

Information Request DPU-ANE-4-1

Request:

Refer to National Grid's response to information request DPU-ANE-3-2 and Boston Gas Company/Colonial Gas Company, D.P.U. 15-129, at 21 (2016). Please explain how the negotiated rate referenced in National Grid's response is consistent with the Department's affiliate transaction regulation, 220 C.M.R. § 12.04(3).

Response:

The Department's regulations at 220 C.M.R. § 12.04(3) provide that an affiliate can provide services to a distribution company if the price charged to the distribution company is no greater than the market value of the asset or service. The Department noted in D.P.U. 15-129 that the contract between Boston Gas Company d/b/a National Grid and its affiliate National Grid LNG, that the Department's affiliate rule was satisfied because the contract approved in D.P.U. 15-129 included a rate that would be approved by the Federal Energy Regulatory Commission ("FERC") and was also subject to a cost cap and most favored nation provision. The rates included in the precedent agreements in this proceeding were negotiated to a rate below the FERC regulated rate and also includes the protections provided by a cost cap and most favored nation provision.

Winter Days - (%) Restricted

Restriction Point Highly Utilized TGP Paths	Percentage Days Restricted (November - March)	Percentage Days Restricted (November - March)	Percentage Days Restricted (November - March)
	2013/2014	2014/2015	2015/2016
Sta. 245	100%	100%	100.00%
Sta. 261	30.46%	32.45%	68.42%
Sta. 267	2.65%	5.29%	30.92%
Sta. 321	94.70%	94.71%	86.18%
MLV 336	50.33%	73.51%	57.24%
MLV 355 BH	70.20%	5.96%	9.21%

Information Request DPU-ANE-4-2

Request:

Refer to National Grid's response to information request NEER 2-88. Please provide all documentation and sources supporting the witness's statement that "the pipelines serving New England are heavily utilized on a year round basis." Based on the supporting materials, provide line charts comparing, on a monthly basis, the availability of pipeline resources and actual utilization for the last five years.

Response:

Attachment DPU-ANE-4-2(a) contains daily utilization data provided by Algonquin for the 5 year period from July 1, 2011 through June 30, 2016. The data compares: (a) the available capacity through Stony Point to (b) the requested capacity through that point. Stony Point is one of the significant constraint points on the Algonquin system affecting deliveries to New England from the west. Based on the data provided by Algonquin, the Company prepared the requested line chart comparing, on a monthly basis, the available capacity to requested capacity. This information is provided in Attachment DPU-ANE-4-2(b). As can be seen, during most of that 5 year period, requested flow through that point exceeded available capacity (i.e. capacity was fully utilized). Further, the data shows that requested flow through that point has exceeded available capacity in every month since June, 2013.

Attachment DPU-ANE-4-2(c) contains restriction data provided by Tennessee for the 3 winter periods from November 2013 through March 2016. Although the data does not enable production of the requested line chart, it demonstrates the significant restrictions at various points on the Tennessee system serving New England. For example, flow through Station 321 on Tennessee's 300 leg has been restricted on 86% to 94% of the days during the past 3 winter periods and flow through Station 245 on Tennessee's 200 leg has been restricted each and every day during that time period.

Information Request DPU-ANE-4-3

Request:

Refer to National Grid's response to information request NEER-3-3. Explain how National Grid will ensure that the extension rates referred to in its response will not exceed the FERC recourse rate.

Response:

At the time that the Company must decide whether to extend the agreement, it will have the option of choosing either: a negotiated rate, a rate based on a cost of service study to be conducted by Algonquin, or the recourse rate. At that time, if the Company extends the Agreement, it would not choose a rate that exceeds the recourse rate.