



RE: Niagara Mohawk rate cases, update request from ALJs

Sweet-Zavaglia, Keri to: 'Rudy.Stegemoeller@dps.ny.gov'
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01/14/2013 04:24 PM

From: "Sweet-Zavaglia, Keri" <Keri.Sweet-Zavaglia@nationalgrid.com>
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1 attachment



Oct 2013 Reg Assets NMPC.xlsx

Judge Stegemoeller,

Attached please find spreadsheets showing the actual deferral account balances at December 31, 2011 (Historic Test Year ending balances) and forecast balances at March 31, 2013 for the electric and gas businesses. The Company has not performed additional studies to update the balances in 2013 or in the rate years.

The spreadsheets, however, provide information regarding how the Company's forecasts compared to actual balances at October 31, 2012. The actual balances were approximately \$16 m and \$5 m higher than the Company forecasts (higher credit balances) for electric and gas, respectively. It should be noted that these balances do not reflect Hurricane Sandy costs, which will reduce the credit balances.

The balances remain in line with the March 31, 2013 forecasts, primarily due to the amortization of the regulatory deferrals for electric (approximately \$85 million of the \$190 million remains to be amortized).

Keri

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-----Original Message-----

From: Rudy.Stegemoeller@dps.ny.gov [mailto:Rudy.Stegemoeller@dps.ny.gov]
Sent: Monday, January 14, 2013 2:07 PM
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Subject: Niagara Mohawk rate cases, update request from ALJs

In its initial filing, the company provided estimates of the deferral credit balances for electric (128.3M) and gas (40.6M) as of the end of the current rate year. Can the Company provide us with an update of those estimates? (for the end of this rate year and, if any has been prepared, for future rate years)

Thank you.

Rudy Stegemoeller, Administrative Law Judge
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NIAGARA MOHAWK POWER CORPORATION d/b/a NATIONAL GRID (COMPANY 36)
 Forecast Balances of Electric Rate Base Regulatory Assets & Liabilities
 For the Rate Year Ending March 31, 2013
 (\$000's)

