

**Docket No. 4770**  
**Seventeenth Set of Data Requests of the**  
**Division of Public Utilities and Carriers to National Grid**  
**January 26, 2018**

**Cost of Service & Rate Design**

- 17-1. Please reference to the testimony of Leary and McCabe, Page 16.
- a. Please provide the final version of the mentioned “Stakeholder Report”.
  - b. Please list the Stakeholder Report recommendations the Company disagreed with and state the reason why the Company disagrees.

**Response can be found on Bates page(s) 1.**

- 17-2. Please reference to the testimony of Gorman, pages 9 – 10.
- a. For each revenue class in the cost of service study, please provide the referenced load profile over the test year. In addition, please provide any and all load profile studies performed for the last cost of service filing and conducted between the last cost of service filing and the current filing.
  - b. Please identify any shifts in customer usage, by rate class, recognized by the company over the past 5 years.
  - c. Please identify any forecasted shifts in customer usage, by rate class, recognized by the Company, or that the Company is anticipating.
  - d. Please explain the methodology behind the sample size used for determining usage profiles for each rate class within each allocated customer class.

**Response can be found on Bates page(s) 2-3.**

- 17-3. Please reference to the testimony of Gorman, page 9, line 19. Has the Company ever separated A-16 and A-60 in their cost of service study? If so, please provide reasoning for combined rate class allocation and when this occurred.

**Response can be found on Bates page(s) 4.**

- 17-4. Please reference to the testimony of Gorman, page 13 line 8,
- a. Please provide the monetary value and percentage differences as a result of the described Company changes.
  - b. Please identify any differences between the 2009 cost of service study and the 2012 cost of service study proposed by the Company, justification for proposed changes, and if those changes were approved by the Commission.

**Response can be found on Bates page(s) 5-6.**

- 17-5. Referencing the testimony of Gorman, page 13, lines 14 – 17, please identify what reasoning the Company used to determine that these allocation shifts more “closely” reflect true costs than allocators used in the past.

**Response can be found on Bates page(s) 7.**

- 17-6. Please reference the testimony of Gorman, page 14, line 7.
- a. Please provide a description of the methodology used in the “special study” and any associated workpapers in executable excel format.
  - b. Please identified if the Company conducted the “special study” or if the study was conducted by a contracted organization.
  - c. Please identify the date the “special study” was conducted.
  - d. Please identify any changes the “special study” resulted in on the functionalization of accounts between the last cost of service filing and the current one, if applicable.

**Response can be found on Bates page(s) 8-13.**

- 17-7. Referencing the testimony of Gorman, page 17, line 1. Please provide the last allocated cost of service study conducted by the Company.

**Response can be found on Bates page(s) 14-62.**

- 17-8. Referencing the testimony of Gorman, page 41, line 8 through page 44, “the PUC adopted rate design principles referenced in Section 3.1 of the April 5, 2017 Report to the Rhode Island Public Utilities Commission on the Stakeholder Working group process in docket No. 4600” and “Specifically, a party proposing a specific rate design is required to include accompanying evidence that addresses how the proposal advances, detracts from, or is neutral as to each of the stated rate design principles”, for each proposed rate design, please respond to the following:
- a. Explain and provide accompanying evidence that addresses how the rate design proposal advances, detracts from, or is neutral as to each of the stated “new” rate design principles.
  - b. Explain and provide accompanying evidence that addresses how the rate design proposal as compared to the existing rate design for that rate class advances, detracts from, or is neutral as to each of the stated “new” rate design principles.
  - c. Specific to each proposed rate design consolidation, explain and provide accompanying evidence that addresses how the rate design proposal as compared to the prior rate design(s) associated with the rate class(es) being consolidated into the proposed rate design advances, detracts from, or is neutral as to each of the stated “new” rate design principles.

**Response can be found on Bates page(s) 63.**

## Gas Business Enablement

- 17-9. Please refer to the testimony of Johnston and Connolly Page 6 of 48, and respond to the following:
- a. Create a chart that:
    - i. Names and identifies each of the 117 sub-systems, applications, databases, or spreadsheet systems across U.S. Gas business (the Legacy Systems).
    - ii. Identifies the function of each Legacy System.
    - iii. States when each Legacy System went into service.
    - iv. Provides the separately the annual capital costs and O&M expense for the Legacy System for the last 5 years by year.
    - v. Identifies each Legacy System that is no longer used and useful.
    - vi. Names and identifies the approximately 30 new and / or surviving systems, sub-systems, and/or applications (the GBE Systems).
    - vii. Identifies the function of each GBE System.
    - viii. States which Legacy System will be eliminated by which GBE System.
  - b. Create a chart that:
    - i. Names and identifies each of the 37 sub-systems, applications, databases, or spreadsheet systems used by the Rhode Island business (the Legacy RI Systems).
    - ii. Identifies the function of each Legacy RI System.
    - iii. States when each Legacy RI System went into service.
    - iv. Provides separately the annual capital costs and O&M expense for the RI Legacy System for the last 5 years by year.
    - v. Identifies each Legacy RI System that is no longer used and useful.
    - vi. Names and identifies the approximately 19 new and / or surviving systems, sub-systems, and/or applications (the RI GBE Systems).
    - vii. Identifies the function of each RI GBE System.
    - viii. States which Legacy RI System will be eliminated by which RI GBE System.
    - ix. Provide a copy of the merger integration plan and any progress reports related to the RI Legacy Systems related to the acquisition of the Rhode Island company.

**Response can be found on Bates page(s) 64-67.**

- 17-10. Please refer to the testimony of Johnston and Connolly Page 6 of 48, and respond to the following:
- a. Provide the definition of “incremental annual cost” as used on line 15.
  - b. Provide the definition of the Rhode Island “incremental annual expense” as used on lines 17-18.

**Response can be found on Bates page(s) 68.**

17-11. Please refer to the testimony of Johnston and Connolly Page 48 of 48, and provide the definition of “net incremental savings” as used on line 3.

**Response can be found on Bates page(s) 69.**

17-12. Please refer to the testimony of Johnston and Connolly Page 47 of 48, and provide the definition of “allocated share of estimated savings” as used on line 3.

**Response can be found on Bates page(s) 70.**

17-13. Please refer to the testimony of Johnston and Connolly Page 9 of 48, and respond to the following:

- a. Explain how the costs for Rhode Island were developed.
- b. Provide all analysis that supports the allocation or assignment of costs to each company affiliate receiving a share of costs. Include all workpapers in working Excel format with all rows and columns labeled and defined.
- c. Explain why Narragansett electric customers are allocated a portion of the capital cost but none of the O&M expenses associated with Gas Business Enablement.
- d. Are any other of National Grid’s electric utilities being allocated costs associated with the Gas Business Enablement program? Is so, please provide an update to the itemized breakdown of the multi-year costs of \$478.3 million by cost type across all jurisdictions provided in Attachment DIV 3-61 with an additional breakdown by gas and electric share in each jurisdiction. If not, please explain why not?

**Response can be found on Bates page(s) 71-79.**