Robinson+Cole

STEVEN J. BOYAJIAN

One Financial Plaza, 14th Floor Providence, RI 02903-2485 Main (401) 709-3300 Fax (401) 709-3399 sboyajian@rc.com Direct (401) 709-3359

Also admitted in Massachusetts

September 13, 2022

VIA HAND DELIVERY AND ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

RE: Docket 22-14-REG - Ecogy Energy, Inc.'s Petition for Dispute Resolution Rhode Island Energy's Memorandum

Dear Ms. Massaro:

Enclosed please find a redacted version of The Narragansett Electric Company d/b/a Rhode Island Energy's ("Rhode Island Energy" or the "Company") memorandum filed in the above referenced docket.

This filing is also accompanied by a Motion for Protective Treatment in accordance with Rule 1.3(H) of the Public Utilities Commission's (PUC) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). The Company seeks protection from public disclosure certain competitively sensitive bid prices included in its memorandum. Accordingly, the Company has provided the PUC with one un-redacted copy of the confidential materials for its review, and has otherwise included redacted copies of its memorandum for the public record.

Thank you for your attention to this matter. If you have any questions, please call me at 401-709-3359.

Very truly yours,

Steven J. Boyajian

cc: Docket 22-14-REG Service List

Boston | Hartford | New York | Providence | Miami | Stamford | Los Angeles | Wilmington | Philadelphia | Albany | New London | rc.com

Ecogy Energy LLC- Petition for Dispute Resolution – Docket No. 22-14-REG Service List Updated 8/11/2022

Name/Address	E-mail	Phone
Ecogy Energy LLC (Ecogy)	ccapizzo@psh.com;	401-861-8200
Robert K. Taylor, Esq.	jgladstone@psh.com;	
Partridge Snow & Hahn LLP	<u>jgradstone@psn.com</u> ,	
40 Westminster Street, Suite 1100	rtaylor@psh.com;	
Providence, RI 02903		
	TCritchlow@psh.com;	
	AGiron@PSH.com;	
Narragansett Electric Co.	AMarcaccio@pplweb.com;	401-784-4263
d/b/a Rhode Island Energy		
	COBrien@pplweb.com;	
Andrew Marcaccio, Esq.	JScanlon@pplweb.com;	
Celia O'Brien, Esq.	ERussell@RIEnergy.com;	
280 Melrose Street	KRCastro@RIEnergy.com;	
Providence, RI 02907		401-709-3337
Steve Boyajian, Esq.	<u>SBoyajian@rc.com;</u>	401-709-5557
Leticia Pimentel, Esq.		
Robinson & Cole LLP	Lpimentel@rc.com;	
One Financial Plaza, 14th Floor		
Providence, RI 02903	HSeddon@rc.com;	
Division of Public Utilities	Margaret.L.Hogan@dpuc.ri.gov;	401-780-2120
Margaret Hogan, Esq.	Christy.Hetherington@dpuc.ri.gov;	401-780-2120
89 Jefferson Blvd.	John.bell@dpuc.ri.gov;	
Warwick, RI 02888	Joel.munozl@dpuc.ri.gov;	
warwick, KI 02000	Joer.munozi@upuc.ri.gov,	
Mike Brennan, Consultant	mikebrennan099@gmail.com;	
Wine Dreiman, Constitute		
Luly E. Massaro, Commission Clerk	Luly.massaro@puc.ri.gov;	401-780-2017
Public Utilities Commission	Cynthia.WilsonFrias@puc.ri.gov;	
89 Jefferson Blvd.	Todd.bianco@puc.ri.gov;	
Warwick, RI 02888		
Office of Energy Resources	Christopher.Kearns@energy.ri.gov;	
Chris Kearns		
Shauna Beland	Shauna.beland@energy.ri.gov;	
Laura Bartsch, Chair of DG Board	lbartsch@aee.net;	

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

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In re: Ecogy Energy, Inc.'s	
Petition for Dispute Resolution	

Docket No. 22-14-REG

MOTION OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A RHODE ISLAND ENERGY FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION

The Narragansett Electric Company d/b/a Rhode Island Energy (Rhode Island Energy or the Company) hereby respectfully requests that the Public Utilities Commission (PUC or Commission) grant protection from public disclosure of certain confidential information submitted by the Company. The reasons for the protective treatment are set forth herein. The Company also requests that, pending entry of that finding, the PUC preliminarily grant the Company's request for confidential treatment pursuant to 810-RICR-00-00-1.3(H)(2).

