

December 3, 2018

BY HAND DELIVERY AND ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

**RE: Docket 4888 – The Narragansett Electric Company d/b/a National Grid
2019 Energy Efficiency Program Plan
Revised Tables E-1 and G-1**

Dear Ms. Massaro:

I have enclosed eleven copies of National Grid's¹ revised Table E-1 (Bates page 293) and Table G-1 (Bates page 305), identified respectively in Attachments 5 and 6 to National Grid's 2019 Energy Efficiency Program Plan (Plan). In Section 6(i) of the Plan on Bates page 30, the Company noted that it would submit revised Tables E-1 and G-1 on December 3, 2018 to reflect the most current fund balance projections in advance of the Plan hearing on December 11, 2018.

The revised tables include a projected fund balance that includes actual revenues and expenses through October 2018 and projections for November and December 2018. The tables also include revised electric and natural gas Energy Efficiency Program Charges that result from the changes to fund balance. The changes from the original Plan filing are summarized below.

I. Electric – Table E-1

The updated projected Year-End 2018 Electric Fund Balance decreased by \$866,458. This change is primarily driven from receiving less actual revenue in August through October than originally projected. The decrease in the fund balance results in a slight increase of 1% in the proposed 2019 Electric Energy Efficiency Program Charge. The charge increases from \$0.01114 per kWh to \$0.01126 per kWh.

II. Gas – Table G-1

The updated projected Year-End 2018 Natural Gas Fund Balance increased by \$1.7 million due to higher unbilled revenues received from August through October than originally projected. The increase in the fund balance results in a slightly lower proposed 2019 Natural Gas Energy Efficiency Program Charge. The Residential charge decreases from \$0.728 per Dth to \$0.715 per Dth. The Commercial and Industrial (C&I) charge decreases from \$0.494 per Dth to \$0.420 per Dth.

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or Company).

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Thank you for your attention to this filing. If you have any questions, please contact me at 781-907-2121.

Sincerely,



Raquel J. Webster

Enclosure

cc: Dockets 4888/4889 Service Lists
Jon Hagopian, Esq.
John Bell, Division

**Revised Dec 3 Table E-1
National Grid
Electric DSM Funding Sources in 2019 by Sector
\$(000)**

	<u>Projections by Sector</u>			Total
	Income Eligible Residential	Non-Income Eligible Residential	Commercial & Industrial	
(1) Projected Budget (from E-2):	\$15,881.56	\$46,201.42	\$45,423.52	\$107,506.50
Sources of Other Funding:				
(2) Projected DSM Commitments at Year-End 2018:	\$0.00	\$0.00	\$0.00	\$0.00
(3) Projected Year-End 2018 Fund Balance and Interest:	\$0.00	(\$1,317.13)	\$4,346.64	\$3,029.51
(4) Projected FCM Payments from ISO-NE:	\$665.60	\$8,974.30	\$13,945.10	\$23,585.08
(5) Total Other Funding:	\$665.60	\$7,657.17	\$18,291.74	\$26,614.59
(6) Customer Funding Required:	\$15,215.96	\$38,544.25	\$27,131.77	\$80,891.9
(7) Forecasted kWh Sales:	204,962,351	2,763,353,818	4,293,953,687	7,262,269,856
(8) Energy Efficiency Program charge per kWh, excluding uncollectible recovery:				\$0.01113
(9) Proposed System Reliability Factor per kWh, excluding uncollectible recovery:				<u>-\$0.00001</u>
(10) Total Proposed Energy Efficiency Charge per kWh, excluding uncollectible recovery:				\$0.01112
(11) Currently Effective Uncollectible Rate				1.30%
(12) Energy Efficiency Program charge per kWh, including uncollectible recovery:				\$0.01126
(13) Currently Effective EE Charge				<u>\$0.00972</u>
(14) Proposed Adjustment to Reflect Fully Reconciling Funding Mechanism				\$0.00154

Notes:

- (1) Projected Budget from E-2 includes OER and EERMC costs allocated to each sector based on forecasted sales and RIIB costs allocated to C&I sector.
- (2) DSM Commitments are projects that are under construction with anticipated completion in 2018.
- (3) Fund balance projections includes actual spend and revenue through October 2018 and projections for November and December 2018 with Low Income sector set to \$0 through projected subsidization from other sectors, minus commitments which are illustrated separately on line (2).
- (4) The total projection of FCM revenue is allocated by kWh sales to each sector.
- (5) Line (2) + Line (3) + Line (4)
- (6) Line (1) - Line (5)
- (7) Per Company Forecast
- (8) Line (6) ÷ Line (7), truncated to 5 decimal places
- (9) Truncated to 5 decimal places
- (11) Proposed System Reliability Factor is from the 2019 System Reliability Procurement Plan. Charge reflects projected year-end 2018 fund balance.
- (10) Line (8) + Line (9)
- (11) Uncollectible rate approved in Docket No 4770.
- (12) Line (10) ÷ (1-Line (11), truncated to 5 decimal places
- (13) Currently Effective EE Charge includes System Reliability Factor and uncollectible recovery.
- (14) Line (13) - Line (12)

