

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: INVESTIGATION INTO THE FUTURE OF :
THE REGULATED GAS DISTRIBUTION BUSINESS IN : DOCKET NO. 22-01-NG
RHODE ISLAND IN LIGHT OF THE ACT ON CLIMATE :

Office of Energy Resources' Response to Draft Staff Recommendation for Public Comment

October 13, 2022

1. Have staff identified appropriate purposes for the docket?

- i. Explore the requirements of the Act that are relevant to the PUC's jurisdiction;
- ii. Identify and analyze the technical and regulatory approaches that enable meeting the goals for the gas system, including enabling the State to meet the emissions reduction mandates in the Act;
- iii. Identify goals for the gas system that are consistent with the law, including, but not limited to, the emissions requirements of the Act and the requirements of Title 39;
- iv. Create a framework for implementation of necessary or beneficial actions under the PUC jurisdiction over the gas system specifically and/or public utilities generally; and
- v. Identify necessary or beneficial actions that are beyond the PUC's jurisdiction over the gas system specifically and/or public utilities generally.

If the purposes are meant to be pursued in order, we suggest switching the chronology of Purpose 3 and 2 and making some clarifying adjustments so that the purposes also help to clearly define the scope of the docket:

- It would be helpful for Purpose 2 to first identify the goals of the gas system, and then identify which are consistent and which are inconsistent with the AOC. This will serve as an opportunity to clearly define and align the goals of the gas system with the various laws that must be adhered to.
- Next, Purpose 3 could identify and analyze the technical and regulatory approaches that enable meeting the newly defined goals of the gas system, in light of both Title 39, AOC, and any other applicable laws.
- OER agrees that Purposes 1, 4, and 5 make sense in the order and form in which they were proposed.

2. Is the proposed workplan described in Section III—including a Policy Analysis, Scoping of the Technical Analysis to Be Performed by RIE, and Policy Development—appropriate for meeting the purposes?

The basic structure of Section III seems appropriate. However, it is unclear in the scope whether the policy analysis will happen entirely at the conclusion of the process, or throughout the entire docket. The latter approach is preferred by OER. In particular, Questions 1-5 of the Policy Development should be asked and answered at the beginning of the docket, to provide all docket participants with a clear baseline of how the gas system currently operates and is regulated. It is logical that questions 6-11 should follow, and the PUC should take care to record answers to these questions (proposed both by docket participants and the PUC itself) to both inform the scope of the technical analysis and of the subsequent recommendations for policy development.

Questions 12-13 are welcome, as they give docket participants an opportunity to question and test the results of RIE's technical analysis. The PUC should endeavor to make questions 14-16 as actionable as possible. For example, insofar as next steps are outside of the PUC's jurisdiction, the answers to these questions should be clearly and directly communicated to parties that are identified as decision-makers for progressing the gas transition. OER recommends that the answers to 14-16 result in conversations between agencies and other government bodies to alleviate any unforeseen roadblocks to implementation, identified as a result of this docket. For example, the PUC, could present progress and findings of this docket to the EC4, to help facilitate inter-agency action on the gas system's transition.

All in all, Section III—especially the questions in the Policy Development—are well-suited to help meet the purposes of the docket.

3. Do any issues or questions described in Section III need to be narrowed or broadened?

Narrow the Policy Analysis: The questions posed in this section are good questions to identify for level-setting before commencing the docket. However, these questions should not be analyzed or answered by the PUC. Instead, if the answers to these questions are not clear, the PUC should consult with the EC4 to determine how AOC will be interpreted/applied across all state agencies.

Broaden the Technical analysis: OER would like to reiterate the importance of having the Technical Analysis be transparent and balance the interests of stakeholders in the future of the gas system. OER agrees the stakeholder scoping process for this step should be guided by the PUC, to ensure that all parties have a say in how the analysis is conducted. Additionally, docket participants should be allowed to contribute scenario modeling to the Technical Analysis to avoid results that are biased or partial to the utility's interests.

4. Do any issues or questions need to be eliminated from or added to Section III?

The questions presented are a good starting point for framing the docket. Should the docket aim to explicitly answer each and every one of these questions, participants should be allowed to request changes to these questions at the start of the docket. OER does not have more detailed comments on the proposed questions, at this time.