

September 20, 2021

BY ELECTRONIC MAIL

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

**RE: Docket 5165 – 2021 Distribution Adjustment Clause (DAC)
Responses to PUC Data Requests – Set 4**

Dear Ms. Massaro:

I have enclosed National Grid's¹ responses to the Public Utilities Commission's Fourth Set of Data Requests in the above-referenced docket.²

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

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 5165 Service List
Leo Wold, Esq.
Al Mancini, Division
John Bell, Division

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

² Per practice during the COVID-19 emergency period, the Company is providing a PDF version this report. The Company will provide the Commission Clerk with five (5) hard copies and, if needed, additional hard copies of this report upon request.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
In Re: 2021 Distribution Adjustment Charge Filing
Responses to the Commission's Fourth Set of Data Requests
Issued on September 15, 2021

PUC 4-1

Request:

Referring to Attachment PUC 2-1, line 19, relating to the COVID deferral, please provide a summary explanation of the cause for the reduction in the deferral – which was originally forecasted to be \$10,061,902 – but is now forecasted to be \$9,685,528.

Response:

In Docket No. 5040, the PUC directed the Company to defer recovery of 50 percent of its proposed increase in Distribution Adjustment Charge (“DAC”) revenue of \$10,061,902. Rather than reducing each component of the DAC by their proportionate share of this amount, the Company calculated rate class “COVID Deferral” credit factors designed on this amount. Please see Attachment PUC 4-1, page 2, lines (1) and (10) for a calculation of the “COVID Deferral” credit factors.¹ The Company billed each rate class’s full DAC factor and also its approved “COVID Deferral” credit factor, as the Company’s billing system had the capability to implement a “COVID Deferral” credit factor that would allow it to both reduce the DAC factor billed to customers and allow for the specific tracking of the deferral.

Based on actual billing data (and forecasted throughput for July through October multiplied by the “COVID Deferral” credit factors), the credit applied to customers’ bills during the DAC year was less than the \$10.1 million upon which the “COVID Deferral” credit factors were based. This is due to actual throughput being lower than the forecasted throughput upon which the “COVID Deferral” credit factors were calculated.

¹ The calculation of the COVID Deferral factors are presented in Schedule RMS/MJP-16 of the Compliance Filing in Docket No. 5040.

The Narragansett Electric Company
DAC / GCR Recovery and Increase from Prior Year
2020/2021 vs. 2019/2020

Section 1: 50% Increase of DAC/GCR as filed in Compliance Filing

	Compliance DAC & GCR Filing (a)	September 3, 2019 DAC & GCR Filing (b)	Increase (c)
(1) DAC	\$14,212,251	(\$5,911,553)	\$20,123,804
(2) GCR	<u>\$156,236,983</u>	<u>\$145,652,457</u>	<u>\$10,584,526</u>
(3) Total	\$170,449,234	\$139,740,904	\$30,708,330
(4) 50% Reduction in DAC Increase to be Credited to Customers and Recovered at a Future Date		50%	(\$10,061,902)
(5) 50% Reduction in GCR Increase to be Credited to Customers and Recovered at a Future Date		50%	(\$5,292,263)
(1)	(a) Compliance Schedule RMS/MJP-1, Line (16) plus October 9, 2020 Schedule RMS/MJP-8S, Column (h), Line (11) ÷ (1-0.0191) (b) Docket 4955, September 3, 2019 DAC Filing, Schedule RMS/AEL-1S, Line (17) plus Schedule RMS/AEL-8S, Column (h), Line (11) ÷ (1-0.0191)		
(2)	(a) Docket 5066, October 9, 2020 Attachment RMS/MJP-1 Second Revision, Page 2, Line (15), Column (e) + Column (f) plus Page 3, Line (12), adjusted by 1.91% for uncollectible recovery (b) Docket 4963, September 3, 2019 GCR Filing, Attachment MJP/AEL-1, Page 2, Line (15), Column (e) + Column (f) plus Page 3, Line (12), adjusted by 1.91% for uncollectible recovery		
(3)	Line (1) + Line (2)		
(4)	Column (b) x Line (1), Column (c)		
(5)	Column (b) x Line (2), Column (c)		

Section 2: Development of Allocator to Allocate 50% Reduction in the Increase in the DAC/GCR to Rate Classes

	DAC Factor per PUC 1-1 (a)	April 2020 DAC (b)	per therm Increase (c)	2020/2021 Throughput (d)	Increase in DAC Revenue (e)	Allocator (f)
(5) Residential-Non Heating	\$0.2048	\$0.1849	\$0.0199	316,082	\$62,900	0.31%
(6) Residential-Non Heating-Low Income	\$0.1884	\$0.1709	\$0.0175	11,245	\$1,968	0.01%
(7) Residential-Heating	\$0.1130	\$0.0536	\$0.0594	18,259,753	\$10,846,293	53.82%
(8) Residential-Heating-Low Income	\$0.0966	\$0.0396	\$0.0570	1,582,675	\$902,125	4.48%
(9) Small C&I	\$0.1115	\$0.0511	\$0.0604	2,570,841	\$1,552,788	7.70%
(10) Medium C&I	\$0.0839	\$0.0154	\$0.0685	6,107,404	\$4,183,572	20.76%
(11) Large C&I Low Load	\$0.0747	\$0.0532	\$0.0215	2,884,361	\$620,138	3.08%
(12) Large C&I High Load	\$0.0609	\$0.0347	\$0.0262	1,193,189	\$312,616	1.55%
(13) X-Large C&I Low Load	\$0.0478	\$0.0268	\$0.0210	1,318,881	\$276,965	1.37%
(14) X-Large C&I High Load	\$0.0459	\$0.0201	\$0.0258	5,403,799	\$1,394,180	6.92%
(15) Total					\$20,153,545	100.00%
	GCR Factor per Oct 9 Filing (a)	November 2019 GCR Factor (b)	per therm Increase (c)	2020/2021 Throughput (d)	Increase in GCR Revenue (e)	Allocator (f)
(16) High Load Factor	\$0.5093	\$0.4736	\$0.0357	645,959	\$230,607	1.87%
(17) Low Load Factor	\$0.5757	\$0.5302	\$0.0455	26,562,363	\$12,085,875	98.13%
(18) Total					\$12,316,482	100.00%

