

State of Rhode Island

Public Utilities Commission

Minutes of Open Meeting Held on April 29, 2021

An Open Meeting of the Public Utilities Commission (Commission or PUC) was held on Thursday, April 29, 2021 at 10:00 A.M. in Hearing Room A, 89 Jefferson Boulevard, Warwick, Rhode Island to discuss, deliberate, and/or vote on the following dockets.

In attendance: Chairman Ronald Gerwatowski, Commissioner Abigail Anthony, Commissioner John Revens, Cynthia Wilson-Frias, John Harrington, Todd Bianco, Rudolph Falcone, Alan Nault and Luly Massaro. Remotely: Commissioner Marion Gold.

I. Chairman Gerwatowski called the Open Meeting to order at 10:03 A.M. A quorum was present. The Chairman noted that Commissioner Gold is in attendance to participate in Docket No. 5076 and approval of Open Meeting Minutes.

II. **Docket No. 5126 – Hughes Network Services, LLC** - The Company submitted a Petition for Designation as an Eligible Telecommunications Carrier (ETC) to receive funding from the federal Rural Digital Opportunity Fund (RDOF) to offer subsidized broadband and VoIP service to eligible low-income consumers in the state of Rhode Island. After a review and discussion of the record, Chairman Gerwatowski made a motion to:

- To approve the Hughes Network’s Petition for Designation as an ETC in Rhode Island for the purpose of receiving financial support from the federal Rural Digital Opportunity Fund (RDOF).
- To approve Hughes Network’s request for a waiver of the requirement to file a five-year plan that describes the proposed investments and upgrades to its network.
- This designation applies to all areas in Rhode Island where Hughes Network is awarded RDOF funds support through the FCC Phase 1 Auction 904 process and is conditioned upon the approval by the FCC.

Commissioner Revens seconded the motion. Commissioner Anthony concurred and motion was unanimously passed. **Vote 3-0.**

III. **Docket No. 5141 – Block Island Utility District (BIUD)** – BIUD submitted proposed rate changes arising out of the twelve-month reconciliation of Company’s tariff adjustment provisions for the Standard Offer/Last Resort and Transmission Rate. The requested effective date for the new rates is May 1, 2021. Chairman Gerwatowski moved to suspend BIUD’s proposed rates beyond May 1, 2021 to conduct discovery and hearing on the Company’s proposal. Commissioner Anthony seconded the motion. Commissioner Revens supported suspension and the motion was unanimously passed. **Vote 3-0.**

IV. **Docket No. 4604 – RI Office of Energy Resources** – This docket relates to the Office of Energy Resources (OER) budgetary requests to perform program and ceiling price development for the Renewable Energy Growth Program. The Commission

discussed the record regarding OER's revised scope of services and budget request for the 2022 Renewable Energy Growth support program.

Commissioner Anthony stated that she appreciated comments received following the Technical Session conducted on April 5, 2021. She suggested modifications to the budget as a result of reviewing all the comments. She indicated that she was inclined to have as a starting point the total Core Scope – Tasks 0-7. Division witness Brennan suggested that the solar plus storage be reviewed by National Grid before including in budget. Therefore, she would propose removing that proposed funding. She would also remove Task 8, captioned headroom. This funding request was for work contingent upon the General Assembly passing new laws. To sum up, she would start with the Core Scope budget minus storage and headroom. She noted that the DG Board could petition the Commission if there is legislative change for additional budget support.

Going back to Mr. Brennan's comments, the first thing she looked at was funding for Task 1.1 which is the feasibility of incorporating single axis tracking into the ceiling prices. Mr. Brennan indicated that National Grid should do more pre-work to determine if SEA analysis is needed in the future. We would need that more prework to justify spending more money. Therefore, she recommended removing funding for task 1.1 and directing National Grid to collect this information if not already doing so.

Moving to Task 1.2, Mr. Brennan's comments made her consider that updating parameters to go into ceiling prices is the core work of the contract. Determining whether the capacity factor needs to be updated sounds like core work to this contract. It would have made more sense if the initial proposal had just made the \$65,000 bigger. It's been that amount for a long time – this year we need to do more work on the core purpose of the contract. She did not recommend any changes but would suggest further itemizing Task 0 in future budget requests. It seems to be a core part of the work necessary to update ceiling prices.

Chairman Gerwatowski stated that he appreciated efforts of SEA, but if there are things National Grid needs to do first, we shouldn't include the funding. If there are other things that happen following approval that requires additional work, the DG Board should be able to come back for additional funding. Therefore, he fully supported the motion.

