

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held on February 18, 2020

An Open Meeting of the Public Utilities Commission was held on Tuesday, February 18, 2020 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.

Present: Chairperson Margaret Curran, Commissioner Marion Gold, Commissioner Abigail Anthony, Cynthia Wilson-Frias, Alan Nault, Todd Bianco and Luly Massaro. Staff Margaret Hogan and John Harrington were not present.

I. Chairperson Curran called the Open Meeting to order at 10:00 A.M. A quorum was present.

II. **Docket No. 5012 – Kent County Water Authority (KCWA) –** KCWA submitted an abbreviated rate application proposing new rates designed to reduce operating revenue in a twelve (12) month period by \$2,050,751 to support total operating revenue in the amount of \$21,894,055. KCWA also submitted a Motion for Waiver from the Abbreviated Filing Requirements under Rule 5.10(D)(3).

Chairperson Curran moved to suspend the proposed rates beyond the effective date of March 2, 2020 as investigation and hearing will be required. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**

There being no objection to KCWA’s motion, Chairperson Curran moved to grant the waiver from certain restrictions of the abbreviated filing requirements under Rule 5.10(D)(3). Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

III. **Docket No. 4373 – Interstate Navigation Company –** In this docket, the PUC reviewed the Company’s earnings. After consideration, Commissioner Anthony moved to approve the Settlement Agreement executed by Interstate Navigation and the Division on December 5, 2019 regarding Interstate Navigation’s earnings for FY 2018. Chairperson Curran seconded the motion and the motion unanimously passed. **Vote 3-0.**

Chairperson Curran further moved that Interstate Navigation shall report on the status of the Company’s earnings report for FY 2019, and update on the Company’s billing and accounting system and search for a new software system. Interstate Navigation shall report this with its next earnings filing which is due in November. Commissioner Gold seconded the motion and unanimously passed. **Vote 3-0.**

IV. **Docket No. 5001 – Zoll Medical Corporation (Company) –** This docket relates to the PUC’s review of the Company’s application for eligibility as a Renewable

Energy Resource of the Bio-Detek PV Array generation unit. Discussion of this docket was postponed.

V. **Docket No. 4935 – The Narragansett Electric Company d/b/a National Grid** – National Grid submitted proposed Standard Offer Service Rates for the period April 1, 2020 through September 30, 2020 for the Residential and Commercial Groups, and for period April 1, 2020 through June 30, 2020 for the Industrial Group. The rates are submitted pursuant to the Standard Offer Service Procurement Plan approved by the PUC in this docket. The Division submitted a memorandum finding the proposed Standard Offer rates are correctly calculated and comply with PUC approved standard offer procurement plan as directed in Order No. 23648. After review, Chairperson Curran moved to approve the proposed Standard Offer Service rates. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

VI. **Docket No. 4983 - The Narragansett Electric Company d/b/a National Grid and Rhode Island Distributed Generation Board (DG Board)** – The PUC reviewed the record relating to the proposals submitted by National Grid and the DG Board for the 2020 Renewable Energy Growth Program (RE Growth) pursuant to R.I. Gen. Laws 39-26.6-1 et seq. The DG Board submitted a Report recommending ceiling prices, renewable energy growth classes, and capacity targets for the 2020 RE Growth Program year. National Grid submitted proposed modifications to the Company’s RE Growth Program Tariffs and Solicitation and Enrollment Process Rules. After deliberation, the following motions were made:

(1) Commissioner Gold moved to find that the proposed classes are consistent with the Renewable Energy Growth Program law. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**

(2) Commissioner Gold moved find that the ceiling prices were set in a manner consistent with the Renewable Energy Growth law. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.** The ceiling prices were set using the CREST model as in the past and took the statutory components into account.

(3) Commissioner Gold moved to approve a carport adder with three modifications (1) definition of carports; (2) modification to the design of the proposal in terms of size; and (3) modification on the time of the proposal. Chairperson Curran seconded the motion. Commissioner Anthony dissented. **Vote 2-1.**

- i. First, the definition of carports will be amended so that the parking area under the carport is permanent and required to remain a parking lot for the duration of the payment of the adder.
- ii. Second, carports may enroll in all three solicitations subject to a 6 MW cap (2 MW for commercial and 4 MW for large, as proposed).

1. 2 MW (commercial solar) and 4 MW (large solar) will be set aside through the third enrollment if the cap is not met.
 2. If the cap is met prior to the third enrollment, the adder is no longer available and the capacity may be used for a carport without an adder, a ground mount solar, or rooftop solar installation.
Example of the mechanics: Commercial solar has a Program Year target of approximately 8 MW. 6 MW could be made available in the first enrollment. If there are carports that win, they can receive the adder up to 2 MW. If not, the 2 MW is available in the second and third enrollments under the same process.
 3. If there is capacity left over from the 6 MW set aside after the third enrollment, the DG Board may reallocate the MWs as it does now.
- iii. Third, the PUC determined that this is a limited one-year pilot. As such, there must be reported learnings. The OER/DG Board provided a proposed scope in response to data requests. In 2021, the OER and DG Board must report on their findings resulting from the scope set forth in OER/DG Board's response to OER 2-3.d and explain the methodology used to derive the results.

