

June 7, 2017

BY HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: Docket 4699 - National Grid Electric Revenue Decoupling Mechanism Reconciliation
Year Ending March 31, 2017
Responses to Division Set 1**

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed the Company's responses to the first set of data requests issued by the Rhode Island Division of Public Utilities and Carriers in the above-referenced docket.

Thank you for your attention to this transmittal. If you have any questions, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosure

cc: Docket 4699 Service List
Leo Wold, Esq.
Steve Scialabba, Division

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



Joanne M. Scanlon

June 7, 2017
Date

Docket No. 4699 - National Grid – 2017 Electric Revenue Decoupling Mechanism (RDM) Reconciliation Filing

Service List updated 5/25/17

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The Narragansett Electric Company
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Issued on May 18, 2016

Division 1-1

Request:

In Witness Pieri testimony on page 10, line 11, reference is made in the question regarding the status of the 2015 RDM over-recovery. The ensuing answer discuss a 2015 RDM under-recovery. Please clarify, or correct the testimony if necessary.

Response:

On page 10, line 11 of the testimony, the question should have read as follows: "What is the status of the recovery of the 2015 RDM Year under-recovery?" The response to the question in the testimony is correct.

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Division 1-2

Request:

What is the difference between the Rate Year Forecast of GWh Deliveries of 7,858.4 shown on page 8, Line 18 ("Total" column), and the Total Rate Year deliveries of 7,852.4 GWh shown on REP-1, Page 3, Line 14?

Response:

The Rate Year Forecast of GWh Deliveries of 7,858.4 shown on page 8, line 18 represents the forecast used in the 2012 Rate Case (Docket 4323) as taken from the sales forecast included in that proceeding. The Total Rate Year deliveries of 7,852.4 GWH shown on Schedule REP-1, Page 3, Line 14, is from the compliance filing from Docket 4323, Book 2, Compliance Attachment 3D, Schedule (JAL-4), Proposed Distribution Rate Design, and represents the kWh deliveries reflected in the rate design in the 2012 Rate Case. The difference of 5,997,979 kWh is due to using actual streetlighting inventory to forecast the streetlighting kWh deliveries for the purpose of rate design.

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Division 1-3

Request:

On Schedule REP-1 Page 6, Column (9b) is labeled as "Refund". Doesn't column (b) reflect collections from customers, rather than refunds to customers? Please clarify.

Response:

Yes, column (b) should be labeled Charge, rather than Refund. Although the column is mislabeled, the amounts in column (b) and their reduction to the under-recovery balance during the period are correct.

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Division 1-4

Request:

What type of further analysis exists to support Table 1 ("Components") shown on page 9 of witness Pieri's testimony? Is the analysis of the decline in KWh sales since the rate year forecast in a format that could be provided to the Division in a data response?

Response:

No further analysis exists to support Table 1 ("Components"). However, there is additional backup to the data that was presented. Please see the Excel version of Attachment DIV 1-4 on CD-ROM, which shows the analysis of the decline in GWh sales from the rate year forecast and the backup data used in the analysis.

**Actual 2017 RDM GWh Variance from Rate Year GWh
Estimated Components of Variance**

	<u>Total</u> (a)	<u>Residential</u> (b)	<u>Commercial</u> (c)	<u>Industrial</u> (d)
(1) Actual RDM Year Actual	7,441.354	3,051.638	3,654.203	735.513
(2) Rate Year Forecast	<u>7,858.419</u>	<u>3,113.433</u>	<u>3,871.825</u>	<u>873.161</u>
(3) Decrease	(417.065)	(61.795)	(217.622)	(137.648)
(4) Decrease	-5.3%	-2.0%	-5.6%	-15.8%

