

VIA EMAIL

R.I. Public Utilities Commission
PUC.PublicComments@puc.ri.gov

September 19, 2022

Re. Comments on OSW Docket 22-22-EL

Dear Commission:

I write to provide comments on Rhode Island Energy's proposed request for proposal for offshore wind projects under the Affordable Clean Energy Security Act, R.I. Gen. Laws ch. 39-31 (ACES).

I. Please Require Inclusion of all Attachments

Rhode Island Energy's form of RFP distributed for comment references attachments but does not include them for review and public comment. Please provide the attachments to the RFP for review and allow an additional 30 days for comment on those attachments. The referenced attachments include, but are not limited to, the proposed form of contract.

II. Require Full Disclosure of all Commercial Interests to Identify Potential Conflicts

The RFP should include the following Threshold Requirement as a new section 2.2.3.6.

Disclose all individuals and entities holding any ownership or controlling interest in the bidding entity. Disclose all affiliates of any such ownership or controlling entities that are under any common ownership or control. Disclose any ownership or operating interests any such entities or affiliates hold in any entities that own or operate any interest in the distribution or transmission systems that provide any service to Rhode Island. Describe any and all conflict of interest that does or could arise as a result of any such ownership or controlling interests in light of the intent of Rhode Island's Restructuring Act, R.I. Gen. Laws § 39-1-27, which meant to provide for and maintain "nondiscriminatory access to transmission and distribution facilities to wholesale and retail customers and to nonregulated power producers."

As one example, if any ownership or controlling interest in the bidding entity holds any economic interest, or has an affiliate that holds an economic interest, in any entity that administers any transmission system that services any customers in Rhode Island, then could that entities' economic interest in the proposed offshore wind project lead to administration of the transmission system in a manner that obstructs any potential competitor's access to the transmission system?

The RFP should also require consideration of the information provided as an additional "Non-Price Evaluation" criteria added as section 2.3.3.5, as follows:

2.3.3.5 Conflicts of Interests and Proposed Mitigation Measures

If any actual or potential conflict of interest is identified in section 2.2.3.6 could have the effect of obstructing "nondiscriminatory access to transmission and distribution facilities to wholesale and retail customers and to nonregulated power producers," as addressed in Rhode Island's Restructuring Act, R.I. Gen. Laws § 39-1-27, as part of the Stage Two evaluation, bidders must

provide a Conflict of Interest Resolution Plan. The Conflict of Interest Resolution Plan should describe the proposed strategy to identify and resolve any interests that could interfere with the intent of the electric restructuring act to provide and maintain “nondiscriminatory access to transmission and distribution facilities to wholesale and retail customers and to nonregulated power producers.”

Rhode Island’s Electric Restructuring Act, R.I. Gen. Laws § 39-1-27 (1996), required the following:

- (a) Each electric distribution company shall file with the commission a plan for transferring ownership of generation facilities into a separate affiliate of the electric distribution company. The transmission facilities owned by the electric distribution company also may be transferred to an affiliated electric transmission company at a price that shall equal the book value of the transmission facilities on the electric distribution company's accounts net of depreciation and deferred taxes as the date of transfer, but such a transfer is not required. The generation plant, equipment, and facilities owned by an electric distribution company shall be transferred to an affiliate that is a nonregulated power producer at a price that shall equal the book value of the generation plant, equipment, and facilities on the electric distribution company's accounts net of depreciation and deferred taxes as of the date of the transfer. Consistent with the schedule for implementing retail access in § 39-1-27.3, each electric transmission company shall file tariffs with the Federal Energy Regulatory Commission (FERC) and electric-distribution companies shall file tariffs with the commission. The tariffs will provide the terms, conditions, and rates for nondiscriminatory access to transmission and distribution facilities to wholesale and retail customers and to nonregulated power producers. . . .

- (d) Following the complete implementation of the restructuring plans, electric distribution companies shall be prohibited from selling electricity at retail and from owning, operating, or controlling generating facilities, although such facilities may be owned by affiliates of electric distribution companies. For purposes of this subsection, providing the standard-offer service and last-resort power supply in accordance with subsections (d) and (f) of § 39-1-27.3 shall not be construed as selling electricity at retail.

Restructuring was meant to get our utilities out of the supply business so that the function of moving electricity across transmission and distribution systems would be entirely separate from a fully competitive and accessible market for the sale of electricity. When the utilities (or their affiliates) administering any element of the transmission or distribution system serving Rhode Island take any economic interest in the supply of electricity, there is no longer the separation of functions intended under R.I. Gen. Laws § 39-1-27.

While Rhode Island’s electric restructuring act does allow utility affiliates to own and sell generation, our regulators should be made aware of any such economic interests so that they can ensure full resolution of any resulting conflicts or potential conflicts.

III. Collaboration on Transmission

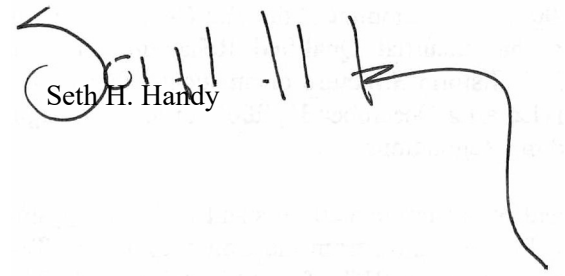
Section 2.2.3.4 of the RFP (Interconnection and Delivery Requirements) should be revised to include the following added text:

Final determination of the network upgrades and other interconnection features required to support a bidder’s CCIS interconnection will be determined by the ISO-NE under the FCAQ

process. However, each proposal must include a realistic and specific plan to implement any transmission system upgrades or other work anticipated to be needed to achieve CCIS interconnection, as identified under the FCAQ process. **The bidder must address and describe whether there is any opportunity for collaboration in providing transmission interconnection solutions for more than one offshore wind project and how any such collaboration would be expected to impact the schedule, pricing and any benefits to delivery of the project.**

Thank you for your consideration of these comments and any responsive information and/or amendments to the RFP.

Sincerely,

A handwritten signature in black ink, appearing to read "Seth H. Handy". The signature is written in a cursive style with a large initial "S" and a long horizontal stroke extending to the right. Below the signature, the name "Seth H. Handy" is printed in a small, black, sans-serif font.

c.c. Christopher Kearns