

October 26, 2007

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 3859 – Distribution Adjustment Clause 2007**  
**Response to Division Data Request – Set 1**

Dear Ms. Massaro:

Enclosed please find ten (10) copies of National Grid's responses to Division Data Request 1-14. This concludes the Company's responses to the Division's first set of data requests in this proceeding.

Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Laura S. Olton

Enclosures

cc: Docket 3859 Service List

NATIONAL GRID  
Docket No. 3859  
Re: Earnings Sharing Mechanism &  
Distribution Adjustment Charge Filing  
Responses to Division's Data Requests – Set 1  
Issued on September 19, 2007

Division Data Request 1-14

Request:

Referring to Attachment MDL-3, page 325, please provide an itemization of charges to the following accounts for the twelve months ended June 30, 2007:

- a. 923 - Outside Services Employed
- b. 925 - Injuries and Damages
- c. 926 - Employee Pensions and Benefits
- d. 928 - Regulatory Commission Expenses
- e. 930.2 - Miscellaneous General Expenses

Response:

Please see attached.

Prepared by or under the supervision of:  
Michael D. Laflamme

NATIONAL GRID  
FERC ACCOUNT 923 DETAIL  
TWELVE MONTH ENDED JUNE 30, 2007

|                                 | <u>AMOUNT</u>    | <u>DESCRIPTION</u>                     |
|---------------------------------|------------------|--|
| 1 Professional Security Service | 871,921          | Security Services                      |
| 2 Costs to Achieve              | 420,945          | Integration Costs                      |
| 3 Contract Negotiation Costs    | 294,291          | Labor Union Contract Negotiation Costs |
| 4 Nixon Peabody LLP             | 243,149          | Legal Services                         |
| 5 Pricewaterhouse Coopers       | 163,397          | Accounting Services (1)                |
| 6 Adler, Pollock & Sheehan      | 63,809           | Legal Services                         |
| 7 Deloitte                      | 41,598           | Accounting Services                    |
| 8 Hinckley, Allen & Snyder LLP  | 36,739           | Legal Services                         |
| 9 Internal Labor                | 21,776           | Internal Labor                         |
| 10 Russell R Johnson III        | 16,679           | Legal Services                         |
| 11 Thornton Group LLC           | 15,105           | Legal Services                         |
| 12 Hewitt Associates            | 10,332           | Accounting Services                    |
| 13 Caroll, Kelly & Murphy       | 10,194           | Legal Services                         |
| 14 Other Misc. items            | 93,304           | Other                                  |
| 15 Other Service Company Costs  | 80,657           | Principally Miscellaneous Invoices     |
| 16                              |                  |  |
| 17 Total                        | <u>2,383,896</u> |  |

NEW ENGLAND GAS COMPANY  
FERC ACCOUNT 925 DETAIL  
TWELVE MONTHS ENDED JUNE 30, 2007

|                                    | <u>AMOUNT</u>           |
|------------------------------------|-------------------------|
| 1 Workers' Compensation            | 934,451                 |
| 2 Injuries and Damages             | 411,444                 |
| 3 Liability and Property Insurance | 542,018                 |
| 4 Safety and Health Services       | 374,831                 |
| 5 Legal Services                   | 122,911                 |
| 6 Risk Management Services         | 81,302                  |
| 7 Other                            | <u>78,337</u>           |
| 8                                  |                         |
| 9 Total                            | <u><u>2,545,292</u></u> |

NEW ENGLAND GAS COMPANY  
FERC ACCOUNT 926 DETAIL  
TWELVE MONTHS ENDED JUNE 30, 2007

|                               | <u>AMOUNT</u>            |
|-------------------------------|--------------------------|
| 1 Pension                     | 6,389,451                |
| 2 Healthcare / Dental         | 4,170,898                |
| 3 FAS 106 / 112               | 3,852,456                |
| 4 Thrift Plan (401 (k) Plans) | 1,352,975                |
| 5 Labor-related Costs         | 640,938                  |
| 6 Incentive Accrual           | 260,242                  |
| 7 Life Insurance              | 210,863                  |
| 8 Other                       | <u>351,410</u>           |
| 9                             |                          |
| 10 Total                      | <u><u>17,229,233</u></u> |