<u>Activity</u>	<u>Description</u>	<u>Avg Bal</u> <u>HYE 12/31/11</u>	<u>Actual</u> <u>Balance at</u> <u>12/31/2011</u>	<u>Forecast</u> <u>Balance at</u> <u>3/31/2013</u>	<u>Forecast</u> <u>Balance at</u> <u>10/31/2012</u>	<u>Actual</u> <u>Balance at</u> <u>10/31/2012</u>
Regulatory Assets & Liabilities with Proposed Surcharge with No Interest EXCLUDED from Rate Base						
182328	Pension Settlement Loss FY2003	\$ 29,925	\$ -	\$ -		
182553	Pension Exp Deferred-Electric	190,475	-	-		
182554	OPEB Exp Deferred-Electric	313,689	-	-		
182565	NIMO-Amort of Defer Recoveries	(633,027)	(0)	-		
254518	NIMO-Pwrchoice Appx E Net Prop	(76,283)	-	-		
254528	NIMO-Pension/OPEB Curtail Gain	(24,340)	0	-		
254578	Curtailment	(17)	(411)	(411)	(411)	(411)
254583	Pension Exp Deferred-Electric	(45)	(1,071)	9,250	4,611	(4,061)
254584	OPEB Exp Deferred-Electric	(1,283)	(30,780)	(94,055)	(72,753)	(81,714)
Total of Accounts w/ Recovery but NOT in Rate Base		<u>\$ (200,906)</u>	<u>\$ (32,262)</u>	<u>\$ (85,216)</u>	<u>\$ (68,553)</u>	<u>\$ (86,186)</u>
Regulatory Assets & Liabilities with Proposed Surcharge with Interest EXCLUDED in Rate Base						
182306	Storm Costs	\$ 175,185	\$ 11,999	\$ 6,364	\$ 6,364	\$ 18,153
182488	NIMO Debt True up - Electric	210	424	2,098	1,444	692
182492	NIMO Def Sum Case 10-E-0050	9,839	236,146	6,845	84,923	84,923
182515	PFJ Tax Credit	3,482	-	-	-	-
182521	NIMO-Customer Serv Backout Cr	9,880	-	-	-	-
182525	NY-NYPA Tran Access Chrg(NTAC)	12,507	-	-	-	-
182526	NIMO-NYISO Tariff Sched 1 Cost	81,891	-	-	-	-
182527	NIMO-NYISO Tariff Sched 2 Cost	12,733	-	-	-	-
182529	NY-Fssl/Hyd Auctn Incent(Dist)	17,783	-	-	-	-
182545	Elevated Voltage Deferral	18,414	-	-	-	-
182546	Low Income Allow Discount Prog	5,407	-	-	-	-
182547	NY-Cust Sv Bckout Cr 9/01-8/03	112,757	-	-	-	-
182555	Religious Rate Revenue	4,001	-	-	-	-
182556	NIMO City of Buffalo Settlemnt	656	-	-	-	-
182558	SC7 Standby Service Lost Rev	1,654	-	-	-	-
182559	SIR Expenditures Deferred Elec	92,378	-	-	-	-
182560	Generation Stranded Cost Adj	36,472	793	793	793	785
182563	Incent Return on Ret Funding	81,019	(0)	(0)	-	-
254325	Medicare Act tax benefit defer	(10,534)	-	-	-	-
254490	Consumer Service Advocate	(58)	(117)	(127)	(127)	(127)
254493	Deferral Carry Chrg 10-E-0050	(259)	805	(581)	264	267
254500	NIMO-Proc-Sale of Allow-Albany	(1,969)	(1,985)	(2,027)	(2,013)	(2,013)
254501	NIMO-ClnAirAct Auct Proc-Rsetn	(185)	(186)	(191)	(189)	(189)
254506	NIMO-CSS Conv Savings DIST	(1,380)	-	-	-	-
254513	NIMO-Electric Cust Sve Penalty	(23,582)	(1,999)	(1,999)	(1,999)	(2,000)
254519	NIMO Elec Rev Property Tax Cr	(3,857)	-	-	-	-
254520	NIMO-Loss on Sale of Building	(3,288)	-	-	-	-
254522	NIMO-MRA Debt Int Rate Savings	(88,678)	-	-	-	-
254524	NIMO-Petr BusTax Aud Ref 90-96	(5,513)	-	-	-	-
254526	NIMO-Affil Rule EmployTrnsf CR	(160)	-	-	-	-
254529	NIMO-IRS Audit Ref Liab 89-90	(46)	-	-	-	-
254531	NIMO-Diana-Dolgeville Settlnmt	(4,922)	(4,922)	(4,922)	(4,922)	(4,922)
254532	NIMO-Elec Serv Re-Estab Charge	(445)	-	-	-	-
254540	NIMO Affordability Program	(510)	(452)	(1,233)	(984)	(1,121)
254544	NIMO-Merger Rate Plan Delay	(12,032)	-	-	-	-
254547	NYS Sales Tax Refund 92-98	(1,404)	-	-	-	-
254548	Economic Development Fund	(38,507)	(6,648)	(33,475)	(24,484)	(29,789)
254549	Curr Prov Incidental Svc Revs	(538)	-	-	-	-
254552	Meter Read Cnct/Discnt Svc Chg	(126)	-	-	-	-
254557	NYPA ISO Memo of Understanding	(15,982)	-	-	-	-
254559	Bonus Depreciation Adjustment	(26,606)	-	-	-	-
254560	NIMO-Pens/OPEB Int on Recovery	(3,973)	-	-	-	-
254561	NIMO-Sta Svc Sales Growth Def	(2,252)	-	-	-	-
254562	NIMO-GRT Aud Ref (91-94)-Elec	(3,163)	-	-	-	-
254564	NIMO-MHP Program Deferral	(555)	-	-	-	-
254567	NIMO-NEG Merger Savings	(7,943)	-	-	-	-
254568	NIMO-KS Merger Savings-Elec	(24,655)	-	-	-	-
254577	NIMO-Fed Tax Refund 1991-1995	(17,341)	-	-	-	-
254585	Low Income Allow Discount Prog	(16)	(396)	(28)	26	(901)
254586	SIR Expenditures Deferred Elec	(549)	(13,182)	(16,969)	(16,794)	(19,831)
Total of Accounts w/ Recovery but NOT in Rate Base		<u>\$ 375,238</u>	<u>\$ 220,279</u>	<u>\$ (45,452)</u>	<u>\$ 42,301</u>	<u>\$ 43,925</u>
Total		174,333	188,017	(130,668)	(26,252)	(42,260)

