

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

In Re:

EXETER RENEWABLES 1 LLC

DOCKET NO.

**PETITION FOR DISPUTE RESOLUTION**

Exeter Renewables 1 LLC (“Exeter”), submits the following petition to convene the Dispute Resolution Process pursuant to Section 9 of the Narragansett Electric Company Standards for Connecting Distributed Generation, RIPUC No. 2180 (the “Interconnection Tariff”).

**I. INTRODUCTION**

This Petition arises out of a dispute between Exeter and the Narragansett Electric Company d/b/a National Grid (“Narragansett” or the “Company”) over the enforceability of the parties’ fully executed, Commission-approved interconnection services agreement (the “Modified ISA”) for Exeter’s 10MW AC solar energy net metering project located in Exeter, R.I. (the “Project”). Specifically, years into the Project, Narragansett is belatedly attempting to amend the parties’ Modified ISA to impose a new charge totaling approximately \$5.8 million over thirty-five (35) years. The basis for this \$5.8 million upcharge is Narragansett’s decision, made nine (9) months after entering into its contract with Exeter, to move certain Narragansett-owned System Modifications spelled out in the interconnection agreement onto the books of

Narragansett's affiliate, New England Power ("NEP").<sup>1</sup> Narragansett claims that this paper transfer of Narragansett's assets triggers additional pass-through costs from NEP to Narragansett pursuant to NEP's tariff which Narragansett is now seeking to pass to the Project. Costs that would be avoided by Narragansett simply retaining ownership of the System Modifications as Narragansett represented it would in its signed Modified ISA with Exeter.

Importantly, the parties' Modified ISA was itself the negotiated business resolution of a *previous* dispute proceeding over Narragansett's failure to comply with interconnection deadlines mandated by Rhode Island law. *See* Rhode Island Public Utilities Commission Docket No. 4956. Narragansett agreed to resolve *that* dispute with Exeter by entering into a modified version of the standard interconnection services agreement, Schedule H of the Interconnection Tariff. At Narragansett's insistence, this Commission reviewed the parties' bargained-for Modified ISA and *approved* it as consistent with the Interconnection Tariff. Narragansett's subsequent material changes to the approved, signed Modified ISA were never discussed and were only presented to Exeter as a fait accompli in a revised agreement. Having already executed the Modified ISA and being subject to its terms, EDP did not execute the revised agreement that sought to materially change the terms of the parties' business deal. Narragansett's effort to unilaterally rewrite the Modified ISA that resolved the last dispute, for which Narragansett sought and obtained the Commission's approval, makes a mockery of the

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<sup>1</sup> NEP's business is the transmission of electricity in wholesale quantities to other electric utilities. It is a wholly owned subsidiary of National Grid USA, a utility holding company with regulated subsidiaries engaged in the generation, transmission, distribution and sale of both natural gas and electricity in New England and New York State. National Grid USA is an indirect wholly owned subsidiary of National Grid plc, a public limited company incorporated under the laws of England and Wales. *See* NEP Annual Return to Massachusetts Department of Public Utilities for Year Ended December 31, 2018, at page 123 (which can be located at <https://www.mass.gov/files/documents/2019/05/01/New%20England%20Power%20Company%202018.pdf>).

Commission's dispute resolution process and of Exeter's reasonable expectation that Narragansett would abide by its contracts and the prior Commission approved resolution of the prior dispute.

Narragansett's new \$5.8 million charge for Exeter's Project is being levied based on the alleged engineering, procurement and construction ("EPC") costs for the assets that Narragansett now seeks to transfer free of charge to NEP. Exeter, as the Project owner, is already responsible for these actual EPC costs (and, in fact, has already paid Narragansett 65% of the total due for the whole Project under the Modified ISA). Despite imposing these project related charges on Exeter, Narragansett refuses to share any design and pricing information with Exeter to support either the alleged EPC costs for the Project or the new \$5.8 million charge. Instead, Narragansett has presented its price quotes on a take it or leave it basis. In light of the magnitude of the latest \$5.8 million attempted cost increase, it is apparent that interconnection cost control is more critical now than ever to the viability of the Project. The Commission must require Narragansett's full transparency to allow both Exeter and the Commission to analyze the details of the Project's interconnection costs to meaningfully assess (a) whether Narragansett's alleged EPC costs are reasonable or inflated, (b) whether the alleged new pass-through costs are supportable or discriminatory, and (c) whether Exeter is being improperly charged to over-build interconnection capacity for 58MW AC of unrelated future solar projects (the "Third Party Projects") that have faced permitting delays and associated litigation.<sup>2</sup> Exeter has requested this information from Narragansett on multiple occasions, but Narragansett refuses to provide it.

