### STATE OF RHODE ISLAND DIVISION OF PUBLIC UTILITIES AND CARRIERS

IN RE: Petition of PPL Corporation, PPL Rhode Island Holdings, LLC, National Grid USA, and The Narragansett Electric Company for Authority to Transfer Ownership of The Narragansett Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals

Docket No. D-21-09

# POST-HEARING MEMORANDUM OF CONSERVATION LAW FOUNDATION

### I. INTRODUCTION

The issue in this case is whether the Division of Public Utilities and Carriers (the "Division") should grant the Petition of National Grid USA ("National Grid"), the Narragansett Electric Company ("Narragansett"), PPL Rhode Island Holdings, LLC ("PPL RI"), and PPL Corporation ("PPL") (collectively, "Petitioners"), through which Petitioners seek the Division's approval of a proposed transaction by which National Grid will transfer ownership of Narragansett to PPL RI.

### II. APPLICABLE STANDARD

#### a. The Substantive Standard

"With the consent and approval of the division, but not otherwise . . . . Any public utility may purchase or lease all or any part of the property, assets, plant, and business of any other public utility . . . ." R.I. Gen Laws § 39-3-24 (emphasis added). The process and standard by which the Division shall grant this consent and authority are described in R.I. Gen Laws § 39-3-25:

If, after the hearing, or, in case no hearing is required, the division is satisfied that the prayer of the petition should be granted, that the facilities for furnishing service to the public will not thereby be diminished, and that the purchase, sale, or lease

and the terms thereof are consistent with the public interest, it shall make such order in the premises as it may deem proper and the circumstances may require.

A central consideration in the Division's review of the Petition must be the ability and preparedness of Petitioners to serve a prominent role in ensuring that Rhode Island complies with the recently passed Act on Climate. *See* R.I. Gen. Laws §§ 42-6.2-1–12. Under the Act on Climate, addressing climate impacts falls within the "powers, duties, and obligations" of all state agencies, and each agency is required to "exercise among its purposes in the exercise of its existing authority" the purposes of the Act on Climate "pertaining to climate change mitigation, adaptation, and resilience in so far as climate change affects its mission, duties, responsibilities, projects, or programs." R.I. Gen. Laws § 42-6.2-8. This provision requires the Division to consider climate impacts and to further the purposes of the Act on Climate in the exercise of its authority. As discussed below in Section III, the impacts of the proposed transaction on Rhode Island's greenhouse gas ("GHG") emissions and on its compliance with the Act on Climate's GHG emissions reduction mandates are directly relevant as to whether the terms of the transaction are consistent with the public interest under R.I. Gen. Laws § 39-3-25.

### b. The Division has the power to deny the transaction.

At the conclusion of the Public Hearings in this case, the Hearing Officer asked the parties "to brief the legal issue of what authority the state of Rhode Island has to compel National Grid to continue to own and operate Narragansett Electric, and if so, for how long can we compel them." Dec. 16, 2021 Transcript, p. 341, lines 7–12.

Firstly, it is very clear from the controlling statute that the Division does have the authority to deny the transaction and compel National Grid to continue to own and operate Narragansett. The statute lists "[t]ransactions between utilities *for which approval is required*," including transactions in which "[a]ny public utility . . . purchase[s] or lease[s] all or any part of the property,

assets, plant, and business of any other public utility." R.I. Gen Laws § 39-3-24 (emphasis added). These transactions may occur "[w]ith the consent and approval of the division, but not otherwise." *Id.* The statute also provides for "[p]roceedings for approval of transactions between utilities," requiring the Division to approve transactions only if "the division is satisfied that the prayer of the petition should be granted, that the facilities for furnishing service to the public will not thereby be diminished, and that the purchase, sale, or lease and the terms thereof are consistent with the public interest." R.I. Gen Laws § 39-3-25. The Division's authority to approve transactions necessarily entails an authority to deny transactions. Otherwise, the text of the statute, including the criteria for the Division's approval of transactions, would be meaningless. Rhode Island adheres to the "canon of statutory interpretation which gives effect to all of a statute's provisions, with no sentence, clause or word construed as unmeaning or surplusage." *Local 400, Int'l Fed'n of Tech. & Prof. Eng'rs v. R.I. State Labor Relations Bd.*, 747 A.2d 1002, 1005 (R.I. 2000).

