

January 25, 2019

BY HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: Docket 4755 – 2018 Energy Efficiency Program Plan
Responses to Division Data Requests – Set 10**

Dear Ms. Massaro:

I have enclosed ten copies of National Grid's¹ responses to the following requests:
Division 10-21, 10-25, and 10-30.

This transmittal completes the Company's responses to the Division's Tenth Set of Data Requests in the above-referenced docket.

Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2121.

Sincerely,



Raquel J. Webster

Enclosures

cc: Docket 4755 Service List
Jon Hagopian, Esq.
John Bell, Division

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

January 25, 2019
Date

Docket No. 4755 - National Grid – Energy Efficiency Program Plan for 2018
Docket No. 4756 - National Grid – 2018 System Reliability Procurement
Report (SRP)
Service list updated 1/8/2019

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The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4755
In Re: 2018 Energy Efficiency Plan
Notification of an Energy Efficiency Incentive Greater Than \$3,000,000
Responses to the Division's Tenth Set of Data Requests
Issued on November 27, 2018

Division 10-21

Request:

Regarding the ability of the Navy to accept a short notice of interruption at the CHP plant because of capacity issues,

- (a) Has the Company conferred with the Navy on the issue of the Company needing to interrupt service with little or no notice on days that the temperature unexpectedly drops below 52 HDD when such condition was not forecasted?
- (b) Has the Navy communicated to the Company whether it is willing to accept the risk that the Company will have the right to call for an immediate shut down of the CHP unit with no notice if the temperature unexpectedly drops below 52 HDD on days that were not forecasted to be so cold?
- (c) If the Navy is willing to accept this risk, does this mean that the Navy will need to change the way it manages the stand-by condition of the central heating plant to assure that the switch from the CHP unit to the central heating plant can occur fast enough to avoid significant risk of a gap in heating on the campus (compared to the Navy's plan when it believed it would receive 24-hour notice, as indicated in the response to Division 6-13)?
- (d) If the response to (c) is no, please explain why not. If the response is yes, does this mean that the Navy will need to burn more MMBTUs at the central plan than was originally estimated by the Company and reflected in the BCR calculation (if so, by how much more)?

Response:

- (a) Yes. The Narragansett Electric Company d/b/a National Grid (the Company) has conferred with the Navy on the possibility that the Company may need to interrupt service with little or no notice on days that the temperature unexpectedly drops below 52 HDD when such condition was not forecasted.
- (b) No. The Navy has not yet communicated to the Company whether it is willing to accept the risk that the Company will have the right to call for an immediate shut down of the CHP unit with no notice if the temperature unexpectedly drops below 52 HDD on days that were not forecasted to be so cold. The Navy informed the Company that it is in the process of reviewing the Company's proposed contract language that would provide the Company with the right to call for an immediate shut down of the CHP unit with no notice if the temperature unexpectedly drops below 52 HDD on days that were not forecasted to be so cold. The Navy has not yet completed that review and, therefore, has not communicated whether it is willing to accept that risk.

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The Company will supplement this response once it receives further information from the Navy.

- (c) The Navy has not yet determined whether it will need to change the way it manages the stand-by condition of the central heating plant to assure that the switch from the CHP unit to the central heating plant can occur fast enough to avoid significant risk of a gap in heating on the campus (compared to the Navy's plan when it believed it would receive 24-hour notice, as indicated in the response to Division 6-13). Once the Navy makes this determination, the Company will update this response.
- (d) Please see the response to part (c), above. If the answer to part (c) is yes once the Navy makes its determination and the Company provides its supplemental response, the Company will reflect any additional MMBTUs that the Navy will need to burn at the central plant in an updated BCR calculation.

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Division 10-25

Request:

Please provide the Company's most recent gas peak hourly load growth forecast for the area of Aquidneck Island, both with and without the assumption of the CHP project going forward. In addition, please indicate the point at which the Company could not serve incremental firm load without adding additional capacity infrastructure into the Aquidneck Island area, under both scenarios (including the peak hourly demand limit and any forecasted date when the limit would be hit).

Response:

Please see table below for The Narragansett Electric Company d/b/a National Grid's (the Company) most recent gas peak hourly load growth forecast for the area of Aquidneck Island, both with and without the assumption of the CHP project for the ten-year period 2018/19 through 2027/28.¹

Scenario	Peak-Hour Growth Forecast for Portsmouth Take Station (Dth)									
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Planning Load + FT-1 Storage & Peaking Load +C/E Load Without Navy CHP Project	1,202	1,210	1,216	1,216	1,219	1,231	1,221	1,243	1,241	1,247
Planning Load Without Navy CHP Project	1,107	1,115	1,121	1,121	1,124	1,136	1,126	1,148	1,146	1,152
Planning Load + FT-1 Storage & Peaking Load +C/E Load With Navy CHP Project	1,343	1,351	1,357	1,357	1,360	1,372	1,362	1,384	1,382	1,373
Planning Load With Navy CHP Project	1,248	1,256	1,262	1,262	1,265	1,277	1,267	1,289	1,287	1,293
Note: Navy CHP Project = 141 dth/hr										

Planning Load + FT-1 Storage & Peaking + C/E Load reflects: (1) Total firm load for which the Company is responsible to plan capacity resources; (2) FT-1 Capacity Eligible load, for which the Company is responsible to plan for the pipeline portion of that load (which is 49% of total forecasted load), but not the storage and peaking portion of that load (which is 51% of total forecasted load); and (3) FT-1 Capacity Exempt load, for which the Company is not responsible to plan capacity resources. The load for which the Company is not responsible to procure capacity resources is to be provided by third-party marketers for the FT-1 customers.

