

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID'S PROPOSED GAS AND
ELECTRIC REVENUE DECOUPLING MECHANISM

DOCKET NO. 4206

NOTICE OF PUBLIC HEARING

Pursuant to the provisions of Sections 39-1-1 and 39-3-11 of the General Laws, as amended, the Public Utilities Commission ("Commission") will conduct a hearing on **Tuesday, May 17, 2011 @ 9:30 A.M.** in Hearing Room A of the Public Utilities Commission, located at 89 Jefferson Boulevard, Warwick, Rhode Island. The hearing may continue thereafter from day to day as required.

In this docket, the Commission will examine the propriety of a filing by National Grid seeking to implement a Revenue Decoupling Mechanism ("RDM") for the gas and electric operations of the Company, including electric and gas tariff provisions associated with the Company's proposal. The RDM establishes a rate mechanism that decouples gas and electric revenues from sales, and allows National Grid to annually reconcile the revenue requirement allowed in the Company's distribution rate case to revenues actually received for the applicable 12-month period. Any revenues over-recovered or under-recovered are to be credited to or recovered from customers. The Decoupling Act specifically provides that the RDM for gas distribution companies shall be determined on a revenue-per-customer basis.

The RDM is filed pursuant to R.I.G.L. 39-1-27.7.1 (Decoupling Act) and purports to meet the requirements of the Decoupling Act by permitting National Grid to aggressively pursue increased energy efficiency programs while ensuring an allowed level of revenue. The proposal seeks to decouple electric and gas sales from revenues, thereby eliminating disincentives to support energy efficiency programs. Approval of National Grid's RDM will not set or amend existing retail rates at this time. However, approval of the RDM, could have an effect on the retail rates for the period commencing November 1, 2012 for gas and June 1, 2012 for electric.

The filing may be examined at the Commission's office and at the office of National Grid, 280 Melrose Street, Providence, Rhode Island. The filing can also be accessed under the Commission's Docket Menu at www.ripuc.org, Docket No. 4206. Reference is made to Chapters 39-1, 39-3 and 42-35 of the Rhode Island General Laws.

The Public Utilities Commission is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Commission Clerk's office at 941-4500, seventy-two hours in advance of hearing date.

Luly E. Massaro, Commission Clerk
May 7, 2011