Commissioner Anthony moved to approve Option B (Total Core Scope) minus \$18,547 for Task. 1.1 and if the DG Board needs more funds for Task 8, it can request for additional funds in the future. Chairman Gerwatowski seconded the motion. Commissioner Revens expressed support for the motion and the motion was unanimously passed. **Vote 3-0.**

- V. **Gas Marketer Applications** – The Commission reviewed the applications to conduct business as gas marketers submitted in the following dockets. The Division filed a memorandum finding the applications in conformance with regulations and recommended approval of the applications. After review, Chairman Gerwatowski moved to approve each of the applications as submitted by: Docket No. 2379(M4) – Energy Edge Consulting, LLC

Docket No. 2379(N4) – Edison Energy LLC
Docket No. 2379(P4) - Neighborhood Energy of New England, LLC
Docket No. 2379(O4) – Engie Power & Gas LLC
Commissioner Revens seconded the motion. Commissioner Anthony concurred and the motion was unanimously passed. **Vote 3-0.**

VI. Commissioner Revens did not participate in Docket No. 5076 and approval of the minutes. He left the Open Meeting.

VII. Minutes of Open Meetings held on February 18, 2021, February 23, 2021, March 29, 2021 and April 14, 2021 - After review, Chairman Gerwatowski moved to approved minutes as edited. Commissioner Anthony seconded the motion. Commissioner Gold concurred and the motion was unanimously passed. **Vote 3-0.**

VIII. **Docket No. 5076 – The Narragansett Electric Co. d/b/a National Grid** – This docket relates to the National Grid’s Company’s 2021-2023 Energy Efficiency and Conservation Procurement Plan (Three-Year Plan) and 2021 Annual Energy Efficiency and Conservation Procurement Program Plan (Annual Plan), referred to collectively as the Combined Plan. The Commission had deferred consideration and decision on the transfer to the Rhode Island Infrastructure Bank (RIIB, Sections 11.4 and 11.5 of the Annual Plan, approval of the savings, goals, and strategies for years 2022-2023, and the performance incentive mechanism (PIM) and its associated components for both electric and gas, including restricting National Grid from allocating \$5.5 million and \$1.7 million to the electric and gas shareholder incentive. The Commission discussed the outstanding issues, deliberated and voted as follows:

- Commissioner Anthony summarized the comments received in response to the PIMs and proposed modifications to the PIMs:
 - a. Adopt the typographical errors in Rule 2 and Rule 3 that were identified by National Grid (referenced in comments dated March 19, 2021);
 - b. Define the undefined space in quadrant 4 identified by the EERMC by applying Rule 1 in the vertical space up to the horizontal axis and Rule 3 in the horizontal space (referenced on page 4 of EERMCs comments, March 18, 2021);
 - c. Remove Step 2 on Slide 8 on Commission’s PIM proposal (referenced in Division’s comments dated March 19, 2021)
 - d. Accept the reclassification of certain low income benefits identified by National Grid in Post-Hearing Data Request 2-1 as power system benefits and adopt the numbers provided by National Grid in Revised Table 7 and Revised Table 9 in Post-Hearing Data Request 2-1 (referenced in PHDR 2-1 dated April 27, 2021); and
 - e. Adopt a service quality adjustment for market residential gas and set the design service achievement equal to the cost of that program.

Commissioner Anthony moved to adopt the Commission’s modifications to the PIM proposal with the five adjustments described above. Chairman Gerwatowski seconded the motion and the motion was unanimously passed. **Vote 3-0.**

- Commissioner Anthony moved to approve the PIM plan with the changes identified in the previous motion and voted upon. Chairman Gerwatowski seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- Commissioner Anthony moved to adopt the PIM, that was just voted on, for program years 2022-2023 and the parties may provide evidence for its continuation or for its modification in program years 2022 and 2023. Commissioner Gerwatowski seconded the motion. **Vote 3-0.**
- Commissioner Anthony moved to adopt approval of the intersection budget transfer rules proposed in the Settlement as they pertain to parties other than Commission (referenced in Sections 11.4 and 11.5). Chairman Gerwatowski seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- Commissioner Anthony moved to direct Commission staff to develop and publish an updated document showing the PIM as modified and approved today. Chairman Gerwatowski seconded the motion. **Vote 3-0.**
- Chairman Gerwatowski moved to approve the \$5 million transfer to RIIB. with all previous conditions remaining in place. National Grid is to report in the next Annual Plan and the year-end report the following: 1) verify that funds were used to support incremental investments and measures included in an approved plan; 2) whether or not the amount transferred covers more than the participants contribution for investment in that measure; and 3) whether it's cost effective including the cost of any interest rate reduction. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

IX. The Open Meeting adjourned at 12:10 P.M.