The information that is the subject of this Motion and requires protective treatment is the bids submitted by Ecogy Energy, Inc. (Ecogy) in the 2022 First Open Enrollment as part of the Rhode Island Renewable Energy Growth Program (RE Growth Program) for five of Ecogy's Rhode Island Projects¹ (Ecogy Projects) that are discussed in the Company's Memorandum filed on September 13, 2022 (Confidential Information). The Company requests protective treatment of the Confidential Information in accordance with 810-RICR-00-00-1.3(H) and R.I. Gen. Laws § 38-v2-2-(4)(A)(I)(b).

¹ Each project was proposed by a separate Ecogy affiliated project company: Ecogy Energy RI I LLC; Ecogy Energy RI V LLC; Ecogy Energy RI VII LLC; Ecogy Energy RI XIV LLC; Ecogy Energy RI XX LLC and; Ecogy Energy RI XXIII LLC.

I. LEGAL STANDARD

Rule 1.3(H) of the PUC's Rules of Practice and Procedure provides that access to public records shall be granted in accordance with the Access to Public Records Act (APRA), R.I. Gen. Laws § 38-2-1, *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). To the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of APRA to deem such information as confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where the disclosure of information would be likely either (1) to impair the government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained. *Providence Journal Company v. Convention Center Authority*, 774 A.2d 40 (R.I. 2001).

The first prong of the test is satisfied when information is provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. *Providence Journal*, 774 A.2d at 47.

II. BASIS FOR CONFIDENTIALITY

The Company is seeking protective treatment for the Confidential Information discussed in its Memorandum, which includes the bids submitted by Ecogy during the 2022 First Open Enrollment. Project bids into the RE Growth Program, unless selected for participation in the program and awarded Certificates of Eligibility, are not disclosed to the public. This information should be protected from public disclosure because it is proprietary, confidential, and competitively sensitive, and it is also of critical importance to encourage participation by companies during RE Growth Program open enrollments. The Company therefore seeks to keep the Ecogy bids confidential to preserve the integrity of the RE Growth Program bidding process and to protect Ecogy's confidential commercial information from public disclosure.

Therefore, in order to protect the confidential and proprietary bids submitted by Ecogy in the Company's 2022 First Open Enrollment in the RE Growth Program, the Company respectfully requests that the Commission grant its motion and afford protective treatment to the Confidential Information.

III. CONCLUSION

For the foregoing reasons, the Company respectfully requests that the PUC grant this motion for protective treatment of the Ecogy bids discussed in the Company's Memorandum.

[SIGNATURE ON NEXT PAGE]

Respectfully submitted,

THE NARRAGANSETT ELECTRIC COMPANY d/b/a **RHODE ISLAND ENERGY** By its attorneys,

and m

Andrew S. Marcaccio (#8168) Rhode Island Energy 280 Melrose Street Providence, RI 02907 (401) 784-4263

Steven J. Boyajian (#7263) Robinson & Cole LLP One Financial Plaza, 14th Floor Providence, RI 02903 Tel. (401) 709-3300 Fax. (401) 709-3399 sboyajian@rc.com

Dated: September 13, 2022

CERTIFICATE OF SERVICE

I hereby certify that on September 13, 2022, I delivered a true copy of the foregoing Motion via electronic mail to the parties on the Service List for Docket No. 22-14-REG.

Aidi & Deadon

Heidi Seddon

STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

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In Re: ECOGY ENERGY, INC.

Docket No. 22-14-REG

Memorandum of The Narragansett Electric Company d/b/a Rhode Island Energy

On July 15, 2022, Ecogy Energy, Inc. ("Ecogy") filed its Petition for Dispute Resolution (the "Petition"). Ecogy claimed that five of its medium-scale solar projects and one small-scale wind project (collectively, the "Ecogy Projects") were either: (1) unlikely to be operational in time to receive performance based incentives under existing Certificates of Eligibility ("COEs"); or (2) unlikely to be financially viable.¹ It is on these bases that Ecogy claims it should be able to bid for higher performance based incentives for these very same projects notwithstanding the fact that it already received an award of incentives consistent with the terms of previously submitted bids.

The Narragansett Electric Company d/b/a Rhode Island Energy ("Rhode Island Energy" or the "Company") filed its response to the Petition on August 10, 2022 (the "Response"). In its Response, Rhode Island Energy explained its position that renewable energy projects awarded performance-based incentives under existing COEs should not be permitted to seek higher incentives through new COEs unless their exiting COEs are terminated with the Company's consent.

¹ See Petition, at ¶ 14.

