



April 10, 2024

**VIA EMAIL AND HAND DELIVERY**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Blvd.  
Warwick, RI 02888  
Luly.massaro@puc.ri.gov

***Re: RIPUC Docket No. 23-38-EL; The Narragansett Electric Co. d/b/a Rhode Island Energy's Petition for Acceleration due to DG Project***

Dear Ms. Massaro:

Enclosed please find 10 copies of the Pre-Filed Joint Direct Testimony of Ryan Palumbo on behalf of Revity Energy LLC filed in the above-referenced docket matter.

Regards.

A handwritten signature in blue ink, appearing to read "N. Nybo", written over a light blue horizontal line.

Nicholas L. Nybo  
*Senior Legal Counsel*  
REVITY ENERGY LLC AND AFFILIATES

Copy:

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**REVITY ENERGY LLC  
RIPUC DOCKET NO. 23-38-EL  
PETITION FOR ACCELERATION  
WEAVER HILL PROJECTS  
APRIL 10, 2024  
WITNESS: RYAN PALUMBO**

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**PRE-FILED DIRECT TESTIMONY OF RYAN PALUMBO  
ON BEHALF OF REVITY ENERGY LLC**

**APRIL 10, 2024**

Prepared by:

Ryan Palumbo  
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ryan@revityenergy.com

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1       **Q.    Please state your name and the business address of your employer.**

2           My name is Ryan Palumbo. I am a Vice President for Revity Energy LLC (“Revity”),  
3       mailing address: 117 Metro Center Blvd., Suite 1007, Warwick, Rhode Island 02886.

4       **Q.    On whose behalf are you testifying in this matter?**

5           I am testifying on behalf of the Intervenor, Revity. On December 7, 2023, Revity filed its  
6       Unopposed Motion to Intervene Pursuant to Rule 1.14 of the Rhode Island Public Utilities  
7       Commission Rules of Practice and Procedure.

8       **Q.    Have you ever provided testimony to the Rhode Island Public Utilities**  
9       **Commission?**

10          I have never provided testimony to the Commission; however, I have participated in many  
11       technical sessions in various Commission proceedings.

12       **Q.    What is your educational and professional background?**

13          I graduated from Roger Williams University with a bachelor’s degree in business  
14       administration with a concentration in finance in 2015. I graduated from the University of  
15       Tampa with a master’s degree in business administration and a master’s degree in finance in  
16       2017. After graduation, I worked for Ziegler & Company as a Senior Analyst in Scottsdale,  
17       Arizona. I began working for Revity in 2018 as a Vice President in charge of construction and  
18       permitting, including managing Revity’s interconnection portfolio. I have frequently  
19       interfaced with the Company’s personnel on interconnection matters.

20       **Q.    What is the purpose of your testimony?**

1           The purpose of my testimony is to provide facts relevant to the determination regarding the  
2 timing and amount of cost sharing reimbursement to which Revity is entitled arising from the  
3 self-performance of and payments made for the system modifications and improvements that  
4 were required to interconnect Revity Energy’s Weaver Hill Project in West Greenwich, Rhode  
5 Island. More specifically, the purpose of my testimony is to articulate the costs incurred by  
6 Revity in self-performing certain elements of the interconnection route to service the Weaver  
7 Hill Project. Revity is seeking reimbursement of \$12,780,739.98 for expenses incurred during  
8 the interconnection of the Weaver Hill Project. This figure includes \$5,917,359.98 for  
9 ductbank, conduit procurement, cable procurement, cable pull, design, small contractors, small  
10 procurement, and management. The figure also includes \$3,667,000.00 for reimbursement of  
11 prior cost-sharing payments to Green Development and \$3,196,380 for reimbursement of prior  
12 payments to the Company. The system modifications made to the Company’s electric  
13 distribution system will benefit the buildout of the Company’s Weaver Hill Substation Project.

