Thomas R. Teehan
Senior Counsel

October 3, 2012

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4339 - 2012 Distribution Adjustment Charge ("DAC")
Responses to Commission Data Requests – Set 1

Dear Ms. Massaro:

Enclosed are National Grid's responses to the Commission's First Set of Data Requests issued in the above-referenced proceeding.

Please be advised that the Company's response to Commission 1-11 will be forthcoming shortly.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7685.

Very truly yours,

Thomas R. Teehan

Enclosure

cc: Docket 4339 Service List
Leo Wold, Esq.
Steve Scialabba
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Certificate of Service

I hereby certify that a copy of the cover letter and / or any materials accompanying this certificate has been electronically transmitted, sent via U.S. mail or hand-delivered to the individuals listed below.

Joanne M. Scanlon

October 3, 2012
Date

Docket No. 4339 – National Grid –2012 Annual Distribution Adjustment Charge Filing ("DAC") - Service List as of 8/28/12

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Redacted

Commission 1-1

Request:

Please identify the last three AGT rebates that were awarded by National Grid including a description of the project, the time of the award and the amount of the award.

Response:

The last three AGT rebates awarded by National Grid are:

1. [redacted], gas chiller/heater. Award made in February 2008 for $12,916.
2. [redacted] Combined Heat and Power (CHP) system. Award made in June 2007 for $172,487.
3. [redacted] Award made in August 2006 for $102,483.

Prepared by or under the supervision of: Mariella Smith

Commission 1-2

Request:

Of the projects identified in the prefiled testimony of Mariella Smith that would be eligible for an AGT rebate, please provide a time frame of where the project is and when the rebate will be requested.

Response:

Project One – The installation of two cogeneration units

The customer has applied for a rebate and has provided the Company with a technical assessment study that estimates an in-service date for this facility in late 2013. The Company is currently reviewing the application.

Project Two - New Natural Gas Vehicle ("NGV") filling station and the purchase of 40 waste hauling NGV trucks

The customer has applied for a rebate for installing an NGV filling station and the purchase of 40 NGV Waste Hauling Trucks. The Company received and reviewed the application, which has been forwarded to the Division and Tech-RI for their review.

Project Three - Installation of a 65 kW Combined Heat and Power (CHP) system

The customer has requested information on obtaining a rebate for installing a 65kW CHP system. The Company expects to receive an application by the end of the year.

Commission 1-3

Request:

In light of R.I. Gen. Laws §39-2-1.2(f) allowing the Company to charge customers per deca therm for DSM programs, please explain why the separate and additional AGT factor/charge is still necessary.

Response:

The objective of the AGT program is to promote the installation of gas technologies that increase the utilization of natural gas and existing fixed resources during non-peak periods or periods of low demand. In contrast, other DSM programs aim to reduce the utilization of natural gas during peak demand periods. Given the nature of each program's objective, the Company believes the additional AGT charge continues to be beneficial to all customers.

Prepared by or under the supervision of: Mariella Smith

Commission 1-4

Request:

Does National Grid expect any environmental sites to incur expenditures of greater than $100,000 in FY 2013.

Response:

The Company currently expects to incur expenditures greater than $100,000 in FY 2013 on the following environmental sites and on insurance litigation. These are included in the Annual Environmental Report for Gas Services:

- 642 Allens Ave MGP Site, Providence, Rhode Island
- 170 Allens Ave MGP Site, Providence, Rhode Island
- Pawtucket (Tidewater) Site, Providence, Rhode Island
- PCB Regulated Pipe Abandonment, Rhode Island
- Thames & Wellington, Newport, Rhode Island
- Insurance Litigation

Prepared by or under the supervision of: Michele Leone

Commission 1-5

Request:

With regard to MCS-2S, please confirm the LNG Commodity Related Cost total of $9,381,932.

Response:

The LNG Commodity Related Costs shown as total costs in MCS-2S are incorrect. The correct LNG Commodity Related Costs are $5,945,622. Although the "Total" column was incorrect, the sub-totals in the columns labeled "Withdrawal Commodity", "Inventory Finance", and "Supplier Demand from GCR" were correct and were used to calculate the system pressure. Therefore, this error does not affect the proposed system pressure factor submitted for approval as part of the September 4, 2012 DAC filing.

Prepared by or under the supervision of: Mariella Smith

Commission 1-6

Request:

Please explain how the System Pressure Factor was computed. Was data other than Peak Hour data utilized in this computation? Were "non-utility customers" included in the allocation of LNG costs to utility customers?

