



Higgins  
Cavanagh  
Cooney

JAMES A. RUGGIERI\*  
JAMES T. HORNSTEIN\*  
PAUL S. CALLAGHAN\*  
SUSAN PEPIN FAY\*  
PETER E. GARVEY\*\*  
STEPHEN P. COONEY\*  
COURTNEY L. MANCHESTER\*  
J. DAVID FREEL\*†  
KRISTINA I. HULTMAN\*  
GREGORY M. TUMOLO\*  
BRIAN W. HAYNES§  
LARISSA B. DELISI\*

\*Also Admitted in MA  
\*\*Also Admitted in CT & MA  
\*\*\*Also Admitted in MA & MI  
† Also Admitted in NJ  
§ Admitted in MA

OF COUNSEL

GERALD C. DEMARIA\*  
CHARLES A. HAMBLY, JR.  
STEPHEN B. LANG  
MELISSA M. HORNE\*\*\*

JAMES H. HIGGINS, JR.  
1952-1975

JOSEPH V. CAVANAGH  
1952-1985

JOHN P. COONEY, JR.  
1960-1981

January 25, 2018

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02886

Re: National Grid's Distribution Rate Filing  
Docket No.: 4770  
Our File: CM - 18535

Dear Ms. Massaro:

Enclosed please find a Motion to Intervene by Wal-Mart Stores East, LP and Sam's East, Inc. as well as a Notice of Appearance of Counsel in the above-referenced matter. I have also enclosed the required ten copies of same.

Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me.

Very truly yours,

Melissa M. Horne

MMH/amd  
Enclosures

cc: Docket 4770 Service List  
Leo Wold, Esquire, Dept. of Attorney General

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID ELECTRIC AND GAS  
DISTRIBUTION RATE FILING

DOCKET NO. 4770

**MOTION TO INTERVENE BY**  
**WAL-MART STORES EAST, LP AND SAM'S EAST, INC.**

Wal-Mart Stores East, LP and Sam's East, Inc. (collectively, "Walmart"), by their attorneys, move to intervene in the above-captioned proceeding pursuant to Rule 1.13 of the Rhode Island Public Utilities Commission Rules of Practice and Procedure. In support of this motion, Walmart states:

1. Walmart has the privilege of providing retail services in the State of Rhode Island and has approximately 8 stores and related facilities that are served by The Narragansett Electric Company d/b/a National Grid Electric and Gas ("National Grid"), primarily on the Large Demand ("G-32") schedule. As a customer of National Grid, Walmart purchases more than 20 million kWh of electricity annually, making electricity one of its largest costs of doing business in Rhode Island.

2. On November 27, 2017, National Grid filed an Application for a Change in Electric and Gas Base Distribution Rates Pursuant to R.I. Gen. Laws §§ 39-3-10 and 39-3-11 ("Application"). The Application seeks a base distribution rate increase for the electric system of approximately \$41.3 million.

3. Rule 1.13(b) of the Commission Rules of Practice and Procedure permits any person claiming "an interest of such nature that intervention is necessary or appropriate to submit a motion to intervene in any proceeding before the [PUC]." An interest that warrants

intervention includes one that “may be directly affected and which is not adequately represented by existing parties and as to which movants may be bound by the Commission’s action in the proceeding.” Rule of Practice and Procedure 1.13(b)(2). “[C]onsumers served by the applicant” are specifically identified as parties who may have an interest warranting intervention. *Id.*

4. It is necessary and appropriate to grant Walmart's Motion to Intervene because Walmart has an interest that is directly and significantly affected by this proceeding. As filed, National Grid’s Application will further increase one of Walmart’s largest operational costs and have a direct, substantially negative impact on Walmart’s operations in Rhode Island’s highly competitive marketplace. Monopoly utility service such as that provided by National Grid, unlike most, if not all, products and services purchased by Walmart, does not require the vendor to negotiate price and terms with Walmart prior to establishing service. Instead, Walmart is relegated to the status of captive price-taker. As a result, rate-setting proceedings like this one are important venues for customers like Walmart to advocate and influence the price and terms of service, since it is Walmart and other customers who ultimately bear the burden on their monthly bills of the decisions made in this proceeding. In addition, Walmart invests heavily in energy efficiency and demand-side management technology, making it unlikely that any other party has similar interests. As a result, Walmart’s peculiar and substantial interests in this proceeding will not be adequately represented by any other party to it, including the Division of Public Utilities and Carriers (“Division”).

5. Although the Division is obligated to represent the public interest, there is no party in this case with the responsibility to represent Walmart’s unique interest. In fact, there are no parties in this case that would be inclined to advocate fully for any large retail customers’ interests. The Division does an excellent job of representing the public interest, including the

general interests of utilities' ratepayers. However, it is not clear that the Division would, or even should, advocate for Walmart's interests beyond those that are general in nature and impact all customer interests more or less equally, such as revenue requirement and return on equity ("ROE"). It is essentially impossible for a single party to effectively advance the general public interest while also advocating for the particular, individual interests of parties within the various classes of customers on the Company's system.

