

Record Request No. 33

Request:

Looking at line 117 on Attachment 3, Revised Workpaper 4, page 11, and line 67 on the prior page, please confirm that line 117 should be based on a half year convention and why line 67 is more than double of line 117. If the dollar values need to be revised, please provide another revised workpaper.

Response:

The salary for lines 116 through 122 on Attachment 3, Revised Workpaper 4, page 11, for "CMS Field Technician – Attrition" is based on two factors:

1. Attrition occurs mid-year, which is a half-year salary.
2. Salary is based on the mix of employees retiring; the mix is for Meter Service Representatives and Meter Service Technicians:
 - a. 2 Meter Service Representatives at a half-year salary of \$18,858 and 5 Meter Service Technicians at a half-year salary of \$27,524.
 - b. The average of the above is \$24,960.

The salary for line 67 on Attachment 3, Revised Workpaper 4, page 10, is a full-year salary and is the salary paid to a Meter Service Technician only.

Record Request No. 36

Request:

Please indicate whether Dig Safe work is performed in house or through outside contractors in each of National Grid's jurisdictions and if there are any plans to change the Company's policy in any of the jurisdictions.

Response:

Both upstate and downstate New York operating companies utilize contractor resources to provide Dig Safe mark out services. Currently, there are no plans to bring this work in-house.

Similar work in Massachusetts is split between company personnel and contractor resources. Due to ongoing contract negotiations with United Steelworkers Local Nos. 12003 and 12012-04, it is unclear at this time if any changes will be made.

As explained in the Company's responses to PUC 3-35 and Division 21-12, the Company brought work associated with marking underground utilities in-house as of November 2017.

Record Request No. 41

Request:

In light of the work stoppage in MA with a gas union, would RI employees be called on to support MA gas operations? If so, how are the costs recovered by the RI operations?

Response:

To date, a total of eight Narragansett Gas management employees are currently assigned to work stoppage roles supporting Boston Gas Company (Boston Gas).

All labor hours for Company employees on assignment are charged directly to Boston Gas based on the number of hours charged by those employees to Boston Gas. The charging of time by Company employees to Boston Gas generates an automated receivable on the books of the Company and an automated payable on the books of Boston Gas for the labor and overhead charges incurred on work stoppage efforts. The Company pays the employees who are performing work stoppage roles but is reimbursed by Boston Gas through the automated monthly intercompany billing process described above.

Record Request No. 42

Request:

Please calculate the carrying charge on the Revenue Requirement related to GIS Data Enhancement project of \$427,000 at two points in time (1) time the settlement contemplates a rate case and (2) if an extension is granted.

Response:

The rate case settlement in these proceedings assumes that new electric and gas rate cases will be filed for the Company with new base distribution rates going in effect after completion of Rate Year 3, which concludes August 31, 2021. The carrying charge on the revenue requirement related to the GIS Data Enhancement (IS) project of \$427,000 as of August 31, 2021 would total \$38,375. If an extension is granted for one-year, the carrying charge would total \$41,664.

Please refer to the carrying charge calculation provided as Attachment PUC-RR-42. The carrying charge calculation assumes that the GIS Data Enhancement (IS) project will be completed by the mid-point of Rate Year 1. Carrying charges will not accrue to the Company until the date the project is deemed in-service.

Calculation of Carrying Charges Accrued on Deferred GIS Enhancement (IS) expenses

