,440.0
	<b>February</b>	Wednesday	26	45	2,523.0	275,994.0
		Thursday	27	46	258.0	286,173.0
	<b>March</b>	Wednesday	5	42	1,464.0	260,304.0
		Wednesday	26	37	6,785.0	263,068.0
	<b>December</b>	Wednesday	31	39	656.0	252,493.0

Year	Month	Day of Week	Date	(a.)	(b.)	(c.)
				Degree Days	Volumes Withdrawn (MMBtu)	Total System Sendout (MMBtu)
<b>2015</b>						
	<b>January</b>	Wednesday	7	53	8,464.0	341,312.0
		Wednesday	28	50	448.0	296,510.0
	<b>February</b>	Sunday	15	57	1,706.0	353,987.0
		Monday	16	51	1,306.0	329,084.0

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Year	Month	Day of Week	Date	(a.)	(b.)	(c.)
				Degree Days	Volumes Withdrawn (MMBtu)	Total System Sendout (MMBtu)
2016	January	Tuesday	19	42	597.0	291,123.0
	February	Monday	8	44	1,054.0	274,213.0
		Thursday	11	49	3,756.0	304,898.0
		Friday	12	45	4,034.0	273,515.0
		Saturday	13	62	8,032.0	363,592.0
		Sunday	14	59	6,588.0	368,125.0
		Monday	15	35	9,950.0	266,967.0

Division 1-2

Request:

Re: the Cumberland LNG Tank decommissioning, please identify all interruptible service customers in the area that has been served by the Cumberland LNG tank and the Company's estimated design day peak requirements for each customer.

Response:

No interruptible customers are served by the Cumberland LNG tank. When the Company dispatches LNG, all service to interruptible customers is interrupted/curtailed.

**Redacted**  
Division 1-3

Request:

Re: the Cumberland LNG Tank decommissioning, please:

- a. Provide the average **fixed cost** per Dth for the winter of 2016/17 for replacement gas supplies that have been arranged to offset the loss of supply from the Cumberland LNG Tank.
- b. Provide the average **fixed cost** per Dth for the winter of 2016/17 for all peaking gas supplies that National Grid has arranged to for its entire system excluding peaking supplies that will be used to offset the loss of supply from the Cumberland LNG Tank.
- c. Provide the anticipated average **variable cost** per Dth for the winter of 2016/17 for replacement gas supplies that have been arranged to offset the loss of supply from the Cumberland LNG Tank.
- d. Provide the anticipated average **variable cost** per Dth for the winter of 2016/17 for all peaking gas supplies that National Grid has arranged to for its entire system excluding peaking supplies that will be used to offset the loss of supply from the Cumberland LNG Tank.

Response:

a.

	Daily <u>MMBtu</u>	Total <u>MMBtu</u>	Demand <u>Rate</u>	Total <u>Demand</u>	Avg Fixed Cost <u>Per MMBtu</u>
TGP Dracut Capacity (1 yr)	24,000	288,000	\$4.7435	\$1,366,128	
Engie Gas Portable LNG	7,000	22,000	████████	████████	
		310,000		████████	████████

**Redacted**  
Division 1-3, page 2

b.

	<u>Total</u> <u>MMBtu</u>	<u>Demand</u> <u>Rate</u>	<u>Total</u> <u>Demand</u>	<u>Avg Fixed</u> <u>Cost</u> <u>Per MMBtu</u>
Engie Gas Summer Refill	508,000	[REDACTED]	[REDACTED]	
Gaz Metro Summer Refill	63,500	[REDACTED]	[REDACTED]	
	571,500		[REDACTED]	[REDACTED]

c.

<u>Dracut Capacity</u>	
[Cumberland Capacity / Dracut Capacity] Peaking Days:	3.6
Two year avg of 4 most expensive days:	\$16.642
Daily Capacity:	24,000
Total Commodity Cost:	\$1,431,201
<u>Portable Vapor</u>	
Commodity:	[REDACTED]
Trucking:	[REDACTED]
Vapor per dth:	[REDACTED]
Portable Vapor MSQ:	22,000
Total Portable Vapor Commodity:	[REDACTED]
Total MMBtu:	108,000
Total Variable Cost:	[REDACTED]
Avg Variable Cost Per MMBtu:	[REDACTED]

d. Below is the current LNG inventory and WACOG for National Grid as of September 1, 2016:

	<u>MMBtu</u>	<u>WACOG</u>	<u>Cost Of</u> <u>Inventory</u>	<u>Avg Variable</u> <u>Cost</u> <u>Per MMBtu</u>
Providence LNG	575,476	[REDACTED]	[REDACTED]	
Exeter LNG	194,920	[REDACTED]	[REDACTED]	
	770,396		[REDACTED]	[REDACTED]

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Division 1-4

Request:

Re: the Cumberland LNG Tank decommissioning, please provide the Company's actual peak day demand for each of the last three winters for the area within National Grid's system that has been served by the Cumberland LNG Tank.

Response:

Please see the Table below for the actual peak day demand for each of the last three winters for the area within National Grid's system that has been served by the Cumberland LNG Tank.

Cumberland System Sendouts - MMBTU					
Season	Date	Lincoln Gate Station	Cumberland Gate Station	Cumberland LNG	Total
2013-2014	1/3/2014	23,294	27,682	10,261	61,237
2014-2015	2/15/2015	23,669	33,501	1,706	58,876
2015-2016	2/14/2016	25,337	30,225	6,588	62,150

Division 1-5

Request:

Re: the Cumberland LNG Tank decommissioning, please provide the Company's forecasted peak day demand for the area within National Grid's system that has been served by the Cumberland LNG Tank for

- a. The winter of 2016/17
- b. The winter of 2017/18
- c. The winter of 2018/19

Response:

The Cumberland LNG Tank serves the former Valley Gas territory. Listed below is the forecasted peak day demand for the area within National Grid's system that has been served by the Cumberland LNG tank.

- a. The winter of 2016/17: 62,916 MMBtus
- b. The winter of 2017/18: 63,676 MMBtus
- c. The winter of 2018/19: 64,048 MMBtus