STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

PUBLIC UTILITIES COMMISSION

IN RE: REVIEW OF ELECTRIC DISTRIBUTION RATE DESIGN PURSUANT TO R.I. GEN. LAWS SECTION 39-26.6-24 : DOCKET NO. 4568

DIVISION'S FIRST SET OF DATA REQUESTS DIRECTED TO THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID

(Issued on August 24, 2015)

1. Please provide live Excel spreadsheets of Schedules NG-7, NG-10, NG-11, and NG-14 and Workpaper NG-1.

2. Regarding discussion on p. 9 of the Company's joint pre-filed direct testimony, please discuss the modifications to the billing system that are required to implement the new rates. Provide an estimate of these costs and describe how these estimates were derived.

3. Please explain why the Company is not proposing changes to rates for energy efficiency or renewable energy programs. Discuss if there is any cost basis for your decision.

4. Please describe how the Company's current rate proposal incorporates the "benefits of distributed energy resources."

5. Please explain how the Company arrived at the principal that bill impacts would not exceed +/- five percent for any one customer on an annual basis.

6. Please discuss how the Company's rate design proposal advances the integration of load and generation and helps the Company's system evolve towards the "integrated grid" that is discussed in Schedule NG-3. Describe other actions that the Company is undertaking in other states, such as grid modernization in Massachusetts, that are relevant.

7. Please estimate the "cost shifting" from DG customers since the first enrollment in December 2011 under the Distributed Generation Standards Contract Act.

8. Please explain how the Company's proposed rate design encourages customers "to shift load from high use, peak periods into off-peak periods," as discussed on p. 20 of the pre-filed testimony.

9. Please explain if time of use ("TOU") energy rates could approximate the benefits of demand charges that are discussed on p. 21.

10. Please compare the cost of meters currently used to the cost of "new, higher-cost metering necessary to measure kW," discussed on p. 22.

11. Please calculate the percentage of demand-related revenue requirements for each rate class that would be collected under the proposed rate designs.

12. Please explain by how much—in terms or a range—customers in the medium and large C&I classes would experience changes in costs in excess of +/- 5% (see discussion on p. 24).

13. Please explain how the 200 residential and 60 small C&I customers were chosen for the analysis contained in Schedule NG-7.

14. Please explain if the 12-month periods to determine maximum usage will feature the same or different months for different rate classes and whether there will be differences in the periods for customers within the same rate class.

15. Please explain the timeline for considering advanced or smart metering implementation in Rhode Island and compare this timeline to any efforts by National Grid in other states.

16. Please explain whether rates charged for usage could be designed "locally" as is planned for localized credits for distributed generation (see discussion on p .39).

17. Please explain why revenue loss associated with kWh deliveries by on-site generation "will continue to grow" after 2021 (discussion on pp. 40-41). Provide any estimates and analysis that was done in support of this statement.

18. Please show how the statement, "Analysis of Company's billing data indicates that less than 15 percent of residential customers have a monthly maximum use" within the range of 0 kWh to 250kWh is consistent with the data shown in Workpaper NG-3.

19. Based on your understanding of changes in customer loads over time, how likely are customers to move do different tiers? Indicate whether you analyzed this issue in any quantitative manner.

20. Please indicate what other load research data other than shown in Schedule NG-7 and Workpapers NG-2 and NG-3 were utilized to determine the residential tiers.

21. Please provide load profile data for Rate G-32 and Rate G-62 customers.

22. Please explain the need for a back-up service rate in light of the rate changes proposed.

23. Please describe how stand-alone distribution facilities lead to costs of building and operating the distribution system (excluding the cost of interval metering). Provide all workpapers and analyses relied upon to determine the access fees shown on p. 60.

24. Please indicate whether the company has provided an estimate of the costs of this group of customers and how these costs will be accounted for in the Company's next rate case. Will collection of these costs result in "overcollection" of costs from a cost causation perspective?

25. Please describe the "need" from the Company's perspective and from the perspective of customers (DG and non-DG) given the presence of Revenue Decoupling Mechanism ("RDM").