



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING AND REQUEST FOR COMMENTS

D.P.U. 24-95

July 1, 2024

Petition of Massachusetts Electric Company and Nantucket Electric Company each d/b/a National Grid for Approval to Defer Major Storm Threshold Amounts for Calendar Year 2023 Storms.

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On June 14, 2024, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid (“National Grid” or “Company”), filed a petition with the Department of Public Utilities (“Department”) for authorization to defer to a future storm fund cost recovery proceeding a total of \$12.4 million in incremental storm fund cost threshold operations and maintenance (“O&M”) expense amounts associated with eight major storm events that occurred during calendar year (“CY”) 2023. The Company states that its proposal is substantially consistent with the Department’s findings in Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 21-75 (2021), Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 22-78 (2022), and Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 23-59 (2023), involving calendar year CY 2020, CY 2021, and CY 2022 storm fund event threshold costs, respectively. The Department has docketed the instant matter as D.P.U. 24-95.

Under the terms approved by the Department in the Company’s most recent base distribution rate proceeding, Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 18-150, the following parameters apply to storm fund cost recovery by National Grid: (1) the per-storm cost threshold for determining eligibility for recovery from the Company’s storm fund is set at \$1.55 million in incremental O&M expenses; (2) four storm cost threshold amounts – or \$6.2 million (\$1.55 million per storm) – are included in the costs recovered through base distribution rates, which was set to include a representative number of annual storm fund-eligible events; (3) storms with incremental O&M expenses in excess of \$30 million are deemed to be exogenous storm events and are ineligible for storm fund cost recovery; and (4) carrying charges at the prime rate accrue each month on the incremental O&M storm fund costs incurred, from the time the storm fund-eligible costs were incurred. A minimum threshold does not apply to exogenous storm events.

According to the Company, it experienced a total of sixteen major storm events in CY 2023, of which only fourteen were storm fund-eligible. The remaining two storms were exogenous storm events. The Company states that the number of storm fund-eligible events in CY 2023 was extraordinary and represents a continued, significant deviation from the costs for the four storm events included in the Company's base distribution rates established in D.P.U. 18-150. The Company calculates its request to defer \$12.4 million in total storm fund threshold amounts for eight major storm events based on the sixteen major storm events that occurred during CY 2023, less: (1) the four representative storm events already accounted for in base distribution rates; (2) the two exogenous storm events; and (3) two additional storm events to account for annual variation based on a proposal in its pending base distribution rate proceeding, Massachusetts Electric Company and Nantucket Electric Company, D.P.U. 23-150. The Company requests a decision by September 30, 2024.

Any person interested in commenting on the Company's filing may submit written comments to the Department no later than the close of business (5:00 p.m.) on **Friday, August 9, 2024**. Additionally, 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, August 9, 2024**. A petition for leave to intervene must satisfy the timing and substantive requirements of 220 CMR 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 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 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 [kerri.phillips@mass.gov](mailto:kerri.phillips@mass.gov). In addition, all documents must be sent by e-mail attachment to the Company's attorneys, Andrea G. Keeffe, Esq., at [andrea.keeffe@nationalgrid.com](mailto:andrea.keeffe@nationalgrid.com); and Jessica Buno Ralston, Esq., at [jralston@keeganwerlin.com](mailto:jralston@keeganwerlin.com). The text of the e-mail must specify: (1) the docket number of the proceeding (D.P.U. 24-95); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic file name should identify the document but should not exceed 50 characters in length. Importantly, all large files submitted must be broken down into electronic files that do not exceed 20 MB.

To the extent a person or entity wishes to submit comments or intervene in accordance with this Notice, electronic submission, as detailed above, is sufficient. If a member of the public is unable to send written comments by e-mail, a paper copy may be sent to Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 3rd Floor, Boston, Massachusetts 02110. All documents submitted in electronic format will be posted on the Department's website through our online File Room as soon as practicable (enter "24-95") at: <https://eeaonline.eea.state.ma.us/DPU/Fileroom/dockets/bynumber>. 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 e-mail addresses. As such, members of the public should consider the extent of information they wish to share when submitting comments. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), contact the Department's ADA coordinator at [Jenyka.Spitz-Gassnola2@mass.gov](mailto:Jenyka.Spitz-Gassnola2@mass.gov).

For further information regarding the Company's filing, please contact the Company's attorneys, identified above. For further information regarding this Notice, please contact Kerri DeYoung Phillips, Hearing Officer, Department of Public Utilities, at [kerri.phillips@mass.gov](mailto:kerri.phillips@mass.gov).