STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: REVIEW OF THE NARRAGANSETT	:	
ELECTRIC COMPANY d/b/a NATIONAL GRID	:	DOCKET NO. 4568
RATE DESIGN PURSUANT TO R.I. GEN. LAWS § 39-26.6-24	:	

COMMISSION'S SECOND SET OF DATA REQUESTS
DIRECTED TO NATIONAL GRID (National Grid or Company)
(Issued September 18, 2015)

Access Fee

2-1. Please provide the ISO-NE documentation supporting the use of a 40% capacity availability factor in the calculation of the proposed Access Fee.

2-2. What is the CREST model designed to do? Is it designed to recover costs of investment with a reasonable return or is it designed to recover ongoing costs? If it is the former, why would the costs associated with an Access Fee be included in the model?

2-3. If the proposed Access Fee for stand-alone generators had been in effect, what would have been the annual dollar amount paid by each of the following generators listed by the Company in response to CLF 2-7 (Bates 14-15):

(a) the three generators listed in response to CLF 2-7(a);
(b) the two generators listed in response to CLF 2-7(b); and
(c) the first three generators listed in response to CLF 2-7(c).

For "annual dollar amount," you may select any convenient, recent consecutive twelve-month period. Please identify the twelve-month period selected.

2-4. For this question, use the annual Access Fee amounts paid by stand-alone generators provided in your response to the previous question. If the PUC decided that the annual Access Fee amounts paid by these generators should be recoverable through contract or tariff payments made to the generators, what would the effect be on the respective contract or tariff payments made to each respective generator? In your response, please provide:

(a) The actual per kWh price being paid to the DG owner by contract or tariff;

(b) What the new per kWh price being paid to the DG owner would be if the Access Fee were recoverable by the DG owner; and

(c) The calculations you used, applying the CREST model, to derive your answers to part (b).

2-5. What would be the point of both charging an Access Fee to stand-alone generators, and then allowing those generators to recover that fee in contract or tariff payments that get passed along to all ratepayers? The Company has cited the importance of allocating costs of DG to the

appropriate "buckets." Is this purpose accomplished by both charging an Access Fee to stand-alone generators, and also allowing the generators to recover the fee paid from all ratepayers? If yes, please explain your response. In your answer, please address the fact that the underlying purpose of this docket is to ensure that costs are properly and fairly allocated among customers.

2-6. If the PUC both allows the Company to charge the requested Access Fee and allows DG generators to recover that fee through contract or tariff payments, what residual role, if any, would there be for the existing Revenue Decoupling Mechanism?

2-7. Please provide an analysis of the effect of the "optimal solution" for a sample of standalone DG customers.

2-8. Do standalone generators in ISO-NE pay any access-type fees associated with connection to the Grid? If referencing any rate, please provide any governing terms and conditions.

Energy Efficiency

2-9. What is the difference between demand side management and energy efficiency? Is there a difference in the programs offered now as opposed to 2006 or is the difference in how the effectiveness of the programs are measured?

2-10. What programs are contained in the Energy Efficiency plan that are specifically designed to manage demand at peak times?

Load Factor

2-11. Please provide an example of a customer with a low load factor and one with a high load factor. Is a factory that operates three shifts, 24/7 a customer with a low load factor or a high load factor?

2-12. Is it the activities undertaken by the customer or the timing of those activities that contribute to a customer's load factor? Please explain.

Statistics

2-13. Using the midpoint of a tier as the independent variable, please calculate the slope for the customer charge to determine if it is linear or not.

2-14. Does the chart on slide 19 of the September 17, 2015 presentation include any net metering customers?

2-15. For the linear regressions shown in Schedule NG-7, representing data on monthly kWh usage and maximum monthly kW in the test sample in Rhode Island for residential and commercial load data, please provide the relevant statistical information, including the r-squared value, p-value, and 95% confidence intervals. Please provide the same estimated parameters and

relevant statistical information for any similar regression analyses using data from Massachusetts.

2-16. Please provide the distribution of percent and dollar of change the proposed rates would have had they been implemented in each of the years since the effective date of the rates approved in Docket No. 4323. Please use one percent increments and five cent increments on the horizontal axis and number of customers on the vertical axis, with one graph for each rate class. Please provide the mean and standard deviation for these distributions.

Miscellaneous

2-17. What could the Company do to notify customers if they are close to their top usage, similar to notifications by a cell phone company when someone is closing in on their data limit? What would be the cost to the Company?

2-18. Please identify the types of customers who will experience a rate increase as the result of the consolidation of the G-32 and G-62 rate classes.

2-17. Assuming an April 2016 implementation date where everyone's usage is based on March, please calculate lost revenue that will result under the proposal during the first year and the resulting decoupling charge.