

**Docket No. 4770
Ninth Set of Data Requests of the
Division of Public Utilities and Carriers to National Grid
January 11, 2018**

Revenue Requirement

- 9-1. Referring to MAL-3, page 1, columns (a), (b), and (c), please provide historical O&M expense data for the five years prior to the Test Year in excel format. Please provide this information in the same 12-month periods as the Test Year.

Response can be found in Book 1 on Bates page(s) 1-19.

Service Company Rents

- 9-2. Referring to Workpaper 6a-6c Service Company Rents, tab IS Existing Projects RY1, please provide detailed documentation for each project, including project authorization forms or work orders, for projects greater than \$5M, as shown in column J.

Response can be found in Book 1 on Bates page(s) 20-203.

- 9-3. Referring to Workpaper 6a-6c Service Company Rents, tab IS New Projects RY1, please provide detailed documentation for each project, including project authorization forms or work orders, for projects greater than \$5M, as shown in column J.

Response can be found in Book 1 on Bates page(s) 204-205.

- 9-4. Referring to Workpaper 6a-6c Service Company Rents, IS Existing Projects with a INVP# equal to USFP, please explain amongst this group of projects which ones relate to the original implementation of USFP. For all projects identified, please provide the costs related to the original implementation of USFP and the allocated costs to Narragansett Electric Company.

Response can be found in Book 1 on Bates page(s) 206-210.

- 9-5. Referring to Schedules ISP-1, ISP-2, and ISP-3, please provide the following:
- a. Detailed documentation for each project, including project authorization forms or work orders, that shows how the total investment cost of each project was calculated.
 - b. Implementation timeline for each project.
 - c. Confirm that all the projects listed in ISP-2 and ISP-3 are listed in ISP-1. If a project is not listed in ISP-1, please provide the documentation asked for in (a) and (b).

Response can be found in Book 2 part 1 on Bates page(s) 1-Book 2 part 4 on Bates page(s) 306.

Labor Expenses

- 9-6. Referring to Schedule MAL-12, please provide the following historical data on employees and vacancies over the five years prior to the Test Year in excel format, this information should be provided in the same 12-month period as the Test Year:
- a. Number of employees, differentiating by full-time employees, temporary employees, and seasonal employees.
 - b. Number of vacancies.
 - c. Salaries/wages, differentiating by full-time, temporary, and seasonal employees.

Response can be found in Book 3 on Bates page(s) 1-4.

- 9-7. Referring to PUC IR 3.38, please additionally provide a breakout of the workers expected to retire by position, gas or electric division, years of experience, and level of seniority.

Response can be found in Book 3 on Bates page(s) 5-6.

- 9-8. Referring to the Joint Pre-filed Testimony of Rosario, Jr., Amaral III, and Constable, please explain what initiatives the Company has undertaken to promote current staff to new or vacant senior positions rather than hiring externally. How many of the senior positions that are vacant or new does the Company expect will be filled from existing staff in the Rate Year?

Response can be found in Book 3 on Bates page(s) 7-10.

- 9-9. Referring to Schedule MAL-12, pages 1 and 2, line 19, please provide a description of the major cost items that are included in the “Administrative and General Expenses” category for the Test Year (Per Books), Normalizing Adjustments to Test Year, Test Year (as Adjusted), and Pro forma Adjustments.

Response can be found in Book 3 on Bates page(s) 11.

- 9-10. Referring to MAL-12, page 1, columns (a), (b), and (c), please provide historical labor O&M expense data for the five years prior to the Test Year in excel format. Please provide this information in the same 12-month period as the Test Year.

Response can be found in Book 3 on Bates page(s) 12-14.

- 9-11. Referring to MAL-12, page 1, line 2, columns (a), (b), and (c), please provide detailed historical labor O&M expense data by major category of service and function, e.g. HR, finance, accounting, rate and regulatory, IT, etc.) for the five years prior to and including the Test Year in excel format. Please provide this information in the same 12-month period as the Test Year.

The Company has received an extension to file DIV 9-11.

