

**STATE OF RHODE ISLAND**  
**PUBLIC UTILITIES COMMISSION**

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In the matter of the Narragansett Electric Co. )  
D/B/A RI Energy's System Reliability )  
Procurement Investment Proposal )  
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**Docket No. 24-06-EE**

**PRE-FILED TESTIMONY OF ROB WINDLE**  
**ON BEHALF OF**  
**ENERWISE GLOBAL TECHNOLOGIES LLC,**  
**D/B/A CPOWER**

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1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. State your name, business name and address.**

3 A. My name is Rob Windle, and I am the Vice President of Strategy and Business  
4 Development for Enerwise Global Technologies, LLC d/b/a CPower (“CPower”), located  
5 at 1001 Fleet Street, Suite 400, Baltimore, Maryland 21202.

6

7 **Q. On whose behalf are you appearing in this case?**

8 A. I am appearing here as an expert witness on behalf of CPower.

9

10 **Q. Summarize your educational background.**

11 A. I have a Bachelor of Science in Industrial Engineering from the University of Cincinnati,  
12 conferred in June 1993.

13

14 **Q. Summarize your business experience.**

15 A. I have been working for CPower since November 2014 and hold the position of Vice  
16 President of Strategy and Business Development. In that role, I lead the development and  
17 rollout of CPower’s Distributed Energy Resource (DER) product offerings. This involves  
18 originating, building, and monetizing DERs in the wholesale and retail markets. In the last  
19 several years, I have focused on the development of CPower’s energy storage business.  
20 Under my leadership, our storage team has built a project development portfolio of over  
21 300 MWhs of commercial and industrial (C&I) batteries in the northeastern United States.

22

23 Prior to coming to CPower, I worked for Constellation as Director of Strategic Alliances  
24 from January 2011 to October 2014 where I headed up a team of alliance managers and led

1 the expansion and commercialization of solutions that enable behind the meter assets to  
2 participate as Virtual Power Plants.

3  
4 Prior to Constellation, I worked at Rockwell Software as Manager, Global Partner &  
5 Channel Programs from June 2006 to January 2011 where I managed a global sales team  
6 and led the design and implementation of sales channel programs focused on energy  
7 management, SCADA, operational efficiency, and business intelligence software  
8 solutions.

9  
10 Prior to working at Rockwell Software, I served as Rockwell Automation’s Global Account  
11 Manager responsible for the Coca Cola System from July 2011 to June 2006. Prior to this,  
12 I worked in software sales at Software AG (1999-2000) and Synquest (2000-2001).

13  
14 **Q. Have you testified before the Rhode Island Public Utilities Commission**  
15 **(“Commission”) or as an expert in any other proceeding?**

16 A. No.

17  
18 **Q. Have you provided analysis in support of testimony or comments in any other utility**  
19 **regulatory proceeding?**

20 A. Yes. I have participated in Commission proceedings on incentives for behind the meter  
21 storage in Connecticut, and have also participated in several workshops, and professional  
22 meetings, mostly focused the integration of distributed energy resources in wholesale and  
23 retail markets.

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**Q. Please explain why you are uniquely qualified to provide testimony regarding incentives for customer-sited Commercial and Industrial (C&I) storage?**

As discussed above, I have been working for the last several years to build CPower’s storage business. This involves working with C&I customers to determine if the addition of onsite storage would be a cost-effective way to reduce energy bills and improve resilience. In this role, I have learned what drives adoption of storage for these customers, and what kinds of incentives are most conducive to securing investment in energy storage projects. I was also closely involved in the stakeholder process to develop the Connecticut Energy Storage Solutions (ESS) Program. Under my leadership, CPower helped shape the rules for this Program through participation in multiple regulatory proceedings. When the Connecticut Energy Storage Solutions Program went live on January 1, 2022, I led the team that brought over 15 MWs of storage projects to the Program at its inception. As of today, CPower has been awarded just under 50 MW of capacity in the ESS Program. In summary, I have been involved in the development of onsite storage resources for several years and therefore have a good understanding of the economics underlying these projects, customers’ and investors’ motivations and requirements regarding storage, as well as the types of incentives that are needed to make these projects viable.

