DE 06-145

GRANITE STATE ELECTRIC COMPANY d/b/a NATIONAL GRID

Tariff Revision Regarding Daylight Saving Time for 2007

Order Nisi Approving Revisions

ORDERNO. 24,729

February 9, 2007

On October 3, 2006, Granite State Electric Company d/b/a National Grid (National Grid) filed with the New Hampshire Public Utilities Commission (Commission) proposed revisions to the company's tariff, the purpose of which is to change the definition in the tariff of peak and off-peak hours for purposes of charging rates that vary accordingly. National Grid proposed the revisions in response to the enactment of the Federal Energy Policy Act of 2005 (EPAct). An EPAct provision changes, for 2007, the beginning and end dates of daylight saving time (DST).

Pursuant to the new law, in 2007 DST will begin three weeks earlier in the spring, and end one week later in the fall. National Grid explained that all of the internal meter clocks from which peak and off-peak hours are billed are currently programmed to the pre-EPAct schedule for DST. Therefore, to correctly record peak and off-peak hours for the four weeks at issue, National Grid asserted it must amend its tariff to reflect the additional weeks when DST would apply. National Grid acknowledged that it could manually re-program the meters at an expense of approximately \$161,000 to coordinate the meters with the 2007 DST hours. However, National Grid noted that Congress expressly reserved the right in the EPAct to revert to the pre-EPAct DST schedule for the year 2008. National Grid stated that it evaluated various options and concluded that the best course of action is to reprogram the meters when the change in DST is known to be permanent, thereby incurring the expense only once. The company observed that

DE 06-145 - 2 -

should the Congress elect to revert to the pre-EPAct DST schedule in 2008, National Grid would have saved \$161,000 in additional reprogramming costs.

On October 30, 2006, National Grid filed revisions to correct errors in its original filing. On October 31, 2006, Staff recommended suspending the tariff in order to conduct a thorough review of National Grid's request. On November 1, 2006, the Commission issued Order No. 24,694 which suspended the tariff for 30 days.

National Grid stated that approximately 1,610 customers would be affected by the change in DST. Of these customers, 940 receive service under National Grid's Rate D, 560 receive service under Rate D-10, and 110 receive service under Rate G-1. National Grid performed a billing analysis on samples of customers in each of the three rate classes and stated that the rate impacts would be minimal when compared to the customers' 2005 total billings. For example, the impact on G-1 customers would range from a decrease of \$184.07 or -0.06 percent to an increase of \$212.55 or +0.09 percent.

In response to data requests, National Grid described its analysis of the effect of the change on New Hampshire customers serviced under Rate D-10 for whom no load data was available in fifteen-minute increments. National Grid stated that it sampled the usage of residential Rate D customers and applied the Rate D-10 charges¹. The results showed that 23 out of 24 customers would see changes ranging from a decrease of \$0.55 or -0.02 percent to an increase of \$1.53 or 0.08%. The remaining customer, whose total 2005 billings were slightly

¹ Rate D customers are charged \$0.01773 per kilowatt-hour (kWh) for the first 250 kWh used and \$0.04615 for usage in excess of that. Usage during off-peak hours is charged at the rate of \$0.01695 per kWh. Rate D-10 customers are charged \$0.05121 per kWh for on-peak usage and \$0.00000 per kWh for off-peak usage. Off-peak hours are 9:00 p.m. until 8:00 a.m. the following day including all day on Saturdays, Sundays, and holidays.

DE 06-145 - 3 -

more than \$8,000, would see a decrease of \$10.03 or -0.12 percent. These changes are estimates based on usage during the four week period for which changes in the tariff are being sought.

Staff recommended that National Grid's proposed tariff changes be approved since the impact on customers is very small when compared to the total billings of those affected. It is also possible that the hours of DST may change in 2008. Therefore, Staff concluded that it is reasonable for National Grid to change the definition of off-peak hours for three weeks in the spring and one week in the fall, especially since most ratepayers will see a slight benefit.

Based on the information presented by National Grid and Staff's recommendation, we find the proposed changes are consistent with the public good for the reasons stated in Staff's report.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that subject to the effective date below, Granite State Electric Company d/b/a National Grid's petition to change its tariff provisions to amend the definition of peak and off-peak hours for calendar year 2007 to comport with the change to the duration of daylight saving time is hereby APPROVED; and it is

FURTHER ORDERED, that National Grid shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than February 20, 2007 documented by affidavit filed with this office on or before March 9, 2007; and it is

FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states

DE 06-145 - 4 -

the reason and basis for a hearing no later than February 27, 2007 for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than March 6, 2007; and it is

FURTHER ORDERED, that this Order *Nisi* shall be effective March 9, 2007, unless National Grid fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that National Grid shall file a compliance tariff with the Commission on or before February 23, 2007, in conformance with N.H. Admin. Rules Puc 1603.02(b).

By order of the Public Utilities Commission of New Hampshire this ninth day of February, 2007.

| Thomas B. Getz Chairman | Graham J. Morrison Commissioner | Clifton C. Below Commissioner |
|--------------------------------|---------------------------------|-------------------------------|
| | Commissioner | Commissioner |
| Attested by: | | |
| | <u></u> | |
| Debra A. Howland | | |
| Executive Director & Secretary | | |