Ronald T. Gerwatowski
Vice President
Distribution Regulatory Services

November 8, 2005

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 3706 – Standard Offer Service Rate Filing**
**<u>Response to Commission Staff Verbal Data Request</u>**

Dear Ms. Massaro:

Enclosed please find ten (10) copies of the Narragansett Electric Company's d/b/a National Grid response to a verbal data request issued by the Commission staff in the above-captioned proceeding.

Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (508) 389-7634.

Very truly yours,

/S/

Ronald T. Gerwatowski

cc: Docket 3701 Service List

55 Bearfoot Road, Northborough, MA 01582
T: 508-421-7634 ■ ronald.gerwatowski@us.ngrid.com ■ www.nationalgrid.com

Commission Data Request 1

Request:

Please provide the projected Standard Offer reconciliation for 2006 as shown in Exhibit JAL-1 assuming 1) that a rate of 10.2¢ per kWh is implemented on December 1, 2005 and 2) that a rate of 10.5¢ per kWh is implemented on January 1, 2006.

Response:

The attachment to this response includes two versions of Exhibit JAL-1, the projected Standard Offer reconciliation for 2006. The reconciliation has been revised from the filing exhibit to illustrate the two scenarios indicated above. Page 1 assumes that a rate of 10.2¢ per kWh is implemented on December 1, 2005. The estimated revenue in Column (b) is calculated by multiplying the projected Standard Offer kWh deliveries by the current rate of 8.2¢ per kWh for October 2005 through November 2005 and by 10.2¢ per kWh for the period December 2005 through December 2006. The resulting monthly deferral balance is shown in Column (i). The second page assumes that a rate of 10.5¢ per kWh is implemented on January 1, 2006. In this version, the estimated revenue is calculated by multiplying the projected Standard Offer kWh deliveries by the current rate of 8.2¢ per kWh for October 2005 through December 2005 and by 10.5¢ per kWh for the period January 2006 through December 2006.

Prepared by or under the supervision of: Jeanne A. Lloyd

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National Grid
R.I.P.U.C. Docket No. ____
Exhibit JAL-1
Page 1 of 3

Standard Offer Reconciliation
Projected Balance at Year Ending December 31, 2006

**Assuming a rate of 10.2¢ per kWh implemented on December 1, 2005**

**Section 1. Projected Balance @ September 30, 2006**

| | Month | Over(Under) Beginning Balance (a) | Standard Offer Revenue (b) | Standard Offer Base Expense (c) | Fuel Index Payments (d) | Total Standard Offer Expenses (e) | Monthly Over(Under) (f) | Adjustments (g) | Over(Under) Ending Monthly Balance (h) | Monthly Balance Including Unbilled (i) |
|---|---|---|---|---|---|---|---|---|---|---|
| (2) | Oct-05 | ($14,122,974) | $15,644,505 | $30,268,796 | $12,739,870 | $43,008,667 | ($27,364,162) | ($709,578) | ($42,196,714) | ($17,630,492) |
| (2) | Nov-05 | ($42,196,714) | $44,665,858 | $30,193,030 | $14,505,510 | $44,698,540 | ($32,682) | ($869,612) | ($43,099,008) | ($16,164,284) |
| (2) | Dec-05 | ($43,099,008) | $54,347,225 | $33,104,029 | $18,173,473 | $51,277,502 | $3,069,722 | ($1,130,610) | ($41,159,895) | ($6,045,291) |
| (2) | Jan-06 | ($41,159,895) | $63,844,736 | $37,198,947 | $19,316,162 | $56,515,110 | $7,329,626 | ($1,272,449) | ($35,102,719) | ($2,475,605) |
| (2) | Feb-06 | ($35,102,719) | $59,322,025 | $34,563,803 | $20,181,120 | $54,744,923 | $4,577,101 | ($1,358,958) | ($31,884,576) | $1,056,567 |
| (2) | Mar-06 | ($31,884,576) | $59,892,987 | $34,896,473 | $22,407,023 | $57,303,496 | $2,589,491 | ($1,515,512) | ($30,810,596) | ($1,125,497) |
| (2) | Apr-06 | ($30,810,596) | $53,972,907 | $31,447,156 | $21,197,595 | $52,644,750 | $1,328,157 | ($1,425,525) | ($30,907,964) | ($2,559,031) |
| (2) | May-06 | ($30,907,964) | $51,543,516 | $30,031,678 | $21,188,428 | $51,220,105 | $323,410 | ($1,315,223) | ($31,899,777) | ($692,060) |
| (2) | Jun-06 | ($31,899,777) | $56,741,305 | $33,060,154 | $24,426,575 | $57,486,730 | ($745,425) | ($1,388,085) | ($34,033,287) | $838,520 |
| (2) | Jul-06 | ($34,033,287) | $63,403,285 | $36,941,737 | $28,282,838 | $65,224,575 | ($1,821,290) | ($1,467,891) | ($37,322,468) | ($911,501) |
| (2) | Aug-06 | ($37,322,468) | $66,201,758 | $38,572,260 | $30,374,924 | $68,947,184 | ($2,745,426) | ($1,446,665) | ($41,514,559) | ($5,956,708) |
| (2) | Sep-06 | ($41,514,559) | $64,650,638 | $37,668,504 | $29,663,234 | $67,331,738 | ($2,681,100) | ($1,332,353) | ($45,528,012) | ($14,454,687) |
| * (2) | Oct-06 | ($45,528,012) | $31,073,325 | | | | $31,073,325 | | ($14,454,687) | |
| Totals | | ($14,122,974) | $685,304,069 | $407,946,568 | $262,456,753 | $670,403,321 | $14,900,748 | ($15,232,460) | ($14,454,687) | |
| Interest (3) | | | | | | | | | ($610,133) | |
| Ending Balance@ September 30, 2006 with Interest | | | | | | | | | ($15,064,820) | |

