

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: OFFICE OF ENERGY RESOURCES :  
PROPOSED LIHEAP ENHANCEMENT CHARGE :  
FOR CALENDAR YEAR 2017 AND : DOCKET NO. 4290  
REVIEW OF THE NARRAGANSETT ELECTRIC :  
COMPANY d/b/a NATIONAL GRID REVISED :  
LIHEAP ENHANCEMENT CHARGE TARIFF :

REPORT AND ORDER

On July 13, 2011, Governor Chafee signed into law R.I. Gen. Laws § 39-1-27.12, the Low Income Home Energy Assistance Program (LIHEAP) Enhancement plan. The purpose of the LIHEAP Enhancement Plan was to create a separate fund through the creation of a new surcharge on all electric and gas customers' bills in order to supplement the federal LIHEAP funding that the State receives to assist low income customers in paying their energy bills. During the 2016 legislative session, the statute was amended to set aside a portion of the LIHEAP Enhancement Plan funding to be applied in the summer months for "homeless families or individuals who are transitioning from a shelter into housing who provide acceptable documentation to the Department of Human Services (DHS)."<sup>1</sup> The statute currently applies only to The Narragansett Electric Company d/b/a National Grid (National Grid). On September 30, 2016, National Grid filed an amended tariff with the Public Utilities Commission (PUC) to insert the new statutory language, but maintaining the 2016 LIHEAP Enhancement Charge of \$0.73 per month.

On October 3, 2016, DHS filed with the PUC its recommended LIHEAP Enhancement Charge for calendar year 2017 (2017 Charge), proposing a charge of \$0.83 per month for each customer. According to DHS, the LIHEAP Enhancement Fund balance was \$471,270 as of June

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<sup>1</sup> R.I. Gen. Laws § 39-1-27.12(c)(3); <http://webserver.rilin.state.ri.us/Statutes/TITLE39/39-1/39-1-27.12.HTM>.

2016.<sup>2</sup> The LIHEAP Enhancement plan requires the 2017 Charge to produce revenues between \$6.5 million and \$7.5 million from electric and gas customers, combined. In response to a data request, National Grid calculated that the recommended 2017 Charge, if made effective January 1, 2017, would generate approximately \$7.6 million in total revenues from electric and gas customers.<sup>3</sup> As a result of this calculation, the Division of Public Utilities and Carriers (Division) recommended the 2017 Charge be set at \$0.81 per month. This monthly charge is estimated to result in a total annual collection of \$7,421,868.<sup>4</sup>

At an Open Meeting held on November 29, 2016, the PUC reviewed the filings in this docket and approved a rate of \$0.81 per month for each customer for calendar year 2017. While the PUC typically follows DHS's recommendation, in this case, that recommended charge would have resulted in collections that exceeded the statutory maximum. Therefore, the PUC followed the Division's recommendation which raises the charge by nine cents, but keeps the collections within the statutory bandwidth. The PUC also approved National Grid's tariff changes, finding them to be consistent with the 2016 statutory changes. On December 20, 2016, the PUC approved National Grid's compliance tariff reflecting the November 29, 2016 decision to change the monthly rate from \$0.73 per month to \$0.81 per month.<sup>5</sup>

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<sup>2</sup> DHS Proposed LIHEAP Enhancement Charge filing (Oct. 3, 2016);

[http://www.ripuc.org/eventsactions/docket/4290-DHS-2017-LIHEAPRates\\_10-4-16.pdf](http://www.ripuc.org/eventsactions/docket/4290-DHS-2017-LIHEAPRates_10-4-16.pdf).

<sup>3</sup> National Grid Response to Division Data Request 1-3; [http://www.ripuc.org/eventsactions/docket/4290-NGrid-DR-DPU1\\_11-4-16.pdf](http://www.ripuc.org/eventsactions/docket/4290-NGrid-DR-DPU1_11-4-16.pdf).

<sup>4</sup> Division Mem. at 1-2; [http://www.ripuc.org/eventsactions/docket/4290-DPU-Memo\(11-15-16\).pdf](http://www.ripuc.org/eventsactions/docket/4290-DPU-Memo(11-15-16).pdf).

<sup>5</sup> National Grid's Compliance Tariff (Dec. 15, 2016); [http://www.ripuc.org/eventsactions/docket/4290-NGrid-ComplianceTariffs-\(12-15-16\).pdf](http://www.ripuc.org/eventsactions/docket/4290-NGrid-ComplianceTariffs-(12-15-16).pdf).

Accordingly, it is hereby

(22670) ORDERED:

1. The LIHEAP Enhancement Charge shall be \$0.81 per month for each customer for the calendar year 2017, with the term 'customer' defined as any person taking service from an electric or gas distribution company at a single point of electricity or gas delivery or electric or gas meter, is hereby approved on bills issued on and after January 1, 2017.
2. The Narragansett Electric Company d/b/a National Grid shall include an explanatory statement on customers' bills regarding the LIHEAP Enhancement Charge.
3. The Narragansett Electric Company d/b/a National Grid shall file with the Public Utilities Commission, with a copy to the parties to this docket, semi-annual reconciliations no later than May 31, 2017 and September 30, 2017.
4. The Narragansett Electric Company d/b/a National Grid's LIHEAP Enhancement Plan Provision Tariff RIPUC No. 2170 replacing RIPUC No. 2143 is hereby approved for effect January 1, 2017.
5. The Narragansett Electric Company d/b/a National Grid's RIPUC NG-GAS No. 101-B, Eighth Revision, is hereby approved for effect January 1, 2017.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2017 PURSUANT TO  
OPEN MEETING DECISIONS ON NOVEMBER 29, 2016 AND DECEMBER 20, 2016.  
WRITTEN ORDER ISSUED FEBRUARY 16, 2017.



PUBLIC UTILITIES COMMISSION

Margaret E. Curran, Chairperson

Herbert F. DeSimone, Jr., Commissioner

Marion S. Gold, Commissioner

**Notice of Right of Appeal:** Pursuant to R.I. Gen. Laws § 39-5-1, any person aggrieved by a decision or order of the PUC may, within 7 days from the date of the Order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or Order.