

March 3, 2014

**VIA HAND DELIVERY & ELECTRONIC MAIL**

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

**RE: Docket 4436-Revised Gas Cost Recovery Filing  
Responses to Division Data Requests – Set 1**

Dear Ms Massaro:

Enclosed please find ten (10) copies of National Grid's<sup>1</sup> responses to the First Set of Data Requests issued in the above-referenced proceeding by the Rhode Island Division of Public Utilities and Carriers ("Division").

Please be advised that the Company is seeking protective treatment of the confidential version of a CD-ROM containing the confidential versions of attachments to data request Division 1-1, as permitted by PUC Rule 1.2(g) and by R.I.G.L. § 38-2-2(4)(i)(B). Specifically, the Company is seeking confidential treatment of Excel files provided on the CD-ROM with file names identified as: 4436 DR 1-1 EDA-8 Gas Costs Update (Conf), 4436 DR 1-1 SAM-3 Dec Dracut Hubline (Conf), and 4436 DR 1-1 SAM-3 Jan Dracut Hubline (Conf). The Company has provided the PUC with one (1) confidential version of the CD-ROM and also has provided a copy to the Division and its consultant.

Thank you for your attention to this filing. If you have any questions, please contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Leo Wold, Esq.  
Steve Scialabba  
Bruce Oliver

---

<sup>1</sup> 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 were electronically transmitted to the individuals listed below.

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

\_\_\_\_\_  
Joanne M. Scanlon

March 3, 2014

Date

**Docket No. 4436 – National Grid – 2013 Annual Gas Cost Recovery Filing (“GCR”) - Service List as of 2/27/14**

<b>Name/Address</b>	<b>E-mail</b>	<b>Phone</b>
Thomas R. Teehan, Esq. National Grid 280 Melrose St. Providence, RI 02907	<a href="mailto:Thomas.teehan@nationalgrid.com">Thomas.teehan@nationalgrid.com</a>	401-784-7667
	<a href="mailto:Jennifer.hutchinson@nationalgrid.com">Jennifer.hutchinson@nationalgrid.com</a>	
	<a href="mailto:Celia.obrien@nationalgrid.com">Celia.obrien@nationalgrid.com</a>	
	<a href="mailto:Joanne.scanlon@nationalgrid.com">Joanne.scanlon@nationalgrid.com</a>	
Ann E. Leary National Grid 40 Sylvan Road Waltham, MA 02541	<a href="mailto:Ann.Leary@nationalgrid.com">Ann.Leary@nationalgrid.com</a>	
Elizabeth D. Arangio National Grid 40 Sylvan Road Waltham, MA 02541	<a href="mailto:Elizabeth.Arangio@nationalgrid.com">Elizabeth.Arangio@nationalgrid.com</a>	
Stephen A. McCauley National Grid 40 Sylvan Road Waltham, MA 02541	<a href="mailto:Stephen.Mccauley@nationalgrid.com">Stephen.Mccauley@nationalgrid.com</a>	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence RI 02903	<a href="mailto:Lwold@riag.ri.gov">Lwold@riag.ri.gov</a>	401-222-2424
	<a href="mailto:Sscialabba@dpuc.ri.gov">Sscialabba@dpuc.ri.gov</a>	
	<a href="mailto:dmacrae@riag.ri.gov">dmacrae@riag.ri.gov</a>	
	<a href="mailto:Jmunoz@riag.ri.gov">Jmunoz@riag.ri.gov</a>	
Bruce Oliver Revilo Hill Associates 7103 Laketree Drive Fairfax Station, VA 22039	<a href="mailto:Boliver.rha@verizon.net">Boliver.rha@verizon.net</a>	703-569-6480
<b>File an original &amp; nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov</a>	401-780-2107
	<a href="mailto:Patricia.lucarelli@puc.ri.gov">Patricia.lucarelli@puc.ri.gov</a>	

89 Jefferson Blvd. Warwick RI 02888	<a href="mailto:Sharon.ColbyCamara@puc.ri.gov">Sharon.ColbyCamara@puc.ri.gov</a>	
Office of Energy Resources Marion Gold Christopher Kearns Nicholas Ucci	<a href="mailto:Marion.Gold@energy.ri.gov">Marion.Gold@energy.ri.gov</a>	
	<a href="mailto:Christopher.Kearns@energy.ri">Christopher.Kearns@energy.ri</a>	
	<a href="mailto:Nicholas.ucci.@energy.ri.gov.ri">Nicholas.ucci.@energy.ri.gov.ri</a>	

Division 1-1

Request:

Please provide the workpapers (including electronic spreadsheet files with all cell formulas and cell references functioning) the Company has relied upon in the production of each of the attachments accompanying the February 14, 2014 of witnesses Arangio, Leary, and McCauley. The response to this request should include any and all confidential material used in the preparation of those exhibits. (Note: Confidentiality Agreements have previously been executed by the Division and its consultants for this docket.)

Response:

Pursuant to PUC Rule 1.2(g), the Company is seeking confidential treatment of Excel files that have been marked as confidential within the Excel file name (ie. 4436 DR 1-1 "witness initials-#" file name ("Conf").xls). The following files are being provided on a CD-ROM and have been marked confidential.

Please see the accompanying Excel files in support of Mr. Mc Cauley's testimony:

- 4436 DR 1-1 SAM-1 Weather.xls for the normal and actual temperatures and Heating Degree Day data.
- 4436 DR 1-1 SAM-2 Hedge percentage.xls for the forecasted and actual hedge percentages.
- 4436 DR 1-1 SAM-3 Dec Dracut Hubline (Conf).xls for actual versus forecasted purchases at Dracut and Hubline in December 2013.
- 4436 DR 1-1 SAM-3 Dec Dracut Hubline (Redacted).xls for actual versus forecasted purchases at Dracut and Hubline in December 2013.
- 4436 DR 1-1 SAM-4 Jan Dracut Hubline (Conf).xls for actual versus forecasted purchases at Dracut and Hubline in January 2014.
- 4436 DR 1-1 SAM-4 Jan Dracut Hubline (Redacted).xls for actual versus forecasted purchases at Dracut and Hubline in January 2014.
- 4436 DR 1-1 SAM-5 Jan M3 Non-NY.xls for actual swing purchases versus forecasted swing purchases at Texas Eastern M3 and Transco Non-NY in January 2014.

Division 1-1 (page 2)

Please see the accompanying Excel files in support of Ms. Leary's testimony and attachments:

- 4436 DR 1-1 AEL-6 GCR Calc.xlsx which is the electronic file used to calculate the proposed revised GCR found in Attachments AEL-1, AEL-2, and AEL-3 in the Company's February 14, 2014 filing.
- 4436 DR 1-1 AEL-7 Bill Impacts.xlsx, which is the electronic file used to derive the bill impacts found in Attachment AEL-4 in the Company's February 14, 2014 filing.