NEW ENGLAND GAS COMPANY  
FERC ACCOUNT 928 DETAIL  
TWELVE MONTHS ENDED JUNE 30, 2007

|   | <u>AMOUNT</u>           |
|---|-------------------------|
| 1 Rhode Island Division of Public Utilities | 1,234,337               |
| 2 Outside Legal and Consulting              | 63,061                  |
| 3 Rhode Island Rate Case Amortization       | 29,427                  |
| 4 Payroll                                   | 44,872                  |
| 5 Other                                     | <u>41,306</u>           |
| 6   |                         |
| 7 Total                                     | <u><u>1,413,003</u></u> |

NEW ENGLAND GAS COMPANY  
FERC ACCOUNT 930.2 DETAIL  
TWELVE MONTHS ENDED JUNE 30, 2007

|                                 | <u>AMOUNT</u>           |
|---------------------------------|-------------------------|
| 1 Low Income Assistance Expense | 1,748,246               |
| 2 DSM Rebate                    | 309,711                 |
| 3 Corporate Matters / Contracts | 182,603                 |
| 4 Environmental Matters         | 115,573                 |
| 5 Other                         | <u>108,705</u>          |
| 6                               |                         |
| 7 Total                         | <u><u>2,464,838</u></u> |

## Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate were hand-delivered, electronically transmitted and delivered via U.S. Mail to the individuals listed below on October 26, 2007.



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Joanne M. Scanlon  
National Grid

### **Docket No. 3859 – National Grid – Annual Distribution Adjustment Clause Filing (“DAC”) - Service List as of 9/12/07**

| <b>Name/Address</b>   | <b>E-mail</b>  | <b>Phone/FAX</b> |
|---|--|------------------|
| Laura Olton, Esq.<br>National Grid<br>280 Melrose St.<br>Providence, RI 02907   | <a href="mailto:Laura.olton@us.ngrid.com">Laura.olton@us.ngrid.com</a>         | 401-784-7667     |
|   | <a href="mailto:Peter.Czekanski@us.ngrid.com">Peter.Czekanski@us.ngrid.com</a> | 401-784-4321     |
|   | <a href="mailto:Joanne.scanlon@us.ngrid.com">Joanne.scanlon@us.ngrid.com</a>   |                  |
| Paul Roberti, Esq.<br>Dept. of Attorney General<br>150 South Main St.<br>Providence RI 02903  | <a href="mailto:Proberti@riag.ri.gov">Proberti@riag.ri.gov</a>                 | 401-222-2424     |
|   | <a href="mailto:Sscialabba@ripuc.state.ri.us">Sscialabba@ripuc.state.ri.us</a> | 401-222-3016     |
|   | <a href="mailto:RDIMeglio@riag.ri.gov">RDIMeglio@riag.ri.gov</a>               |                  |
| Bruce Oliver<br>Revalo Hill Associates<br>7103 Laketree Drive<br>Fairfax Station, VA 22039  | <a href="mailto:Boliver.rha@verizon.net">Boliver.rha@verizon.net</a>           | 703-569-6480     |
| David Effron<br>Berkshire Consulting<br>12 Pond Path<br>North Hampton, NH 03862-2243  | <a href="mailto:Djeffron@aol.com">Djeffron@aol.com</a>                         | 603-964-6526     |
| <b>File an original &amp; nine (9) copies w/:</b><br>Luly E. Massaro, Commission Clerk<br>Public Utilities Commission<br>89 Jefferson Blvd.<br>Warwick RI 02888 | <a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>         | 401-780-2107     |
|   | <a href="mailto:PatriciaL@gw.doa.state.ri.us">PatriciaL@gw.doa.state.ri.us</a> | 401-941-1691     |
|   | <a href="mailto:Tmassaro@puc.state.ri.us">Tmassaro@puc.state.ri.us</a>         |                  |
| John Farley, TEC-RI   | <a href="mailto:jfarley316@hotmail.com">jfarley316@hotmail.com</a>             | 401-621-2240     |