



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF PROPOSED BILL CREDITS AND REQUEST FOR COMMENTS

D.P.U. 21-60

June 29, 2022

Petition of National Grid USA pursuant to G.L. c. 164, § 96(c) for a waiver of jurisdiction of the Department of Public Utilities regarding the sale of The Narragansett Electric Company.

---

On June 24, 2022, Boston Gas Company (“Boston Gas”), Massachusetts Electric Company, and Nantucket Electric Company, each d/b/a National Grid (together, “National Grid” or “the Companies”) filed with the Department of Public Utilities (“Department”) a proposal to implement a bill credit to customers. If approved, all National Grid customers will receive a credit (i.e., reduction) on their monthly bills between November 1, 2022 and April 30, 2023. National Grid also requests Department approval of a new tariff provision, M.D.P.U. No. 1485, for Massachusetts Electric Company and Nantucket Electric Company, in order to issue the bill credit to its customers. National Grid submitted the filing in docket D.P.U. 21-60.

As background, on May 4, 2021, National Grid USA, the holding company of the Companies, requested a waiver of the Department’s jurisdiction under G.L. c. 164, § 96(c) over a transaction (“Transaction”) involving the sale of The Narragansett Electric Company (“Narragansett”), a Rhode Island corporation providing electric and gas distribution services with a principal place of business in Rhode Island. The Department docketed the filing as D.P.U. 21-60. On May 11, 2021, the Attorney General of the Commonwealth of Massachusetts (“Attorney General”) intervened pursuant to G.L. c. 12, § 11E(a). No other parties intervened in the proceeding. On July 16, 2021, the Department issued an Order approving the waiver request. National Grid USA, D.P.U. 21-60 (July 16, 2021) (“Order”). On August 12, 2021, the Attorney General filed a petition for appeal of the Order with the Massachusetts Supreme Judicial Court. On March 25, 2022, National Grid USA, the Companies, and the Attorney General entered into a Settlement Agreement (“Agreement”) with regard to sale of Narragansett. Upon request by National Grid USA and the Attorney General, the Supreme Judicial Court subsequently dismissed the appeal with prejudice. The Transaction closed on May 25, 2022. The Companies now request Department approval to provide a bill credit to their customers and establish a new tariff for Massachusetts Electric Company and Nantucket Electric Company.

Pursuant to Section 2.20 of the Agreement, National Grid agreed to provide a \$7,900,000 credit to customers of the Companies as a reduction in the costs billed to customers for the period November 1, 2022 through April 30, 2023. On June 24, 2022, National Grid filed a proposal with the Department for approval to implement the credit agreed to by the parties under the Agreement. According to the Company, the bill credit is split between the Companies based on the ratio of the most recently approved base distribution revenue requirement and allocated to customers of each company using the base distribution revenue allocator. Based on the calculations provided, National Grid allocates \$3,720,401 to Boston Gas and \$4,179,599 to Massachusetts Electric Company and Nantucket Electric Company. National Grid represents that the Attorney General supports the proposal, as set forth in further detail below for each distribution company.

Boston Gas proposes to apply the \$3,720,401 credit to its customers through the Peak Revenue Decoupling Mechanism (“RDM”) reconciliation filing to be submitted to the Department by August 3, 2022, for effect November 1, 2022. Boston Gas states that the credit would reduce the amount upon which the Peak Revenue Decoupling Adjustment Factor, effective for the period November 1, 2022 through April 30, 2023, is based. According to National Grid, a typical residential heating customer using 115 therms per month in the Boston Gas division can expect a monthly bill decrease of \$0.49 or 0.2 percent, and a typical residential heating customer using 107 therms per month in the Colonial Gas division can expect a monthly bill decrease of \$0.45 or 0.2 percent.

Massachusetts Electric Company and Nantucket Electric Company propose to apply the \$4,179,599 credit through the following proposed credit factor for effect November 1, 2022 to April 30, 2023, reflected in dollar per kilowatt-hour (“kWh”):

<b>Rate Class</b>	<b>Proposed Credit Factor/kWh</b>
R-1/R-2	(\$0.00054)
G-1	(\$0.00052)
G-2	(\$0.00038)
G-3	(\$0.00022)
S	(\$0.00047)

In addition, Massachusetts Electric Company and Nantucket Electric Company propose that the residual balance associated with this credit factor be included in its January 2024 RDM reconciliation filing once billing for April 2023 usage is complete. In order to allow for the credit to customers, Massachusetts Electric Company and Nantucket Electric Company also propose a new tariff for Department approval, M.D.P.U. No. 1485, for effect September 1, 2022.

According to National Grid, a typical residential Basic Service customer using 600 kWh per month for Massachusetts Electric Company and Nantucket Electric Company can expect a monthly bill decrease of \$0.32 or 0.2 percent. Bill impacts for commercial and

industrial customers would vary. These customers should contact National Grid for specific bill information.

Any person interested in commenting on the Company's filing may submit written comments to the Department no later than the close of business (5:00 p.m.) on **Friday, July 15, 2022**. Any person who otherwise desires to intervene in this proceeding for purposes of the June 24, 2022 filing shall file a petition for leave to intervene no later than the close of business (5:00 p.m.) on **Friday, July 15, 2022**. 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. All responses to petitions to intervene must be filed by the close of business (5:00 p.m.) on the second business day after the petition to intervene was filed.

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, at this time, all filings must be submitted only in electronic format consistent with the Commission's June 15, 2021 Memorandum related to continued modified filing requirements. Until further notice, parties must retain the original paper version of the filing 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 [dpu.efiling@mass.gov](mailto:dpu.efiling@mass.gov) and [kerri.phillips@mass.gov](mailto:kerri.phillips@mass.gov). In addition, all documents must be sent by e-mail attachment to the Company's attorneys, Stacey M. Donnelly, Esq., Cheryl M. Kimball, Esq., Robert J. Humm, Esq., Jessica Buno Ralston, Esq., and David S. Rosenzweig, Esq., at [stacey.donnelly@nationalgrid.com](mailto:stacey.donnelly@nationalgrid.com), [ckimball@keeganwerlin.com](mailto:ckimball@keeganwerlin.com), [rhum@keeganwerlin.com](mailto:rhum@keeganwerlin.com), [jralston@keeganwerlin.com](mailto:jralston@keeganwerlin.com), and [drosen@keeganwerlin.com](mailto:drosen@keeganwerlin.com). The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 21-60); (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. 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 the extent a member of the public is unable to send written comments by e-mail, a paper copy may be sent to Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts 02110.

The Company's filing and all related documentation submitted to the Department or issued by the Department in this matter will be posted on the Department's website as soon as practicable at: <https://eeaonline.eea.state.ma.us/DPU/Fileroom/dockets/bynumber> (enter "21-60"). At this time, a paper copy of the filing will not be available for public viewing at the Company's offices or the Department. To request materials in accessible formats

(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 the Company's attorneys, identified above. 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).