

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: 12/23/2010

Re: Narragansett Electric – Large Customer Group Filing-

Dockets 4041 and 4149

On November 23, 2010 Narragansett Electric Company d/b/a National Grid (“National Grid” or “Company”) filed with the Commission a Proposed Standard Offer Service Rates for the Large Customer Group for the Period January 2011 through March 2011. The filing also contains the Results of Competitive Procurement for the Period January 2011 through March 2011 for the Large Customer Group and for the period April 2011 through December 2011 for the Residential & Commercial Group.

Included in the filing are:

- A calculation of the Standard Offer Rate for the Large Customer Group for January, February and March;
- The Standard Offer Service tariff supplement. This supplement includes the Standard Offer Service rates proposed by the Company for the period January through March 2011;
- A copy of Standard Offer Service Requests for Proposals (“RFPs”) for 100 % of the power supply required by the Large Customer Group for January through March, 2010;
- Standard Offer Service RFPs for 30% of the Residential and Commercial Customer Groups’ requirements for the period April through December 2011;
- A typical bill analysis for each of the Large Customer Group rate classes;
- A summary of the procurement process, and;

- A copy of the executed Master Power Agreement and Transaction Confirmations for January through March 2011 for the Large Customer Group and for the period April through December 2011 for the Residential and Commercial Customer Groups.

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

- January 2011: \$0.07224 / kWh. This is a decrease of \$0.00347 compared with the current Standard Offer rate;
- February 2011: \$0.07089 / kWh. This is a decrease of \$0.00482 compared with the current Standard Offer rate;
- March 2011: \$0.06247 / kWh. This is a decrease of \$0.01324 compared with the current Standard Offer rate.

The Company states that, because the prices of RES certificates from the winning bidders of this procurement were greater than National Grid's estimate of RES certificate prices, no certificates were included in the purchases. The RES charge remains at \$0.00123 per kWh.

After review the Division has determined the filing is in compliance with the instructions issued by the Commission at open meeting September 23, 2010 and written Order Number 20148, issued September 29, 2009.

Cc: Thomas Ahern,

Administrator, Division of Public Utilities and Carriers