The text of the statute also provides the answer to the second part of the Hearing Officer's question, i.e., how long the Division can compel National Grid to own and operate Narragansett. The Division can compel National Grid to own and operate Narragansett only until National Grid petitions for approval of a transaction to transfer its ownership of Narragansett and "the division is satisfied that the prayer of the petition should be granted, that the facilities for furnishing service to the public will not thereby be diminished, and that the purchase, sale, or lease and the terms thereof are consistent with the public interest." R.I. Gen Laws § 39-3-25. There is no specific time period after which the Division would be forced to approve a transaction it would otherwise be compelled by the statute to deny. CLF does not contend that National Grid is uniquely capable of owning and operating Narragansett, nor that the sale of Narragansett to PPL is necessarily inconsistent with the public interest or will necessarily diminish the facilities for furnishing service

to the public. As described below, CLF contends that the proposed transaction may be approved provided the Division imposes certain conditions to ensure that it is consistent with the public interest.

# III. THE DIVISION SHOULD ONLY APPROVE THE PROPOSED TRANSACTION WITH CONDITIONS TO ENSURE THAT IT IS CONSISTENT WITH THE PUBLIC INTEREST

If the Division is "satisfied that the prayer of the petition should be granted, that the facilities for furnishing service to the public will not thereby be diminished, and that the purchase, sale, or lease and the terms thereof are consistent with the public interest, it shall make such order in the premises as it may deem proper and the circumstances may require." R.I. Gen Laws § 39-3-25 (emphasis added). The Division has the authority to tailor the order approving a transaction as the circumstances require. As discussed below, for the proposed transaction at issue here to be consistent with the public interest, the Division must ensure that the transition of ownership of Narragansett from National Grid to PPL does not negatively impact Rhode Island's GHG emissions or its ability to reduce its GHG emissions in compliance with the reduction mandates of the Act on Climate. CLF appreciates that Petitioners, on their own and unprompted, proffered a Statement of Existing and Additional Commitments, filed December 11, 2021, just before the start of the evidentiary hearings. Those Commitments touch upon some of the conditions outlined below, but they do not, in CLF's estimation, go far enough. CLF therefore proposes that the Division approve this transaction only with the following conditions:

1. PPL shall agree to, within twelve months of the transaction closing, develop and file with the Division and the Rhode Island Public Utilities Commission (the "Commission") a detailed report outlining Narragansett's plan and vision for its role in facilitating, through its gas and electric divisions, the state's achievement of the mandatory emissions reductions contained in the Act on Climate. This report

shall specifically identify how Narragansett will maintain and build upon the existing programs that contribute to emissions reductions and which have been successfully operated and managed by National Grid. It shall also include Narragansett's plan for achieving 100% renewably generated electricity supply by 2030. The Division shall oversee the process by which the scope and parameters of the report are developed, and shall ensure meaningful opportunities for public comment and input from a broad group of stakeholders. Similarly, in the development of the report, PPL shall hold periodic workshops in which updates and drafts of the report are shared with stakeholders and opportunities for public comment and input from a broad group of stakeholders are provided. In this process, PPL shall make particular efforts to facilitate involvement from those communities most burdened by energy infrastructure and impacted by energy policies, as well as environmental justice community members.

