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October 2, 2020

Via Electronic Filing and First-Class Mail

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

**RE: Docket No. 5067 - The Narragansett Electric d/b/a National Grid - Gas
Customer Choice Program**

Dear Ms. Massaro:

On behalf of Direct Energy Business, LLC, Direct Energy Business Marketing, LLC and Direct Energy Services, LLC (collectively "Direct Energy"), enclosed are an electronic version of Direct Energy's Motion to Intervene and Written Comments in the above-referenced docket.

Please feel free to contact the undersigned should you have any questions regarding this submission.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joseph A. Farside, Jr.", written over a printed name.

Joseph A. Farside, Jr.

Enclosure

cc: John Bell, Division
Al Mancini, Division
Leo Wold, Esq.

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: THE NARRAGANSETT ELECTRIC	:	DOCKET NO. 5067
D/B/A NATIONAL GRID – GAS	:	
CUSTOMER CHOICE PROGRAM (FILED	:	
SEPTEMBER 1, 2020)	:	
	:	
	:	
	:	
	:	OCTOBER 2, 2020

**MOTION TO INTERVENE OF DIRECT ENERGY BUSINESS, LLC, DIRECT
ENERGY BUSINESS MARKETING, LLC
AND DIRECT ENERGY SERVICES, LLC**

Direct Energy Business, LLC, Direct Energy Business Marketing, LLC and Direct Energy Services, LLC (collectively “Direct Energy”), by its undersigned counsel, hereby moves to intervene in this matter.

1. Direct Energy is a registered Natural Gas Marketer as defined in Rhode Island General Laws (“R.I.G.L.”) § 39-1-11 and §39-3-7 registered with the Division of Public Utilities and Carriers (the “Division”) to offer competitive natural gas supply service in the State of Rhode Island and Providence Plantations. Direct Energy serves commercial and industrial natural gas customers in the state of Rhode Island.

2. On September 1, 2020, the Narragansett Electric Company d/b/a National Grid (“National Grid”) filed revised tariffs proposing certain modifications to its Gas Customer Choice Program (“Program”).

3. Pursuant to the Program, National Grid proposes to modify: (1) the allocation of interstate pipeline capacity costs to marketers serving capacity eligible transportation customers; and (2) the need to enhance the operational flexibility of the interstate pipeline assets that the National Grid releases to marketers.

4. Commission Rule 1.13(b) provides in pertinent part that “any person claiming a right to intervene or an interest of such nature that intervention is necessary or appropriate may intervene in any proceeding before the Commission.” Rule 1.13(b)(2) further states that such a right or an interest may be: “... an interest which may be directly affected and which is not adequately represented by existing parties and as to which movants may be bound by the Commission’s action in the proceeding. (The following may have such an interest: consumers served by the applicant...)” Rule 1.13(b)(3) additionally provides that such right or interest may be “any other interest of such nature that movant’s participation may be in the public interest.”

5. As a marketer of natural gas to consumers in Rhode Island, Direct Energy and its customers have unique interests in this proceeding that cannot be adequately represented by another party. The recommendations put forth in the Division Memorandum, if approved by the Commission, will materially alter National Grid’s current capacity release program, thereby directly impacting Direct Energy’s ability to effectively compete and operate in the Rhode Island natural gas market.

WHEREFORE, pursuant to standards articulated in Rule 1.13, Direct Energy respectfully moves for intervention as a full party in Docket No. 5067.

Respectfully Submitted,

DIRECT ENERGY BUSINESS, LLC AND
DIRECT ENERGY SERVICES, LLC

/s/ Joseph A. Farside, Jr.

Date: October 2, 2020

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CERTIFICATE OF SERVICE

This is to certify that on the 2nd day of October 2020, I sent a true copy of the foregoing to the attached service list.

/s/ Joseph A. Farside, Jr.

Joseph A. Farside, Jr.

Docket No. 5067 - National Grid – Gas Customer Choice Program
Service List updated 9/3/2020

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**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: THE NARRAGANSETT ELECTRIC D/B/A NATIONAL GRID – GAS CUSTOMER
CHOICE PROGRAM - DOCKET NO. 5067

**Comments of Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, and
Direct Energy Services, LLC in Response to the Division of Public Utilities and Carriers
Gas Customer Choice Program Proposal**

INTRODUCTION

Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, and Direct Energy Services, LLC (“Direct Energy”) hereby respectfully offers the Rhode Island Public Utilities Commission (the “Commission”) the following Comments in connection with the September 1, 2020 Gas Customer Choice Program (“Program”) filed by National Grid (“National Grid” or the “Company”).¹

BACKGROUND

Direct Energy has approximately 5,000 employees, and approximately 6 million customer relationships in North America. As a leading, national retail supplier of electricity, natural gas and energy services, Direct Energy serves the residential, small commercial and industrial market segments. Moreover, Direct Energy currently serves a substantial number of Rhode Island electricity and natural gas customers in the National Grid service territory, including a significant number of small, medium, and large commercial and industrial natural gas customers that participate in the Company’s Program.

