

April 10, 2017

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4651 - Arrearage Management Program Provision
RIPUC No. 2130 and RIPUC NG-GAS No. 101
Response to PUC Data Requests – Set 3

Dear Ms. Massaro:

Enclosed please find 10 copies of National Grid's¹ response to the third set of data requests issued by the Public Utilities Commission (PUC) in the above-referenced matter. As requested, National Grid has provided a separate response for its electric and gas operations.

Thank you for your attention to this matter. If you have any questions, please contact me at 401-784-7415.

Very truly yours,



Robert J. Humm

Enclosures

cc: Docket 4651 Service List
Leo Wold, Esq.
Steve Scialabba, Division

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

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

April 10, 2017
Date

Docket No. 4651 - National Grid – Arrearage Management Program Service List updated 2/27/17

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The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4651
In Re: Arrearage Management Program Provision
RIPUC No. 2130 and RIPUC NG-GAS No. 101
Response to the Commission's Third Set of Data Requests
Issued on March 20, 2017

PUC 3-1-ELEC

Request:

Please provide, for each of the last 3 fiscal years available, the company's actual bad experience as compared to the amount of bad debt allowed in rates. Please include totals and percentage as appropriate. Please provide the data for electric and gas operations separately.

Response:

Please see Attachment PUC 3-1-ELEC for The Narragansett Electric Company's (Company) actual bad debt experience for the last three calendar years as compared to the amount of bad debt allowed in rates. The Company used calendar year data instead of fiscal year data because the reconciliation period for the Arrearage Management Adjustment Factor is a calendar year.

ELECTRIC SERVICE

	<u>CY 2014</u>	<u>CY 2015</u>	<u>CY 2016</u>
(1) Rate Year Base Delivery/Distribution	\$3,302,735	\$3,302,735	\$3,302,735
(2) Calendar Year Commodity	\$5,512,886	\$5,902,160	\$4,170,948
(3) Calendar Year Transmission	\$1,838,002	\$1,977,108	\$2,223,065
(4) Calendar Year Energy Efficiency (EE)	\$864,345	\$903,332	\$999,081
(5) Calendar Year LTCRER	(\$6,156)	\$38,273	\$161,002
(6) Calendar Year RE-Growth	<u>\$0</u>	<u>\$10,150</u>	<u>\$22,758</u>
 (7) Total Allowable Bad Debt:	 \$11,511,812	 \$12,133,759	 \$10,879,589
 (8) Actual Net Write offs	 \$14,015,013	 \$12,293,009	 \$9,706,170
 (9) Increase / (Decrease) from Allowable Bad Debt	 \$2,503,200	 \$159,250	 (\$1,173,420)
(10) Percent Increase / Decrease from Allowable Bad Debt	21.7%	1.3%	-10.8%

- (1) 2012 Rate Case, Docket No. 4323, Compliance Attachment 1, Schedule MDL-3-ELEC, Page 7, Line 31, Col (e) + Page 6, Line 15, Col (e)
- (2) Actual Commodity Bad debt at 1.25%
- (3) Actual Transmission Bad debt at 1.25%
- (4) Actual Energy Efficiency Bad debt at 1.25%
- (5) Actual LTCRER Bad debt at 1.25%
- (6) Actual RE-Growth Bad debt at 1.25%
- (7) Sum of Lines (1) through (6)
- (8) From Company reports
- (9) Line (8) - Line (7)
- (10) Line (9) ÷ Line (7)

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4651
In Re: Arrearage Management Program Provision
RIPUC No. 2130 and RIPUC NG-GAS No. 101
Response to the Commission's Third Set of Data Requests
Issued on March 20, 2017

PUC 3-1-GAS

Request:

Please provide, for each of the last 3 fiscal years available, the company's actual bad experience as compared to the amount of bad debt allowed in rates. Please include totals and percentage as appropriate. Please provide the data for electric and gas operations separately.

Response:

Please see Attachment PUC 3-1-GAS for The Narragansett Electric Company's (Company) actual bad debt experience for the last three calendar years as compared to the amount of bad debt allowed in rates. The Company used calendar year data instead of fiscal year data because the reconciliation period for the Arrearage Management Adjustment Factor is a calendar year.

GAS SERVICE

	<u>CY 2014</u>	<u>CY 2015</u>	<u>CY 2016</u>
(1) Rate Year Base Delivery/Distribution	\$5,114,039	\$5,114,039	\$5,114,039
(2) Calendar Year GCR	\$6,674,953	\$6,121,584	\$4,157,779
(3) Calendar Year DAC	\$152,772	\$301,374	\$737,277
(4) Calendar Year Energy Efficiency (EE)	<u>\$697,823</u>	<u>\$908,296</u>	<u>\$753,313</u>
(5) Total Allowable Bad Debt:	\$12,639,587	\$12,445,293	\$10,762,407
 (6) Actual Net Write offs	 \$11,337,132	 \$7,496,377	 \$5,457,239
 (7) Increase / (Decrease) from Allowable Bad Debt	 (\$1,302,455)	 (\$4,948,915)	 (\$5,305,168)
(8) Percent Increase / Decrease from Allowable Bad Debt	-10.3%	-39.8%	-49.3%

- (1) 2012 Rate Case, Docket No. 4323, Compliance Attachment 6, Schedule MDL-3-GAS, Page 7, Line 29, Col (e) + Page 6 Line 8, Col (e)
- (2) Actual GCR Bad debt at 3.18%
- (3) Actual DAC Bad debt at 3.18%
- (4) Actual Energy Efficiency Bad debt at 3.18%
- (5) Sum of Lines (1) through (4)
- (6) From Company reports
- (7) Line (6) - Line (5)
- (8) Line (7) ÷ Line (5)