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December 17, 2008

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

Re: Public Utilities Commission Docket 4011

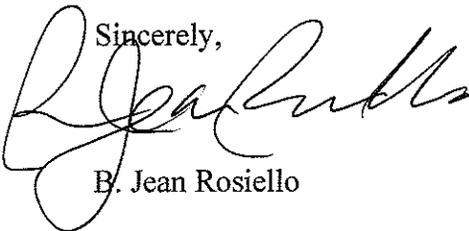
Dear Luly:

I enclose the original and nine copies of the *Motion of George Wiley Center to Intervene as a Full Party* and *Pre-Filed Comments of George Wiley Center*.

Counsel for National Grid and for the Division have stated that they have no objection to the motion to intervene.

Thank you.

Sincerely,



B. Jean Rosiello

Encls.

cc: Service list by email

RECEIVED  
2008 DEC 18 AM 11:04  
PUBLIC UTILITIES COMMISSION

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: NARRAGANSETT ELECTRIC D/B/A  
NATIONAL GRID, 2009 RETAIL RATE FILING:           Docket # 4011

**Motion of George Wiley Center to Intervene as a Full Party**

George Wiley Center (the Center), by its attorney, moves under Rule 1.13 of the Commission Rules of Practice and Procedure to intervene in this docket as a full party on the following grounds:

1. The Center is the only state-wide organization representing interests of low-income consumers before the Public Utilities Commission;
2. Low-income customers may be directly affected by National Grid's proposal this docket, in particular, by its proposal concerning the use of funds originally earmarked for low-income discounts;
3. Existing parties do not adequately represent the interests of low-income consumers, as their interests are different from, or broader than, those of the A-60 class;
4. The position of the Wiley Center concerning National Grid's proposal is stated in the accompanying *Pre-Filed Comments of George Wiley Center*, which the Center incorporates herein by reference.
5. Counsel for National Grid and for the Division have stated that they have no objection to this motion.

WHEREFORE, the Center asks that its motion be granted.

Respectfully submitted,  
George Wiley Center,  
By its attorney,

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Certificate of Service

I certify that on the \_\_\_\_\_ day of December, 2008, I served a copy of this motion on all parties on the service list in this docket by email.

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: NARRAGANSETT ELECTRIC D/B/A  
NATIONAL GRID, 2009 RETAIL RATE FILING:           Docket # 4011

**Pre-Filed Comments of George Wiley Center**

National Grid is proposing the fourth year of a low-income income discount for the A-60 class, financed by \$8 million of proceeds from a settlement agreement (hereafter “the settlement proceeds”) pursuant to the Commission’s decisions in Dockets 3710, 3788 and 3902. Anticipating that it will have more than \$1 million of settlement proceeds still available at as of December, 2009,<sup>1</sup> National Grid proposes that any money left over at the end of next year be “credited to the transition reconciliation in January 2010 for the benefit of all customers.” Testimony of Jeanne A. Lloyd at p. 26.

The Wiley Center proposes that these funds be used to continue the low-income discount for an additional year.

This is sound policy first and foremost because the need is great and growing. The gargantuan increases in electric and gas rates imposed since 2002 have overwhelmed low-income Rhode Islanders. These increases dwarf the rate decrease proposed here. The dire state of the economy needs no explanation. Unemployment in Rhode Island is the nation’s highest at over 9%. The state’s safety net was rent last June when legislators balanced the state budget at the expense of its poorest citizens. Starting this fall, with jobs scarce and foreclosures at historic highs, eligibility for medical assistance is stricter and low-income families pay more, not less, for health care. H-7390Aaa, Art. 10, Sub.

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<sup>1</sup> See *Schedule JAL-13* at p. 1, attached to the Testimony of Jeanne A. Lloyd.

A; DHS Policy Manual 0348.40.05. The cost of childcare for low-income Rhode Islanders increased a year ago as well. DHS Regulation 0850.05.

It used to be that the state acted as *parens patriae* and children whose parents were ineligible for public assistance remained eligible for aid on their own. Not anymore. That changed last September when 2685 children lost assistance because their parents were no longer eligible for aid. See “Number of Families Who Will Lose Assistance in September 2008 (only children currently receiving FIP)”, attached as *App. A*; R.I.G.L. § 40-5.2-1 *et seq.*

The Wiley Center recognizes that economic distress is widespread. Disbursing \$1 million among National Grid’s entire customer class, however, is unlikely to alleviate that distress in any but symbolic fashion, while it *is* likely to make a meaningful difference to the A-60 class. That was the insight of the Division’s expert, John Stutz, who testified in favor of continuing the low-income discount in 2006-2007, stating:

“[T]he magnitude of SOS costs is a particular concern to the low-income customers. While this docket will see a reduction in the SOS rate, the rate remains far above its historic level. Thus, the basis for the low-income credit proposed by the Company remains. The Company’s response to Commission Data Request 1-5 shows that compared to an across-the-board distribution of the \$2 million to all customers, the Company’s proposed low-income credit saves a typical low-income customer \$6 and costs a typical residential customer \$.13 per month.”

Testimony of John Stutz, Docket 3788, at p. 10 (emphasis supplied).

Finally, there is the point that National Grid appears to have failed to have provided the discounts the Commission ordered for 2008. In Docket 3902, the Commission ordered that “National Grid shall apply \$2,275,000 from the CTC

Settlement Account to provide a distribution rate credit of \$1.306 cents per kWh on the first 450 kWh block of the A-60 rate.” *Report and Order*, Docket 3902, p. 19. This is a mandate. As of the end of October, 2008, however, National Grid has spent just \$1,396,820 on the low-income discount. If it continues allocating discounts at this level for the last two months of the year – at an average rate of about \$139,000 per month -- it will have spent in the vicinity of \$1.7 million on low-income discounts this year, which is \$575,00 less than the Commission ordered.

At a minimum, the Wiley Center asks that this money be used for the purpose for which the Commission originally ordered it to be used. Since National Grid did not use it for low-income discounts in 2008, the Center asks that the Commission order that National Grid use it for low-income discounts in 2010.

Respectfully submitted,  
George Wiley Center,  
By its attorney,

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Certificate of Service

I certify that on the 17th day of December, 2008, I served a copy of this document on all parties on the service list in this docket by email.



# The Poverty Institute

at the Rhode Island College School of Social Work

## Number of Families Who Will Lose Assistance in September 2008 (only children are currently receiving FIP)

	Total Families	Families in Subsidized Housing
Barrington	1	0
Bristol	5	3
Burrillville	6	3
Central Falls	102	37
Charlestown	2	1
Coventry	11	8
Cranston	62	28
Cumberland	16	13
East Greenwich	6	6
East Providence	44	23
Hopkinton	3	1
Johnston	19	6
Lincoln	12	8
Middletown	3	2
Narragansett	3	3
Newport	43	40
North Kingstown	11	8
North Providence	20	6
Pawtucket	244	109
Portsmouth	5	3
Providence	877	488
Richmond	1	0
Smithfield	3	1
South Kingstown	7	4
Tiverton	3	1
Warren	6	4
Warwick	28	6
Westerly	9	3
West Warwick	40	17
Woonsocket	160	102
<b>TOTAL FAMILIES:</b>	<b>1,752</b>	<b>934</b>