NIAGARA MOHAWK POWER CORPORATION d/b/a NATIONAL GRID (COMPANY 36)
 Forecast Balances of Gas Rate Base Regulatory Assets & Liabilities
 For the Rate Year Ending March 31, 2013
 (\$'000's)

<u>Activity</u>	<u>Description</u>	<u>Avg Bal</u> <u>HYE 12/31/11</u>	<u>Actual</u> <u>Balance at</u> <u>12/31/2011</u>	<u>Forecast</u> <u>Balance at</u> <u>3/31/2013</u>	<u>Forecast</u> <u>Balance at</u> <u>10/31/2012</u>	<u>Actual</u> <u>Balance at</u> <u>10/31/2012</u>
Regulatory Assets & Liabilities with Proposed Surcharge with No Interest EXCLUDED from Rate Base						
182328	Pension Settlement Loss FY2003	\$ -	\$ -	\$ -	\$ -	\$ -
182561	OPEB Expense Deferred-Gas	575	-	-	-	-
182562	Pension Exp Deferred-Gas	5,160	5,538	6,769	6,115	4,055
254528	NIMO-Pension/OPEB Curtail Gain	(230)	-	-	-	-
254546	OPEB Exp deferred-Gas	(1,548)	(5,579)	(20,804)	(15,684)	(17,841)
254578	Curtailment	(4)	(84)	(84)	(84)	(84)
Total of Accounts w/ Recovery but NOT in Rate Base		\$ 3,954	\$ (126)	\$ (14,119)	\$ (9,654)	\$ (13,870)
Regulatory Assets & Liabilities with Proposed Surcharge with Interest EXCLUDED in Rate Base						
182385	Medicare Act tax benefit defer	\$ 478	\$ 11,469	\$ 11,469	\$ 11,469	\$ 11,469
182519	NIMO Case 08-G-0609 JP Amort	15,458	8,105	(10,279)	(4,151)	(4,151)
182537	SIR Expenditures Def-Gas	360	-	-	-	-
182563	Incent Return on Ret Funding	122	122	122	122	122
182566	Gas Millenium Fund Deferral	110	172	172	172	8
182574	NIMO-Low Income Program	1,861	2,602	4,538	3,930	3,605
254325	Medicare Act tax benefit defer	10,809	-	-	-	-
254507	NIMO-CSS Conv Savings GAS	(244)	(245)	(245)	(245)	(245)
254514	NIMO-Gas Contingency Reserve	(1,428)	(1,435)	(1,447)	(1,443)	(1,443)
254517	NIMO-Gas Customer Srvc Penalty	(84)	(84)	(84)	(84)	(84)
254520	NIMO-Loss on Sale of Building	(2)	(2)	(2)	(2)	(2)
254537	SIR Expenditure Def-Gas	(545)	(1,506)	(2,701)	(2,494)	(3,015)
254547	NYS Sales Tax Refund 92-98	(12)	-	-	-	-
254551	GRT Cust Refund 2000-Gas	(54)	(54)	(54)	(54)	(54)
254553	Gas Millenium Fund Deferral	(13)	-	-	-	-
254559	Bonus Depreciation Adjustment	(78)	(78)	(78)	(78)	(78)
254570	NIMO-KS Merger Savings-Gas	(221)	(221)	(221)	(221)	(221)
254575	NIMO-Long Term Debt True-Up	(18,099)	(18,837)	(18,837)	(18,837)	(18,837)
254577	NIMO-Fed Tax Refund 1991-1995	(8,935)	(9,329)	(9,329)	(9,329)	(9,329)
Total of Accounts w/ Recovery but NOT in Rate Base		\$ (516)	\$ (9,321)	\$ (26,976)	\$ (21,245)	\$ (22,254)
Total		3,437	(9,447)	(41,096)	(30,899)	(36,124)