

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC :
COMPANY d/b/a NATIONAL GRID'S : DOCKET NO. 4774
RENEWABLE ENERGY GROWTH PROGRAM :

**OFFICE OF ENERGY RESOURCES' RESPONSE TO THE PUBLIC UTILITIES
COMMISSION'S FIRST SET OF RECORD REQUESTS**

1-1. Please identify the entity or person “they” references in the two comments listed in the January 10, 2018 Cadmus Group presentation, slide 67 (OER Exhibit 1).

Response: For the installer quotes presented on slide 67, The Cadmus Group, Inc. (“Cadmus”) confirmed that the pronoun “they” referred to National Grid.

1-2. Did the Office of Energy Resources consider performance metrics pertaining to quality assurance in this docket?

Response: No. The Office of Energy Resources (“OER”) and Distributed Generation Board (“DG Board”) will continue to examine quality assurance related matters and will await the results of the next Cadmus field inspection and associated report in 2018. The results of the field inspections for both small scale and larger scale projects will help inform OER and the DG Board as they work, in coordination with National Grid, to develop the 2019 Renewable Energy Growth (“REG”) Program Plan. OER will work with Cadmus to consider how quality assurance could be integrated with National Grid’s performance metrics and examine whether such metrics should be included as part of the recommendations in the 2018 report.

1-3. Is the Cadmus Group, Inc., aware of any other jurisdiction that failed to implement its quality assurance recommendations? If yes, please identify any consequences resulting from the failure to implement such recommendations.

Response: Cadmus has worked with many entities, including state program administrators, on a variety of solar incentive program models. Cadmus has seen instances where jurisdictions are unable to adopt their quality recommendations, primarily due to funding limitations. Cadmus has not formally quantified or evaluated improvements before and after a change in approach. However, Cadmus has seen regions that they work with initiate educational and programmatic recommendations related to quality and those regions have had improved inspection scores.

1-4. When calculating ceiling prices, did the Distributed Generation Board consider operation and maintenance costs of facilities? If yes, please identify if

Rhode Island specific data and inputs were used or whether national and/or regional data and inputs were used.

Response: The following are the assumptions that were used regarding fixed and variable operational and maintenance (“O&M”) expenses, as well as assumed annual escalation rates:

Modeled Operations and Maintenance Parameters for 2018 REGrowth Ceiling Price Categories				
Category	Size Range kW (Modeled Size kW)	Fixed O&M Expense (Year 1) (\$/kW-yr)	Variable O&M Expense (Year 1) (\$/kWh)	O&M Escalation Rate (%)
Small Solar I	1-10 (5)	\$50.00	N/A	2%
Small Solar II	11-25 (25)	\$35.00	N/A	
Medium Solar	26-250 (250)	\$35.00	N/A	
Commercial Solar	251-999 (500)	\$21.00	N/A	
Commercial Solar (CRDG)	251-999 (500)	\$36.00	N/A	
Large Solar	1,000-5,000 (2,000)	\$15.00	N/A	
Large Solar (CRDG)	1,000-5,000 (2,000)	\$30.00*	N/A	
Small Wind	1-999 (100)	\$30.00	N/A	
Large Wind	1,000-5,000 (3,000)	\$26.50	N/A	
Large Wind (CRDG)	1,000-5,000 (3,000)	\$41.50*	N/A	
Hydroelectric	1-5,000 (500)	\$2.00	\$0.02	
Anaerobic Digestion	1-5,000 (750)	\$600.00	\$0.02	

**Reflects O&M cost of non-CRDG project from same category, plus estimated cost of customer care and replacement.*

These assumptions reflect a mixture of developer survey responses quoting values specific to potential Rhode Island projects, as well as those in other states in the New England region (particularly Massachusetts). Other financial and operating parameters included in the recommended ceiling prices approved by the DG Board can be found on pages 18-22 of Sustainable Energy Advantage, LLC’s October 23, 2017 presentation to the DG Board.

Date: January 19, 2018

Prepared by or under the supervision of: Christopher Kearns, Office of Energy Resources

CERTIFICATE OF SERVICE

I certify that the original and ten copies of this Records Request Response were sent to the Public Utilities Commission, by regular U.S. mail. In addition, PDF copies of the Records Request Response were served electronically on the entire service list of this Docket. I certify that all of the foregoing was done on January 19, 2018.

A handwritten signature in black ink, appearing to be "C. J. M.", written above a horizontal line.