¹ Peak hourly load reflects 1/20th of the respective peak day load.

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The Company maintains 22,089 dekatherms (Dth) of capacity per day to meet its forecasted planning load on the Algonquin Gas Transmission system with delivery to the Portsmouth city gate, which serves Aquidneck Island. The Company's peak hourly limit is 1,122 Dth, which is comprised of 1/24th and 6% hourly volumes pursuant to the respective transportation contracts. Removing the customer group loads for which the Company is not responsible to plan capacity resources reduces the 2018/19 forecasted peak hour planning load projection to 1,107 Dth. Based on the current load forecast, this load is forecasted to gradually increase to 1,124 Dth by the 2022/23 winter. Therefore, based on current project forecasts, 2022/23 is the point at which the Company could not serve incremental firm planning load without adding additional capacity resources with delivery to the Aquidneck Island area. If the Navy CHP load were also active on the peak hour of a day at 68 Heating Degree Days in 2022/23, the amount by which the Company projects it would exceed its peak hourly contractual limit would increase to 143 Dth.

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Division 10-30

Request:

Please provide the total amount of employee, outside consultancy, legal, and other services costs that have been incurred by the Company in connection with the CHP project and the Company's time spent in connection with seeking approval in this docket relating to the Notification, including the following:

- (a) Total costs incurred for each of the following calendar years: 2016, 2017, and 2018;
- (b) Of the total, the subtotal costs that have been charged or will be charged to the Company's energy efficiency fund for each of these years;
- (c) Of the total, the subtotal opex costs that have not been charged or will not be charged to the Company's energy efficiency funds for each of these years;
- (d) The total of employee time that has been charged to capital;
- (e) Please itemize the costs for each of the years by category, including employee time charges, employee expenses, outside consultants, outside legal, and other services; and
- (f) For 2018, please separately show the total costs associated with this docket from the costs incurred on the project that otherwise would have been incurred in the absence of this proceeding relating to the Notification.

Response:

For responses (a)-(f), The Narragansett Electric Company d/b/a National Grid (the Company) has estimated the costs for employee time and charges.

To estimate the employee time, burdens and expenses for this response, the Company created a list of employees who have worked on this customer project and received from them: (a) an estimation of the percentage of their time they worked on this project in 2016, 2017, 2018; (b) how they charged their time as Energy Efficiency (EE), Capital (CapEx) or Operating (OpEx); and (c) a differentiation of whether time was spent as a result of the proceeding or not. Then, the EE Reporting team, responsible for accounting and financials, obtained: (a) employees' productive time through the time entry system to create an accurate rate per hour for each employee; (b) burden rates for different benefits per employee in each of the requested years; and (c) expenses. The Company estimated employee time, burdens and labor using the following calculations:

- Employee Time = % of estimated time * actual rate per hour per year
- Burdens = % of estimated time * actual burdens per hour per year (note that burdens...
- Employee Expense = % of estimated time * expenses per hour per year

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Additionally, costs for the interconnection process related to the CHP project are not included in the estimate because those costs are fully recovered from the interconnecting customer as part of the interconnection tariff. Labor for EE employees is recovered through EE, however the burdens are recovered through Opex and have been shown as such below.

(a) Total costs 2016	\$ 5,432
Total costs 2017	\$ 64,033
Total costs 2018	\$ 303,682
(b) Subtotal charged to Energy Efficiency 2016	\$ 3,475
Subtotal charged to Energy Efficiency 2017	\$ 38,445
Subtotal charged to Energy Efficiency 2018	\$ 100,813
(c) Subtotal charged to Opex 2016	\$ 1,957
Subtotal charged to Opex 2017	\$ 19,284
Subtotal charged to Opex 2018	\$ 186,874
(d) Subtotal employee time charged to Capital 2016	\$ 0
Subtotal employee time charged to Capital 2017	\$ 6,257
Subtotal employee time charged to Capital 2018	\$ 15,975
(e) Itemization including employee time charges, employee expenses, outside consultants, outside legal, and other services by year:	
a. 2016	
i. Employee time charges	\$ 5,408
ii. Employee expenses	\$ 24
iii. Outside consultants	\$ 0
iv. Outside legal	\$ 0
v. Other	\$ 0
b. 2017	
i. Employee time charges	\$ 63,193
ii. Employee expenses	\$ 840
iii. Outside consultants	\$ 0
iv. Outside legal	\$ 0
v. Other	\$ 0

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c. 2018		
i. Employee time charges	\$ 196,884	
ii. Employee expenses	\$ 1924	
iii. Outside consultants	\$ 7,369	
iv. Outside legal	\$ 97,505	
v. Other	\$ 0	
(f) 2018 Costs incurred related to notification proceeding:	\$ 246,036	
2018 Costs incurred not related to notification proceeding:	\$ 57,645	