

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**IN RE: THE NARRAGANSETT ELECTRIC CO. D/B/A NATIONAL GRID'S 2022
ANNUAL ENERGY EFFICIENCY PROGRAM PLAN - DOCKET NO. 5189**

**IN RE: THE NARRAGANSETT ELECTRIC CO. D/B/A NATIONAL GRID'S INTERIM
GAS COST RECOVERY FILING – DOCKET NO. 5180**

**Public Utilities Commission
Notice for Public Comment on Certain Gas Rate Increases
Proposed by National Grid to be Effective January 1, 2022**

National Grid is proposing two separate rate increases for certain classes of its gas customers. One increase relates to the cost of gas that it charges all residential customers and certain non-residential customers who purchase their gas directly from the Company. The rate is referred to as the Gas Cost Recovery (GCR), which typically covers the costs allocated to firm sales customers for the period November 1, 2021 through October 31, 2022 (Docket 5180). The other rate increase relates to the Company's Gas Energy Efficiency (EE) program, which applies to all gas customers of the Company (Docket 5189). The EE increase has a proposed effective date of January 1, 2022.

The Commission will receive public comment from interested members of the public beginning at **9:30 A.M. on December 6, 2021** regarding each of these rate requests. While the rate requests relate to two separate matters, the bill impact on customers would have one single combined effect, if approved. Interested members of the public can make comment in person or virtually by logging into <https://us02web.zoom.us/j/85923669703>. In person comments can be made on December 6, 2021 at 9:30 A.M. in Hearing Room A at the PUC's office located at 89 Jefferson Blvd., Warwick, Rhode Island. People interested in providing public comment at the meeting may also participate in a Zoom meeting through the internet or by calling in, preferably 5-10 minutes prior to the hearing. You will be prompted to enter a name and an email address to enter the meeting. If you choose to participate by telephone, you may call 929-205-6099 and enter meeting number 869-5359-7591 followed by the # symbol when prompted; you do not need to enter a participant ID when prompted. (The Zoom link will close at the expiration of the public comment period.) You will be able to observe the hearing and hear others' public comment via the livestream at <https://video.ibm.com/channel/WqQyXw296dg>.

Evidentiary hearings relating to the EE proposal are scheduled to commence in Docket 5189 following public comment. The evidentiary hearings for the GCR increase in Docket 5180 have not yet been scheduled, but public comment will be taken for both dockets on December 6 at the above-referenced time.

Recent Increases

The request for an increase in the GCR rate was filed on November 19 and follows rate increases that were recently approved by the Commission in late October. The Commission had held public comment hearings in September and evidentiary hearings in October regarding the prior increases in Dockets 5165 and 5180. Subsequently, at an Open Meeting on October 29, 2021, the PUC approved a GCR rate increase effective on and after November 1, 2021. At the same Open Meeting, the PUC also approved National Grid’s proposed rate changes to the Company’s Distribution Adjustment Charge (DAC) in Docket No. 5165, which applied to all customer rate classes. (The DAC is designed to provide for the recovery and reconciliation of the costs of certain expenses and programs.) The approved changes in the GCR and DAC rates resulted in increases of \$17.6 million and \$19.7 million, respectively, for a combined total increase of approximately \$37.3 million, effective November 1.

The combined bill impact of the previously approved DAC and GCR rates on an average residential heating customer using 845 therms annually represented an increase of \$93.38 or 6.8%, per year from \$1,368.36 to \$1,461.74. The impact on other customer rate classes varied, depending upon the rate class and usage.

New GCR Rate Increase Request for Cost of Gas

National Grid now proposes another rate increase to the CGR to take effect January 1, 2022. The Company maintains that the rates recently approved will not be enough to cover its costs of gas for the winter period, because natural gas prices have increased significantly since it filed its prior request. Currently, the Company is projecting that it will incur a shortfall of approximately \$19.2 million if rates are not increased further on January 1 and remain in effect through October 2022. For the average Residential Heating customer using 845 therms annually, the proposed changes in the GCR rate represents an additional bill increase for the 10-month period of January 1, 2022 through October 31, 2022 of \$61.67, or 5.2%, over and above the increase recently approved for November 1.

Increase in Gas Energy Efficiency Rate

In a separate case, National Grid also is proposing an increase in the EE rate which recovers the projected costs of its proposed 2022 Annual Energy Efficiency Program Plan relating to its gas business, in Docket 5189. This increase also would take effect on January 1, 2022.

The proposal, if approved, would result in an increase of \$6.9 million over what was required from ratepayers in 2021. An average residential gas customer on the Residential Heating rate would see an annual bill increase of \$30.51 or 2.2%. Calculated on a 10-month basis, it equates to an increase of \$24.13 (or 2.1%) over the same 10-month period as the proposed GCR increase.

The combined effect of the proposed CGR and gas EE charges would result in the following 10-month bill impacts for the period of January 1, 2022 through October 31, 2022:

Expense Category	10-Month Increase	Percent Change
Proposed CGR increase	\$61.67	5.2% increase
Proposed Gas EE increase*	\$24.13	2.1% increase
Combined	\$82.80	7.3% increase

*The gas EE charge shown above is based on a ten-month bill impact; however, the gas EE charge is set on an annual basis and would remain in effect through December 2022.

The filings may be examined at the PUC's office. The filings can also be accessed at <http://www.ripuc.ri.gov>. The GCR filing can be found under Docket No. 5180 and the EE filing can be found under Docket 5189, respectively at the following links:

[http://www.ripuc.ri.gov/eventsactions/docket/5180-NGrid-Interim%20GCR%202021%20Filing\(PUC%2011-19-21\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5180-NGrid-Interim%20GCR%202021%20Filing(PUC%2011-19-21).pdf)

and

<http://www.ripuc.ri.gov/eventsactions/docket/5189page.html>.

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

Luly E. Massaro, Commission Clerk
November 30, 2021