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<sup>2</sup> See *Green Development v. Town of Exeter Zoning Board of Review*, WC-2018-0519 (R.I. Super.); *Green Development v. Town of Exeter*, WC-2018-0636 (R.I. Super.); *Green Development v. Town of Exeter*, WC-2020-0119 (R.I. Super.).

Exeter's Project is fully designed and permitted. The Western RI Affected System Operator ("ASO") Study concluded in early 2020 that the Project **would not require ASO upgrades**. The NEPOOL Reliability Committee and ISO-NE determined, pursuant to Section I.3.9 of the ISO-NE Tariff, that the Project will have **no significant adverse impact** on the reliability or operability of the New England transmission system. Exeter has already paid millions of dollars for permitting, studies, engineering, and interconnection progress payments under the Modified ISA. Transparent, rational EPC costs and contractual predictability are critical for the State of Rhode Island to successfully attract the investment necessary to achieve Governor Raimondo's renewable energy goals for 2030 and beyond.<sup>3</sup> Exeter respectfully requests that the Commission enforce the Modified ISA, precluding Narragansett from imposing self-inflicted pass-through charges from NEP. Exeter further requests that Narragansett be required to provide detailed information relating to the design, cost, specifications and construction of the Project interconnection. Transparent disclosure is required to determine if the Company's charges are no greater than what is "*specifically necessary for and directly related to the interconnection*" as required by R.I. Gen. Laws § 39-26.3-4.1(a). Narragansett's actions are contrary to the goals of this statutory mandate, which was intended to foster a predictable, business-friendly platform for the growth of distributed generation in Rhode Island.

## **II. JURISDICTION**

The Commission has jurisdiction over this matter pursuant to Section 9 of the Interconnection Tariff, Dispute Resolution Process. Step 9.1 of that process, Good Faith Negotiation, has been completed and did not resolve the dispute.

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<sup>3</sup> See Governor's Executive Order 20-01, January 17, 2020, entitled Advancing A 100% Renewable Energy Future for Rhode Island by 2030, which can be located at <https://www.ri.gov/press/view/37527>.

### **III. CONCISE STATEMENT OF THE FACTS**

1. The Exeter Project is a fully designed and permitted 10MW AC photovoltaic solar generating facility to be located on Ten Rod Road in Exeter, Rhode Island. The Project is one of fourteen (14) separate photovoltaic solar facilities with an aggregate capacity of 108 MW that Narragansett is proposing will share in the construction, cost and use of a common express double circuit 34.5kV distribution feeder and a new 115kV/34.5kV distribution substation referred to as the Wickford Junction substation.

2. In addition to the Exeter Project, the projects that Narragansett is planning to interconnect through the new substation are four 10MW AC solar projects in North Kingstown (“Dry Bridge Solar I – IV”) which are also fully permitted and have begun construction. The remaining Third Party Projects (totaling 58MW AC) are delayed and the subject of ongoing permitting litigation between the developer and the affected town. *See Footnote #2.*

3. Until November 2019, both the Exeter Project and the four (4) Dry Bridge projects were owned and controlled by Energy Development Partners (“EDP”). In November 2019, EDP transferred ownership of the four (4) Dry Bridge projects to an investment fund managed by Goldman Sachs Asset Management, L.P.

4. EDP on behalf of Exeter submitted an interconnection application for the Project on September 11, 2017.

5. On August 20, 2018, Narragansett requested that EDP agree to a detailed transmission study of the Exeter/Dry Bridge projects together with the additional 58MW of the Third Party Projects. The Company also requested EDP to agree that other planning for common system modifications serving the Third Party Projects be conducted simultaneously with the Exeter/Dry Bridge planning. The Company represented that this approach would expedite the

interconnection process. EDP reluctantly agreed to Narragansett's request, while also stating the Third-Party Projects must not delay EDP's projects.