<u>Month</u>	<u>Beginning Balance</u>	<u>Expense</u>	<u>Recoveries</u>	<u>Ending Balance</u>	<u>Average Balance</u>	<u>WACC</u>	<u>Carrying charges</u>	<u>Ending Balance with Carrying Charges</u>	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	Sep-18	\$0	\$0	\$11,861	(\$11,861)	(\$5,931)	0.69%	(\$41)	(\$11,902)
2	Oct-18	(\$11,902)	\$0	\$11,861	(\$23,763)	(\$17,832)	0.69%	(\$123)	(\$23,886)
3	Nov-18	(\$23,886)	\$0	\$11,861	(\$35,747)	(\$29,816)	0.69%	(\$205)	(\$35,952)
4	Dec-18	(\$35,952)	\$0	\$11,861	(\$47,813)	(\$41,882)	0.69%	(\$288)	(\$48,101)
5	Jan-19	(\$48,101)	\$0	\$11,861	(\$59,962)	(\$54,031)	0.69%	(\$371)	(\$60,333)
6	Jan-19	(\$60,333)	\$0	\$11,861	(\$72,194)	(\$66,264)	0.69%	(\$456)	(\$72,650)
7	Mar-19	(\$72,650)	\$427,000	\$11,861	\$342,489	\$134,919	0.69%	\$928	\$343,416
8	Apr-19	\$343,416	\$0	\$11,861	\$331,555	\$337,486	0.69%	\$2,320	\$333,876
9	May-19	\$333,876	\$0	\$11,861	\$322,014	\$327,945	0.69%	\$2,255	\$324,269
10	Jun-19	\$324,269	\$0	\$11,861	\$312,408	\$318,339	0.69%	\$2,189	\$314,597
11	Jul-19	\$314,597	\$0	\$11,861	\$302,735	\$308,666	0.69%	\$2,122	\$304,858
12	Aug-19	\$304,858	\$0	\$11,861	\$292,996	\$298,927	0.69%	\$2,055	\$295,052
13	Rate Year 1		\$427,000	\$142,333				\$10,385	
14									
15	Sep-19	\$295,052		\$11,861	\$283,190	\$289,121	0.69%	\$1,988	\$285,178
16	Oct-19	\$285,178		\$11,861	\$273,317	\$279,248	0.69%	\$1,920	\$275,237
17	Nov-19	\$275,237		\$11,861	\$263,376	\$269,306	0.69%	\$1,851	\$265,227
18	Dec-19	\$265,227		\$11,861	\$253,366	\$259,297	0.69%	\$1,783	\$255,149
19	Jan-20	\$255,149		\$11,861	\$243,288	\$249,218	0.69%	\$1,713	\$245,001
20	Feb-20	\$245,001		\$11,861	\$233,140	\$239,070	0.69%	\$1,644	\$234,784
21	Mar-20	\$234,784		\$11,861	\$222,922	\$228,853	0.69%	\$1,573	\$224,496
22	Apr-20	\$224,496		\$11,861	\$212,635	\$218,565	0.69%	\$1,503	\$214,137
23	May-20	\$214,137		\$11,861	\$202,276	\$208,207	0.69%	\$1,431	\$203,708
24	Jun-20	\$203,708		\$11,861	\$191,847	\$197,777	0.69%	\$1,360	\$193,206
25	Jul-20	\$193,206		\$11,861	\$181,345	\$187,276	0.69%	\$1,288	\$182,633
26	Aug-20	\$182,633		\$11,861	\$170,772	\$176,702	0.69%	\$1,215	\$171,986
27	Rate Year 2			\$142,333				\$19,268	
28									
29	Sep-20	\$171,986		\$11,861	\$160,125	\$166,056	0.69%	\$1,142	\$161,267
30	Oct-20	\$161,267		\$11,861	\$149,406	\$155,336	0.69%	\$1,068	\$150,474
31	Nov-20	\$150,474		\$11,861	\$138,613	\$144,543	0.69%	\$994	\$139,606
32	Dec-20	\$139,606		\$11,861	\$127,745	\$133,676	0.69%	\$919	\$128,664
33	Jan-21	\$128,664		\$11,861	\$116,803	\$122,734	0.69%	\$844	\$117,647
34	Feb-21	\$117,647		\$11,861	\$105,786	\$111,716	0.69%	\$768	\$106,554
35	Mar-21	\$106,554		\$11,861	\$94,693	\$100,623	0.69%	\$692	\$95,385
36	Apr-21	\$95,385		\$11,861	\$83,523	\$89,454	0.69%	\$615	\$84,138
37	May-21	\$84,138		\$11,861	\$72,277	\$78,208	0.69%	\$538	\$72,815
38	Jun-21	\$72,815		\$11,861	\$60,954	\$66,884	0.69%	\$460	\$61,414
39	Jul-21	\$61,414		\$11,861	\$49,553	\$55,483	0.69%	\$381	\$49,934
40	Aug-21	\$49,934		\$11,861	\$38,073	\$44,003	0.69%	\$303	\$38,375
41	Rate Year 3			\$142,333				\$8,722	

Calculation of Carrying Charges Accrued on Deferred GIS Enhancement (IS) expenses

<u>Month</u>	<u>Beginning Balance</u>	<u>Expense</u>	<u>Recoveries</u>	<u>Ending Balance</u>	<u>Average Balance</u>	<u>WACC</u>	<u>Carrying charges</u>	<u>Ending Balance with Carrying Charges</u>
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
42 Sep-21	\$38,375		\$0	\$38,375	\$38,375	0.69%	\$264	\$38,639
43 Oct-21	\$38,639		\$0	\$38,639	\$38,639	0.69%	\$266	\$38,905
44 Nov-21	\$38,905		\$0	\$38,905	\$38,905	0.69%	\$267	\$39,172
45 Dec-21	\$39,172		\$0	\$39,172	\$39,172	0.69%	\$269	\$39,442
46 Jan-22	\$39,442		\$0	\$39,442	\$39,442	0.69%	\$271	\$39,713
47 Feb-22	\$39,713		\$0	\$39,713	\$39,713	0.69%	\$273	\$39,986
48 Mar-22	\$39,986		\$0	\$39,986	\$39,986	0.69%	\$275	\$40,261
49 Apr-22	\$40,261		\$0	\$40,261	\$40,261	0.69%	\$277	\$40,538
50 May-22	\$40,538		\$0	\$40,538	\$40,538	0.69%	\$279	\$40,816
51 Jun-22	\$40,816		\$0	\$40,816	\$40,816	0.69%	\$281	\$41,097
52 Jul-22	\$41,097		\$0	\$41,097	\$41,097	0.69%	\$283	\$41,379
53 Aug-22	\$41,379		\$0	\$41,379	\$41,379	0.69%	\$284	\$41,664
54 Rate Year 4			\$0				\$3,288	
55 Total Carrying Charges for the Rate Plan period September 1, 2018 through August 31, 2021							\$38,375	
56 Total Carrying Charges for the Rate Plan period September 1, 2018 through August 31, 2021 plus a one-year extension							\$41,664	

Column Notes:

- (a) Column (g) of previous month
- (b) \$427,000 total project costs per Page 46 of the Settlement Agreement; calculation assumes work is completed by the mid-point of Rate Year 1
- (c) Annual recovery of \$142,333 divided by 12 (Settlement Agreement, Attachment 4.2b)
- (d) Column (a) plus Column (b) minus Column (c)
- (e) Average of Columns (a) and (d)
- (f) Weighted Average Cost of Capital per RIPUC Docket Nos. 4770/4780 Settlement Agreement of 8.25% divided by 12
- (g) Column (e) times Column (f)
- (h) Column (d) plus Column (g)

Record Request No. 43

Request:

If the Commission were to determine that carrying charge should be in the Revenue Requirement what would the annual cost be?

Response:

The estimated annual carrying charge on the deferral of GIS Data Enhancement (IS) project costs would be:

Rate Year 1	\$10,385
Rate Year 2	\$19,268
Rate Year 3	\$ 8,722

Please refer to the calculation included as Attachment PUC-RR-42 with the Company's response to Record Request No. 42.