

October 13, 2020

**BY ELECTRONIC MAIL**

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

**RE: Docket 5022 - Suspension of Service Terminations and Certain Collections Activities During the COVID-19 Emergency – Waived Fees Responses to PUC Data Requests – Set 4**

Dear Ms. Massaro:

On behalf of National Grid,<sup>1</sup> I have enclosed the Company's responses to the PUC's Fourth Set of Data Requests in the above-referenced matter.<sup>2</sup>

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

Sincerely,



Raquel J. Webster

Enclosure

cc: Docket 5022 Service List  
Jon Hagopian, Esq.  
John Bell, Division  
Linda George, Division

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

<sup>2</sup> Per Commission counsel's update on October 2, 2020, concerning the COVID-19 emergency period, the Company is submitting an electronic version of this filing. The Company will provide the Commission Clerk with a hard copy and, if needed, additional hard copies of the enclosures upon request.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 5022  
COVID-19 Emergency  
Quantification of Waived Fees  
Responses to Commission's Fourth Set of Data Requests  
Issued on September 22, 2020

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PUC 4-1

Request:

In Order No. 23836 (June 2, 2020), the Commission ordered:

Utilities subject to this order shall temporarily suspend late fees, interest charges, credit card fees, debit card fees and ACH fees. Each utility that charges late fees, interest charges, or passes through credit card, debit card, or ACH fees to the customer shall track the expense of late fees, interest charges not collected as well as credit card fees, debit card fees, and ACH fees absorbed by the utility which are not included in the utility's revenue requirement, for later review by the PUC. This portion of the order will be reviewed in September 2020.

Does National Grid typically charge late fees to customers? If so, please provide the tariff reference and the types of customers to whom the late fee applies.

Response:

Yes, National Grid does typically charge late fees to customers.

Pursuant to the General Terms and Conditions of the Rhode Island Gas Tariff, RIPUC NG-GAS No. 101 ("Gas Tariff"), Schedule A, Sheet 10, Sixth Revision, all Rhode Island Gas non-residential customers are subjected to a late payment charge if payments are not made within 25 days of the bill date. Please see Attachment PUC 4-1-1 for this provision of the Gas Tariff.

Pursuant to the Terms and Conditions for Distribution Service, R.I.P.U.C. No. 2217 governing electric service, paragraph 13, Sheet 4, all non-residential electric customers are subject to a late payment interest charge at 1 ¼% per month on the outstanding balance. Please see Attachment PUC 4-1-2 for this provision of the electric Terms and Conditions for Distribution Service.

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC NG-GAS No. 101

Section 1  
General Rules and Regulations  
Schedule A, Sheet 10  
Sixth Revision

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### **GENERAL TERMS AND CONDITIONS**

Transportation Terms and Conditions in Section 6, Schedule C of the tariff. A single customer may have more than one customer account.

All bills are due within 25 days from the date of the bill. A late payment charge shall accrue on non-residential bills after 25 days in accordance with regulations of the RIPUC and RIDPUC.

Whenever a check or draft presented for payment of service is not accepted by the institution on which it is written, a returned check charge of \$15 applies, per check or draft written. Such returned check charge shall be waived for customers eligible for low-income assistance programs.

The customer shall be responsible for all charges for distribution and gas service furnished by the Company under the applicable rates as filed from time to time with the RIPUC, from the time service is commenced until it is terminated.

Annually in August the Company will review the gas consumption of each non-residential firm customer account for the just ended September through August period to determine if any customer account qualifies for a different rate class. If any such customer account does qualify for a different rate class based on this billing information, then commencing with the September billing month that customer account will be billed under that new rate class.

Properly authorized representatives of the Company shall have the right to access the customer's premises at all reasonable times and intervals for the purpose of reading, installing, examining, repairing, replacing or removing the Company's meters, meter reading devices, pipes and other gas equipment and appliances, in accordance with the General Laws, public regulations and Company policy in effect from time to time. The customer shall be responsible for providing accessibility to the above metering and equipment belonging to the Company.

be payable as rendered. A customer will not be assessed the initial or monthly fee until after the Company has installed the non-AMR electric meter.

Any opt-out customer who subsequently wishes to have an AMR electric meter re-installed will be charged a “re-installation fee” of \$27.00. The re-installation fee will be charged for the removal of the non-AMR meter and the installation of the AMR meter. Any customer electing re-installation will no longer be assessed the special monthly meter reading fee after the AMR meter has been re-installed.

