Robert J. Humm
Senior Counsel

October 6, 2017

VIA HAND DELIVERY & ELECTRONIC MAIL

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

RE: Docket 4719 - 2017 Gas Cost Recovery Filing
Responses to Division Data Requests – Set 2

Dear Ms. Massaro:

Enclosed please find 10 copies of National Grid's[1] responses to the second set of data requests issued by the Rhode Island Division of Public Utilities and Carriers (Division) in the above-referenced docket.

This filing also contains a Request for Protective Treatment of Confidential Information in accordance with Rule 1.2(g) of the Public Utilities Commission's (PUC) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). National Grid seeks protection from public disclosure of certain confidential and privileged information, which is contained in Attachments DIV 2-2(a) and 2-2(b) in response to the data request Division 2-2. In compliance with Rule 1.2(g), National Grid has provided the PUC with one complete, unredacted copy of the confidential materials in a sealed envelope marked **"Contains Privileged and Confidential Materials – Do Not Release,"** and has included redacted copies of the materials for the public filing.

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 4719 Service List
Leo Wold, Esq.
Steve Scialabba, Division
Bruce Oliver, Division
Tim Oliver, Division

[1] The Narragansett Electric Company d/b/a National Grid.

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RHODE ISLAND PUBLIC UTILITIES COMMISSION

Annual Gas Cost Recovery Filing 2017	)	Docket No. 4719

MOTION OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION

National Grid[1] hereby requests that the Rhode Island Public Utilities Commission (PUC) grant protection from public disclosure of certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by PUC Rule 1.2(g) and R.I. Gen. Laws § 38-2-2(4)(B). National Grid also hereby requests that, pending entry of that finding, the PUC preliminarily grant National Grid's request for confidential treatment pursuant to Rule 1.2 (g)(2).

I. BACKGROUND

On October 6, 2017, National Grid filed with the PUC its responses to the second set of data requests from the Division of Public Utilities and Carriers (Division) in this docket. Two of the attachments to the responses contain privileged and confidential information that was afforded protective treatment in prior Gas Cost Recovery (GCR) filings. In response to Division 2-2, National Grid is providing the a CD-ROM containing the electronic Excel spreadsheets supporting the calculation of updated costs and credits by pipeline path for (a) the 2015-16 GCR period and (b) the 2016-17 GCR period, in Attachments DIV 2-2(a) and 2-2(b), respectively.

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

The information contained in those attachments includes the confidential gas-cost pricing information from Attachment EDA-4 to the pre-filed direct testimony of Elizabeth D. Arangio in the 2015-16 and 2016-17 GCR filings in Docket Nos. 4576 and 4647, respectively. Similar to the protection granted for Attachment EDA-4 in Docket Nos. 4576 and 4647, National grid is seeking protective treatment of the confidential gas-cost pricing information in Attachments DIV 2-2(a) and 2-2(b).

In accordance with Rule 1.2(g)(3), National Grid has provided a redacted public version of its responses and attachments to Division Set 1, as well as an unredacted, confidential version.

II. LEGAL STANDARD

Rule 1.2(g) of the PUC's Rules of Practice and Procedure provides that access to public records shall be granted in accordance with the Access to Public Records Act (APRA), R.I. Gen. Laws § 38-2-1, *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). To the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of APRA to deem such information as confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

> Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that the determination as to whether this exemption applies requires the application of a two-pronged test set forth in *Providence Journal Company v. Convention Center Authority*, 774 A.2d 40 (R.I. 2001). The exemption applies where the disclosure of information would be likely either (1) to impair the Government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. *See Providence Journal*, 774 A.2d 40.

The first prong of the test assesses whether the information was provided voluntarily to the governmental agency. *Providence Journal*, 774 A.2d at 47. If the answer to the first question is affirmative, then the question becomes whether the information is "of a kind that would customarily not be released to the public by the person from whom it was obtained." *Id.*

III. BASIS FOR CONFIDENTIALITY

The gas-cost pricing information, which is provided in Attachments DIV 2-2(a) and 2-2(b) to National Grid's responses to the Division's first set of data requests, is confidential and privileged information of the type that National Grid would not ordinarily make public. Moreover, public disclosure of such information could impair National Grid's ability to obtain advantageous pricing in the future, thereby causing substantial competitive harm. Indeed, such confidential information was previously granted protective treatment from public disclosure in Docket Nos. 4576 and 4647. Accordingly, National Grid seeks protection for such confidential information.

IV. CONCLUSION

For the foregoing reasons, National Grid respectfully requests that the PUC grant its Motion for Protective Treatment of Confidential Information.

Respectfully submitted,

THE NARRAGANSETT ELECTRIC COMPANY d/b/a NATIONAL GRID
By its attorney,

Robert J. Humm, Esq. (#7920)
National Grid
280 Melrose Street
Providence, RI 02907
(401) 784-7415
Dated: October 6, 2017

Division 2-1

Request:

Re: Witness Leary's Direct Testimony at page 7 of 15, lines 13-19. The reference testimony references a reconciliation that involved the actual revenues billed to Marketers during the period November 2016 through October 2017." Please:

a. Identify the months of the 2016-2017 GCR period for which "actual" data were available at the time Attachment AEL-7 was prepared;

b. Indicate each month of the 2016-2017 GCR period for which "actual" data was used in the preparation of Attachment AEL-7.