I. INTRODUCTION

Allowing developers to effectively change their prior renewable project bids without terminating existing COEs would needlessly deplete the customer funded Renewable Energy Growth fund. It would only serve to increase the customer costs, and developer incentives, associated with already approved renewable projects without incentivizing *newly proposed* renewable distributed generation facilities. On the other hand, if developers such as Ecogy sought to terminate existing COEs because their projects were no longer financially viable or could not meet existing deadlines, then allowing them to seek increased incentives through new COEs might in fact salvage a project that might not otherwise proceed. Whether a developer is seeking to enhance an already sufficient incentive at the expense of customers and the RE Growth fund or seeking to salvage a renewable generation project that is truly in peril became a question of great significance when the Commission raised program ceiling prices for the 2022 RE Growth program year.

Due to the apparent inconsistency between Ecogy's position that the Ecogy Projects were not viable and its refusal to terminate the COEs awarded for those projects, the Company questioned Ecogy's stated reasons for seeking enhanced incentives in the First 2022 Open Enrollment. Since the Company's questions remained unanswered when this docket was opened, the Company issued its First Set of Data Requests to Ecogy on August 17, 2022 ("Data Requests"). Ecogy filed its responses to the Company's Data Requests on August 31, 2022.² In Ecogy's responses, Ecogy failed to demonstrate how the Ecogy Projects are not financially viable under the existing COEs and provided further support for the Company's position that the

² In Ecogy's responses to the Company's Data Requests, Ecogy objected to RI Energy 1-2 and RI Energy 1-6. However, Ecogy's objections were untimely, were not made by separate motion, and should be deemed waived by the Commission pursuant to its Rules of Practice and Procedure. *See* 810-RICR-00-00-1.

relief sought by Ecogy is inconsistent with the purposes of the RE Growth Program and the interests of those customers who fund it. In short, Ecogy acknowledges that it has not reached any conclusion as to the viability of the Ecogy Projects, or decided whether it would proceed with development of those projects under the existing COEs and associated incentives. It simply seeks a higher rate of return on the Ecogy Projects and believes that customer funds should be used to provide those returns.

II. LEGAL STANDARD

The Tariff and Solicitation and Enrollment Process Rules ("Enrollment Rules") govern how the Company administers the RE Growth Program. Pursuant to the Enrollment Rules, to be eligible to seek RE Growth program incentives through an open enrollment bid, "[a]n Applicant must be in good standing on its obligations to [the Company]."³ Pursuant to the Tariff, the "[a]pplicant and the Customer may not terminate their obligations under [the] Tariff unless and until the Company consents to such termination."⁴ If an Applicant (as defined in the Tariff) wishes to terminate its existing COE, it can submit a request to terminate to the Company. The Tariff further provides that:

> The Company will not unreasonably delay or withhold its consent to an Applicant's request to terminate if the Applicant cannot fulfill the obligations because of an event or circumstance that is beyond the Applicant's reasonable control and for which the Applicant could not prevent or provide against by using commercially reasonable efforts. *Id*.

³ Enrollment Rules, § 1.2.2.2 (available at <u>https://ngus.force.com/servlet/servlet.FileDownload?file=0156T00000FLuTb</u>).

⁴ Renewable Energy Growth Program Tariff for Non-Residential Customers, §11.

Section 10 of the Tariff also provides a process for dispute resolution. Specifically, the Tariff provides:

If any dispute arises between the Company and either the Applicant or the Customer, the dispute shall be brought before the Commission for resolution. Such disputes may include but are not limited to those concerning the Rules, terms, conditions, rights, responsibilities, the termination of the Tariff or Tariff supplement, or the performance of the Applicant, the Customer, or the Company.

III. ARGUMENT

Invoking the dispute resolution provision of the Tariff, Ecogy filed its Petition with this Commission and maintains that, because the Ecogy Projects meet the eligibility criteria set out in the Enrollment Rules, the Company is required to consider the Projects anew during the open enrollment and should grant the COEs with the condition that the prior COEs be terminated prior to acceptance as the Company had done previously.⁵ Ecogy maintains that the requirement to terminate existing COEs before applying in a new enrollment round is not found in the Enrollment Rules.⁶ Ecogy also maintains that the Ecogy Projects will not meet the Output Certification Deadline of 2023 as is required by the existing timeline and that the projects are no longer financially viable under the existing COEs.⁷ On that basis, Ecogy seeks new COEs through the 2022 Open Enrollment despite already having still active COEs from the 2020 -2021 Open Enrollment.

Ecogy's position is belied by its own discovery responses. In the Company's data requests to Ecogy, the Company directly requested "any pro formas or similar documents"

⁵ Petition, at 9.

⁶ Petition, at 8.

