



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING, PUBLIC HEARINGS, AND PROCEDURAL CONFERENCE

D.P.U. 18-150

November 29, 2018

Petition of Massachusetts Electric Company and Nantucket Electric Company, each doing business as National Grid, pursuant to G.L. c. 164, § 94 and 220 CMR 5.00, for Approval of General Increases in Base Distribution Rates for Electric Service.

On November 15, 2018, Massachusetts Electric Company (“MECo”) and Nantucket Electric Company (“Nantucket Electric”), each doing business as National Grid (“National Grid” or “Company”), filed a petition with the Department of Public Utilities (“Department”) for an increase in electric base distribution rates. The Department has docketed this matter as D.P.U. 18-150, and has suspended the effective date of the proposed rate increase until October 1, 2019, to investigate the propriety of the Company’s request.

The Company is also proposing to replace its capital investment recovery mechanism with a performance-based ratemaking mechanism that would allow MECo and Nantucket Electric to adjust their distribution rates on an annual basis through the application of a revenue-cap formula and to put into place a set of metrics to evaluate the Company’s performance. Further, the Company proposes to implement an electric vehicles program, gateway access program, and storage program. The Company also proposes to make certain changes to its existing storm fund mechanisms and vegetation management programs. Additional information regarding these and all other proposals can be found in the Company’s filing.

National Grid has requested to delay implementation of changes in rates to November 1, 2019, based on rate increases effective October 1, 2019. The Company was last granted an increase in base distribution rates in 2016. Massachusetts Electric Company/Nantucket Electric Company, D.P.U. 15-155 (2016).

The Company seeks approval for an increase in base distribution rate revenues of \$132.2 million. The Company contends that its petition also includes a \$61.9 million decrease in revenues recovered in charges outside of base distribution rates. Thus, the Company claims that its petition requests a net increase in annual delivery revenues of \$70.3 million. National Grid states that if its petition is approved as requested, the proposed revenue increases will have the following effects:

For MECo Customers:

- a typical residential customer receiving service under Rate R-1, that uses on average 600 kilowatt hours (“kWh”) of electricity per month will experience a monthly bill increase of \$4.07, or 2.6 percent;
- a typical low-income residential customer receiving service under Rate R-2, that uses on average 600 kWh of electricity per month will experience a monthly bill decrease of (\$1.62), or 1.6 percent; and
- Commercial and industrial (“C&I”) customers will experience monthly increases in the range of 0.6 percent to 4.4 percent.

For Nantucket Electric Customers:

- a typical residential customer receiving service under Rate R-1, that uses on average 600 kWh of electricity per month will experience a monthly bill increase of \$4.07, or 2.6 percent;
- a typical low-income residential customer receiving service under Rate R-2, that uses on average 600 kWh of electricity per month will experience a monthly bill decrease of (\$1.68), or 1.6 percent; and
- C&I customers will experience monthly increases in the range of 0.6 percent to 3.9 percent.

The Attorney General of the Commonwealth of Massachusetts (“Attorney General”) has filed a notice to intervene in this matter pursuant to G.L. c. 12, § 11E. Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General has filed a notice of retention of experts and consultants to assist in her investigation of the Company’s filing, and has requested Department approval to spend up to \$550,000 in this regard. Pursuant to G.L. c. 12, § 11E(b), the costs incurred by the Attorney General relative to her retention of experts and consultants may be recovered in the Company’s rates.

