#### STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID'S REQUEST FOR INTERPRETATION OF RIPUC NG-GAS NO. 101 REGARDING INTERNATIONAL PACKAGING CORPORATION'S REQUEST TO CONVERT CAPACITY EXEMPT LOAD TO CAPACITY ASSIGNED LOAD

Docket No. 4999

### POSITION STATEMENT OF INTERNATIONAL PACKAGING CORPORATION

International Packaging Corporation ("InterPak") submits this Position Statement pursuant to the Order of the PUC dated March 4, 2020.

#### I. <u>Background</u>

InterPak is a Rhode Island manufacturer operating in Pawtucket, RI for almost 65 years. It conducts its primary manufacturing operations in a single interconnected building located at 517 and 543 Mineral Spring Ave ("Mineral Spring Building"). Until approximately 2002, InterPak's gas service was provided by Valley Gas. Since approximately 2002, InterPak has been serviced by National Grid ("Grid") or its predecessors. Presently, InterPak receives both capacity exempt and capacity assigned transportation service from Grid at the Mineral Spring Building. InterPak has been informed that it is the only Grid customer with both a capacity exempt and a capacity assigned gas account serving a single interconnected building in Rhode Island. Grid Response to Data Request PUC 1-2

InterPak requested many months ago that Grid permit InterPak to increase its take on the capacity assigned account servicing the Mineral Spring Building and terminate the capacity exempt account. Grid did not approve that request and initially suggested to InterPak that the "spirit" of the Tariff may preclude Grid from increasing the capacity assigned service. Eventually, Grid filed this proceeding to achieve clarity as to the meaning of the Gas Tariff in light of InterPak's request. Grid has never identified for InterPak the specific section(s) of the governing tariff that precludes what InterPak has requested. From Interpak's vantagepoint, this matter ideally would have been favorably resolved without the opening of this matter because there is no express or implied provision in the Gas Tariff that prohibits InterPak from increasing its capacity assigned service or terminating its capacity exempt service. Because Grid is permitted under the Gas Tariff to make the changes sought by InterPak, InterPak respectfully requests that the Public Utility Commission issue an Order declaring that the Gas Tariff authorizes what InterPak seeks.

#### II. InterPak's Gas Service

It is undisputed that Interpak's Mineral Spring Building is a single structure, serviced by two gas meters. **Exhibit 1** attached hereto is a schematic of InterPak's facility and its current service. Looking from Mineral Spring Avenue at the building, to the left of the employee entrance is a 2" pipe running from the street to a meter which provides capacity service to the building. Internally, that gas is delivered to a boiler on the left side of the building. Looking from Mineral

Spring Avenue to the right side of the employee entrance, is a 2" pipe running to a meter which provides capacity exempt service to the building. Internally, that gas is delivered to two boilers at the rear middle of the building.

Some time ago, Interpak requested that Grid increase its capacity assigned take and decrease its take on the capacity exempt service. It is InterPak's plan to satisfy its gas requirements at the facility through the capacity assigned service. Grid will lay a 4" pipe from the street and install a new meter at the capacity assigned intake location. **Exhibit 2** attached hereto is a schematic of InterPak's facility and a diagram of the internal changes it will make to deliver the requested service inside the facility. InterPak will make modest infrastructure improvements shown on **Exhibit 2**. The capacity assigned service will continue to supply gas to the boiler shown as "A" and additional pipe will be laid within the building to run to boilers B1 and B2.

## III. RIPUC NG-Gas No. 101 (the "Gas Tariff")

Grid provides Firm Transportation Service to InterPak under the terms of the Gas Tariff. InterPak's requested upgrade to its capacity assigned service and termination of its capacity exempt service is permitted by the Gas Tariff. For customers who receive gas distribution service on a capacity assigned account, the Gas Tariff permits a single meter and an increase in capacity assignment. *See*, *e.g.*, Gas Tariff, Section 1, Schedule A 6.0 and Section 5, Schedule E 1.0. The Gas Tariff also permits an upgrade to an existing service for the purpose of receiving gas service, including increased pipe size. Gas Tariff, Section 8, Schedule C, Policy 3.

Since the filing of this proceeding, Grid has conducted an analysis and confirmed that it has sufficient capacity to provide the requested increased capacity assignment to InterPak. Grid's Response to DPUC Data Request 1-6. Therefore, the Gas Tariff permits Grid to meet InterPak's request, and an order should issue from the Rhode Island Public Utilities Commission (the "PUC") to that effect.