2. PPL shall agree to file, within twelve months of the transaction closing, jointly with the Division, a petition with the Commission requesting that it open a Future of Gas Docket. The outcome sought by the petition shall include an investigation and determination of the future role of Narragansett and its gas distribution system as the state seeks to achieve compliance with the Act on Climate's mandated emissions reductions and transitions to a clean and increasingly electrified heating sector. The petition will ask the Commission to investigate the prevailing concerns and relevant issues facing Narragansett and gas consumers as a result of this transition, and to develop policies and a regulatory framework to ensure an orderly and fair transition to a clean, Act on Climate-compliant heating sector, to ensure

continued safe and reliable gas service even as demand declines, and to ensure that consumers do not pay unnecessary costs. The petition should also include a request for investigation of potential impacts upon consumers bearing heavy energy burdens, communities most burdened by energy infrastructure and impacted by energy policies, and environmental justice communities, and a plan for providing them with low-cost, clean energy; and a plan for retraining and transitioning the gas service workforce. Further details of the scope and purpose of the petition and the Commission proceeding sought by the petition shall be determined in a proceeding initiated within six months of the transaction closing and run by the Division, guided by a consultant chosen by the Division and paid for by PPL, with input from the Office of Energy Resources. The petition development and scoping proceeding shall be transparent and involve frequent public comment opportunities designed to solicit input from a broad swath of stakeholders and community members from around the state. The proceeding sought by the petition shall be modeled on the substance of the Massachusetts Future of Gas Investigation, Mass. D.P.U. Case No. 20-80, include regular public comment opportunities at the various stages of the process, and designed to include regular reports to the EC4 and requests for its input. PPL shall agree that it will pay for consulting costs incurred, if any, by the Commission in any proceeding on the petition, up to a total of \$500,000.

3. PPL shall agree to, within twelve months of the transaction closing, file an updated Grid Modernization Plan and an updated Advanced Meter Functionality Business Case with the Commission. Both should be at least comparable to those previously filed by National Grid and should include an explanation of how PPL will keep the

- net benefits of these proposals roughly equivalent to, if not greater than those provided in the pending National Grid proposals.
- 4. PPL shall agree to pay for independent consulting costs, totaling up to \$1 million, incurred by the state related to any modeling, analyses or studies, including but not limited to a comprehensive Deep Decarbonization Pathways analysis, associated with the state's efforts to design policies and identify pathways toward compliance with the Act on Climate, and development of a revised climate plan and any associated policies.
- 5. PPL shall agree to consider the Act on Climate's mandated emissions reductions and the risks of stranded assets and stranded costs when seeking recovery of the costs of new gas infrastructure and gas capacity and supply contracts. PPL shall not seek to amortize or depreciate such costs over time periods that are inconsistent with the reasonably expected useful life of such infrastructure, gas capacity, or supply in light of the requirements of the Act on Climate.
- a. GHG Emissions Reductions and Compliance with the Act on Climate Are in the Public Interest and the Division Has the Power to Impose Related Conditions.

Climate change is the most urgent environmental problem facing our state, and our planet. Emerging science tells us that we need to do everything possible to achieve net-zero emissions by 2050 to avoid warming beyond 1.5°C and the irreversible climate change and widespread harm that would cause to people and the environment. A 2021 report of the Intergovernmental Panel on Climate Change ("IPCC") reaffirmed "that there is a near-linear relationship between

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<sup>&</sup>lt;sup>1</sup> The most recent analysis from the Intergovernmental Panel on Climate Change indicates that we must achieve netzero emissions by 2050 to avoid warming beyond 1.5°C. *See* Intergovernmental Panel on Climate Change, *Global Warming of 1.5°C - Summary for Policymakers* (2018), *available at* https://www.ipcc.ch/site/assets/uploads/sites/2/2018/07/SR15\_SPM\_version\_stand\_alone\_LR.pdf.

cumulative anthropogenic CO<sub>2</sub> emissions and the global warming they cause."<sup>2</sup> The world is already experiencing the impacts of climate change, for instance in the form of increasing and more severe heatwaves, storms, droughts, and fires.<sup>3</sup> And these impacts will get worse before they get better. IPCC modelling shows that global temperatures will continue to increase until at least the mid-century, even in the best-case (lowest emission) scenarios.<sup>4</sup> This demonstrates the imperative to act aggressively and urgently, because any impact on global temperatures will lag years or decades behind emissions reductions.

