

November 12, 2014

BY HAND DELIVERY AND ELECTRONIC MAIL

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

> RE: Docket 4290 – LIHEAP Enhancement Charge For Calendar Year 2015 Responses to PUC Data Requests – Set 1

Dear Ms. Massaro:

On behalf of National Grid¹, I have enclosed responses to the first set of data requests issued by the Rhode Island Public Utilities Commission on October 21, 2014 in the above-referenced matter.

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

Sincerely,

Raquel J. Webster

Enclosure

cc: Docket 4290 Service List

Steve Scialabba Leo Wold, Esq.

T: 781-907-2121 raquel.webster@nationalgrid.com www.nationalgrid.com

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

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 Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities Carriers.

Joanne M. Scanlon

November 12, 2014

Date

Docket No. 4290 - Office of Energy Resources - LIHEAP Enhancement Charge Filing Service List <u>updated 10/08/14</u>

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PUC 1-1

Request:

Please provide National Grid's monthly electric customer count (as defined by OER in its October 2014 filing in this docket) by class, for 2012, 2013 and January through September 30, 2014.

Response:

Please see Attachment PUC 1-1 for monthly electric customer count by class for 2012, 2013, and January 1, 2014 through September 30, 2014.

The Narragansett Electric Company
d/b/a National Grid
R.I.P.U.C. Docket No. 4290
In Re: Office of Energy Resources Proposed
LIHEAP Enhancement Charge
For Calendar Year 2015
Attachment PUC 1-1
Page 1 of 1

The Narragansett Electric Company Customer Counts - Electric Service

A-16 A-60 B-32 B-62 C-06 C-08 G-02 G-32 G-62 M-1 S-10 S-14 X-01 Total Jan-12 384,009 40,849 5 2 47,622 592 8,314 1,047 13 3 2,673 379 1 485,509 Feb-12 389,476 41,939 5 2 48,210 589 8,432 1,042 12 3 2,666 380 1 492,757 Mar-12 389,556 42,317 7 2 48,021 592 8,302 1,040 12 3 2,660 379 1 492,892)
Feb-12 389,476 41,939 5 2 48,210 589 8,432 1,042 12 3 2,666 380 1 492,757)
Mar.12 389 556 42 317 7 2 48 021 592 8 302 1 040 12 3 2 660 370 1 402 802	1
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Apr-12 389,485 43,085 5 1 48,104 591 8,334 1,054 12 3 2,659 378 1 493,712	į
May-12 377,758 42,579 5 1 47,422 593 8,202 1,050 13 3 2,649 379 1 480,655	,
Jun-12 388,502 44,117 5 1 48,219 592 8,373 1,060 13 3 2,641 380 1 493,907	1
Jul-12 387,853 43,933 5 1 48,177 592 8,368 1,058 14 3 2,636 380 1 493,021	
Aug-12 387,379 43,731 5 1 48,180 593 8,170 1,041 11 3 2,630 380 1 492,125	,
Sep-12 388,193 43,521 5 1 48,256 593 8,218 1,051 12 3 2,625 380 1 492,859)
Oct-12 387,916 43,046 5 1 47,943 593 8,085 1,014 12 3 2,623 380 1 491,622	1
Nov-12 388,603 42,680 5 1 48,246 594 8,357 1,053 13 3 2,619 380 1 492,555	,
Dec-12 389,198 42,530 5 1 48,232 598 7,826 958 11 3 2,620 382 1 492,365	,
Average 2012 491,165	,
Jan-13 389,624 42,364 5 1 48,472 597 7,926 1,009 12 3 2,616 381 1 493,011	
Feb-13 390,026 42,329 5 1 48,501 597 8,380 1,072 13 3 2,610 381 1 493,919	
Mar-13 390,967 42,239 5 1 48,550 597 8,385 1,062 12 3 2,608 379 1 494,809)
Apr-13 391,280 42,266 5 1 48,514 598 8,357 1,059 12 3 2,594 379 1 495,069	
May-13 391,500 42,342 4 1 48,606 599 8,373 1,067 13 3 2,581 379 1 495,469)
Jun-13 392,012 42,287 4 1 48,503 600 8,346 1,061 11 3 2,575 380 1 495,784	ļ
Jul-13 391,123 42,398 4 1 48,467 600 8,345 1,064 12 3 2,571 380 1 494,969)
Aug-13 390,474 42,204 3 1 48,537 599 8,288 1,059 13 3 2,569 380 1 494,131	
Sep-13 392,086 41,920 4 1 48,686 599 8,296 1,056 12 3 2,564 380 1 495,608	}
Oct-13 391,335 41,588 4 1 48,455 599 8,158 1,050 13 3 2,568 379 1 494,154	ł
Nov-13 391,966 41,285 4 1 48,639 601 8,273 1,048 11 3 2,559 378 1 494,769)
Dec-13 391,673 41,032 4 1 48,397 602 8,048 1,027 12 3 2,553 379 1 493,732	<u>!</u>
Average 2013 494,619)
Jan-14 391,722 40,897 4 2 48,465 603 8,217 1,040 13 3 2,550 378 1 493,895	
Feb-14 391,300 40,697 4 2 48,774 604 8,312 1,037 12 2 2,550 381 1 493,676	
Mar-14 393,727 40,867 4 1 48,744 584 8,192 1,025 13 2 2,549 379 1 496,088	,
Apr-14 392,775 41,292 4 1 48,544 584 8,145 1,037 11 3 2,561 379 1 495,337	t
May-14 392,917 41,781 4 1 48,651 582 8,297 1,060 12 3 2,522 379 1 496,210)
Jun-14 393,026 41,482 4 1 48,645 585 8,224 1,044 11 3 2,516 382 1 495,924	ļ
Jul-14 387,953 46,255 4 1 48,630 585 8,168 1,052 11 3 2,518 382 1 495,563	į
Aug-14 387,431 45,597 4 2 48,441 589 8,087 1,052 11 3 2,514 382 1 494,114	
Sep-14 389,132 45,128 4 1 48,766 589 8,250 1,054 11 3 2,517 382 1 <u>495,838</u>	}
Average 2014 495,183	į

