

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

<b>THE NARRAGANSETT ELECTRIC COMPANY, D/B/A NATIONAL GRID'S UPDATED ADVANCED METERING FUNCTIONALITY BUSINESS CASE</b>	) ) ) )	<b>DOCKET NO. 5113</b>
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<b>THE NARRAGANSETT ELECTRIC COMPANY, D/B/A NATIONAL GRID'S GRID MODERNIZATION PLAN</b>	) ) )	<b>DOCKET NO. 5114 <u>NOT CONSOLIDATED</u></b>
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**DIVISION'S FURTHER MOTION TO STAY, CONTINUED OPPOSITION TO  
CONSOLIDATION, AND RESPONSES TO COMMISSION'S DATA REQUESTS  
CONTAINED IN THE COMMISSION'S MEMORANDUM  
DATED MAY 27, 2021**

The Division of Public Utilities and Carriers (“Division”) submits the following as its further motion to stay and continued opposition to the consolidation of Docket Nos. 5113 and 5114. The Division also submits the following as its responses to the data requests of the Public Utilities Commission (“Commission”) that were contained in a Memorandum dated May 27, 2021 (“Memorandum”) addressed to the parties in Docket Nos. 5113 (AMF) and 5114 (Grid Mod).

**I. Division’s Further Motion To Stay And Continued Opposition To Consolidation**

As noted in the Memorandum, the Division objected to the consolidation of Docket Nos. 5113 and 5114 and moved to stay Docket No. 5114. Among other grounds, the Division’s objection and motion was premised on the fact that consolidation of Docket Nos. 5113 and 5114 would render the proper review, analysis, preparation of testimony for each docket *etc.* impracticable, and that the two filings do not truly arise from the same act or transaction, involve the same or like issues, or depend substantially on the same evidence. *See Division’s Opposition to Consolidation of Docket No. 5113 and 5114 and Motion to Stay Docket No. 5114 Dated March*

17, 2021 at 1-2. The Division, accordingly, opposed the consolidation of Docket Nos. 5113 and 5114, and requested the Commission to stay Docket No. 5114 until the conclusion of Docket 5113. *Id.* at 3.

One day after the Division filed its objection and motion, The Narragansett Electric Company, d/b/a National Grid (“NEC” or “Company”) and PPL Corporation (“PPL”), among other parties, filed a petition with the Division to transfer ownership of NEC to PPL Rhode Island (“Petition”). PPL Rhode Island is a wholly-owned, indirect subsidiary of PPL Corporation, a multi-billion dollar electric and gas public utility currently operating in Pennsylvania, Kentucky and the United Kingdom. The Division’s original concerns regarding the proposed consolidation and immediate administration of Docket Nos. 5113 and 5114 remain. With the announcement of the proposed NEC/PPL transaction, however, these concerns assume an additional dimension and possess even greater import.

As reflected in the Division’s responses below, with the proposed sale of NEC to PPL “virtually nothing” in either the AMF or Grid Mod filings “can be reliably utilized because of a potential PPL acquisition and the differences which are not currently reflected in the filing or even currently available will be known until the Division completes its assessment of the acquisition filing.” *See Division Response Nos. 1(b), infra.* If PPL becomes the new owner of NEC, then the pending AMF and Grid Mod filings cannot survive in their current form. Among other reasons, the AMF and Grid Mod filings and the alleged synergies to accrue to Rhode Island ratepayers from the proposals are premised on “multi-jurisdictional Rhode Island and New York (RI + NY) deployment.” *Docket No 5113, Kiefer & Lasher at 17; Docket No. 5114, Lasher at 50.* This approach is not possible under PPL ownership and control of NEC, where the existence of

the NEC affiliates that contribute to producing alleged synergies are no longer “participants” in the deployment of AMF and Grid Mod.

If the PPL/NEC transaction closes, then PPL will be required to withdraw the pending filings and start from scratch, filing its own unique AMF and Grid Mod plans that are divorced from National Grid’s regional affiliate structure and the synergies that that structure allegedly creates. Indeed, PPL conceded this point in Direct Testimony filed with the Division in Docket No. D-21-09. Referring to the pending proposals in Docket Nos. 5113 and 5114, PPL’s Chief Operating Officer stated, “...PPL recognizes that the existing proposals will need to be reconfigured to account for Narragansett’s separation from National Grid USA and its affiliates,” and “PPL is excited to advance these efforts and is well positioned to do so given its substantial experience in developing a modern smart grid.” *Docket No. D-21-09, Direct Testimony of G. Dudkin at 32 (emphasis added)*. As Mr. Booth stated, “until the Division completes its assessment of the acquisition filing and establishes what may likely be hundreds of differences between National Grid and PPL, it is virtually impossible for there to be a meaningful BCA or functional plan based on ownership by a different company which lacks any New England synergies such as National Grid has and would rely upon based on the present 5113 and 5114 filings.” *See Division Response No. 4, infra*.

