

MEMO

ENTECH Engineering, Inc.

Date: December 6, 2011

To: Rhode Island Public Utilities Commission, Commissioners; Division, Attorney General's Office-Consumer Advocate

cc: Sheldon Whitehouse, United States Senate; Jack Reed, United States Senate; James Langevin, United States House of Representatives; David Cicilline, United States House of Representatives

From: Christopher Warfel, President, EEInc.

Re: Docket No. 3762 - Interstate Navigation Co. - General Rate Application and CPI Rate Increase Filings

I am submitting under the notice for Public Comment regarding Interstate's request for a 4% rate increase for most rate classes. I understand that this request does not affect freight and therefore by strict interpretation of the docket's scope we supposedly cannot ask that the Public Utilities Commission and Division review the freight tariffs.

However, we have written previously to the PUC/Division regarding the freight charged on renewable energy technology, as some charges cannot be justified. We also approached the Town Council and made them aware of this situation. The Town Council, specifically the Second Warden, Raymond Torrey assured us that the Town would take up this issue with Interstate and the PUC/Division. Unfortunately the Town of New Shoreham neglected to follow through on their representation that they would address this matter, and the opportunity to consider this issue has supposedly been lost. It does not appear that depending upon the Town of New Shoreham to bring this matter before the PUC/Division was wise, and doing so has negatively impacted our business.

I should also point out that our many communications to Interstate Navigation regarding this matter never received a response from Interstate and therefore never moved towards a collaborative solution. (I hope this lack of response from a regulated monopoly is of concern to the PUC and Division).

The freight tariff rate for solar modules is so egregious that I am requesting that although Interstate's request does not affect the current freight tariff, that you examine the freight tariff to determine:

- a) How charges are derived
- b) Are they reasonable
- c) How they affect Interstate's revenue and how it affects the cost of goods and services on Block Island.

A mistake was made by the PUC/Division when they approved rates for solar modules. You somehow accepted the premise that solar modules and awning windows cost the same amount to transport. This of course cannot be true. I hope that when a mistake is discovered that the PUC/Division acts to rectify the situation and does not adopt that stance that it is powerless or unwilling to address what really should be an easy remedy. These unreasonable charges are also inconsistent with State and Federal policy which is intended to increase the penetration of renewable energy as a percentage of our national energy supply.

Thank you.

Sincerely,

Christopher Warfel, PE, President,
Entech Engineering, Inc.