Response:

a. The Company prepared Attachment AEL-7 in July 2017. At that time, actual information was available for the months of November 2016 through June 2017. As in years past, the Company will true up this reconciliation for the months of July 2017 through October 2017 in next year's Gas Cost Recovery (GCR) filing. Although August 2017 information was available prior to the September 1, 2017 GCR filing date, the Company calculates certain components of its GCR filing (e.g., Marketer Reconciliation) before August in order to have ample time to prepare and adequately review the filing before its filing date. The Marketer Reconciliation is an input in the calculation of projected gas costs provided in the attachments to Nancy G. Culliford's pre-filed direct testimony, which in turn are inputs required to compute the projected 2017-18 GCR factors and associated bill impacts contained in the attachments to Ann E. Leary's pre-filed direct testimony. Since the Marketer Reconciliation for the months of July 2017 through October 2017 will be trued up in next year's GCR filing, the Company believes that preparing this reconciliation using a forecast for July 2017 in lieu of actual data for July 2017 would have minimal impact on the overall Marketer Reconciliation and outweighed the option of delaying its preparation of the filing until August, which would reduce the time available for preparing and reviewing the September 1 GCR filing.

b. As indicated in response to Division 2-1(a), above, the Company used actual data for the months of November 2016 through June 2017 in its preparation of the Marketer Reconciliation.

Prepared by or under the supervision of: Ann E. Leary

Division 2-2

Request:

Re: Attachment AEL-7, please provide the workpapers supporting the Company's calculation of updated costs by pipeline path and surcharges (credits) by pipeline path for:

a. The 2015-16 GCR period
b. The 2016-17 GCR period

Response:

The Company is providing the Excel versions of (a) EDA4_Capacity Allocation 15-16_Fixed Cost Update_June17_Redacted for the 2015-16 Gas Cost Recovery (GCR) period; and (b) EDA4_Capacity Allocation 16-17_Revised Filing_Fixed Cost Update_June17_Redacted for the 2016-17 GCR period on a CD-ROM to the Public Utilities Commission, identified as Attachments DIV 2-2(a) and 2-2(b), respectively, as well as to the Division of Public Utilities and Carriers and its consultant. Pursuant to PUC Rule 1.2(g), the Company is seeking confidential treatment of these two Attachments.

Attachments DIV 2-2(a) and 2-2(b)
Please see Confidential CD-ROM

Prepared by or under the supervision of: Ann E. Leary

Division 2-3

Request:

Re: Witness Leary's Direct Testimony at page 13 of 15, line 10, through page 14 of 15, line 10 please:

a. Indicate if there is a substantive difference within the Company's terminology between the phrase "billing adjustment" and the phrase "cancellation and rebilling," and if so, explain the distinction between the meanings of those phrases;

b. Provide documentation of the Company's investigation of "negative sales" and the causes of the reported negative volumes for each affected rate classification;

c. For the April 2016 through March 2017 period, for each cancellation and rebilling, or other billing adjustment accounting for more than 10% of a class's reported net monthly volume, please show the applicable changes in volume for the month for which the adjustment to gas use was applicable rather than the month in which it was booked.

Response:

a. No, there is no substantive difference within the Company's terminology between the phrase "billing adjustment" and the phrase "cancellation and rebilling". The terminology "cancellation and rebilling" is used in the pre-filed direct testimony of Ann E. Leary at page 14, line 10 to explain the specific type of "billing adjustment" that resulted in the reporting of negative volumes for the Transitional Sales Service (TSS) Large Low Load Factor and High Load Factor customer classes.

b. Attachment DIV 2-6(b) documents the causes of negative volumes reported in September 2016 and January 2017 for the TSS Large Low Load Factor and High Load Factor customer classes.

c. The Company does not have a report that identifies the monthly volume of cancellation and rebills by rate class. Therefore, in responding to this request the Company (1) relied on available detail for Commercial and Industrial (C&I) billing information to determine if cancellations and rebills exceeded 10% of total monthly volume, and (2) assumed no individual Residential customer would have a cancellation and rebill that would exceed 10% of the class's total monthly volume. The Company believes that due to the size of the Residential rate class (approximately 240,000 residential customers), it would be unlikely for any one customer to have a cancellation and rebill that would exceed 10% of total rate class usage. For the C&I customers, only one customer had a cancellation and rebill that exceeded 10% of the total monthly rate class usage. That customer is

identified in Attachment DIV 2-6(b). Please see Attachment DIV 2-3(c) for a restatement of the monthly volumes by rate class by month with the adjustments for this customer. This customer was first billed on Large Low Load Factor TSS, then rebilled on Large High Load Factor TSS, and then finally rebilled on C&I Large High Load Factor FT-2. Please note the total throughput for fiscal year 2017 did not change as a result of these cancellations and rebills.

Detail of July 2016 Accruals and Reversals

No.	Customer	CSS Volumes	Volume Accruals	Volume Reversal	Volume (dth)	Reference
		FT-1 Large Load Load - July 2016				
1	All	177,817	177,817	422,023	**(6,639)**	**AEL-2, Page 7, Ln 35, Col (d)**
		FT-1 Extra Large Low Load - July 2016				
2	All	226,476	226,476	651,776	**(19,882)**	**AEL-2, Page 7, Ln 37, Col (d)**