Response:

The methodology that the Company used to compute its System Pressure Factor for this proceeding is the same as used in its last DAC proceeding, Docket No. 4269, where an 18.12 percentage allocator was used. This percentage was derived by first determining the LNG needed to be injected into the Company's distribution system on a peak-hour basis in order to maintain minimum pressure through its system to avoid gas outages. This LNG amount was then divided by the total utility and non-utility sendout (Dth/hr) to derive the overall system pressure percentage. In this analysis, the Company assumed the following conditions:

i. Peak hour was based on 68 heating degree days or -3F

ii. Maximum supply pressures at interstate gate locations (within physical capabilities) and no limitations to pipeline supply contracts

iii. Usage of all LNG facilities necessary to reach minimum system pressure

The percentage of that calculated LNG usage to total system sendout represents the System Pressure Factor of 18.12% used in the last DAC proceeding and relied on for this year's DAC filing. The computation of the system pressure factor was solely based on Peak Hour data. The reference to "Non-utility customers" refers to FT1 customers without pipeline capacity assignments from the Company. The term "utility customers" includes all firm sales customers, FT2 customers, and FT1 customers with pipeline capacity assignment. System pressure costs allocated to the DAC are charged to all firm sales customers, FT1 customers and FT2 customers, referred to here as "utility" and "non-utility" customers.

Commission 1-7

Request:

What portion of LNG costs were used in the system pressure allocation.

Response:

The system pressure allocation used 18.12% of projected LNG withdrawal commodity, inventory financing, and supplier demand costs. This system pressure percentage (18.12%) is the same percentage as that used in the last DAC proceeding, Docket No. 4269.

Prepared by or under the supervision of: Mariella Smith

Commission 1-8

Request:

What is the total LNG (Dth/hr) required for pressure support for each LNG facility in Rhode Island.

Response:

As set forth in the Company's Long Range Supply Plan, Docket No. 4318 at page 45, the LNG requirements for 68 HDD Peak-Hour pressure support for each LNG facility are as follows:

LNG Requirements for Peak-Hour Pressure Support in Rhode Island	
LNG Facility	**LNG Required for Pressure Support (Dth/hr)**
Cumberland (Scott Rd.)	0
Providence (Allen's Av.)	2,999
Exeter	411
Portsmouth (Navy Base)	0
Total	**3,410**

Prepared by or under the supervision of: Elizabeth D. Arangio

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Commission 1-9

Request:

With regard to Attachment MCS-9S, please explain why the actual costs of $339,616 for January 31, 2012 under the System Pressure Reconciliation Adjustment is significantly greater than any other months during the 2011-2012 gas year.

Response:

The actual costs of $339,616 for January 2012 under the System Pressure Reconciliation Adjustment is significantly greater than any other months during the 2011-2012 gas year due to increased LNG usage in January 2012.

Commission 1-10

Request:

Please provide the detail behind the calculation for the throughput for Residential/Small/Medium C&I customers on Attachment MCS-10S.

Response:

The throughput for the Residential/Small/Medium C&I customers set forth on Attachment MCS-10 is based on the forecast used in this year's DAC proceeding, which is the same as that used in the Gas Cost Recovery Filing Docket No. 4346 filed on September 4, 2012. Attached herein as Attachment COMM 1-10 is a copy of Attachment AEL-1, Page 11 from Docket 4346 which provides a breakdown by rate class by month.

National Grid - RI Gas
Gas Cost Recovery (GCR) Filing
Forecasted Throughput (Dt)

