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Date: 1/22/2008 5:05:16 PM
Subject: RE: Docket No. 3904

Attached is People's Power & Light's response to the data requests.

Karina Lutz
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My electricity use does not pollute, does yours? We can help. Sign up at www.greenstart.net or www.newenglandwind.org.

-----Original Message-----

From: Patricia Lucarelli [mailto:patricia_lucarelli@gw.doa.state.ri.us]
 Sent: Wednesday, January 09, 2008 10:23 AM
 To: mauten@environmentrhodeisland.org; Patricia Lucarelli; adurand@ibew99.org; ckimball@keeganwerlin.com; jhabib@keeganwerlin.com; hdp@lorax-energy.com; brojoe@portsmouthabbey.org; pjestings@portsmouthabbey.org; Alan Nault; Doug Hartley; Luly Massaro; proberti@riag.ri.gov; RDiMeglio@riag.ri.gov; wlueker@riag.ri.gov; gciminero@rilin.state.ri.us; karina@ripower.org; david stearns; steve scialabba; paul@sanroma.org; rwchew@solarwrights.com; Joanne.scanlon@us.ngrid.com; LAURA.OLTON@us.ngrid.com; Denisep724@verizon.net; Ggump1@verizon.net; jagates@verizon.net
 Subject: Docket No. 3904

Attached please find data requests to be answered by interested parties regarding the above-referenced matter. Responses to these data requests would be helpful to the Commission.

Thanks
 Patti

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CC: <LMassaro@puc.state.ri.us>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: NATIONAL GRID - TARIFF :
ADVICE FILING TO AMEND : DOCKET NO. 3904
R.I.P.U.C. NO. 1078-A :

RESPONDING TO COMMISSION DATA REQUESTS
DIRECTED TO INTERESTED PARTIES
JANUARY 9, 2008

1. *What is the aggregate amount of installed capacity of projects, either existing or in the pipeline, you own/operate/or have installed or plan to install in Rhode Island that utilize renewable technologies or fuel cells eligible for funding that meet the requirements of the statute?*

See attached spreadsheet. People's Power & Light does not currently own, operate, or install renewable energy in Rhode Island. We work with others to incentivize the building of projects by contracting to purchase Renewable Energy Certificates, which we sell to the voluntary market (e.g., the GreenUp program). We also consult to community-scale renewable energy developers on project feasibility. Therefore we are aware of many projects, without being directly involved in the project development.

The 21 MW estimate may be low given the discouraging net metering rules the project ideas were generated under. Also note, we did not check with municipal officials on the status of each potential project, and some of the projects may be unlikely to be pursued regardless of the regulatory environment. On the other hand, it is likely that we haven't heard of every potential project.

2. *For any planned projects, please provide projected timelines.*

We do not have this information to share.

3. *Regarding statements made at the status conference requesting that the cap be increased to 25 MW, please provide substantiation of why and how this amount was determined to be a sufficient amount.*

Systemwide economic benefits of "right-sized" distributed generation are extensive as delineated in Amory Lovins, et al., *Small is Profitable* (www.smallisprofitable.org). Many of these were outlined in the Distributed Generation Stakeholders Working Group report to the legislature dated Feb. 1, 2007. The costs and benefits, however, are notoriously difficult to quantify on an aggregate basis, since transmission congestion, capacity factors, behind the meter demand, etc., are so highly variable from site to site. That is why the Distributed Generation Stakeholders Working Group was unable to

quantify the state-wide costs and benefits in the time allotted for their study. However, it is quite obvious that if an analysis included all the human costs incurred by traditional power supply, such as public health degradation, global warming impacts, world-wide conflicts over diminishing nonrenewable resources, etc., the avoided costs of distributed renewable energy is clearly incalculably more beneficial to ratepayers than the costs in lost distribution charges, and by far more environmentally responsible.

Rhode Island's net metering rules have been a barrier to capturing of the benefits of distributed generation. For example, when municipalities do feasibility studies of building wind turbines, they have been discouraged from "right sizing" wind turbines—which produce exponentially more power at larger blade sizes—a 50 kW turbine would make much more than twice the energy of a 25 kW machine, for example, but the smaller machine's economics might look better given the ability to net meter the project.

Removing the 25 kW individual system cap was an important first step, but removing the overall cap would also remove the uncertainty that any municipality studying renewable energy will be included under the net metering cap. We believe a 25 MW cap would remove that concern. Yes, lead times are long for single wind turbine purchases (though an aggregate purchase would shorten that substantially), but a low cap would discourage developers from beginning the process. In fact, the idea that a cap would not be reached is no justification for lowering it. At the same time, the idea of a speed bump begs the question, why are we trying to slow down?