(5)-(14)(a) Attachment PUC 1-1

(5)-(14)(b) DAC Factors currently in effect

(c) Column (a) - Column (b)

(d) Company Forecast

(e) Column (c) x Column (d)

(5)-(14)(f) Each line of Column (e) as a percent of Column (e), Line (15)

(16)-(17)(f) Each line of Column (e) as a percent of Column (e), Line (18)

The Narragansett Electric Company
DAC / GCR Recovery and Increase from Prior Year
2020/2021 vs. 2019/2020

Section 3: Allocation of 50% Reduction to Rate Classes and Resulting Factors

	<u>Allocator from Section 2</u> (a)	<u>Allocation of Reduction</u> (b)	<u>2020/2021 Throughput</u> (c)	<u>Covid Deferral per Therm</u> (d)	
<u>DAC Factors</u>					
(1)	Residential-Non Heating	0.31%	(\$31,404)	316,082	(\$0.0099)
(2)	Residential-Non Heating-Low Income	0.01%	(\$983)	11,245	(\$0.0087)
(3)	Residential-Heating	53.82%	(\$5,415,143)	18,259,753	(\$0.0296)
(4)	Residential-Heating-Low Income	4.48%	(\$450,397)	1,582,675	(\$0.0284)
(5)	Small C&I	7.70%	(\$775,248)	2,570,841	(\$0.0301)
(6)	Medium C&I	20.76%	(\$2,088,699)	6,107,404	(\$0.0341)
(7)	Large C&I Low Load	3.08%	(\$309,611)	2,884,361	(\$0.0107)
(8)	Large C&I High Load	1.55%	(\$156,077)	1,193,189	(\$0.0130)
(9)	X-Large C&I Low Load	1.37%	(\$138,278)	1,318,881	(\$0.0104)
(10)	X-Large C&I High Load	6.92%	(\$696,061)	5,403,799	(\$0.0128)
(11)	Total	100.00%	(\$10,061,901)		

	<u>Allocator from Section 2</u> (a)	<u>Allocation of Reduction</u> (b)	<u>2020/2021 Throughput</u> (c)	<u>Covid Deferral per Therm</u> (d)	
<u>GCR Factors</u>					
(12)	High Load	1.87%	(\$99,089)	645,959	(\$0.0153)
(13)	Low Load	98.13%	(\$5,193,174)	26,562,363	(\$0.0195)
(14)	Total	100.00%	(\$5,292,263)		

Lines (1) through (10) & Lines (12) through (13)

- (a) Page 1, Section 2, Column (f)
- (1)-(10)(b) Page 1, Section 1, Line (4), Column (c) x Column (a)
- (12)-(13)(b) Page 1, Section 1, Line (5), Column (c) x Column (a)
- (c) Page 1, Section 2, Column (d)
- (d) Column (b) ÷ Column (c), truncated to 4 decimal places

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 5165
In Re: 2021 Distribution Adjustment Charge Filing
Responses to the Commission's Fourth Set of Data Requests
Issued on September 15, 2021

PUC 4-2

Request:

Please provide a schedule in a format similar to what is illustrated below, stating both the DAC and GCR components of the COVID deferral, and the combined total. In the schedule, please separately indicate the total interest accumulated on the balance for each of the components and the combined total. In the schedule, please also show the original forecasted COVID deferral and the net difference between the original forecast and the current deferral balance as now forecasted with interest.

	(a)	(b)	(c)	(d) (b)+(c)	(e) (d)-(a)
	Original Forecast	Current Forecast	Interest Accumulated	Total Balance of Current Deferral	Difference
DAC					
GCR					
Combined Total					

Response:

	Original Forecast (a)	Current Forecast (b)	Interest Accumulated (c)	Total Balance of Current Deferral (d) = (b) + (c)	Difference (e) = (d) – (a)
DAC	\$10,061,902	\$9,604,063	\$81,465	\$9,685,528	(\$376,374)
GCR	\$5,292,263	\$4,825,186	\$38,354	\$4,863,540	(\$428,723)
Total	\$15,354,165	\$14,429,249	\$119,819	\$14,549,068	(\$805,097)

Column (a) in the table above represents the 50 percent deferral of the proposed DAC and GCR revenue increase in Docket Nos. 5040 and 5066,¹ respectively. Column (d) represents the current DAC and GCR COVID Deferral balance as filed in Docket Nos. 5165² and 5180,³ respectively.

¹ Attachment PUC 4-1.

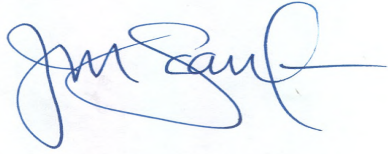
² Second Supplemental Filing, Schedule RMS-15S, Page 1, Col (b), Line (11). Interest is the total of rate class interest amounts on pages 2 through 4.

³ Revised Filing, Revised Attachment RMS-1, Page 7, Line (43), Col (n). Interest on Revised Attachment RMS-1, Page 7, Col (n), Line (42).

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

September 20, 2021
Date

Docket No. 5165 – National Grid –2021 Annual Distribution Adjustment Charge Filing (DAC) - Service List as of 9/13/2021

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