

October 16, 2014

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4514 - 2014 Distribution Adjustment Charge (DAC)
Responses to Division Data Requests – Set 4**

Dear Ms. Massaro:

On behalf of National Grid,¹ I am enclosing ten (10) copies of the Company's responses to the fourth set of data requests issued by the Rhode Island Division of Public Utilities and Carriers in the above-referenced docket.

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

Very truly yours,



Jennifer Brooks Hutchinson

Enclosure

cc: Docket 4514 Service List
Leo Wold, Esq.
Steve Scialabba
Bruce Oliver

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

Division 4-1

Request:

Re: Schedule YC-6 which accompanies the Direct and Supplemental Direct Testimonies of National Grid witness Chen. Please provide an updated version of Schedule YC-6 which incorporates:

- a. The charges billed for each instance of non-compliance with a curtailment request by Non-Firm gas service customers that was identified in the Company's response to Division Data Request 3-2 but for which no curtailment adjustment or charges for unauthorized gas use are shown in Schedule YC-6 as filed.
- b. All billing adjustments for non-firm gas service customers relating to service provided in the months of April 2013 through March 2014 that were billed or re-billed subsequent to March 31, 2014. The response to this request should include, but is should not be limited to, the billing adjustments noted in the Company's response to Division Data Request 1-21b.

Response:

- a. Please see Attachment DIV 4-1-a for the unauthorized gas charges for the period January 2014 through March 2014 which were not included in the detail information found on pages 4-7 of Schedule YC-6. As shown in Attachment DIV 4-1-a, the amount of unauthorized gas usage charges which were billed (or are in the process of being rebilled) after March 2014 totaled \$59,026. Although this amount has not been included in Schedule YC-6, this adjustment will not impact the proposed On-System Margin amount of \$135,371 found in Schedule YC-6, page 1, since the On-System Margin includes only margin and does not include any associated gas costs or unauthorized gas usage charges.
- b. Due to the amount of administrative effort involved in responding to this request, the Company has not yet completed its review of all the bills for non-firm customers for the months after March 2014 (i.e., April 2014 through October 2014) to identify any billing adjustments which may relate to the period April 2013 through March 2014. However, to evaluate the reasonableness of the level of non-firm margin subsequent to March 2014, the Company compared the preliminary non-firm margin for the period April 2014 through August 2014 to the same period in 2013 as filed in Schedule YC-6, and believes that the 2014 non-firm margin during the 2014 period is reasonable, as the difference between the two periods is less than \$6,000. Therefore, since the On-System Margin for

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these two periods is consistent, the Company does not anticipate that large billing adjustments have occurred during these months relating to the April 2013 through March 2014 period. In addition, any such billing adjustments will be reflected in next year's DAC filing due to the timing of when billing information appears in the Company's filing.

**Curtailment Period: December 31, 2013 - January 5, 2014;
 January 6, 2014 - January 10, 2014;
 January 21, 2014 - January 30, 2014**

Assigned Customer #	Curtailment Date	Curtailment Use (ccf)	Curtailment Use (therm)	Curtailment Use Billed ¹ (therm)	Pipeline	Daily Index (per Dth)	Penalty Multiplier	Curtailment Rate (per therm)	Curtailment Amount	Note
(a)	(b)	(c1)	(c2) = (c1) x 1.034	(c) = (c2) x 1.0378	(d)	(e)	(f)	(g) = (e) x (f) / 10	(h) = (c) x (g)	(i)
16	12/31/2013	16	17	17	AGT	\$24.76	5	\$12.38	\$212.56	
16	1/1/2014	13	13	14	AGT	\$19.18	5	\$9.59	\$133.78	
16	1/2/2014	56	58	60	AGT	\$19.18	5	\$9.59	\$576.29	
16	1/3/2014	86	89	92	AGT	\$29.26	5	\$14.63	\$1,350.13	
16	1/4/2014	27	28	29	AGT	\$16.16	5	\$8.08	\$234.10	
16	1/6/2014	17	18	18	AGT	\$16.16	5	\$8.08	\$147.40	
16	1/7/2014	82	85	88	AGT	\$35.80	5	\$17.90	\$1,575.07	
16	1/8/2014	7	7	8	AGT	\$25.45	5	\$12.72	\$95.55	
16	1/21/2014	34	35	36	AGT	\$23.63	5	\$11.81	\$430.89	
16	1/22/2014	68	70	73	AGT	\$55.54	5	\$27.77	\$2,026.37	
16	1/23/2014	72	74	77	AGT	\$75.48	5	\$37.74	\$2,915.87	
16	1/24/2014	55	57	59	AGT	\$35.50	5	\$17.75	\$1,047.60	
16	1/25/2014	7	7	8	AGT	\$43.70	5	\$21.85	\$164.13	
16	1/26/2014	10	10	11	AGT	\$43.70	5	\$21.85	\$234.47	
16	1/27/2014	10	10	11	AGT	\$43.70	5	\$21.85	\$234.47	
16	1/28/2014	24	25	26	AGT	\$73.03	5	\$36.51	\$940.28	
16	1/29/2014	27	28	29	AGT	\$29.63	5	\$14.81	\$429.09	
			632	656					\$12,748.06	

