



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 14-109

September 29, 2014

Petition of Massachusetts Electric Company and Nantucket Electric Company requesting approval by the Department of Public Utilities of its 2012 and 2013 smart grid pilot program costs and of smart grid customer cost adjustment factors and distribution adjustment factors.

On September 15, 2014, Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid ("National Grid" or "Company"), filed with the Department of Public Utilities ("Department") a petition for approval of recovery of the Company's 2012 and 2013 costs for its smart grid pilot program ("Pilot"), and for approval of its proposed Smart Grid Customer Cost Adjustment Factors ("SGCCAFs") and Smart Grid Distribution Adjustment Factors ("SGDAFs"). National Grid seeks approval for the recovery of these costs pursuant to St. 2008, c. 169, § 85; Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 11-129 (2012) (approving the Pilot program); and its Tariff for Basic Service, M.D.P.U. No. 1237 and its Smart Grid Adjustment provision, M.D.P.U. No. 1238. This matter has been docketed as D.P.U. 14-109.

In D.P.U. 11-129, at 101-102, the Department approved National Grid's proposal to recover customer-facing Pilot costs through its basic service rates and grid-facing Pilot costs from all distribution customers. In this proceeding, the Company seeks to recover \$10,380,641 in customer-facing costs through the SGCCAFs and \$751,130 from grid-facing costs through the SGDAFs. The Company proposes to allocate the SGDAF amount to rate classes using a distribution revenue allocator, which results in the following proposed SGDAFs, effective November 1, 2014:

Rate Class	SGDAFs (\$/kWh)
R-1, R-2, and E	\$0.00004
R-4	\$0.00006
G-1	\$0.00006
G-2	\$0.00002
G-3	\$0.00002
S	\$0.00002

The Company also proposes to allocate the SGCCAF amount to customer groups using a distribution revenue allocator, which results in the following proposed SGCCAFs, effective November 1, 2014:

Customer Group	SGCCAFs (\$/kWh)
Residential	\$0.00091
Commercial	\$0.00090
Industrial	\$0.00093

If the Department approves the Company's proposal, the monthly bill for a typical National Grid residential basic service customer (*i.e.*, a customer using 600 kWh of electricity per month) will experience a monthly increase of 58 cents, or 0.6 percent.

Any person wishing to submit written comments on this petition should file one (1) original and two (2) copies no later than the close of business (5:00 p.m.) on **Wednesday, October 15, 2014**. The original and copies should be delivered to Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts 02110. One copy of all comments should also be sent to the Company's counsel, Melissa Liazos, National Grid, 40 Sylvan Road, Waltham, Massachusetts 02451-1600.

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, alan.topalian@state.ma.us; or (2) on CD-ROM. The e-mail or CD-ROM label must specify: (1) the docket number of the proceeding (D.P.U. 14-109); (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: <http://www.mass.gov/dpu>.

A copy of the filing is available for public viewing on the Department's website, at National Grid, 40 Sylvan Road, Waltham, Massachusetts 02451, and at the Department's offices, One South Station, 5th Floor, Boston, Massachusetts 02110 during business hours. Any person desiring further information regarding the Company's petition should contact Melissa Liazos, counsel for National Grid, at: 781-907-2108. Any person desiring further information regarding this notice should contact Alan Topalian, Hearing Officer, Department of Public Utilities at (617) 305-3647.