

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held December 20, 2017

Attendees: Chairperson Margaret Curran, Commissioner Marion Gold, Commissioner Abigail Anthony, Cynthia Wilson-Frias, Linda George, Margaret Hogan, Alan Nault, Todd Bianco, Sharon Colby Camara and Luly Massaro.

Chairperson Curran called the Open Meeting to order at 10:05 A.M. in the first-floor hearing room of the Public Utilities Commission (PUC or Commission). A quorum was present.

Docket No. 4611 – Kent County Water Authority (KCWA) – KCWA filed on October 27, 2017, its Multi-Year Rate Plan Compliance Filing and proposed a change of rates. KCWA seeks to increase its rates to collect additional revenues of \$1,057,660, or 4.73% effective January 1, 2018. The Division of Public Utilities and Carriers (Division) submitted a memorandum summarizing its review and finding KCWA's proposed rate increase complies with the Settlement Agreement approved by the PUC in this docket. Chairperson Curran acknowledged receipt of the City of Warwick's position statement, an intervenor who is not a party to the Settlement, and noted that it was not appropriate to address the intervenor's argument. Chairperson Curran moved to approve KCWA's proposed step rate increase. Commissioner Gold seconded the motion and, after discussion, the motion was unanimously passed. **Vote 3-0.**

Docket No. 4762 – Pascoag Utility District – This docket relates to Pascoag Utility District's Annual Reconciliation Filing of its Standard Offer Service Rate, Transmission Charge, and Transition Charge submitted on November 3, 2017. There was no discussion of this docket because the PUC rendered a bench decision at the December 19, 2017 hearing.

Docket No. 4761 – Pascoag Utility District – This docket relates to Pascoag Utility District's 2018 Demand Side Management (DSM) Filing, budget and associated DSM charge submitted on November 7, 2017. There was no discussion of this docket because the PUC rendered a bench decision at the December 19, 2017 hearing.

Docket No. 4738 – Pascoag Utility District – Pascoag Utility District filed, on September 20, 2017, a tariff advice to introduce a Municipal Low Capacity Factor for facilities in its service area with low load factors and whose peak load is not coincident with Pascoag's annual or seasonal peak. The Division submitted a memorandum stating that it has no objection to the proposed tariff by Pascoag. Chairperson Curran moved to accept Pascoag Utility District's proposed Municipal Low Capacity Factor for (Burrillville) facilities. Commissioner Gold seconded the motion and, after discussion, the motion was unanimously passed. **Vote 3-0.**

Docket No. 4743 – Tesla, Inc. and Sunrun, Inc. (Petitioners) – This docket relates to the Petitioners requests for Declaratory Judgment or an Advisory Ruling on R.I. Gen. Laws § 39-26.4, the Net Metering Act. On November 30, 2017, Tesla submitted a Motion to

Reopen to allow Tesla to further explain its position on the language contained in the Notice of Open Meeting posted on November 21, 2017 regarding the prohibition on discharging from the battery storage to the electric grid. Comments to Tesla's Motion were submitted by Sunrun, Inc., The Narragansett Electric Company d/b/a National Grid, and Northeast Clean Energy Council. After discussion, Chairperson Curran moved to re-open for purposes of addressing the Motion to Re-open filed on behalf of Tesla and to strike the identified language from the order judgment that was issued by the PUC. The motion was seconded by Commissioner Gold and unanimously passed. **Vote 3-0.**

Docket No. 4604 – RI Office of Energy Resources (OER) - OER filed, on November 16, 2017, a budgetary request of up to \$68,000.00 to perform the ceiling price study for the 2019 Renewable Energy Growth program year. Chairperson Curran moved to approve the budgetary request. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Docket No. 4290 – RI Dept. of Human Service (DHS) – DHS filed, on November 2, 2017, proposed Low Income Home Energy Assistance Program (LIHEAP) Enhancement Plan Rates for 2018 for gas and electric customers. DHS requested that the LIHEAP Enhancement Charge remain at \$0.81 per each customer for the calendar year 2018. The Division filed a memorandum summarizing its review and recommended approval of the proposed LIHEAP charge. Commissioner Gold moved to approve the proposed LIHEAP Enhancement Charge of \$0.81 per month for both gas and electric customers as to not exceed \$7.5 million, in accordance with the statute. Chairperson Curran seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Docket No. 4775 – The Narragansett Electric Co. d/b/a National Grid – National Grid filed, on November 15, 2017, proposed a Long-Term Contracting for Renewable Energy Recovery Factor (Factor) of \$0.00622 per kWh, effective for the period January 1, 2018 through June 30, 2018. The Division submitted a position summarizing its review, finding National Grid's filing to be in accordance with the statutory provision and recommending approval of the Factor as submitted. After review, Commissioner Anthony moved to approve the Company's proposed Long-Term Contracting for Renewable Energy Recovery Factor as submitted. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Docket No. 4755 - National Grid – The PUC considered the Settlement Agreement, filed on November 1, 2018, executed by The Narragansett Electric Co. d/b/a National Grid, the Division, the Office of Energy Resources, the Energy Efficiency and Resources Management Council (EERMC), Acadia Center, and People's Power & Light. The Settlement Agreement requested for approval of National Grid's 2018 Energy Efficiency Program Plan (EEPP), budget, and associated Energy Efficiency Charge. After deliberation, the PUC approved the Settlement Agreement with the following issues outlined:

1. Defining less than the cost of supply in the energy efficiency statute and program - Commissioner Anthony moved to approve the methodology the parties proposed for the 2018 Energy Efficiency Program Plan and require to the EERMC to propose revisions to the Least Cost Procurement Standards that define the methodology for calculating the cost of efficiency and the cost of supply, for PUC review and

- approval. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.** Upon submission of the revised standards, the PUC may hold a technical record session to further discuss and vet the matter.
2. Budget carryover – Commissioner Anthony moved to reject the budget carryover and to direct the Company to refile its plan to update its projected year-end carryover for the projection provided in data response PUC 1-24 to reflect more recent data from any impacted schedules. Also, further noting that in meantime, National Grid will continue to collect the current system benefit charge for the interim period until the Company files revised factors in compliance with this directive. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**
 3. Performance incentives received on budget for pilots and R&D – Commissioner Anthony moved to reject the performance incentives to the pilots and R&D and require the company to refile the Company’s 2018 EEPP with a budget carve out for pilots and R&D, which will reduce the eligible spending budget for the shareholder incentive. Chairperson Curran seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Docket No. 4756 – National Grid – The PUC considered the System Reliability Procurement (SRP) Report, an agreement between The Narragansett Electric Co. d/b/a National Grid, the Division, the Office of Energy Resources, the Energy Efficiency and Resources Management Council, Acadia Center and People’s Power & Light which was filed on November 1, 2017. The parties sought approval of National Grid’s proposed budget to fund the purchase of non-wires alternative resources projects. After discussion, Commissioner Anthony moved to approve the 2018 SRP Report. Chairperson Curran seconded the motion and the motion was unanimously passed. **Vote 3-0.**

In future filings, for both the EEPP and SRP, the PUC would like to see more holistic descriptions of the programs and pilots showing funding from the docket before us and as well as other from dockets that may be relied upon to fully fund the programs. The Company should provide a narrative when submitting a specific funding request. The PUC will aim to identify a more efficient, streamlined format for the EEPP and SRP filings prior to the parties submitting the 2019 EEPP.

Docket No. 4770 - National Grid’s Application for Approval of a Change in Electric and Gas Base Distribution Rates – Chairperson Curran moved to suspend National Grid’s proposed rate schedules beyond the effective date of January 1, 2018 to allow sufficient time to conduct an investigation and hearings into the Company’s proposal. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Docket No. 4780 – National Grid’s Proposed Power Sector Transformation Vision and Implementation Plan – Chairperson Curran moved to suspend National Grid’s proposed rate schedules beyond the effective date of January 1, 2018 to allow sufficient time to conduct an investigation and hearings into the Company’s proposal. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Renewable Energy Eligibility Applications Dockets

The following Companies submitted applications for eligibility as renewable energy resources. PUC Consultant filed a memorandum recommending eligibility be granted with a conditional requirement that the Companies provide the Commission with written documentation verifying Commercial Operation and provide evidence of their Generation Unit's NEPOOL-GIS Asset Identification Number:

- **Docket No. 4758 – Oak Square Partners'** application for eligibility certification of the High Street Solar generation unit, a 0.997 MW solar facility located in Hopkinton, Rhode Island, as a New Renewable Energy Resource.
- **Docket No. 4759 - Oak Square Partners'** application for eligibility certification of the Main Street Solar generation unit, a 0.997 MW solar facility located in Richmond, Rhode Island, as a New Renewable Energy Resource.
- **Docket No. 4760 – Oak Square Partners'** application for eligibility certification of the Palmer Circle Solar generation unit, a 0.997 MW solar facility located in Hopkinton, Rhode Island, as a New Renewable Energy Resource.

After review, Chairperson Curran moved to approve the eligibility applications with the conditional requirement that each Company provide the Commission with written documentation verifying Commercial Operation and provide evidence of the Generation Unit's NEPOOL-GIS Asset Identification Number. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

The following Companies submitted applications for eligibility as renewable energy resources. PUC Consultant recommended approval of the applications as submitted in:

- **Docket No. 4767 – TerraForm Solar XVII, LLC's** application for eligibility certification of the Champlain Valley Solar Farm generation unit, a 2.16 MW solar facility located in Middlebury, Vermont, as a New Renewable Energy Resource.
- **Docket No. 4768 – Chester Power Partners, LLC's** application for eligibility certification of the Chester Solar Farm generation unit, a 2.2 MW solar facility located in Chester, Vermont, as a New Renewable Energy Resource.

After review, Chairperson Curran moved to approve the eligibility applications as submitted. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

4776 – Teleport Communication America, LLC –Teleport's December 4, 2017 Request for Waiver of NANPA's Denial of Request for 10,000 Numbers to Service a Customer, Citizens Bank, in the Centerdale Rate Center. After review, Chairperson Curran moved to approve the Company's request. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

The Open Meeting adjourned at 10:57 A.M. A web video of the Open Meeting discussion can be viewed at <http://www.ustream.tv/channel/WqQyXw296dg>.