Detail of September 2016 Large Low Load TSS - Negative Sales

No.	Customer	Bill Month	Billing Period	Rate Class	Volume (dth)	Reference
		Normal Cycle Billings for Large Low Load TSS - June 2016				
3	All Other	Jun-2016	May-2016	Large-LL TSS	84	
		Rebilling for Large Low Load TSS - June 2016				
4	A	Jun-2016	Jul-2015 - Dec-2016	Large-LL TSS	2,569	
5	A	Jun-2016	Jan-2016 - May-2016	Large-LL TSS	4,799	
6		Throughput for Large Low Load TSS - June 2016:			7,452	AEL-2, Page 7, Ln 16, Col (c)
		Normal Cycle Billings for Large Low Load TSS - July 2016				
7	A	Jul-2016	Jun-2016	Large-LL TSS	111	
8	All Other	Jul-2016	Jun-2016	Large-LL TSS	359	
9		Throughput for Large Low Load TSS - July 2016:			470	AEL-2, Page 7, Ln 16, Col (d)
		Normal Cycle Billings for Large Low Load TSS - August 2016				
10	A	Aug-2016	Jul-2016	Large-LL TSS	98	
11	All Other	Aug-2016	Jul-2016	Large-LL TSS	309	
12		Throughput for Large Low Load TSS - August 2016:			406	AEL-2, Page 7, Ln 16, Col (e)
		Normal Billing Cycle for Large Low Load TSS - September 2016				
13	All Other	Sep-2016	Aug-2016	Large-LL TSS	71	
		Cancellations for Large Low Load TSS - September 2016				
14	A	Sep-2016	Jul-2015 - Dec-2016	Large-LL TSS	(2,569)	
15	A	Sep-2016	Jan-2016 - May-2016	Large-LL TSS	(4,799)	
16	A	Sep-2016	Jun-2016	Large-LL TSS	(111)	
17	A	Sep-2016	Jul-2016	Large-LL TSS	(98)	
18		**Throughput for Large Low Load TSS - September 2016:**			**(7,506)**	**AEL-2, Page 7, Ln 16, Col (f)**

Detail of January 2017 Large High Load TSS - Negative Sales

No.	Customer	Bill Month	Billing Period	Rate Class	Volume (dth)	Reference
		Rebilling for Large High Load TSS - September 2016				
19	A	Sep-2016	Jul-2015	Large-HL TSS	42	
20	A	Sep-2016	Aug-2015	Large-HL TSS	84	
21	A	Sep-2016	Sep-2015	Large-HL TSS	93	
22	A	Sep-2016	Oct-2015	Large-HL TSS	516	
23	A	Sep-2016	Nov-2015	Large-HL TSS	844	
24		Throughput for Large High Load TSS - September 2016:			1,580	AEL-2, Page 7, Ln 17, Col (f)
		Normal Billing Cycle for Large High Load TSS - October 2016				
25	A	Oct-2016	Sep-2016	Large-HL TSS	76	
		Cancellations and Rebilling for Large High Load TSS - October 2016				
26	A	Oct-2016	Nov-2015	Large-HL TSS	844	
27	A	Oct-2016	Nov-2015	Large-HL TSS	(844)	
28	A	Oct-2016	Dec-2015	Large-HL TSS	988	
29	A	Oct-2016	Jan-2016	Large-HL TSS	1,322	
30	A	Oct-2016	Feb-2016	Large-HL TSS	1,254	
31	A	Oct-2016	Mar-2016	Large-HL TSS	1,085	
32	A	Oct-2016	Apr-2016	Large-HL TSS	799	
33	A	Oct-2016	May-2016	Large-HL TSS	350	
34	A	Oct-2016	Jun-2016	Large-HL TSS	111	
35	A	Oct-2016	Jul-2016	Large-HL TSS	98	
36	A	Oct-2016	Aug-2016	Large-HL TSS	47	
37		Throughput for Large High Load TSS - October 2016:			6,129	AEL-2, Page 7, Ln 17, Col (g)
		Normal Billing Cycle for Large High Load TSS - November 2016				
38	A	Nov-2016	Oct-2016	Large-HL TSS	360	
39		Throughput for Large High Load TSS - November 2016:			360	AEL-2, Page 7, Ln 17, Col (h)
		Normal Billing Cycle for Large High Load TSS - December 2016				
40	A	Dec-2016	Nov-2016	Large-HL TSS	719	
41	All Other	Dec-2016	Nov-2016	Large-HL TSS	267	
42		Throughput for Large High Load TSS - December 2016:			986	AEL-2, Page 7, Ln 17, Col (i)
		Normal Billing Cycle for Large High Load TSS - January 2017				
43	A	Jan-2017	Dec-2016	Large-HL TSS	1,129	
43	All Other	Jan-2017	Dec-2016	Large-HL TSS	1,026	
		Cancellations for Large High Load TSS - January 2017				
44	A	Jan-2017	Jul-2015	Large-HL TSS	(42)	
45	A	Jan-2017	Aug-2015	Large-HL TSS	(84)	
46	A	Jan-2017	Sep-2015	Large-HL TSS	(93)	
47	A	Jan-2017	Oct-2015	Large-HL TSS	(516)	
48	A	Jan-2017	Nov-2015	Large-HL TSS	(844)	
49	A	Jan-2017	Dec-2015	Large-HL TSS	(988)	
50	A	Jan-2017	Jan-2016	Large-HL TSS	(1,322)	
51	A	Jan-2017	Feb-2016	Large-HL TSS	(1,254)	
52	A	Jan-2017	Mar-2016	Large-HL TSS	(1,085)	
53	A	Jan-2017	Apr-2016	Large-HL TSS	(799)	
54	A	Jan-2017	May-2016	Large-HL TSS	(350)	
55	A	Jan-2017	Jun-2016	Large-HL TSS	(111)	
56	A	Jan-2017	Jul-2016	Large-HL TSS	(98)	
57	A	Jan-2017	Aug-2016	Large-HL TSS	(47)	
58	A	Jan-2017	Sep-2016	Large-HL TSS	(76)	
59	A	Jan-2017	Oct-2016	Large-HL TSS	(360)	
60	A	Jan-2017	Nov-2016	Large-HL TSS	(719)	
61	A	Jan-2017	Dec-2016	Large-HL TSS	(1,129)	
62		**Throughput for Large High Load TSS - January 2017:**			**(7,763)**	**AEL-2, Page 7, Ln 17, Col (j)**

