

December 21, 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 Post-Hearing Record Requests**

Dear Ms. Massaro:

Enclosed please find 10 copies of National Grid's¹ responses to the record requests issued by the Public Utilities Commission (PUC) at the evidentiary hearing on October 21, 2016 in the above-referenced docket.

This filing also contains a Motion for Protective Treatment of Confidential Information in accordance with Rule 1.2(g) of the PUC's Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). National Grid seeks protection from public disclosure of certain confidential and privileged information contained in its response to Record Request No. 2. In compliance with Rule 1.2(g), National Grid has provided the PUC with the un-redacted confidential version of the response to Record Request No. 2 in a sealed envelope marked, "Contains Privileged and Confidential Materials – Do Not Release," and has included a redacted copy of this response for the public record.

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
Leo Wold, Esq.
Steve Scialabba, Division
Bruce Oliver, Division

¹ The Narragansett Electric Company d/b/a National Grid.

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.

Joanne M. Scanlon

8 YW a VV f '8% 2016
Date

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

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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 Grid¹ 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 October 21, 2016, the PUC held an evidentiary hearing regarding National Grid’s Annual Gas Cost Recovery filing in the above-captioned docket. During the hearing, the PUC issued two record requests to National Grid to be answered after the hearing. On December 21, 2016, National Grid filed with the PUC its responses to the post-hearing record requests. The response to Request No. 2 contains privileged and confidential information for which National Grid seeks protection. In particular, National Grid seeks protective treatment of confidential projected costs related to the liquefaction project at the National Grid LNG LLC facility in Providence.

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or Company).

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 types of 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 projected costs of the liquefaction project included in National Grid’s response to Request No. 2 are confidential and privileged information of the type that National Grid would not ordinarily make public, and which have not been made public. Accordingly, National Grid seeks protection for such confidential information.

IV. CONCLUSION

For the foregoing reasons, National Grid respectfully requests that the PUC grant its request for protective treatment of confidential information.

Respectfully submitted,

NATIONAL GRID

By its attorneys,



Jennifer Brooks Hutchinson, Esq. (#6176)

Robert J. Humm, Esq. (#7920)

National Grid

280 Melrose Street

Providence, RI 02907

(401) 784-7288

Dated: December 21, 2016

Record Request No. 1

Request:

What would the NGPMP incentive have been if the Company was using the new mechanism, which was recently approved and implemented as of April 1, 2016?

Response:

Please see the table below for a comparison between the actual margin sharing filed for fiscal year 2016 (FY16) in the Company's Gas Cost Recovery filing in the above-referenced docket and a theoretical calculation of the margin sharing if FY16 margins were shared using the new methodology to be effective for fiscal year 2017.

	Margin Sharing Actual	Margin Sharing New Methodology
Total Margins - FY16	\$ 15,113,164.50	\$ 15,113,164.50
Customer Share	\$ 12,290,531.60	\$ 13,706,374.63
Company Incentive	\$ 2,822,632.90	\$ 1,406,789.87

Redacted
Record Request No. 2

Request:

What is the total cost of the liquefaction project? What will the impact be on gas costs in the GCR when the project is completed?

Response:

In National Grid LNG's FERC application [FERC Docket No. CP 16-121], the stated cost of the project totals \$[REDACTED]. When the project is completed, the costs associated with the Company's agreement will be included in the annual Gas Cost Recovery filing. The fixed cost of the project is expected to range between \$[REDACTED] and \$[REDACTED] per year, depending on the final actual costs of the project.