



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 17-126

August 29, 2017

Petition of Boston Gas Company and Colonial Gas Company each d/b/a National Grid for approval of their annual pension adjustment factor reconciliation filing for effect November 1, 2017.

On August 3, 2017, Boston Gas Company and Colonial Gas Company each d/b/a National Grid (“Boston Gas” and “Colonial Gas,” together the “Companies”) filed a petition with the Department of Public Utilities (“Department”) for approval of their annual pension and post-retirement benefits other than pensions (“PBOP”) adjustment factors (“PAFs”). The Companies made this filing pursuant to: Boston Gas Company, D.T.E. 03-40 (2003); Boston Gas Company/Essex Gas Company/Colonial Gas Company, D.P.U. 10-55 (2010); and M.D.P.U. Nos. 3.8. The Department has docketed this petition as D.P.U. 17-126. These PAFs have been included as part of the Companies’ local distribution adjustment factors. In separate filings, the Companies are proposing other changes to their rates effective November 1, 2017, that may also have an impact on customers’ bills. See Boston Gas Company/Colonial Gas Company, D.P.U. 17-GAF-P5.

Additionally, the Companies request approval of proposed Local Distribution Adjustment Clause tariffs M.D.P.U. Nos. 3.9, incorporating several revisions to the Pension/PBOP Adjustment Mechanism Provision sections of their current LDAC tariffs, effective November 1, 2017. Specifically, the Companies propose to change the method of determining expected pension and PBOP expenses, using an actuarial forecast to be updated each year, rather than rely on the level of expense established in the Companies’ last base rate proceeding. Additionally, the Companies propose tariff changes associated with recent amendments by the Financial Accounting Standards Board to accounting standards (ASC 715 – Compensation – Retirement Plans).

Boston Gas proposes the following PAFs, effective November 1, 2017:

Rate Classes	PAF (per therm)
Residential and Outdoor Lighting (R-1, R-2, R-3, and R-4)	\$0.0220
Small Commercial/Industrial and Streetlighting (G-41B, G41E, G51B, and G-51E)	\$0.0171
Medium Commercial/Industrial (G-42B, G-42E, G52-B, and G-52E)	\$0.0127
Large Commercial/Industrial (G-43B, G-43E, G-53B, and G-53E)	\$0.0108
Extra Large Commercial/Industrial (G-44B and G-54B)	\$0.0087

Colonial Gas proposes the following PAFs, effective November 1, 2017:

Rate Classes	PAF (per therm)
Residential and Outdoor Lighting (R-1, R-2, R-3, and R-4)	\$0.0194
Small Commercial/Industrial (G-41 and G-51)	\$0.0127
Medium Commercial/Industrial (G-42 and G-52)	\$0.0073
Large Commercial/Industrial (G-42 and G-52)	\$0.0037

Any person interested in commenting on this matter may submit written comments no later than the close of business (5:00 p.m.) on **September 20, 2017**. One original and two (2) copies 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 Companies' attorney, Patricia Crowe, Senior Counsel, 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 e-mail attachment to dpu.efiling@state.ma.us and the hearing officer, Kevin T. Crane at kevin.crane@state.ma.us or (2) on a CD-ROM. The text of the e-mail or CD-ROM label must specify: (1) the docket number of the proceeding (D.P.U. 17-126); (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://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (enter docket number "17-126").

A copy of the filing is available for public viewing during regular business hours at the office of the Department, One South Station, 5th Floor, Boston, Massachusetts 02110. The filing is also available on the Department's website <http://web1.env.state.ma.us/DPU/FileRoom/dockets/bynumber> (enter "17-126"). To request materials in accessible formats (Braille, large print, electronic files, audio format), contact the Department's ADA Coordinator at Theresa.Kelly@state.ma.us or (617) 305-3642.

Any person desiring further information regarding the Companies' filing should contact counsel for the Companies, Patricia Crowe, Senior Counsel, at (781) 907-1848. For further information regarding this notice, please contact Kevin T. Crane, Hearing Officer, Department of Public Utilities, at (617) 305-3500.