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

A. My testimony is intended to demonstrate that Rhode Island Energy’s (RIE’s) System Reliability Procurement Investment Proposal for Electric Demand Response (“SRP Investment Proposal”) will not achieve its ambitious peak load reduction goals without

1 certain modifications. Specifically, I have two recommendations to help RIE achieve its  
2 peak load reduction targets. First, the new incentive cap should be raised from \$1 million  
3 to \$1.375 million to enable storage projects that are large enough to achieve economies of  
4 scale to participate in the Program. Second, the Commission should direct RIE to provide  
5 a 5-year rate lock for batteries that enroll in ConnectedSolutions during the 2024-2026  
6 period.

7  
8 **II. CONNECTEDSOLUTIONS INCENTIVE CAP**

9  
10 **Q. How will the proposed cap of \$1 million/year per customer affect battery development**  
11 **in Rhode Island?**

12 A. A \$1 million incentive cap will significantly limit battery development in Rhode Island.  
13 Any cap on the incentive that can be received by a participant will act as a cap on battery  
14 size because batteries are not economic to build without incentives that support their full  
15 capacity value. A \$1 million cap translates to a cap on battery size of roughly 3.6 MW,  
16 assuming the customer is not already providing load curtailment in the Targeted Dispatch  
17 Program. If the customer is already providing load curtailment, the effective cap would be  
18 even lower since a portion of the cap would go toward incentives paid out for load  
19 curtailment.

20  
21 An incentive cap of 3.6 MW will significantly shrink the pool of customers who are  
22 interested in installing an on-site battery. Customers generally install batteries for two  
23 primary reasons: 1) they provide resiliency, and 2) they can help them reduce their energy  
24 bill. A 3.6 MW battery, however, can provide meaningful resilience and bill reduction

1 only if the customer's peak load is lower than 3.6 MW. As such, I don't expect customers  
2 with peak loads over ~3 MW to have a lot of interest in installing a battery if the incentive  
3 is capped at \$1 million. In my experience, though, it is large C&I customers – customers  
4 with loads greater than 3 MW – who are most interested in installing batteries. Of the  
5 batteries in CPower's Rhode Island pipeline, roughly 80% are sized larger than 3.6 MW  
6 and likely will not move forward if the proposed incentive cap is adopted.

7  
8 With regard to smaller C&I customers and smaller batteries, I don't expect C&I customers  
9 with lower peak loads (less than ~2 MW) to have much interest in installing batteries  
10 because smaller batteries do not have the economies of scale that make these projects  
11 financially viable. A higher incentive rate would be needed to encourage battery adoption  
12 for smaller C&I customers.

13  
14 In short, an incentive cap of \$1 million will encourage battery adoption in only a small  
15 segment of potential battery customers; it discourages battery development by larger C&I  
16 customers who are likely the best candidates for on-site batteries because of the economies  
17 of scale they can achieve and the higher benefit-to-cost ratios they produce.

18  
19 **Q. Can RIE achieve its goal of growing peak demand reduction by 27% by 2026 without**  
20 **adding batteries?**

1 A. RIE is highly unlikely to achieve its goal of growing peak demand reduction by 27%  
2 between 2023 and 2026<sup>1</sup> without adding new C&I batteries to the Program. Without C&I  
3 batteries, RIE would have to achieve significant growth in C&I load curtailment to meet  
4 its goal. CPower’s sales team is constantly working to bring new load curtailment  
5 customers into the RIE ConnectedSolutions Program, however, their experience indicates  
6 that at the 2023 Targeted Dispatch incentive rate of \$40/kW, there are no additional large  
7 loads to sign up. With that incentive rate dropping by 12.5% to \$35/kW per the SRP  
8 Investment Proposal, the expectation is that this will continue to be the case. While there  
9 are likely some untapped smaller customers who could be brought into the Program, it  
10 would take many small customers – more than CPower or any Curtailment Service  
11 Provider could hope to find - to even make a dent in the ambitious target that RIE has set.  
12 Given this, bringing C&I batteries into the Program will be critical to achieving the goals  
13 set out by RIE and providing the associated benefits to ratepayers.