(4) Commissioner Gold moved to require that if the DG Board wants to proceed with a carport adder or any other public policy adder in 2021, they follow the following process which is consistent with R.I. Gen. Laws §39-26.6-22. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**

- i. National Grid shall work with the DG Board to identify the public policy goal(s) – consistent with statutory guidelines and goals established in Docket 4600.

The public policy should not necessarily be installation-specific e.g., develop more carports, but rather, something like promoting optimal siting of solar away from greenfields and open space by incentivizing REGrowth projects on various types disturbed land.

- ii. Once the public policy goals have been agreed upon, National Grid shall then design the scope of any proposal, work with SEA to develop any proposed adders, and design a pilot for consideration by the DG Board.
1. National Grid shall develop the pilot using the Docket No. 4600 Guidance document and shall provide a cost benefit analysis.
 2. While, based on R.I. Gen. Laws § 39-26.6-22, the proposal may include an adder that is based on cost (economics), ideally, it should be based on the net benefits received from the proposal.
- iii. The proposal shall be in National Grid's filing for the relevant program year. In other words, the burden of proof to support the proposal will be on the company. If National Grid were to propose an

adder to meet locational or technical goals, it would be held to the same standard as outlined here.

- iv. In addition, the DG Board should ask for sufficient funding in its annual budget request to allow SEA to review the pilot and provide meaningful input during the 2021 Program Year filings.

(5) Commissioner Gold moved to find that the structure of the adder is consistent with the statute and approved an adder of 6 cents per kWh. Chairperson Curran supported the motion. Commissioner Anthony abstained. **Vote 2-0.**

(6) Commissioner Gold moved to approve the tariffs conditioned on a revised definition of carports, conditioned on providing clarity on the capacity available for the carport adder, and conditioned on approving removal of the reference to the Electric Services Bulletin but deferred on ruling on the crediting of low-income customers enrolled in Shared Solar or Community Renewable Distributed Generation pending the receipt of record responses. Chairperson Curran seconded the motion. Commissioner Anthony abstained. **Vote 2-0.** The PUC further noted:

- a. The tariffs provide a multi-year stream of performance-based incentives to eligible renewable-distributed generation projects for a term of years under terms and conditions approved by the PUC;

- b. They set forth the rights and obligations of the owner of the distributed generation project and the conditions upon which payment of performance-based incentives will be paid; except, there are still outstanding record requests to National Grid regarding the calculation of credits to low income customers enrolled in CRDG and Shared Solar. Therefore, the PUC deferred ruling on this issue until after the responses are submitted. The responses should come in no later than February 20, 2020 for consideration before the end of February (tentatively scheduled for February 25, 2020).

- c. The tariffs contain non-price conditions;

- d. Needed revisions to the tariff language:

- i. Approved removal of the reference to the Electric Services Bulletin (Data Response PUC 1-22; transcript 2/6/20, pp. 26-31)
- ii. Clarified timing for the availability of a carport incentive
- iii. Amended definition of carport to ensure permanency of the parking lot during the pendency of the payment of the adder.

- e. The remaining items, except for CRDG and Shared Solar, were addressed satisfactorily through discovery and the hearing (proof of general contractor information, customer disclosure requirements, segmentation, energy storage systems, add-on facilities) and do not need to be revised.

(7) Commissioner Gold moved to approve the enrollment rules with the revised definition of carport and modifications of the capacity available. Chairperson Curran

seconded the motion and the motion unanimously passed. Commissioner Anthony abstained. **Vote 2-0.** The PUC further noted:

- a. The Enrollment Rules include the rules of solicitation and enrollment
- b. They include ceiling prices and term lengths for each tariff
- c. Needed revisions to the Enrollment Rules:
 - i. Clarified timing on the availability of a carport incentive
 - ii. Amend definition of carport to ensure permanency of the parking lot during the pendency of the payment of the adder
- d. The following items were addressed satisfactorily through discovery and the hearing (proof of general contractor information' project segmentation; consumer disclosure rules; storage; specifically allows for any cancelled or unused capacity from prior years to be added to the next program year)

(8) Commissioner Gold moved to order that the total costs for carports, if approved, should be tracked separately from other solar installations and shall not be used in setting the ceiling prices for next year, but rather, may be used to inform the magnitude of an adder, should one or more be proposed. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**

- VII. There being no further business to discuss, Chairperson Curran moved to adjourn the Open Meeting at 11:27 A.M. A video of the Open Meeting discussion can be accessed at <http://www.ustream.tv/channel/WqQyXw296dg>.