



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 18-58

July 3, 2018

Petition of Boston Gas Company and Colonial Gas Company d/b/a National Grid for approval by the Department of Public Utilities of its proposed Calendar Year 2018 Targeted Infrastructure Recovery Factors for effect November 1, 2018.

On May 1, 2018, Boston Gas Company and Colonial Gas Company d/b/a National Grid ("National Grid" or "Company") filed a petition with the Department of Public Utilities ("Department") for approval of the revenues to be collected through its annual Targeted Infrastructure Recovery Factors ("TIRFs") for calendar year 2018, for rates in effect November 1, 2018, made in accordance with the directives of the Department in Boston Gas Company and Colonial Gas Company, D.P.U. 10-55 (2010) and the Company's approved Local Distribution Adjustment Clause ("LDAC") tariff, M.D.P.U. No. 8. The Department has docketed this matter as D.P.U. 18-58.

National Grid's TIRF mechanism allows for the annual recovery of the accumulated revenue requirement associated with the costs of replacing its non-cathodically protected steel and small diameter (less than or equal to eight inches in diameter) cast/wrought iron gas distribution mains, services, and other eligible facilities placed in service in calendar year 2010 through calendar year 2014, as a component of the Company's Local Distribution Adjustment Factor ("LDAF"). The Department will analyze the charges and bill impacts associated with the TIRFs in the Company's LDAF filing for rates effective November 1, 2018.

Boston Gas Company proposes a total revenue requirement based on the cumulative investment in TIRF-eligible infrastructure for the period of calendar year ("CY") 2010 through CY 2016 of \$46,605,760. Boston Gas Company, in its current base rate proceeding, Boston Gas Company/Colonial Gas Company, D.P.U. 17-170, proposes new base distribution rates, effective October 1, 2018, that include the targeted infrastructure recovery ("TIR") program assets placed into service prior to December 31, 2016. As such, Boston Gas Company, in the instant proceeding, proposes a revenue requirement that reflects only the first nine months of each vintage year's calculated CY 2018 revenue requirement (January 2018 through September 2018).

Similarly, Colonial Gas Company proposes a total revenue requirement based on the cumulative investment in TIRF-eligible infrastructure for the period of calendar year (“CY”) 2010 through CY 2016 of \$7,673,806. Colonial Gas Company, in its current base rate proceeding, D.P.U. 17-170, proposes new base distribution rates, effective October 1, 2018, that include the TIR program assets placed into service prior to December 31, 2016. As such, Colonial Gas Company, in the instant proceeding, proposes a revenue requirement that reflects only the first nine months of each vintage year’s calculated CY 2018 revenue requirement (January 2018 through September 2018).

Any person interested in commenting on this matter may submit written comments no later than the close of business (5:00 p.m.) on **Wednesday, July 25, 2018**. One original and one (1) copy of all written documents must be filed with Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts 02110. In addition, one copy of all written comments should be sent to the Company’s attorney, Melissa G. Liazos, Esq., National Grid, 40 Sylvan Road, Waltham, Massachusetts 02451.

All documents should also be submitted to the Department in electronic format using one of the following methods: (1) by email attachment to dpu.efiling@state.ma.us and the hearing officer, Alice Davey at Alice.Davey@state.ma.us; or (2) on a CD-ROM or USB drive. The text of the email or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 18-58); (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. The electronic file name should identify the document, but should not exceed 50 characters in length. All documents submitted in electronic format will be posted on the Department’s website: <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (enter “18-58.”).

Copies of the Company’s petition are on file at the Department’s offices, One South Station, Boston, Massachusetts 02110 for public viewing during business hours, and on the Department’s website by looking up the docket by its number in the docket database at <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (enter “18-58”). To request materials in accessible formats (Braille, large print, electronic files, audio format), contact the Department’s ADA Coordinator at DPUADACoordinator@state.ma.us or (617) 305-3642. A copy is also on file for public viewing at the Company’s office at 40 Sylvan Road, Waltham, Massachusetts 02451. Any person desiring further information regarding the Company’s petition should contact counsel for the Company, Melissa G. Liazos, Esq. at (781) 907-2108. Any person desiring further information regarding this notice should contact Alice Davey, Hearing Officer, Department of Public Utilities, at 617-305-3608.