6. It is not uncommon for various customer classes to have conflicting interests in rate proceedings. For example, in terms of the allocation of a utility's overall revenues, it is common for one or more classes of customers to subsidize the cost to serve other customer classes. The various customer class advocates will have competing viewpoints of what is a fair allocation of the revenue or the change in revenue. Representatives from each customer class should have the opportunity to present a case that advances the perspective of each class. But even within a particular class, such as a potential class of "commercial" customers, individual customers have unique interests and usage characteristics. Without the knowledge of these various perspectives, the Commission cannot effectively balance the interests of all parties, particularly with regard to cost of service, revenue allocation and rate design issues.

7. Rule 1.13(b) of the Commission Rules of Practice & Procedure provides for intervention when the "movant's participation may be in the public interest."

8. In this case, as in each of the more than 300 regulatory dockets in which Walmart has participated, it will provide evidence and testimony that presents a reasoned and reasonable explanation of the perspective of a large national retailer within the context of the specific case. Because of its interests in energy efficiency and demand-side management technology, Walmart employs a sizeable number of employees focusing on energy and environmental issues. Many of

these employees have extensive utility operations, rates and regulatory experience and can provide testimony that will assist in resolving the issues present in this case. Walmart has participated in public utility dockets relating to electric rate design in Massachusetts, Connecticut and Rhode Island, as well as other states throughout the United States. Walmart's most recent appearance before this Commission as an intervenor was in National Grid's last rate case, R.I. PUC Docket No. 4568. Walmart's participation as an intervenor in this proceeding clearly is in the public interest.

9. Rule 1.13(e) provides that where there is no objection to intervention, a properly filed and served motion to intervene shall be granted. Rule 1.13(d) provides that "intervention other than as a matter of right may be granted with such limitations and/or upon such conditions as the Commission shall determine."

10. Pursuant to Rule 1.15(b) of the Commission Rules of Practice and Procedure, on January 12, 2018, Walmart contacted the current parties to this proceeding, National Grid, the Division of Public Utilities and Carriers ("the Division"), the Conservation Law Foundation, and the Department of the Navy, to determine whether there was any objection to Walmart's intervention in this proceeding. All parties other than National Grid replied that they have no objection; National Grid advised that it intends to object on the grounds that Walmart's interests are adequately represented by the Division.

11. As explained above, Walmart's interests are substantial and unique, and not represented by any other party, including the Division, so it is appropriate that Walmart be permitted to intervene in this case. In addition, because Walmart's participation in this case is intended to assist the Commission in establishing just and reasonable rates for National Grid and its ratepayers, it is in the public interest for Walmart to be granted intervenor status.

WHEREFORE, for the reasons stated herein, Walmart respectfully requests that the Rhode Island Public Utilities Commission grant this motion and allow Walmart to intervene.

Please direct service of any correspondence or pleadings in connection with this proceeding to:

Melissa M. Horne, Esq.  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903  
(401) 272-3500 telephone  
(401) 273-8780 facsimile  
[mhorne@hcc-law.com](mailto:mhorne@hcc-law.com)

Gregory W. Tillman  
Sr. Manager, Energy Regulatory Analysis  
Walmart  
2001 Southeast 10th St.  
Bentonville, AR 72716-5530  
(479) 204-1594 telephone  
[Greg.tillman@walmart.com](mailto:Greg.tillman@walmart.com)

Respectfully Submitted,

Wal-Mart Stores East, LP and  
Sam's East, Inc.

By their Attorney,



Melissa M. Horne, Esq.  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903  
Tel: (401) 272-3500  
Fax: (401) 273-8780

Dated: January 25, 2018

**CERTIFICATE OF SERVICE**

I hereby certify that on the 25<sup>th</sup> day of January 2018, I mailed this original pleading and 10 copies to the Public Utilities Commission and sent a true copy of the document by electronic mail or first-class mail to the parties Docket 4770 Service List as of January 25, 2018.

Angela M. Hic Carlo

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY  
d/b/a NATIONAL GRID ELECTRIC AND GAS  
DISTRIBUTION RATE FILING

DOCKET NO. 4770

**NOTICE OF APPEARANCE OF COUNSEL**

Pursuant to Rule 1.4 of the Rhode Island Public Utilities Commission's Rules of Practice and Procedure, please enter my appearance on behalf of Wal-Mart Stores East, LP and Sam's East, Inc.

Respectfully submitted,



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Melissa M. Horne, Esq.  
Higgins, Cavanagh & Cooney, LLP  
10 Dorrance Street, Suite 400  
Providence, RI 02903  
Tel: (401) 272-3500  
Fax: (401) 273-8780  
Email: mhorne@hcc-law.com

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