Component	Total	Residential	Commercial	Industrial
(5) Energy Efficiency	-8.1%	-8.2%	-8.2%	-8.2%
(6) Solar PV	-0.5%	-0.4%	-0.6%	-0.6%
(7) Weather	1.3%	1.9%	1.0%	0.7%
(8) Days Billed	-0.2%	-0.2%	-0.2%	-0.2%
(9) Rate Year Forecast Variance	-0.7%	2.3%	-4.1%	3.3%
(10) Underlying Growth	<u>3.0%</u>	<u>2.7%</u>	<u>6.5%</u>	<u>-10.7%</u>
(11) Total	-5.3%	-2.0%	-5.6%	-15.8%

Column and Line Notes:

- (1) (a): Sum of Line (1) columns (b) through (d)
- (1) (b) Page 2, Column (a) Line (4)
- (1) (c) Page 2, Column (b) Line (4) + Page 2, Column (d) Line (4)
- (1) (d) Page 2, Column (c) Line (4)
- (2) (a): Sum of Line (2) columns (b) through (d)
- (2) (b) Page 2, Column (a) Line (1)
- (2) (c) Page 2, Column (b) Line (1) + Page 2, Column (d) Line (1)
- (2) (d) Page 2, Column (c) Line (1)
- (3) Line (1) - Line (2)
- (4) Line (3) ÷ Line (2)
- (5) (a) Page 2, -[Column (c), Line (11) - Column (c), Line (10)] ÷ Column (e), Line (1)
- (5) (b) Page 2, -[Column (a), Line (11) - Column (a), Line (10)] ÷ Column (a), Line (1)
- (5) (c) Page 2, -[Column (b), Line (11) - Column (b), Line (10)] ÷ [Column (b), Line (1) + Column (c), Line (1)]
- (5) (d) Page 2, -[Column (b), Line (11) - Column (b), Line (10)] ÷ [Column (b), Line (1) + Column (c), Line (1)]
- (6) (a) Page 2, -[Column (c), Line (14) - Column (c), Line (13)] ÷ Column (e), Line (1)
- (6) (b) Page 2, -[Column (a), Line (14) - Column (a), Line (13)] ÷ Column (a), Line (1)
- (6) (c) Page 2, -[Column (b), Line (14) - Column (b), Line (13)] ÷ [Column (b), Line (1) + Column (c), Line (1)]
- (6) (d) Page 2, -[Column (b), Line (14) - Column (b), Line (13)] ÷ [Column (b), Line (1) + Column (c), Line (1)]
- (7) (a) Page 2, [Column (a), Line (22) ÷ Column (b), Line (22)] - 1
- (7) (b) Page 2, [Column (a), Line (16) ÷ Column (b), Line (16)] - 1
- (7) (c) Page 2, [Column (a), Line (18) ÷ Column (b), Line (18)] - 1
- (7) (d) Page 2, [Column (a), Line (20) ÷ Column (b), Line (20)] - 1
- (8) Page 2, [Column (a), Line (8) ÷ Column (a), Line (6)] - 1
- (9) (a) Page 2, [Column (a), Line (21) ÷ Column (b), Line (21)] - 1
- (9) (b) Page 2, [Column (a), Line (15) ÷ Column (b), Line (15)] - 1
- (9) (c) Page 2, [Column (a), Line (17) ÷ Column (b), Line (17)] - 1
- (9) (d) Page 2, [Column (a), Line (19) ÷ Column (b), Line (19)] - 1
- (10) Line (11) - sum (Lines (5) through (9))
- (11) (a) Page 2, [Column (a), Line (22) ÷ Column (c), Line (21)] - 1
- (11) (b) Page 2, [Column (a), Line (16) ÷ Column (c), Line (16)] - 1
- (11) (c) Page 2, [Column (a), Line (18) ÷ Column (c), Line (17)] - 1
- (11) (d) Page 2, [Column (a), Line (20) ÷ Column (c), Line (19)] - 1

