



October 12, 2016

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 4634 - 2016 Distribution Adjustment Charge (DAC)
Rebuttal Testimony of Suhila Nouri Nutile**

Dear Ms. Massaro:

On behalf of National Grid,¹ enclosed please find ten copies of the rebuttal testimony of Suhila Nouri Nutile in the above-referenced docket.

Thank you for your attention to this filing. If you have any questions, please contact Jennifer Brooks Hutchinson at 401-784-7288 or Robert Humm at 401-784-7415.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Jennifer Brooks Hutchinson", with a long horizontal flourish extending to the right.

Jennifer Brooks Hutchinson

A handwritten signature in blue ink, appearing to read "Robert J. Humm", with a long horizontal flourish extending to the right.

Robert J. Humm

Enclosures

cc: Docket 4634 Service List
Leo Wold, Esq.
Steve Scialabba, Division
Bruce Oliver, Division

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.



Joanne M. Scanlon

CV 2016-00000

Date

**Docket No. 4634 – National Grid –2016 Annual Distribution Adjustment
Charge Filing (DAC) - Service List as of 8/22/16**

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REBUTTAL TESTIMONY

OF

SUHILA NOURI NUTILE

TABLE OF CONTENTS

I.	Introduction	1
II.	DAC Charges	2
III.	On-System Margin Credit Factor	3
IV.	Advance Gas Technology	3
V.	Reconciliation Factor	4
VI.	Conclusion.....	4

1 **I. Introduction**

2 **Q. Please state your name and business address.**

3 A. My name is Suhila Nouri Nutile and my business address is 40 Sylvan Road, Waltham,
4 Massachusetts 02451.

6 **Q. Have you previously submitted testimony in this Docket?**

7 A. Yes. I previously submitted my direct testimony on August 1, 2016 and supplemental
8 testimony on September 1, 2016.

10 **Q. What is the purpose of your rebuttal testimony?**

11 A. The purpose of this rebuttal testimony is to clarify certain information that the Division of
12 Public Utilities and Carriers' (Division) witness, Bruce Oliver, included in his
13 September 30, 2016 Memorandum, as revised on October 11, 2016 (Revised
14 Memorandum), regarding the Company's Distribution Adjustment Charge (DAC) filing.
15 The information which I would like to clarify is as follows: (1) the overall DAC amount
16 to be recovered from customers; (2) the Advanced Gas Technology (AGT) program
17 incentives; and (3) the Reconciliation Factor (applicable to the Residential, Small and
18 Medium C&I customers). In addition, this rebuttal testimony responds to Mr. Oliver's
19 recommendations regarding the On-System Margin Credit Factor and AGT program.

1 **II. DAC Charges**

2 **Q. Please clarify the amount the Company proposes to recover through DAC charges**
3 **for the 12-month period from November 1, 2016 through October 31, 2017.**

4 A. On Page 1 of his Revised Memorandum, Mr. Oliver states that the net amount to be
5 reflected in the DAC is a credit to customers of \$3,969,258, which represents a decrease
6 of approximately \$13.6 million, or 83%, from the size of the credit presently being billed
7 through the DAC. The Company proposed this amount, which excludes the
8 infrastructure, safety and reliability (ISR) reconciliation component, as a credit to
9 customers through DAC charges in its August 1, 2016 filing. Therefore, the total amount
10 included in the Company's August 1, 2016 DAC filing is the credit amount of \$3,969,258
11 and the ISR reconciliation amount of \$9,527,579 (see Schedule SLN-8, Line 11, Column
12 h), or a total net surcharge to customers of \$5,558,322. In its August 1, 2016 filing, the
13 Company stated that the net amount that is proposed to be reflected in the DAC would be
14 updated in the Company's September 1, 2016 supplemental filing.

15
16 In the Company's supplemental filing, the Company revised the amount to credit
17 customers to \$2,882,480 (see Schedule SLN-1S, Line 15) (from the initial credit of
18 \$3,969,258). In addition, the Company also updated the balance of the ISR reconciliation
19 to \$9,540,194 (see Schedule SLN-8S, Line 11, Column h) (from the estimated balance of
20 \$9,527,579). Therefore, the updated DAC factors, including the ISR reconciliation,
21 would recover approximately \$6.7 million from customers – a credit of \$2,882,480 net of

1 the under-recovery balance in the ISR reconciliation of \$9,540,194. This net recovery
2 amount represents an increase of \$16.2 million from the net credit of approximately \$9.5
3 million reflected in the current DAC factors.
4

5 **III. On-System Margin Credit Factor**

6 **Q. Is the Company willing to explore Mr. Oliver's recommendation to eliminate or**
7 **suspend the On-System Margin Credit Factor?**

8 A. Yes, the Company is willing to explore the possibility of eliminating the On-System
9 Margin Credit Factor with the Division. If the Company and Division can reach a
10 consensus on how to implement this recommendation, the Company will submit a
11 proposal to the PUC in a future filing.
12

13 **IV. Advance Gas Technology**

14 **Q. Please clarify the Company's remaining commitment to pay incentives through the**
15 **AGT program.**

16 On Page 4 of his Revised Memorandum, Mr. Oliver refers to the Company's remaining
17 commitment to pay additional incentives totaling \$1,300,000 to one large customer. As
18 of March 2016, the remaining commitment to be paid out to this customer over the next
19 two years is \$0.8 million. The Company has already paid \$1 million to Toray Plastics
20 (see Docket No. 4573, Schedule SLN-3; and Docket No. 4634, Schedule SLN-3).
21

1 **Q. Is the Company willing to explore Mr. Oliver's recommendation for the Company**
2 **to consider changes to the current AGT program in order to increase program**
3 **participation and enhance the program's benefits?**

4 A. Yes, the Company is willing to explore changes to the AGT program with the Division.
5

6 **V. Reconciliation Factor**

7 **Q. Please clarify Mr. Oliver's statement as to the amount of the Reconciliation Factor**
8 **on Page 5 of his Revised Memorandum.**

9 A. On Page 5 of his Revised Memorandum, Mr. Oliver states that the Reconciliation Factor
10 (applicable to Residential, Small C&I, and Medium C&I customers) is a credit of
11 (\$0.0010) per therm. The Reconciliation Factor applicable to Residential, Small C&I,
12 and Medium C&I customers should be (\$0.0007) per therm (see Schedule SLN-1S,
13 Line 7).
14

15 **VI. Conclusion**

16 **Q. Does this conclude your testimony?**

17 A. Yes.