Line No.	Rate Class	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-Oct
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(p)
	SALES (dth)													
1	Residential Non-Heating	39,952	59,594	78,573	77,377	66,696	52,095	46,325	34,178	29,995	27,280	27,901	28,447	568,413
3	Residential Non-Heating Low Income													
4	Residential Heating	1,099,863	2,058,633	3,053,892	3,108,191	2,680,218	1,998,463	1,232,855	674,166	443,392	388,331	399,794	515,751	17,653,549
5	Residential Heating Low Income													
6	Small C&I	121,739	254,777	460,531	442,493	396,614	264,475	142,278	71,605	53,665	47,990	48,259	48,988	2,353,415
7	Medium C&I	207,209	321,417	519,131	539,951	483,907	330,411	217,747	126,281	99,812	92,066	97,084	111,258	3,146,273
8	Large LLF	48,903	79,494	120,029	125,067	113,419	85,261	41,244	22,552	14,944	12,089	12,648	20,290	695,940
9	Large HLF	18,760	21,377	27,399	24,235	24,333	20,881	19,186	13,244	13,661	14,634	16,000	14,038	227,748
10	Extra Large LLF	5,824	9,181	12,885	12,530	12,644	9,031	5,606	3,688	1,676	1,620	1,523	2,227	78,434
11	Extra Large HLF	13,476	17,573	12,539	15,845	13,744	11,686	13,141	12,780	10,719	10,388	11,956	12,260	156,107
12	**Total Sales**	1,555,727	2,822,047	4,284,978	4,345,689	3,791,575	2,772,304	1,718,381	958,496	667,864	594,397	615,165	753,258	24,879,878
	FT-2 TRANSPORTATION													
13	FT-2 Medium	92,888	159,599	219,045	234,859	204,413	151,837	105,327	68,711	55,908	50,329	59,272	57,359	1,459,546
14	FT-2 Large LLF	60,687	110,429	167,936	167,051	155,037	122,409	66,369	40,157	19,655	15,980	19,047	29,944	974,700
15	FT-2 Large HLF	18,521	23,975	27,099	26,494	27,954	22,743	19,797	15,478	13,152	14,036	14,742	14,350	238,339
16	FT-2 Extra Large LLF	3,015	5,220	8,530	7,548	6,718	5,357	3,709	1,489	1,425	1,446	1,414	1,359	47,230
17	FT-2 Extra Large HLF	10,716	10,540	16,390	13,759	13,375	12,647	16,583	13,581	9,378	13,944	10,967	10,056	151,936
18	**Total FT-2 Transportation**	185,827	309,764	438,999	449,710	407,496	314,992	211,785	139,415	99,519	95,734	105,441	113,068	2,871,750
	FT-1 TRANSPORTATION													
30	FT-1 Medium	64,555	104,616	100,799	116,392	78,431	58,267	35,837	31,717	27,590	30,317	32,063	44,379	724,960
31	FT-1 Large LLF	112,575	160,912	187,148	175,061	147,149	100,655	35,931	26,084	19,007	18,700	23,103	48,557	1,054,881
32	FT-1 Large HLF	41,150	47,549	45,469	53,143	51,539	38,283	35,595	31,525	28,811	30,886	31,785	29,909	465,644
33	FT-1 Extra Large LLF	100,336	147,424	160,905	156,041	130,124	84,853	38,595	18,532	15,411	15,140	20,782	46,507	934,650
34	FT-1 Extra Large HLF	370,606	461,895	413,052	395,881	361,317	316,597	360,402	346,610	351,098	355,559	374,067	348,864	4,455,947
35	**Total FT-1 Transportation**	689,221	922,394	907,373	896,517	768,560	598,655	506,360	454,467	441,917	450,601	481,800	518,216	7,636,083
	Total THROUGHPUT													
36	Residential Non-Heating	39,952	59,594	78,573	77,377	66,696	52,095	46,325	34,178	29,995	27,280	27,901	28,447	568,413
37	Residential Heating	1,099,863	2,058,633	3,053,892	3,108,191	2,680,218	1,998,463	1,232,855	674,166	443,392	388,331	399,794	515,751	17,653,549
38	Small C&I	121,739	254,777	460,531	442,493	396,614	264,475	142,278	71,605	53,665	47,990	48,259	48,988	2,353,415
39	Medium C&I	364,651	585,632	838,975	891,201	766,750	540,515	358,911	226,708	183,310	172,711	188,419	212,996	5,330,780
40	Large LLF	222,164	350,835	475,113	467,179	415,605	308,325	143,544	88,793	53,607	46,769	54,797	98,791	2,725,521
41	Large HLF	78,431	92,901	99,967	103,872	103,826	81,907	74,577	60,247	55,624	59,555	62,527	58,297	931,731
42	Extra Large LLF	109,175	161,825	182,320	176,119	149,486	99,241	47,910	23,709	18,513	18,206	23,719	50,092	1,060,314
43	Extra Large HLF	394,798	490,008	441,981	425,484	388,437	340,930	390,126	372,971	371,195	379,890	396,990	371,180	4,763,990
44	**Total Throughput**	2,430,775	4,054,205	5,631,350	5,691,916	4,967,631	3,685,951	2,436,526	1,552,377	1,209,300	1,140,732	1,202,406	1,384,542	**35,387,711**