(1) Actual revenues and expenses
(2) Estimated revenues and expenses
(3) Interest expense calculation : (-14122974+-14454687)/2*(4.27%)

* For September usage billed in October

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**Section 2. Projected Balance @ December 31, 2006**

| | Month | Over(Under) Beginning Balance (a) | Standard Offer Revenue (b) | Standard Offer Base Expense (c) | Fuel Index Payments (d) | Total Standard Offer Expenses (e) | Monthly Over(Under) (f) | Adjustments (g) | Over(Under) Ending Monthly Balance (h) | Monthly Balance Including Unbilled (i) |
|---|---|---|---|---|---|---|---|---|---|---|
| (2) | Oct-06 | ($15,064,820) | $25,423,630 | $32,917,785 | $25,373,780 | $58,291,564 | ($32,867,934) | ($1,108,957) | ($49,041,712) | ($18,377,192) |
| (2) | Nov-06 | ($49,041,712) | $55,753,673 | $32,484,713 | $24,487,888 | $56,972,601 | ($1,218,928) | ($1,083,206) | ($51,343,846) | ($17,780,166) |
| (2) | Dec-06 | ($51,343,846) | $61,024,873 | $35,555,963 | $26,258,644 | $61,814,607 | ($789,734) | ($1,197,476) | ($53,331,056) | ($17,271,701) |
| * (2) | Jan-07 | ($53,331,056) | $36,059,355 | | | | $36,059,355 | | ($17,271,701) | |
| Totals | | ($15,064,820) | $178,261,531 | $100,958,461 | $76,120,311 | $177,078,772 | $1,182,759 | ($3,389,640) | ($17,271,701) | |
| Interest (3) | | | | | | | | | ($172,596) | |
| Ending Balance@ December 31, 2006 with Interest | | | | | | | | | ($17,444,297) | |

* For December usage billed in January

(2) Estimated revenues and expenses
(3) Interest expense calculation : (-15064820+-17271701)/2*(4.27%)

Column Notes:

| | |
|---|---|
| Column (a) | Column (g) from previous row; beginning balance from Page 1. |
| Column (b) | from Page 2 |
| Column (c) | from Page 3 |
| Column (d) | from Page 3 |
| Column (e) | Column (c) + Column (d) |
| Column (f) | Column (b) - Column (e) |
| Column (g) | Includes estimated protest payments made to one of the Company's suppliers and estimated NE_GIS expenses |
| Column (h) | Column (a) + Column (f) |
| Column (i) | Column (g) + 55% of next month's Column (b) |

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National Grid
R.I.P.U.C. Docket No. ____
Exhibit JAL-1


