



HEARTWOOD GROUP, INC.

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2/24/2020

Lucy Massaro
Commission Clerk
RI Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: Docket 4981Public Comment

Ms. Massaro and Commissioners,

I am writing to support the position of the Episcopal Diocese of Rhode Island in Docket 4981. I will make suggestions in a few different areas related to this proceeding. I apologize for submitting this a bit late in the proceeding and hope the commission can consider it as public comment.

1) Matters of basic fairness and common sense:

It is unfair to change the requirements of a study or any other regulated process once that process is underway. Not being able to anticipate critical costs and timelines for project development undermines the market for distributed generation.

National Grid's distribution company, their transmission company, other transmission companies and ISO New England all dedicate very significant levels of investment to system planning and charge the ratepayers for that planning. With all that planning, they should be able to look at existing public policies, look at their existing equipment and systems, and look at trends in the distributed energy markets, and then anticipate the needs of their systems more than a few months in advance. The need for transmission studies, PSCAD models and other new processes that have been recently required by National Grid in New England should never be surprises that are sprung on the projects after interconnection studies are well under way.

With current already far too long and expensive timelines and processes for interconnection studies in place, the Commission should implement a rule that once a complete interconnection application is filed, National Grid cannot add extra requirements to the study process or extensions to the study timeline that were not in place at the time of application.

If National Grid cannot plan ahead adequately to know a few months in advance what kind of information they would need to study system impacts of proposed projects, then the Commission should consider having another independent entity do system planning for the distribution system.

2) Clarifying state vs federal jurisdiction:

It seems questionable for the local distribution company to require studies of the federally regulated transmission system in order to connect distributed generation projects at the in-state distribution system level, especially for projects that are not participating directly in wholesale energy, capacity and related ISO level markets. To a lay person at least, it also seems fraught with potential legal complications to have the state utility commission ruling on matters that would seem to be under federal FERC jurisdiction.

3) Modernizing our thinking about cost allocation in the interconnection process after Docket 4600.

Rhode Island took a critical step in Docket 4600 in recognizing the need to consider benefits as well as costs when establishing all utility related policy. Recognizing the substantial inherent benefits of clean energy, Governor Raimondo recently took things one step further in establishing the state's commitment to achieving 100% clean electricity by 2030.

In implementing interconnection policies, benefits from proposed projects still do not get considered or studied at all. Only costs are recognized and analyzed. Then all system upgrade costs are all passed on to a connecting project. Thereafter all ratepayers benefit from the upgrades to the system paid for by the project developer. Environmental, economic, power quality, reliability, wholesale rate mitigation, avoided alternative system upgrade costs and other system benefits from distributed generation are enjoyed by all ratepayers, without providing reimbursement to developers for the interconnection costs required to deliver those benefits. This is unfair and violates the basic principles agreed to by all parties in Docket 4600. Such unreasonable cost allocation, along with the long delays in the study process will make it impossible to reach the Governor's goal or to establish a real and healthy market for distributed generation.

While perhaps outside the specific scope of this docket, it is important for the Commission to begin contemplating different cost allocation mechanisms that fully recognize the benefits provided by distributed generation and start allocating interconnection costs to all the ratepayers that enjoy those benefits from distributed generation.

Thank you for considering these thoughts

A handwritten signature in blue ink, appearing to read 'Fred Unger', is written over a light blue grid background.

Fred Unger