⁷ Petition, at 5-6.

demonstrating that the Ecogy Projects were no longer "financially viable."⁸ Ecogy did not provide any documentation or explanation that supports its claim that the projects are not financially viable. Instead, Ecogy provided evidence that the costs for each of the Ecogy Projects increased without providing any specifics on whether the projects are viable other than its subjective and unsubstantiated statement that they are not.⁹ At best, Ecogy demonstrated that its anticipated returns have been diminished. Ecogy's expressed desire to "capitalize on…increased ceiling prices" through new COEs for the Ecogy Projects does not entitle Ecogy to new COEs and having its existing obligations terminated.¹⁰

A. The Financial Viability of the Ecogy Projects

In Ecogy's response to Rhode Island Energy's Data Request 1-2, where it was given an opportunity to substantiate its argument that the Ecogy Projects are no longer financially viable, Ecogy summarized the process it undertook to lobby for increased ceiling prices during the most recent RE Growth Program Tariff and Rule Changes docket, PUC Docket No. 5202. Ecogy filed written comments in that proceeding which also identified project cost challenges that it had confronted. In response to RI Energy 1-2, Ecogy asserts that neither the existing COEs or the 2022 ceiling prices for the Ecogy Projects meet the Cost of Renewable Energy Spreadsheet Tool

⁸ RI Energy 1-2.

⁹ In its data request response, Ecogy states that "build costs" for the Ecogy IX project have increased 21% from April 2021 to February 2022. This project initially received a COE in the First Open Enrollment of 2020, then terminated, and was awarded a second COE in the Third Open Enrollment of 2021, on December 21, 2021. Given Ecogy's stated cost increase as of only two months following its COE award (December 2021 to February 2022), and their justifications provided throughout, it appears the Company could anticipate yet another re-application for this project were 2023 ceiling prices to increase.

¹⁰ Exhibit A. Importantly, Ecogy has not made a request to terminate its existing obligations under the 2021 COEs at this time. If Ecogy seeks to terminate its obligations in the future, pursuant to the Tariff, the Company will evaluate Ecogy's request and the facts presented to the Company at that time. The Company's arguments at this stage are simply a response to the Petition and Ecogy's assertion that the Company must consider these projects in the 2022 open enrollment.

("CREST") rate of return program models. Ecogy argues that because the CREST COE prices "far exceed[] the existing COE prices" this "shows that they are no longer financially viable."¹¹

While Ecogy claimed to the Company and to the Commission that the Ecogy Projects were no longer financially viable, its responses to the Company's data requests show that it has never actually performed an evaluation to determine if its assertion is correct. Indeed, in response to Data Request RI Energy 1-3, Ecogy indicated that it "has not made a determination of whether or not it would attempt to complete some or all of the projects under their exiting COEs..." and that "it *will* make that determination on a case by case basis..." (emphasis added.) In other words, Ecogy has not yet made that determination. Despite the Company's request for pro formas or other documents establishing that the Ecogy Projects were not financially viable, Ecogy produced none. Instead, it relied on CREST calculations which, according to Ecogy are intended to provide incentive figures to achieve a desired rate of return, not to determine financial viability.¹²

Ecogy's argument that the CREST calculation "shows that the Ecogy Rhode Island Projects are currently not financially viable" is deeply flawed and misleading and is belied by Ecogy's own project bids.¹³ As shown in Table 1 below, Ecogy **1** of \$24.45 for all of the Ecogy Projects and **1** the incentive levels resulting from CREST calculations. Ecogy cannot rely on the CREST price to establish that the Ecogy Projects are no longer viable when its

¹¹ Response to RI Energy 1-2.

¹² Response to RI Energy 1-2, stating "Even if awarded a higher COE price in the 2022 First Open Enrollment, Ecogy will still not be at a COE price that aligns with the CREST model *as meeting the rate of return thresholds that the program models to.*" (emphasis added.)

LLC Name	2022 CP	Existing COE	CREST COE	Ecogy 2022 Bid
Ecogy Energy RI V LLC	24.45	20.93	27.35	
Ecogy Energy RI XX LLC	24.45	20.41	29.65	
Ecogy Energy RI XXIII LLC	24.45	19.79	30.85	
Ecogy Energy RI XIV LLC	24.45	20.81	27.85	
Ecogy Energy RI I LLC	24.45	20.94	28.15	
Ecogy Energy RI VII LLC	24.45	18.73	26.45	

 Table 1 – Ecogy Bids at 2022 Open Enrollment

As demonstrated by Ecogy's actual bids during the 2022 First Open Enrollment, the CREST model cannot be considered determinative of the financial viability of a project given

that

Ecogy's reliance

on CREST incentive level calculations to support its claim that its projects are not financially viable is mistaken and misleading.