14  
15 RIE appears to recognize this reality; it is expecting a large part of its peak demand growth  
16 goal to come from increased participation in C&I Daily Dispatch. Specifically, RIE  
17 proposes to increase participation in C&I Daily Dispatch by 10% per year<sup>2</sup>, to reach a goal  
18 of 19,498 kW by 2026<sup>3</sup>. This Daily Dispatch goal cannot be met without participation  
19 from batteries because very few, if any, load curtailment customers are willing to disrupt

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<sup>1</sup> See RIE February 2024 presentation to the EERMC, slide 12 [https://rieermc.ri.gov/wp-content/uploads/2024/02/srp-investment-proposal\\_2024-2026-electric-demand-response\\_veermc\\_2-15-2024\\_v2.pdf](https://rieermc.ri.gov/wp-content/uploads/2024/02/srp-investment-proposal_2024-2026-electric-demand-response_veermc_2-15-2024_v2.pdf)

<sup>2</sup> See RIE Joint Pre-filed Testimony in this docket, page 34, “The Company determined its procurement quantity based on an expectation of maintaining the same level of peak demand reduction in prior years, with minimal attrition and attenuation to account for the lower incentive rate and incentive cap, plus 10 percent year-over-year growth of first-time participants throughout 2024-2026.”

<sup>3</sup> See RIE SRP Investment Proposal for Electric Demand Response 2024-2026, page 20



1 their operations by curtailing load up to 60 times per summer (a requirement for a customer  
2 in Daily Dispatch<sup>4</sup>). While customers with behind the meter fossil generation can meet  
3 this requirement, it is unlikely that new fossil generation is going to seek to participate in  
4 the Program given that RIE has tightened the limits on generation eligible to participate in  
5 the program in 2024-2026 and plans to further limit participation after this.<sup>5</sup>

6  
7 **Q. What Incentive Cap level would enable a broader swath of battery customers to**  
8 **participate in the Program?**

9 A. I recommend increasing the Incentive Cap to \$1.375 million/year per customer measure.  
10 A cap at this level would allow batteries up to 5 MW to be developed and brought into  
11 the ConnectedSolutions Program. This modest increase in the cap would make a  
12 meaningful difference in the Program's ability to attract C&I batteries because batteries  
13 over 3 MW are more likely to achieve the economies of scale necessary for investment  
14 that smaller batteries generally cannot.

15  
16 This cap should be applied to a customer's participation in Daily Dispatch without regard  
17 to what they are earning in Targeted Dispatch. If necessary, a separate, potentially lower,  
18 cap could be developed for Targeted Dispatch participation. Applying the cap to each  
19 customer, as proposed by RIE, is likely to result in the loss of load curtailment measures  
20 from the Program. By way of background, Customers in ConnectedSolutions can  
21 participate in both Targeted Dispatch and Daily Dispatch with different measures. For  
22 example, a manufacturing facility might provide load curtailment in Targeted Dispatch by

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<sup>4</sup> Id, page 17

<sup>5</sup> Id, page 16

1 interrupting a manufacturing process when dispatched. They might later decide to install  
2 an on-site battery and participate in Daily Dispatch with that battery. If this customer's  
3 total incentive is capped at \$1 million, the incentive available to the battery would be \$1  
4 million minus the incentive earned through Targeted Dispatch. However, the more likely  
5 course of action in this scenario is that the customer would discontinue load curtailment  
6 activities in Targeted Dispatch in order to maximize the incentive that can be received by  
7 the battery. This would not be the optimal outcome for ratepayers since they would not be  
8 able to realize the full benefit of this customer's load reduction capabilities.