14       **Q. Please describe Revity’s projects impacted by this docket matter?**

15           Revity constructed 7 distributed generation sites totaling 40.7 MW which are impacted by  
16 this docket matter. On October 18, 2019, Revity’s Robin Hollow Projects entered the  
17 interconnection queue through Interconnection Service Application Nos. 29048593,  
18 29048574, 29599253, 29048568, 29048531, 29048550, and 29048488. On May 16, 2022,  
19 Revity executed an ISA with the Company, which ISA was amended on July 29, 2022 and  
20 again on April 26, 2023.

21

1           Revity paid the Company a total of \$7,957,140 as follows:

2	<u>Application No.</u>	<u>Case No.</u>	<u>Amount</u>
3	29048593	246606	\$1,336,707
4	29048574	246609	\$1,561,913
5	29599253	281561	\$36,324
6	29048568	246610	\$1,518,324
7	29048531	246614	\$1,629,577
8	29048550	246616	\$1,743,530
9	29048488	246617	\$130,765

10           Revity was instructed by the Company to perform an additional scope of work for the sole  
11           benefit of the ratepayer. This scope of work was not related to any of the solar projects in the  
12           area and was not included in the approved design. Revity accepted the change order and  
13           performed the work which scope of work included: (1) increased duct bank work on Weaver  
14           Hill Road from a 6-way duct bank to a 9-way duct bank to support an additional feeder for the  
15           Company’s substation; (2) an additional 400 to 450 feet of excavation of a depth of 1.5 feet to  
16           2.5 feet; (3) supplemental blasting, hammering and rock processing; and (4) additional conduit,  
17           concrete, labor and materials.

18           **Q.   Please identify any provisions of the Company’s Tariff regarding Standards for**  
19           **Connecting Distributed Generation (R.I.P.U.C. No. 2258) which you believe govern the**  
20           **analysis on this Petition.**

1 Section 5.4 of the Company’s Tariff regarding Standards for Connecting Distributed  
2 Generation (R.I.P.U.C. No. 2258) (the “Tariff”) governs cost segregation as follows:

3 **5.4 Separation of Costs**

4 a. The Company may combine the installation of System Modifications with  
5 System Improvements to the Company’s EDS to serve the Interconnecting  
6 Customer or other customers, but shall not include the costs of such System  
7 Improvements in the amounts billed to the Interconnecting Customer for the  
8 System Modifications required pursuant to this Interconnection Tariff.  
9 Interconnecting Customers shall be directly responsible to any Affected System  
10 operator for the costs of any System Modifications necessary to the Affected  
11 Systems.

12 b. Effective for Renewable Interconnecting Customer Applications filed on or  
13 after July 1, 2017, in the event that the Commission determines that a specific  
14 System Modification of the electric distribution system benefits other  
15 customers and has been accelerated due to an interconnection request and orders  
16 the Renewable Interconnecting Customer to fund the modification, the  
17 Renewable Interconnecting Customer will be entitled to repayment of the  
18 depreciated value of the modification as of the time the modification would  
19 have been necessary as determined by the Commission. Subsequent Renewable  
20 Interconnecting Customers will be responsible for prorated payments within ten

1 (10) years of the earlier Renewable Interconnecting Customer's payment  
2 toward System Modification.

- 3 c. The Company will consider a system modification to be an accelerated  
4 modification if such modification is otherwise identified in the Company's  
5 work plan as a necessary capital investment to be installed within a five-year  
6 period as of the date the Company begins the impact study of the proposed  
7 distributed generation (DG) project (defined as an Accelerated Modification).  
8 The Company will identify the Accelerated Modification and the cost thereof  
9 in the impact study. The Renewable Interconnecting Customer will be  
10 responsible for the identified Accelerated Modification costs less the  
11 depreciated value (Modified Costs), which Modified Costs will be estimated in  
12 the interconnection service agreement (ISA). Upon reconciliation, final labor,  
13 material and depreciation values will be provided based on the actual date of  
14 asset installation in the same price categories as originally proposed in the ISA  
15 to the customer so that a comparison can be made. The Company will file with  
16 the Commission all executed ISAs for Renewable Interconnecting Customer  
17 DG projects with an identified Accelerated Modification by July 1 of each year.
- 18 d. Renewable Interconnecting Customers may also petition the Commission  
19 directly if the Renewable Interconnecting Customers believes it has been  
20 incorrectly charged for an Accelerated Modification under Section 5.4. In these  
21 cases, the Renewable Interconnecting Customer shall be responsible to pay for