GWh

	<u>Res</u> (a)	<u>Comm</u> (b)	<u>Ind</u> (c)	<u>SL</u> (d)	<u>Total</u> (e)
(1) Rate Year Forecast	3,113.433	3,807.848	873.161	63.977	7,858.419
(2) Rate Year Actual Ended 1/2014	3,183.800	3,655.423	902.253	59.152	7,800.628
(3) Rate Year Weather-Normalized	3,157.336	3,644.477	901.408	59.152	7,762.373
(4) RDM Year Actual Ended Mar 2017	3,051.638	3,612.323	735.513	41.880	7,441.354
(5) RDM Year Weather-Normalized	2,994.779	3,577.920	730.554	41.880	7,345.133

Days Billed

(6) Rate Year Forecast	365.37
(7) Rate Year	365.45
(8) RDM Year	364.55

Cumulative Energy Efficiency (EE) Savings

	<u>Res</u>	<u>C&I</u>	<u>Total</u>
(9) Rate Year Forecast	244.693	734.591	979.284 (as filed)
(10) Rate Year Actual	332.667	613.333	946.000 (as calculated from fall 2016 RI Forecast report pdf, pp. 134-135)
(11) RDM Year Actual	588.750	997.500	1,586.250 (as calculated from fall 2016 RI Forecast report pdf, pp. 134-135)

Cumulative Solar (PV) Savings

	<u>Res</u>	<u>C&I</u>	<u>Total</u>
(12) Rate Year Forecast	0.000	0.000	0.000
(13) Rate Year Actual	0.083	10.583	10.667
(14) RDM Year Actual	11.000	38.500	49.500

GWh

Residential

	<u>Actual</u>	<u>Weather-Normalized</u>	<u>Rate Year Forecast</u>
(15) Rate Year Ending Jan 2014	3,183.800	3,157.336	3,113.433
(16) RDM Year Ending Mar 2017	3,051.638	2,994.779	

Commercial

	<u>Actual</u>	<u>Weather-Normalized</u>	<u>Rate Year Forecast</u>
(17) Rate Year Ending Jan 2014	3,714.575	3,703.629	3,871.825
(18) RDM Year Ending Mar 2017	3,654.203	3,619.800	

Industrial

	<u>Actual</u>	<u>Weather-Normalized</u>	<u>Rate Year Forecast</u>
(19) Rate Year Ending Jan 2014	902.253	901.408	873.161
(20) RDM Year Ending Mar 2017	735.513	730.554	

Total

	<u>Actual</u>	<u>Weather-Normalized</u>	<u>Rate Year Forecast</u>
(21) Rate Year Ending Jan 2014	7,800.628	7,762.373	7,858.419
(22) RDM Year Ending Mar 2017	7,441.354	7,345.133	

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Division 1-5

Request:

Does the 8.2% decline in Industrial sales attributable to Energy Efficiency take into account Toray's self-generation through its CHP units?

Response:

Yes, reduction in Industrial sales takes into account Toray's self-generation although Toray's CHP units began in December of 2014 with a 12.5 MW nameplate capacity. This is included in the Energy Efficiency numbers.

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Division 1-6

Request:

In Table 1 on page 9, what is meant by the term "Rate Year Forecast Variance" and what do the percentages shown in that row represent? Please provide the same information for the term "Underlying Growth" as it is used in that table.

Response:

The row labeled "Rate Year Forecast Variance" is the difference between the rate year forecasted kWh deliveries for the 12-month period ending January 2014 upon which the current base distribution rates are based, and the actual kWh deliveries for the same period. In total, the kWh deliveries in the Rate Year were 0.7% lower than the forecasted kWh deliveries for the rate year.

The row labeled "underlying growth" is the variance due to growth (or decline) of the customer class as a whole. For example in the industrial customer class, negative underlying growth reflects the continued decline of manufacturing activity in Rhode Island. This downturn in the manufacturing environment in Rhode Island has led to a 10.7% decline in the kWh deliveries for the industrial customer class during this RDM year as compared to the rate year forecast.