

October 7, 2022

BY ELECTRONIC SUBMISSION

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

Re: Comments on OSW Docket 22-22-EL

Ms. Massaro:

Equinor Wind US LLC ("Equinor") hereby submits the following written comments pursuant to the Rhode Island Public Utilities Commission's September 10, 2022, Notice to Solicit Comment and Public Hearing in connection with The Narragansett Electric Company d/b/a Rhode Island Energy's draft Request for Proposals ("RFP"). Equinor applauds Rhode Island's commitment to offshore wind development and supports the issuance of the RFP. Equinor respectfully offers the following comments on the draft RFP.

- 1. Section 2.2.2.2 states, "A 'newly developed renewable energy resource' is defined in R.I. Gen. Laws § 39-26.1-2(7) as an electrical generation unit that uses exclusively an eligible renewable energy resource, and that has neither begun operation, nor has the developer of the unit implemented investment or lending agreements necessary to finance the construction of the unit. As of the date of contract signing, the generation unit(s) must not have begun operation, and the developers must not have implemented investment or lending arrangements to finance construction."
 - a. Please clarify that the eligibility requirements stated in Section 2.2.2.2 of the RFP (Eligible Facility) and R.I. Gen. Laws § 39-26.1-2(7) do not preclude the eligibility of a further phase of a distinct and separate project located in the same lease area as a prior project, so long as the further phase of the project being offered in the RFP is not yet operational and the investment or lending agreements associated with it have not yet been implemented.
- Section 2.2.3.4 states, "The amount paid for any energy and/or RECs under the PPA will be reduced to reflect any costs related to network upgrades and/or the interconnection of the project to the transmission system of the interconnecting utility that are collected under the ISO-NE Tariff or ISO-NE rules."
 - a. Given that a bidder's price must reflect all interconnection costs, please clarify the circumstances under which such a price reduction would apply.
- 3. Section 2.2.3.4 states, "Rhode Island Energy is seeking projects from which the expected generation delivery profile submitted in its bid can be delivered without material constraints or curtailments. Consequently, bidders must demonstrate that their proposed



point of delivery into ISO-NE, along with their proposed interconnection and transmission or distribution system upgrades, is sufficient to ensure full delivery consistent with the proposal's submitted generation profile."

- a. For bidders that are not connecting directly to the Point of Delivery, please clarify the contracting arrangements necessary to demonstrate delivery to Rhode Island Energy's satisfaction.
- 4. Section 2.3 states, "The Company will submit the specific scoring and weighting of each factor included within the price and non-price analysis to the PUC, under seal, prior to the bid submission deadline stated in Section 3.1 below. The increase for non-price factors from twenty percent (20%) in the 2018 Rhode Island RFP to twenty-five percent (25%) in this RFP reflects an increased emphasis on economic benefits to Rhode Island, in particular."
 - a. Please provide the specific scoring and weighting criteria as part of the solicitation document or well before the submission deadline as a public document. This information will allow bidders to refine their proposals and present more competitive proposals that best align with Rhode Island Energy's priorities, particularly in relation to the increased emphasis on local economic benefits.
- 5. Section 2.3.2 states, "The Company will evaluate a project's estimated effect on LMPs and REC market prices in the price analysis of Stage Two, as described above. All other economic benefits will be evaluated in the non-price analysis of Stage Two and must be specific and measurable and supported by documentation from an independent party in order to assess the credibility of the proposed commitments." and "Rhode Island Energy will conduct an analysis of the value of the respective economic benefits to the State of Rhode Island in relation to the cost and may ask the State of Rhode Island, including but not limited to, the Rhode Island Commerce Corporation, to review any proposed economic benefits to assist in this analysis."
 - a. Please provide additional detail on how economic benefits will be evaluated in the non-price analysis of Stage Two. For example, will economic benefits be unitized by project capacity or another measure to allow for a meaningful comparison between projects?
 - b. Please clarify that economic benefits associated with previously procured projects will not count towards a bidder's proposed economic benefits, and only incremental economic benefits will be evaluated as part of this solicitation.
- 6. Section 2.2.2.5 states, "The Minimum/Maximum Contract Size is the proposed amount of Eligible Products from all or a portion of the net generating capability of an Eligible Facility that is, at a minimum, 100 MW and, at a maximum, approximately 1,000 MW. Each Eligible Bidder is required to submit at least one proposal that is at least 100 MW and no more than approximately 1,000 MW."
 - a. Please clarify if projects materially larger than 1,000 MW (acknowledging the exceedance contemplated by footnote 6) can be submitted, so long as a proposal larger than 100 MW and smaller than 1,000 MW is also submitted.



- 7. Section 2.2.4.2.2 states, "Pricing must adjust payment to compensate Rhode Island Energy for any energy delivered at negative market clearing prices at the delivery node. In the event that the Locational Marginal Price ("LMP") for the Energy at the Delivery Point is less than \$0.00 per MWh in any hour, the PPA price for Energy purchased during that hour will be reduced by the amount by which that LMP is below \$0.00/MWh."
 - a. Please clarify if "market clearing prices" refers to the day-ahead or real-time price and if the LMP payment adjustment will be applied to the day-ahead schedule, real-time prices, or both. Furthermore, please clarify if a project is expected to cancel a transaction whenever the price at the Delivery Point is negative.

Please do not hesitate to contact me with any questions concerning this submission.

Very truly yours,

/s/ Matthew Brotmann
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