1 the cost of the system modification pursuant to the ISA, unless and until a  
2 determination has been made by the Commission. In all cases, the Company  
3 will be entitled to recover the costs of any unpaid portion of an Accelerated  
4 Modification(s) in rates.

5 Section 5.5 of the Company's Tariff governs the payment procedure for system  
6 modifications:

7 **5.5 Normal Payment Procedure**

8 All applications, study fees, and System Modification costs (except as noted below)  
9 are due in full prior to the execution of the work as outlined in this Interconnection  
10 Tariff. If the anticipated costs exceed \$25,000, the Interconnecting Customer is  
11 eligible for a payment plan, including a payment and construction schedule with  
12 milestones for both parties. At the request of the Interconnecting Customer, the  
13 Company will break the costs into phases in which the costs will be collected prior  
14 to Company expenditures for each phase of the study and/or construction including  
15 ordering equipment. The payment plan will be attached as an exhibit to the ISA or  
16 relevant study agreements. The Company will not be required to initiate any work  
17 for which advanced payment has not been received.

18 The Company within ninety (90) business days after completion of the construction  
19 and installation of the System Modifications described in an attached exhibit to the  
20 ISA, or completion of the relevant study if the Interconnecting Customer does not  
21 execute an ISA, and all Company work orders have been closed, shall provide the

1 Interconnecting Customer with a final accounting report of any difference between  
2 the (a) Interconnecting Customer's cost responsibility under the ISA or relevant  
3 study agreement, as the case may be, for the actual cost of such System  
4 Modifications and for any Impact or Detailed Study performed by the Company,  
5 and (b) Interconnecting Customer's previous aggregate payments to the Company  
6 for such System Modifications and studies. Costs that are statutorily-based shall  
7 not be subject to either a final accounting or reconciliation under this provision (e.g.  
8 statutorily set study fees for the ISRDOG), but may be reconciled at any time only if  
9 the costs exceed the statutory fee, and the Company seeks to collect actual costs in  
10 accordance with the applicable statute, including supporting documentation in the  
11 same price categories as originally proposed in the ISA to the customer so that a  
12 comparison can be made. To the extent that Interconnecting Customer's cost  
13 responsibility in the ISA for the System Modifications and in the Impact and/or  
14 Detailed Study Agreements (as applicable) for the studies performed by the  
15 Company exceeds the Interconnecting Customer's previous aggregate payments,  
16 the Company shall invoice the Interconnecting Customer and the Interconnecting  
17 Customer shall make payment to the Company within 45 days. To the extent that  
18 the Interconnecting Customer's previous aggregate payments exceed the  
19 Interconnecting Customer's cost responsibility under the applicable agreement, the  
20 Company shall refund to the Interconnecting Customer an amount equal to the

1 difference within forty-five (45) days of the provision of such final accounting  
2 report.

3 **Q. Please describe the Company's cost estimates for the Weaver Hill Project.**