6. On September 12, 2018, Narragansett issued cost estimates for a detailed transmission study and a detailed engineering study of the Project and the four (4) Dry Bridge projects.

7. On October 17, 2018, EDP met with the Company to discuss EDP's concerns about being linked to the Third-Party Projects. This was of great concern to EDP because the Third-Party Projects did not have local approvals and did not have a SIS. The Company insisted that moving the Project and the Third-Party Projects forward together would expedite the issuance of Exeter's ISA.

8. On October 31, 2018, the Company issued a Detailed Transmission Study Agreement and a Preliminary Substation Work Agreement for the Exeter and Dry Bridge projects. EDP signed and returned the agreements on November 1, 2018. The study costs have been paid in full.

9. On December 4, 2018, Narragansett for the first time disclosed to EDP a potential delay of the Project resulting from FERC-jurisdictional offshore wind projects. The Company represented it would nevertheless perform a transmission study, using assumptions for the other projects, and that the transmission study would take approximately two (2) months, with the ISA to follow shortly thereafter.

10. On January 17, 2019, Narragansett informed EDP that it would not meet the agreed time frame for the transmission study or the ISA.

11. On March 21, 2019, EDP formally initiated dispute resolution under Section 9 of the Tariff. *See* RIPUC Docket No. 4956. The dispute at issue was Narragansett's

failure to issue interconnection service agreements for the Exeter and Dry Bridge projects within the timelines mandated by R.I.G.L. § 39-26.3-4.1(d) (effective June 30, 2017). The Company's position was that it was unable to issue interconnection service agreements because the pending transmission studies might identify additional modifications to Narragansett's Electric Power System (the "EPS") and/or modifications to an ASO electric power system that would be required by the ASO to complete the interconnection. Exhibit A (National Grid Request for Staff Dispute Resolution Assistance, dated July 17, 2019).

12. As a result of the Dispute Resolution Process, EDP and Narragansett subsequently agreed to the terms of a "*modified ISA suitable for execution pending completion of any Affected System operators' studies.*" Exhibit A at 2. In essence, the Modified ISA protected Narragansett against the possibility that pending ASO studies would identify the need for additional system modifications, above and beyond the modifications already identified by the Company in the SIS, to complete the Exeter/Dry Bridge interconnection. The Modified ISA clarified that the costs of such unforeseen system modifications identified as a result of an ASO study would be the responsibility of the interconnecting customer notwithstanding the ten percent (10%) cap on cost increases specified in the standard ISA. *See* R.I.P.U.C. No. 2180, Schedule H, Section 5.1 ("*The Company will, in writing, advise the Interconnecting Customer in advance of any expected cost increase for the work to be performed up to a total amount of increase of 10% only.*"). However, the mandatory ten percent (10%) cost cap would continue to apply to the system modification costs "*detailed in the Impact Study, Detailed Study as necessary and/or ISRDG completed as of the date that this Agreement is issued in executable form.*" *See* Modified ISA, Sections 5.0 and 5.1.

13. Exeter gave up substantial rights when it entered into the Modified ISA in settlement of the parties' dispute over Narragansett's interconnection delays. It agreed to release its delay claims against the Company, and to modify the standard limitation of liability clause. *Compare* R.I.P.U.C. No. 2180, Schedule H, Section 13, *with* Modified ISA Section 13. Exeter also accepted the System Modification costs that were presented to Exeter by Narragansett on a take it or leave it basis, without any supporting documentation or detail to show that Narragansett's engineering, procurement and construction costs were reasonable and not inflated.

14. EDP and Narragansett requested Commission staff assistance in resolving their dispute and presented the Modified ISA to the Commission staff for review. Narragansett's counsel explained:

While the Company and EDP have *agreed to the terms of the modified ISA*, the Company's position is that Commission approval of the ISA is required before it may be *binding on the parties*.

