

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held May 20, 2015**

**Attendees:** Chairperson Margaret Curran, Commissioner Herbert DeSimone, Cindy Wilson-Frias, Todd Bianco and Luly Massaro.

**Chairperson Curran called the open meeting to order at 10:12 A.M. in the first-floor hearing room of the Public Utilities Commission. A quorum was present.**

**Approval of the Minutes of Open Meeting held on May 7, 2015** – Commissioner DeSimone moved to approve the minutes and Chairperson Curran seconded the motion. The motion was unanimously passed. **Vote 2-0.**

**Competitive Telecommunications Service Providers Dockets**

The following companies submitted revisions to their existing tariffs. The Division filed a recommendation that the tariff filings are allowed to go into effect without suspension:

- 2618 - AT&T Corporation (tariff filing 5/1/15)
- 4157 – tw telecom data services llc (tariff filing 4/30/15)
- 3028 – CenturyLink Communications, LLC (tariff filing 5/5/15)
- 2262(P7) – Verizon Business Services (tariff filing 5/1/15)

After review, the Commission accepted the Division’s recommendation to allow the tariffs go into effect without suspension. **Vote 2-0.**

**4559 – American Broadband and Telecommunications Co. (Company)** – The PUC considered the Company’s April 7, 2015 Petition for Limited Designation as an Eligible Telecommunications Carrier in the State of Rhode Island for the purpose of offering Lifeline Services to qualified households. The Division filed a letter recommending approval of the petition subject to approval by the PUC of the Company’s application for authority as Class VI provider of telecommunication service. The PUC approved the Company’s Class VI application at the May 7, 2015 open meeting. After review, Commissioner DeSimone moved to approve the petition and Chairperson Curran seconded the motion. The motion was unanimously passed. **Vote 2-0.**

**4497 – Covanta Maine, LLC (Applicant)** – The PUC reviewed Applicant’s April 3, 2015 Petition for Declaratory Judgment for its Covanta Jonesboro facility as an eligible Renewable Energy Resource. The petition sought relief from filing additional information in response to the PUC Consultant’s information requests regarding the plant’s output for treatment as a new renewable energy resource. In order to determine whether the investments made to the facility have changed the ability to produce more energy, the applicant was requested to document what the historical baseline output would have been if the plant was operating in the same amount of time now. The applicant challenged that approach.

The applicant has shown that it has completed capital investments that have increased annual electricity output in excess of 10%. However, there has been no increase in the capacity of the facility. It was a 27.5MW facility both pre-capital investment and post-capital investment. Therefore, there has been no increase in the capacity of the facility, but the capacity factor has increased from a low of 61% pre-capital investment to as high as 78% post capital investment. In addition, it appears the heat rate/conversion is unchanged. Therefore, it is unclear whether the unit is really more efficient. However, the PUC has previously allowed increased efficiency to be demonstrated by a calculation of increased output under similar operating circumstances.

During its discussion, the PUC noted that the facility currently operates as a baseload unit whereas, during the historical generation baseline period, it operated as a peaking unit. The Rules and Regulations Governing the Implementation of a Renewable Energy Standard require the exclusion from the determination of incremental production post capital investment of “operational changes at such facility not directly associated with the efficiency improvements or additions of capacity.” The change from a peaking unit to baseload unit is an operational change which the applicant stated was because of the capital investments.

However, the applicant has not shown how much of the incremental production over the historical baseline is related to operational changes directly associated with the capital investment. How much more electricity is produced under the same set of operating conditions after the capital investment relative to the amount produced prior to the capital investment? This is a measure of the increased efficiency of the facility where the heat rate/conversion appears unchanged and the capacity of the facility is unchanged.

The PUC unanimously agreed that additional information is needed to determine what incremental production based on operational changes of the facility is directly associated with efficiency improvements or additions of capacity.

Chairperson Curran moved to require the applicant to provide hours of operation and megawatt hours of output during the three-year historical generation baseline. If this information is not available, the applicant shall work with the consultant to find a reasonable proxy. If that reasonable proxy cannot be agreed to, the applicant and/or consultant can inform the Clerk that there is a dispute which will then be reviewed by the PUC. Commissioner DeSimone seconded the motion and clarified that the Declaratory Judgment Petition will be held in abeyance while additional information is gathered and further review of the application is conducted. **Vote 2-0.**

The open meeting adjourned at 10:42 A.M.