4 On December 13, 2019, the Company issued its Feasibility Study for Case Nos. 246606,  
5 246609, 246610, 246612, 246614, 246616 and 246617 for 18 Weaver Hill Road stating that  
6 the total customer costs for Revity's portion of the interconnection route for the Weaver Hill  
7 Project is \$18,958,191.77. This figure included \$16,993,229.00 for capital costs, \$71,787.00  
8 for operations and maintenance costs, \$10,326.00 for removal and \$1,882,849.77 for taxes.  
9 The Feasibility Study included the following work: three 3 way manholes; thirty-five 2 way  
10 manholes; 800 feet of 2 way, 6" PVC-DB concrete encased duct bank; 3,700 feet of 4 way, 6"  
11 PVC-DB concrete encased duct bank; 16,500 feet of 6 way, 6" PVC-DB concrete encased duct  
12 bank; two gang-operated load break switches; two pole top reclosers; five primary metering  
13 assemblies; four 50'-0" class H1 poles; eleven 50'-0" 1 poles; approximately 900 feet of 3-  
14 1/c-477 AL Bare conductor; one gang-operated load break switch; one pole top recloser; one  
15 primary metering assembly; two 50'-0" class H1 poles; four 50'-0" class 1 poles; approximately  
16 250 feet of 3-1/c-477 AL Bare conductor; extending the Kent County 3309, 34.5 kV circuit  
17 underground from existing pole 10-2 Hopkins Hill Road in West Greenwich to the 3309 PCC-  
18 POI located at 19 Weaver Hill Road (approximately 4.2 miles); and extending Kent County  
19 3310, 34.5 kV circuit underground from proposed pole 25-50-1 Hopkins Hill Road to 3310  
20 PCC-POI located at 18 Weaver Hill Road (approximately 3.5 miles).

1           On April 21, 2021, the Company issued its Interconnection Study for Case No. 00246606C  
2           for 18 Weaver Hill Road proposing two alternatives for the total customer costs for Revity’s  
3           portion of the interconnection route for the Weaver Hill Project. Alternative #1 estimated the  
4           cost as \$32,280,782 which figure estimated \$28,969,192 for capital costs, \$25,722 for  
5           operations and maintenance costs, \$6,705 for removal costs and \$3,279,163 for taxes.  
6           Alternative #2 estimated the cost as \$32,725,171 which figure estimated \$29,249,557 for  
7           capital costs, \$25,721 for operations and maintenance costs, \$139,666 for removal costs and  
8           \$3,310,228 for taxes. Alternative #1 included installation of five 3 way manholes; twenty-one  
9           2 way manholes; 400 feet of 4 way, 6” PVC-DB concrete encased duct bank; 14,600 feet of 9  
10          way, 600 feet of 6” PVC-DB concrete encased duct bank; 1,100 circuit feet of 3-477 AAC;  
11          one 35 kV load break switch; one 35 kV recloser; two disconnect switches; six primary meters  
12          along six disconnect switches at point of common coupling; 250 feet of 3-1/c-477 AL Bare  
13          conductor; one 35 kV load break switch; one 35 kV recloser; two single-phase transformers  
14          and one primary meter at point of common coupling; extending the Kent County 3309, 34.5  
15          kV circuit underground from Pole #10-2 Hopkins Hill Road to the 2209 PCC-POI located at  
16          18 Weaver Hill Road (approximately 4.3 miles); and extending the Kent County 3310, 34.5  
17          kV circuit underground from proposed Pole #25-1 Hopkins Hill Road to the 3310 PCC-POI  
18          located at 18 Weaver Hill Road. Alternative #2 included installation of five 3 way manholes;  
19          twenty-one 2 way manholes; 400 feet of 2 way, 6” PVC-DB concrete encased duct bank;  
20          14,600 feet of 4 way, 6” PVC-DB concrete encased duct bank; 600 feet of 9 way, 6” PVC-DB  
21          concrete encased duct bank; 1,100 circuit feet of 3-477 AAC, one 35 kV load break switch,

1 one 35 kV recloser; two disconnect switches and six primary meters with six disconnect  
2 switches at the point of common coupling; install 250 feet of 3-1/c-477 AL Bare conductor;  
3 one 35 kV load break switch; one 35 kV recloser; two single-phase transformers and one  
4 primary meter at the point of common coupling; extending the Kent County 3309, 34.5 kV  
5 circuit underground from Pole #10-2 Hopkins Hill Road to the 2209 PCC-POI located at 18  
6 Weaver Hill Road (approximately 4.3 miles); and extending the Kent County 3310, 34.5 kV  
7 circuit underground from proposed Pole #25-1 Hopkins Hill Road to the 3310 PCC-POI  
8 located at 18 Weaver Hill Road. Section 1.2 of the Tariff allows the Impact Study to have a  
9 probability of accuracy of plus or minus twenty-five percent (+/- 25%).

