



PO Box 383
Madison, CT 06443
Voice: 646-734-8768
Email: fpullaro@renew-ne.org
Web: renew-ne.org

January 18, 2022

By e-mail to Luly.Massaro@puc.ri.gov

Linda George, Administrator
Rhode Island Division of Public Utilities and Carriers
89 Jefferson Blvd.
Warwick, RI, 02888

Subject: Docket No. D-21-09; Petition of PPL Corporation, PPL Rhode Island Holdings, LLC, National Grid USA, and The Narragansett Electric Company for Authority to Transfer Ownership of The Narragansett Electric Company to PPL Rhode Island Holdings, LLC and Related Approvals

Administrator George:

RENEW Northeast, Inc. (“RENEW”)¹ submits these comments in response to the Division of Public Utilities and Carriers’ (the “Division”) December 29, 2021, Notice of Public Comment that informs the public of the opportunity to submit public written comments concerning the petition seeking approval for the transfer of ownership of The Narragansett Electric Company (“Narragansett”) from National Grid USA (“National Grid”) to PPL Rhode Island Holding, LLC (“PPL”) pursuant to R.I. General Laws §§ 39-3-24 and 39-3-2.

RENEW is a non-profit association uniting environmental advocates and the renewable energy industry whose mission involves coordinating the ideas and resources of its members with the goal of increasing environmentally sustainable energy generation in the Northeast from the region’s abundant, indigenous renewable resources. RENEW members own and/or are developing large-scale renewable energy projects, energy storage resources and high-voltage transmission facilities across the Northeast. They are supported by members providing construction services in the development of these projects and members that supply them with multi-megawatt class wind turbines.

Renewable energy procurements are the most cost-effective way for Rhode Island to meet its legally mandated renewable energy requirements established by the Renewable Energy Standard (“RES”).² In 2014, the General Assembly through its adoption of the Affordable Clean Energy Security Act (“ACESA”) provided the public utility company with broad authority to procure large-scale clean energy resources in Rhode Island and from across the region. An

¹ These comments represent the views of RENEW and not necessarily those of any particular member of RENEW.

² See Peregrine Energy Group, Inc., New Energy Opportunities, Inc., *Study on Long-Term Contracting Under Section 83 of the Green Communities Act 29-30* (December 31, 2012) (Submitted to the Massachusetts Department of Energy Resources), <http://www.mass.gov/eea/docs/doer/pub-info/long-term-contracting-section-83-green-communitiesa-act.pdf>; and The Brattle Group, *The Importance of Long-Term Contracting for Facilitating Renewable Energy Project Development* (May, 7, 2013).

important purpose of the ACESA, as stated in R.I. Gen. Laws § 39-3-2, is that clean energy investments will “enhance economic competitiveness by reducing energy costs.” Renewable energy procurements will therefore be pivotal for cost-effective compliance with the greenhouse gas (“GHG”) emission reductions requirements under the 2021 Act on Climate (“AOC”). PPL’s lack of a track record in procuring renewable energy resources casts serious doubt over whether this sale is in the public interest. RENEW respectfully requests the Division condition the sale upon PPL committing to a planning process that details its commitment to renewable energy procurement under the ACESA.

I. The acquisition is not in the public interest if PPL does not demonstrate a plan for and commitment to renewable energy procurements to meet Rhode Island’s RES and GHG emission reductions requirements.

Under R.I. Gen. Laws § 39-3-25, the Division cannot approve utility acquisitions unless the petitioners prove that the proposed transaction is consistent with the public interest. When the Rhode Island legislature enacted the ACESA, it charged the public utility with meeting the state’s renewable energy requirements by bestowing on it the authority to procure renewable energy. RENEW is concerned the sale of Narragansett to PPL is not in the public interest as the proposal lacks any plan or commitment from PPL for using the ACESA to meet state renewable energy and environmental requirements.

In considering the public interest, RENEW recommends the Division consider the effect any utility acquisition will have on renewable energy procurements by way of its correlation to the state’s ability to meet its emission reduction mandates pursuant to the AOC. Under RI Gen. Laws § 42-6.2-9, GHG emission reductions milestones are requirements as opposed to mere targets and are legally enforceable pursuant to RI Gen. Laws § 42-6.2-10. The legal mandate is a significant factor in evaluating the public interest of the purchase. With the 2030 milestone of achieving 45 percent GHG reductions below 1990 levels now just eight years away, any transfer of ownership of a utility warrants additional scrutiny given the risk that the transfer could deeply jeopardize Rhode Island’s climate and clean energy legal requirements if the purchaser is not committed to renewable energy procurements at the scale needed to decarbonize Rhode Island.

RENEW directs the Division’s attention to the fact PPL has no experience in procuring grid-scale renewable energy like offshore wind nor has it demonstrated an aptitude for doing so, despite the pivotal role that grid-scale renewable energy procurements will play in the state’s energy reliability needs and GHG emission reductions mandates.³ While Rhode Island’s RES is a necessary requirement for increasing renewable energy resource deployment, it alone is not sufficient. Power procurement is complementary to this policy because unlike the short-term nature of transactions taken to comply with the RES, power procurements provide the certainty and investor confidence necessary to deploy renewable energy resources the most cost-effectively. PPL’s lack of both a plan and stated commitment to pursue renewable energy

³ Pre-filed Direct Testimony of Kai Salem, at 11.

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procurements suggests that it overlooked the significance and exigency that renewable energy procurement has in Rhode Island for achieving the states emission reductions mandates.

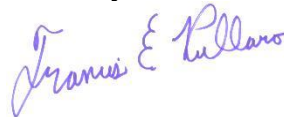
Any delays in or apathy to procuring renewable energy will jeopardize Rhode Island's goal of reaching 45 percent GHG reductions below 1990 levels by 2030. With no clear showing that PPL has the experience, plans, or commitment to procure renewable energy like offshore wind, National Grid's transfer of ownership to PPL could undermine the state's urgent environmental requirements.

II. The Division should condition its approval of the sale on the petitioners producing a plan detailing how they will comply with the ACESA and the AOC in addition to a specific commitment to engage in competitive renewable energy procurement, particularly for offshore wind.

With renewable energy procurement needed to ensure that mandatory AOC milestones are met, any successor utility must show its plan and demonstrate its commitment for compliance. Therefore, RENEW respectfully requests the Division should at the very least condition its approval of the sale upon a clear commitment from PPL demonstrating (1) that PPL recognizes the key role renewable energy procurements plays as a necessary means to meet Rhode Island's RES and GHG reductions requirements, especially for the rapidly approaching 2030 AOC milestone, and (2) a plan detailing PPL's commitment to holding periodic renewable energy power procurements to meet state decarbonization requirements. Such a plan must articulate how PPL will compensate for the lack of expertise and experience in procuring renewable energy and how it will use the authority the General Assembly entrusted in utilities to help meet the state's environmental and economic development needs.

Thank you for your consideration of RENEW's position on the petition.

Sincerely,



Francis Pullaro
Executive Director