

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC CO. D/B/A NATIONAL GRID
DISTRIBUTION ADJUSTMENT CLAUSE FILING – DOCKET NO. 4955
GAS COST RECOVERY FILING – DOCKET NO. 4963

NOTICE OF PUBLIC HEARING

Pursuant to R.I. Gen. Laws § 39-3-11, the Public Utilities Commission (PUC) will conduct a public hearing on **Tuesday, October 22, 2019 @ 9:30 A.M.** in Hearing Room A of the PUC's office located at 89 Jefferson Blvd, Warwick, Rhode Island. The hearing will be streamed live at <http://www.ustream.tv/channel/WqQyXw296dg>. In these dockets, the PUC will examine the propriety of filings submitted by National Grid seeking to implement revised rates and charges effective November 1, 2019.

In Docket No. 4955, National Grid filed to amend the Distribution Adjustment Clause (DAC) rate. The DAC is designed to provide for the recovery and reconciliation of the costs of identifiable special programs. The DAC includes the following components: an annual System Pressure factor; an Advanced Gas Technology (AGT) factor; an Environmental Response Cost factor; a Pension Adjustment Factor; an Arrearage Management Adjustment Factor; a Service Quality Performance factor; a Revenue Decoupling Adjustment (RDA) factor; rate class specific Infrastructure, Safety, and Reliability (ISR) factors (previously approved in Docket No. 4781); an Earnings Sharing Mechanism factor; a Firm Revenue Credit factor; a Low Income Discount Recovery Factor; and two Reconciliation factors for last year's DAC factors. The Company is also proposing three new DAC factors in this filing: an Excess Accumulated Deferred Income Tax (ADIT) Credit factor; a Storm Net Revenue factor; and a Low Income Assistance Program (LIAP) Base Rate Funding Reconciliation factor. The proposed total per therm DAC factor for each rate class are as follows: \$0.0696 per therm for Residential Non-Heating; \$0.0556 per therm for Residential Non-Heating Low Income; \$0.0007 per therm for Residential Heating; a credit of \$0.0133 for Residential Heating Low Income; \$0.0003 per therm for Small Commercial and Industrial (C&I); a credit of \$0.0168 for Medium C&I; \$0.0224 per therm for Large Low Load Factor; \$0.0141 per therm for Large High Load Factor; \$0.0159 per therm for Extra Large Low Load Factor; and \$0.0096 per therm for Extra Large High Load Factor. For the average residential heating customer using 845 terms annually, this represents an increase of \$3.92 or 0.3% from the currently effective DAC rates.

In Docket No. 4963, National Grid filed to amend the Gas Cost Recovery (GCR) charge for all customer classes. The GCR charge allows the Company to reconcile and recover its estimated costs for gas supplies for the period November 1, 2019 through October 31, 2020. The proposed GCR factors on a per therm cost basis are: \$0.5302 per therm for Residential Heating customers, Small C&I customers, Medium C&I customers, Large Low-Load Factor customers, and Extra Large Low Load Factor customers; \$0.4736 per therm for Residential Non-Heating customers, Large High Load Factor customers, and Extra Large High Load Factor customers; and a FT-2 Marketer Demand rate of \$12.4637 per Maximum Daily Quantity in dekatherms per month, and a FT-1 Storage and Peaking rate for firm transportation customers eligible for Transitional Sales Service (TSS) of \$0.1076 per therm. For the average residential heating customer using 845 therms annually, this represents a decrease of \$151.49, or 10.9% from the currently effective GCR rates.

The combined bill impact from the proposed DAC and GCR charges for a typical residential heating customer using 845 therms annually represents a decrease of \$147.58, or 10.9%, per year from \$1,350.39 to \$1,202.81.

The filings may be examined at the PUC's office. The filings can also be accessed on the Commission's Docket Menu at www.ripuc.org, Dockets 4955 & 4963. 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
October 11, 2019