



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 20-30

April 3, 2020

Petition of Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid for Approval of its 2020 Smart Grid Pilot Program Rate Adjustment and Reconciliation Filing.

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On March 13, 2020, Massachusetts Electric Company and Nantucket Electric Company, d/b/a National Grid ("National Grid" or "Company"), filed with the Department of Public Utilities ("Department") a request to recover costs incurred as of December 31, 2019, associated with its smart grid pilot program, which ended on December 31, 2018. The Department docketed this matter as D.P.U. 20-30.

The Department approved the Company's smart grid pilot program pursuant to St. 2008, c. 169, § 85, in Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 11-129 (2012), and an interim extension in Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 16-149 (2016). National Grid recovers distribution-facing pilot program costs from distribution customers through a smart grid distribution adjustment factor ("SGDAF"), pursuant to the Company's smart grid adjustment provision ("SGAP") tariff, M.D.P.U. No. 1342. National Grid recovers customer-facing smart grid pilot program costs from basic service customers through a smart grid customer cost adjustment factor ("SGCCAF"), pursuant to the Company's basic service tariff, M.D.P.U. No. 1341.

The Company proposes revised SGDAFs and SGCCAFs for effect May 1, 2020, through April 30, 2021. The proposed factors are designed to recover \$2,517,558, as follows: (1) \$799,943 in what the Company maintains are smart grid pilot-related operations and maintenance costs incurred in 2019, including (a) \$3,005 in wind-down costs associated with decommissioning the in-home energy management products and services and web portal available through the pilot technology packages, (b) \$742,301 for information technology costs to disable and decommission interfaces and integrations supporting the pilot, and communications costs to decommission connectivity between the Company and the software service providers used for the pilot, (c) \$45,000 for program evaluation, and (d) \$9,637 for outreach to customers about the end of the pilot; (2) \$1,407,227 for the revenue requirement on smart grid-related capital investments made between 2012 and 2016; (3) \$485,193 for adjustments to previously filed revenue requirements; and (4) (\$174,806) for reconciliation of pilot-related cost recovery from prior years.

The Company proposes the following revised SGDAFs for effect May 1, 2020:

<b>Rate Class</b>	<b>Proposed SGDAFs (\$/kWh)</b>
R-1, R-2	\$0.00008
G-1	\$0.00007
G-2	\$0.00005
G-3	\$0.00003
S	\$0.00006

The Company proposes the following revised SGCCAFs for effect May 1, 2020:

<b>Customer Group</b>	<b>Proposed SGCCAFs (\$/kWh)</b>
Residential	\$0.00024
Commercial	\$0.00022
Industrial	\$0.00032

If the Department approves National Grid's request as proposed, the monthly bill for a typical Massachusetts Electric Company and Nantucket Electric Company residential customer (*i.e.*, a customer using 600 kilowatt-hours ("kWh") of electricity per month) will decrease by \$0.16 or approximately 0.1 percent. Commercial and industrial customers should contact National Grid for specific bill impacts.

In addition to the proposed revised SGDAFs and SGCCAFs for effect May 1, 2020, the Company proposes to be allowed to recover at a future date costs associated with its continued operation of advanced metering infrastructure meters and the underlying communications network installed as part of the smart grid pilot. The Company estimates these costs will be \$3,545,419 through 2022, including estimated costs of \$2,246,775 for 2020.

Finally, the Company proposes several tariff revisions for effect May 1, 2020. The Company requests Department approval of: (1) a revised SGAP tariff, M.D.P.U. No. 1442, replacing M.D.P.U. 1342, to incorporate the revised distribution revenue allocator and rate class revisions approved by the Department in the Company's most recent base distribution rate case, Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 18-150; and (2) a revised basic service tariff,

M.D.P.U. No. 1443, replacing M.D.P.U. 1341, to incorporate the rate class and SGAP tariff number revisions, as well as to remove references to the smart grid pilot program pricing provisions.

The Attorney General of the Commonwealth of Massachusetts (“Attorney General”) filed a notice to intervene in this matter pursuant to G.L. c. 12, § 11E(a). Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General filed a notice of intent to retain experts and consultants to assist her investigation of the Company’s filing and has requested Department approval to spend up to \$150,000 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 will accept written comments on the Company’s filing and on the Attorney General’s notice of intent to retain experts and consultants until 5:00 p.m. on **Wednesday, April 22, 2020.**

Any person who desires to participate otherwise in the evidentiary phase of this proceeding shall file a petition for leave to intervene no later than 5:00 p.m. on **Wednesday, April 22, 2020.** A petition for leave to intervene must satisfy the timing and substantive requirements of 220 CMR 1.03. Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. 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.

At this time, all filings will be submitted only in electronic format in recognition of the difficulty that parties and the Department may have filing and receiving original copies. On March 10, 2020, Governor Baker issued a state of emergency related to COVID-19 for the entire Commonwealth. Ordinarily, all parties would follow Sections B.1 and B.4 of the Department’s Standard Ground Rules (D.P.U. 15-184-A, App. 1 (March 4, 2020)); however, until further notice, parties must retain the original paper version and the Department will later determine when the paper version must be filed with the Department Secretary.

All documents must be submitted to the Department in **.pdf format** by e-mail attachment to [peter.ray@mass.gov](mailto:peter.ray@mass.gov) and the hearing officer at [kerri.phillips@mass.gov](mailto:kerri.phillips@mass.gov). The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 20-30); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic file name should identify the document but should not exceed 50 characters in length. Importantly, all large files submitted must be broken down into electronic files that do not exceed 20 MB. All documents submitted in electronic format will be posted on the Department’s website as soon as practicable (enter “20-30”) at: <https://eeasonline.eea.state.ma.us/DPU/Fileroom/dockets/bynumber>. In addition, one copy of all written comments should be emailed to the Company’s attorney, Melissa G. Liazos, Esq., [melissa.liazos@nationalgrid.com](mailto:melissa.liazos@nationalgrid.com); and to Assistant Attorneys General

Alexander M. Early, [alexander.early@mass.gov](mailto:alexander.early@mass.gov), and Shannon S. Beale, [shannon.beale@mass.gov](mailto:shannon.beale@mass.gov).

A paper copy of the filing will not be available for public viewing at the Company's offices or the Department due to the state of emergency. The filing and all subsequent related documents, pleadings and/or filings submitted to the Department and/or issued by the Department will be available on the Department's website as referenced above as soon as is practicable. To the extent a person or entity wishes to submit comments or intervene in accordance with this Notice, electronic submission, as detailed above, is sufficient. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), contact the Department's ADA coordinator at [DPUADACoordinator@mass.gov](mailto:DPUADACoordinator@mass.gov).

For further information regarding the Company's filing, please contact National Grid's counsel, Melissa G. Liazos, Esq. at (781) 907-2108 or [melissa.liazos@nationalgrid.com](mailto:melissa.liazos@nationalgrid.com). For further information regarding this notice, please contact Kerri DeYoung Phillips, Hearing Officer, Department of Public Utilities, at [kerri.phillips@mass.gov](mailto:kerri.phillips@mass.gov).