Please see the accompanying Excel files in support of Ms. Arangio's testimony and attachments:

- 4436 DR 1-1 EDA-8 - Gas Costs Update\_(Conf).xls in support of the re-forecast of gas costs for the period February 2014 through October 2014 reflected in Attachments EDA-1 and EDA-2.
- 4436 DR 1-1 EDA-9 - EDA 3(a) 2013-14 NYMEX Strip Comparison.xls which supports Attachment EDA-3(a).
- 4436 DR 1-1 EDA-10 - EDA 3(b) Tennessee Zone 6 Comparison.xls which supports Attachment EDA-3(b).
- 4436 DR 1-1 EDA-11 - EDA 3(c) Algonquin City-Gates Comparison.xls which supports Attachment EDA-3(c).
- 4436 DR 1-1 EDA-12 - EDA 3(d) Texas Eastern M3 Comparison.xls which supports Attachment EDA-3(d).
- 4436 DR 1-1 EDA-13 - EDA 3(e) Daily Pricing Comparison.xls which supports Attachment EDA-3(d).

Division 1-2

Request:

Re: Exhibit AEL-1, page 1 of 1, filed February 14, 2014, please:

- a. Verify that the Company's FT-2 Marketer charges will not be impacted by the rate changes that National Grid proposes in this proceeding, and if that is not correct please document and explain the changes to FT-2 Marketer charges that the Company seeks to implement.
- b. Provide the data, analyses, and calculations supporting the derivation of \$2.5000 manual entry amounts shown on Line No. (4) and document and explain why there is no differentiation of the proposed Surcharge for High Load Factor and Low Load Factor service classifications.

Response:

- a. The Company is not proposing any changes to the FT-2 Marketer Demand charges. The Company's FT-2 Marketer Demand charges are based on the projected Storage Fixed Costs, which did not change in this filing. As in prior years, the Company will reconcile the FT-2 Marketer Demand rate and include the reconciliation balance in its 2014-2015 GCR Filing.
- b. The Company first calculated a proposed surcharge to the current GCR factor by dividing the projected \$34.5 million deferred gas cost balance by the projected volumes during the period April 2014 through October 2014. This resulted in a 32% bill increase during the period April through October for the average Residential heating customer using 258 therms. As a result, the Company believed that a bill mitigation plan was appropriate to phase in recovery of the projected deferral and arrive at an acceptable balance between bill increases resulting from the rate change proposed in this filing and the amount to defer for recovery as part of its 2014-2015 GCR factors. The Company believes its proposal that limits residential bill increases to 16.3% and defers recovery of approximately one-half of the deferred balance until the 2014-2015 GCR year is an acceptable approach to recovering the deferral over a period that consists mostly of off-peak months and lower gas usage. The Company arrived at its proposed surcharge factor by manually adjusting the proposed GCR factors in Attachment AEL-4 until it obtained a residential bill impact of 16.3%.

Division 1-2 (page 2)

Since the revision to the GCR Factor is a result of increases in variable costs and the variable costs are allocated evenly to both High Load and Low Load Factor customers, the same surcharge was added to the currently effective GCR factors for both the current High Load Factor and Low Load Factor service classifications.

Division 1-3

Request:

Re: Exhibit AEL-2, page 1 of 9, line (5) filed February 14, 2014, please document the netting of capacity release credits from the referenced Supply Fixed Costs. The data referenced in Schedule 2, line 74, does not appear to reflect consideration of NGPMP credits.

Response:

The Supply Fixed Costs, as shown in Attachment AEL-2, page 1 of 9, line 5, reflect the Supply Fixed Costs net of the credits from Marketer Releases, and is as referenced in Attachment AEL-2, page 3 of 9, line 74. The credits from Marketer Releases are shown on Attachment AEL-2, page 2, line 24 and page 3, line 71. The NGPMP credits are separately shown in Attachment AEL-2, page 1 of 9, line 8. The "Total Supply Fixed Costs" in Attachment AEL-2, page 1 of 9, line 10, include total fixed costs, reduced by capacity release and NGPMP credits.

Division 1-4

Request:

Re: Exhibit AEL-2, page 2 of 9, filed February 14, 2014, please document all changes in Supply Fixed costs and Storage Fixed Costs by pipeline and service in the Company's February 14, 2014 filing when compared to the comparable costs from the Company's September 3, 2013 GCR filing, and explain all factors contributing to each change in the monthly cost by pipeline and service.

Response:

In this filing, the Company did not revise the forecast for Supply Fixed costs and Storage Fixed costs by pipeline and, therefore, these costs for the period February 2014 through October 2014 remained the same, as those reflected in the September 3, 2013 GCR Filing. The actuals for the period November 2013 through January 2014 were approximately \$1.3 million less than forecasted as a result of additional marketer capacity releases of approximately \$400,000 and the reallocation of approximately \$700,000 between the fixed and variable cost categories. In the September 3, 2014 GCR Filing, the Company forecasted Peaking supply demand charges, while the actual costs associated with Peaking supplies were recorded in the Variable category. The actual fixed costs for the period November 2013 through January 2014 were approximately \$200,000 less than the forecast, equating to 2 percent of Supply Fixed and Storage Fixed costs.

Division 1-5

Request:

Re: Exhibit AEL-3, page 9 of 9, filed February 14, 2014, please:

- a. Provide the Company's understanding of the factors that have produced large percentage increases in the actual Residential Non-Heating sales above the levels reflected in National Grid's September 2013 GCR filing in this proceeding;
- b. Document and explain all measures the Company is taking to ensure that Residential Non-Heating service is not being used for space heating purposes;
- c. Provide the Company's actual numbers of Residential Non-Heating customer accounts by month for its last three GCR periods and for the 2013-14 GCR period to date.

Response:

- a. The Company is currently investigating the factors that have identified large percentage increases in the actual Residential Non-Heating sales above the levels reflected in National Grid's September 2013 GCR Filing and will submit its findings once its analysis is complete.
- b. Historically, the annual usage for the Residential non heating customers has been consistent and, therefore, the Company has not established procedures to confirm that Residential non heating customers are on the correct rate. Since the Company is proposing a GCR surcharge, which is proposed to be the same for both High Load and Low Load customers, as discussed in its response to Division Data Request 1-2(b), the impact on customers will be the same regardless of their classification. Also, it is worth noting that the difference between the High Load and Low Load GCR factors is small (the High Load GCR Factor is approximately \$0.024 per therm lower than the Low Load GCR Factor), and the incremental revenue that would have been generated if all the residential customers were billed at the Low Load GCR Factor (instead of the High Load GCR Factor) is less than \$200,000. This equates to less than 0.1% of the annual GCR revenue. Therefore, even if all residential non-heating customers were billed at Low Load GCR Factor, it would have minimal impact on the projected deferred gas cost balance.

Division 1-5 (page 2)

- c. Please see the Attachment DIV-1-5-c for the actual numbers of Residential Non-Heating customer accounts by month for its last three GCR periods and for the 2013-14 GCR period to date.

