

June 29, 2018

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: National Grid's Gas Revenue Decoupling Mechanism Reconciliation Filing
For April 1, 2017 to March 31, 2018
Docket No. 4846**

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed please find the Company's annual Gas Revenue Decoupling Mechanism (RDM) reconciliation filing for the period April 1, 2017 to March 31, 2018. National Grid submits this filing pursuant to the provisions of the Distribution Adjustment Clause of its gas tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A, Sheet 9, subpart 3.9 (Revenue Decoupling Adjustment Factor), which allows an annual reconciliation of the target revenue-per-customer and the actual revenue-per-customer through a Revenue Decoupling Adjustment (RDA) factor to be included in National Grid's annual Distribution Adjustment Charge (DAC) filing.

This filing consists of the pre-filed direct testimony and schedules of Ann E. Leary. Ms. Leary provides an overview of National Grid's RDM reconciliation, and describes the actual RDM results for the period April 1, 2017 to March 31, 2018.

As a result of National Grid's RDM reconciliation, National Grid over-recovered revenue of \$5,661,116 under its RDM during the period April 1, 2017 to March 31, 2018. This over-recovery will be credited to customers through the RDA factor, which will go into effect November 1, 2018 with the rest of the DAC factors. National Grid is not presenting a proposed RDA factor at this time because the RDA factor is just one of several factors included in the DAC. Rather, National Grid will submit the RDA factor in its August 1, 2018 annual DAC filing.

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

Luly E. Massaro, Commission Clerk
Gas Revenue Decoupling Mechanism Filing
June 29, 2018
Page 2 of 2

Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7415.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'RH', with a long horizontal flourish extending to the right.

Robert Humm

Enclosures

cc: Leo Wold, Esq.
John Bell, Division
Al Mancini, Division

THE NARRAGANSETT ELECTRIC COMPANY
d/b/a NATIONAL GRID
RIPUC DOCKET NO. _____
GAS REVENUE DECOUPLING MECHANISM RECONCILIATION
WITNESS: ANN E. LEARY
JUNE 29, 2018

DIRECT TESTIMONY

OF

ANN E. LEARY

TABLE OF CONTENTS

I.	Introduction and Qualifications	1
II.	Purpose of Testimony	2
III.	RDM Reconciliation	3
IV.	Results of the RDM Reconciliation	7
V.	Bill Impacts	8

1 **I. Introduction and Qualifications**

2 **Q. Please state your name and business address.**

3 A. My name is Ann E. Leary. My business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

6 **Q. What is your position at National Grid and responsibilities within that position?**

7 A. I am the Manager of New England Gas Pricing for National Grid USA Service
8 Company, Inc. In this position, I am responsible for preparing and submitting various
9 regulatory filings with the Rhode Island Public Utilities Commission (PUC) on behalf of
10 The Narragansett Electric Company d/b/a National Grid (Company or National Grid),
11 and with the Massachusetts Department of Public Utilities on behalf of Boston Gas
12 Company and Colonial Gas Company, each d/b/a National Grid.

14 **Q. Please provide your educational background.**

15 A. I received a Bachelor of Science in Mechanical Engineering from Cornell University
16 in 1983.

18 **Q. Please provide your professional background.**

19 A. In 1985, I joined the Essex County Gas Company (Essex) as a Staff Engineer. In 1987, I
20 became a planning analyst and later accepted the position of Manager of Rates at Essex.

21

1 Following Essex's merger with Eastern Enterprises in 1998, I became Manager of Pricing
2 for Boston Gas Company (Boston). After Boston merged with KeySpan Energy
3 Delivery, subsequently National Grid, I became the Manager of New England Gas
4 Pricing, the position I hold today.

5
6 **Q. Have you previously testified before the PUC?**

7 A. Yes. I have testified before the PUC on numerous occasions, most recently in the
8 Company's 2017 rate case filing in Docket No. 4770. In addition, I have testified
9 extensively in several ratemaking and regulatory proceedings before the Massachusetts
10 Department of Public Utilities and the New Hampshire Public Utilities Commission.