Standard Offer Reconciliation
Projected Balance at Year Ending December 31, 2006

**Assuming a rate of 10.5¢ per kWh implemented on January 1, 2006**

**Section 1. Projected Balance @ September 30, 2006**

| | Month | Over(Under) Beginning Balance (a) | Standard Offer Revenue (b) | Standard Offer Base Expense (c) | Fuel Index Payments (d) | Total Standard Offer Expenses (e) | Monthly Over(Under) (f) | Adjustments (g) | Over(Under) Ending Monthly Balance (h) | Monthly Balance Including Unbilled (i) |
|---|---|---|---|---|---|---|---|---|---|---|
| (2) | Oct-05 | ($14,122,974) | $15,644,505 | $30,268,796 | $12,739,870 | $43,008,667 | ($27,364,162) | ($709,578) | ($42,196,714) | ($17,630,492) |
| (2) | Nov-05 | ($42,196,714) | $44,665,858 | $30,193,030 | $14,505,510 | $44,698,540 | ($32,682) | ($869,612) | ($43,099,008) | ($16,164,284) |
| (2) | Dec-05 | ($43,099,008) | $48,972,224 | $33,104,029 | $18,173,473 | $51,277,502 | ($2,305,278) | ($1,130,610) | ($46,534,896) | ($18,305,508) |
| (2) | Jan-06 | ($46,534,896) | $57,804,523 | $37,198,947 | $19,316,162 | $56,515,110 | $1,289,413 | ($1,272,449) | ($46,517,931) | ($12,931,197) |
| (2) | Feb-06 | ($46,517,931) | $61,066,790 | $34,563,803 | $20,181,120 | $54,744,923 | $6,321,867 | ($1,358,958) | ($41,555,023) | ($7,645,023) |
| (2) | Mar-06 | ($41,555,023) | $61,654,546 | $34,896,473 | $22,407,023 | $57,303,496 | $4,351,049 | ($1,515,512) | ($38,719,485) | ($8,161,295) |
| (2) | Apr-06 | ($38,719,485) | $55,560,346 | $31,447,156 | $21,197,595 | $52,644,750 | $2,915,595 | ($1,425,525) | ($37,229,415) | ($8,046,689) |
| (2) | May-06 | ($37,229,415) | $53,059,501 | $30,031,678 | $21,188,428 | $51,220,105 | $1,839,396 | ($1,315,223) | ($36,705,242) | ($4,579,651) |
| (2) | Jun-06 | ($36,705,242) | $58,410,167 | $33,060,154 | $24,426,575 | $57,486,730 | $923,437 | ($1,388,085) | ($37,169,890) | ($1,272,442) |
| (2) | Jul-06 | ($37,169,890) | $65,268,087 | $36,941,737 | $28,282,838 | $65,224,575 | $43,512 | ($1,467,891) | ($38,594,269) | ($1,112,391) |
| (2) | Aug-06 | ($38,594,269) | $68,148,869 | $38,572,260 | $30,374,924 | $68,947,184 | ($798,315) | ($1,446,665) | ($40,839,249) | ($4,235,579) |
| (2) | Sep-06 | ($40,839,249) | $66,552,127 | $37,668,504 | $29,663,234 | $67,331,738 | ($779,611) | ($1,332,353) | ($42,951,212) | ($10,963,966) |
| * (2) | Oct-06 | ($42,951,212) | $31,987,247 | | | | $31,987,247 | | ($10,963,966) | |
| Totals | | ($14,122,974) | $688,794,789 | $407,946,568 | $262,456,753 | $670,403,321 | $18,391,468 | ($15,232,460) | ($10,963,966) | |
| Interest (3) | | | | | | | | | ($535,606) | |
| Ending Balance@ September 30, 2006 with Interest | | | | | | | | | ($11,499,572) | |

(1) Actual revenues and expenses
(2) Estimated revenues and expenses
(3) Interest expense calculation : (-14122974+-10963966)/2*(4.27%)

* For September usage billed in October

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**Section 2. Projected Balance @ December 31, 2006**

| | Month | Over(Under) Beginning Balance (a) | Standard Offer Revenue (b) | Standard Offer Base Expense (c) | Fuel Index Payments (d) | Total Standard Offer Expenses (e) | Monthly Over(Under) (f) | Adjustments (g) | Over(Under) Ending Monthly Balance (h) | Monthly Balance Including Unbilled (i) |
|---|---|---|---|---|---|---|---|---|---|---|
| (2) | Oct-06 | ($11,499,572) | $26,171,384 | $32,917,785 | $25,373,780 | $58,291,564 | ($32,120,181) | ($1,108,957) | ($44,728,710) | ($13,162,292) |
| (2) | Nov-06 | ($44,728,710) | $57,393,487 | $32,484,713 | $24,487,888 | $56,972,601 | $420,886 | ($1,083,206) | ($45,391,031) | ($10,840,183) |
| (2) | Dec-06 | ($45,391,031) | $62,819,723 | $35,555,963 | $26,258,644 | $61,814,607 | $1,005,116 | ($1,197,476) | ($45,583,391) | ($8,463,467) |
| * (2) | Jan-07 | ($45,583,391) | $37,119,925 | | | | $37,119,925 | | ($8,463,467) | |
| Totals | | ($11,499,572) | $183,504,517 | $100,958,461 | $76,120,311 | $177,078,772 | $6,425,745 | ($3,389,640) | ($8,463,467) | |
| Interest (3) | | | | | | | | | ($106,553) | |
| Ending Balance@ December 31, 2006 with Interest | | | | | | | | | ($8,570,020) | |

* For December usage billed in January

(2) Estimated revenues and expenses
(3) Interest expense calculation : (-11499572+-8463467)/2*(4.27%)

Column Notes:

| | |
|---|---|
| Column (a) | Column (g) from previous row; beginning balance from Page 1. |
| Column (b) | from Page 2 |
| Column (c) | from Page 3 |
| Column (d) | from Page 3 |
| Column (e) | Column (c) + Column (d) |
| Column (f) | Column (b) - Column (e) |
| Column (g) | Includes estimated protest payments made to one of the Company's suppliers and estimated NE_GIS expenses |
| Column (h) | Column (a) + Column (f) |
| Column (i) | Column (g) + 55% of next month's Column (b) |