



Santa Buckley Energy, Inc.
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October 2, 2015

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

Re: Comments of Santa Buckley Energy, Inc.
Modifications to Gas Customer Choice Program – Docket 4523 (Phase II)

Dear Ms. Massaro:

Santa Buckley Energy, Inc. ("SBE") is a registered natural gas supplier in Rhode Island. We have participated in the presentations and collaborative discussions through the Collaborative Working Group regarding National Grid's (the "Company") proposal for allowing capacity exempt customers an option to become capacity assigned. SBE supports allowing customers to have the option, but as we made clear throughout the discussions, we do not support a requirement that such customers must return to utility Sales Service for any period of time as part of a process to confirm capacity eligibility.

SBE and other marketers have questioned the purpose of such a requirement, and no compelling reason has ever been provided. We fully understand that there must be a planning process and timeline for the Company to review and make capacity procurement plans. That process could easily be initiated by a non-rescindable request made from the customer to become Capacity Eligible, followed by a response from the Company as to whether they can accommodate the request, and the timing of when the capacity assignment can begin to take effect. There is no reason for the marketer to have to cede the customer to the Company in the interim, potentially causing the customer to pay a higher Interim Rate and putting the marketer's relationship with the customer at risk. The Interim Rate service from the Company should be an option, not a requirement that interferes with a competitive choice option.

While SBE agrees that the Company must have an orderly process of transitioning capacity exempt customers to a capacity assigned status, the Company's testimony still does not provide a rationale for why the customer must return to Sales Service after affirmatively confirming their intent to elect capacity eligible service. The Company's proposal would be to maintain control over when that transition can take place, so the fear of it occurring in the middle of the winter without adequate notice is not justified. If the customer remains with its marketer during the interim, there are no issues of appropriate allocation of costs among all customers during that period. Finally, the Company still has

access to metered usage, so there is no issue with needing to experience some period of usage on Sales Service to determine TCQ or other capacity related data.

SBE does support the Company's position that once a capacity exempt customer requests and is granted the opportunity to become capacity eligible, that choice should not be reversible.

We have appreciated the opportunity to discuss these issues through the Collaborative Working Group, and would like to see it continue so that marketers and customers can share their positions with the Company on these important competitive choice issues.

Sincerely,



Timothy Costello

President, Santa Buckley Energy