If for some reason, NEC were to remain within the National Grid corporate family, at a minimum, the pending filings will have to be substantially updated.<sup>1</sup> In either case, it would be inappropriate for the Commission to proceed to administer either docket at this time as the AMF and Grid Mod filings, under either PPL or National Grid ownership and control, will require

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<sup>1</sup> While no procedural schedule for the NEC/PPL transaction has been established in Docket No. D-21-09, the review is expected to be lengthy. By the conclusion of Docket No. D-21-09, the technologies and cost information contained in each filing in Docket Nos. 5113 and 5114 will, in all probability, be materially out of date.

material amendment. The Division, therefore, requests that the Commission stay both dockets until such time as the Division issues a final decision in Docket No. D-21-09. Should the dockets remain open at that time and the respective filings are subsequently amended, for the reasons previously expressed, the Division reiterates its opposition to consolidating the AMF and Grid Mod plans, and continues request a stay of the latter until the conclusion of the former.

## **II. Division's Data Responses To Commission's Memorandum Dated May 27, 2021**

- 1(a).** Is it an accurate statement that the benefit/cost analysis (BCA) contained in the updated AMF business case is based at least in part, on synergies with National Grid's New York operations?

**Response:** Yes. The BCA is predicated on the National Grid Service Company ("Service Company") services to Narragansett Electric. The significant benefits to an AMF system and the metering and billing operations and other synergies from the Service Company will be lost and replaced with whatever currently unknown operations, systems, equipment and billing and other interfaces by PPL.

Gregory L. Booth, PE, PLS

- 1(b).** If so, will the BCA be materially impacted by the acquisition of The Narragansett Electric Company by PPL?

**Response:** Yes, most probably. While all the differences between National Grid and PPL are not currently known, they are and will be significant. Therefore, virtually nothing in the National Grid AMF filing can be reliably utilized because of a potential PPL acquisition and the differences which are not currently reflected in the filing and will not be known until the Division completes its assessment of the acquisition filing.

Gregory L. Booth, PE, PLS

2(a). Are the proposals and pathways in the Grid Modernization Plan based on the services of the National Grid USA Service Company?

**Response:** Yes.

Gregory L. Booth, PE, PLS

2(b). If so, are the proposals in the Grid Modernization Plan dependent, at least in part, on the functionalities National Grid currently has and intends to deploy?

**Response:** Yes.

Gregory L. Booth, PE, PLS

2(c). If so, would the proposals and pathways in the Grid Modernization Plan subject to change as a result of the acquisition of The Narragansett Electric Company PPL?

**Response:** Yes, most probably. Additionally, see the Division's responses to Data Request 1 which also applies to Data Request 2.

Gregory L. Booth, PE, PLS

3. Even if the Commission considered the needs assessment related to metering, would the solutions and benefit cost analysis be dependent upon PPL's current and future functionalities?

**Response:** Yes. Until the Division completes its assessment of the acquisition filing and establishes what may likely be hundreds of differences between National Grid and PPL, it is virtually impossible for there to be a meaningful BCA or functional plan based on ownership by a different company which lacks any New England synergies such as National Grid has and would rely upon based on the present 5113 and 5114 filings.

Gregory L. Booth, PE, PLS

4. If the acquisition of The Narragansett Electric Company would affect the underlying assumptions in the two filings, should the Commission proceed with the assessment of these dockets at this time or at a minimum, stay the matters pending the outcome of the Division's acquisition review process to reevaluate the filings? Please support your answer.

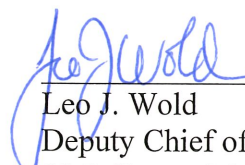
**Response:** The Commission should not proceed with the assessment of either Docket No. 5113 or 5114 at this time. The Commission should stay both matters until a final Order of the Division in Docket No. D-21-09 is issued. The Division's objection and motion to stay that was filed in Docket Nos. 5113 and 5114 provides the support for the Division's position in this regard. Until the Division completes its assessment of the acquisition filing and establishes what may likely be hundreds of differences between National Grid and PPL, it is virtually impossible for there to be a meaningful BCA or functional plan based on ownership by a different company which lacks any New England synergies such as National Grid has and would rely upon based on the present 5113 and 5114 filings. The current filings in 5113 and 5114 would have little or no basis on the reality of the future ownership by PPL.

Gregory L. Booth, PE, PLS

### III. Conclusion

For the foregoing reasons, the Division requests that the Commission stay Docket Nos. 5113 and 5114 until such time as the Division issues a final decision in Docket No. D-21-09. Should Docket Nos. 5113 and 5114 remain open at that time and the respective filings in each docket are subsequently amended, the Division continues to object to the consolidation of the two dockets, and requests a stay of Docket No. 5114 until the conclusion of Docket No. 5113.

DIVISION OF PUBLIC UTILITIES AND  
CARRIERS,  
By its attorneys,

  
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**CERTIFICATE OF SERVICE**

I certify that a copy of the within motion, opposition and responses was forwarded to the Service Lists by e-mail in Docket Nos. 5113 and 5114 on the 3<sup>rd</sup> day of June, 2021.

/s/ Leo J. Wold