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U.S. Strategy & Regulation

March 15, 2021

Honorable Michelle L. Phillips, Secretary
Secretary
New York State Department of Public Service
Three Empire State Plaza, 19th Floor
Albany, New York 12223-1350

RE: CASE 06-G-1186 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of KeySpan Gas East Corporation d/b/a National Grid – Revenue Decoupling Mechanism

CASE 16-G-0058 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of KeySpan Gas East Corporation d/b/a National Grid

Dear Secretary Phillips:

In accordance with the Commission’s “Order Concerning Proposed Revenue Decoupling Mechanism” (Order 1) dated December 22, 2009 in Case 06-G-1186 and “Order Adopting Terms of Joint Proposal and Establishing Gas Rate Plans” (Order 2) dated December 16, 2016 in Case 16-G-0058 KeySpan Gas East Corporation d/b/a National Grid (the “Company”) hereby submits:

Statement No. 12 – Statement of Revenue Decoupling Mechanism
Statement No. 27 – Statement of System Benefits Charge
Schedule to Gas Service, P.S.C. No. 1-GAS
Effective Date: May 1, 2021

Order 1 approved the Joint Proposal (“JP”) filed by the Company on September 25, 2009 to implement a Revenue Decoupling Mechanism for SC1B (Section VI.1.B). Order 2 approved the continuation of the SC1B Revenue Decoupling Mechanism and the implementation of a Revenue Decoupling Mechanism for SC2 and SC3 (Section V.3.10 and Section V.6.1.11). The Company is submitting its Revenue Decoupling Mechanism Reconciliation for SC1B (Attachment A), a “Customer Count Proxy Analysis” for SC1B (Attachment B), and its Revenue Decoupling Mechanism Reconciliation for SC2 and SC3 (Attachment C).

The Company notes that this filing uses the CY 2019 rate allowance levels approved in Case 16-G-0058 as the proceeding to establish CY 2020 levels is still pending Commission approval in Case 19-G-0310. The Company may revise this filing once an order establishing CY 2020 rate allowance levels is issued by the Commission.

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The calendar year 2020 SC1B reconciliation shows an over-recovery of the anticipated Allowed Delivery Service Revenues of \$10,388,685.54, including interest. The RDM reconciliation of calendar year 2018 resulted in an over-collection of \$220,738.19, including interest. This results in a total reconciliation of \$10,609,423.74, including interest and a Revenue Decoupling Mechanism factor credit of \$0.01859/therm. The credit will be included in the Delivery Rate Adjustment for Service Classification Nos. 1B, 1BR, 5-1B and 5-1BR effective May 1, 2021.

The SC1 Customer Count Proxy Analysis compares 30-day equivalent bills to the average annual number of residential heating customers measured by open and active meters. This comparison results in a 1% difference in the customer counts.

The calendar year 2020 SC2 reconciliation shows an under-recovery of the anticipated Allowed Delivery Service Revenues of \$676,338, including interest. The RDM reconciliation of calendar year 2018 resulted in an over-collection of \$1,286,886, including interest. This results in a total reconciliation of \$9,485,579, including interest, and a Revenue Decoupling Mechanism factor credit of \$0.00179/therm. The credit will be included in the Delivery Rate Adjustment for Service Classification Nos. 2A, 2B, 5-2A and 5-2B effective May 1, 2021.

The calendar year 2020 SC3 reconciliation shows an under-recovery of the anticipated Allowed Delivery Service Revenues of \$986,436, including interest. The RDM reconciliation of calendar year 2018 resulted in an under-collection of \$58,197, including interest. This results in a total reconciliation of \$1,044,633, including interest and a Revenue Decoupling Mechanism factor surcharge of \$0.01931/therm. The surcharge will be included in the Delivery Rate Adjustment for Service Classification Nos. 3A, 3B, 5-3A and 5-3B effective May 1, 2021.

In addition, the Company will be updating its System Benefits Charge (“SBC”) to recover lost revenues plus interest from all non-RDM service classifications. The lost revenues plus interest associated with energy efficiency programs for the period January through December 2020 for non-RDM service classifications totaled \$140,190, including interest. The resultant SBC factor applicable to all non-RDM service classifications, effective May 1, 2021 is \$0.01766/therm. The workpaper detailing this adjustment to the SBC factor is contained in Attachment D.

Please contact the undersigned if you have questions or require further information.

Respectfully Submitted,

/s/ Dawn M. Herrity

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Enclosures