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Thomas R. Teehan
Senior Counsel

2010 OCT -4 PM 3:46

PUBLIC UTILITIES COMMISSION

October 4, 2010

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket 4196 - 2010 Distribution Adjustment Charge Filing
Revised Response – Division 4-1**

Dear Ms Massaro:

Attached please find ten (10) copies of National Grid's¹ revised response to Division Data Request 4-1 in the above-captioned proceeding.

Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me at (401) 784-7667.

Sincerely,



Thomas R. Teehan

Enclosures

cc: Leo Wold, Esq.
Steve Scialabba
Bruce Oliver

¹ The Narragansett Electric Company d/b/a National Grid.

Division Data Request 4-1 REVISED

Request:

Re: the Supplemental Direct Testimony of National Grid witness Nestor Attachment NG-JNF-2S. Please:

- a. Document and explain in detail by month the reasons for the significant changes in Withdrawal Commodity costs for the months December 2010 through March 2011 between National Grid's initial Testimony and attachments in this proceeding (Attachment NG-JFN-2) and its Supplement Testimony and attachments.
- b. Provide the data and calculations used in the determination of "Inventory Costs" shown in Attachment NG-JNF-2S, including but not limited to the specification of estimated average monthly inventory levels.
- c. Document and explain in detail the reasons for the increase in projected "Demand from GCR" in Attachment NG-JNF-2S when compared with the "Demand from GCR" shown in Attachment NG-JNF-2 that was filed with the Company's initial Direct Testimony in this proceeding.

Response:

a. **REVISED**

Please see the Company's Response to DIV 1-3. The data provided for the System Pressure Factor in Attachment NG-JFN-2 in the August 2, 2010 Preliminary DAC filing reflects the partial information that was available at the time of the filing before the completion of the Company's Gas Cost Recovery (GCR) Filing. It was designed to provide preliminary information about the System Pressure factor, but was not a final or proposed rate. Subsequently, the System Pressure data, including the Withdrawal Commodity and Demand costs were finalized and submitted in the Company's September 1, 2010 GCR filing. This final System Pressure data was then incorporated into Attachment NG-JFN-2S in the Company's September 1, 2010 DAC filing. In addition, the Company erroneously utilized design weather volumes in its August 2nd filing. Normal weather volumes were used in the September 1st filing. Please see table below for a comparison of the volumes and associated costs.

The Narragansett Electric Company
d/b/a National Grid
Docket No. 4196 - DAC 2010
Responses to Division Data Requests – Set 4
Issued on September 17, 2010

Filed 8/2/10 (Volumes = Design Year)		
Nov-10	16,200	\$109,301
Dec-10	248,800	\$1,685,376
Jan-11	271,800	\$1,893,925
Feb-11	236,500	\$1,705,409
Mar-11	108,200	\$812,818
Apr-11	16,100	\$124,906
May-11	16,700	\$131,209
Jun-11	16,200	\$128,451
Jul-11	16,700	\$133,369
Aug-11	16,700	\$134,251
Sep-11	16,100	\$130,175
Oct-11	16,700	\$135,679
Total	996,700	\$7,124,868

9/1/10 (Volumes = Design Year)		
Nov-10	18,800	\$126,411
Dec-10	242,800	\$1,628,985
Jan-11	270,600	\$1,815,500
Feb-11	237,300	\$1,592,084
Mar-11	110,100	\$738,679
Apr-11	18,800	\$126,132
May-11	19,500	\$121,373
Jun-11	18,800	\$115,844
Jul-11	19,500	\$120,069
Aug-11	19,500	\$120,126
Sep-11	18,800	\$115,942
Oct-11	19,500	\$120,417
Total	1,014,000	\$6,741,562

CORRECTED 8/2/10 Filing (Normal Year)		
Nov-10	16,100	\$108,256
Dec-10	99,800	\$673,039
Jan-11	16,700	\$112,623
Feb-11	15,100	\$101,832
Mar-11	16,700	\$112,623
Apr-11	16,100	\$108,576
May-11	16,700	\$114,822
Jun-11	16,100	\$112,503
Jul-11	16,700	\$116,996
Aug-11	16,700	\$117,316
Sep-11	16,100	\$113,416
Oct-11	16,700	\$117,958
Total	279,500	\$1,909,960

Filed 9/1/10 (Volumes = Normal Year)		
Nov-10	18,800	\$126,411
Dec-10	102,600	\$688,360
Jan-11	19,500	\$130,829
Feb-11	17,600	\$118,081
Mar-11	19,500	\$130,829
Apr-11	18,800	\$126,132
May-11	19,500	\$129,483
Jun-11	18,800	\$123,770
Jul-11	19,500	\$128,056
Aug-11	19,500	\$127,897
Sep-11	18,800	\$123,174
Oct-11	19,500	\$127,640
Total	312,400	\$2,080,662

- b. The monthly Inventory Costs included in the System Pressure calculation is found in Attachment NG-JFN-1, Inventory Finance tab, lines 22-24 of the Company's GCR filing of September 1, 2010. Please see Attachment DIV 4-1 (b).

- c. The data provided for the "Demand from GCR" in Attachment NG-JFN-2 in the August 2, 2010 Preliminary DAC filing reflects the partial information that was available at the time of the filing before the completion of the Company's Gas Cost Recovery (GCR) Filing. It was designed to provide preliminary information about the "Demand from GCR" calculation. The increase in projected "Demand from GCR" from the \$1,964,880 in the August 2, 2010 Preliminary DAC filing to \$3,935,880 reflects the additional demand costs from a contract with Distrigas which is shown on the un-redacted version of Attachment EDA-2 at Page 14 of 17 in the Company's September 1, 2010 GRC filing.

Prepared by or under the supervision of: John F. Nestor, III and Elizabeth Arangio