11
12 **II. Purpose of Testimony**

13 **Q. What is the purpose of your testimony?**

14 A. The purpose of my testimony is to present the Company's March 31, 2018 Revenue
15 Decoupling Mechanism (RDM) reconciliation balance, which will be used to compute
16 the proposed Revenue Decoupling Adjustment (RDA) factor to be incorporated in the
17 Company's upcoming August 1, 2018 annual Distribution Adjustment Charge (DAC)
18 filing. Specifically, I provide an overview of the Company's RDM reconciliation and
19 explain the RDM results for the reconciliation period April 1, 2017 through March 31,
20 2018.

21

1 This filing is submitted pursuant to the Company's Distribution Adjustment Clause
2 provision contained in its tariff, RIPUC NG-GAS No. 101, at Section 3, Schedule A,
3 Sheet 9, subpart 3.9 (Revenue Decoupling Adjustment Factor).

4
5 **Q. Are you sponsoring any schedules with your testimony?**

6 A. Yes, I am sponsoring the following schedules that accompany my testimony:

7 Schedule AEL-1 Annual Gas RDM Reconciliation Balance

8 Schedule AEL-2 Monthly RDM Reconciliation by Rate Class for the
9 Period April 1, 2017 through March 31, 2018

10 Schedule AEL-3 Actual vs. Normal Billing Heating Degree Day Comparison for
11 April 2017 through March 2018

12 Schedule AEL-4 Revenue-Per-Customer Targets

13

14 **III. RDM Reconciliation**

15 **Q. Please provide an overview of the Company's RDM reconciliation.**

16 A. In Docket No. 4206, the PUC approved a Revenue-Per-Customer RDM that provides for
17 an annual reconciliation, by rate class, between a target level of base distribution rate
18 revenue and actual base distribution rate revenue billed during the reconciliation period.

19 The reconciliation is driven by the comparison of the Actual Revenue-Per-Customer
20 during the reconciliation period and the Target Revenue-Per-Customer. The
21 reconciliation is performed on a monthly basis and covers the Company's fiscal year (the
22 period April 1 through March 31 of the following year) for all Residential and Small and

1 Medium Commercial and Industrial (C&I) firm rate classes. Under the RDM, customers
2 subject to the RDM receive any net over-recovery of target revenue and are surcharged
3 for any net under-recovery of target revenue through the RDA factor, which is one of
4 several components of the DAC, effective November 1 each year.

5

6 **Q. What are the Target Revenue-Per-Customer and the Actual Revenue-Per-**
7 **Customer?**

8 A. The Target Revenue-Per-Customer is the Revenue-Per-Customer that the Company is
9 allowed to earn applicable to the customers in each rate class included in the RDM. The
10 Actual Revenue-Per-Customer is the actual average Revenue-Per-Customer resulting
11 from the customers in each rate class included in the RDM based upon the base
12 distribution rate revenue billed by the Company divided by the actual number of
13 customers billed.

14

15 **Q. What is the result of the RDM reconciliation presented in this filing?**

16 A. The RDM reconciliation results in a net over-recovery balance of \$5,661,116 for the
17 period April 1, 2017 through March 31, 2018, as shown in Schedule AEL-1.

18

19

1 **Q. How did the Company determine the RDM reconciliation balance at the end of**
2 **March 2018?**

3 A. On a monthly basis and for each rate class, the Company calculated the difference
4 between the Target Revenue-Per-Customer and the Actual Revenue-Per-Customer. If the
5 Actual Revenue-Per-Customer exceeds the Target Revenue-Per-Customer, the Company
6 has over-recovered its RDM target revenue and must credit customers the excess amount.
7 If the Actual Revenue-Per-Customer is less than the Target Revenue-Per-Customer, the
8 Company has under-recovered its RDM target revenue and must surcharge customers the
9 deficiency. The monthly difference between the Actual and Target Revenue-Per-
10 Customers is multiplied by the number of customers billed in the month to derive the
11 amount of revenue the Company has either over-recovered or under-recovered for the
12 month. For each month, the monthly revenue over- or under-recovery accumulates and
13 the balance accrues interest, which is also reflected in the final monthly balance.¹ The
14 Company presents this annual reconciliation in Schedule AEL-2.