**Curtailment Period: December 31, 2013 - January 5, 2014;
January 6, 2014 - January 10, 2014;
January 21, 2014 - January 30, 2014**

Assigned Customer #	Curtailment Date	Curtailment Use (ccf)	Curtailment Use (therm)	Curtailment Use Billed ¹ (therm)	Pipeline	Daily Index (per Dth)	Penalty Multiplier	Curtailment Rate (per therm)	Curtailment Amount	Note
(a)	(b)	(c1)	(c2) = (c1) x 1.034	(c) = (c2) x 1.0378	(d)	(e)	(f)	(g) = (e) x (f) / 10	(h) = (c) x (g)	(i)
17	12/31/2014	66	68	71	AGT	\$24.76	5	\$12.38	\$876.80	
17	1/1/2014	59	61	63	AGT	\$19.18	5	\$9.59	\$607.16	
17	1/2/2014	69	71	74	AGT	\$19.18	5	\$9.59	\$710.07	
17	1/3/2014	72	74	77	AGT	\$29.26	5	\$14.63	\$1,130.35	
17	1/4/2014	66	68	71	AGT	\$16.16	5	\$8.08	\$572.25	
			343	356					\$3,896.63	
17	1/6/2014	89	92	96	AGT	\$16.16	5	\$8.08	\$771.68	To be billed
17	1/7/2014	85	88	91	AGT	\$35.80	5	\$17.90	\$1,632.70	To be billed
17	1/8/2014	81	84	87	AGT	\$25.45	5	\$12.72	\$1,105.62	To be billed
17	1/9/2014	68	70	73	AGT	\$18.16	5	\$9.08	\$662.57	To be billed
			334	347					\$4,172.56	
17	1/21/2014	75	78	80	AGT	\$23.63	5	\$11.81	\$950.49	To be billed
17	1/22/2014	65	67	70	AGT	\$55.54	5	\$27.77	\$1,936.97	To be billed
17	1/23/2014	72	74	77	AGT	\$75.48	5	\$37.74	\$2,915.87	To be billed
17	1/24/2014	73	75	78	AGT	\$35.50	5	\$17.75	\$1,390.45	To be billed
17	1/25/2014	79	82	85	AGT	\$43.70	5	\$21.85	\$1,852.31	To be billed
17	1/26/2014	62	64	67	AGT	\$43.70	5	\$21.85	\$1,453.71	To be billed
17	1/27/2014	90	93	97	AGT	\$43.70	5	\$21.85	\$2,110.22	To be billed
17	1/28/2014	76	79	82	AGT	\$73.03	5	\$36.51	\$2,977.55	To be billed
17	1/29/2014	80	83	86	AGT	\$29.63	5	\$14.81	\$1,271.39	To be billed
			695	721					\$16,858.96	
20	1/6/2014	553	572	593	AGT	\$16.46	5	\$8.23	\$4,883.81	
Total			2,576	2,673					\$42,560.03	

¹ With Line Loss factor of 3.78%.

**Curtailement Period: February 6, 2014 - February 12, 2014;
February 25, 2014 - March 6, 2014**

Assigned Customer #	Curtailement Date	Curtailement Use (ccf)	Curtailement Use (therm)	Curtailement Use Billed ¹ (therm)	Pipeline	Daily Index (per Dth)	renaulty Multiplier	Curtailement Rate (per therm)	Curtailement Amount	Note
(a)	(b)	(c1)	(c2) = (c1) x 1.034	(c) = (c2) x 1.0378	(d)	(e)	(f)	(g) = (e) x (f) / 10	(h) = (c) x (g)	(i)
16	2/6/2014	10	10	11	AGT	\$25.97	5	\$12.98	\$139.29	
16	2/7/2014	7	7	8	AGT	\$23.83	5	\$11.91	\$89.46	
16	2/8/2014	6	6	6	AGT	\$23.02	5	\$11.51	\$74.11	
16	2/9/2014	11	11	12	AGT	\$23.02	5	\$11.51	\$135.86	
16	2/10/2014	27	28	29	AGT	\$23.02	5	\$11.51	\$333.48	
16	2/11/2014	44	45	47	AGT	\$27.76	5	\$13.88	\$655.35	
16	2/12/2014	7	7	8	AGT	\$23.22	5	\$11.61	\$87.21	
16	2/26/2014	17	18	18	AGT	\$28.28	5	\$14.14	\$257.95	
16	2/27/2014	33	34	35	AGT	\$29.66	5	\$14.83	\$525.16	
16	2/28/2014	27	28	29	AGT	\$30.85	5	\$15.42	\$446.77	
16	3/1/2014	3	3	3	AGT	\$31.98	5	\$15.99	\$51.48	
16	3/3/2014	30	31	32	AGT	\$31.98	5	\$15.99	\$514.76	
16	3/5/2014	7	7	8	AGT	\$28.71	5	\$14.36	\$107.87	
			237	246					\$3,418.74	
14	2/25/2014	706	730	758	AGT	\$30.08	5	\$15.04	\$11,394.28	To be billed
Total			967	1,003					\$14,813.02	

¹ With Line Loss factor of 3.78%.