Uninsured Claims

- 9-12. Referring to Schedule MAL-19, pages 1 and 2, line 19, please provide a description of the major cost items that are included in the “Administrative and General Expenses” category for the Test Year (Per Books), Normalizing Adjustments to Test Year, Test Year (as Adjusted), and Pro forma Adjustments.

Response can be found in Book 3 on Bates page(s) 15-16.

- 9-13. Referring to MAL-19, page 1, columns (a), (b), and (c), please provide historical uninsured claims O&M expense data for the five years prior to the Test Year in excel format. Please provide this information in the same 12-month period as the Test Year.

Response can be found in Book 3 on Bates page(s) 17.

Uncollectable Accounts

- 9-14. Referring to MAL-22, page 1, columns (a), (b), and (c), please provide historical uncollectable accounts O&M expense data for the five years prior to the Test Year in excel format. Please provide this information in the same 12-month period as the Test Year.

Response can be found in Book 3 on Bates page(s) 18-20.

Electric and Gas Operations

- 9-15. Referring to the Joint Pre-filed Testimony of Rosario, Jr., Amaral III, and Constable, page 75, please provide data that shows the Company’s current truck availability and response time compared to its other service territories.

Response can be found in Book 3 on Bates page(s) 21.

Customer Affordability Program

- 9-16. Referring to the Schedule JFI-1, please answer the following:
- a. Provide a Summary of Value of Benefits Provided to Income-Eligible Customers for calendar years 2012-2015 and 2017 (if the 2017 numbers are not final yet, provide an estimate) like calendar year 2016.
 - b. Where in the Company’s filing are the benefits paid through utility rates by program reflected in the Test Year (Per Books), Normalizing Adjustments to Test Year, and Pro forma Adjustments?

Response can be found in Book 3 on Bates page(s) 22-25.

- 9-17. Referring to the Schedule JFI-3, tab Summary, please respond to the following:

- a. How much has the Company spent on “Direct outreach” or customer education and outreach in each of the last five years?
- b. Provide an explanation for why the costs lines 11-13 are not already accounted for in lines 4 and 7.

Response can be found in Book 3 on Bates page(s) 26.

Gas Business Enablement

- 9-18. Referring to page 9, lines 13-14 of the Joint Pre-filed Testimony of Johnston and Connolly that states “Gas Business Enablement Program is a unique transformative initiative providing direct and tangible benefits to customers”:
- a. Please provide a detailed list of all the “direct and tangible benefits” that Narragansett Gas & Narragansett Electric customers will receive from the Gas Business Enablement Program including projected cost savings by year based on when the Company will achieve such savings.
 - b. For each benefit that cannot not be articulated as a projected cost savings, please provide the expected improvement in the form of a metric that captures the tangible benefit above current service levels that Narragansett customers will receive as well as the date that Narragansett Gas & Narragansett Electric customers will begin to realize such benefit.
 - c. Please provide the same response to (a) and (b) above for customers in NY and Massachusetts’s service areas.

Response can be found in Book 3 on Bates page(s) 27-32.

- 9-19. Please provide a description and any studies or analysis the Company performed or had performed comparing the options prior to selecting the solution set for the Gas Business Enablement Project.

Response can be found in Book 3 on Bates page(s) 33-43.

- 9-20. Please describe all steps that the Company has taken or has required its vendors to take to ensure the expected benefits are achieved on time and on budget.

Response can be found in Book 3 on Bates page(s) 44.

- 9-21. Referring to page 18, lines 16-18 of the Joint Pre-filed Testimony of Johnston and Connolly that states “Historic and future compliance issues are arising because of the existence of dis-jointed, disparate, outdated systems” p. 18, please provide:
- a. A schedule detailing all historic compliance issues by operational jurisdiction that were a direct result of inadequacies of the systems and for each provide the results of any root cause analysis performed by the Company.
 - b. A description of any future compliance issues by operational jurisdiction that the Company is aware of.

Response can be found in Book 3 on Bates page(s) 45-47.

- 9-22. Referring to page 6, lines 8-10 of the Joint Pre-filed Testimony of Johnston and Connolly, what percent of the 37 systems identified in use in Rhode Island are end of life and not currently on vendor supported software platforms?