Line No.	Residential Non-Heating Customer Accounts											
1	GCR 2013-2014											
2	Nov-13	Dec-13	Jan-14									
3	26,058	26,107	26,125									
4												
5	GCR 2012-2013											
6	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13
7	26,210	26,264	26,244	26,234	26,255	26,197	26,140	26,085	26,015	25,964	25,969	25,980
8												
9	GCR 2011-2012											
10	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12
11	26,530	26,476	26,406	26,305	26,233	26,233	26,155	26,093	26,013	25,984	26,034	26,108
12												
13	GCR 2010-2011											
14	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11
15	27,715	27,617	27,523	27,292	27,142	26,989	26,867	26,738	26,647	26,620	26,611	26,520

\* Customer counts are based on the Company's billing system.

Division 1-6

Request:

Re: Witness Arangio's February 14, 2014 testimony at page 3, lines 4-5, please provide the average wind speed for each day listed.

Response:

The table shown in witness Arangio's February 14, 2014 testimony at page 3, lines 4-5 is reproduced below with an additional column for mean daily wind speed (in miles per hour).

Rank	Date	Sendout	HDD	Wind Speed
1	01-15-2004	351,459	64	13
2	01-03-2014	338,383	59	16
3	01-07-2014	333,749	55	15
4	01-16-2004	329,396	53	15
5	01-22-2014	328,864	55	15
6	01-09-2004	323,727	60	12
7	01-23-2013	320,826	55	12
8	01-22-2003	320,475	51	15
9	01-14-2004	319,420	59	13
10	01-24-2013	317,807	51	12

Reviewing the data for average daily wind speed for the month of January over the past twenty-year period (1995-2014), the average daily wind speed is 9.16 miles per hour with a standard deviation of 3.90 miles per hour. Over that same time period, the correlation between wind speed and HDD is weakly positive (0.1245).

Division 1-7

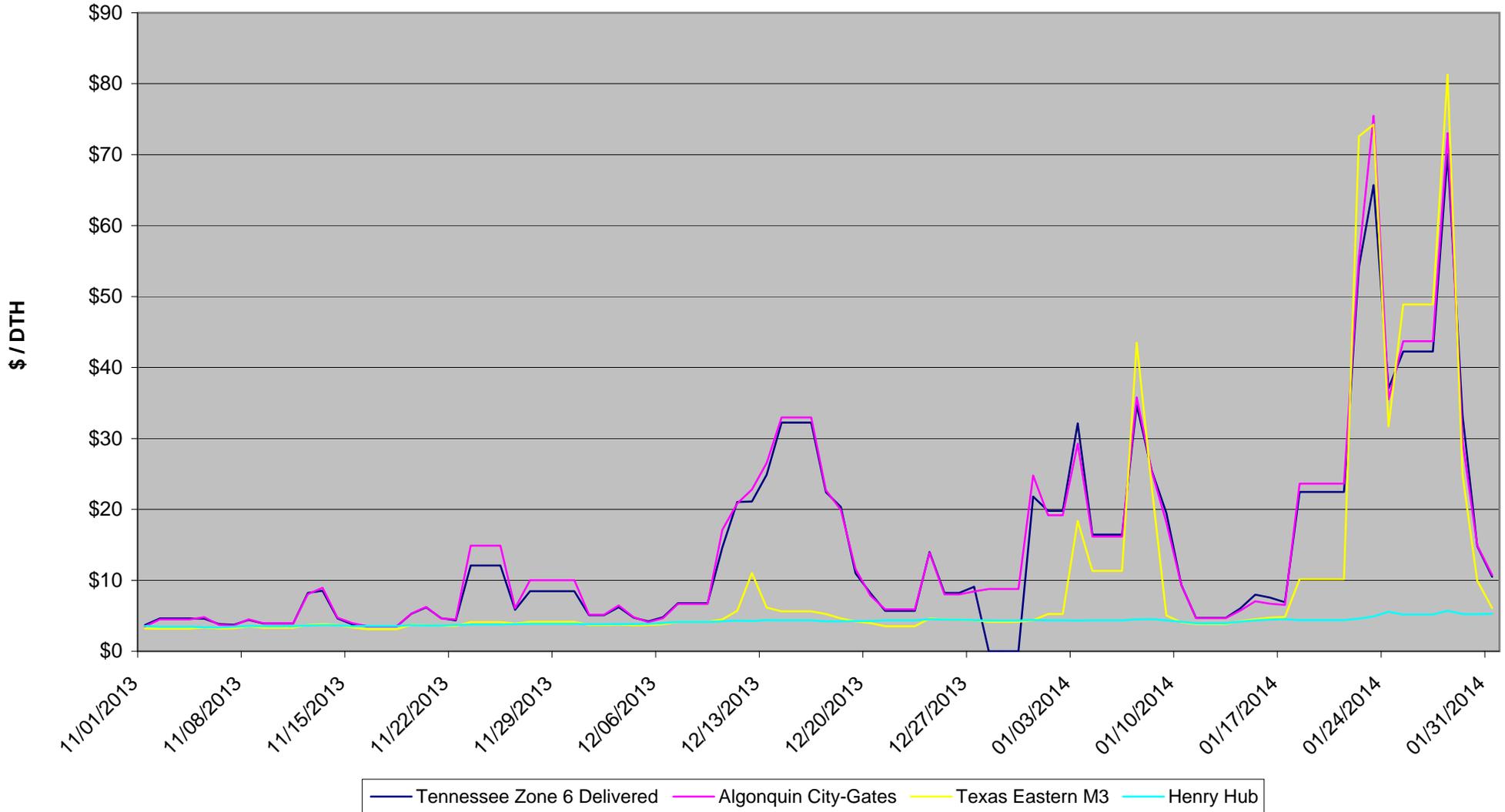
Request:

Re: Witness Arangio's February 14, 2014 testimony at page 4, lines 18-20, please provide the data from which the lines in the Chart in Attachment EDA-3(e) were plotted.

Response:

Please see Attachment DIV 1-7-1 and Attachment DIV 1-7-2 for the data from which the Chart in EDA-3(e) was plotted.