Actual Dth Usage for Filing

Line No.	Rate Class	Prior Period Actual (a)	Apr Actual (b)	May Actual (c)	Jun Actual (d)	Jul Actual (e)	Aug Actual (f)	Sep Actual (g)	Oct Actual (h)	Nov Actual (i)	Dec Actual (j)	Jan Actual (k)	Feb Actual (l)	Mar Actual (m)	Total (o)
	THROUGHPUT (Dth)														
1	**SALES**														
2	Residential Non-Heating		60,019	39,167	28,743	18,658	16,187	16,103	19,867	27,860	38,287	50,638	50,625	47,073	**413,226**
3	Residential Non-Heating Low Income		2,941	1,956	1,023	327	259	277	392	708	1,220	1,697	1,646	1,406	**13,852**
4	Residential Heating		1,778,181	1,062,089	573,872	392,213	337,357	341,248	470,510	1,105,743	2,028,011	2,935,054	2,884,975	2,623,389	**16,532,640**
5	Residential Heating Low Income		152,450	100,566	55,710	40,021	33,305	34,078	46,179	99,712	178,044	250,781	238,178	213,710	**1,442,733**
6	Small C&I		236,605	124,634	68,665	47,017	41,144	34,719	46,769	116,386	260,153	412,737	405,424	368,672	**2,162,923**
7	Medium C&I		310,734	195,493	122,262	92,582	92,842	91,211	118,506	202,328	353,053	502,001	473,805	444,548	**2,999,365**
8	Large LLF		77,000	38,092	17,590	8,111	9,003	7,444	14,885	38,117	70,274	111,810	100,523	94,633	**587,482**
9	Large HLF		14,204	15,349	19,350	15,912	10,345	14,381	17,352	17,053	21,083	26,215	26,803	24,099	**222,146**
10	Extra Large LLF		8,303	5,409	3,332	1,167	1,113	283	744	3,267	6,464	12,229	9,417	10,069	**61,797**
11	Extra Large HLF		6,283	4,488	5,453	5,653	5,410	6,275	7,588	10,464	5,556	6,078	3,679	3,582	**70,507**
12	**Total Sales**		2,646,719	1,587,241	896,000	621,661	546,964	546,017	742,792	1,621,637	2,962,145	4,309,240	4,195,075	3,831,181	**24,506,672**
13	**TSS**														
14	Small		101	55	14	1	0	1	3	1	820	1,643	1,720	1,352	**5,711**
15	Medium		17,296	10,629	427	871	692	666	738	1,651	2,542	5,657	6,588	6,566	**54,323**
16	Large LLF		5,738	3,350	7,452	470	406	(7,506)	71	1,104	2,207	5,122	5,623	8,641	**32,678**
17	Adjustment	0			(7,368)	(111)	(98)	7,577							**0**
18	Sub-Total	0	5,738	3,350	84	359	308	71	71	1,104	2,207	5,122	5,623	8,641	**32,678**
19	Large HLF		2,679	2,702	294	0	221	1,580	6,129	360	986	(7,763)	781	852	**8,821**
20	Adjustment	0	0	0	0	0	0	(1,580)	(6,129)	(360)	(719)	8,789			**0**
21	Sub-Total	0	2,679	2,702	294	0	221	(0)	(0)	(0)	267	1,026	781	852	**8,821**
20	Extra Large LLF		0	0	0	0	0	0	0	0	0	0	0	0	**0**
21	Extra Large HLF		0	0	0	0	0	0	0	0	0	0	0	0	**0**
22	**Total TSS**	0	34,232	22,788	1,197	1,590	1,751	809	883	3,859	8,310	19,595	21,115	26,904	**143,032**
23	**Sales & TSS THROUGHPUT**														
24	Residential Non-Heating		60,019	39,167	28,743	18,658	16,187	16,103	19,867	27,860	38,287	50,638	50,625	47,073	**413,226**
25	Residential Non-Heating Low Income		2,941	1,956	1,023	327	259	277	392	708	1,220	1,697	1,646	1,406	**13,852**
26	Residential Heating		1,778,181	1,062,089	573,872	392,213	337,357	341,248	470,510	1,105,743	2,028,011	2,935,054	2,884,975	2,623,389	**16,532,640**
27	Residential Heating Low Income		152,450	100,566	55,710	40,021	33,305	34,078	46,179	99,712	178,044	250,781	238,178	213,710	**1,442,733**
28	Small C&I		236,705	124,688	68,679	47,017	41,144	34,720	46,772	116,387	260,972	414,380	407,145	370,024	**2,168,634**
29	Medium C&I		328,031	206,121	122,689	93,453	93,534	91,877	119,244	203,978	355,596	507,658	480,393	451,114	**3,053,688**
30	Large LLF		82,739	41,442	25,042	8,581	9,409	(62)	14,956	39,221	72,481	116,932	106,146	103,274	**620,160**
31	Large HLF		16,883	18,051	19,644	15,912	10,566	15,961	23,481	17,413	22,069	18,451	27,584	24,951	**230,967**
32	Extra Large LLF		8,303	5,409	3,332	1,167	1,113	283	744	3,267	6,464	12,229	9,417	10,069	**61,797**
33	Extra Large HLF		6,283	4,488	5,453	5,653	5,410	6,275	7,588	10,464	5,556	6,078	3,679	3,582	**70,507**
34	**Total Sales & TSS Throughput**		2,672,534	1,603,977	904,187	623,002	548,284	540,759	749,733	1,624,752	2,968,700	4,313,898	4,209,787	3,848,592	**24,608,205**
35	**FT-1 TRANSPORTATION**														
36	FT-1 Medium		50,248	46,317	16,972	12,658	23,275	19,597	25,082	15,039	57,778	91,539	92,513	76,349	**527,366**
37	FT-1 Large LLF		70,276	54,505	4,166	(6,639)	15,268	12,755	21,342	30,674	85,561	138,218	139,766	118,745	**684,636**
38	FT-1 Large HLF		36,833	33,922	28,372	31,907	24,836	26,008	28,244	3,130	34,229	46,585	45,978	41,018	**381,061**
39	FT-1 Extra Large LLF		106,626	93,152	12,455	(19,882)	16,867	16,137	27,896	49,729	116,405	178,743	179,983	159,841	**937,951**
40	FT-1 Extra Large HLF		410,300	485,818	417,435	478,958	424,379	489,409	401,651	26,686	491,114	557,480	552,086	489,501	**5,224,817**
41	Default		4,502	4,208	102	527	1,411	1,527	2,003	1,315	5,384	7,861	7,933	6,877	**43,649**
42	**Total FT-1 Transportation**		678,786	717,920	479,501	497,528	506,036	565,433	506,217	126,573	790,470	1,020,427	1,018,260	892,330	**7,799,481**
43	**FT-2 TRANSPORTATION**														
44	FT-2 Small		8,922	4,864	2,660	1,939	1,894	1,805	2,711	5,763	12,400	19,816	18,921	18,027	**99,721**
45	FT-2 Medium		180,341	117,208	72,110	51,904	45,212	44,845	62,395	113,132	196,524	277,630	266,892	257,186	**1,685,377**
46	FT-2 Large LLF		124,706	75,799	25,923	15,596	13,724	15,849	28,855	90,345	164,245	224,090	204,116	189,418	**1,172,665**
47	FT-2 Large HLF		39,401	32,801	27,650	21,669	21,990	26,358	24,907	36,219	43,989	56,893	59,620	56,196	**447,691**
48	Adjustment		1,085	799	350	111	66	78	204	299	653	1,129	(4,773)		**0**
49	Sub-Total		40,486	33,600	27,999	21,780	22,056	26,436	25,110			58,022			**255,490**
48	FT-2 Extra Large LLF		9,132	6,423	3,574	2,469	2,001	475	818	1,374	4,987	7,574	6,675	5,895	**51,397**
49	FT-2 Extra Large HLF		40,735	36,244	36,123	35,144	32,540	38,843	37,476	42,225	46,991	50,604	47,994	55,613	**500,532**
50	**Total FT-2 Transportation**		444,807	307,739	196,388	150,612	139,481	154,689	182,476	289,357	469,788	695,757	599,444	582,335	**4,212,873**
51	**Total THROUGHPUT**														
52	Residential Non-Heating		60,019	39,167	28,743	18,658	16,187	16,103	19,867	27,860	38,287	50,638	50,625	47,073	**413,226**
53	Residential Non-Heating Low Income		2,941	1,956	1,023	327	259	277	392	708	1,220	1,697	1,646	1,406	**13,852**
54	Residential Heating		1,778,181	1,062,089	573,872	392,213	337,357	341,248	470,510	1,105,743	2,028,011	2,935,054	2,884,975	2,623,389	**16,532,640**
55	Residential Heating Low Income		152,450	100,566	55,710	40,021	33,305	34,078	46,179	99,712	178,044	250,781	238,178	213,710	**1,442,733**
56	Small C&I		245,627	129,552	71,339	48,956	43,038	36,525	49,483	122,150	273,372	434,196	426,066	388,051	**2,268,355**
57	Medium C&I		558,619	369,646	211,771	158,015	162,022	156,319	206,721	332,149	609,897	876,827	839,797	784,649	**5,266,431**
58	Large LLF		277,720	171,746	55,130	17,537	38,400	28,542	65,153	160,240	322,287	479,241	450,028	411,438	**2,477,462**
59	Large HLF		93,117	84,774	75,665	69,488	57,392	68,327	76,631	56,763	100,288	121,930	133,181	122,164	**1,059,720**
60	Extra Large LLF		124,061	104,983	19,361	(16,246)	19,981	16,895	29,458	54,369	127,856	198,546	196,075	175,805	**1,051,145**
61	Extra Large HLF		457,318	526,550	459,011	519,756	462,329	534,527	446,715	79,375	543,661	614,162	603,758	548,696	**5,795,856**
62	Default		4,502	4,208	102	527	1,411	1,527	2,003	1,315	5,384	7,861	7,933	6,877	**43,649**
63	**Total Throughput**		3,754,555	2,595,237	1,551,727	1,249,252	1,171,679	1,234,367	1,413,111	2,040,383	4,228,306	5,970,932	5,832,264	5,323,257	**36,365,069**

