DIVISION OF PUBLIC UTILITIES MEMORANDUM

TO: LULY MASSARO DATE: 4/26/17 CLERK, PUC

FROM: STEPHEN SCIALABBA

DPUC

SUBJECT: BIPCO COMPLIANCE FILING, DOCKET 4690.

On April 25, Block Island Power Company submitted a compliance filing for approval of its Standard Offer and Transmission Cost Rates, filed for the first time under the recently approved Standard Offer and Transmission Cost Riders. The rate calculations were reviewed by Division staff for consistency with the tariffs and the Commission recent Decision, as well as for mathematical accuracy. Based on that review the Division believes the Standard Offer and Transmission Rates are correctly and reasonably calculated and should be approved for effect May 1, 2017. The Standard Offer and Transmission rates, after upward adjustment for gross receipts tax, are 6.15 cents and 6.29 cents, respectively, for a total billed rate of 12.44 cents. This is approximately 6 cents less than the current billed fuel charge (reflective of the use of diesel engines) of 18.32 cents, which is being replaced by the new standard offer and transmission charges.