PUC 1-2

Request:

Please provide National Grid's monthly natural gas customer count (as defined by OER in its October 2014 filing in this docket) by class, for 2012, 2013 and January through September 30, 2014.

Response:

Please see Attachment PUC 1-2 for monthly gas customer counts by class for 2012, 2013, and January 1, 2014 through September 30, 2014.

The Narragansett Electric Company d/b/a National Grid RIPUC Docket No. 4290 In Re: Office of Energy Resources Proposal LIHEAP Enhancement Charge For Calendar Year 2015 PUC Data Request 1-2 Attachment PUC 1-2 Page 1 of 1

The Narragansett Electric Company Customer Counts - Gas Service

	Residential	Residential			Large Low	Large High	Extra Large	Extra Large			
	Heating	Non-Heating	Small C&I	Medium C&I	Load	Load	Low Load	High Load	Non-Firm	Other	Total
Jan-2012	201,132	26,406	18,653	4,464	452	150	34	74	21	41	251,427
Feb-2012	202,306	26,305	18,704	4,487	453	153	34	74	20	38	252,574
Mar-2012	203,130	26,233	18,621	4,501	454	152	35	73	21	38	253,258
Apr-2012	203,130	26,233	18,621	4,501	454	152	35	73	21	38	253,258
May-2012	202,130	26,155	18,269	4,479	457	157	36	71	23	38	251,815
Jun-2012	201,441	26,093	18,125	4,477	452	155	36	73	22	38	250,912
Jul-2012	201,123	26,013	18,032	4,470	452	154	36	73	22	38	250,413
Aug-2012	200,930	25,984	18,427	4,180	354	133	33	59	22	38	250,160
Sep-2012	201,224	26,034	18,067	4,478	416	182	33	76	22	38	250,570
Oct-2012	202,091	26,108	18,172	4,559	440	189	33	76	21	38	251,727
Nov-2012	203,941	26,210	18,398	4,596	443	188	35	76	20	0	253,907
Dec-2012	205,226	26,264	18,645	4,628	447	183	36	77	20	41	255,567
Average 2012											252,132
Jan-2013	206,115	26,244	18,747	4,681	450	185	37	76	20	41	256,596
Feb-2013	206,524	26,234	18,800	4,696	454	185	37	76	19	41	257,066
Mar-2013	206,734	26,255	18,800	4,705	452	184	38	75	19	41	257,303
Apr-2013	206,526	26,197	18,697	4,702	453	185	37	77	19	41	256,934
May-2013	205,560	26,140	18,524	4,691	450	185	37	77	18	41	255,723
Jun-2013	204,853	26,085	18,381	4,694	448	185	37	76	18	41	254,818
Jul-2013	204,218	26,015	18,270	4,684	448	186	37	76	17	41	253,992
Aug-2013	203,713	25,964	18,221	4,665	455	180	38	75	18	41	253,370
Sep-2013	203,918	25,969	18,243	4,678	450	177	38	74	17	41	253,605
Oct-2013	204,929	25,980	18,367	4,700	452	177	37	74	16	41	254,773
Nov-2013	206,779	26,058	18,680	4,734	457	177	37	74	17	45	257,058
Dec-2013	208,036	26,107	18,856	4,758	460	177	37	74	17	45	258,567
Average 2013											255,817
Jan-2014	208,864	26,125	18,995	4,773	463	178	35	77	15	45	259,570
Feb-2014	209,357	26,123	19,020	4,780	466	180	36	81	14	43	260,100
Mar-2014	209,562	26,124	19,027	4,784	467	180	36	79	16	42	260,317
Apr-2014	209,256	26,080	18,879	4,782	467	179	36	81	16	41	259,817
May-2014	207,738	25,958	18,642	4,769	466	181	36	79	16	41	257,926
Jun-2014	206,570	25,855	18,453	4,755	464	182	36	79	15	41	256,450
Jul-2014	205,856	25,800	18,350	4,754	465	184	35	79	14	41	255,578
Aug-2014	205,632	25,788	18,358	4,687	462	184	36	78	14	41	255,280
Sep-2014	205,722	25,789	18,280	4,763	459	172	36	80	14	41	255,356
Average 2014											257,822

