

Memorandum

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PUBLIC UTILITIES COMMISSION

To: L. Massaro
Commission Clerk

From: D. R. Stearns
S. Scialabba
Division of Public Utilities & Carriers

Date: 12/14/2009

Re: Narragansett Electric – Large Customer Group Filing Docket 4041

On November 19, 2009 Narragansett Electric Company d/b/a National Grid (“National Grid” or “Company”) filed with the Commission a Large Customer Group Standard Offer Filing For the Period January 2010 through March 2010.

Included in the filing are:

- A calculation of the Standard Offer Rate for the Large Customer Group for January, February and March;
- Standard Offer Service Requests for Proposals (“RFPs”) and Master Power Agreements for January through March, 2010 for the Large Customer Group;
- Standard Offer Service Requests for Proposals (“RFPs”) and Master Power Agreements for 25% of the Small Customer Group requirements for the period October 2010 through March, 2011;
- A typical bill analysis for each of the Large Customer Group rate classes; and
- A summary of the procurement process.

The total Standard Offer rates for the Large Customer Group by month are:

- January 2010: \$0.07891 / kWh. This is a decrease of \$0.01309 compared with the current Standard Offer rate, and an increase of \$0.00126 compared with the current Last Resort Service rate;
- February 2010: \$0.08138 / kWh. This is a decrease of \$0.01062 compared with the current Standard Offer rate, and an increase of \$0.00373 compared with the current Last Resort Service rate;

- March 2010: \$0.08098 / kWh. This is a decrease of \$0.01102 compared with the current Standard Offer rate, and an increase of \$0.00333 compared with the current Last Resort Service rate.

After review the Division has determined the filing is in compliance with the instructions issued by the Commission at open meeting September 30, 2009 and the written Order issued November 24, 2009.

Also associated with this docket: on November 19, 2009 the Company submitted to the Commission a RES Plan Informational Filing.

The filing includes two calculations of proposed RES factors: the first assumes a twelve-month factor beginning January 1, 2010, the second a ten-month factor which would become effective January 1, 2010. The twelve month factor, \$0.0117 per kWh, is an increase of \$0.00024 compared with the current factor of \$0.00093 per kWh, and results in a \$0.13 increase to the typical 500 kWh residential bill. The ten month factor, \$0.00123, is an increase of \$0.00030 compared with the current factor, and results in an increase of \$0.16 in the typical 500 kWh residential bill.

The Division recommends Commission approval of the ten month factor of \$0.00123, effective for usage on and after March 1, 2010. This date would coincide with other proposed changes in Narragansett rates.

Cc: Thomas Ahern,

Administrator, Division of Public Utilities and Carriers