STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY:

d/b/a NATIONAL GRID'S STANDARD OFFER

DOCKET NO. 4556

SERVICE RATES FOR THE RESIDENTIAL GROUP, COMMERCIAL GROUP, AND INDUSTRIAL GROUP

PURSUANT TO THE 2016 STANDARD OFFER PROCUREMENT PLAN

ORDER

I. Introduction

The Narragansett Electric Company d/b/a National Grid (National Grid or Company) currently procures Standard Offer Service (SOS) supply on behalf of its customers pursuant to the 2016 SOS Procurement Plan approved by the Public Utilities Commission (PUC) on July 1, 2015, which authorizes National Grid to conduct solicitations throughout the year for Standard Offer Service in varying contract lengths. Based on these solicitations, the Company files SOS rates for the Residential Group and Commercial Group twice per year and SOS rates for the Industrial Group quarterly.²

II. National Grid's Proposed Standard Offer Service Rates for the Residential Group and Commercial Group for the period October 2016 through March 2017 and the Industrial Group for the period October 2016 through December 2016

On July 12, 2016, National Grid proposed a Residential SOS rate of \$0.08179/kWh for the period October 2016 through March 2017.³ This represents a decrease of \$0.0050/kWh, or 6%, from the current Residential SOS rate of \$0.08679/kWh.⁴

 $^{^1}$ PUC Order No. 22444 (Docket No. 4556) (Jun. 21, 2016), $\underline{\text{http://www.ripuc.org/eventsactions/docket/4556-NGrid-Ord22444}} \\ \underline{\text{Ord22444}} \\ \underline{\text{6-21-16.pdf}}.$

² The proposed SOS rates include the current per kWh SOS Adjustment Factor, SOS Administrative Cost Factor, and Renewable Energy Charge.

³ National Grid's SOS filing, Attachment 1 at 2 (Jul. 12, 2016), http://www.ripuc.org/eventsactions/docket/4556-NGrid-SOSRates(7-12-16).pdf.

⁴ Memorandum of Division at 3 (Aug. 29, 2016), http://www.ripuc.org/eventsactions/docket/4556-DPU-Memo_8-29-16.pdf.

The Company proposed a fixed Commercial SOS rate of \$0.08396/kWh for the same period.⁵ This proposed rate is an increase of \$0.00032/kWh, or less than 1%, from the current fixed Commercial SOS rate of \$0.08364/kWh.⁶ The Company proposed the following variable Commercial SOS rates:⁷

October 2016: \$0.05998/kWh
November 2016: \$0.06703/kWh
December 2016: \$0.08287/kWh
January 2017: \$0.10722/kWh
February 2017: \$0.10483/kWh
March 2017: \$0.08010/kWh

The Company proposed the following Industrial SOS rates for the period October through December 2016:8

October 2016: \$0.03947/kWh November 2016: \$0.04626/kWh December 2016: \$0.06416/kWh

The three-month average of the proposed Industrial rates for the period October 2016 through December 2016 is \$0.04996/kWh. That represents a 9% increase from the three-month average rate of \$0.04589/kWh for the period July 2016 through September 2016.⁹

III. Decision

On August 29, 2016, the Division of Public Utilities and Carriers (Division) filed a memorandum concluding that the proposed SOS rates for the Residential Group and Commercial Group for the period October 2016 through March 2017 and the Industrial Group for the period October 2016 through December 2016 are in compliance with the 2016 SOS Procurement Plan approved by the PUC on July 1, 2015. On September 9, 2016, based on the recommendation of

⁵ Attachment 1 at 2 (Jul. 12, 2016).

⁶ Division at 3 (Aug. 29, 2016).

⁷ Attachment 1 at 2 (Jul 12, 2016).

⁸ *Id*.

⁹ Division at 3 (Aug. 29, 2016).

the Division, the PUC voted unanimously to approve the Company's proposed SOS rates for the Residential Group and Commercial Group for the period October 2016 through March 2017 and the Industrial Group for the period October 2016 through December 2016.

Accordingly, it is hereby (22612) ORDERED:

The Narragansett Electric Company d/b/a National Grid's proposed Standard Offer Service rates for the Residential Group and Commercial Group for the period October 2016 through March 2017 and the Industrial Group for the period October 2016 through December 2016 are hereby approved as filed.

EFFECTIVE AT WARWICK, RHODE ISLAND ON OCTOBER 1, 2016 PURSUANT TO OPEN MEETING DECISION HELD ON SEPTEMBER 9, 2016. WRITTEN ORDER ISSUED NOVEMBER 29, 2016.

PUBLIC UTILITIES COMMISSION

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Margaret E. Curran, Chairperson

Herbert F. DeSimone, Commissioner

Ituhna T. DeSimo

Marion S. Gold, Commissioner

NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws §39-5-1, any person aggrieved by a decision or order of the PUC may, within seven (7) days from the date of the order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.