As a coastal state, and one of the fastest-warming states, Rhode Island is on the front lines of the climate crisis. We are already feeling the impacts of climate change, and they will only grow more severe over time. According to an analysis of National Oceanic and Atmospheric Administration temperature data, Rhode Island is the first state in the Lower 48 to experience an average temperature rise of over 2°C.<sup>5</sup> "Narragansett Bay has warmed as much as 1.6 degrees Celsius in the past 50 years, and for want of cooler water, the state's lobster catch has plummeted 75 percent in the past two decades." Locally, sea levels have risen roughly nine inches since 1930, and researchers at the University of Rhode Island have determined that the rate has quickened by about a third in recent years. According to the Coastal Resources Management Council, by 2030 sea level rise will flood 605 buildings in the state six times a year. A 2017 report published by the

<sup>&</sup>lt;sup>2</sup> Intergovernmental Panel on Climate Change, *Climate Change 2021: The Physical Science Basis - Summary for Policymakers* 28 (2021), *available at* https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC AR6 WGI SPM final.pdf.

 $<sup>^{3}</sup>$  *Id.* at 8–9.

<sup>&</sup>lt;sup>4</sup> *Id*. at 14.

<sup>&</sup>lt;sup>5</sup> Steven Mufson et al., 2°*C*: *Beyond the Limit*, Wash. Post, Aug. 13, 2019, *available at* https://www.washingtonpost.com/graphics/2019/national/climate-environment/climate-change-america/.

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>7</sup> *Id*.

<sup>&</sup>lt;sup>8</sup> *Id*.

Coastal Institute at the University of Rhode Island and the Narragansett Bay Estuary Program cautions that temperatures in Narragansett Bay are projected to increase by 2.7–3.2°C over the next century. The report links warming waters to potential problems for Rhode Island's economy and people, including negative impacts on the state's oyster aquaculture industry. Moreover, the report indicates that sea levels in the Bay have already risen and the pace of sea level rise is projected to increase, leading to reductions in salt marshes which provide an array of ecological and economic benefits. The Northeast region is also experiencing more precipitation—a 10% increase from 1895 to 2011—while rainfall from extreme storms has increased 70% since 1958.

Climate change impacts—including sea level rise, coastal erosion, storm surge, increased storm intensity, more frequent heavy rain events, and flooding—pose significant risks for state and municipal infrastructure as well as our environment, public health, welfare, and economic well-being. That reducing GHG emissions and addressing the climate crisis are in the public interest is widely understood and agreed upon, including by PPL's representatives. Dec. 15, 2021 Transcript, p. 30, lines 17–20 (Q: "And do you agree that reducing greenhouse gas emissions is in the public interest?" Bethany Johnson: "For me personally or for the company? I mean, either way, the answer is yes."); p. 82, lines 13–15 (Q: "Do you agree that reducing greenhouse gas emissions are [sic] in the public interest?" Gregory Dudkin: "Yes.").

<sup>&</sup>lt;sup>9</sup> Univ. of R.I. Coastal Inst. and Narragansett Bay Estuary Program, *Watershed Counts 2017 Report: Climate Change in Narragansett Bay: Warming Waters and Oysters* 2 (Nicole E. Rohr et al. eds., 2017), *available at* https://watershedcounts.org/documents/Watershed-Counts-2017--Warming\_Waters\_and\_Oysters.pdf.

<sup>&</sup>lt;sup>10</sup> *Id*. at 7.

<sup>&</sup>lt;sup>11</sup> Univ. of R.I. Coastal Inst. and Narragansett Bay Estuary Program, *Watershed Counts 2017 Report: Climate Change in Narragansett Bay: Rising Seas and Salt Marshes* (Nicole E. Rohr et al. eds., 2017), *available at* https://watershedcounts.org/documents/Watershed-Counts-2017--Rising\_Seas\_and\_Salt\_Marshes.pdf.

<sup>&</sup>lt;sup>12</sup> U.S. Envtl. Prot. Agency, *What Climate Change Means for Rhode Island* (Aug. 2016), *available at* https://19january2017snapshot.epa.gov/sites/production/files/2016-09/documents/climate-change-ri.pdf.