## Platts Gas Daily Pricing November 1, 2013 - January 31, 2014



Note: No Gas Daily Price posted on 12/28/14 - 12/30/14 for Tennessee Zone 6 Delivered

	Tennessee Zone 6 Delivered	Algonquin City-Gates	Texas Eastern M3	Henry Hub
11/01/2013	\$3.710	\$3.485	\$3.200	\$3.565
11/02/2013	\$4.645	\$4.475	\$3.195	\$3.455
11/03/2013	\$4.645	\$4.475	\$3.195	\$3.455
11/04/2013	\$4.645	\$4.475	\$3.195	\$3.455
11/05/2013	\$4.605	\$4.805	\$3.365	\$3.380
11/06/2013	\$3.850	\$3.725	\$3.215	\$3.360
11/07/2013	\$3.730	\$3.625	\$3.255	\$3.460
11/08/2013	\$4.425	\$4.500	\$3.510	\$3.570
11/09/2013	\$3.910	\$3.930	\$3.320	\$3.540
11/10/2013	\$3.910	\$3.930	\$3.320	\$3.540
11/11/2013	\$3.910	\$3.930	\$3.320	\$3.540
11/12/2013	\$8.220	\$8.060	\$3.710	\$3.625
11/13/2013	\$8.550	\$8.940	\$3.840	\$3.695
11/14/2013	\$4.630	\$4.735	\$3.700	\$3.675
11/15/2013	\$3.810	\$3.960	\$3.365	\$3.520
11/16/2013	\$3.540	\$3.520	\$3.110	\$3.560
11/17/2013	\$3.540	\$3.520	\$3.110	\$3.560
11/18/2013	\$3.540	\$3.520	\$3.110	\$3.560
11/19/2013	\$5.275	\$5.310	\$3.715	\$3.705
11/20/2013	\$6.200	\$6.245	\$3.670	\$3.625
11/21/2013	\$4.655	\$4.645	\$3.605	\$3.625
11/22/2013	\$4.340	\$4.480	\$3.565	\$3.680
11/23/2013	\$12.095	\$14.890	\$4.125	\$3.775
11/24/2013	\$12.095	\$14.890	\$4.125	\$3.775
11/25/2013	\$12.095	\$14.890	\$4.125	\$3.775
11/26/2013	\$5.850	\$6.075	\$3.910	\$3.850
11/27/2013	\$8.465	\$10.020	\$4.130	\$3.865
11/28/2013	\$8.465	\$10.020	\$4.130	\$3.865
11/29/2013	\$8.465	\$10.020	\$4.130	\$3.865

Note: No Gas Daily Price posted on 12/28/14 - 12/30/14 for Tennessee Zone 6 Delivered

	Tennessee Zone 6 Delivered	Algonquin City-Gates	Texas Eastern M3	Henry Hub
11/30/2013	\$8.465	\$10.020	\$4.130	\$3.865
12/01/2013	\$5.065	\$5.165	\$3.700	\$3.785
12/02/2013	\$5.065	\$5.165	\$3.700	\$3.785
12/03/2013	\$6.230	\$6.470	\$3.770	\$3.840
12/04/2013	\$4.725	\$4.790	\$3.665	\$3.830
12/05/2013	\$4.225	\$4.105	\$3.690	\$3.870
12/06/2013	\$4.805	\$4.680	\$3.805	\$3.975
12/07/2013	\$6.775	\$6.680	\$4.150	\$4.145
12/08/2013	\$6.775	\$6.680	\$4.150	\$4.145
12/09/2013	\$6.775	\$6.680	\$4.150	\$4.145
12/10/2013	\$14.625	\$17.110	\$4.505	\$4.210
12/11/2013	\$21.025	\$20.840	\$5.690	\$4.320
12/12/2013	\$21.115	\$22.790	\$11.005	\$4.235
12/13/2013	\$24.875	\$26.530	\$6.140	\$4.395
12/14/2013	\$32.220	\$32.965	\$5.625	\$4.355
12/15/2013	\$32.220	\$32.965	\$5.625	\$4.355
12/16/2013	\$32.220	\$32.965	\$5.625	\$4.355
12/17/2013	\$22.425	\$22.710	\$5.250	\$4.220
12/18/2013	\$20.355	\$19.925	\$4.615	\$4.210
12/19/2013	\$10.990	\$11.595	\$4.205	\$4.260
12/20/2013	\$8.200	\$7.835	\$3.975	\$4.260
12/21/2013	\$5.710	\$5.895	\$3.540	\$4.350
12/22/2013	\$5.710	\$5.895	\$3.540	\$4.350
12/23/2013	\$5.710	\$5.895	\$3.540	\$4.350
12/24/2013	\$13.995	\$13.885	\$4.620	\$4.520
12/25/2013	\$8.225	\$8.000	\$4.465	\$4.455
12/26/2013	\$8.225	\$8.000	\$4.465	\$4.455
12/27/2013	\$9.090	\$8.425	\$4.395	\$4.395
12/28/2013	\$0.000	\$8.775	\$4.145	\$4.320
12/29/2013	\$0.000	\$8.775	\$4.145	\$4.320

Note: No Gas Daily Price posted on 12/28/14 - 12/30/14 for Tennessee Zone 6 Delivered

	Tennessee Zone 6 Delivered	Algonquin City-Gates	Texas Eastern M3	Henry Hub
12/30/2013	\$0.000	\$8.775	\$4.145	\$4.320
12/31/2013	\$21.800	\$24.760	\$4.390	\$4.415
01/01/2014	\$19.795	\$19.180	\$5.260	\$4.340
01/02/2014	\$19.795	\$19.180	\$5.260	\$4.340
01/03/2014	\$32.145	\$29.255	\$18.380	\$4.325
01/04/2014	\$16.455	\$16.155	\$11.320	\$4.340
01/05/2014	\$16.455	\$16.155	\$11.320	\$4.340
01/06/2014	\$16.455	\$16.155	\$11.320	\$4.340
01/07/2014	\$34.670	\$35.800	\$43.510	\$4.505
01/08/2014	\$25.510	\$25.445	\$23.240	\$4.540
01/09/2014	\$19.490	\$18.155	\$5.050	\$4.350
01/10/2014	\$9.380	\$9.380	\$4.080	\$4.140
01/11/2014	\$4.700	\$4.655	\$3.845	\$3.955
01/12/2014	\$4.700	\$4.655	\$3.845	\$3.955
01/13/2014	\$4.700	\$4.655	\$3.845	\$3.955
01/14/2014	\$6.030	\$5.740	\$4.260	\$4.195
01/15/2014	\$7.965	\$7.055	\$4.515	\$4.355
01/16/2014	\$7.565	\$6.690	\$4.735	\$4.440
01/17/2014	\$6.925	\$6.515	\$4.835	\$4.535
01/18/2014	\$22.455	\$23.625	\$10.170	\$4.395
01/19/2014	\$22.455	\$23.625	\$10.170	\$4.395
01/20/2014	\$22.455	\$23.625	\$10.170	\$4.395
01/21/2014	\$22.455	\$23.625	\$10.170	\$4.395
01/22/2014	\$54.175	\$55.535	\$72.575	\$4.590
01/23/2014	\$65.700	\$75.480	\$74.250	\$4.910
01/24/2014	\$37.070	\$35.500	\$31.705	\$5.550
01/25/2014	\$42.265	\$43.695	\$48.895	\$5.180
01/26/2014	\$42.265	\$43.695	\$48.895	\$5.180
01/27/2014	\$42.265	\$43.695	\$48.895	\$5.180
01/28/2014	\$70.080	\$73.025	\$81.295	\$5.685

Note: No Gas Daily Price posted on 12/28/14 - 12/30/14 for Tennessee Zone 6 Delivered

	Tennessee Zone 6 Delivered	Algonquin City-Gates	Texas Eastern M3	Henry Hub
01/29/2014	\$33.270	\$29.625	\$24.945	\$5.240
01/30/2014	\$14.820	\$14.930	\$9.945	\$5.205
01/31/2014	\$10.490	\$10.745	\$6.095	\$5.290

Note: No Gas Daily Price posted on 12/28/14 - 12/30/14 for Tennessee Zone 6 Delivered

Division 1-8

Request:

Re: Witness Arangio's February 14, 2014 testimony at page 7, lines 9-14, please explain in greater detail the manner in which the Company's projected under-recovery of gas costs for the November 2013 through January 2014 period was impacted by National Grid's current Customer Choice program, and reasons why the Company believes that a re-examination of its current Customer Choice program is needed.

