



## STATE OF RHODE ISLAND

### DIVISION OF PUBLIC UTILITIES & CARRIERS

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## Memorandum

**To:** Luly Massaro, Commission Clerk

**From:** John Bell, Chief Accountant, Division of Public Utilities and Carriers

**Date:** March 2, 2021

**Subject:** Docket 5098 – Revenue Requirements re: National Grid’s FY 2022 Electric Infrastructure, Safety, and Reliability Plan

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The Division of Public Utilities and Carriers (“Division”) respectfully offers these comments on the revenue requirements associated with The Narragansett Electric Company’s d/b/a National Grid (“NGrid” or “the Company”) Fiscal Year 2022 Electric Infrastructure, Safety, and Reliability Plan (“Plan”) filed on December 21, 2020. Section 5 of the Plan provides a description of the revenue requirements along with the supporting calculations and schedules. Section 6 of the Plan includes the calculation of the proposed CapEx and O&M Factors and Section 7 illustrates the bill impacts of the proposed factors.

The O&M component of the revenue requirement is \$11.98 million which is slightly less than the FY 2021 level. The FY 2022 incremental capital component of the revenue requirement is \$3,644,310 and the FY 2022 property tax recovery adjustment is \$5,072,176. The cumulative ISR revenue requirement included in the Plan is \$41,443,447 which is an incremental increase of \$8,501,929 from the FY 2021 ISR Plan. The impact of the proposed incremental increase on a Last Resort Service residential customer using 500 kWh per month is an increase of \$1.12 or 0.9%.

The Division reviewed the calculation of the revenue requirements and the development of the associated billing factors and concludes they were calculated in accordance with the Infrastructure, Safety, and Reliability Provision of the Company’s tariff. The Division notes that subsequent to the filing of the Plan, the Company updated its forecasted kWh consumption. The Division does not object to the use of the updated forecast in the development of the final ISR factors for effect on April 1, 2021.