

December 7, 2021

VIA ELECTRONIC MAIL

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

RE: Docket 5189– 2022 Annual Energy Efficiency Program Plan Responses to PUC Data Requests - Set 4 (Complete Set)

Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (“National Grid” or the “Company”), attached, please find the electronic version of the Company’s responses to the Public Utilities Commission’s (“PUCs”) Fourth Set of Data Requests in the above referenced docket. Bates stamp has been applied to the attached electronic version.

Thank you for your attention to this filing. If you have any questions or concerns, please do not hesitate to contact me at 401-784-4263.

Sincerely,



Andrew S. Marcaccio

Enclosures

cc: Docket 5189 Service List
Margaret Hogan, Esq.
John Bell, Division

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

December 7, 2021
Date

**Docket No. 5189 - National Grid – 2022 Annual Energy Efficiency Program
Service list updated 11/29/2021**

Name /Address	E-mail Distribution List	Phone
National Grid Andrew Marcaccio, Esq. National Grid 280 Melrose St. Providence, RI 02907 Leticia Pimentel, Esq. Robinson & Cole LLP One Financial Plaza, 14th Floor Providence, RI 02903	Andrew.Marcaccio@nationalgrid.com;	401-784-4263
	Jennifer.Hutchinson@nationalgrid.com;	
	Joanne.scanlon@nationalgrid.com;	
	Celia.obrien@nationalgrid.com;	
	Matthew.Chase@nationalgrid.com;	
	Timothy.Roughan@nationalgrid.com;	
	John.Tortorella@nationalgrid.com;	
	Christopher.Porter@nationalgrid.com;	
	BENJAMIN.RIVERS@nationalgrid.com;	
	John.Richards@nationalgrid.com;	
	angela.li@nationalgrid.com;	
	Jessica.Darling@nationalgrid.com;	
	Matthew.Ray2@nationalgrid.com;	
	Joshua.Kessler@nationalgrid.com;	
LPimentel@rc.com;		
hseddon@rc.com;		
Division of Public Utilities and Carriers Margaret L. Hogan, Esq.	Margaret.L.Hogan@dpuc.ri.gov;	401-780-2120
	Jon.hagopian@dpuc.ri.gov;	
	john.bell@dpuc.ri.gov;	
	Joel.munoz@dpuc.ri.gov;	
Tim Woolf Jennifer Kallay Synapse Energy Economics 22 Pearl Street Cambridge, MA 02139	twoolf@synapse-energy.com;	
	jkallay@synapse-energy.com;	

RI EERMC Marisa Desautel, Esq. Office of Marisa Desautel, LLC 55 Pine St. Providence, RI 02903 Mike Guerard, Optimal Energy	marisa@desautelesq.com ;	401-477-0023
	mdewey@desautelesq.com ;	
	guerard@optenergy.com ;	
	ross@optenergy.com ;	
Acadia Center Hank Webster, Director & Staff Atty.	HWebster@acadiacenter.org ;	401-276-0600 x402
Office of Energy Resources (OER) Albert Vitali, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908 Nick Ucci, Commissioner	Albert.Vitali@doa.ri.gov ;	401-222-8880
	Nancy.Russolino@doa.ri.gov ;	
	Christopher.Kearns@energy.ri.gov ;	
	Nicholas.Ucci@energy.ri.gov ;	
	Becca.Trietch@energy.ri.gov ;	
	Carrie.Gill@energy.ri.gov ;	
	Anika.Kreckel.CTR@energy.ri.gov ;	
	Nathan.Cleveland@energy.ri.gov ;	
Original & 9 copies file w/: Luly E. Massaro, Commission Clerk John Harrington, Commission Counsel Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Luly.massaro@puc.ri.gov ;	401-780-2107
	John.Harrington@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	
	Todd.bianco@puc.ri.gov ;	
	Emma.Rodvien@puc.ri.gov ;	
Interested Party/Individual		
Frederick Sneesby Dept. of Human Services	Frederick.sneesby@dhs.ri.gov ;	
Chris Vitale, Esq., RI Infrastructure Bank	cvitale@hvlawltd.com ;	
	SUatine@riib.org ;	
Ronald Reybitz Stephen Breininger PPL Electric Utilities	rjreybitz@pplweb.com ;	
	skbreininger@pplweb.com ;	
Green Energy Consumers Alliance Larry Chretien, Executive Director Kai Salem	Larry@massenergy.org ;	
	kai@greenenergyconsumers.org ;	
	priscilla@greenenergyconsumers.org ;	

PUC 4-1

Request:

Please calculate the following and provide in appropriate schedules showing the calculations:

- a. Using the same methodology that the Company uses when it files its annual earnings report, please provide the total dollar value equating to 10 basis points on the return on equity on the Company's electric distribution rate base as of the end of the end of September 2021 or the end of the most recent month for which rate base data is available to perform the calculation; and
- b. Using the same methodology that the Company uses when it files its annual earnings report, please provide the total dollar value equating to 10 basis points on the return on equity on the Company's gas distribution rate base as of the end of the end of September 2021 or the end of the most recent month for which rate base data is available to perform the calculation.

Response:

Please note that, in the interest of expediting this response, the Company is providing the total dollar value equating to 10 basis points on the return on equity (ROE) on the Company's average electric and gas distribution rate base as of December 31, 2020, as reported in its calendar year 2020 earnings reports filed under RIPUC Docket No. 4770. The Company will supplement this response based on more recently available financial information in January 2022, prior to hearings recommencing in this docket.

- a. The proxy dollar value of 10 basis points of ROE for the Company's electric distribution business is \$471,095.
- b. The proxy dollar value of 10 basis points of ROE for the Company's gas distribution business is \$506,032.

Please refer to the supporting calculations provided as Attachment PUC 4-1.

Return on Equity (ROE) Basis Point Calculation
Based on Calendar Year 2020 Average Rate Base per earnings reports

Calendar Year 2020		Reference	Electric Distribution	Gas
1	5-quarter average Rate Base	Per Company's CY 2020 earnings reports	\$924,621,273	\$993,192,574
2	Common Equity %	RIPUC Docket 4770	50.95%	50.95%
3	Common Equity	Line 1 x Line 2	\$471,094,539	\$506,031,616
4	1 Basis Point Equals	1/100 of 1% (.0001 or .01%)	0.0001	0.0001
5	1 Basis Point of Common Equity before Taxes	Line 3 x Line 4	\$47,109	\$50,603
6	Federal Income Tax Rate		21.0000%	21.0000%
7	Tax Rate Gross Up Factor	1-Line 6	79.0000%	79.0000%
8	1 Basis Point of Common Equity Grossed up for Taxes	Line 5 / Line 7	\$59,632	\$64,055
9	10 Basis Points (earnings after tax)	Line 5 x 10	\$471,095	\$506,032
10	10 Basis Points (earnings before tax)	Line 9 / Line 7	\$596,322	\$640,546
11	Projected Net PIM award	Company's response to PUC 3-5	\$5,047,073	\$1,288,789
12	Basis point equivalent of Projected Net PIM award	Line 11 / Line 5	107.1	25.5

PUC 4-2

Request:

Referencing the response to PUC 3-5, please provide an estimate of the number of basis points to which the Projected Net PIM award would have on each of the electric distribution return on equity and the gas distribution return on equity.

Response:

The estimated number of basis points that the Projected Net PIM award would contribute to the electric distribution return on equity is 107 basis points and 25 basis points on the gas distribution return on equity.

Please refer to the supporting calculation provided in the Company's response to PUC 4-1 in Attachment PUC 4-1.