Recognizing the crucial need to address the climate crisis, Rhode Island enacted the Act on Climate in 2021. Having been passed by the General Assembly and signed into law by the Governor, the Act on Climate is an expression of state environmental and energy policy and priorities. It mandates GHG emissions reductions of 45% below 1990 levels by 2030, 80% by 2040, and net-zero emissions by 2050, updating targets contained in the Resilient Rhode Island Act of 2014. It also creates a judicial enforcement mechanism through which citizens can obtain injunctive relief to enforce state compliance. Moreover, it grants all state agencies the authority to promulgate rules and regulations necessary to achieve the emissions reductions it requires. R.I. Gen. Laws § 42-6.2-8.

The mandates in the law are ambitious and the powers granted to state agencies to achieve them are substantial. This reflects the urgency of the climate crisis. Signing the Act on Climate into law, Governor McKee called climate action "a moral imperative," and said that "[w]ith four hundred miles of coastline, urban and rural coastal communities, fishing and agricultural industries, the Ocean State is on the frontlines of the climate crisis." Press Release, Office of the Governor, *Governor McKee Signs Act on Climate* (Mar. 14, 2021), *available at* https://www.ri.gov/press/view/40885. Reacting to the passage of the Act on Climate, Attorney General Neronha described climate change as "the greatest threat to our environment and way of life." *Id*.

Under the Act on Climate, addressing climate impacts falls within the "powers, duties, and obligations" of all state agencies, and each agency is required to "exercise among its purposes in the exercise of its existing authority" the purposes of the Act on Climate "pertaining to climate change mitigation, adaptation, and resilience in so far as climate change affects its mission, duties, responsibilities, projects, or programs." R.I. Gen. Laws § 42-6.2-8. This provision requires the

Division to consider climate impacts and to further the purposes of the Act on Climate in the exercise of its authority, including any findings and determinations in this proceeding. But GHG emissions and the Act on Climate would be relevant to the Division's review of the proposed transaction even if the Act on Climate did not contain these explicit directives. This is because the effects of any proposed transaction on the environment and on state environmental laws and policies are relevant to the Division's determination of whether the terms of that transaction are consistent with the public interest. *See* R.I. Gen Laws § 39-3-25. If a transaction threatens to impede the state's decarbonization progress and therefore threaten its compliance with the Act on Climate, that is strong evidence that its terms are not consistent with the public interest.

The Division has the power to ensure that the proposed transaction will not impede the state's progress towards decarbonization by approving the transaction subject to conditions, including those listed above. In approving transactions, the Division is required to "make such order in the premises as it may deem proper and the circumstances may require." *Id.* In the present case, the circumstances require a conditional approval that safeguards the state's current and future climate progress. As described below, Rhode Island's dominant public utility will play a key role in decarbonizing the state's economy and achieving the GHG reductions mandated by the Act on Climate. PPL has failed to demonstrate that it is ready to step into that role in the absence of conditions that obligate further climate-related measures from PPL and Narragansett.

# b. Narragansett Will Play a Key Role in Decarbonizing Rhode Island and Achieving the Reductions Required by the Act on Climate.

Narragansett is the dominant electricity distributor in Rhode Island, serving 506,000 customers in the state. It is also the only gas company in Rhode Island, with 273,000 customers. Both the electricity sector and the heating sector are major contributors to Rhode Island's carbon emissions. Rhode Island's most recent GHG emissions inventory attributes 26% of the state's

GHG emissions to electricity consumption, and a total of 35% to residential heating, commercial heating, and industrial heating and processes. Gas and electricity utilities thus deliver commodities and services that are responsible for over half of the state's greenhouse gas emissions. This sizeable—indeed, majority—share of the state's emissions makes utilities critical players in achieving the state's decarbonization targets, as PPL acknowledges. Dec. 13, 2021 Transcript, p. 124, lines 7–9 (Vincent Sorgi: "[W]e fully appreciate that the utility plays a central role in [decarbonization] . . . ."). Utilities are not passive purveyors of electricity and gas—nor should they be. They are privy to information about their distribution systems including needs and demands as well as areas of excess capacity. They are uniquely positioned to monitor, assess, plan for, and, importantly, impact the usage of fuels.