PUC 1-3

Request:

Please provide the projected revenues that will be generated by the proposed surcharge in 2014, using the most recent actuals in the calculation with estimates as necessary for October 2014 through December 2014. Include supporting calculations (explain any assumptions). Please provide the answer for electric and gas separately.

Response:

Please refer to the Company's October 29, 2014 filing of the LIHEAP Enhancement Plan reconciliation for the period October 2013 through December 2014. The attachment to the October 29 filing included the reconciliation. Page 2 of that reconciliation provides the electric revenue generated and estimated to be generated by the surcharge for 2014. The gas revenue generated and estimated to be generated by the surcharge for 2014 is on Page 3.

PUC 1-4

Request:

Please provide the projected revenues that will be generated by the proposed surcharge in 2015. Include supporting calculations (explain any assumptions).

Response:

For electric service, based on a 2015 LIHEAP Enhancement surcharge of \$0.73 (as proposed by the Department of Human Services), and a projected number of customer bills of 5,993,556 (approximately 499,463 customers per month), the Company estimates 2015 LIHEAP Revenue of \$4,375,296.

For gas service, based on a 2015 LIHEAP Enhancement surcharge of \$0.73 (as proposed by Department of Human Services), and a projected number of customer bills of 3,198,587 (approximately 266,549 customers per month), the Company estimates 2015 LIHEAP Revenue of \$2,334,969.

The total estimated revenue for 2015 based on forecasted customer counts, and the proposed 2015 LIHEAP Enhancement surcharge of \$0.73 is \$6,710,265.

PUC 1-5

Request:

Please indicate the number of customer accounts for each electric and gas which were credited with the LIHEAP Enhancement and the amount of the credit for the Calendar Year 2014. Please also calculate the amount still available to be credited to customers.

Response:

Please note that to date, the Company can only provide data through September 30, 2014 because the year is not complete. From January 2014 through September 2014 the credits issued were as follows:

Electric Service			
	No. of	Credit Issued to	Total Credits
	Accounts	Account	Issued
	3,787	\$450	\$1,704,150
Total - Electric Service	3,787		\$1,704,150
Gas Service			
	No. of	Credit Issued to	Total Credits
	Accounts	Account	Issued
	17,976	\$450	\$8,089,200
Total - Gas Service	17,976		\$8,089,200
Total Electric & Gas Service	21,763		\$9,793,350

As reported in the Company's 2014 LIHEAP reconciliation, the balance in the reconciliation account as of September 30, 2014, including interest, is a credit of \$5,093,406, indicating the funds available to provide credits to eligible customers. The estimated balance in the reconciliation account as of December 2014, including estimated revenue through December 2014 and associated interest, is a credit of approximately \$6.8 million.

PUC 1-6

Request:

Please indicate the number of customer accounts for each electric and gas which were credited with the LIHEAP Enhancement, the amount of the LIHEAP Enhancement credit, and the total amount credited for the period November 1, 2013 through October 31, 2014.