15
16 **Q. Has the Company made any adjustment to the Target Revenue-Per-Customer for**
17 **the adjustments to the Residential Heating and Residential Non-Heating customer**
18 **classes approved in Docket No. 4708?²**

¹ Interest on the average monthly balance is calculated at the same interest rate used to calculate interest on the Company's other DAC balances, which is the Bank of America Prime Rate less 200 basis points.

² In Docket No. 4708, the Company adjusted the Target Revenue-Per-Customer for the Residential Heating and Residential Non-Heating customer classes to normalize for the end of July 2016 transfer of 684 customers from Non-Heating rate classes to the Heating rate classes. As a result, such customers were in their new rate classes at the beginning of the RDM reconciliation period in Docket No. 4708 (i.e., April 1, 2016).

1 A. No. For the past three years, the Company has been revising the benchmark Target
2 Revenue-Per-Customer due to the transfer of significant numbers of customers between
3 the Residential Heating and Residential Non-Heating rate classes as a result of the
4 Company refining the criteria used to identify Residential customers who should have
5 received service on the Residential Heating rate classes, but were actually billed on the
6 Residential Non-Heating rate classes, during the rate year of the Company's rate case
7 filed in 2012, Docket No. 4323 .³ The Company has identified all the Residential
8 Heating customers who were on the Residential Non-Heating rate classes, but should
9 have been on the Residential Heating rate classes, for the period February 2013 through
10 January 2014, so it is unnecessary to make any further revisions to Target Revenue-Per-
11 Customers for these two rate classes. The transfer of 684 customers from Residential
12 Non-Heating to Residential Heating at the end of July 2016, as presented in Docket No.
13 4708, was the final update to the Target Revenue-Per-Customers.

14
15 **Q. Does the Company anticipate updating the Target Revenue-Per-Customer for any**
16 **of its RDM groups in future filings?**

17 A. No. The Company believes the statistical analysis it has developed best identifies all
18 Residential Heating customers that should have been transferred from the Residential
19 Non-Heating rate classes to the Residential Heating rate classes based on their annual
20 load profile.

³ The rate year in Docket No. 4323 was February 2013 through January 2014.

1 **IV. Results of the RDM Reconciliation**

2 **Q. What are the results of the RDM reconciliation for the year ending March 31, 2018?**

3 A. For the reconciliation period April 1, 2017 through March 31, 2018, the Company has
4 calculated a net over-recovery of target revenue of \$5,661,116, as summarized in
5 Schedule AEL-1. This over-recovery will be credited to customers through the RDA
6 factor, which will go into effect November 1, 2018 with the rest of the DAC factors.

7
8 **Q. What are the drivers for the net under-recovery?**

9 A. As shown in Schedule AEL-1, the Company's net over-recovery of \$5,661,116 was
10 driven by a \$6.3 million combined over-recovery for the Residential RDM groups and a
11 \$0.7 million combined under-recovery for the Small and Medium C&I RDM groups. For
12 the Small and Medium C&I RDM groups, the \$0.7 million under-recovery was driven by
13 a reduction in actual revenue due to warmer than normal weather.⁴ Schedule AEL-3
14 shows the billing heating degree day comparison for this reconciliation period.

15
16 For the Residential RDM groups, the over-recovery is the result of two factors. First, the
17 Actual Revenue-Per-Customer declined due to warmer than normal weather, similar to
18 the weather's impact on the Small and Medium C&I RDM groups. Warmer weather
19 would typically generate an under-recovery; however, the weather's impact was offset by
20 the adjustments the Company made to the Residential Non-Heating and Residential

⁴ Overall Fiscal Year 2018 weather was approximately 4.5 percent warmer than normal, but 3.5 percent colder than in Fiscal Year 2017.