In its response to RI Energy 1-2, Ecogy noted that even if it were awarded a higher COE price in the 2022 First Open Enrollment, that it would still "not be at a COE price that aligns

with the CREST model as meeting the rate of return thresholds that the program models to."¹⁴

However, as the CREST model manual indicates:

The CREST model is designed to calculate the COE, or minimum revenue per unit of production needed for the modeled renewable energy project to meet its equity investors' assumed minimum required after-tax rate of return. This

¹⁴ Ecogy Response to RIE 1-2.

calculation depends on the development and entry of several categories of inputs Policy makers may wish to engage a broad range of stakeholders to determine the appropriate set of inputs to be used for each modeled renewable energy project. The results of a particular COE analysis (model run) should be used to inform policymakers in the setting of cost-based incentives (as opposed to dictating the rates themselves), since the COE will correspond only to a generator with the characteristics described by the specific inputs rather than all generators of the applicable technology. While the CREST model will calculate the COE associated with a set of inputs, policy makers should plan to conduct additional analyses throughout the regulatory process to consider the aggregate cost, benefits, and impacts to ratepayers of any proposed renewable energy policy. This model is not intended to be used as the only source of information and analysis in the development of a costbased renewable energy incentive policy.¹⁵

The CREST model assumes a 12% target after-tax equity internal rate of return.¹⁶ Ecogy's Exhibit 1-2(B) provides the results of the CREST analysis for each of the Projects.¹⁷ That the Ecogy Projects may not be as profitable as they might had the incentives calculated under the CREST model been applied is simply not relevant in the context of this dispute. Ecogy's discovery responses demonstrate that it may still proceed with some or all of the Ecogy Projects under the existing COEs¹⁸ such that any additional incentive provided to Ecogy is simply being used to improve the economic yield from the Ecogy Projects without spurring growth of renewable distributed generation projects in the State.

Ecogy also cites to the recent decrease in participation in the 2022 First Open Enrollment as "indication of the unviability of these projects within the current ceiling prices."¹⁹ However, this argument not only fails because Ecogy participated in the 2022 Open Enrollment

¹⁵ Cost of Renewable Energy Spreadsheet Tool: A Model for Developing Cost-Based Incentives in the United States, User Manual, Version 4, Page 2 (available at <u>https://www.nrel.gov/docs/fy13osti/50374.pdf</u>).

¹⁶ Id at 35.

¹⁷ While six CREST results are presented in Exhibit 1-2(B), the Company did not locate anything identifying which results are tied to which Ecogy Project.

¹⁸ Response to RI Energy 1-3.

¹⁹ Id.

, it is also not relevant to the

current Petition. Any argument that the 2022 ceiling prices are not competitive and are not advancing the Program's goal of promoting renewable energy growth should be presented to the PUC during the 2023 program planning proceeding.²⁰

B. <u>Ecogy is not Eligible to Bid for New COEs due to its Obligations to the Company</u> <u>under the Existing COEs</u>

While insisting that the Projects are not financially viable²¹, or that they will not meet output certification deadlines,²² Ecogy has still not made a final determination if it will attempt to complete some or all of the Projects under their existing COEs.²³ Presumably, if the Projects were no longer viable, Ecogy would either abandon the Ecogy Projects or terminate their existing COEs in order to bid for increased incentives that would render the projects viable.²⁴ Ecogy has done neither. When asked why it would not terminate its existing COEs for projects that it claims are no longer viable, through data request RI Energy 1-4, Ecogy effectively said it would not terminate its existing COEs because the Tariff does not require it to do so to bid for new COEs. Ecogy is incorrect.

²⁰ It is reasonable to anticipate that any future increase in ceiling prices will prompt developers to do precisely what Ecogy seeks to do here, i.e. capitalize on higher incentives by rebidding projects that already have existing COEs at or below earlier ceiling prices.

²¹ Response to RI Energy 1-1 and 1-2.

²² Response to RI Energy 1-6.

²³ Response to RI Energy 1-3.

²⁴ Ecogy cites to existing financials commitments for certain Projects including lease terms and third-party contracts that is needs to weigh before determining whether it will proceed with the Ecogy Projects. Response to RI Energy 1-3. However, these financial commitments presumably would have been considered when Ecogy represented to the Company and again to this Commission that its Projects are not financially viable.