**Curtailment Period: March 13, 2014 - March 14, 2014;
March 17, 2014 - March 18, 2014**

Assigned Customer #	Curtailment Date	Curtailment Use (ccf)	Curtailment Use (therm)	Curtailment Use (therm)	Pipeline	Daily Index (per Dth)	Penalty Multiplier ^r	Curtailment Rate (per therm)	Curtailment Amount	Note
(a)	(b)	(c1)	(c2) = (c1) x 1.034	(c) = (c2) x 1.0378	(d)	(e)	(f)	(g) = (e) x (f) / 10	(h) = (c) x (g)	(i)
67	3/13/2014	70	72	75	TGP	\$24.28	5	\$12.14	\$911.91	
67	3/17/2014	70	72	75	TGP	\$19.75	5	\$9.87	\$741.39	
Total			145	150					\$1,653.30	

^r With Line Loss factor of 3.78%.

Division 4-2

Request:

Re: the Company's tariff at Section 6, Schedule C, Sheet 10, Transportation Terms and Conditions, paragraph 1.05.0, Unauthorized Use. Please:

- a. Document all unauthorized gas use billed to Marketers' accounts under the provisions of this section of the Company's tariff during National Grid's fiscal year ended March 31, 2014; and
- b. For each instance of Unauthorized Use billed under the provisions of Transportation Terms and Conditions, paragraph 1.05.0 during the Company's Fiscal Year ended March 31, 2014, provide the workpapers, data, and calculations relied upon to:
 - i. Determine the terms of unauthorized gas use to be billed to each marketer in each month in which unauthorized gas use was identified;
 - ii. Determine the applicable "Daily Index" and overrun penalty for each marketer in each affected month.
- c. Provide a detailed explanation of which revenues derived from each instance of unauthorized gas use billed to marketers were reflected on the Company's books and records showing specifically the dollar amounts recognized as:
 - i. On-system margin credits;
 - ii. Gas costs;
 - iii. Below-the-line contributions to National Grid's earnings;
 - iv. Other (please identify).

Response:

- a-c. The Company did not charge any unauthorized gas use to Marketers during the fiscal year ended March 31, 2014.

Division 4-3

Request:

Re: Schedules SLN-5 and SLN-6 accompanying the testimony of National Grid witness Nutile, please:

- a. Identify the number of Low Income Residential Non-Heating (Rate 11) customers that National Grid ¹intends to transfer to:
 - i. Residential Heating Service (Rate 12)
 - ii. Low Income Residential Heating Service (Rate 13).
- b. Explain whether any of the customers the Company intends to transfers to Residential Heating service will be re-billed at Residential Heating service rates for past periods and when such re-billings will be sent to affected customers. If no re-billing of past service is planned by the Company, please explain why re-billing of customers presently misclassified as Residential Non-Heating customers is not appropriate. If some, but not all, transferred customers will be re-billed for past periods, indicate the criteria the Company intends to use to identify the customers for whom re-billing is appropriate.

Response:

- a. i., ii.

Below is a table that identifies the customers the Company intends to transfer to Residential Heating Service (Rate 12) and Low Income Residential Heating Service (Rate 13). Customers currently on Low Income Residential Non-Heating (Rate 11) rate will be transferred to the Low Income Residential Heating rate class and customers currently on Residential Non-Heating (Rate 10) will be transferred to the Residential Heating rate class.

¹ The Residential Non-Heating customers the Company has identified for transfer after they converted their heating systems to natural gas.

² Represents Residential Non-Heating customers with annual consumption over 1,000 therms and a load factor greater than 60%. The Company believes these load profiles are most likely using gas for heating purposes.

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Rate Class	Confirmed Count ¹	Additional Potential Customers ²	Total
Res NH LI (11):	58	61	119
Res NH (10):	<u>1,967</u>	<u>1,000</u>	<u>2,967</u>
Total	2,025	1,061	3,086

- b. The customers the Company intends to transfer to the residential heating rate class will not be re-billed. As provided in Section 1, in accordance with RIPUC No. 101, Schedule A, Sheet 2 of the Company's gas tariff, the customer is responsible for accurately describing its gas burning equipment and updating the Company as changes occur. Also, in cases where the customer requests a rate change, no credit is required for service rendered during the period the customer account was served under the previous rate class. Also, the impact of transferring these customers is relatively small. For residential customers using between 600 therms and 1,500 therms annually (which represents approximately 73% of the 3,000 that the Company has plans to transfer), the bill impacts range from an increase of 2.2 % (customers with annual usage of 600 therms) to a decrease of 2.7% (customer with annual use of 1,500 therms).