Response:

At this time, the Company is still working to determine the exact impact of the Customer Choice program on operations this past peak season. One experience, identified to date concerns the issuance of Balancing Operational Flow Orders ("OFOs"). OFOs are issued in order to incentivize marketers to remain within a two percent tolerance when comparing usage against nominations, or else incur fairly substantial cashouts. When either of the upstream pipelines, Algonquin or Tennessee, issues an OFO, the Company implements one also. The Company's Terms and Conditions allow the marketers to deliver to either pipeline, so what typically occurs is that marketers make deliveries to the pipeline side that hasn't issued an OFO, which then leaves the Company to make deliveries to offset these volumes which are most often higher priced. In addition, the Company has had Capacity Exempt customers opt for Default Service. Therefore, the Company must serve these customers even though they do not plan and procure capacity on their own behalf. Given the current situation in New England regarding pipeline constraints, decreased LNG deliveries to the region, and increased demand, it is not practical to assume incremental citygate deliveries will always be available. As the current peak season winds down, the Company will be fully analyzing the impacts of the Customer Choice program and fully engage all stakeholders regarding proposed changes.

The Narragansett Electric Company  
d/b/a National Grid  
R.I.P.U.C. Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Responses to Division's First Set of Data Requests  
Issued on February 17, 2014

---

Division 1-9

Request:

Please provide the Company's actual net NGPMP revenues for the months of November 2013, December 2013, and January 2014. Also, provide actual net NGPMP revenues for the month of February 2014 as soon as that data becomes available.

Response:

Please see the table below for the net NGPMP revenues for the months of November 2013, December 2013, and January 2014. These revenues do not include revenues from Asset Management Agreements ("AMA"). All AMA revenues are passed back to customers.

Please see Attachment DIV-1-9 to this response for the summary pages reflecting the NGPMP results for the months of October 2013, November 2013, December 2013, and January 2014. The summary pages show the total year to date revenue for each month and were used to calculate the net monthly revenue shown in the table below.

The source of these summary pages are the Excel files accompanying this response, named: 4436 DR 1-9 SAM-1 NGPMP (Oct).xls, 4436 DR 1-9 SAM-2 NGPMP (Nov).xls, 4436 DR 1-9 SAM-3 NGPMP (Dec).xls, and 4436 DR 1-9 SAM-4 NGPMP (Jan).xls. The Company is providing the above-referenced files on CD-ROM.

February 2014 revenue will be available in the fourth week of March 2014.

Month	Total NGPMP Revenue	Net Monthly Revenue
October 2013	\$5,920,683	
November 2013	\$6,404,077	\$483,394
December 2013	\$7,024,859	\$620,782
January 2014	\$7,212,331	\$187,472

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of October 31, 2013

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 1 of 8

**1) FLOWING SUPPLY /STORAGE WITHDRAWAL**

Month	Actual Flowing Cost			3rd Party Sales		Customer Costs		Earnings
	VOLUME	\$		VOLUME	\$	VOLUME	\$	
Apr-13	3,037,690	\$ 12,994,996.33		1,048,130	\$ 5,185,905.34	1,989,559	\$ 8,562,810.83	\$ 753,719.84
May-13	1,585,584	\$ 6,830,485.32		661,189	\$ 3,174,517.78	924,395	\$ 4,025,987.30	\$ 370,019.76
Jun-13	1,463,838	\$ 5,860,745.59		777,954	\$ 3,743,361.66	685,886	\$ 2,945,144.37	\$ 827,760.44
Jul-13	2,197,782	\$ 8,074,773.11		1,601,225	\$ 7,706,585.36	596,557	\$ 2,260,163.46	\$ 1,891,975.71
Aug-13	1,136,200	\$ 3,865,617.39		501,039	\$ 2,331,999.70	635,162	\$ 2,291,487.20	\$ 757,869.51
Sep-13	1,363,321	\$ 4,858,120.37		684,715	\$ 2,707,340.86	678,606	\$ 2,522,485.25	\$ 371,705.74
Oct-13	1,591,328	\$ 5,743,615.96		364,346	\$1,536,380.95	1,226,982	\$ 4,677,607.62	\$470,372.61
Nov-13	-	\$ -		-	\$ -	-	\$ -	\$ -
Dec-13	-	\$ -		-	\$ -	-	\$ -	\$ -
Jan-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Feb-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Mar-14	-	\$ -		-	\$ -	-	\$ -	\$ -
<b>Total</b>	<b>12,375,743</b>	<b>\$ 48,228,354.07</b>		<b>5,638,598</b>	<b>\$ 26,386,091.65</b>	<b>6,737,147</b>	<b>\$ 27,285,686.03</b>	<b>\$ 5,443,423.61</b>

**2a) STORAGE INJECTION**

Month	Actual Storage Costs			Customer Inventory Costs	
	VOLUME	\$		VOLUME	\$
Apr-13	176,937	\$ 763,819.77		325,290	\$ 1,484,409.08
May-13	665,134	\$ 2,859,320.74		333,994	\$ 1,606,272.41
Jun-13	89,026	\$ 381,673.16		335,250	\$ 1,480,319.54
Jul-13	106,826	\$ 392,691.96		327,298	\$ 387,364.45
Aug-13	303,310	\$ 1,007,251.16		323,888	\$ 1,186,149.42
Sep-13	273,527	\$ 943,377.96		333,120	\$ 1,254,138.04
Oct-13	205,347	\$ 707,902.11		322,338	\$ 1,196,645.97
Nov-13	-	\$ -		-	\$ -
Dec-13	-	\$ -		-	\$ -
Jan-14	-	\$ -		-	\$ -
Feb-14	-	\$ -		-	\$ -
Mar-14	-	\$ -		-	\$ -
<b>Total</b>	<b>1,820,107</b>	<b>\$ 7,056,036.86</b>		<b>2,301,178</b>	<b>\$ 8,595,298.91</b>

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of October 31, 2013

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 2 of 8

**2b) REALIZED HEDGING**

Month	Hedging Gain/(Loss)*
Apr-13	\$ (93,569.08)
May-13	\$ (3,187.23)
Jun-13	\$ (158,678.75)
Jul-13	\$ (14,928.08)
Aug-13	\$ 258,640.18
Sep-13	\$ (131,309.60)
Oct-13	\$ 15,382.00
Nov-13	\$ -
Dec-13	\$ -
Jan-14	\$ -
Feb-14	\$ -
Mar-14	\$ -
<b>Total</b>	<b>\$ (127,650.56)</b>

