Pursuant to R.I. Gen. Laws § 39-3-11, the Public Utilities Commission (PUC) will conduct a public hearing on Monday, May 6, 2019 @ 10:00 A.M. in Hearing Room A of the PUC’s office located at 89 Jefferson Blvd, Warwick, Rhode Island. The hearing may continue thereafter from day to day and time to time as required. The hearing will be streamed live at http://www.ustream.tv/channel/WqQyXw296dg.

At this hearing, the PUC will examine the propriety of a Supplement Compliance Filing (Filing) submitted by National Grid seeking to implement revised base distribution rates for its electric distribution (Narragansett Electric) and gas distribution (Narragansett Gas) operations arising out the Company’s reconciliation of the Excess Deferred Taxes True Up provision. The filing updates the Company’s revenue requirements and associated distribution rates to reflect the true-up of the excess accumulated deferred income tax (ADIT) as provided in Article II, Section C.22.a of the Amended Settlement Agreement (Agreement) approved by the PUC on August 24, 2018 in this docket. For Rate Year 1, National Grid provided an updated electric revenue requirement. Rather than change base rates at this time, the company proposed to recover the incremental revenue through its Revenue Decoupling Mechanism. National Grid also a provided an updated gas revenue requirement for Rate Year 1. The updated gas revenue requirement for Rate Year 1 is a decrease and the company proposed to incorporate this into rates by adding a new Distribution Adjustment Clause factor. National Grid proposed to implement revised base distribution rates for Rate Year 2 and Rate Year 3, effective September 1, 2019 and September 1, 2020, respectively.

The updated excess ADIT results in increases to the Narragansett Electric revenue requirements of $1.8 million in Rate Year 1, $1.5 million in Rate Year 2, and $1.2 million in Rate Year 3 compared to the Narragansett Electric revenue requirements included in the Compliance Filing. The updated excess ADIT results in decreases to the Narragansett Gas revenue requirements of $0.4 million in Rate Year 1, $0.4 million in Rate Year 2, and $0.5 million in Rate Year 3 compared to the revenue requirements included in the Compliance Filing.

For Narragansett Electric, the total monthly bill impact for a typical residential electric customer on Standard Offer Service and using 500 kilowatt-hours per month would be an increase of 1.1 percent, or $1.17 per month, in Rate Year 2, and the total monthly bill impact for a typical residential electric customer on Standard Offer Service and using 500 kilowatt-hours per month would be an increase of 0.4 percent, or $0.41 per month, in Rate Year 3. Electric commercial and industrial customers would experience total monthly bill impacts ranging from an increase of approximately 0.3 percent to an increase of approximately 1.1 percent in Rate Year 2 and ranging from an increase of approximately 0.1 percent to an increase of approximately 0.4 percent in Rate Year 3.
For Narragansett Gas, the total annual bill impact for a typical residential gas heating customer using 845 therms annually would be an increase of 1.8 percent, or $21.73 per year, in Rate Year 2 and an increase of increase of 1.0 percent, or $11.77 per year, in Rate Year 3. Gas commercial and industrial customers would experience total annual bill impacts that will range from an increase of approximately 0.6 percent to approximately 1.8 percent in Rate Year 2 and ranging from an increase of approximately 0.3 percent to an increase of approximately 1.0 percent in Rate Year 3.

The Company also proposes revisions to Narragansett Electric’s Revenue Decoupling Mechanism Provision, RIPUC No. 2218 (canceling RIPUC No. 2201), and to Narragansett Gas’s tariff, RIPUC NG-GAS No. 101, including a new Distribution Adjustment Clause component.

The proposal may be examined at the PUC’s office and can be accessed at [http://www.ripuc.org/eventsactions/docket/4770page.html](http://www.ripuc.org/eventsactions/docket/4770page.html). Reference is made to Chapters 39-1, 39-3 & 42-35 of the Rhode Island General Laws. The Public Utilities Commission is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Commission Clerk’s office at 401-780-2107, seventy-two hours in advance of hearing date.

Luly E. Massaro, Commission Clerk
April 25, 2019