

August 22, 2014

BY HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4237 – PUC Investigation relating to Stray and Contact Voltage Occurring in The Narragansett Electric Company’s Territories Responses to PUC Data Requests – Set 7

Dear Ms. Massaro:

On behalf National Grid¹ I have enclosed ten copies of the Company’s responses to the Rhode Island Public Utilities Commission’s Seventh Set of Data Requests issued in the above-referenced matter.

Thank you for your attention to this transmittal. If you have any questions, please contact me at (781) 907-2121.

Very truly yours,



Raquel J. Webster

Enclosure

cc: Docket 4237 Service List
Steve Scialabba
Leo Wold, Esq.

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate was electronically transmitted to the individuals listed below.

Copies of this filing are being hand delivered to the RI Public Utilities Commission and to the RI Division of Public Utilities and Carriers.

August 22, 2014

Joanne M. Scanlon

Docket No. 4237 – Commission’s Proceeding Relating to Stray and Contact Voltage Pursuant to Enacted Legislation Service List updated 3/20/14

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The Narragansett Electric Company
d/b/a National Grid
R.I.P.U.C. Docket No. 4237
Responses to Commission's Seventh Set of Data Requests
Issued on August 7, 2014

PUC 7-1

Request:

Why does National Grid want to conduct testing two times in calendar year 2014 rather than requesting a one to two month waiver (if National Grid believes it would need one) to allow for testing in the April to June 2015 timeframe where the statute requires annual testing once per year based on a year beginning July 1? Have the results of the contact voltage testing evidenced a need for additional testing?

Response:

Although the Company's proposed testing schedule includes testing twice in calendar year 2014, the proposed schedule only includes testing once in each fiscal year, as shown in the table below. The table below shows the actual testing dates for the first two cycles of testing as well as the proposed schedule going forward.

| Cycle # | Testing Dates | Fiscal Year | Month Since Prior Cycle | % of DCVRAs to be tested |
|---------|-------------------------------|--|-------------------------|--------------------------|
| 1 | March 2013 (Actual) | FY 2013 (April 1, 2012 to March 31, 2013) | NA | 100% completed |
| 2 | March 12-28, 2014 (Actual) | FY 2014 (April 1, 2013 to March 31, 2014) | 12 months | 100% completed |
| 3 | October 2014 (Proposed) | FY 2015 (April 1, 2014 to March 31, 2015) | 7 months | 100% proposed |

The Narragansett Electric Company
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|----|------------------------------------|--|-----------|--|
| 4 | May 2015 (Proposed) | FY 2016 (April 1, 2015 to March 31, 2016) | 7 months | Recommendation to be based on prior cycle results, but no less than 20% |
| 5 | April-June 2016 (Proposed) | FY 2017 (April 1, 2016 to March 31, 2017) | 12 months | Recommendation to be based on prior cycle results, but no less than 20% |
| 6+ | April-June each year thereafter | Each fiscal year thereafter | 12 months | Recommendation to be based on prior cycle results, but no less than 20% |

As shown in Table 3 of the 2014 Annual Contact Voltage Compliance Report, the results of the testing in FY 2014 (Cycle 2) are similar to those in FY 2013 (Cycle 1). While the number of readings greater than 4.5 volts was fewer in FY 2014 than in FY 2013, the overall number of readings less than 4.5 volts was greater in FY 2014 than in FY 2013. With only two years of data, the Company did not make the assumption that the number of readings greater than 4.5 volts was necessarily on a downward trend. Therefore, when considering how to ultimately move the program out of the late winter months, the Company opted for a more conservative approach with a testing cycle that was still once per fiscal year, albeit with only 7 months between cycles 2 to 3 and 7 months between cycles 3 to 4. However, even with 14 months between testing cycles, the Company would remain in compliance with the statute as long as the testing is completed once annually during the July 1 to June 30 statutory time frame.

PUC 7-2

Request:

How is the proposed schedule administratively better aligned with the electric Infrastructure, Safety and Reliability Plan than simply shifting to April or May 2015 where the ISR is a fully reconciling mechanism?

Response:

Testing twice in calendar year 2014 is proposed as a transitory arrangement to perform testing at least once during each fiscal year with the ultimate goal of shifting the testing to April or May of each year. Testing in the beginning (April or May) of any fiscal year is administratively better aligned with the Electric Infrastructure, Safety, and Reliability (ISR) Plan than testing at the end of a fiscal year (March), because this testing schedule allows for the testing work to be completed and the payments to be made and recorded in the same fiscal year. This testing schedule also better aligns work performed and costs incurred for purposes of the Electric ISR reconciliation filing, which is based on the fiscal year. However, it is important to note that this is only an additional consideration for moving the testing dates to April or May, as the primary driver for ultimately shifting the testing to the April or May timeframe is due to weather and pedestrian traffic considerations, as discussed on page 34 of the 2014 Annual Contact Voltage Compliance Report.

PUC 7-3

Request:

Does National Grid agree that any funds included in the FY 2015 ISR Revenue Requirement not spent in FY 2015 due to a timing differential will be accounted for in the reconciliation and future costs can be reviewed in the FY 2016 ISR Plan? If not, how would this be different from the accounting of funds on multi-year projects where the timing is not as expected?

Response:

The Company agrees that any funds included in the FY 2015 ISR Revenue Requirement that are not spent in FY 2015 because of a timing differential will be accounted for in the reconciliation, and future costs can be reviewed in the FY 2016 ISR plan.

PUC 7-4

Request:

Have the problems with the SAP affected the accounting of costs associated with the mobile contact voltage testing? If so, please explain.

Response:

The implementation of SAP has not affected the accounting of costs associated with the mobile contact voltage testing. The contact voltage program uses a limited number of work orders and using and tracking those work orders was not adversely affected with SAP implementation.