

KEEGAN WERLIN LLP

ATTORNEYS AT LAW

2005 DEC -2 PM 3:25 265 FRANKLIN STREET

BOSTON, MASSACHUSETTS 02110-3113

(617) 951-1400

TELECOPIERS:

(617) 951- 1354

(617) 951- 0586

December 2, 2005

VIA HAND DELIVERY

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

RE: Docket No. 3696, Annual Gas Cost Recovery Filing

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of New England Gas Company's responses to the George Wiley Center's Record Requests issued October 21, 2005, and numbered RR-Wiley-1 through RR-Wiley-4, in the above captioned docket. Thank you for your attention to this filing.

Sincerely,

Cheryl M. Kimball (RFP)

Cheryl M. Kimball
(R.I. Bar #6458)

Enclosure

cc: Luly Massaro, Commission Clerk (nine copies)
service list, docket no. 3696

**New England Gas Company
Docket No. 3696**

Record Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Hearing Date: October 21, 2005

- Q. RR-Wiley-1**
- a) Please calculate the impact of delaying from November to January the implementation of rates designed to recover the projected October 31, 2005 undercollection of \$13.2 million and updated costs based on the October 20, 2005 NYMEX strip.
 - b) Please calculate what the January rates would need to be if they were designed to result in no deferred balance as of October 31, 2006.

- A. RR-Wiley-1**
- a) Delaying from November to January implementation of the proposed GCR rates would have resulted in a deferred gas cost balance of \$16.2 million as of October 31, 2006. With the delayed implementation, the annual bill impact for the typical residential heating customer over the entire period of November 2005 through October 2006 would be an increase of \$247 or 17.0% over the current rates.
 - b) To eliminate the \$16.2 million under-collection identified above, the GCR rates implemented in January would have been as follows:

Residential & Small C&I	Medium C&I	Large LLF	Large HLF	Extra Large LLF	Extra Large HLF	FT-2 Mkter	NGV
\$1.3120	\$1.3059	\$1.3137	\$1.2778	\$1.3110	\$1.2620	\$0.0462	\$1.0541

The annual bill impact for the typical residential heating customer for the November 2005 through October 2006 period would have been an increase of \$306 or 21.1% over the current rates.

New England Gas Company
Docket No. 3696

Record Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Hearing Date: October 21, 2005

Q. RR-Wiley-2 If the Company were to defer the increase solely for low-income customers until January 1, 2006, what would the rate for the GCR be in effect on November 1, 2005 and January 1, 2006.

A. RR-Wiley-2 The Company's forecast does not separately identify low-income customers. However, as a rough estimate, if we were to make the assumption that the low-income customers' usage tracked that of the typical residential heating customer and that the number of low-income customers equaled the total number of customers receiving LIHEAP grants last year, then the GCR residential heating rates would be as follows:

	Low-Income	Non low-income
November 1, 2005	\$0.9504	\$1.2434 per therm
January 1, 2006	\$1.2468	\$1.2468 per therm

This analysis keys off the rates developed in the Company's reply to RR-COMM-1.

**New England Gas Company
Docket No. 3696**

Record Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Hearing Date: October 21, 2005

Q. RR-Wiley-3 Please provide detail relative to the Company's contribution to the Good Neighbor Energy Fund.

A. RR-Wiley-3 The Rhode Island Good Neighbor Energy Fund ("Fund") is administered by the Salvation Army. The Fund is designed to assist those in temporary crisis and who do not qualify for other financial assistance (e.g., LIHEAP). Consumers can receive a one-time grant of approximately \$300 to help pay their energy bills; grants are available for all types of energy sources including natural gas, electricity, fuel oil, propane and wood. Historically, the Company has offered a one dollar to two dollar match in Rhode Island, up to a maximum of \$30,000. This year, however, the Company will offer a dollar for dollar match for any customer donations. This year, the Company's President will serve as the honorary chairman of the Fund, and the goal of the 2005-2006 campaign is \$600,000. The Company pays 49% of the administrative, advertising and other promotional expenses incurred to administer the Fund, with the remaining administrative costs split among National Grid and Pascoag Electric.

**New England Gas Company
Docket No. 3696**

Record Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Hearing Date: October 21, 2005

- Q. RR-Wiley-4** Do the members of Southern Union's Board of Directors serve on the board of director for any of the companies that New England Gas purchases the natural gas commodity from?
- A. RR-Wiley-4** The 2005 Proxy Statement of Stockholders of Southern Union Company, dated April 7, 2005, provides information related to the other directorships for the Southern Union Board of Directors. In that filing, there are no Board members also serving on the board of directors for any of the companies that New England Gas Company purchases natural gas commodity from.