

February 1, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4296 – The Narragansett Electric Company, d/b/a National Grid
2012 System Reliability Procurement Plan
Responses to Commission Data Requests – Set 2**

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's¹ responses to the Commission's Second Set of Data Requests issued in the above-captioned proceeding.

Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (401) 784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

cc: Docket 4296 Service List
Jon Hagopian, Esq.
Steve Scialabba, Division

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

Commission 2-1

Request:

On page 17 of the Plan the Company estimates demand savings generated by the Pilot. The report of Opinion Dynamics expressed that there were problems in determining demand savings from the Aquidneck pilot due to a number of factors listed on page 32 of its report. To what extent has the Company considered the factors cited by Opinion Dynamics on pages 32 and 34 of its report in estimating demand savings?

Response:

The factors cited in the Opinion Dynamics report relate to the measurement of overall demand savings in the Aquidneck pilot area, relative to a deferral objective, rather than the demand savings of individual components. The Company will consider the factors cited by Opinion Dynamics on the referenced pages of that report in measuring the overall demand reduction in the Tiverton and Little Compton area resulting from the SRP Pilot.

The demand savings for the proposed SRP Pilot were not derived from the results of the Aquidneck Island Pilot. The estimated demand savings for the SRP Pilot are developed from the estimated demand savings of its component energy efficiency and demand response elements necessary to meet the overall load reduction targets. The aggregate load reduction targets for each year of the NWA are defined by the Tiverton substation project's required load relief beginning in year 2014 and moving forward. Please refer to the tables on page 6 of the 2012 SRP Plan Report Supplement to see the yearly required load relief. The Company will need to work with customers to acquire the yearly required load relief (at a minimum) that has been defined by the yearly load requirements to successfully avoid the upgrade at the Tiverton substation.

Prepared by or under the supervision of: Timothy Roughan and Christina Skursky

Commission 2-2

Request:

Page 24 of the report by Opinion Dynamics (Appendix 6) suggests that, based on the experience of the Aquidneck pilot, the Company, when selecting a community partner organization in the future, should consider the community partner organization's ability to leverage outside funding sources. At any time during the period of the Aquidneck Pilot, did the Company seek energy efficiency funding from outside sources? If so, please answer the following questions:

- a. from what organization(s) did the Company request such funding
- b. what was the result of the request(s)
- c. did the organization(s) respond to the request(s) in writing, and if so, please provide a copy of the response(s)

Response:

The Company did not request outside funding. For the community initiative, the Company funded community organizations' energy efforts to engage citizens. As stated on page 24 of the evaluation, the Company did consider the ability of community groups to leverage their funding opportunities and to make in-kind contributions such as staff time. The Company considered the organization's ability to leverage resources as an indication of both their commitment and long-term program sustainability. As stated on page 26 of the evaluation, community organization partners planned to continue their energy efficiency efforts by seeking additional funding.

Prepared by or under the supervision of: Rachel Henschel

Commission 2-3

Request:

Are the expected load reductions from the Pilot less than 20 percent of the peak load in the Tiverton/Little Compton area, consistent with Section 2.1C(c) of the SRP Standards, and if so, please cite the page number of the Plan in which this reference is found.

Response:

Yes, the expected load reductions from the Pilot are less than 20% of the peak load in the Tiverton/Little Compton area. As shown on page 6 of the supplemental SRP filing, the load relief needed starts at 150 kW and goes up to 860 kW over the plan's term. The peak load of the feeders, 8,600 kW, can be found in Appendix 4 of the SRP Plan Report Supplement by multiplying the peak current of 400 amps for either the 33F3 or 33F4 feeder in 2010, with the voltage (12.47 kV), times the $\sqrt{3}$. The peak load reduction needed divided by the peak load is approximately 10% of the peak load.

Prepared by or under the supervision of: Timothy Roughan and Christina Skursky

Commission 2-4

Request:

How many customers do you expect to participate in the Pilot? Page 8 of the Plan says the Company wants to add 812 participants while page 11 states, “In order to...reach the 5,144 residential customers in the Pilot...”

Response:

The Company expects a total of 932 participants (805 residential, 127 C&I) by 2017 to successfully defer the Tiverton substation project. Please refer to pages 8-10 of the 2012 SRP Plan Report Supplement.

Prepared by or under the supervision of: Christina Skursky

Commission 2-5

Request:

Referring to page 9 of the Plan, what does the word “valuation” mean in this sentence: “If successful, the Company will review appropriate forms of payment, including valuation, for future NWA proposals.” Similar language also appears at page 11 of the Plan.

Response:

The word “valuation” referenced above refers to the monetary amount (i.e. \$40) of an incentive offered to a customer in the form of a bill credit.

Prepared by or under the supervision of: Christina Skursky

Commission 2-6

Request:

Page 2 of the Plan states, “However, the Company recognizes that one goal of the Pilot is the determination of the level of administration, customer outreach and evaluation that will be necessary for this Pilot.” Does the Company anticipate that the incremental SRP charge will likely be higher in later years as more knowledge and experience is gained about the details of the pilot?

Response:

The Company anticipates that the incremental SRP charges for 2012 and beyond will be consistent with the budget it has proposed for the overall project in the 2012 SRP Report Supplement. However, if customer acceptance of the program differs in future years either from overwhelming or smaller demand than what the Company is anticipating, the incremental SRP charge can decrease or increase, respectively, which the Company will detail in future annual SRP filings. The Company anticipates that as the project moves forward, it will be able to more accurately gauge how the SRP charge will change.

Prepared by or under the supervision of: Christina Skursky

Commission 2-7

Request:

Referring to page 4 of the Plan, footnote 4, is it true that in 2011, the Company screened only two (2) T&D projects for NWAs, and one of them was deemed eligible for NWAs, based on the criteria listed in the Standards?

- a. Is it also true that the one project deemed eligible for NWA is the Tiverton/Little Compton Pilot proposed in this Docket?

Response:

In 2011, the Company screened projects in Rhode Island using the NWA planning criteria described in Chapter 2 Section 2.1 of the System Reliability Procurement Standards to pursue a NWA solution. Two projects passed the initial screening (Wampanoag and Tiverton/Little Compton). National Grid continued the analysis to identify a suitable NWA pilot project. Further analysis identified the Tiverton project as the best opportunity for a non-wires solution pilot.

- a. Yes, it is true that one project was deemed feasible for NWA implementation and that project is the Tiverton/Little Compton project proposed in the 2012 SRP.

Prepared by or under the supervision of: Christina Skursky

Commission 2-8

Request:

Please provide a copy of Attachment COMM 1-4, as the Commission does not have a copy on file.

Response:

Attachment COMM 1-4 was inadvertently excluded from the Commission's first set of data requests. Please find this document attached as Attachment COMM 2-8.

Prepared by or under the supervision of: Christina Skursky



