

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID REQUEST FOR :
TARIFF CHANGE TO NON-FIRM SALES : DOCKET NO. 3943
SERVICE RATE 60 :

ORDER

On November 24, 2008, the Commission deliberated on the issues raised in this docket regarding Narragansett Electric Company d/b/a National Grid's ("NGrid") Application to Change Gas Rates. One of the issues the Commission addressed was the date upon which the estimated commodity charge for the upcoming month is provided to non-firm transportation customers who can then choose to either use oil or seek offers of the gas commodity from the energy market. The Commission approved the Company's proposal to change the time for non-firm transportation customers to lock in service prior to the beginning of the month from five to ten days. However, the Company had proposed this change as part of its proposal to allow Flexible Firm Service which the Commission rejected. Therefore, although the Commission had voted separately to change the five day lock in period to ten days, NGrid's compliance filings made on December 1, 2008, did not include the change and NGrid used the five day lock in period at the end of December 2008 to provide a quote to non-firm transportation customers for January 2009.

On December 1, 2008, the Commission conducted a hearing to review the compliance tariffs. Neither the parties to the docket nor the Commission recognized the error and the approved the compliance tariffs filed on December 1, 2008 were found to be in compliance with the Commission's November 24, 2008 open meeting decision.

Therefore, the Company used a five day lock in period at the end of January 2009 to provide a quote to non-firm transportation customers for February 2009.

On January 29, 2009, the Commission issued its written Order which stated “Lock In Period. The Company’s proposal to enlarge the time for non-firm transportation customers to lock in service prior to the beginning of a month from five (5) to ten (10) days is approved.” (Order No. 19564, Ordering paragraph 20, p. 96). In response to the written Order, the Company provided its March price quote at the start of a ten day lock in period rather than a five day lock in period to comply with the Commission’s written order despite the fact that NGrid’s approved tariffs on file with the Commission stated the lock in period was five days.

On February 23, 2009, the Company filed an amended tariff with the Commission to reflect the Commission’s decision to change the lock in period from five business days to ten business days and to change the price point from the close of the NYMEX from six business days prior to the close of the month to eleven. The filing made on February 24, 2009 reflects Ordering Paragraph 20 of the Commission’s January 29, 2009 written order which also reflects the Commission’s open meeting decision of November 24, 2008.

Therefore, at its Open Meeting held on March 12, 2009, the Commission approved NGrid’s RIPUC NG-Gas 101 Section 5 Schedule G Tariff (“Non-Firm Sales Service”) changes implementing the expanded ten (10) day time period finding it to be consistent with the Commission’s November 24, 2008 Open Meeting decision and Order No. 19563 (issued January 29, 2009). The Commission further finds that no customer was harmed as a result of NGrid’s use of the ten-day period to estimate March 2009 commodity costs because of the fact that the price point was lower on February 20, 2009

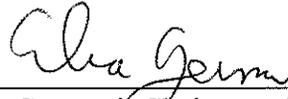
than on February 24, 2009. Customers had additional time to seek a more favorable price from the market than that which was quoted by the Company. This is what the Non-Firm Sales Service Tariff is designed to do.

Accordingly, it is hereby

(19617) ORDERED:

1. Narragansett Electric Company d/b/a National Grid's RIPUC NG-Gas 101 Section 5 Schedule G Tariff, filed on February 23, 2009, is hereby approved.

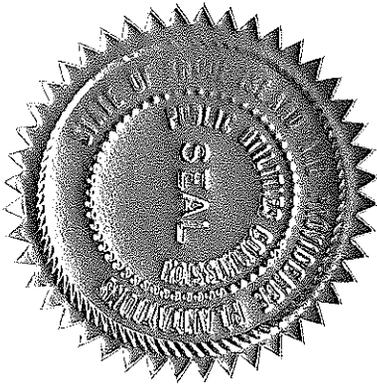
EFFECTIVE AT WARWICK, RHODE ISLAND PURSUANT TO AN OPEN MEETING DECISION ON MARCH 12, 2009. WRITTEN ORDER ISSUED APRIL 9, 2009.



Elia Germani, Chairman

*Robert B. Holbrook, Commissioner

**Mary E. Bray, Commissioner



* Commissioner Holbrook voted to approve the February 23, 2009 filing but is unavailable for signature.

** Commissioner Bray did not participate in this decision.