The Department has scheduled the following public hearings to receive comment on National Grid’s filing:

Lawrence, MA

**Tuesday, March 26, 2019, at 7:00 p.m.
South Lawrence East Elementary School Auditorium
165 Crawford Street
Lawrence, MA 01843**

Brockton, MA

**Thursday, March 28, 2019, at 7:00 p.m.
South Junior High School Auditorium
105 Keith Avenue Ext.
Brockton, MA 02301**

Nantucket, MA

**Tuesday, April 2, 2019, at 7:00 p.m.
PSF Community Room
4 Fairgrounds Road
Nantucket, MA 02554**

Worcester, MA

**Thursday, April 4, 2019, at 7:00 p.m.
Worcester Technical High School Auditorium
1 Skyline Drive
Worcester, MA 01605**

Great Barrington, MA

**Tuesday, April 9, 2019, at 7:00 p.m.
Great Barrington Fire Station
Meeting Room
37 State Road
Great Barrington, MA 01230**

A procedural conference in this matter will be held at the Department's office on Thursday, January 3, 2019, at 2:00 p.m.

Persons interested in commenting on National Grid's filing may appear at any of the public hearings or may file written comments by the close of business (5:00 p.m.) on Tuesday, April 9, 2019.

Any person who desires to participate in the evidentiary phase of this proceeding must file a written petition for leave to intervene or to participate in the proceeding no later than the close of business (5:00 p.m.) on Friday, December 21, 2018. A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 CMR 1.01(4). To

be allowed, a petition under 220 CMR 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10. Any person who seeks to intervene in this matter and also desires to comment on the Attorney General's notice of retention of experts and consultants must file the comments no later than the close of business (5:00 p.m.) on Friday, December 21, 2018.

Written comments, petitions for leave to intervene or to participate, and comments on the Attorney General's notice of retention of experts and consultants should be addressed to: Mark D. Marini, Secretary, Department of Public Utilities, One South Station, Boston, MA, 02110. Receipt by the Department, not mailing, constitutes filing.

Further, in addition to paper filings with the Department, all documents also should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dpu.efiling@mass.gov and the Hearing Officer, carol.pieper@mass.gov; or (2) on CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 18-150); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: website at <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (enter "18-150").

A copy of National Grid's filing is available for inspection during regular business hours at the following locations: (1) Brockton Public Library, Main Library, 304 Main Street, Brockton, MA, 02301; (2) Nantucket Atheneum, 1 India St, Nantucket, MA, 02554; (3) Worcester Public Library, 3 Salem Street, Worcester, MA, 01608; (4) Mason Public Library, 231 Main Street, Great Barrington, MA, 01230; and (5) Lawrence Public Library, 51 Lawrence Street, Lawrence, MA, 01841.

National Grid's filing also is available on the Department's website. A copy of National Grid's filing also is available at the offices of National Grid, 40 Sylvan Road, Waltham, MA, 02451, and the Department's offices, One South Station, 5th Floor, Boston, MA, 02110. To request materials in accessible formats (braille, large print, electronic files, audio format), contact the Department's ADA coordinator at DPUADACoordinator@mass.gov or (617) 305-3642. Any person desiring further information regarding National Grid's petition should contact National Grid's counsel, Daniel P. Venora, Esq., Keegan Werlin, 99 High Street, Suite 2900, Boston, MA, 02110, telephone (617) 951-1400.

The Attorney General's notice of retention of experts and consultants is available on the Department's website. A copy of the Attorney General's notice of retention of experts and consultants is also available for inspection during regular business hours at the Attorney General's offices, One Ashburton Place, Boston, MA, 02110, and at the Department's offices, One South Station, 5th Floor, Boston, MA, 02110. Any person desiring further

information regarding the Attorney General's notice of retention of experts and consultants should contact Joseph W. Rogers, Assistant Attorney General, at (617) 727-2200.

Reasonable accommodations at public or evidentiary hearings for people with disabilities are available upon request by contacting the Department's ADA coordinator at DPUADACoordinator@mass.gov or (617) 305-3642. Please include a description of the accommodation you will need, including as much detail as you can. Also include a way the Department can contact you if we need more information. Provide as much advance notice as possible. Last-minute requests will be accepted, but may not be accommodated. Any person desiring further information regarding this notice should contact Carol Pieper, Hearing Officer, Department of Public Utilities, at (617) 305-3500.