Exhibit A, July 17, 2019 letter (emphasis added).

15. After reviewing the Modified ISA and meeting with the parties, Commission staff prepared a detailed report of the dispute and the proposed resolution for the Commission (the "Staff Report"). Exhibit B. The Staff Report stated:

EDP and National Grid had agreed on a modified ISA that would allow EDP's project to move forward in the construction phase while awaiting the final details and final cost estimates of any *additional* required system modifications to Affected Systems or to the distribution system.

Staff Report at 2 (emphasis added) (footnote omitted). The Staff Report further elaborated that:

[N]either the Tariff nor the form ISA address *additional* distribution system modifications that may become necessary as a result of Affected System studies not completed at the time of executing an ISA, and the form ISA lacks specificity regarding the collection of costs for Affected System studies or system modifications unknown at the time of executing the ISA.



*Id.* at 5 (emphasis added). The Staff Report concluded that the Modified ISA:

[A]ppears to preserve the 10% cap on ***currently known costs included in Attachment 3*** prior to any amendments but lifts the cap on currently unknown System Modification costs that ***arise from the results of Affected System Operator studies***. This ***appropriately balances the interest*** of the Interconnecting Customer in cost controls over currently known System Modifications while protecting National Grid and its ratepayers from increased costs that arise in the future ***due to other entities' studies***.

*Id.* at 6 (emphasis added) (footnote omitted). In addition, the Staff Report noted that “[i]t will be important for National Grid to provide clear post-construction itemized costs in the Final Accounting to account for the 10% cap on current cost estimates.” *Id.* at 6, n. 18.

16. On August 16, 2019, Narragansett issued an initial System Impact Study (“SIS”) for the Project. The SIS concluded that Exeter’s Project is feasible with certain modifications to the existing Company system and operating conditions, which were described in the SIS. Critical to the levying of a pass-through charge, the SIS did ***not*** identify any system modifications that would be owned by NEP or any other affected system operator.

17. On October 18, 2019, a public hearing was held in PUC Docket No. 4956 at which the Commission acknowledged receipt of the Staff Report and the Modified ISA. Exhibit C, Hearing Tr. at 5. The Chairperson expressed the view that Exeter and the Company should be allowed to move forward with their “business decisions.” *Id.* at 4. The Commissioners found that “*the agreed resolution is not inconsistent with the standards for connecting distributed generation*” and voted to close Docket No. 4965. *Id.* at 6-7.

18. Exeter and Narragansett signed the Modified ISA on November 25, 2019. The Modified ISA identified all of the System Modifications that would be required for the interconnection, and their projected costs.

19. The System Modification costs set forth in the agreed-to and Commission-approved Modified ISA included “*capital, removal, and O&M costs.*”

20. “O&M” is defined in the Interconnection Tariff as “*the Company’s operations and maintenance carrying charges on the incremental costs associated with serving the Interconnecting Customer.*” R.I.P.U.C. No. 2180, Sheet 30, Table 2 – Fee Schedules, Note 6.

21. After executing the Modified ISA in November 2019, the Project’s potential impact on the transmission system was studied as part of a group study of several planned distributed generation facilities in western Rhode Island (the “Western RI Area ASO Study”). ISO-NE determined that the Project “*will not have a significant adverse effect upon the reliability or operating characteristics of the Transmission Owner’s transmission facilities, the transmission facilities of another Transmission Owner, or the system of a Market Participant.*” Exhibit D, Letter from Al McBride of ISO-NE to Neil Stacom of New England Power, dated June 2, 2020. No further system modifications, beyond those already spelled out in the Modified ISA, were identified as being needed for Exeter’s interconnection.

22. On June 12, 2020, Narragansett issued a report titled “Summary of Western RI Area ASO Study Results.” Exhibit E. The report reiterated and confirmed that the Project would have ***no adverse impacts*** on the reliability, stability, or operating characteristics of New England Power’s transmission facilities.

23. On July 15, 2020, Narragansett issued the final Distribution System Impact Study (the “DSIS”) for the Project. The DSIS did ***not*** identify any ASO Upgrades and Narragansett was identified as the owner of all System Modifications.

