

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY :
d/b/a NATIONAL GRID – ELECTRIC AND GAS : DOCKET NO. 4770
DISTRIBUTION RATE FILING :

COMMISSION'S TWELFTH SET OF DATA REQUESTS
DIRECTED TO NATIONAL GRID
(Issued May 21, 2018)

Forecasting/Energy Efficiency

- 12-1. In Mr. Gredder's Rebuttal Testimony on Bates page 68, lines 10-11, he states: "The Company's forecasting methods incorporate PUC-approved short-term energy efficiency program goals and ISO-NE's long-term methods and targets for PV generation projections."
- (a) Does Mr. Gredder's forecast incorporate the persistence of the Energy Efficiency Plan and Three-Year Plan or just the current year plan? If the answer is just the current year plan, please provide the rationale.
 - (b) Does ISO-NE's forecast discount Rhode Island's energy efficiency savings in any way?
 - (c) Does Mr. Gredder make any adjustments from the ISO-NE energy efficiency projections? Why or why not?
 - (d) Does Mr. Gredder make any adjustments from the ISO-NE PV projections? Why or why not?
- 12-2. In Mr. Gredder's Rebuttal Testimony on Bates page 69, lines 1-9, he states: "The Company's forecasting methods take into account all relevant and reliable information to develop the most accurate forecast possible. That includes the Company's reasonable expectation for the impacts of Power Sector Transformation. Power Sector Transformation does not have specific goals for energy efficiency and solar energy generation. The most reliable indicators of increased reliance on energy efficiency and solar generation for the period covered by the proposed rates and rate design are the energy efficiency programs approved by the PUC and the ISO-NE forecasts for solar generation. Accordingly, the Company's use of those data points is the most reasonable and reliable forecasting method." (emphasis added)
- (a) Please explain how, if Power Sector Transformation does not have specific goals for energy efficiency and solar energy generation, the Company nonetheless included the impacts in its forecasting.
- 12-3. How, if at all, were Mr. Gredder's forecasts affected by the proposed increases in the customer charge? If the rate design proposals were not considered in the electric forecasts, please explain why not.

- 12-4. Please explain any analysis the Company conducted regarding the effect of increasing the various customer charges of the electric rate classes on the value of Energy Efficiency measures.
- 12-5. For each rate class, using a “typical” customer (please define) provide the following:
- (a) Percentage of the May 2018 bill that is made up of fixed charges and the percentage that is made up of variable charges under current rates.
 - (b) Dollar amounts on the May 2018 electric bill that are fixed charges and the dollar amounts that are variable charges under current rates.
 - (c) Using the same non-distribution rates as used in the responses to (a) and (b), what percentage of the bills would be made up of fixed charges and what percentage would be made up of variable charges under the proposed Rebuttal rates.
 - (d) Using the same non-distribution rates as used in the responses to (a) and (b), what dollar amount of the bills would be made up of fixed charges and what dollar amount would be made up of variable charges under the proposed Rebuttal rates.
 - (e) For A-60 customers, please also provide the responses to (c) and (d) assuming no customer charge.
- 12-6. Please explain the differences between forecasting the effects of energy efficiency on gas and electric. Please include an explanation of any difference in the timing of when efficiency savings (actual and/or projected) influence forecasts.
- 12-7. Please specifically compare the following two statements and explain how they are similar or different approaches.
- (1) Mr. Poe’s Rebuttal on Bates page 80, lines 1-7: As Narragansett Gas’ historical volume data reflects the impact of its historical energy efficiency programs on the market, Narragansett Gas will adjust its forecast for future energy efficiency programs when those programs lead to demand reductions greater than its historical reductions. Through this process, Narragansett Gas ensures that it does not double count the impact of its energy efficiency programs on its volume forecast (see Poe Direct Testimony at page 9). Narragansett Gas’ energy efficiency goals are established in a separate proceeding.
 - (2) Mr. Gredder’s Rebuttal Testimony on Bates page 69, lines 1-2, he states: “The Company’s forecasting methods take into account all relevant and reliable information to develop the most accurate forecast possible.”

Personnel

- 12-8. Please provide any updated information on the number of expected retirements in each of the rate year and two data years compared to the eligible retirements.

Distributed Generation

- 12-9. Has the Company considered any formal industry outlook for distributed generation in Rhode Island or the region in its projections of interconnection application work?

12-10. Has the Company considered the expiration of the Investment Tax Credit in its projections of distributed generation interconnection application work? If so, how? If not, why not?

Low Income/Competitive Supply

12-11. With respect to A-60 customers who make a 50% partial payment, please explain how application of the payments would be made to the bill charges under the current rate structure and the proposed rate structure (assuming a 25% discount) under the following circumstances:

- (a) Customer had no arrearage prior to the month of the partial payment and is on standard offer.
- (b) Customer had no arrearage prior to the month of the partial payment and is on competitive supply.
- (c) Customer had an arrearage prior to the month of the partial payment and was not on a payment plan or AMP but is on standard offer.
- (d) Customer had an arrearage prior to the month of the partial payment and was not on a payment plan or AMP but is on competitive supply.
- (e) Customer was in a payment plan, was current on payment plan, and is on standard offer service.
- (f) Customer was in a payment plan, was current on payment plan, and is on competitive supply.
- (g) Customer was in the AMP, was current on the AMP, and is on standard offer.
- (h) Customer was in the AMP, was current on the AMP, and is on competitive supply.

12-12. Under each of the scenarios in 12-11, where there is a competitive supplier, under the new low-income rate proposal, how much is recovered through the reconciliation provision?

Benefit-Cost Analysis

12-13. On Bates page 36 of Mr. Sheridan's Rebuttal testimony, he states: "The Company agrees that it can, in most cases, perform a BCA for projects that are not foundational (i.e., not a "core component" of grid modernization). However, the Company believes that BCA is not appropriate for the foundational Grid Modernization investments the Company proposed in Chapter 3 of the PST Plan." Please explain how this position is consistent with the following from the Docket 4600 Guidance Document: "In addition, in any case that proposes new programs or capital investment that will affect National Grid's electric distribution rates, the impact of any increased ratepayer recovery should also reference the goals, rate design principles, and Benefit-Cost Framework. National Grid should apply the Benefit-Cost Framework to changes in its cost of service for the primary purpose of complying with State policy or to expand a current program... the Framework should serve as a starting point in the making of a business case for a proposal." (Public Utilities Commission's Guidance on Goals, Principles and Values for Matters Involving The Narragansett Electric Company d/b/a National Grid at 6-7).

12-14. Please indicate which projects outlined in the Power Sector Transformation Panel Rebuttal and Supplemental Testimony are affected by the Massachusetts Department of Public Utilities order on grid modernization, and provide updated costs and cost-benefit analyses

for such projects if the certainty of sharing costs for these projects with Massachusetts ratepayers has changed.