Direct Energy generally agrees with the Company’s assessment that interstate pipeline capacity constraints have become more frequent and more severe, thus putting the Company as well as Marketers like Direct Energy at greater risk for gate station-specific operational flow orders

¹ By separate filing on this date, Direct Energy has moved the Commission to intervene in this proceeding.

imposed by the two pipelines that supply the Company – Algonquin Gas Transmission, LLC (“Algonquin”) and the Tennessee Gas Pipeline Company, L.L.C. (“Tennessee”). Direct Energy commends the Company’s efforts to undertake a comprehensive review of its current Customer Choice program and proposed proactive initiatives to address these system-related concerns for the upcoming winter. Moreover, as a leading natural gas Marketer in Rhode Island, Direct Energy appreciates the Company’s commitment of balancing the need to fundamentally modify the current Customer Choice program with the need for an orderly transition for customers and Marketers to mitigate potentially disruptive customer and operational impacts. Accordingly, we support the Company’s proposed approach of implementation pertaining to the changes to the Customer Choice program in phases.

In addition, the restructured natural gas market in the Rhode Island necessitates a collaborative and interactive process involving the Company, gas Marketers and end-use customers. Therefore, to achieve the state’s system reliability, public safety and competitive market public policy objectives, Direct Energy contends that ongoing communications and enhanced collaboration is an important and essential imperative. Direct Energy appreciates the Company’s willingness and commitment to work with marketers on the broader, long-term program changes to the Company’s Program. We contend, if properly implemented, the proposed changes to the Company’s Program will inure to the benefits of Rhode Island gas consumers, especially those customers in the commercial and industrial market segment.

Via Marketer collaborative meetings conducted by the Company as well as through other communication channels with Direct Energy and other Marketers, the Company has engaged in important stakeholder discussions regarding proposed changes to the Program and the related operational impacts. By virtue of this dialogue, National Grid has clarified and addressed a number

of operational matters that come with a transition from the Company's current capacity release program towards the proposed "slice of system" approach reflected in the Program. Consequently, Direct Energy generally supports the Program as proposed by the Company, as it provides a more equitable approach for all market participants.

Direct Energy submits these limited comments to inform the Rhode Island Public Utilities Commission ("Commission") that the Company, to date, has effectively engaged, communicated, and collaborated with gas Marketers like Direct Energy to insure a proper transition to the Program. Moreover, Direct Energy respectfully requests that the Commission, via this proceeding, encourage and compel National Grid to continue to adhere to the sound principals pertaining to enhanced communications and collaboration throughout the entire transition process of the Company's Program.

Direct Energy notes that the Company's long-term proposal is to segment the Rhode Island natural gas system into two component sections, resulting in one section supplied by the Algonquin Pipeline, and a separate section supplied by the Tennessee Pipeline. These two portions of the Rhode Island natural gas system have already begun to present significantly different costs in recent years. If this informal separation were to be formalized, it would significantly impact the equitability of costs between marketers and the Company. The likely result is that the Company would present customers with one rolled together cost of gas, while marketers would charge customers different prices based on the significantly different markets. Therefore, Direct Energy once again respectfully requests that the Commission require the Company to collaborate with stakeholders in advance of its approval of any changes effecting the competitiveness of the gas market in Rhode Island. Such collaboration will provide a vehicle by which Direct Energy and

other stakeholders can address and alleviate any discriminatory effects the Company's proposals may have on market suppliers.

I. Contact Information

All Communications in this proceeding should be directed to:

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II. Conclusion

Direct Energy is encouraged by the Company's willingness to work with Marketers and other stakeholders on these complex market issues. Direct Energy urges the Commission and the Company to recognize the need to continue this collaborative approach to address significant changes in the natural gas industry. Direct Energy is hopeful that, with the Commission's support, the Company and stakeholders will continue their productive dialogue regarding National Grid's proposed modifications to the Rhode Island natural gas industry to ensure that the interests of all stakeholders are considered and incorporated.

Respectfully Submitted,

DIRECT ENERGY BUSINESS, LLC AND
DIRECT ENERGY SERVICES, LLC

Date: October 2, 2020

/s/ Joseph A. Farside, Jr.

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Its Attorney

CERTIFICATE OF SERVICE

This is to certify that on the 2nd day of October, 2020, I sent a true copy of the foregoing to the attached service list.

/s/ Joseph A. Farside, Jr.

Joseph A. Farside, Jr.

**Docket No. 5067 - National Grid – Gas Customer Choice Program
Service List updated 9/3/2020**

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