#### Unauthorized and Unmetered Use

11. Whenever the Company determines that an unauthorized and unmetered use of electricity is being made on the premises of a Customer and is causing a loss of revenue to the Company, the Company may, at the Customer’s expense, make such changes in the location of its meters, appliance and equipment on said premises as will, in the opinion of the Company, prevent such unauthorized and unmetered use from being made.

#### Definition of Month

12. Whenever reference is made to “month” in connection with electricity delivered or payments to be made, it shall mean the period between two successive regular monthly meter readings or estimated meter readings, the second of which occurs in the month to which reference is made. If the Company is unable to read the meter when scheduled, the necessary billing determinants may be estimated. Bills may be rendered on such estimated basis and will be payable as so rendered.

#### Payment Due Date – Interest Charge

13. All bills shall be due and payable upon receipt. Bills rendered to customers, other than individually metered residential customers, on which payment has not been received by the “Please Pay By” date as shown on the bill, shall bear interest, at the rate of 1¼% per month on any unpaid balance, including any outstanding interest charges, from the date of receipt until the date of payment. The “Please Pay By” date corresponds to the next normal bill preparation date. Bills disputed in good faith by a Customer will not be subject to the late payment charge until after the dispute is resolved.

Customer payment responsibilities with their nonregulated power producer will be governed by the particular Customer/nonregulated power producer contract. Payments made through the Company for electricity purchased from a nonregulated power supplier will be applied first to any Narragansett charges or arrearages.

#### Returned Check Fee

14. A \$8.00 Fee shall be charged to the Customer for each check presented to the Company that is not honored by the financial institution. This fee shall be applicable only where the check has been dishonored after being deposited for a second time.

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PUC 4-2

Request:

Does National Grid typically charge interest on overdue balances to customers? If so, please provide the tariff reference and the types of customers to whom the interest charge applies.

Response:

Please see the Company's response to PUC 4-1.

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PUC 4-3

Request:

Does National Grid typically pass through to the user the so called "convenience fees" associated with paying with credit cards or debit cards?

Response:

No. The Company does not assess a fee to customers who use credit cards or debit cards to pay their utility bills. However, if a customer chooses to pay their bill using either a credit card or debit card, they do so through a third-party (Speedpay), which charges a "convenience fee" to the customer. The Company is not a party to this transaction. As of July 1, 2020, the Company entered an arrangement with Speedpay, whereby Speedpay stopped charging customers the "convenience fee" and began charging the Company pursuant to the Rhode Island Public Utilities Commission's order in this docket.

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PUC 4-4

Request:

Does National Grid typically pass through to the user the so called “convenience fees” associated with paying with an ACH/electronic check?

Response:

The Company does not assess any “convenience fees” to customers who pay their utility bills using an ACH/electronic check if they are initiating the payment from their bank account directly on the Company’s website or if they are initiating the payment through the Company’s mobile app. However, if the customer elects the option on the Company’s website to use the third-party website to initiate the ACH/electronic check, then the customer will be charged a “convenience fee” directly by the third-party. The Company is not a party to this transaction.

As of July 1, 2020, the Company entered an arrangement with Speedpay, whereby Speedpay stopped charging customers the “convenience fee” for ACHs/electronic checks and began charging the Company pursuant to the Rhode Island Public Utilities Commission’s order in this docket.

PUC 4-5

Request:

Does National Grid intend to seek recovery of the costs associated with the absorption of the applicable fees?

Response:

Yes. The Company intends to seek recovery of the costs associated with the absorption of the applicable fees.

The COVID-19 Pandemic ("Pandemic") has created significant economic hardships for many customers in the short term. The Company continues to assess these impacts on customers and to monitor the underlying economic conditions in the Company's service territory. Because it is not possible to predict the depth or duration of the economic downturn related to the Pandemic or the near and long-term implications on customers' ability to pay their electric and gas bills, the Company believes that a recovery mechanism is appropriate to address several financial impacts of the Pandemic, particularly in the areas of uncollectible delivery bad debt, working capital, sequestering costs, and fee revenue.

The Company is continuing to work with the Rhode Island Public Utilities Commission ("PUC") in Docket 5022 to address the impacts of the Pandemic. The impact of the Pandemic and the PUC's order in Docket 5022 is likely to have a significant financial impact on the Company beyond the level of costs recovered through rates. Therefore, the Company anticipates submitting a petition with the PUC requesting recovery of the incremental cost it incurs as a result of the Pandemic, including the forgone fee revenue not billed to customers.



