



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 16-58

June 29, 2016

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 2015 Targeted Infrastructure Recovery Factors for effect November 1, 2016.

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On April 29, 2016, 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 2015, for rates in effect November 1, 2016, made in accordance with the directives of the Department in Boston Gas Company and Colonial Gas Company d/b/a National Grid, D.P.U. 10-55 (2010) and the Company's approved Local Distribution Adjustment Clause ("LDAC") tariff, M.D.P.U. No. 3. The Department has docketed this matter as D.P.U. 16-58.

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 (8) inches in diameter) cast/wrought iron gas distribution mains, services and other eligible facilities starting in calendar year 2010, 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, 2016.

For Boston Gas Company, National Grid states that it had \$8,052,382 in TIRF-recoverable net capital additions that represent carry-over costs for plant and equipment that the Company placed into service prior to December 31, 2014 but did not book until calendar year 2015. This results in an increase to the TIRF revenue requirement of \$3,009,549. The Company proposes a total revenue requirement based on the cumulative investment in TIRF-eligible infrastructure of \$61,873,675.

For Colonial Gas Company, National Grid states that it made \$2,833,103 in TIRF-recoverable net capital additions that represent carry-over costs for plant and equipment that the Company placed into service prior to December 31, 2014 but did not book until calendar year 2015. This results in an increase to the TIRF revenue requirement of

\$1,083,550. The Company proposes a total revenue requirement based on the cumulative investment in TIRF-eligible infrastructure of \$10,503,263.

Any person interested in commenting on this matter may submit written comments no later than the close of business (5:00 p.m.) on **Tuesday, July 27, 2016**. 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, Camal Robinson, 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](mailto:dpu.efiling@state.ma.us) and the hearing officer, Jennifer Cargill at [jennifer.cargill@state.ma.us](mailto:jennifer.cargill@state.ma.us); or (2) on a CD-ROM. The text of the email or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 16-58); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. All documents submitted in electronic format will be posted on the Department's website: <http://www.mass.gov/dpu>.

A copy also is on file for public viewing on the Company's website and during regular business hours at National Grid's offices at 40 Sylvan Road, Waltham, Massachusetts 02451, and at the Department's offices, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts 02110. Any person desiring further information regarding the petition should contact counsel for the Company, Camal Robinson, Esq. at (781) 907-3336 or John K. Habib, Esq. at (617) 951-1400. For further information regarding this notice, please contact Jennifer Cargill, Hearing Officer, Department of Public Utilities, at (617) 305-3602.