Division 2-4

Request:

Re: Witness Leary's Direct Testimony at page 13 of 15, line 16, through page 14 of 15, line 3, please:

a. Verify that the historical volumes used as input to the Company's forecasts of throughput by rate class were adjusted to reflect the month of actual gas consumption prior to computing forecasted monthly and annual volumes by class;

b. Provide documentation of the adjustments made to historical volumes by month used in the Company's forecasted normal weather volumes for the 2017-2018 GCR period to remove differences between accrual amounts and actual gas use for each month.

c. Verify that the "negative volume" shown for Large High Load Factor TSS service for the month of January 2017 is greater than the overall net volume for that class for the twelve months ended June 2017;

Response:

a. Prior to creating its annual forecast, the Company reviews its billing records and processes all cancellations and rebills through the end of the historical period so that its forecasting input data reflects the best knowledge possible of actual volumes by billing month.

b. The process for cleaning the Company's billing data described in response to Division 1-4(a), above, is fully automated and there is no documentation of changes that might have been made.

c. The annual use for the Large High Load Factor TSS rate for the 12 month period ending June 2017 is 5,727 therms, which is less than the January 2017 adjustment. However, that comparison is not relevant. As shown in the Company's response to Division 2-3(c), the negative sales in January 2017 were a result of the cancellation of one customer's bills issued during the billing months of September 2016 through December 2016 (for gas used during the period July 2015 through December 2016). This customer was rebilled on the Large High Load Factor FT-2 rate class in February 2017. Therefore, while the cancellation and rebilling occurred during different billing months (January 2017 and February 2017, respectively), they occurred within the same Gas Cost Recovery period.

Prepared by or under the supervision of: Ann E. Leary and Theodore Poe, Jr.