1 Heating Target Revenue-Per-Customers, which reduced the Target Revenue-Per-
2 Customer for the Residential Heating rate classes. The lower Target Revenue-Per-
3 Customer – which is a function of revenue based on normal forecasted sales volumes and
4 numbers of customers, as adjusted in Docket Nos. 4514, 4573, 4634, and 4708 – when
5 compared to weather-normal Actual Revenue-Per-Customers, will inherently generate an
6 over-recovery as compared to the original Target Revenue-Per-Customer in Docket No.
7 4514. This result is to the customers’ benefit.

8
9 **V. Bill Impacts**

10 **Q. Does the Company include bill impacts resulting from the RDM reconciliation in**
11 **this filing?**

12 A. No, the Company is not presenting bill impact information at this time. Because the
13 RDA factor will be proposed in the DAC filing along with several other factors, the bill
14 impact of a RDA factor on a stand-alone basis provides limited information as to the
15 cumulative impact of the change in the overall DAC factors. Rather, the Company will
16 submit bill impacts for the cumulative impact of all of its proposed DAC factors,
17 including the RDA factor, with its August 1, 2018 DAC filing.

18
19 **Q. Does this conclude your testimony?**

20 A. Yes.

The Narragansett Electric Company Annual Gas RDM Reconciliation Balance

(1)	Residential Non-Heat (incl Low Income)	\$535,269
(2)	Residential Heat (incl Low Income)	(\$6,879,336)
(3)	Small C&I	(\$139,560)
(4)	Medium C&I	\$822,510
(5)	Net Over Recovery of Target Recovery	<u>(\$5,661,116)</u>

- (1) Schedule AEL-2, Page 1, Column (1), Line (36)
- (2) Schedule AEL-2, Page 2, Column (1), Line (72)
- (3) Schedule AEL-2, Page 3, Column (1), Line (84)
- (4) Schedule AEL-2, Page 3, Column (1), Line (96)
- (5) Sum [Lines (1):(4)]

RDM Reconciliation by Rate Class by Month

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
	30	31	30	31	31	30	31	30	31	31	28	31
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Residential Non-Heat												
(1) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.94	\$19.59	\$21.47	\$24.88	\$27.83	\$28.16	\$27.46
(2) Beginning Balance Under/(Over) Recovery	\$0	\$41,230	\$86,212	\$118,056	\$156,109	\$182,582	\$204,455	\$267,613	\$299,809	\$373,029	\$403,077	\$462,924
(3) Actual Number of Customers	19,292	19,196	19,125	19,086	19,067	18,725	18,333	18,380	18,400	18,420	18,389	18,373
(4) Actual Base Revenue	\$443,365	\$376,584	\$354,344	\$332,296	\$329,037	\$333,123	\$296,417	\$362,948	\$385,278	\$483,435	\$458,855	\$418,201
(5) Actual Base Revenue Per Customer	\$22.98	\$19.62	\$18.53	\$17.41	\$17.26	\$17.79	\$16.17	\$19.75	\$20.94	\$26.25	\$24.95	\$22.76
(6) RPC Variance (Benchmark- Actual)	\$2.14	\$2.34	\$1.66	\$1.98	\$1.37	\$1.15	\$3.42	\$1.72	\$3.94	\$1.59	\$3.21	\$4.69
(7) Monthly Under/(Over) Recovery of RPC	\$41,196	\$44,874	\$31,665	\$37,792	\$26,150	\$21,515	\$62,707	\$31,671	\$72,542	\$29,225	\$59,018	\$86,247
(8) Preliminary Ending Balance	\$41,196	\$86,104	\$117,877	\$155,848	\$182,259	\$204,098	\$267,163	\$299,285	\$372,351	\$402,254	\$462,095	\$549,172
(9) Average Balance	\$20,598	\$63,667	\$102,045	\$136,952	\$169,184	\$193,340	\$233,809	\$283,449	\$336,080	\$387,641	\$432,586	\$506,048
(10) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(11) Interest Applied	\$34	\$108	\$178	\$262	\$323	\$358	\$451	\$524	\$678	\$823	\$830	\$1,109
(12) Ending Balance Under/(Over) Recovery	\$41,230	\$86,212	\$118,056	\$156,109	\$182,582	\$204,455	\$267,613	\$299,809	\$373,029	\$403,077	\$462,924	\$550,281