\* Realized hedging gains and losses are included monthly in 3rd party sales dollars

**2c) UNREALIZED ACTIVITY**

Storage position long/(short) (dt)	48,278		
Contract Year 2012-2013 Value Booked to Earnings ( MTM at 3/30/2013 )		\$	422,752.00
MTM as of October 31st, 2013		\$	(19,899.00)
Physical Storage Value as of October 31st, 2013		\$	(68,375.56)
Forward Storage Value (purchase)/sale		\$	173,855.91
Carry Cost Estimate and Cost of Collateral -March 2014		\$	(31,074.36)

**TOTAL UNREALIZED VALUE**

**\$ 477,258.99**

**TOTAL REALIZED AND UNREALIZED VALUE**

**\$ 5,920,682.60**

**MARGIN SHARING**

Customer Guarantee	\$ 1,000,000.00
Customer Excess Earnings (excludes AMA revenue)	\$ 3,936,546.08
Customer Excess Earnings plus guarantee (excludes AMA revenue)	\$ 4,936,546.08
National Grid Incentive (excludes AMA revenue)	\$ 984,136.52
Total AMA's Year to Date	\$ 153,125.00
Total Customer Earnings with AMA revenue	\$ 5,089,671.08

**Backup Reference Documentation**

Category Title	Document Title	Description
Actual Flowing costs	Flowing transaction detail	Actual transactions purchased and allocated to meet customer load and 3rd party sales
3rd Party Sales	Flowing transaction detail	Actual transaction volume and revenue to meet 3rd party sales
Customer Costs	Customer cost summary	Narragansett firm sales customer's cost of gas calculated from least cost dispatch model
Actual Storage costs	Storage inj transaction detail	Actual transactions purchased and allocated to be injected into storage
Customer Inventory Costs	Storage summary	Narragansett firm sales customer's inventory costs calculated from least cost dispatch model
Hedging	Swap Settlement Report	Financial settlements associated with optimization activity
MTM as of October 31st, 2013	RI Optimization NEC Swaps	Mark to Market value of the storage hedge positions as of October 31st, 2013

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of November 30, 2013

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 3 of 8

**1) FLOWING SUPPLY /STORAGE WITHDRAWAL**

Month	Actual Flowing Cost			3rd Party Sales		Customer Costs		Earnings
	VOLUME	\$		VOLUME	\$	VOLUME	\$	
Apr-13	3,037,690	\$ 12,994,996.33		1,048,130	\$ 5,185,905.34	1,989,559	\$ 8,562,810.83	\$ 753,719.84
May-13	1,585,584	\$ 6,830,485.32		661,189	\$ 3,174,517.78	924,395	\$ 4,025,987.30	\$ 370,019.76
Jun-13	1,463,838	\$ 5,860,745.59		777,954	\$ 3,743,361.66	685,886	\$ 2,945,144.37	\$ 827,760.44
Jul-13	2,197,782	\$ 8,074,773.11		1,601,225	\$ 7,706,585.36	596,557	\$ 2,260,163.46	\$ 1,891,975.71
Aug-13	1,136,200	\$ 3,865,617.39		501,039	\$ 2,331,999.70	635,162	\$ 2,291,487.20	\$ 757,869.51
Sep-13	1,363,321	\$ 4,858,120.37		684,715	\$ 2,707,340.86	678,606	\$ 2,522,485.25	\$ 371,705.74
Oct-13	1,591,328	\$ 5,743,615.96		364,346	\$ 1,536,380.95	1,226,982	\$ 4,677,607.62	\$ 470,372.61
Nov-13	3,352,956	\$ 12,598,311.15		457,354	\$ 2,042,917.74	2,895,602	\$ 11,076,546.15	\$ 521,152.74
Dec-13	-	\$ -		-	\$ -	-	\$ -	\$ -
Jan-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Feb-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Mar-14	-	\$ -		-	\$ -	-	\$ -	\$ -
<b>Total</b>	<b>15,728,699</b>	<b>\$ 60,826,665.22</b>		<b>6,095,952</b>	<b>\$ 28,429,009.39</b>	<b>9,632,749</b>	<b>\$ 38,362,232.18</b>	<b>\$ 5,964,576.35</b>

**2a) STORAGE INJECTION**

Month	Actual Storage Costs			Customer Inventory Costs	
	VOLUME	\$		VOLUME	\$
Apr-13	176,937	\$ 763,819.77		325,290	\$ 1,484,409.08
May-13	665,134	\$ 2,859,320.74		333,994	\$ 1,606,272.41
Jun-13	89,026	\$ 381,673.16		335,250	\$ 1,480,319.54
Jul-13	106,826	\$ 392,691.96		327,298	\$ 387,364.45
Aug-13	303,310	\$ 1,007,251.16		323,888	\$ 1,186,149.42
Sep-13	273,527	\$ 943,377.96		333,120	\$ 1,254,138.04
Oct-13	205,347	\$ 707,902.11		322,338	\$ 1,196,645.97
Nov-13	134,057	\$ 457,100.93		77,111	\$ 266,535.36
Dec-13	-	\$ -		-	\$ -
Jan-14	-	\$ -		-	\$ -
Feb-14	-	\$ -		-	\$ -
Mar-14	-	\$ -		-	\$ -
<b>Total</b>	<b>1,954,164</b>	<b>\$ 7,513,137.79</b>		<b>2,378,289</b>	<b>\$ 8,861,834.27</b>

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of November 30, 2013

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 4 of 8

**2b) REALIZED HEDGING**

Month	Hedging Gain/(Loss)*
Apr-13	\$ (93,569.08)
May-13	\$ (3,187.23)
Jun-13	\$ (158,678.75)
Jul-13	\$ (14,928.08)
Aug-13	\$ 258,640.18
Sep-13	\$ (131,309.60)
Oct-13	\$ -
Nov-13	\$ (1,660.91)
Dec-13	\$ -
Jan-14	\$ -
Feb-14	\$ -
Mar-14	\$ -
<b>Total</b>	<b>\$ (144,693.47)</b>

\* Realized hedging gains and losses are included monthly in 3rd party sales dollars

**2c) UNREALIZED ACTIVITY**

Storage position long/(short) (dt)	136,115		
Contract Year 2012-2013 Value Booked to Earnings ( MTM at 3/30/2013 )		\$	422,752.00
MTM as of November 30th, 2013		\$	7,597.27
Physical Storage Value as of November 30th, 2013		\$	(411,589.79)
Forward Storage Value (purchase)/sale		\$	476,685.60
Carry Cost Estimate and Cost of Collateral -March 2014		\$	(55,944.19)

**TOTAL UNREALIZED VALUE**

**\$ 439,500.89**

**TOTAL REALIZED AND UNREALIZED VALUE**

**\$ 6,404,077.24**

**MARGIN SHARING**

Customer Guarantee	\$ 1,000,000.00
Customer Excess Earnings (excludes AMA revenue)	\$ 4,323,261.79
Customer Excess Earnings plus guarantee (excludes AMA revenue)	\$ 5,323,261.79
National Grid Incentive (excludes AMA revenue)	\$ 1,080,815.45
Total AMA's Year to Date	\$ 153,125.00
Total Customer Earnings with AMA revenue	\$ 5,476,386.79

