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August 6, 2007

Luly Massaro, Clerk  
Public Utilities Commission  
89 Jefferson Blvd.  
Warwick, RI 02888

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PUBLIC UTILITIES COMMISSION

Re: Affordable Energy Dkt. 3804: Objection of the George Wiley Center to National Grid's Motion for Relief from Order

Dear Luly:

The George Wiley Center respectfully objects to National Grid's motion for relief from the Public Utilities Commission's Order in Docket 3804 ("Order"). That Order, entered on May 23, 2007, did four things relative to National Grid:

1. It clarified that customers could participate in forgiveness plans upon receipt of a notice of termination and that they must be given a 60 day grace period from the bill date to stay on the forgiveness plan.
2. It approved National Grid's April 27, 2007 revised Affordable Energy Plan.
3. It provided that the forgiveness plan would go into effect July 1, 2007.
4. It provided that the discount program would go into effect November 1, 2007, and therefore that National Grid must file tariff revisions at least 30 days prior to November 1, 2007.

As the ground for its motion, National Grid cites the General Assembly's decision not to provide any money for the Affordable Energy Fund ("Fund") this year.

The Fund's penury, however, affects only two of the Order's four mandates. It eviscerates the discount program proposed by National Grid and accepted by the Office of Energy Resources, *i.e.*, #2 above (insofar as addresses discounts) and #4 above.

However, most of the Order concerns the forgiveness plan, which is not dependent on the Fund. The statute is clear that the cost of the forgiveness plan must be borne by National Grid: "The amount of the arrearage so forgiven shall be treated as bad

Luly Massaro  
page 2

debt for purpose of cost recovery by the gas or electric company.” G.L. § 39-2-1(d)(1)(iv).

In an effort to avoid this mandate, National Grid has in the past cited G.L. § 39-1-27.10, which states that the utility’s Affordable Energy Plan shall “provide for the implementation of the affordable energy fund and shall include provisions for ... payments on arrearages and unpaid balances by low income households ...to the extent that funding is allocated” by the Commissioner of the Office of Energy Resources.

There are several reasons why this citation is misplaced:

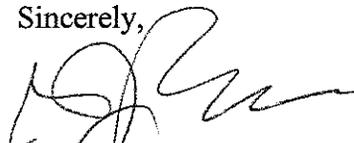
*First*, the statute on which National Grid relies says nothing about arrearage forgiveness.

*Second*, even if that statute’s general language (arrearages, unpaid balances) could be deemed an implicit reference to forgiveness, the more specific provision dealing expressly with arrearage forgiveness must prevail. G.L. § 43-3-26 (when a general statutory provision conflicts with a special one, the latter must control). The more specific provision here is the one in the forgiveness statute itself, which states that “the amount of the arrearage so forgiven shall be treated as bad debt.” § 39-2-1(d)(1)(iv).

*Third*, in the first year of the three year forgiveness program, National Grid will not be forgiving any arrearages. Therefore, even if Fund money were intended to be used for arrearage forgiveness (which it is not under the statute), that money would not have to be spent this year.

For all of these reasons, the Wiley Center asks that National Grid’s motion be denied insofar as it asks for relief of any portion of the PUC Order unrelated to discounted rates.

Sincerely,



B. Jean Rosiello

cc: Service List by Email