



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 24-108

August 28, 2024

Petition of Boston Gas Company d/b/a National Grid for approval of its Revenue Decoupling Adjustment Factors for the 2024 Peak Period, November 1, 2024 through April 30, 2025.

---

On August 8, 2024, Boston Gas Company d/b/a National Grid (“Company”) filed a petition with the Department of Public Utilities (“Department”) for approval of its Revenue Decoupling Adjustment Factors (“RDAFs”) for the 2024 peak period, November 1, 2024 through April 30, 2025. This filing was made pursuant to: Boston Gas Company, D.P.U. 20-120 (2021) and the Company’s revenue decoupling adjustment clause (“RDAC”) tariff, M.D.P.U. No. 62.4. The Department has docketed this petition as D.P.U. 24-108.

In 2008, the Department instituted revenue decoupling by establishing a mechanism through the Company’s RDAC that allows the Company to modify, on a semi-annual basis, its base distribution rates as a result of changes in customer usage. Revenue decoupling severs the link between sales and revenues, and instead provides gas and electric utility companies with a target revenue level, thus removing a disincentive to implement energy efficiency and demand reduction programs that encourage customers to lower energy usage and demand. See generally Revenue Decoupling, D.P.U. 07-50-A (2008); see also Bay State Gas Company, D.P.U. 09-30, at 25-27, 87 (2009).

Pursuant to the RDAC, RDAFs are subject to a three percent revenue cap. In this filing, the Company requests a waiver of the three percent revenue cap to avoid carrying a deferral into future periods. The Company estimates the deferral is approximately \$47 million over the cap. The Company calculates that waiving the cap avoids approximately \$4.1 million in interest charges at the current prime rate.

The Company proposes the following RDAF charges effective November 1, 2024 through April 30, 2025, as compared to the currently effective peak period RDAFs:

<b>Customer Class</b>	<b>Proposed 2024-2025 Peak RDAFs (\$/therm)</b>	<b>2023-2024 Peak RDAFs (\$/therm)</b>	<b>Decrease (\$/therm)</b>
<b>Residential (R-1, R-2, R-3B, R-3C, R-4B, R-4C)</b>	0.1194	0.1274	(0.0080)
<b>Small Commercial and Industrial (“C&amp;I”) (G-41B, G-41C, G-41E, G-51B, G-51C, G-51E)</b>	0.0846	0.0888	(0.0042)
<b>Medium C&amp;I (G-42B, G-42C, G-42E, G-52B, G-52C, G-52E)</b>	0.0792	0.0835	(0.0043)
<b>Large C&amp;I (G-43B, G-43C, G-43E, G-53B, G-53C)</b>	0.0653	0.0701	(0.0048)
	<b>Proposed 2024-2025 Peak RDAFs (\$/Maximum Daily Contract Quantity (“MDCQ”) therm)</b>	<b>2023-2024 Peak RDAFs (\$/MDCQ therm)</b>	<b>Decrease (\$/MDCQ therm)</b>
<b>X-Large C&amp;I (G-44B)</b>	0.9205	1.0160	(0.0955)
<b>X-Large C&amp;I (G-54B, G-53E)</b>	1.0701	1.1811	(0.1110)

If the Department approves the changes to the RDAFs as proposed, customers will experience the following bill impacts:

- a residential heating customer in the Boston Gas “division” (R-3B) using on average 107 therms per month during the peak period will experience a bill decrease of \$0.86/therm or 0.34 percent;
- a residential heating customer in the former Colonial Gas “division” (R-3C) using on average 107 therms per month during the peak period will experience a bill decrease of \$0.86/therm or 0.36 percent;
- a residential non heating customer in the Boston Gas “division” (R-1Bos) using average 14 therms per month during the peak period will experience a bill decrease of \$0.12/therm or 0.24 percent; and
- a residential non-heating customer in the Colonial gas “division” (R-1 Col) using on average 14 therms per month during the off-peak period will experience a decrease of \$0.12/therm or 0.25 percent.

- The Company states that average bill impacts for Commercial and Industrial customers on basic service will range between a decrease of 0.45 percent to 0.22 percent, depending on rate class and average use.

For specific bill impacts, please contact the Company as shown below.

Any person interested in commenting on this matter may submit written comments no later than the close of business (5:00 p.m.) on **Friday, September 20, 2024**. Please note that, in the interest of transparency, any comments will be posted to our website as received and without redacting personal information such as addresses, telephone numbers, or email addresses. Therefore, consider the extent of information you wish to share when submitting comments. The Department strongly encourages public comments to be submitted by email using the methods described below. If, however, a member of the public is unable to send written comments by email, a paper copy may be sent to Mark D. Marini, Secretary, Department of Public Utilities, One South Station, Boston, Massachusetts, 02110.

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 **Friday, September 13, 2024**. A petition for leave to intervene must satisfy the timing and substantive requirements of 220 CMR 1.03. Receipt by the Department 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.

To the extent a person or entity wishes to submit comments or a petition to intervene in accordance with this Notice, electronic submission is sufficient. 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 [elizabeth.c.mcnamara@mass.gov](mailto:elizabeth.c.mcnamara@mass.gov). The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 24-108); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. In addition, a copy of all comments or petitions to intervene should be sent to the Company's attorney, Joseph Dorfler, Esq., at [jdorfler@richmaylaw.com](mailto:jdorfler@richmaylaw.com). All documents submitted in electronic format will be posted on the Department's website through our online File Room as soon as practicable (enter "24-108") at: <https://eeaonline.eea.state.ma.us/DPU/Fileroom/dockets/bynumber>.

For further information regarding the Company's filing, please contact the Company's attorney, Joseph Dorfler, Esq., at [jdorfler@richmaylaw.com](mailto:jdorfler@richmaylaw.com). For further information regarding this Notice, please contact Elizabeth McNamara, Hearing Officer, Department of Public Utilities, at [elizabeth.c.mcnamara@mass.gov](mailto:elizabeth.c.mcnamara@mass.gov).