Residential Non-Heat Low Income

(13) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.94	\$19.59	\$21.47	\$24.88	\$27.83	\$28.16	\$27.46
(14) Beginning Balance Under/(Over) Recovery	\$0	(\$2,911)	(\$4,642)	(\$5,264)	(\$5,282)	(\$5,415)	(\$10,584)	(\$6,519)	(\$7,222)	(\$8,562)	(\$11,895)	(\$13,545)
(15) Actual Number of Customers	262	306	318	321	320	281	211	206	212	219	232	238
(16) Actual Base Revenue	\$9,489	\$8,443	\$7,032	\$6,232	\$6,084	\$10,476	\$51	\$5,113	\$6,599	\$9,407	\$8,159	\$7,970
(17) Actual Base Revenue Per Customer	\$36.22	\$27.59	\$22.11	\$19.41	\$19.01	\$37.28	\$0.24	\$24.82	\$31.13	\$42.95	\$35.17	\$33.49
(18) RPC Variance (Benchmark- Actual)	(\$11.10)	(\$5.64)	(\$1.93)	(\$0.02)	(\$0.38)	(\$18.34)	\$19.35	(\$3.35)	(\$6.24)	(\$15.12)	(\$7.01)	(\$6.03)
(19) Monthly Under/(Over) Recovery of RPC	(\$2,908)	(\$1,725)	(\$614)	(\$7)	(\$123)	(\$5,154)	\$4,082	(\$691)	(\$1,324)	(\$3,312)	(\$1,625)	(\$1,436)
(20) Preliminary Ending Balance	(\$2,908)	(\$4,636)	(\$5,256)	(\$5,272)	(\$5,405)	(\$10,569)	(\$6,502)	(\$7,209)	(\$8,546)	(\$11,873)	(\$13,520)	(\$14,980)
(21) Average Balance	(\$1,454)	(\$3,773)	(\$4,949)	(\$5,268)	(\$5,343)	(\$7,992)	(\$8,543)	(\$6,864)	(\$7,884)	(\$10,217)	(\$12,708)	(\$14,262)
(22) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(23) Interest Applied	(\$2)	(\$6)	(\$9)	(\$10)	(\$10)	(\$15)	(\$16)	(\$13)	(\$16)	(\$22)	(\$24)	(\$31)
(24) Ending Balance Under/(Over) Recovery	(\$2,911)	(\$4,642)	(\$5,264)	(\$5,282)	(\$5,415)	(\$10,584)	(\$6,519)	(\$7,222)	(\$8,562)	(\$11,895)	(\$13,545)	(\$15,012)

Residential Non-Heat (incl Low Income)