Gas leaks—a major and unavoidable consequence of reliance on gas for heating and electricity production—are not included in the above percentages. They are counted separately as part the energy sector, and it is likely that they are very significantly undercounted. A report from Brown University and the Stockholm Environmental Institute estimates that incorporating more accurate accounting of gas leakage leads to a 45% increase in *overall* estimated statewide emissions. A Natural gas is approximately 90% methane, and methane is an extremely potent GHG, with a Global Warming Potential 86 times that of carbon dioxide per unit mass in the short term. One of Narragansett's many responsibilities related to reducing GHG emissions is identifying and replacing or repairing the state's most leak-prone gas pipes.

<sup>&</sup>lt;sup>13</sup> R.I. Dep't of Envtl. Mgmt., *2016 Rhode Island Greenhouse Gas Emissions Inventory* 7 (2019), *available at* http://www.dem.ri.gov/programs/air/documents/ghg-emissions-inventory-16.pdf.

<sup>&</sup>lt;sup>14</sup> See Stockholm Envtl. Inst. & Brown Univ. Climate and Dev. Lab, *Deeper Decarbonization in the Ocean State: The 2019 Rhode Island Greenhouse Gas Reduction Study* 20–23 (2019), *available at* https://www.sei.org/wp-content/uploads/2019/09/deeper-decarbonization-in-the-ocean-state.pdf.

<sup>&</sup>lt;sup>15</sup> See Intergovernmental Panel on Climate Change, Climate Change 2013: The Physical Science Basics 714 (2013), available at https://www.ipcc.ch/site/assets/uploads/2018/02/WG1AR5\_all\_final.pdf.

Beyond directly accounting for 26% of the state's GHG emissions, the electricity sector will play a critical role in decarbonizing both the heating sector and the transportation sector, the latter of which is responsible for another 36% of the state's GHG emissions. In short, there is scarcely a portion of Rhode Island's economy that its dominant electric and gas utility will not need to play a role in decarbonizing. The decarbonization of heating and transportation will depend in large part on conversions from fossil fuel-powered heating systems and vehicles to heat pumps and vehicles powered by electricity. This has been repeatedly recognized globally, nationally, and here in New England. Both Massachusetts and Maine have recently developed climate plans calling for near complete electrification of these sectors. Rhode Island, working closely with its largest utility, will thus need to procure enough clean electricity generation both to replace existing fossil fuel generation and to account for a large increase in demand driven by the electrification of the heating and transportation sectors. The state of the state o

If this transaction is approved, PPL will also take over other key, climate-related responsibilities like management of the energy efficiency and system reliability procurement programs (the latter of which includes the non-wire alternatives and non-pipeline alternatives programs), and, potentially, the rollout of advanced metering infrastructure.

c. CLF's Proposed Conditions Are Necessary Because PPL Has Not Demonstrated That It Is Prepared to Comply with the Act on Climate.

<sup>&</sup>lt;sup>16</sup> See Mass. Exec. Office of Energy & Envtl. Affairs and Cadmus Group, *Massachusetts 2050 Decarbonization Roadmap* (Dec. 2020), *available at* https://www.mass.gov/doc/ma-2050-decarbonization-roadmap/download; Me. Climate Council, *Maine Won't Wait: A Four-Year Plan for Climate Action* (Dec. 2020), *available at* https://climatecouncil.maine.gov/future/sites/maine.gov.future/files/inline-files/MaineWontWait December2020.pdf.

<sup>&</sup>lt;sup>17</sup> See Brattle Group, *Achieving 80% GHG Reduction in New England by 2050* (Sep. 2019) (explaining that supplying New England's increasing electricity demand in the coming decades will require a massive buildout in clean energy resources), *available at* https://www.brattle.com/wp-content/uploads/2021/05/17233\_achieving\_80\_percent\_ghg\_reduction\_in\_new\_england\_by\_20150\_september\_2019.pdf.