24. On August 12, 2020, Narragansett unilaterally issued a purported “*Final*” interconnection services agreement for the Project. The “*Final*” agreement included the exact same list of equipment modifications for the interconnection that were identified nine (9) months earlier in the Modified ISA as Narragansett-owned System Modifications. However, the proposed “*Final*” agreement varied from the Modified ISA by identifying over \$3.6 million in modifications as “*ASO Upgrades*” that would now be owned by NEP, not by Narragansett. See “*Final*” ISA, Attachment 3(b).

25. According to Narragansett’s 2019 FERC Form 1, Narragansett at that time owned over \$900 million of **transmission assets** in its own name.

26. In addition, the proposed “*Final*” interconnection agreement tacked on a new interconnection charge, which over the next thirty-five (35) years will add up to approximately \$5.8 million dollars. The imposition of this new interconnection charge was allegedly triggered by Narragansett’s unilateral paper transfer of the Narragansett-owned System Modifications to NEP. Narragansett argues that because NEP will now own the modifications, NEP can charge Narragansett the additional \$5.8 million interconnection charge as a Direct Assignment Facility (“DAF”) charge.

27. Narragansett’s unilateral “*Final*” interconnection agreement also deleted Section 5(b) of the Modified ISA, which provided that Exeter would pay for ASO study costs. Section 5(b) preceded Section 5(c) of the Modified ISA which unambiguously provided that Exeter would only be responsible for ASO costs “*resulting*” from such an ASO study. By intentionally deleting Section 5(b) of the Modified ISA from the proposed “*Final*” agreement, Narragansett knowingly attempted to materially alter the meaning of Section 5 to eliminate the limitation that Exeter would only be responsible for additional modification costs “*resulting*”

from the ASO study, not for new charges allegedly resulting from the Company's gratuitous intercompany transfer of previously known and identified System Modifications to NEP.

28. Narragansett at no time prior to August 2020 disclosed to Exeter that NEP would own any of the equipment needed for Exeter's interconnection or that there would be a pass-through charge from NEP for the interconnection. In the Modified ISA and all other documents prior to August 2020, Narragansett was identified as the owner of all of the System Modifications.

29. Pursuant to the dispute resolution clause of the November 2019 Modified ISA, Exeter notified Narragansett on September 2, 2020 that the material contract revisions contained in the proposed "Final" interconnection service agreement are unlawful and unacceptable and requested that the Company provide information relating to the alleged "ASO Upgrades" and Project interconnection costs. Exhibit F. Subsequent dispute resolution discussions between the parties pursuant to Section 9 of the Interconnection Tariff have failed to produce a resolution and Narragansett has refused to provide the requested back up information.

30. On October 8, 2020, the Company issued Invoice Number 500094459 to Exeter for "40% summary construction quote for quotes 500094457 and 500094458 for work performed at 89 Ten Rod Road, Exeter, RI 02882," in the amount of Two Million, One-Hundred Sixty Five Thousand, Two Hundred Twenty Six Dollars (\$2,165,226.00). Exhibit G.

31. On October 19, 2020, Exeter again requested that Narragansett provide information and documentation supporting the alleged "ASO Upgrades" and Project interconnection costs. The Company previously agreed to provide the EPC Bid Package and final EPC contract, but after EDP entered into a non-disclosure agreement at Narragansett's

request as a condition to receiving the information, the Company refused to provide Exeter with the final EPC contract awarded to the vendor. Exhibit H.

32. On or about October 22, 2020, Narragansett notified Exeter, via email, that because Exeter's interconnection application may result in future costs charged to the Company (related to the system upgrades that Narragansett transferred to NEP), Exeter will be "assessed on a monthly basis for carrying charges for ASO upgrades including O&M, property taxes, and other carrying costs associated with transmission upgrades," referencing New England Power, DAF and Schedule 21. Exhibit I. At no time prior to October 22, 2020 (other than to the extent referenced in the "Final" interconnection agreement issued August 12, 2020) had the Company ever mentioned to Exeter anything about these charges.