The last thing PUC regulations should be doing is discouraging local renewable energy development, both from the environmental responsibility end, and from the consumer protection end. Reliance on nonrenewable resources, all from far beyond the boundaries of Rhode Island, puts ratepayers at an increasing risk of energy resource disruptions and relentless upward price pressure as fuels are depleted and become more and more expensive. If we do not remove the barriers to distributed generation now, we can expect only more delays in the transition to more stable, sustainable resources, with more severe economic consequences to all ratepayers.

Twenty-five megawatts of distributed generation name plate capacity would not generate a significant amount of power compared to demand (especially after the capacity factors of the various installations are factored in). However, it would be enough to get a good sense of what the costs and benefits of such installations are for ratepayers, without putting them at risk of burdensome "subsidy." In the case of municipalities, that subsidy, in fact, is reaped entirely for public benefit, including the behind-the-meter savings.

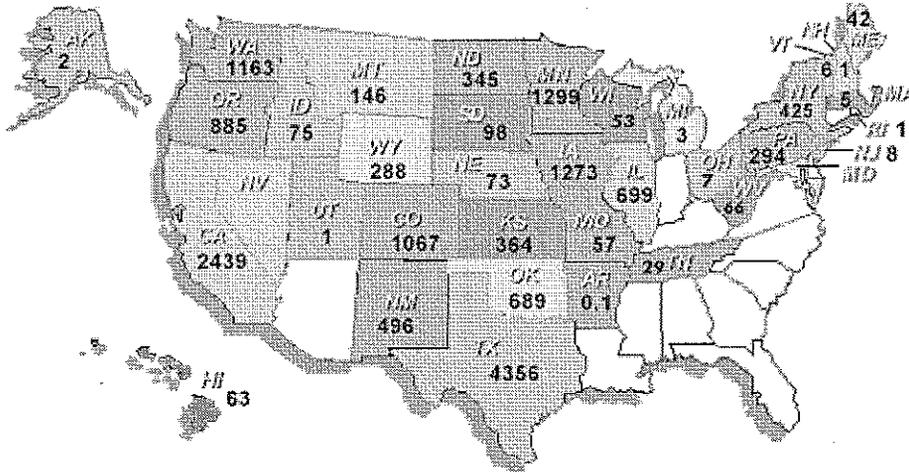
We need to break the inertia of the status quo and encourage installation of distributed renewable energy, as our neighboring states are doing. Rhode Island risks being left behind, still at the end of the energy pipeline, while our neighbors develop more stable, reliable, decentralized energy production. The Distributed Generation Stakeholders Working Group report (page 14) compares Rhode Island's net metering regulations with those of neighboring states. Neither Massachusetts nor Connecticut has an aggregate cap

on net metered capacity for renewables *or* combined heat and power.

The following map from the American Wind Energy Association (www.awea.org/projects) shows what a difference state incentives and good net metering regulations make in fostering renewable energy:

U.S. Wind Energy Projects (As of 01/16/2008)
AWEA 4th Quarter 2007 Market Report

The following map shows installed megawatts (MW) for each state. Click on the shaded states to access information on existing and under construction wind energy projects.



Rhode Island's 1 MW is rounding up from Portsmouth Abbey's 660 kW turbine.

Organization	kW		
Westerly	660	(or 1500)	
Bristol Wind Power	1500		
Naval Station Newport	1500		
Portsmouth Sustainable Energy	1500		
Middletown	660		
Tiverton	660		
Raytheon	3000		
Narragansett Bay Commission	1500		
URI Bay Campus	660		
Jamestown	1500		
Church Community Housing	660	(or 100kw)	
Royal Mills (hydropower)	225		
Chariho School District	1500		
Narragansett Indian Tribe	660		
Slater Mill	200	(or 25kw)	
Johnson & Wales Fields Point	660		
Charlestown	1,500		
solar aggregate	200		
Roger Williams University	1500		
Barrington	660	(or 1500)	

Total 20905 kW **20.905MW**

Notes:

* The projects listed are those People's Power & Light has heard about from various sources who have been interested in or who have proposed distributed generation projects in Rhode Island. Each project has not been confirmed by officials at each of the named institutions.

* These are name plate ratings of machines (kW). They must be adjusted by the capacity factors (for wind, site dependent) of each installation to calculate the expected energy production (kWh).

* Some of the organizations that have been considering 660 kW turbines will likely reconsider 1.5 MW with expanded net metering, as it will change their economics.

* Note this is the total of new projects, and does not include existing projects that would also be included under the cap.

* No assumption is made that incentives for distributed generation will be available from the state, though Clean Water Action said at the staff meeting they and others will be advocating for increased incentives this year. The solar numbers would likely be much higher in that case.