

November 30, 2010

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4206 - Revenue Decoupling Mechanism Proposal
Responses to Commission Data Requests – Set 2

Dear Ms. Massaro:

Enclosed please find ten (10) copies of National Grid's responses to the Commission's Second Set of Data Requests issued on November 8, 2010, concerning the above-captioned proceeding.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 4206 Service List
Leo Wold, Esq.
Steve Scialabba, Division

Commission 2-1

Request:

Grid's proposal calls for the first electric reconciliation period to end March 31, 2012 followed by a filing with the Commission by June 1, 2012 (a lag of roughly 60 days). The company's proposal also calls for the first gas reconciliation period to end March 31, 2012 followed by a filing with the Commission coincident with the company's DAC filing on August 1, 2012, which would be a lag of roughly 120 days. Would it be possible to file the proposed gas RDM factor at the same time the company files the proposed electric RDM factor (June 1) yet still have an effective date of November 1 for any RDM rate change?

Response:

While it would be possible to file the annual proposed gas RDM factor on June 1 each year, similar to that proposed by the electric RDM factor, it should be noted that the Company chose to file the gas RDM factor with its August 1 DAC filing so as not to introduce a separate DAC component filing and to facilitate the Commission's review of the gas RDM by providing the most complete information available. As noted on Page 11 of the Joint Testimony, the Company proposed to file its electric RDM factor on June 1 because the Company is proposing that the electric RDM rate adjustment become effective on July 1 each year. The Company is proposing a July 1 rate change as it is consistent with the timing of other electric rate changes and thereby does not introduce another date on which bills to customers would change.

However, with respect to the gas RDM factor, as noted on Page 14 of the Joint Testimony the Company is proposing to reconcile its gas RDM through the annual DAC filing with rate changes effective November 1. Filing the gas RDM factor with the August 1 DAC filing would be more efficient as it avoids a separate June filing and provides more complete information. By incorporating the RDM factor into the existing DAC schedule beginning August 1 (with DAC updates in September and October), the Company will be able to provide the Commission both the proposed annual RDM gas factor for the coming year as well as the reconciliation information on the prior year's RDM gas factor (which will be part of the annual DAC Reconciliation factor). This provides more complete information on the overall impact of the Company's gas RDM proposal on the annual DAC rate than a separate, single component June filing.

Prepared by or under the supervision of: Jennifer B. Feinstein

Commission 2-2

Request:

The table on page 18 of 23 (Feinstein/Lloyd Direct) indicates that as of March 2010 there were 198,776 Residential Heating (including low-income) customers. Exhibit JBF-1 indicates that as of September 2009 there were 178,447 Residential Heating customers.

- a. Please reconcile the 178,447 and the 198,776
- b. Does the 178,447 include low income? If not, where on JBF-1 are low income accounts presented?

Response:

- a. The 178,447 Residential Heating customers on Exhibit JBF-1 represent the rate year number of customers for September 2009 as set forth in the Company's Docket No. 3943 compliance filing. This September 2009 Residential Heating customer count does not include the number of Residential Heating Low Income customers. By comparison, the 198,776 Residential Heating customers on the table on page 18 of the Joint Testimony represents the actual number of total Residential Heating customers, including Residential Heating Low Income customers for March 2010.
- b. As stated above in sub-part (a), the 178,447 reflected on Exhibit JBF-1 does not include low income customers. This Exhibit is designed to support the monthly target RPC (Revenue per Customer), which would be the non-discounted rate class. In the last rate case, the Company forecasted the number of low-income customers and assumed that the average use per customer would be the same for the non low-income customers. Thus, as noted on page 16 of the Joint Testimony, "The target RPCs for the Low-Income Residential Non-Heating and Low-Income Residential Heating classes are the targets for the corresponding non-discounted classes. The non-discounted targets are used for all residential customers so that the RDA is not affected by customer movement between discounted and non-discounted classes. For RDM reconciliation purposes, the actual billed revenue for the Low-Income Residential Non-Heating and Low-Income Residential Heating classes would similarly be adjusted to exclude the applicable discounts. Exhibit JBF-1 shows the calculation of the monthly target RPCs."

Commission 2-3

Request:

Should the reference to Docket 4043 be Docket 3943 (page 19 of 23, ln 8) ?

Response:

Yes. The reference should be to Docket 3943.

Prepared by or under the supervision of: Jennifer B. Feinstein

Commission 2-4

Request:

What was the commencement date of the company's gas conversion program?

Response:

The Rhode Island gas conversion program was initiated in October of 2007.

Prepared by or under the supervision of: Jennifer B. Feinstein

Commission 2-5

Request:

Since commencement of the gas conversion program, please provide (with totals where appropriate):

- a. The total number of conversions.
- b. The number of conversions where prior to the conversion, the customer was not a gas customer.
- c. The number of conversions where prior to the conversion, the customer was a non-heating gas customer.

Response:

- a. The total number of conversions under the gas conversion program since October 2007 is 7,136.
- b. The number of conversions where prior to the conversion the customer was not a gas customer since October 2007 is 3,222.
- c. The number of conversions where prior to the conversion the customer was a non-heating gas customer since October 2007 is 3,914.

Prepared by or under the supervision of: Jennifer B. Feinstein