Response can be found in Book 3 on Bates page(s) 48.

- 9-23. Referring to page 25, lines 16-17 of the Joint Pre-filed Testimony of Johnston and Connolly, please provide a list of the “Clearly defined contractual parameters and performance requirements” for each vendor engaged by the Company in the Gas Business Enablement Project.

Response can be found in Book 3 on Bates page(s) 49.

- 9-24. For the Gas Business Enablement project, please provide a definition of change in scope as it relates to each fixed priced contract that could potentially lead to an increase in the contract price.

Response can be found in Book 3 on Bates page(s) 50-52.

- 9-25. What specific accountability metrics are the SVP of Gas Business Enablement being held accountable for by the Steering Group?

Response can be found in Book 3 on Bates page(s) 53-56.

- 9-26. What portion of Gas Business Enablement budget in each year is directly associated with change management and training activities?

Response can be found in Book 3 on Bates page(s) 57-58.

- 9-27. Please provide the assessment of program alternatives described on page 31, line 21 of the Joint Pre-filed Testimony of Johnston and Connolly?

Response can be found in Book 3 on Bates page(s) 59-65.

- 9-28. Please provide all reports, presentations or other updates provided by PA Consulting to the Steering Committee in the course of its role as the 3rd party, independent Value Assurance provider for the Gas Business Enablement Program. This is an ongoing request.

Response can be found in Book 3 on Bates page(s) 66-81.

- 9-29. Referring to page 36, lines 7 -21 of the Joint Pre-filed Testimony of Johnston and Connolly, how does the Company plan to ensure that the Narragansett Gas and Narragansett Electric continues to receive additional capabilities over the duration of the Gas Business Enablement Program as quickly as possible after “initial implementation of the first minimum viable product solutions” and they are not deprioritized due to a shift in focus to “deliver and implement Gas Business Enablement in other service territories”?

Response can be found in Book 3 on Bates page(s) 82.

- 9-30. Referring to page 39, lines 5-6 of the Joint Pre-filed Testimony of Johnston and Connolly, what is the breakdown by operating company of the 2,300 service appointments that National Grid responds to per day?

Response can be found in Book 3 on Bates page(s) 83.

- 9-31. Please provide a description of the source of the savings estimates referred to on page 47, lines 1-5 of the Joint Pre-filed Testimony of Johnston and Connolly and identify any additional savings expected to be achieved at the operating company level from Gas Business Enablement project?

Response can be found in Book 3 on Bates page(s) 84-85.

- 9-32. Has the company taken into account efficiency gains from Gas Enablement in their staffing request? If so, please explain.

Response can be found in Book 3 on Bates page(s) 86-87.

- 9-33. Are there costs allocated to RI (related to the new or existing systems) that are redundant as a result of the Company having to maintain multiple systems while waiting for the new Gas Business Enablement Systems to be fully implemented in other jurisdictions?

Response can be found in Book 3 on Bates page(s) 88-90.

- 9-34. What additional upgrades and other costs are anticipated over the useful life of the Gas Business Enablement Systems related to maintaining or upgrading the system and how are these costs factored into the proposed cost treatment and cost allocation?

Response can be found in Book 3 on Bates page(s) 91.

- 9-35. What useful life does the Company expect to get in practice out of its investment in the Gas Business Enablement Systems? In other words, when would the Company expect to need to re-invest in the systems implemented as part of this project?

Response can be found in Book 3 on Bates page(s) 92.

- 9-36. Referring to the Joint Pre-filed Testimony of Johnston and Connolly page 5, line 21 through page 6, line 12:
- a. What does “with full implementation” mean in terms of real versus elapsed time?
 - b. What percentage of full implementation must be reached before NGRID-RI employees will be able to effectively benefit from at least a 50% reduction in sub-systems?
 - c. Alternatively, what are the core subsystems among the resulting 30 systems, subsystems, and/or applications across the six gas distribution companies must be operational at the same time in order for NGRID-RI employees to effectively benefit from the implementation of the Gas Business Enablement Program?
 - d. How does this compare to roll out in the other two states jurisdictions?
 - e. Does the Company’s plans to implement these three inter-related core operating capabilities (Work Management, Asset Management, and Customer Enablement) revise

existing sub-systems, applications, databases or spreadsheet systems, or replace them with entirely new systems?