33. On October 30, 2020, Exeter made payment to Narragansett on Invoice Number 500094459, in the amount of Two Million, One-Hundred Sixty-Five Thousand, Two Hundred Twenty-Six Dollars (\$2,165,226.00) pursuant to the terms and conditions of the Modified ISA. Exeter has now paid Narragansett 65% of the System Modification Costs under the Modified ISA.

#### **IV. SUMMARY OF DISPUTED ISSUES**

##### **A. The Company's Proposed Amendments To The Modified ISA Violate The Unambiguous Terms Of A Binding And Enforceable Contract.**

The Modified ISA provides that "[n]o amendment or modification of this Agreement shall be binding unless in writing and duly executed by both Parties." See Modified ISA Sec. 14. The Company's attempt to unilaterally and arbitrarily amend the Modified ISA so that Company-owned System Modifications are instead designated as NEP-owned "ASO Upgrades" is a breach of the parties' fully executed contract, which was presented to and approved by the Commission. None of the alleged "ASO Upgrades" in Narragansett's proposed

“Final” ISA are new or different in any respect from the Company-owned System Modifications identified in the Modified ISA. None of Narragansett’s alleged “ASO Upgrades” were identified or required by an ASO study. Under the parties’ agreement, only unexpected system modification costs “resulting” from an ASO study that was incomplete when the Modified ISA was entered into can be added to the costs identified in the Modified ISA. See Modified ISA Section 5(c). All other cost increases remain subject to the ten percent (10%) cap that applies under the Interconnection Tariff. *Id.* Narragansett cannot unilaterally generate and arbitrarily impose alleged new pass-through charges to Exeter, from its affiliate, NEP, by allegedly transferring ownership to NEP months after inducing Exeter to resolve the prior dispute and release its delay claims in reliance on the Modified ISA. Exeter would never have resolved the prior dispute and agreed to release Narragansett if it knew that Narragansett would unilaterally ignore and materially change the Commission-approved terms and conditions of the Modified ISA and impose millions of dollars in additional charges.

The Company now wants to avoid the consequences of its “business decisions” embodied in the Modified ISA, through a paper transfer of ownership of System Modifications set forth in the Modified ISA to the Company’s affiliate, NEP. The Company’s stated rationale is that the Commission’s recent decision in the *Episcopal Diocese* matter, Docket No. 4981, allows it to escape from its binding “business decisions” and further increase its parent company’s already outsized returns of nearly 12% on its Rhode Island electric operations by unilaterally imposing DAF charges.

After more than three (3) years of work and large investments by Exeter in the Project, the Company’s bait and switch on System Modification Costs spelled out in a binding, Commission-approved, Modified ISA is unlawful and should be summarily rejected. DAF

charges are an outdated regulatory quirk, unique to the ISO-New England region, that cannot lawfully be charged to the Project.

Narragansett's reliance on the *Episcopal Diocese* decision as an opportunity to create a vast new income stream for its affiliate and parent is misplaced. Cost-causation principles do not justify reclassifying the ownership of interconnection equipment so as to trigger DAF charges merely because a developer/customer, not the Company, can potentially be assigned those charges under the reasoning of the *Episcopal Diocese* decision. There is no requirement for NEP to own the System Modifications needed to interconnect the Project and, therefore, the reasoning of *Episcopal Diocese* is not at issue here. The costs Exeter agreed to in the Modified ISA expressly included "capital, removal and O&M costs." Differential ownership treatment of interconnection assets based on the identity of the customer, in an effort to collect not only O&M but also DAF charges which effectively double the cost of the affected upgrades, is discriminatory. Certainly, Narragansett would not be gratuitously transferring ownership of millions of dollars of system upgrades to an out of state company to the detriment of its own Rhode Island based customers if the assignee (NEP) was not an affiliate and under common ownership of Narragansett's parent, National Grid USA. This is no more than a money grab to financially benefit Narragansett's affiliate, NEP and their parent, National Grid, USA.

