

March 25, 2016

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4599 - 2016 Retail Rates Filing
Responses to PUC Data Requests – Set 4**

Dear Ms. Massaro:

Enclosed are ten (10) copies of the National Grid's¹ responses to the fourth set of data requests issued by the Rhode Island Public Utilities Commission in the above-referenced docket.

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

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

cc: Docket 4599 Service List
Steve Scialabba, Division
Leo Wold, Esq.

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

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Robin T. Schwartz

March 25, 2016

Date

**National Grid – 2016 Annual Retail Rate Filing - Docket No. 4599
Service List Updated 3/18/16**

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COMM 4-1

Request:

With regard to costs that “were not properly allocated among the various National Grid operating companies, resulting in an over-statement of expenses.” (letter dated 3/21/16, page 2), please identify all the operating companies affected and how the error will be corrected on each of the operating companies.

Response:

To clarify the statement referred to in the above request and contained on page 2 of the Company's letter dated March 21, 2016, the labor costs in question were appropriately allocated to the various electric operating companies (Niagara Mohawk Power Corporation (Electric), Massachusetts Electric Company, Nantucket Electric Company, and The Narragansett Electric Company). However, as explained in the Company's response to COMM 1-3, in extracting (i.e., querying the Company's system to accumulate the needed information) the internal costs associated with SOS administration, including those originating from the service company, the Company did not further define the query such that only the costs charged to the Company were extracted, but rather the total cost charged to all electric operating companies from the service company was extracted.

The Company corrected the amount of these particular labor costs by applying the applicable allocation percentage for the Company based upon the allocation codes used to record the employee's time to the amount of the labor costs it had originally included in Schedule ASC-4, thereby stating only the properly allocable portion of the total cost. The error does not affect the other operating companies, as the costs were allocated appropriately to them at the time they were incurred.

COMM 4-2

Request:

If not addressed in the response to COMM 3-2, please explain whether the Company will be filing an adjustment to any of the gas rates as a result of the reclassification of \$80.7 million from gas to electric as discussed on pages 3 & 4 of the Division's memo. If not, why not?

Response:

Please refer to the Company's response to Supplemental COMM 3-2, which addresses this question.