Response:

Please note that to date, the Company can only provide data through September 30, 2014 because the year is not complete. From November 1, 2013 through September 30, 2014 the credits issued were as follows:

Electric Service	No. of Accounts	Credit Issued to Account	Total Credits Issued
	84	\$150	\$12,600
	3,787	\$450	\$1,704,150
Total - Electric Service	3,871		\$1,716,750
Gas Service		Credit Issued to	Total Credits
	No. of Accounts	Account	Issued
	440	\$150	\$66,000
	17,976	\$450	\$8,089,200
Total - Gas Service	18,416		\$8,155,200
Total Electric & Gas Service	22,287		\$9,871,950

PUC 1-7

Request:

Please indicate whether the LIHEAP Enhancement credit was applied to any accounts during the non-moratorium period.

Response:

LIHEAP Enhancement credits are applied to accounts when the LIHEAP payments are applied and are, therefore, contingent upon when National Grid receives payment from the Rhode Island Community Action Program agencies. For the period October 1, 2013 through September 30, 2014, \$4,803,750, or nearly half of all LIHEAP Enhancement credits, was posted after May 1, 2014, outside the moratorium period.

PUC 1-8

Request:

Please explain the difference between accounts that are classified as uncollectible and those that are classified as having arrearages.

Response:

Accounts are classified as uncollectible once the Company writes (charges) them off to the allowance for uncollectible accounts (please see the response to PUC 1-12 for a discussion of when the Company writes off an account as uncollectible). Accounts having arrearages are still active accounts, or the accounts have been issued a final bill, and the balance has yet to be paid.

PUC 1-9

Request:

What is an inactive account? At what point does it become inactive?

Response:

Accounts can have a status of Pending, Active, Final, or Written-Off. When a meter is physically disconnected in the field, the meter status is changed from active to inactive. If the customer had requested service termination, the status of the account associated with that meter changes to Final. If the meter was disconnected due to non-payment, the account associated with the inactive meter retains Active status for seven days to allow the customer the opportunity to restore service. If service is not restored within that seven-day period, the status for the account associated with the inactive meter is changed to Final.

PUC 1-10

Request:

At what point does an account become uncollectible?

Response:

Accounts become uncollectible at the time of write-off with the following exceptions: (1) bankruptcy accounts are charged off the same month the account is closed, and (2) any account can be closed and charged off manually.

PUC 1-11

Request:

Does an inactive account differ from an uncollectible account?

Response:

Yes, an inactive account could be a final account, which is not considered uncollectible. Accounts become uncollectible at the time of write-off.

PUC 1-12

Request:

When is an account written off? Is the process or effect different from classifying an account as inactive?

Response:

The Company writes off an account approximately 90 days after the account has been changed to Final status. Please see the response to PUC 1-9 for when an account status is changed to Final. There are two exceptions. First, bankruptcy accounts are charged off the same month the account is closed. Second, accounts can be closed and charged off manually at any time.

PUC 1-13

Request:

What happens to an account where the customer leaves a balance and then returns months or years later? How is it classified?

Response:

Accounts are written off after three months. Therefore, if a customer leaves a balance and then returns months or years later, the customer's account would be coded as written off and sent to a collection agency. Once the customer reapplies for service at a new location, the customer is required to go through the Company's account initiation process, which will flag that the customer has a previous outstanding balance. If a customer is transferring service from one location to another, any monies owed at the current service location will also transfer to the new account. Balances from a prior account must meet certain criteria to be transferred. For example, the amount cannot be part of a bankruptcy, and the amount must be within the statute of limitations.

PUC 1-14

Request:

Does National Grid use a collection agency? If so, please explain how that process works. How is the collection agency compensated?

Response:

National Grid uses several collection agencies. Accounts that are both final and unpaid are sent to a primary collection agency 30 or 60 days after they are final. Those accounts remain at primary collection agencies for four months, and if they remain unpaid after a ten-day waiting period, then they are sent to secondary collection agencies for an 8-month period. If the account remains unpaid after the 8-month period expires, there is another 10-day waiting period, and those accounts are sent to tertiary collection agencies for 12 months. If the balance remains unpaid after being sent to all three (3) collection agencies, and after another 10-day waiting period, then they are sent to trigger collection agencies until the state statute expires on the account.

The collection agencies earn a percentage of the payment amount collected as commission for their compensation, per their contracts.