

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT :
ELECTRIC COMPANY : DOCKET NO. 4963
d/b/a NATIONAL GRID :
2019 GAS COST RECOVERY CHARGE :

**RESPONSE TO PUBLIC UTILITIES COMMISSION'S
RECORD REQUESTS ISSUED TO THE DIVISION OF
PUBLIC UTILITIES AND CARRIERS**

Record Request No. 1

Provide a Memorandum to the Commission regarding National Grid's BTU Content Factor Filing dated October 21, 2019.

Response

See Memorandum filed by the Division.

Record Request No. 2

Referring to the policy considerations urged by Mr. Oliver in Docket 4872, (also identified in Data Request PUC 1-6 in this docket) please provide the timeframe expected for the Division to make recommendations on the policy considerations, or to take other action.

Response

The Division is engaged in ongoing and wide-ranging discussions with National Grid, outside experts, and other stakeholders on numerous gas and heating policy questions. These matters largely fall outside of the scope of any particular docketed proceeding but may, in 2019 and in future years, come before the Public Utilities Commission in a range of proceedings including but not limited to Energy Efficiency, Infrastructure, Safety and Reliability, System Reliability and Procurement and general rate cases for the electric and gas businesses. In general, the proposals submitted to the Commission are the end-product of lengthy discussions and reflect significant bilateral discussion with National Grid, among other entities of the state, and stakeholders.

The Division does not anticipate any specific timeframe within which a comprehensive set of "recommendations" will be made to the Commission on the four identified policy subjects. In

general, most proposals require an initial “pilot” phase in which regulatory approval, implementation logistics and net benefits are tested. Based on the results of these pilot trial programs, stakeholders decide to propose for Commission consideration to augment or abandon a regulatory proposal.

With respect to the Long-Range Plan itself, the Division continues to hold that the Plan is an important tool to address a range of gas system issues and that the Plan merits interrogation by the Division and other parties. Since the Division originally filed the testimony of Bruce Oliver, however, the context of discussions with National Grid on natural gas related matters has changed. Following the service outage of January 21st, 2019 the Division engaged in both a retrospective investigation of the causes of the outage and separately a prospective examination of measures to enhance gas system reliability. In the course of these discussions, conducted with the participation of the Office of Energy Resources, the Division has addressed each of the four policy areas identified in the Commission’s data request.

In particular, the Governor issued an Executive Order directing the Division and the Commission to address issues in the heating sector. This initiative, along with others relating directly to Aquidneck Island, are designed to identify policy objectives and consider options for addressing the emerging challenges of the natural gas business and the heating sector generally.