**Revised December 3rd Table G-1
National Grid
Gas DSM Funding Sources in 2019 by Sector
\$(000)**

	<u>Projections by Sector</u>			<u>Total</u>
	<u>Income Eligible Residential</u>	<u>Non-Income Eligible Residential</u>	<u>Commercial & Industrial</u>	
(1) Projected Budget (from G-2):	\$8,361.4	\$14,538.9	\$8,692.5	\$31,592.8
Sources of Other Funding:				
(2) Estimated Year-End 2018 Fund Balance and Interest:	\$0.00	\$2,927.5	\$6,175.3	\$9,102.8
(3) Low Income Weatherization in Base Rates:	<u>\$200.00</u>			<u>\$200.00</u>
(4) Total Other Funding:	\$200.0	\$2,927.5	\$6,175.3	\$9,302.8
(5) Customer Funding Required:	\$8,161.4	\$11,611.4	\$2,517.2	\$22,290.0
(6) Forecasted Firm Dth Sales	1,373,241	18,648,373	19,699,548	39,721,163
(7) Forecasted Non Firm Dth Sales			1,589,138	1,589,138
(8) Less: Exempt DG Customers			(1,330,639)	(1,330,639)
(9) Forecasted Dth Sales:	1,373,241	18,648,373	19,958,047	39,979,661
Average Energy Efficiency Program Charge per Dth (10) excluding Uncollectible Recovery:				\$0.557
Proposed Energy Efficiency Program Charge per Dth (11) excluding Uncollectible Recovery	\$0.702	\$0.702	\$0.412	
(12) Currently Effective Uncollectible Rate	<u>1.91%</u>	<u>1.91%</u>	<u>1.91%</u>	
Proposed Energy Efficiency Program Charge per Dth including Uncollectible Recovery:	\$0.715	\$0.715	\$0.420	
Currently Effective Energy Efficiency Program Charge (14) per Dth	\$0.858	\$0.858	\$0.662	
Adjustment to Reflect Fully Reconciling Funding (15) Mechanism	(\$0.143)	(\$0.143)	(\$0.242)	

Notes

(1) Projected Budget from G-2 includes OER and EERMC costs allocated to each sector based on forecasted sales.

(2) Fund Balance projections include actual revenue and spend through October 2018 and projections for November and December 2018 with Residential and C&I sector subsidies applied to Income Eligible.

(11) As agreed to by the settling parties, the proposed EE program charges allow for the use of collections from one sector to fund energy efficiency services in other sectors that would otherwise not be supported with the proposed collection rates. The C&I charge includes collection of \$5.46 million of which \$4.31 million will be allocated to the low income sector and \$1.15 million to the residential sector.

(12) Uncollectible rate approved in Docket No. 4770.

(14) The originally approved 2018 Energy Efficiency Program Charge of \$.869 per Dth for Residential and Income Eligible and \$.671 per Dth for C&I, were updated on September 1, 2018 to reflect the uncollectible rate approved in Docket 4770.

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.

Joanne M. Scanlon

December 3, 2018
Date

Docket No. 4888 - National Grid – 2019 Energy Efficiency Plan (EEP)
Docket No. 4889 - National Grid – 2019 System Reliability Procurement Report (SRP)
Service list updated 10/18/18

Name/Address	E-mail Distribution List	Phone
Raquel Webster, Esq. National Grid 280 Melrose St. Providence, RI 02907	Raquel.webster@nationalgrid.com ;	781-907-2121
	Joanne.scanlon@nationalgrid.com ;	
	Celia.obrien@nationalgrid.com ;	
	Rachel.henschel@nationalgrid.com ;	
	Matthew.Chase@nationalgrid.com ;	
Jon Hagopian, Esq. Division of Public Utilities and Carriers	Timothy.Roughan@nationalgrid.com ;	401-784-4775
	Jon.hagopian@dpuc.ri.gov ;	
	Macky.McCleary@dpuc.ri.gov ;	
	Jonathan.Schrag@dpuc.ri.gov ;	
	john.bell@dpuc.ri.gov ;	
Tim Woof Jennifer Kallay Synapse Energy Economics 22 Pearl Street Cambridge, MA 02139	Ronald.Gerwatowski@dpuc.ri.gov ;	
	Albert.DeMiranda@dpuc.ri.gov ;	
Marisa Desautel, Esq. (EERMC) Law Office of Marisa Desautel, LLC 55 Pine St. Providence, RI 02903	twoolf@synapse-energy.com ;	401-477-0023
	jkallay@synapse-energy.com ;	
Mike Guerard, Optimal Energy	marisa@desautelesq.com ;	
Mark E. LeBel, Esq. Acadia Center 31 Milk Street Suite 501 Boston, MA 02108	guerard@optenergy.com ;	617-742-0054 Ext. 104
	mlebel@acadiacenter.org ;	
Carol Grant, Commissioner	ENiedowski@acadiacenter.org ;	
	Carol.grant@energy.ri.gov ;	

Office of Energy Resources (OER)	Christopher.Kearns@energy.ri.gov ;	
	Nicholas.Ucci@energy.ri.gov ;	
	Becca.Trietch@energy.ri.gov ;	
	Carrie.Gill@energy.ri.gov ;	
Andrew Marcaccio, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908	Andrew.Marcaccio@doa.ri.gov ;	401-222-8880
Larry Chretien, Executive Director Green Energy Consumers Alliance	Larry@massenergy.org ;	
Original & 9 copies file w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	Cynthia.WilsonFrias@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	
	Todd.bianco@puc.ri.gov ;	
	Margaret.hogan@puc.ri.gov ;	
Frederick Sneesby Dept. of Human Services	Frederick.sneesby@dhs.ri.gov ;	
Douglas W. Gablinske, Executive Director The Energy Council of RI (TEC-RI)	doug@tecri.org ;	
Kat Burnham, PPL	kat@ripower.org ;	
Chris Vitale, Esq., RI Infrastructure Bank	cvitale@hvlawltd.com ;	