Grid's reference in its Petition for a Declaratory Order (the "Petition") concerning InterPak's capacity exempt account is not pertinent to this matter and should not be considered by the PUC. InterPak has not requested that Grid permit it to convert its exempt account to an assigned account. In fact, it has informed Grid that it would like to terminate its exempt service. Notwithstanding that, Grid characterizes its first two requests for relief in its Petition in a manner which suggests that the PUC should issue an Order ruling on capacity exempt questions which are not joined in this proceeding.

For example, Grid asks the PUC to declare that the Gas Tariff does not provide a right for a customer to convert a capacity exempt FT-1 Transportation Service account to a capacity assigned account. But that is not at all what InterPak has requested. Further, it not only misses the point, it unnecessarily confuses the issue. There is no reason for the PUC to wade into those waters and issue what would amount to an advisory opinion on an issue that is not before it. The PUC should decline to declare anything in connection with Grid's first prayer for relief.

By way of another example, Grid requests that the PUC declare that the Gas Tariff does not provide a right for a customer to increase its capacity assignment on an existing capacity assigned account *because* the customer is decreasing load served by a capacity exempt account. This is an improper characterization of what InterPak has requested and, again, misses the point. The question here is whether the Gas Tariff authorizes Grid to increase the amount of capacity assigned to InterPak's capacity assigned account, given Grid's analysis confirming that it has sufficient capacity available to provide the requested additional gas load assignment without jeopardizing safe and reliable service for all customers. Therefore, the PUC should decline to declare anything in connection with Grid's second prayer for relief.

Request for Relief No. 3 is relevant, but InterPak suggests it is unnecessary because Request No. 4 gets at the heart of the issue: under the facts and circumstances before the PUC in this proceeding, does the Gas Tariff authorize Grid to increase the amount of capacity assigned to InterPak. InterPak respectfully submits that the PUC should declare that the Gas Tariff permits National Grid to provide the additional capacity requested on InterPak's capacity assigned account at 517/543 Mineral Spring Avenue and that Grid has sufficient capacity available to do so.

### IV. Conclusion

For all the foregoing reasons, InterPak requests that the PUC issue an Order declaring that the Gas Tariff permits National Grid to provide the additional capacity requested servicing InterPak's capacity assigned account at 517/543 Mineral Spring Avenue and that Grid has sufficient capacity available to do so.

Respectfully submitted, International Packaging, Corp.

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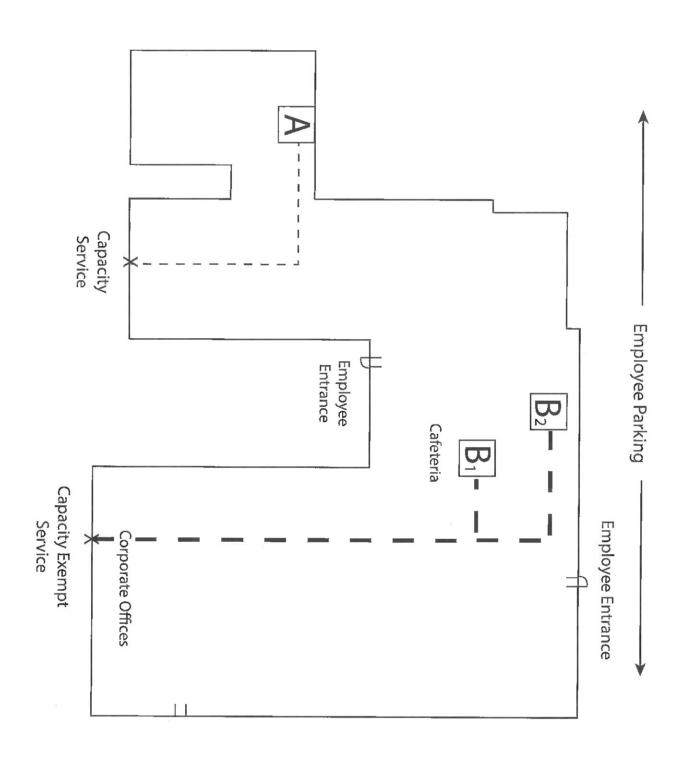
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Dated: March 16, 2020

# Docket No. 4999 – Narragansett Electric Co. d/b/a National Grid (Gas) Petition for Declaratory Judgment – Service List 3-16-2020

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## EXHIBIT 1



MINERAL SPRING AVENUE

## EXHIBIT 2

MINERAL SPRING AVENUE