**Backup Reference Documentation**

Category Title	Document Title	Description
Actual Flowing costs	Flowing transaction detail	Actual transactions purchased and allocated to meet customer load and 3rd party sales
3rd Party Sales	Flowing transaction detail	Actual transaction volume and revenue to meet 3rd party sales
Customer Costs	Customer cost summary	Narragansett firm sales customer's cost of gas calculated from least cost dispatch model
Actual Storage costs	Storage inj transaction detail	Actual transactions purchased and allocated to be injected into storage
Customer Inventory Costs	Storage summary	Narragansett firm sales customer's inventory costs calculated from least cost dispatch model
Hedging	Swap Settlement Report	Financial settlements associated with optimization activity
MTM as of November 30th, 2013	RI Optimization NEC Swaps	Mark to Market value of the storage hedge positions as of November 30th, 2013

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of December 31, 2013

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 5 of 8

**1) FLOWING SUPPLY /STORAGE WITHDRAWAL**

Month	Actual Flowing Cost			3rd Party Sales		Customer Costs		Earnings
	VOLUME	\$		VOLUME	\$	VOLUME	\$	
Apr-13	3,037,690	\$ 12,994,996.33		1,048,130	\$ 5,185,905.34	1,989,559	\$ 8,562,810.83	\$ 753,719.84
May-13	1,585,584	\$ 6,830,485.32		661,189	\$ 3,174,517.78	924,395	\$ 4,025,987.30	\$ 370,019.76
Jun-13	1,463,838	\$ 5,860,745.59		777,954	\$ 3,743,361.66	685,886	\$ 2,945,144.37	\$ 827,760.44
Jul-13	2,197,782	\$ 8,074,773.11		1,601,225	\$ 7,706,585.36	596,557	\$ 2,260,163.46	\$ 1,891,975.71
Aug-13	1,136,200	\$ 3,865,617.39		501,039	\$ 2,331,999.70	635,162	\$ 2,291,487.20	\$ 757,869.51
Sep-13	1,363,321	\$ 4,858,120.37		684,715	\$ 2,707,340.86	678,606	\$ 2,522,485.25	\$ 371,705.74
Oct-13	1,591,328	\$ 5,743,615.96		364,346	\$ 1,536,380.95	1,226,982	\$ 4,677,607.62	\$ 470,372.61
Nov-13	3,352,956	\$ 12,598,311.15		457,354	\$ 2,042,917.74	2,895,602	\$ 11,076,546.15	\$ 521,152.74
Dec-13	4,839,174	\$ 25,596,095.34		465,106	\$ 2,337,805.07	4,374,068	\$ 23,324,411.34	\$ 66,121.07
Jan-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Feb-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Mar-14	-	\$ -		-	\$ -	-	\$ -	\$ -
<b>Total</b>	<b>20,567,873</b>	<b>\$ 86,422,760.56</b>		<b>6,561,058</b>	<b>\$ 30,766,814.46</b>	<b>14,006,817</b>	<b>\$ 61,686,643.52</b>	<b>\$ 6,030,697.42</b>

**2a) STORAGE INJECTION**

Month	Actual Storage Costs			Customer Inventory Costs	
	VOLUME	\$		VOLUME	\$
Apr-13	176,937	\$ 763,819.77		325,290	\$ 1,484,409.08
May-13	665,134	\$ 2,859,320.74		333,994	\$ 1,606,272.41
Jun-13	89,026	\$ 381,673.16		335,250	\$ 1,480,319.54
Jul-13	106,826	\$ 392,691.96		327,298	\$ 387,364.45
Aug-13	303,310	\$ 1,007,251.16		323,888	\$ 1,186,149.42
Sep-13	273,527	\$ 943,377.96		333,120	\$ 1,254,138.04
Oct-13	205,347	\$ 707,902.11		322,338	\$ 1,196,645.97
Nov-13	134,057	\$ 457,100.93		77,111	\$ 266,535.36
Dec-13	251,012	\$ 916,084.82		51,956	\$ 874,159.29
Jan-14	-	\$ -		-	\$ -
Feb-14	-	\$ -		-	\$ -
Mar-14	-	\$ -		-	\$ -
<b>Total</b>	<b>2,205,176</b>	<b>\$ 8,429,222.61</b>		<b>2,430,245</b>	<b>\$ 9,735,993.56</b>

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of December 31, 2013

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 6 of 8

**2b) REALIZED HEDGING**

Month	Hedging Gain/(Loss)*
Apr-13	\$ (93,569.08)
May-13	\$ (3,187.23)
Jun-13	\$ (158,678.75)
Jul-13	\$ (14,928.08)
Aug-13	\$ 258,640.18
Sep-13	\$ (131,309.60)
Oct-13	\$ -
Nov-13	\$ (1,660.91)
Dec-13	\$ -
Jan-14	\$ -
Feb-14	\$ -
Mar-14	\$ -
<b>Total</b>	<b>\$ (144,693.47)</b>

\* Realized hedging gains and losses are included monthly in 3rd party sales dollars

**2c) UNREALIZED ACTIVITY**

Storage position long/(short) (dt)	143,667		
Contract Year 2012-2013 Value Booked to Earnings ( MTM at 3/30/2013 )		\$	422,752.00
MTM as of December 31st, 2013		\$	(33,562.04)
Physical Storage Value as of December 31st, 2013		\$	(277,383.06)
Forward Storage Value (purchase)/sale		\$	890,031.39
Carry Cost Estimate and Cost of Collateral -March 2014		\$	(7,676.24)

**TOTAL UNREALIZED VALUE**

**\$ 994,162.04**

**TOTAL REALIZED AND UNREALIZED VALUE**

**\$ 7,024,859.46**

**MARGIN SHARING**

Customer Guarantee	\$ 1,000,000.00
Customer Excess Earnings (excludes AMA revenue)	\$ 4,819,887.57
Customer Excess Earnings plus guarantee (excludes AMA revenue)	\$ 5,819,887.57
National Grid Incentive (excludes AMA revenue)	\$ 1,204,971.89
Total AMA's Year to Date	\$ 153,125.00
Total Customer Earnings with AMA revenue	\$ 5,973,012.57

**Backup Reference Documentation**

Category Title	Document Title	Description
Actual Flowing costs	Flowing transaction detail	Actual transactions purchased and allocated to meet customer load and 3rd party sales
3rd Party Sales	Flowing transaction detail	Actual transaction volume and revenue to meet 3rd party sales
Customer Costs	Customer cost summary	Narragansett firm sales customer's cost of gas calculated from least cost dispatch model
Actual Storage costs	Storage inj transaction detail	Actual transactions purchased and allocated to be injected into storage
Customer Inventory Costs	Storage summary	Narragansett firm sales customer's inventory costs calculated from least cost dispatch model
Hedging	Swap Settlement Report	Financial settlements associated with optimization activity
MTM as of December 31st, 2013	RI Optimization NEC Swaps	Mark to Market value of the storage hedge positions as of December 31st, 2013