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PUC 4-6

Request:

In Order No. 23836 (June 2, 2020), the Commission ordered:

Utilities subject to this order shall temporarily suspend late fees, interest charges, credit card fees, debit card fees and ACH fees. Each utility that charges late fees, interest charges, or passes through credit card, debit card, or ACH fees to the customer shall track the expense of late fees, interest charges not collected as well as credit card fees, debit card fees, and ACH fees absorbed by the utility which are not included in the utility's revenue requirement, for later review by the PUC. This portion of the order will be reviewed in September 2020.

Please indicate the date upon which National Grid ceased charging customers for late fees, interest fees, credit card/debit card payment fees, or ACH/check fees (please list each separately, even if the date is the same) as a result of the Commission's decision.

Response:

The Company ceased charging customers credit card/debit card payment fees, or ACH/check fees on July 1, 2020 -- and ceased charging customers for late fees/interest fees on March 31, 2020.

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PUC 4-7

Request:

Utilities only collect late fees and interest fees on accounts for which payments are made. Similarly, credit card/debit card fees and ACH/electronic check fees are only absorbed by the utility under the PUC's order if payments are made. For the period commencing on the date provided in response to number 5 through the most recent date available (identify the date), please provide the following:

(NBC should provide the amount after June 30; KCWA's credit card fees were addressed in its rate case, so the responses to those questions would be N/A and its interest fee waiver was through the end of the Commission's orders in this docket, which was July 17 for water utilities)

- a. The total number of accounts on which payments were made.
- b. The number of accounts where payments were made and interest and/or late fees were waived.
- c. The number of accounts where payments were made by credit card/debit card.
- d. The number of accounts where payments were made by ACH/electronic check.
- e. The dollar amount of credit card/debit card fees absorbed by the utility that would have otherwise been assessed to the customer paying with a credit card/debit card.
- f. The dollar amount of ACH/electronic check absorbed by the utility that would have otherwise been assessed to the customer paying through ACH/electronic check.
- g. The dollar amount of waived late fees on accounts where payments were made.
- h. The dollar amount of waived interest fees on accounts where payments were made.

Response:

- a. Please see the table below for the number of accounts on which payments were made from April 15, 2020 thru October 2, 2020. An account is only counted once during this period.

	Number of Accounts	
	Residential	Commercial
<b>Electric</b>	452,135	63,387
<b>Gas</b>	241,801	25,256

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- b. Because the Company does not track waived late fees, the Company cannot determine which non-residential accounts had late fees waived. However, the Company reflected a full year of revenue from late payment charges as a credit against its electric and gas revenue requirements in the test year in its last rate case in Docket 4770. The amounts associated with the period April 2020 through September 2020, which represents the period during which the Company has not been billing late payment charges but a representative credit is reflected in base distributed rates, is \$799, 788 for electric and \$198, 061 for gas.

Although the Company has continued to provide customers this credit in base distribution rates, it has not been charging customers any late payment fees, which has created a short fall. Based on the increased level of arrears during the same period, the Company believes that if late payment charges had been assessed during this period, they would likely have been higher than the historic test year amounts that were included in Docket 4770.

- c. Please see the table below for the number of accounts where payments were made by credit card/debit card for July 2020 and August 2020.

	<b>July 2020</b>	<b>August 2020</b>
<b>Number of Accounts</b>	32,035	33,137

- d. Please see the table below for the number of accounts where payments were made by ACH/electronic check for July 2020 and August 2020.

	<b>July 2020</b>	<b>August 2020</b>
<b>Number of Accounts</b>	1,647	1,679

- e. Please see the table below for the dollar amount of credit card/debit card fees absorbed by the Company that would have otherwise been assessed to customers paying with a credit/debit card for July 2020 and August 2020.

	<b>July 2020</b>	<b>August 2020</b>
<b>Dollar Amount</b>	\$75,623.45	\$79,052.20

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- f. Please see the table below for the dollar amount of ACH/electronic check fees absorbed by the Company that would have otherwise been assessed to the customer paying through ACH/electronic check for July 2020 and August 2020.

	<b>July 2020</b>	<b>August 2020</b>
<b>Dollar Amount</b>	\$4,053.55	\$4,167.85

- g. The Company does not track the dollar amount of waived late fees on accounts where payments were made because the Company began waiving Late Payment Charges on March 31, 2020.
- h. The Company does not charge interest fees for unpaid balances.

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PUC 4-8

Request:

Please indicate the first date National Grid sent termination notices to customers with dates not affected by a Commission decision (in other words, the utility could follow through with a physical termination on or after the notice period if payment or a payment arrangement was not made). Please break out by customer class if applicable.

Response:

The first Commercial and Industrial disconnect notices the Company sent to customers with dates not affected by a Commission decision were sent on September 2, 2020.