Division 2-5

Request:

Re: Attachment AEL-6 that accompanies Witness Leary's Direct Testimony. The electronic workpapers provide for Attachment AEL-6 show as hard inputs storage and peaking capacities which differ from the amounts shown for design day sendout for storage, and peaking in Attachment AEL-1, page 12 of 15, as follows:

	AEL-6 Wkpr Capacity Allocation	AEL-1, Page 12 Design Day Send Out	Difference
Pipeline	174,349 Dth	174,349 Dth	0 Dth
Storage	42,694 Dth	113,860 Dth	71,166 Dth
Peaking	152,503 Dth	69,799 Dth	(82,704)Dth
Total	369,546 Dth	358,008 Dth	11,538 Dth

With respect to the foregoing data, please:

a. Document and explain the relationship between the Storage and Peaking amounts shown in the electronic workpapers for Attachment AEL-6 and the Design Day Send Out amounts for Storage and Peaking shown on page 12 of 15 in Attachment AEL-1;

b. Explain how the Company can sendout 113,860 Dth of Storage gas on a design day if it only has 42,694 Dth of Storage Capacity.

Response:

a. The Storage and Peaking amounts shown in the Design Day Sendout in Attachment AEL-1, page 12 were incorrect. The correct numbers should have been as follows:

Prepared by or under the supervision of: Ann E. Leary

Division 2-5, page 2

	AEL-6 Wkpr Capacity Allocation	AEL-1, Page 12 Design Day Send Out	Difference
Pipeline	174,349 Dth	174,349 Dth	0 Dth
Storage	42,694 Dth	42,694 Dth	0 Dth
Peaking	152,503 Dth	152,503 Dth	0 Dth
Total	369,546 Dth	369,546 Dth	0 Dth

The Total Peak Day of 369,546 Dekatherms (Dth) contained in the electronic work papers to Attachment AEL-6 is the total Company forecasted Peak Day for Sales and Transportation customers with mandatory capacity. The original number of 358,008 Dth, as shown in Attachment AEL-1, page 12, had excluded the Storage and Peaking requirement for the FT-1 customers.

b. Please see the response to Division 2-5(a), above.

Division 2-6

Request:

Several of the Company's recent Monthly Filings of GCR Deferred Gas Balances (e.g., filings dated May 18, 2017, June 20, 2017, July 21, 2017) have included references Unaccounted For Gas ("UFG") volumes and adjustments made to forecasted sales for subsequent months as a result of UFG considerations. In the context of those reports and the associated adjustments to forecasted sales, please:

a. Identity each place within the Company's 2017 GCR filing where either Unaccounted For Gas ("UFG") volumes or a UFG allowance is explicitly reflected or discussed;

b. If there is an allowance for Unaccounted For Gas included in the Company's 2017 Annual GCR filing, identify the magnitude of that allowance and document its derivation of the allowance used;

c. Provide the Company's actual Unaccounted For Gas volumes and UGF percentage:

   i. On an annual basis for each of the last five annual GCR periods;

   ii. By month for each month of the last five annual GCR periods.

d. Explain in further detail why adjustments to forecasted sales to alter the UFG implicit in the Company's GCR Deferred Balances reporting are necessary and appropriate;

e. Explain how the Company and/or ratepayers would be harmed if adjustments to forecasted volumes are not made within monthly GCR Deferred Balances reports;

f. Identify each instance in the Company's reporting of GCR Deferred Balances for prior GCR years in which adjustments to monthly forecasted volumes were made to adjust the UFG implicit in the Company's monthly GCR Deferred Gas Balances reports.

Response:

a. The Company's 2017 Gas Cost Recovery (GCR) filing does not explicitly identify Unaccounted For Gas (UFG) volumes or a UFG allowance. However, the Company's 2017 GCR filing shows the forecast sendout volume (see Attachment NGC-2) and the Company's forecast sales (see Attachment AEL-1, page 11, line 9), from which UFG could be computed. Please see Attachment DIV 2-6(b) for a computation of the UFG contained in the filing.

Division 2-6, page 2

b. Please see Attachment DIV 2-6(b) for a computation of the 2.7% UFG.

c. Please see Attachment DIV-2-6(c) for the requested information. Please note that the monthly UFG and UFG percentage also reflects unbilled volumes.

d. In its initial monthly deferred balance report, the Company projects each month's deferral balance based upon projected gas costs and projected commodity revenue. In each subsequent monthly deferred balance report, the Company recalculates the October deferral balance based upon current month-to-date actuals and projections for the remaining forecasted period based upon normal weather. However, if the relationship between the actual monthly customer billings and actual gas purchased differs from the relationship forecasted in the initial filing, the projected annual UFG will change. This relationship between the sales (customer billings) and sendout (gas purchases) can vary due to changes in monthly weather patterns, which results in billing leads (or lags). Therefore, in each monthly deferred balance report, the Company first calculates the annual UFG to compare to the initial forecasted UFG contained in the Company's annual GCR filing. If the calculated UFG varies from the initial projected UFG contained in the Company's GCR filing, the Company will then adjust the forecasted sales so that the annual UFG will approximate the initial UFG projected. In other words, the Company will adjust the projected sales (customer billings) so that the annual projected UFG will approximate the UFG forecasted in the Company's approved GCR filing.

e. If the Company did not adjust the forecasted sales so that the annual UFG approximates the initial forecasted annual UFG, the projected October deferred balance could be either overstated or understated. An incorrect deferred balance could impact whether the Company should (or should not) request a midseason revision to its current approved GCR factor, which in turn would impact the period in which the Company recovers its gas costs from its customers. For example, if the projected deferred balance was overstated because of a lag in customers' billings and that balance exceeded 5% of the Company's annual GCR revenues, the Company could file for an unnecessary change to its GCR factor. By doing so, the Company would be recovering more revenues than the actual costs incurred, which would require the Company to return this over-recovered revenue in subsequent periods. Although the Company reconciles its gas costs, in this instance the customers would be overpaying for gas costs in the current year only to be refunded in the subsequent year.