The Enrollment Rules provide that to receive RE Growth program incentives, "[a]n Applicant must be in good standing on its obligations to [the Company]."²⁵ The Tariff contains a litany of obligations applicable to Ecogy as an Applicant awarded COEs under the Tariff. In its Petition, Ecogy disputes, in passing, that has existing obligations pursuant to the existing COEs but provides no legal basis or Tariff or Enrollment Rules citation to explain its position.²⁶ The COEs issued to Ecogy clearly note that "[t]he Project Applicant is bound by the terms and conditions" of the applicable RE Growth Tariff, here, the Non-Residential Tariff.²⁷ The Tariff specifically identifies an "[a]pplicant" as "the person or entity with legal authority to enroll the DG Project in the RE Growth program, and with the *obligation* to ensure that all aspects of the DG Project comply with the Rules."²⁸ (emphasis added.) The Tariff obligations include, without limitation, the following:

- "Upon being awarded a Certificate of Eligibility, a DG Project has a defined period to meet all requirements to receive compensation pursuant to this Tariff, which is: (1) 48 months for a Small DG Project using hydropower; (2) 36 months for a Project using anaerobic digestion; or (3) 24 months for a Project using another eligible technology.
- "The Applicant is required to update the Application information for the DG Project, including but not limited to information concerning: the DG Project owner, the Customer, the Bill Credit Recipient(s), the recipient of Performance-Based Incentive Payments, *the total cost of the project*²⁹, indication of whether the system is a 'self-install' by the Customer/Project Owner, proof of completed mandatory training from the Rhode Island Office of Energy Resources if the system is a "self-install", and both the General Contractor registration number

²⁵ Enrollment Rules, § 1.2.2.2

²⁶ Petition, at 8.

²⁷ Exhibit B.

²⁸ Tariff, Definitions, Sheet 1 of 18.

²⁹ Notably, Ecogy did not provide this information in response to data request RI energy 1-2 despite its affirmative obligation to update project costs under the Tariff. Instead, Ecogy asserted an untimely and procedurally improper objection to the Company's data request.

and the Electrician license number of the entities constructing the project." (emphasis added.)

- "The Applicant maintains the obligation to ensure that all aspects of a DG Project comply with the terms of the Company's Solicitation and Enrollment Process Rules and this Tariff."
- With respect to Ecogy's wind project, proposed by Ecogy RI VII, LLC³⁰, "No later than five (5) business days after a project is offered a Certificate of Eligibility, the Applicant shall submit by wire transfer a Performance Guarantee Deposit ('Deposit') as identified on the Certificate of Eligibility. Upon confirmation of the receipt of the Deposit, the Company shall award the Certificate of Eligibility."

As an "Applicant" under the Tariff, Ecogy is subject to these and all other terms and conditions of the Tariff and Enrollment Rules. Ecogy's suggestion that accepting the existing COEs did not bind it to any obligation to the Company is unfounded and entirely incorrect. Since Ecogy has outstanding obligations to the Company, it is not eligible under the Enrollment Rules to participate in RE Growth open enrollments until it has satisfied, or sought and obtained the Company's consent to terminate, its existing COEs and attendant obligations.

C. <u>The Financial Consequences of Allowing the Rebidding of Existing Projects are</u> <u>Significant and will Negatively Impact Customers and Renewable Generation</u> <u>Growth</u>

The Company reviewed all 76 pending projects with existing COEs in the RE Growth Program, and 48 projects have current Performance Based Incentives below the 2022 RE Growth Program Year Ceiling Prices, which are shown in Table 2 below. The Company calculated the financial impact to the RE Growth program if all projects with current Performance Based Incentives below the 2022 RE Growth Program Year Ceiling Prices re-applied in the 2022 Open Enrollment to "capitalize" on the higher ceiling prices (as Ecogy seeks to do). As shown in

³⁰ The performance deposit requirement does not apply to medium scale solar projects.

Table 2, the Company estimates this could cost in excess of \$24 million in increased program costs, that would need to be ultimately funded by customers over the twenty-year incentive period.