9  
10 **III. FIVE-YEAR RATE LOCK FOR BATTERIES**

11  
12 **Q. How important is the five-year rate lock in bringing batteries into the Program?**

13 A. The five-year rate lock is critical to attracting batteries to the Program. A customer will  
14 make the decision to invest in energy storage only if the value streams from that investment  
15 outweigh the costs. The ConnectedSolutions Program provides one such value stream,  
16 however, if that value stream is uncertain because rates are not truly locked in, it is heavily  
17 discounted in the decision-making processes and will likely make investment in a battery  
18 unviable. Moreover, customers installing C&I scale batteries often must go to a third party  
19 for financing. Finance underwriting can only be obtained when there is sufficient  
20 confidence in the revenue streams that are expected to be used to repay the capital deployed  
21 to finance the energy storage project. The five-year rate lock, which has historically been  
22 an important element of the ConnectedSolutions Program, provides lenders with this  
23 confidence.

1 RIE’s replacement of the five-year rate lock in Daily Dispatch with a “Multi-Year Incentive  
2 Rate” that has no guarantee of the incentive rate past 2026, however, will not give lenders  
3 or customers the confidence they need to move forward with a battery investment. As  
4 discussed in the SRP Investment Proposal, the Multi-Year Incentive Rate is intended to  
5 provide a five-year fixed incentive rate to the customer but will only guarantee the rate  
6 through the 2026 season<sup>6</sup>. At most, this equates to a three-year rate lock, but more likely,  
7 it will equate to a 2-year or just 1-year rate lock because batteries are not likely to be coming  
8 online in 2024 due to the uncertainty about the rules leading up to this season<sup>7</sup>. This will  
9 deter many customers from investing in batteries because they will have no assurance that  
10 one of the key value streams used to justify that investment, both internally and to an  
11 outside lender, will be available for more than a year or two. In short, without a five-year  
12 rate lock that can be relied upon, the ambitious peak load reduction goals in the SRP  
13 Investment Proposal are unlikely to be achieved.

14  
15 **Q. How could the rate lock be improved to facilitate participation in the Program by**  
16 **batteries?**

17 A. The rate lock could be improved by requiring RIE to provide a true five-year rate lock  
18 rather than an “aspirational rate lock” that in actuality locks the rate for only one or two  
19 years. Specifically, the Commission should direct RIE to provide a five-year rate lock,  
20 without caveat, in the Commitment Letter that it provides to battery customers.

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<sup>6</sup> Id, page 18, “Note that for all customers, incentives will be set in three year periods “2024-2026”.

\*During the next three-year review, the incentive may be re-evaluated and adjusted based on market conditions for the Program Period 2027-2029. All incentives are subject to review and oversight

<sup>7</sup> RIE Pre-filed Testimony, page 34, RIE states that at present no batteries have requested commitment letters. Given this, it is unlikely that any batteries are coming online in 2024.

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**IV. CONCLUSIONS AND RECOMMENDATIONS**

**Q. Please summarize your conclusions and recommendations to the Commission.**

A. In summary, in order to achieve RIE’s ambitious goal of growing peak load reduction by 27% during the 2024-2026 period, two changes are needed. These changes are: 1) increasing the incentive cap from \$1 million/year per customer to \$1.375 million and applying the cap separately to Daily Dispatch and Targeted Dispatch measures (with potentially a lower cap for Targeted Dispatch measures), and 2) offering a five-year rate lock without caveat. These relatively modest changes will make a meaningful difference in the amount of peak load reduction that can be achieved through the Program.

Accordingly, I recommend that the Commission:

1. Direct RIE to raise the ConnectedSolutions Incentive Cap to \$1.375 million per customer measure.
2. Direct RIE to amend its proposal to provide a five-year rate lock, without caveat, to batteries that enroll in the Program during the 2024-2026 period.

**Q. Does that complete your testimony?**

A. Yes