

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC CO. D/B/A NATIONAL GRID
DISTRIBUTION ADJUSTMENT CLAUSE FILING – DOCKET NO. 4708
GAS COST RECOVERY FILING – DOCKET NO. 4719

NOTICE OF PUBLIC HEARING

Pursuant to R.I. Gen. Laws §§ 39-3-11, the Public Utilities Commission (PUC) will conduct a public hearing on **Monday, October 30, 2017 @ 9:30 A.M.** in Hearing Room A of the PUC's office located at 89 Jefferson Blvd, Warwick, Rhode Island. In these dockets, the PUC will examine the propriety of filings submitted by National Grid seeking to implement revised rates and charges effective November 1, 2017.

In Docket No. 4708, National Grid filed to amend the Distribution Adjustment Clause (DAC) rate. The DAC is designed to provide for the recovery and reconciliation of the costs of identifiable special programs. It includes an annual System Pressure factor, an Advanced Gas Technology factor, a Low Income Assistance Program factor, an Environmental Response Cost factor, a Pension Adjustment factor, an On-System Margin Credit factor, a Service Quality Performance factor, an Earnings Sharing Mechanism factor, a Revenue Decoupling Adjustment factor, and rate class specific Infrastructure, Safety, and Reliability factors (previously approved in Docket No. 4590). The proposed DAC factors on a per therm cost basis for each rate class are as follows: Residential Non-Heating \$0.2369; Residential Non-Heating Low Income \$0.2369; Residential Heating \$0.1410; Residential Heating Low Income \$0.1410; Small Commercial and Industrial (C&I) \$0.1617; Medium C&I \$0.1072; Large Low Load Factor \$0.0966; Large High Load Factor \$0.0886; Extra Large Low Load Factor \$0.0215; and Extra Large High Load Factor \$0.0177. For the average residential heating customer using 846 therms annually, this represents an annual decrease of \$4.26 from the currently effective DAC rates.

In Docket No. 4719, National Grid filed to amend the Gas Cost Recovery (GCR) charge for all customer classes. The GCR charge allows the Company to reconcile and recover its estimated costs for gas supplies for the period November 1, 2017 through October 31, 2018. The proposed GCR factors on a per therm cost basis are: \$0.5329 per therm for Residential Heating customers, Small C&I customers, Medium C&I customers, Large Low-Load Factor customers, and Extra Large Low Load Factor customers; \$0.4888 per therm for Residential Non-Heating customers, Large High Load Factor customers, and Extra Large High Load Factor customers; and a FT-2 Demand rate of \$8.0328 per MDCQ dekatherm, and a FT-1 Storage and Peaking rate for firm transportation customers eligible for Transitional Sales Service (TSS) of \$0.6831 per therm. For the average residential heating customer using 846 therms annually, this represents an annual increase of \$47.63 per year as compared to the GCR rates that were in effect over the past year.

The combined bill impact from the proposed DAC and GCR charges for a typical residential heating customer using 846 therms annually represents an annual bill increase of \$44.85, or 3.8%, per year from \$1,184 to \$1,229. The PUC may rule immediately at the conclusion of the hearing. The PUC may approve different rates that may be higher or lower than those proposed by National Grid.

The filings may be examined at the PUC's office. The filings can also be accessed on the Commission's Docket Menu at www.ripuc.org, Dockets 4708 & 4719. Reference is made to Chapters 39-1, 39-3 & 42-35 of the RI General Laws.

The Public Utilities Commission is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Commission Clerk's office at 401-780-2107, seventy-two hours in advance of hearing date.

Luly E. Massaro, Commission Clerk
October 20, 2017