Section 2.0 of the Interconnection Tariff expressly provides that "[u]nless otherwise specified, the Company will build **and own**, as part of the Company EPS, **all** facilities necessary to interconnect the Company EPS with the [Project] up to and including terminations at the PCC." (Emphasis added). Section 1.2 of the Interconnection Tariff defines "Company EPS" as the "electric power system owned, controlled or operated by the Company used to provide distribution service to its Customers." The System Modifications identified in the

Modified ISA are being “*used to provide distribution service*” to Exeter, and no provision of the Interconnection Tariff or any other applicable tariff provision specifies otherwise. This is made clear by the fact that Narragansett reports owning hundreds of millions of dollars of such infrastructure throughout Rhode Island. Therefore, as a matter of law under the Interconnection Tariff, all of the System Modifications are Company EPS that is not subject to DAF charges.

**B. The Company Refuses To Provide Information Relating To The Alleged “ASO Upgrades” And Project Interconnection Costs.**

State law requires the Company’s interconnection charges to be no greater than what is “*specifically necessary for and directly related to the interconnection.*” R.I. Gen. Laws §39-26.3-4.1(a). Although the Modified ISA is a binding agreement that precludes Narragansett from levying alleged pass-through charges from NEP, in response to the Company’s proposed “*Final*” ISA, Exeter requested supporting documentation of the Company’s justification for its reclassification of certain System Modifications as “*ASO Upgrades.*” Exeter further requested a detailed breakdown of the final contracted costs associated with each “*ASO Upgrade*” and “*System Modification*” under the “*Final*” ISA. The requested information is necessary for Exeter to determine whether the alleged “*ASO Upgrade*” costs were correctly calculated by the Company. The requested information is also necessary to confirm the extent to which Narragansett’s “*Final*” ISA is seeking to charge Exeter for unjustified, unreasonable and discriminatory system modification costs (including but not limited to new pass-through charges from NEP) not specifically necessary for its own interconnection, but instead relating to the 58MW Third Party Projects delayed by significant permitting denials and associated litigation. *See* Footnote #2. There is simply no excuse for Narragansett’s refusal to provide even basic responsive information. It should be directed to provide the information that was first requested by Exeter in its September 2, 2020 letter to Narragansett without further delay. *See Exhibit F.*



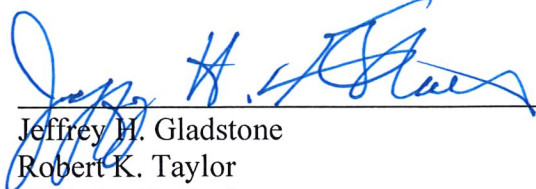
The Company refuses to provide information about its procurement of the transformers and other equipment needed for Exeter’s interconnection, including the names of the suppliers, actual costs, and other purchase terms. Transparency regarding the equipment procurement process is critical to determining whether the System Modification costs – now allegedly including the additional \$5.8 million of pass-through charges from NEP based on the so-called “*ASO Upgrades*” – are reasonable, as required by Section 5.3 of the Interconnection Tariff (“*[t]he Interconnecting Customer shall also be responsible for all costs **reasonably** incurred by Company attributable to the proposed interconnection project in designing, constructing, operating and maintaining the System Modifications*”) (emphasis added). Full transparency regarding the Company’s procurement process is essential, especially when select interconnection equipment purchased by the Company is sought to be arbitrarily transferred, by the Company, onto NEP’s books in order to trigger unreasonable and discriminatory pass-through charges by NEP to Exeter. The well-documented rapid rise in interconnection costs charged by Narragansett for distributed generation projects further supports requiring that the Company be forthcoming about its procurement process and provide the requested information to Exeter. Narragansett must not be permitted to avoid oversight of its design, procurement and construction practices, especially when they are spending third parties’ money.

Interconnection cost control and transparency is essential for the State of Rhode Island to meet its renewable energy goals for 2030 and beyond. The Commission must assist Exeter’s Project and future distributed generation projects by resolving this dispute in a way that requires predictability and transparency in the cost, design, procurement and construction process of these projects.

EXETER SOLAR 1 LLC

By Its Attorneys,

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DATED: November 18, 2020

**CERTIFICATE OF SERVICE**

I hereby certify that on this 18<sup>th</sup> day of November, 2020 I mailed this document to the attorney for the opposing party and/or the opposing party, if self-represented, as follows:

Mr. John Kennedy  
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