(25) Benchmark Revenue Per Customer (RPC)	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.94	\$19.59	\$21.47	\$24.88	\$27.83	\$28.16	\$27.46
(26) Beginning Balance Under/(Over) Recovery	\$0	\$38,319	\$81,570	\$112,791	\$150,828	\$177,167	\$193,871	\$261,095	\$292,587	\$364,467	\$391,182	\$449,380
(27) Actual Number of Customers	19,554	19,502	19,443	19,407	19,387	19,006	18,544	18,586	18,612	18,639	18,621	18,611
(28) Actual Base Revenue	\$452,854	\$385,027	\$361,376	\$338,528	\$335,121	\$343,600	\$296,468	\$368,061	\$391,877	\$492,842	\$467,013	\$426,171
(29) Actual Base Revenue Per Customer	\$23.16	\$19.74	\$18.59	\$17.44	\$17.29	\$18.08	\$15.99	\$19.80	\$21.06	\$26.44	\$25.08	\$22.90
(30) RPC Variance (Benchmark- Actual)	\$1.96	\$2.21	\$1.60	\$1.95	\$1.34	\$0.86	\$3.60	\$1.67	\$3.83	\$1.39	\$3.08	\$4.56
(31) Monthly Under/(Over) Recovery of RPC	\$38,288	\$43,149	\$31,052	\$37,785	\$26,026	\$16,361	\$66,789	\$30,981	\$71,218	\$25,913	\$57,392	\$84,812
(32) Preliminary Ending Balance	\$38,288	\$81,468	\$112,622	\$150,576	\$176,854	\$193,528	\$260,660	\$292,075	\$363,805	\$390,381	\$448,574	\$534,191
(33) Average Balance	\$19,144	\$59,894	\$97,096	\$131,684	\$163,381	\$185,348	\$227,266	\$276,585	\$328,196	\$377,424	\$419,878	\$491,785
(34) Bk America Rate less 200 Basis Points	2.00%	2.00%	2.13%	2.25%	2.25%	2.25%	2.25%	2.25%	2.38%	2.50%	2.50%	2.58%
(35) Interest Applied	\$31	\$102	\$170	\$252	\$313	\$343	\$434	\$511	\$662	\$801	\$805	\$1,078
(36) Ending Balance Under/(Over) Recovery	\$38,319	\$81,570	\$112,791	\$150,828	\$177,167	\$193,871	\$261,095	\$292,587	\$364,467	\$391,182	\$449,380	\$535,269

- (1) AEL-4, Line (4)
- (2) Line (12)
- (3) Company's billing system
- (4) Company's billing system
- (5) Line (4) / Line (3)
- (6) Line (1) - Line (5)
- (7) Line (3) * Line (6)
- (8) Line (2) + Line (7)
- (9) [Line (2) + Line (8)] / 2
- (10) [Line (9) * Line (10)] / 365 * # days
- (11) [Line (8) + Line (11)]
- (12) AEL-4, Line (4)
- (13) AEL-4, Line (4)
- (14) Line (24)
- (15) Company's billing system
- (16) Company's billing system
- (17) Line (16) / Line (15)
- (18) Line (1) - Line (17)
- (19) Line (15) * Line (18)
- (20) Line (14) + Line (19)
- (21) [Line (14) + Line (20)] / 2
- (22) [Line (21) * Line (22)] / 365 * # days
- (23) [Line (20) + Line (23)]
- (24) Line (8) + Line (11)
- (25) AEL-4, Line (4)
- (26) Line (36)
- (27) Line (3) + Line (15)
- (28) Line (4) + Line (16)
- (29) Line (28) / Line (27)
- (30) Line (25) - Line (29)
- (31) Line (27) * Line (30)
- (32) Line (26) + Line (31)
- (33) [Line (26) + Line (32)] / 2
- (34) [Line (33) * Line (34)] / 365 * # days
- (35) [Line (32) + Line (35)]

Actual vs. Normal Billing Degree Day Comparison for April 2017 - March 2018

	<u>Month/Year</u>	<u>Actual Billing Degree Days</u>	<u>Normal Billing Degree Days</u>
		(a)	(b)
(1)	Apr-17	704	652
(2)	May-17	300	356
(3)	Jun-17	159	118
(4)	Jul-17	13	16
(5)	Aug-17	5	0
(6)	Sep-17	14	17
(7)	Oct-17	70	143
(8)	Nov-17	337	463
(9)	Dec-17	782	761
(10)	Jan-18	1,197	995
(11)	Feb-18	903	1,038
(12)	Mar-18	737	909
(13)	Total	5,221	5,468
(14)	Degree Day Difference		247
(15)	Degree Day Difference (%)		-4.5%