Estimated Increase Over 20-yr Term (\$)	Renewable Energy Class (Nameplate kW)	Nameplate Capacity (kW)	Number of Potential Projects	Ecogy Projects in the Count
\$7,554,835	Medium-Scale Solar	8,207	40	11
\$60,000	Commercial-Scale Solar (251-500 kW DC)	384	1	0
\$217,313	Commercial-Scale Solar (501-999 kW DC)	1,749	2	0
\$16,000	Large-Scale Solar	5,000	1	0
\$1,467,266	Small Wind	1,000	1	1
\$14,729,040	Hydropower	1,952	3	0
\$24,044,454		18,292	48	12

Table 2 - Rhode Island Energy

As seen in Table 2, the Medium-Scale Solar Renewable Energy Class, which does not require Performance Guarantee Deposits, has the largest number of presently incentivized projects.³¹ Ecogy has proposed eleven of the forty four projects in this category. If the Commission concludes in this proceeding that the Company is required to consider and accept new bids on projects with existing and unterminated COEs, then up to \$24 million in customer funds could be expended to pay for additional incentives for projects that were bid and approved under previously lower ceiling prices. If these projects remain viable under their existing

³¹ The Company is considering whether performance guarantee deposits should also be required for medium-scale projects as a tool to also discourage projects from rebidding in proceeding open enrollments when ceiling prices increase.

incentives, then this \$24 million in customer funds will have been expended to increase returns to developers rather than incentivizing new projects under the Renewable Energy Growth program.

V. CONCLUSION

The Company submits that the Program's ceiling prices were not raised to provide developers the option of seeking enhanced incentives for projects with existing COEs. Accordingly, the Company renews its requests that the Commission deny Ecogy's Petition and affirm that the Company has discretion consistent with applicable statues, tariffs, and rules, to grant or deny COEs for projects that already have outstanding obligations under existing COEs when reviewing its bids during open enrollment for the RE Growth Program in light of the facts and circumstances attendant to those bids.

[SIGNATURE ON NEXT PAGE]

Respectfully submitted,

THE NARRAGANSETT ELECTRIC COMPANY d/b/a RHODE ISLAND ENERGY By its attorneys,

Ched m

Andrew S. Marcaccio (#8168) Rhode Island Energy 280 Melrose Street Providence, RI 02907 (401) 784-4263

Steven J. Boyajian (#7263) Leticia C. Pimentel (#9332) Robinson & Cole LLP One Financial Plaza, 14th Floor Providence, RI 02903 Tel. (401) 709-3300 Fax. (401) 709-3399 sboyajian@rc.com lpimentel@rc.com

September 13, 2022

EXHIBIT A

From:	Brittany Friese <brittany@ecogyenergy.com></brittany@ecogyenergy.com>
Sent:	Monday, June 27, 2022 7:37 PM
То:	Renewable Contracts; Kender, Thomas
Cc:	projectmanagement@ecogyenergy.com; Mattiello, Joseph (RI Energy); Marcello, Felicia
	(RI Energy); Kate Nota
Subject:	[EXTERNAL] Re: Rhode Island Renewable Energy Growth Program - Application
	Submission (Ecogy Energy RI XX LLC)
Attachments:	Ecogy Solar Mail - RE_ EXT Re_ Rhodegibility Offer_ Ecogy Energy RI IX LLC.pdf

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Good afternoon,

I'm following up on this morning's email in hopes of receiving more information around the decision to not award a new COE for this project, in addition to a suite of Ecogy's other projects.

During previous enrollments, Ecogy has been able to terminate the existing COE prior to accepting the newly awarded COE. Please see the PDF attached below serving as proof during the previous Open Enrollment. Has there been a change to the Tariff or Solicitation Rules that I was unaware of?

One of the reasons the RE Growth program justifiably increased ceiling prices was because of the blanket cost increases faced by developers in the renewable energy space. A competitive bid should be able to capitalize on these increased ceiling prices. If our bid was not competitive enough, please let me know. Otherwise, I would appreciate your direction towards the specific Tariff language that prohibits this scenario.

Thank you, **Brittany Friese** Senior Project Manager Ecogy Energy <u>www.ecogyenergy.com</u> Brooklyn, NY Cell: 646-983-2867 *new phone number Office: 718-304-0945

On Mon, Jun 27, 2022 at 10:04 AM Brittany Friese <<u>brittany@ecogyenergy.com</u>> wrote: Hi Tom,

During previous enrollments, we were able to terminate our existing COE prior to accepting the newly awarded COE. Is this no longer possible?

Best,

Brittany Friese Senior Project Manager

The Narragansett Electric Company d/b/a Rhode Island Energy PUC Docket No. 22-14-REG Memorandum Exhibit A Page 2 of 3

Ecogy Energy <u>www.ecogyenergy.com</u> Brooklyn, NY Cell: 646-983-2867 *new phone number Office: 718-304-0945

On Mon, Jun 27, 2022 at 9:56 AM Renewable Contracts <<u>RenewableContracts@nationalgrid.com</u>> wrote:

Hello Julia and Brittany,

Your application for **Ecogy Energy RI XXV LLC** has not been awarded a Certificate of Eligibility in the Rhode Island Renewable Energy Growth Program 2022 First Open Enrollment, due to the projects existing Certificate of Eligibility awarded per the Renewable Energy Growth Program Tariff for Non-Residential Customers, RIPUC No. 2152-H. Currently, the **Ecogy Energy RI XX LLC project** has an awarded Certificate of Eligibility from the Rhode Island Renewable Energy Growth Program 2021 First Open Enrollment, with a Certificate Issue Date of 6/24/2021 and an Output Certification Deadline of 6/24/2023.

