

Record Request No. 21

Request:

Please provide a copy of the Melrose renovation estimate referenced by Mr. Isberg.

Response:

Preliminary, high level estimates for build out and renovation capital expenses that would be required to support a customer service walk-in center at the Company's Melrose Street location in Providence were estimated by National Grid's Facilities organization at roughly \$250 per square foot.

Estimated space requirements of 2,000 square feet yielded a total estimated capital cost of \$500,000.

Record Request No. 22

Request:

Please define a major event for purposes of staffing the Innovation Hub, how many there have been, and any exceptions to staffing major events since the opening.

Response:

For purposes of staffing the Energy Innovation Hub (Hub), a major event is defined as an event occurring at the Dunkin' Donuts Center (DDC) or the Rhode Island Convention Center (RICC) that is anticipated to attract several hundred Rhode Island customers. Please note that the Company does not track all events that are scheduled at the DDC and RICC. Rather, the Company chooses specific events with wide appeal – or a direct correlation to energy efficiency – and the largest potential for visitors to test attendance patterns at the Innovation Hub. Additionally, the DDC is not necessarily open during the same hours as RICC events; in the event that the Company chooses to open the Hub for all events at the DDC and RICC, the Company would have to pay for security details on an overtime basis.

Since January 2018, there have been 14 major events at the Hub. The Hub Manager determines whether the Hub should remain open for the beginning of major events, or during the entire event, based on the type of event and available staffing. Please note the Hub was not fully staffed until the end of January 2018, so after hours staffing was not possible.

The Hub staff use their discretion regarding whether to remain open for the beginning of major events based on the following criteria:

- A minimum of two staff members are present at all times in the Hub;
- On-site DDC security is available;
- Ability to maintain crowd control in the Hub; and
- All parties act in a safe manner and children are accompanied by an adult.

Record Request No. 29

Request:

How does the Company define ordinary load conditions under the G-32 Tariff and how would the Company analyze extraordinary load conditions for purposes of waiver of the demand ratchet?

Response:

The Company would define ordinary load conditions as electric loads in the normal course of operation of a customer's facility taking into account seasonal variations of the facility's electric load and any other impact of the facility's electric load as a direct result of the customer's decision regarding the operation of the facility. Extraordinary load conditions would be specific to each customer based on how the customer has operated the facility over multiple years and the customer's plans for operating the facility in the future. The Company would discuss with the customer and perform an evaluation of the drivers contributing to what may appear to be extraordinary load to determine whether the customer is exhibiting electric load reflective of its current and future requirements (such as the expansion of a facility) or an event has occurred that does not allow the customer to respond to the price signals of Rate G-32. Therefore, a single threshold cannot be applied in these conditions. For illustration purposes, however, an electric load that results in the measurement of peak demand of 500 percent or more in excess of the average annual monthly peak demand could warrant a review of that month's billing demand and whether the demand ratchet should be waived or the customer should avail itself of the Optional Determination of Demand provision in the Rate G-32 tariff.

Record Request No. 31

Request:

Please indicate whether the customer account used to calculate the Low Income Discount Recovery Factor was adjusted for changes in the eligibility requirements. If so, what was the adjustment and if not, why not?

Response:

The customer count used in Attachment 20, page 2, that calculated the gas Low Income Discount Recovery Factor (LIDRF) was based on the rate year forecast provided by Company Witness Theodore Poe in the Company's initial filing submitted to the Public Utilities Commission in Docket No. 4770 on November 27, 2017. Narragansett Gas did not adjust the customer count forecast provided by Mr. Poe for the reasons presented below.<sup>1</sup>

In responding to this question, the Company will be addressing the following two changes Narragansett Gas has made to its two low income rate schedules: (1) the proposed revision to the availability section of the schedules to expand eligibility to include (i) eligibility (not the receipt) of Low-Income Home Energy Assistance Program (LIHEAP) benefits, and (ii) the receipt of Supplemental Social Security Income or eligibility for General Public Assistance, Medicaid, Family Independence Program, or Supplemental Nutrition Assistance Program (SNAP) programs; and (2) the implementation of a 25 percent total bill discount (along with the incremental five percent discount for those low income customers who qualify for Medicaid, General Public Assistance, or Family Independence Program), accompanied by the elimination of the discounted base distribution rates and the LIHEAP Company match program.

First, Narragansett Gas expanded the availability section of its low income rate schedules to result in a discount program having eligibility that is consistent with the eligibility requirements of Narragansett Electric's low income Rate A-60 Retail Delivery Service tariff. Therefore, customers who receive Supplemental Security Income benefits from the Social Security Administration, or who are eligible for LIHEAP, General Public Assistance, Medicaid, Family Independence Program, or SNAP programs, will be qualified to receive service on all of the Company's low income rate classes. Currently, only low income customers who receive LIHEAP benefits qualify for Narragansett Gas' low income rate schedules. The Company does not believe expanding eligibility to include these additional programs will increase significantly the number of customers receiving service on the gas low income rate schedules because, as pointed out in Roger Colton's testimony on behalf of the Division of Public Utilities and

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<sup>1</sup> Narragansett Electric also did not adjust the customer count forecast provided by Company Witness Joseph Gredder in the Company's initial filing on November 27, 2017.

Carriers, the annual income requirements for eligibility in these additional programs is lower than the annual income eligibility requirement for LIHEAP. Therefore, customers who qualify for General Public Assistance, Family Independence Program, and SNAP based on their annual income should also qualify for LIHEAP.

Second, Narragansett Gas also does not believe that the original proposal to offer a 15 percent total bill discount to low income customers and eliminate the current 10 percent discount on base distribution rates as well as the LIHEAP Company match would increase significantly enrollment on the gas low income rate schedules. The proposed 15 percent total bill discount is approximately equivalent to the effective discount based upon the current discounted base distribution rates assessed to low income customers plus the LIHEAP Company match (see the Company's response to Division 7-25). Therefore, because the original low income discount proposal would have resulted in a similar overall bill reduction as the reductions currently provided, an adjustment to the low income customer count forecast for the rate year September 2018 through August 2019 was not warranted. As indicated by Company Witness John Isberg, however, the Company believes there are residential customers in Rhode Island who could qualify for the low income rate schedules, but have not yet enrolled. At this time, however, the Company has no way of identifying this potential subset of customers. Because the LIDRF will be reconciled each year, Narragansett Gas will recover any incremental discounts provided throughout the year as a result of increased participation on the low income rate classes or changes in the level of rates and usage through the Distribution Adjustment Charge.

Record Request No. 44

Request:

Please confirm that the Performance Incentive mechanisms are on a calendar year basis.

Response:

Yes, the Performance Incentive Mechanisms would be implemented on a calendar year basis.