Source: Normal Heating Degree Day Report

Line (13): Sum [Lines (1):(12)]

Line (14): Abs [Column (b), Line (13) - Column (a), Line (13)]

Line (15): [Column (a), Line (13) / Column (b), Line (13)] - 1

Gas Revenue Decoupling Targets Approved in Docket No. 4708

	<u>Apr-17</u> (a)	<u>May-17</u> (b)	<u>Jun-17</u> (c)	<u>Jul-17</u> (d)	<u>Aug-17</u> (e)	<u>Sep-17</u> (f)	<u>Oct-17</u> (g)	<u>Nov-17</u> (h)	<u>Dec-17</u> (i)	<u>Jan-18</u> (j)	<u>Feb-18</u> (k)	<u>Mar-18</u> (l)	<u>Total</u> (m)
(1) Residential Non-Heat (incl Low-Income)													
(2) Number of Customers	21,943	21,886	21,831	21,761	21,710	21,715	21,726	21,804	21,853	21,871	21,980	22,001	
(3) Final Revenue Requirement	\$551,147	\$480,518	\$440,626	\$421,958	\$404,421	\$411,267	\$425,590	\$468,132	\$543,736	\$608,707	\$619,002	\$604,058	\$5,979,163
(4) RPC	\$25.12	\$21.96	\$20.18	\$19.39	\$18.63	\$18.94	\$19.59	\$21.47	\$24.88	\$27.83	\$28.16	\$27.46	
(5) Residential Heating (incl Low-Income)													
(6) Number of Customers	210,780	209,814	209,107	208,472	207,967	208,172	209,183	211,033	212,290	213,118	210,778	210,988	
(7) Final Revenue Requirement	\$11,157,590	\$7,202,607	\$5,097,052	\$4,502,584	\$4,237,221	\$4,306,645	\$4,692,464	\$7,051,595	\$11,560,624	\$14,908,187	\$15,552,475	\$14,470,701	\$104,739,746
(8) RPC	\$52.93	\$34.33	\$24.38	\$21.60	\$20.37	\$20.69	\$22.43	\$33.41	\$54.46	\$69.95	\$73.79	\$68.59	
(9) Small													
(10) Number of Customers	18,697	18,524	18,381	18,270	18,221	18,243	18,367	18,680	18,856	18,995	18,800	18,800	
(11) Final Revenue Requirement	\$1,457,117	\$928,852	\$615,286	\$579,616	\$538,554	\$536,429	\$588,115	\$875,201	\$1,472,999	\$2,206,366	\$1,901,912	\$1,957,612	\$13,658,058
(12) RPC	\$77.93	\$50.14	\$33.47	\$31.72	\$29.56	\$29.40	\$32.02	\$46.85	\$78.12	\$116.16	\$101.17	\$104.13	
(13) Medium C&I													
(14) Number of Customers	4,702	4,691	4,694	4,684	4,665	4,678	4,700	4,734	4,758	4,773	4,696	4,705	
(15) Final Revenue Requirement	\$1,838,057	\$1,438,900	\$1,215,685	\$1,068,436	\$1,004,164	\$1,064,655	\$1,178,537	\$1,510,387	\$1,910,148	\$2,404,616	\$2,432,687	\$2,334,238	\$19,400,509
(16) RPC	\$390.91	\$306.74	\$258.99	\$228.10	\$215.25	\$227.59	\$250.75	\$319.05	\$401.46	\$503.80	\$518.03	\$496.12	

Luly E. Massaro, Commission Clerk
Gas Revenue Decoupling Mechanism Filing
June 29, 2018
Page 2 of 2

Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7415.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'RH', with a long horizontal flourish extending to the right.

Robert Humm

Enclosures

cc: Leo Wold, Esq.
John Bell, Division
Al Mancini, Division