10 **Q. Please describe the actual costs incurred by Revity for the self-performed**  
11 **interconnection work for the Weaver Hill Project.**

12 Revity's actual costs for self-performing the work for Case Nos. 246606, 246609, 246610,  
13 246612, 246614, 246616 and 246617 for 18 Weaver Hill Road was \$6,639,370.40. These costs  
14 have been audited by Entrust, the Company's independent third-party auditor. The  
15 reimbursable expenses owed to Revity for the work Revity self-performed is \$5,917,359.98.

16 **Q. Please describe Revity's position regarding timing of reimbursement of cost-shared**  
17 **interconnection work.**

18 Pursuant to the aforementioned Section 5.5 of Tariff for Standards for Connecting  
19 Distributed Generation (R.I.P.U.C. No. 2258), the Company shall provide the interconnecting  
20 customer with a final accounting report within 90 days after completion of the construction  
21 and installation of the System Modifications. The final accounting shall report (a) the

1 interconnecting customer’s cost responsibility under the interconnection service agreement or  
2 the relevant study agreement and (b) the interconnecting customer’s previous aggregate  
3 payment to the Company for system modifications and studies. To the extent that the  
4 interconnecting customer’s previous aggregate payments exceed the customer’s cost  
5 responsibility under the applicable agreement, the Company shall refund the interconnecting  
6 customer an amount equal to the difference within forty-five (45) days of the final accounting  
7 report. On January 10, 2024, the Company confirmed that all work requests for the Weaver  
8 Hill interconnection project were closed.

9 **Q. Do you agree with the findings sought by the Company’s October 17, 2023 Pre-**  
10 **Filed Joint Direct Testimony?**

11 I agree that the System Modifications described in the testimony required to interconnect  
12 the Nooseneck, Robin Hollow, and Studley Solar Projects will benefit both the DG Projects  
13 and the Company’s distribution customers. I agree that the costs of the depreciated value of  
14 the System Improvement should be recovered from distribution customers through the  
15 Company’s Infrastructure, Safety and Reliability Provision, RIPUC No. 2199. I agree that  
16 paying developers sooner rather than later promotes the purposes of the Distributed Generation  
17 Interconnection Act.

18 **Q. Do you agree with the Company’s recommended approach in this matter?**

19 I agree with the Company’s recommended approach to pay developers for the specific  
20 system improvements that benefited distribution customers, less the estimated depreciated

1 value, at the time that the project is placed in service, the third-party audit and verification is  
2 complete, and the project is fully reconciled.

3 **Q. Do you agree with the Company’s alternative approach?**

4 No, I do not agree with the Company’s alternative approach to pay the developer in FY  
5 2027 the final cost of the system modification less the depreciation of the asset from FY 2025  
6 through FY2026. This approach does not promote the purposes of the Distributed Generation  
7 Interconnection Act (R.I. Gen. Laws § 39-26.3-1, *et seq.*), this approach does not allow  
8 developer to reinvest capital and install additional distributed generation in the State and, as  
9 the Company has stated, “[f]rom an administrative standpoint, waiting to pay the developer  
10 may create challenges” because “[a]ny time payment is delayed, for potentially years, there is  
11 risk ownership is transferred or legal statuses change making payment more complicated.”

12 If the Commission were to consider the Company’s alternative approach, Revity would  
13 respectfully request that the Commission order payment of interest at the Rhode Island  
14 statutory rate of twelve percent (12%) accruing during the period of time that developers are  
15 required to wait for repayment.

16 **Q. Does this conclude your testimony?**

17 Yes.