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of January 31, 2014

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 7 of 8

**1) FLOWING SUPPLY /STORAGE WITHDRAWAL**

Month	Actual Flowing Cost			3rd Party Sales		Customer Costs		Earnings
	VOLUME	\$		VOLUME	\$	VOLUME	\$	
Apr-13	3,037,690	\$ 12,994,996.33		1,048,130	\$ 5,185,905.34	1,989,559	\$ 8,562,810.83	\$ 753,719.84
May-13	1,585,584	\$ 6,830,485.32		661,189	\$ 3,174,517.78	924,395	\$ 4,025,987.30	\$ 370,019.76
Jun-13	1,463,838	\$ 5,860,745.59		777,954	\$ 3,743,361.66	685,886	\$ 2,945,144.37	\$ 827,760.44
Jul-13	2,197,782	\$ 8,074,773.11		1,601,225	\$ 7,706,585.36	596,557	\$ 2,260,163.46	\$ 1,891,975.71
Aug-13	1,136,200	\$ 3,865,617.39		501,039	\$ 2,331,999.70	635,162	\$ 2,291,487.20	\$ 757,869.51
Sep-13	1,363,321	\$ 4,858,120.37		684,715	\$ 2,707,340.86	678,606	\$ 2,522,485.25	\$ 371,705.74
Oct-13	1,591,328	\$ 5,743,615.96		364,346	\$ 1,536,380.95	1,226,982	\$ 4,677,607.62	\$ 470,372.61
Nov-13	3,352,956	\$ 12,598,311.15		457,354	\$ 2,042,917.74	2,895,602	\$ 11,076,546.15	\$ 521,152.74
Dec-13	4,839,174	\$ 25,596,095.34		465,106	\$ 2,337,805.07	4,374,068	\$ 23,324,411.34	\$ 66,121.07
Jan-14	5,062,298	\$ 39,076,389.99		179,726	\$ 950,470.76	4,882,572	\$ 38,431,520.89	\$ 305,601.66
Feb-14	-	\$ -		-	\$ -	-	\$ -	\$ -
Mar-14	-	\$ -		-	\$ -	-	\$ -	\$ -
<b>Total</b>	<b>25,630,171</b>	<b>\$ 125,499,150.55</b>		<b>6,740,784</b>	<b>\$ 31,717,285.22</b>	<b>18,889,389</b>	<b>\$ 100,118,164.41</b>	<b>\$ 6,336,299.08</b>

**2a) STORAGE INJECTION**

Month	Actual Storage Costs			Customer Inventory Costs	
	VOLUME	\$		VOLUME	\$
Apr-13	176,937	\$ 763,819.77		325,290	\$ 1,484,409.08
May-13	665,134	\$ 2,859,320.74		333,994	\$ 1,606,272.41
Jun-13	89,026	\$ 381,673.16		335,250	\$ 1,480,319.54
Jul-13	106,826	\$ 392,691.96		327,298	\$ 387,364.45
Aug-13	303,310	\$ 1,007,251.16		323,888	\$ 1,186,149.42
Sep-13	273,527	\$ 943,377.96		333,120	\$ 1,254,138.04
Oct-13	205,347	\$ 707,902.11		322,338	\$ 1,196,645.97
Nov-13	134,057	\$ 457,100.93		77,111	\$ 266,535.36
Dec-13	251,012	\$ 916,084.82		51,956	\$ 874,159.29
Jan-14	95,603	\$ 856,380.73		49,797	\$ 207,829.43
Feb-14	-	\$ -		-	\$ -
Mar-14	-	\$ -		-	\$ -
<b>Total</b>	<b>2,300,779</b>	<b>\$ 9,285,603.34</b>		<b>2,480,042</b>	<b>\$ 9,943,822.99</b>

**Narragansett Monthly Summary**  
**National Grid Natural Gas Portfolio Management Plan**  
As of January 31, 2014

The Narragansett Electric Company  
d/b/a National Grid  
RIPUC Docket No. 4436  
2014 Revised Gas Cost Recovery Filing  
Attachment Div-1-9  
Page 8 of 8

**2b) REALIZED HEDGING**

Month	Hedging Gain/(Loss)*
Apr-13	\$ (93,569.08)
May-13	\$ (3,187.23)
Jun-13	\$ (158,678.75)
Jul-13	\$ (14,928.08)
Aug-13	\$ 258,640.18
Sep-13	\$ (131,309.60)
Oct-13	\$ -
Nov-13	\$ (1,660.91)
Dec-13	\$ -
Jan-14	\$ -
Feb-14	\$ -
Mar-14	\$ -
<b>Total</b>	<b>\$ (144,693.47)</b>

\* Realized hedging gains and losses are included monthly in 3rd party sales dollars

**2c) UNREALIZED ACTIVITY**

Storage position long/(short) (dt)	133,390		
Contract Year 2012-2013 Value Booked to Earnings ( MTM at 3/30/2013 )		\$	422,752.00
MTM as of January 31st, 2014		\$	(75,528.96)
Physical Storage Value as of January 31st, 2014		\$	(590,600.66)
Forward Storage Value (purchase)/sale		\$	1,130,629.29
Carry Cost Estimate and Cost of Collateral -March 2014		\$	(11,219.31)

**TOTAL UNREALIZED VALUE**

**\$ 876,032.36**

**TOTAL REALIZED AND UNREALIZED VALUE**

**\$ 7,212,331.44**

**MARGIN SHARING**

Customer Guarantee	\$ 1,000,000.00
Customer Excess Earnings (excludes AMA revenue)	\$ 4,969,865.15
Customer Excess Earnings plus guarantee (excludes AMA revenue)	\$ 5,969,865.15
National Grid Incentive (excludes AMA revenue)	\$ 1,242,466.29
Total AMA's Year to Date	<b>\$ 200,225.00</b>
Total Customer Earnings with AMA revenue	\$ 6,170,090.15

**Backup Reference Documentation**

Category Title	Document Title	Description
Actual Flowing costs	Flowing transaction detail	Actual transactions purchased and allocated to meet customer load and 3rd party sales
3rd Party Sales	Flowing transaction detail	Actual transaction volume and revenue to meet 3rd party sales
Customer Costs	Customer cost summary	Narragansett firm sales customer's cost of gas calculated from least cost dispatch model
Actual Storage costs	Storage inj transaction detail	Actual transactions purchased and allocated to be injected into storage
Customer Inventory Costs	Storage summary	Narragansett firm sales customer's inventory costs calculated from least cost dispatch model
Hedging	Swap Settlement Report	Financial settlements associated with optimization activity
MTM as of January 31st, 2014	RI Optimization NEC Swaps	Mark to Market value of the storage hedge positions as of January 31st, 2014