Division 2-6, page 3

f. Please see Attachment DIV 2-6(f) for each instance in the past three years in which the Company adjusted monthly forecasted volumes to adjust UFG implicit in the Company's monthly deferred balance reports.

Line No.	Description	Reference		NOV 2017 (a)	DEC 2017 (b)	JAN 2018 (c)	FEB 2018 (d)	MAR 2018 (e)	APR 2018 (f)	MAY 2018 (g)	JUN 2018 (h)	JUL 2018 (i)	AUG 2018 (j)	SEP 2018 (k)	OCT 2018 (l)	Total Nov-Oct (m)
(1)	**Sales**															
(2)	GCR fcst 2017-18	Dkt 4719 AEL-1 pg 11	Dth	1,746,930	3,167,346	4,325,184	4,627,445	4,077,839	2,878,555	1,568,022	912,469	630,861	561,730	630,438	787,624	25,914,442
(3)	**Sendout**															
(4)	GCR fcst 2017-18	Dkt 4719 NGC-2 Pgs 1-9	Dth	2,286,401	3,945,192	4,943,244	4,417,284	3,736,115	2,175,893	1,268,260	808,643	647,353	593,008	639,818	1,177,517	26,638,728
(5)	**UFG**															
(6)	GCR fcst 2017-18	(4) - (2)	Dth	539,471	777,846	618,060	(210,161)	(341,724)	(702,662)	(299,762)	(103,826)	16,492	31,278	9,380	389,893	724,286
(7)	**UFG %**															
(8)	GCR fcst 2017-18	(6) / (4)		24%	20%	13%	-5%	-9%	-32%	-24%	-13%	3%	5%	1%	33%	2.7%

Actual/Forecast UFG for the Periods 2011 - 2017

Line No.	Periods	Description	Reference		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total Nov-Oct
					(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
(1)		**Sales**															
(2)	Nov 2016 - Oct 2017	Actual/Fcst Nov 16-Oct 17	Dkt 4647 (PUC 08-18-17)	Dth	1,624,752	2,968,700	4,313,898	4,209,787	3,848,592	3,359,876	1,481,143	1,007,310	651,366	487,578	476,163	943,610	25,372,777
(3)	Nov 2015 - Oct 2016	GCR (Dkt 4576) Actual	Dkt 4576 (PUC 11-18-16)	Dth	1,388,648	2,699,532	3,481,832	4,317,898	3,758,980	2,672,534	1,603,977	904,187	623,002	548,284	540,759	749,733	23,289,364
(4)	Nov 2014 - Oct 2015	GCR (Dkt 4520) Actual	Dkt 4520 (PUC 11-20-15)	Dth	1,323,493	3,404,433	4,535,518	5,777,914	5,342,849	3,611,438	1,581,919	860,825	665,221	591,702	576,843	741,392	29,013,547
(5)	Nov 2013 - Oct 2014	GCR (Dkt 4436) Actual	Dkt 4436 (PUC 11-20-14)	Dth	1,526,737	3,440,236	4,931,618	4,923,590	4,773,574	3,322,148	1,776,556	888,499	637,799	580,607	572,682	738,787	28,112,832
(6)	Nov 2012 - Oct 2012	GCR (Dkt 4346) Actual	Dkt 4346 (PUC 11-21-13)	Dth	1,396,953	2,956,016	3,911,537	4,528,981	3,886,355	3,060,061	1,482,166	790,490	686,094	557,230	653,960	710,428	24,620,271
(7)	Nov 2011 - Oct 2012	GCR (Dkt 4283) Actual	Dkt 4283 (PUC 11-19-12)	Dth	1,527,031	2,263,705	3,350,366	3,725,541	3,268,037	2,173,777	1,289,670	798,118	637,404	577,761	558,218	728,304	20,897,931
(8)		**Sendout**															
(9)	Nov 2016 - Oct 2017	Actual/Fcst Nov 16-Oct 17	Company Data	Dth	2,439,471	4,348,509	4,479,525	3,911,408	4,619,101	1,864,018	1,165,265	733,008	588,266	520,513	552,212	1,334,917	26,556,214
(10)	Nov 2015 - Oct 2016	GCR (Dkt 4576) Actual	Company Data	Dth	2,195,571	2,723,852	4,890,191	4,304,904	2,978,237	2,249,346	1,076,381	667,545	556,713	555,956	582,017	1,118,903	23,899,617
(11)	Nov 2014 - Oct 2015	GCR (Dkt 4520) Actual	Company Data	Dth	2,850,376	3,926,773	5,922,299	6,062,906	4,633,539	2,149,485	888,787	735,715	627,899	601,666	586,021	1,307,617	30,293,082
(12)	Nov 2013 - Oct 2014	GCR (Dkt 4436) Actual	Company Data	Dth	2,944,402	4,389,620	5,483,683	4,690,525	4,428,381	2,110,808	975,266	698,631	662,061	647,157	669,058	1,182,934	28,882,525
(13)	Nov 2012 - Oct 2012	GCR (Dkt 4346) Actual	Company Data	Dth	2,939,805	3,600,041	4,707,254	4,362,287	3,777,393	2,032,909	931,940	709,050	603,187	641,957	659,903	1,260,630	26,226,357
(14)	Nov 2011 - Oct 2012	GCR (Dkt 4283) Actual	Company Data	Dth	1,974,654	3,312,239	4,236,987	3,551,192	2,512,040	1,519,765	957,253	712,168	611,771	613,217	650,030	870,097	21,521,413
(15)		**UFG**															
(16)	Nov 2016 - Oct 2017	Actual/Fcst Nov 16-Oct 17	(9) - (2)	Dth	814,719	1,379,809	165,627	(298,379)	770,509	(1,495,858)	(315,878)	(274,302)	(63,100)	32,935	76,049	391,307	1,183,438
(17)	Nov 2015 - Oct 2016	GCR (Dkt 4576) Actual	(10) - (3)	Dth	806,924	24,320	1,408,359	(12,994)	(780,743)	(423,188)	(527,596)	(236,642)	(66,289)	7,673	41,259	369,170	610,253
(18)	Nov 2014 - Oct 2015	GCR (Dkt 4520) Actual	(11) - (4)	Dth	1,526,882	522,340	1,386,780	284,992	(709,310)	(1,461,953)	(693,132)	(125,110)	(37,321)	9,964	9,178	566,225	1,279,535
(19)	Nov 2013 - Oct 2014	GCR (Dkt 4436) Actual	(12) - (5)	Dth	1,417,665	949,384	552,065	(233,065)	(345,193)	(1,211,340)	(801,290)	(189,868)	24,262	66,550	96,376	444,147	769,693
(20)	Nov 2012 - Oct 2012	GCR (Dkt 4346) Actual	(13) - (6)	Dth	1,542,852	644,025	795,718	(166,694)	(108,963)	(1,027,152)	(550,226)	(81,440)	(82,907)	84,727	5,943	550,203	1,606,086
(21)	Nov 2011 - Oct 2012	GCR (Dkt 4283) Actual	(14) - (7)	Dth	447,623	1,048,534	886,621	(174,349)	(755,997)	(654,012)	(332,417)	(85,950)	(25,632)	35,456	91,812	141,793	623,482
(22)		**UFG %**															
(23)	Nov 2016 - Oct 2017	Actual/Fcst Nov 16-Oct 17	(16) / (9)		33%	32%	4%	-8%	17%	-80%	-27%	-37%	-11%	6%	14%	29%	4.5%
(24)	Nov 2015 - Oct 2016	GCR (Dkt 4576) Actual	(17) / (10)		37%	1%	29%	0%	-26%	-19%	-49%	-35%	-12%	1%	7%	33%	2.6%
(25)	Nov 2014 - Oct 2015	GCR (Dkt 4520) Actual	(18) / (11)		54%	13%	23%	5%	-15%	-68%	-78%	-17%	-6%	2%	2%	43%	4.2%
(26)	Nov 2013 - Oct 2014	GCR (Dkt 4436) Actual	(19) / (12)		48%	22%	10%	-5%	-8%	-57%	-82%	-27%	4%	10%	14%	38%	2.7%
(27)	Nov 2012 - Oct 2012	GCR (Dkt 4346) Actual	(20) / (11)		52%	18%	17%	-4%	-3%	-51%	-59%	-11%	-14%	13%	1%	44%	6.1%
(28)	Nov 2011 - Oct 2012	GCR (Dkt 4283) Actual	(21) / (12)		23%	32%	21%	-5%	-30%	-43%	-35%	-12%	-4%	6%	14%	16%	2.9%

