



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING, PUBLIC HEARING, AND PROCEDURAL CONFERENCE

D.P.U. 19-38

March 29, 2019

Petition of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid, for deferral of the costs associated with Tropical Storm Philippe, Winter Storm Riley, and Winter Storm Quinn.

On March 15, 2019, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid (“National Grid” or “Companies”) filed a petition with the Department of Public Utilities (“Department”) for authorization to defer for future recovery incremental operations and maintenance (“O&M”) expenses associated with three storm events that occurred in 2017 and 2018: Tropical Storm Philippe, Winter Storm Riley, and Winter Storm Quinn (“Storm Events”). The Companies propose to defer final storm costs in an amount to be provided in September 2019 and currently estimate incremental O&M expenses of \$105,926,484, with the proposed amount to defer not to exceed \$110,723,197 (representing the total preliminary incremental costs, inclusive of capitalized amounts and exclusive of carrying charges, related to the Storm Events recorded to date).

In its pending base rate proceeding, D.P.U. 18-150, the Companies propose a Performance Based Ratemaking (“PBR”) proposal. If the PBR proposal is approved, the Companies propose to incorporate the Storm Events incremental costs into either: (a) the Storm Fund Replenishment Factor or (b) the storm events qualifying for treatment as post-test year exogenous events pursuant to the PBR proposal. Alternatively, the Companies seek to defer the incremental costs associated with the Storm Events to a future base rate proceeding. The Department has docketed this matter as D.P.U. 19-38.

National Grid maintains a storm cost recovery fund, but storm events with net incremental O&M costs in excess of \$30 million are excluded from recovery through the storm fund. Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 15-155-A at 18 (2017). Instead, National Grid may seek to defer those costs until its next base rate case. D.P.U. 15-155-A at 18. National Grid states that each of these three events incurred incremental costs in excess of \$30 million, excluding the \$1.5 million deductible and vegetation costs billable to Verizon. A Department decision to allow deferral is not an approval of the actual costs incurred. National Grid requests that the Department issue a decision on its petition by September 30, 2019.

The Department will conduct a public hearing to receive comments on the Companies' petition. The hearing will take place on **Thursday, May 2, 2019, at 2:00 p.m.** at the Department's offices, One South Station, 5th Floor, Boston, Massachusetts 02110. A procedural conference will follow immediately thereafter. Any person who desires to comment may do so at the time and place noted above, or submit written comments to the Department not later than the close of business (5:00 p.m.) on **Thursday, May 2, 2019.**

The Companies' petition and accompanying exhibits are available for inspection at the Companies' offices, 40 Sylvan Road, Waltham, MA 02451, and during regular business hours at the Department's offices, 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 "19-38"). To request materials in accessible formats (braille, large print, electronic files, audio format) contact the Department's ADA Coordinator at DPUADACoordinator@state.ma.us or (617) 305-3500.

Any person who desires to participate in the evidentiary phase of this proceeding shall file a written petition for leave to intervene with the Department not later than the close of business on **Thursday, April 25, 2019.** A petition for leave to intervene must satisfy the timing and substantive requirements of 220 C.M.R. 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 C.M.R. 1.01(4). To be allowed, a petition under 220 C.M.R. 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10.

An original and two (2) copies of such written comments or petitions for leave to intervene in the proceeding must be filed with Mark D. Marini, Secretary, Department of Public Utilities, One South Station, Boston, Massachusetts 02110, no later than 5:00 p.m. on the dates noted above. In addition, one copy of all written comments and petitions to intervene should be sent to counsel for the Companies, Andrea Keeffe, Esq., National Grid, 40 Sylvan Road, Waltham, Massachusetts 02451.

All documents must 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, Sarah Spruce, at sarah.spruce@mass.gov; or (2) on a CD-ROM or USB. The text of the e-mail or the label for the CD-ROM or USB must specify: (1) the docket number of the proceeding (D.P.U. 19-38); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website.

For further information regarding the Companies' filing, please contact counsel for the Companies, Andrea Keefe, National Grid, 40 Sylvan Road, Waltham, MA 02451, 781-907-2123. For further information regarding this notice, please contact Sarah Spruce, Hearing Officer, Department of Public Utilities, One South Station, Boston, Massachusetts 02110, 617-305-3500.

Reasonable accommodations at public or evidentiary hearings for people with disabilities are available upon request. Include a description of the accommodation you will need, including as much detail as you can. Also include a way the Department can contact you if we need more information. Please provide as much advance notice as possible. Last minute requests will be accepted, but may not be able to be accommodated. Contact the Department's ADA Coordinator at DPUADACoordinator@state.ma.us or (617) 305-3500.