

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: 2018 GAS COST RECOVERY FILING : DOCKET NO. 4872

**DIVISION OF PUBLIC UTILITIES AND CARRIERS'
MOTION FOR EXTENSION OF TIME
PURSUANT TO RULE 1.7(A)**

I. INTRODUCTION

In Docket No. 4872, the Division requested the Commission to provide the Division additional time (until April 1, 2019) to investigate over \$28 Million in fixed demand charges, contending that the GCR proceeding did not allow the Division adequate time to review contract documents, among other information and materials, relating to these costs. The Commission granted the Division's request, directing the Division to file a report regarding its investigation by April 1, 2019.

On April 1, 2019, the Division filed a Memorandum with the Commission summarizing the status of its investigation of the fixed supplier demand charges, among other issues.

On April 25, 2019, the Commission forwarded correspondence to the Division, acknowledging that it was in receipt of the April 1, 2019 Memorandum, indicating that it viewed the Memorandum as "an informal request to enlarge time beyond April 1, 2019," and "directing the Division to file the appropriate motion to enlarge time in Docket No. 4872, together with any supporting documentation and relevant facts in support of its motion."¹ In the April 25, 2019

¹The specific contracts and information that are the subject of the pending investigation constitute *confidential* Company information and materials, and, therefore, can neither be discussed with specificity in, nor can they be attached to, the instant motion. However, the four (4) contracts that remain the subject of the Division's investigation are specifically referenced in

letter, the Commission instructed the Division to include information pertaining to what steps it has undertaken in its investigation, what information it specifically needs to complete its requested investigation, and a specific proposed timetable for the completion of its investigation.

In accordance with the Commission's directive, and pursuant to Rule 1.7(A) of the Commission's Rules of Practice and Procedure, the Division submits the within motion for an extension of time to complete its investigation.

II. THE DIVISION'S REQUEST

A. Steps Undertaken By The Division In Its Investigation To Date

Soon after the conclusion of Docket No. 4872, the Division retained Greg Lander, the President of Skipping Stone, LLC, a global electric and natural gas consulting firm, to perform an analysis of the contracts that produced over \$28 Million in incremental fixed demand charges that had been a cause for Division concern in the proceeding. In accordance with the scope of his retention with the Division, Mr. Lander identified six (6) contracts associated with these charges.

After conducting an initial review of the six (6) contracts, the Division concluded that management of four (4) of the contracts warranted further investigation.² The Division communicated its conclusion to the Commission in the Memorandum dated April 1, 2019, observing that it will be important for the Company to provide the Division with very specific buying/purchasing information from these contracts and that that any review of the financial

Section 5 of the unredacted version of the Division's April 1, 2019 Memorandum which has been filed under seal with the Commission.

² Based on its initial review and additional discussions with the Company conducted after April 1, 2019, the Division concludes that the Company's decision to enter into the six (6) contracts was reasonable, and accordingly, does not does not challenge the prudence of these contracts.

outcome of these contracts needed to wait for the end of the winter period, when an accounting by contract could be provided. *See Memorandum dated April 1, 2019 at 5-6.*

On May 1, 2019, the Division received the Company's Natural Gas Portfolio Management Plan Quarterly Report for the period January 1, 2019 to March 31, 2019. After receiving this report, the Division requested the Company to provide the Division with data underlying the report in the form of Excel spreadsheets. The Company has provided the Division with the requested materials; the parties anticipate meeting to discuss the materials, among other issues relating to this matter, on May 24, 2019.

B. Information Required To Complete The Division's Investigation

As of the date of the instant motion, the Division believes the Company has produced all the information and materials the Division requires to complete its investigation.

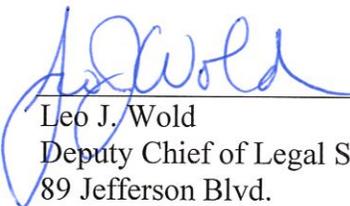
C. Specific Timetable For Completion Of The Division's Investigation

The Division will be able to complete its investigation by July 31, 2019.

III. CONCLUSION

For the foregoing reasons, the Division requests that the Commission grant the within motion for extension of time.

DIVISION OF PUBLIC UTILITIES AND
CARRIERS
By its attorneys,



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CERTIFICATE OF SERVICE

I certify that a copy of the within motion was forwarded by e-mail to the Service List in Docket No. 4872 on the 23rd day of May, 2019.

/s/ Leo J. Wold