



State of Rhode Island
Division of Public
Utilities & Carriers

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May 31, 2019

To: Luly Massaro
Commission Clerk

From: John Bell
Chief Accountant

Subject: Docket 4935, National Grid's 2020 Standard Offer Service Procurement Plan
and 2020 Renewable Energy Standard Procurement Plan

On March 1, 2019 National Grid ("NGrid", or "Company") filed its 2020 Standard Offer Service Procurement Plan and under separate cover filed its Renewable Energy Standard Procurement Plan for 2020. In both filings, the Company proposes to continue the 2019 Plans without any changes.

Standard Offer Procurement Plan

As explained in the filing, the Company's currently approved Standard Offer Procurement Plan for 2019 uses a laddered and layered repeating procurement schedule for Residential and Commercial Groups. In addition it procures 10% of supply on the spot market. The Company's procurement approach results in a dollar-cost averaged blended rate which helps to protect customers from extreme volatility. The Company proposes to continue using this method to procure standard offer service without any changes for 2020.

Renewable Energy Standard Procurement Plan

The Company's proposed 2020 Plan doesn't include any changes to the currently approved plan and further states the following in its filing:

In Docket No. 4809, the PUC approved the Company's 2019 RES Procurement Plan, the standard RES Certificate Purchase Agreement (CPA), the standard RES request for proposal (RFP) Notice template, and the standard RES RFP Summary template. The Company is not changing these documents in this 2020

RES Procurement Plan filing, and will continue to use previously approved CPA, RES RFP Notice, and RES RFP Summary.

For the 2020 RES Procurement Plan, the Company proposes to use New Renewable Energy Certificates (RECs) obtained through Long-Term Renewable Contracts and the RE Growth Program to fulfill the Company's RES obligations in 2020 in accordance with R.I. Gen. Laws SS 39-26.1-5(d) and 39-26.6-21(3). Once the New RECs exceed the RES obligation and the banking allowance, the Company will sell the excess RECs in the market to monetize the RECs' value for customers.

The Company's filing also includes a 4-page detailed write-up of the plan.

Recommendation

The Division reviewed both filings and is in agreement with the Company's explanation for continuing the 2019 plans without changes and recommends the Commission approve the proposals as filed for 2020.