- f. Does the planned implementation provide benefits in terms of fewer management and user support positions required to maintain them, whether at the utility operating division level or the service company level? If so, how are these savings represented in this filing?
- g. Does the planned implementation allow elimination of transposition error as employees use the resulting 30 systems, subsystems and applications? If so, how is this reduction in transposition error in use guaranteed by system design and how will it be verified after it is in use?
- h. How will NGRID confirm that the databases included in the final GBE implementation will meet all criteria for database normalization?
- i. Does the planned implementation provide benefits in terms of reduced labor and travel costs associated with improved dispatch and scheduling capabilities, whether at the utility operating division level or the service company level? If so, how are these savings represented in the filing?
- j. Does the planned implementation provide benefits in terms of reduced customer call center costs or operational delivery costs as a result of customer self-service capabilities, whether at the utility operating division level or the service company level? If so, how are these savings represented in this filing?

Response can be found in Book 3 on Bates page(s) 93-97.

Cost of Service & Rate Design

- 9-37. Please refer to the Pre-filed Testimony of Howard S. Gorman, preamble, and provide a copy of the following in fully functioning Excel format from Docket No.4323 as approved by the Commission:
- a. Allocated Class Cost of Service Study
 - b. Revenue Allocations
 - c. Rate Design Model

Response can be found in Book 3 on Bates page(s) 98.

- 9-38. Please refer to the Pre-filed Testimony of Howard S. Gorman, page 2, and provide a copy of the following in fully functioning Excel format with all rows and columns labeled and defined:
- a. Allocated Class Cost of Service Study
 - b. Revenue Allocation
 - c. Rate Design Model
 - d. The bill impact analysis

Response can be found in Book 3 on Bates page(s) 99.

- 9-39. Please refer to the responses to questions 37(a) and 38(a), above. Identify, quantify, and justify any changes between the last approved study and the one currently proposed for the following:
- a. Allocators
 - b. Classifications
 - c. Functionalization
 - d. Allocations

Response can be found in Book 3 on Bates page(s) 100-101.

- 9-40. Please refer to the responses to questions 37(b) and 38(b), above. Identify, quantify, and justify any changes between the last approved allocation and the one currently proposed for the following:
- a. Adherence to the results of the allocated cost of service study
 - b. Mitigation of extreme rate impacts

Response can be found in Book 3 on Bates page(s) 102.

- 9-41. Please refer to the responses to questions 37(c) and 38(c), above. Other than the changes discussed in Gorman's testimony pages 23 to 45, identify and discuss any other changes between the last approved rate design and the one currently proposed.

Response can be found in Book 3 on Bates page(s) 103.

- 9-42. Please refer to the Pre-filed Testimony of Howard S. Gorman, and respond to the following:
- a. Identify each rate class where the Company proposes to increase the customer charge with fixed costs.
 - b. For each rate class identified above, quantify how much of the fixed costs are allocated to energy and how much is allocated to the customer charge. Provide your response and all supporting workpapers and data in working Excel files, with all rows and columns labeled and identified.
 - c. For each allocation identified above, reference the part of the allocated cost of service study that supports the allocation.

Response can be found in Book 3 on Bates page(s) 104.

- 9-43. Please refer to the Pre-filed Testimony of Howard S. Gorman, page 24, and respond to the following:
- a. Provide a copy of current rate A-60, low income tariff.
 - b. Discuss the qualifications to receive the low-income rate in the current tariff and how the qualifications are set.

- c. Please provide a copy of any studies the Company has done on qualifications for the low-income rate class.
- d. Please provide a copy of any recent low-income customer data analysis in working Excel format with all supporting data, work papers and assumptions that supports the homogeneity of this customer class. If no current analysis has been performed, please state when the Company last studied this class.

Response can be found in Book 3 on Bates page(s) 105-109.