Lines (2) (9) (16) (23) Nov 2016 - Oct 2017 is based on actual data for the period November 2016 through July 2017 and forecast data for the period August 2017 through October 2017.

					Annual UFG % (Nov-Oct)			October Ending Deferred Balance		
	GCR Period	Filing Month	Adjusted Monthly Forecast	UFG adjusted Amount (dth)	Before	After	Diff.	Before	After	Diff.
(1)		Dec-14	Jan-15	(258,156)	2.10%	3.00%	0.90%	($9,170,916)	($7,437,832)	$1,733,084
(2)		Jan-15	Feb-15	2,073,247	10.00%	3.00%	-7.00%	$18,789,650	$4,886,773	($13,902,876)
(3)	2014-2015	Feb-15	Mar-15	1,285,999	7.30%	3.00%	-4.30%	$13,700,640	$5,084,855	($8,615,785)
(4)		Mar-15	Apr-15	859,448	6.80%	4.00%	-2.80%	$9,151,314	$3,400,636	($5,750,678)
(5)		Apr-15	May-15	163,476	5.00%	4.50%	-0.50%	$5,051,427	$3,958,702	($1,092,725)
(6)	2015-2016	Jan-16	Feb-16	523,236	6.00%	4.00%	-2.00%	$4,763,450	$1,935,972	($2,827,478)
(7)		Feb-16	Mar-16	383,959	5.50%	4.00%	-1.50%	$5,284,184	$3,212,167	($2,072,018)
(8)		Dec-16	Jan-17	290,099	6.60%	5.50%	-1.10%	$2,060,948	$705,765	($1,355,182)
(9)		Jan-17	Feb-17	283,861	5.10%	4.00%	-1.10%	$3,358,321	$2,034,125	($1,324,196)
(10)	2016-2017	Feb-17	Mar-17	229,706	4.90%	4.00%	-0.90%	$3,229,177	$2,159,199	($1,069,978)
(11)		Mar-17	Apr-17	1,440,021	8.30%	3.00%	-5.30%	$12,853,376	$6,147,592	($6,705,784)
(12)		Apr-17	May-17	546,842	5.50%	3.50%	-2.00%	$10,118,823	$7,577,831	($2,540,992)
(13)		May-17	Jun-17 - Aug 17	473,360	6.00%	4.80%	-1.20%	$10,580,666	$9,186,030	($1,394,636)

Division 2-7

Request:

Re: Witness Poe's Direct Testimony at page 4 of 14, line 12, through page 5 of 14, line 10, please document the efforts made by the Company to remove the influences of billing adjustments on historical gas usage data by rate class for large and extra large C&I rate classifications to ensure that actual gas use by month was not distorted by billing adjustments associated with gas use in prior periods.

Response:

Please refer to the Company's response to Division 2-4(a).