Regards,

Tom

Tom Kender

Lead Renewable Energy Trader

Energy Procurement – Long Term Clean Energy Supply

national**grid** Cell: (516) 329-2431

Thomas.Kender@nationalgrid.com

Long Term Clean Energy Supply

RenewableContracts@nationalgrid.com

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EXHIBIT B

Certificate of Eligibility for Small-Scale and Medium-Scale Solar Projects

Rhode Island Renewable Energy Growth Program

The Narragansett Electric Company d/b/a Rhode Island Energy

This Certificate of Eligibility is written confirmation that the Distributed Generation ("DG") Project referenced below has been selected for participation in the Rhode Island Renewable Energy Growth Program. The Project Applicant is bound by the terms and conditions of the applicable Tariff for the Renewable Energy Growth Program (either the "Non-Residential Tariff" or "Residential Tariff") that applies as well as Other Company Tariff Requirements described and referenced therein. In addition, the facility is interconnected with the distribution system of the Narragansett Electric Company and is located in the Narragansett Electric Company ISO-NE load zone.

Project Name:	Ecogy Energy RI XII LLC
Project Owner/ Project Contact:	Ecogy Energy RI XII LLC Julia Magliozzo
Facility Address:	659 S County Trail Exeter, RI 02822
Phone Number:	(718) 304-0945
Email Address:	projectmanagement@ecogyenergy.com
RI Interconnection Application ID or Case#: 00247558	

Renewable Technology: Solar PV - rooftop Solar PV – rooftop; Solar PV – ground mount

Renewable Energy Class: Medium-Scale Solar Small-Scale Solar; Medium-Scale Solar

Nameplate Capacity (kW):250The total rated power output of all solar panels measured in DC

Maximum Hourly Output (kWh AC per hour):200Maximum amount of energy produced in an hour measured in AC for all technologies

Expected Annual Energy Output (MWh per year): 323.1

Expected amount of energy produced in a year measured in AC for all technologies

Applicable Renewable Energy Growth Program Tariff: Non-Residential Tariff

Indicate which tariff the Project Applicant is bound by the terms and conditions of: Renewable Energy Growth Program Tariff for Residential Customers, RIPUC No. 2151-I or Renewable Energy Growth Program Tariff for Non-Residential Customers, RIPUC No. 2152-I.

Performance Based Incentive (cents/kWh): 23.23

Term of Performance Based Incentive (# years): 20

The term of the applicable Tariff supplement beginning on the Certificate Effective Date.

Certificate Issuance Date: 07/13/2022

This project must become operational and meet all other requirements pursuant to the Tariff by **7/13/2024;** which is 24 months from receiving the Certificate of Eligibility. If the project does not meet this 24 month deadline, the project's Certificate of Eligibility will be voided.

Payment Option: Option 1

Residential Customers automatically receive Option 2. For Non-Residential Customers, subject to the conditions set forth in Section 8.c of the Non-Residential Tariff, an Applicant must notify the Company of the manner by which it will be compensated for its output under the Program. Option 1 - Direct payment of the entire PBI or Option 2 - a combination of direct payment and customer bill credit.

Certificate Effective Date: Click here to enter a date

The standard performance-based incentive is paid beginning on this date for the applicable term of the tariff. As a condition of receiving payments, the Applicant must provide confirmation of: 1) the Company's written authority to interconnect to its electric distribution system and Applicant's payment of all amounts due; 2) Commission certification of the DG Project as an Eligible Renewable Energy Resource; 3) registration of the DG Project with the ISO-NE and NEPOOL GIS; 4) a copy of the Project's approved State of Rhode Island Solar Permit or building permit, including the responsible Rhode Island General Contractor's Number; and 5) except for small-scale and medium-scale solar, the Output Certification.

Certificate Termination Date: Click here to enter a date.

The performance-based incentive is paid up to this date covering the applicable term of the tariff. If the Certificate Effective Date is x and the Term of Performance Based Incentive is y, then the Certificate Termination Date is x+y. Section 9 of the Residential Tariff and Section 11 of the Non-Residential Tariff respectively highlight termination provisions under which the tariff might be terminated earlier than the stated Certificate Termination Date.