As discussed above, the Act on Climate creates enforceable GHG emissions reduction mandates at ten-year intervals, culminating in the achievement of net-zero emissions economywide by 2050. The first of the statute's intermediate mandates—reduction of GHG emissions 45% below 1990 levels by 2030—is less than eight years away. Achieving interim emissions reduction targets like those in the Act on Climate is critical, as missing them forecloses the possibility of achieving emissions reductions that represent our best-case scenarios at this late point in time, and locks in irreversible impacts. 18 Both the interim and final mandates in the law are ambitious. Deep decarbonization will be very hard work, even for the best-prepared states and best-prepared utility companies. The Act on Climate is new, not just for PPL, but also for National Grid and for Rhode Island. Even the National Grid employees that PPL says it will retain should the transaction proceed will have little to no experience working within its parameters. In addition to the challenge of adapting to the Act on Climate, PPL will be simultaneously challenged with adapting to Rhode Island and its existing laws, regulations, and programs.

With its current operations located in Pennsylvania and Kentucky, PPL does not have experience operating in a state with a comprehensive climate law similar or analogous to the Act on Climate, or with GHG emissions mandates generally. PPL Responses to CLF 1-1, 1-2; Dec. 16, 2021 Transcript, p. 254, line 6-p. 255, line 5; Dec. 14, 2021 Transcript, p. 154, line 5-p. 155, line 2. Troublingly, PPL opposed and participated in a legal challenge to the Obama administration's Clean Power Plan, which had aimed to reduce carbon dioxide emissions from electrical power generation by 32% by 2030, relative to 2005 levels. PPL Response to GECA 1-13. Unlike National Grid, PPL doesn't have experience with offshore wind procurements, non-

<sup>&</sup>lt;sup>18</sup> Intergovernmental Panel on Climate Change, Climate Change 2021: The Physical Science Basis - Summary for Policymakers (2021), available at

pipeline alternatives programs, geothermal heating districts, or programs that leverage customer battery storage systems to reduce peak grid demand. PPL Responses to GECA 1-9, Acadia 1-3, 1-7, 1-13. And PPL has yet to engage in the type of planning necessary to ensure that it can play a constructive role in Rhode Island's achievement of its GHG emissions reduction mandates. It does not yet have a plan to achieve 100% renewable energy in the state by 2030, has not developed any specific plans to transition Rhode Island away from gas, and does not have any current plans to transition Rhode Island customers away from gas cooking appliances. PPL Responses to AG 1-29, 1-33, Acadia 1-24; Dec. 15, 2021 Transcript, p. 72, lines 4–17.

With aggressive and rapidly approaching mandates for deep decarbonization, and an incoming utility lacking in relevant experience, it is critical that that incoming utility be required to rapidly engage in planning to determine how it can facilitate the state's mandated emissions reductions. If the Division is to approve the proposed transaction, it is critical that it impose conditions necessary to ensure as smooth a transition as possible and avoid any impediment to the state's compliance with the Act on Climate. If PPL fails to maintain and honor National Grid's existing program commitments related to decarbonization and clean energy, or if it simply fails to plan for its role in Rhode Island's decarbonization, this transaction could greatly affect the state's progress towards achieving the mandates of the Act on Climate. Thus, the transaction would not be consistent with the public interest.

#### IV. CONCLUSION

For the foregoing reasons, CLF urges the Division to approve the proposed transaction only with conditions, including those listed above, sufficient to ensure that it is consistent with the public interest.

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By its attorneys,

### /s/ James Crowley\_

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## **CERTIFICATE OF SERVICE**

I certify that the original and four copies of this brief were hand-delivered to the Division
of Public Utilities and Carriers. In addition, a PDF version of this brief was served electronically
on the service list of this Docket, as that list was provided by the Division on January 13, 2022. I
certify that all of the foregoing was done on January 18, 2022.

/s/ James Crowley\_\_\_\_\_