



December 3, 2009

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

Re: RIPUC Docket No. 4129
Division's First Set of Data Requests

Dear Ms. Massaro:

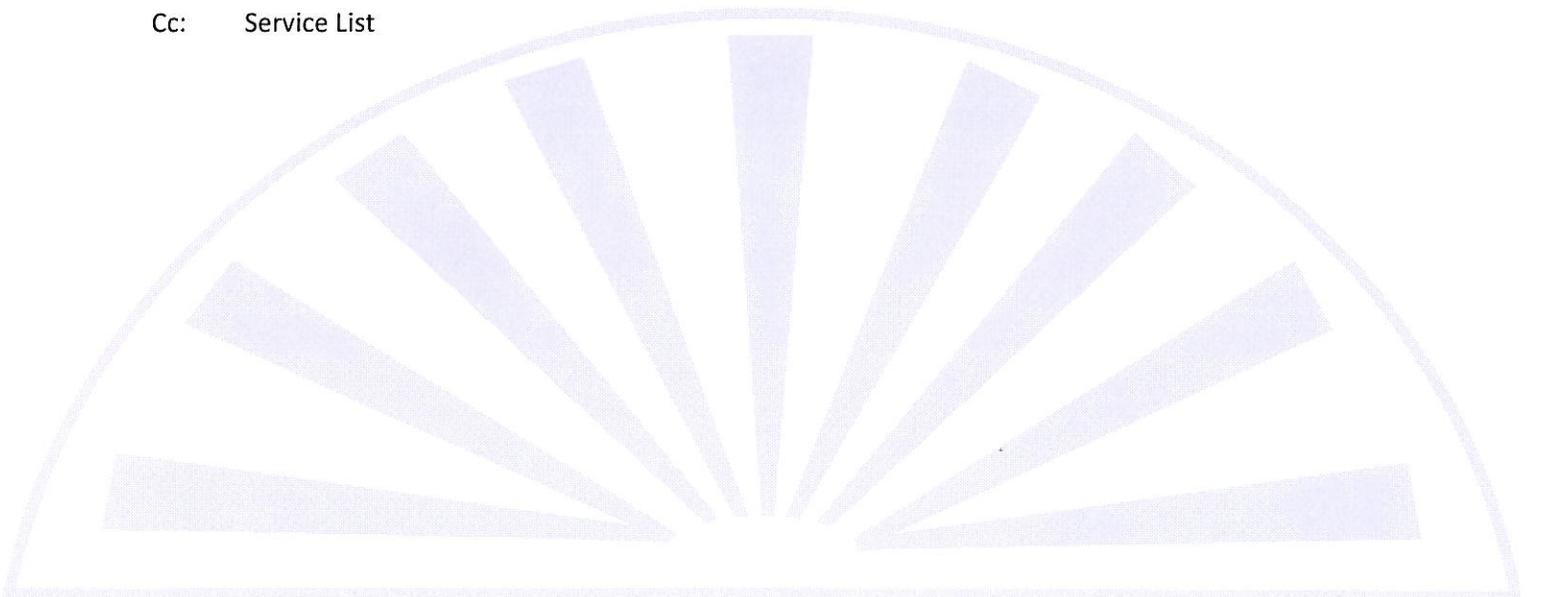
Pascoag Utility District herewith submits its responses to the data requests in the above docket. The original and nine copies will be delivered Friday, December 4, 2009.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

Judith R. Allaire
Assistant General Manager

Cc: Service List



Division Data Request 1-1:

Presented as Table 1 on Page 1 of witness Allaire's Addendum Testimony is a projection of over and- under-recoveries at December 31, 2009, by Standard Offer ("SOS"), Transition and Transmission accounts. According to the table, SOS and Transmission are expected to have under recovery balances, while the Transmission account is expected to have a substantial over recovery. The witness explains the three primary areas that drove the net over recovery:

- > increased sales to ISO-NE made possible by greater-than anticipated interruptible hydro power from NYPA;
 - > ENE's inclusion of increased NYPA transmission costs in the 2009 estimated costs, based on recent history, and;
 - > a revised ENE forecast with lower purchased power costs for the fourth quarter of 2009 than previously projected.
- Why, given the testimony, do the SOS and Transition accounts result in projected under recoveries?

Response: Provided by Judith R. Allaire

Based on the addendum filing, submitted electronically on December 3, 2009, which includes the actual energy expenses for October and actual November revenue, Pascoag's under recovery of Standard Offer Service is \$45,702 and the over collection of its Transition Charge is \$9,151.

In reviewing the methodology for determining the Transition Charge, it appears that the over or under collection at year-end was being accounted for twice. Pascoag's Transition Charge is based on the aggregate amount of required payments to MMWEC under the PSA exclusive of Reserve and Contingency Fund Billings. The Transition Charge is recorded as a credit to Pascoag's Standard Offer Charge, so that the error impacted the calculation of that charge also.

This error has been corrected in the Revised Schedules submitted with Allaire's Addendum testimony. The corrected Schedules include:

- Schedule A-1 to A-3
- Schedule C-2 to C-3
- Schedule F2
- Schedule H

Division Data Request 1-2:

Page 2 of witness Allaire's testimony includes a chart titled "Reconciliation of Forecast to Actual_Schedule D," a comparison of forecast and actual expenses and energy. The fifth and sixth columns of the chart are labeled Energy (MWH) Budget and Energy (MWH) Actual. Schedule D as originally filed, and as revised, is a similar chart. Why do the totals amounts in the sixth and seventh columns on page 2 of the testimony, 54,976 and (0) respectively, not agree with total amounts at the same columns in either the original or the revised Schedule D? Please explain.

Response: Provided by Judith R. Allaire

Pascoag submits a Revised Schedule D, which includes actual expense for the October period. This revised schedule reflects all correct totals. Although the Schedule D in Allaire's testimony (page 2) had incorrect totals, the Schedule D submitted in the original filing in Book 3 Supporting Schedules, was correct.

