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August 2, 2011

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: P.U.C. Docket no. 4268; Objection to Tariff Advice Filing for Approval of Net Metering Provisions and to Amend R.I.P.U.C. No. 2035

Dear Ms. Massaro:

This letter will serve as my objection to and public comment on National Grid's Tariff Advice Filing as referenced above.

Summary: National Grid is wrongfully relying on a recently enacted State law as the authority to overrule long-standing Federal law. It can't be done.

Background: The so-called "net metering" laws passed by various states were designed specifically to permit small, local electricity users to reduce their conventional electric power usage by installing their own generation systems. These systems had to be installed on the customer side of the meter in order to insure there would be no additional cost or responsibility incurred by the utility and other ratepayers. Nevertheless, because these systems could intermittently "run the meter backwards", these laws permitted what amounted to a reduction in costs at the full retail rate, without compensation to the utility for its overhead and distribution costs. Because interstate electrical distribution of excess electric power could result, Federal law, pursuant to 16 U.S.C. § 2621 and as administered by the Federal Energy and Regulatory Commission ("FERC"), set forth specific definitions and guidelines to govern all such arrangements. Facilities whose production exceeded their own consumption were defined as "Qualifying Facilities", with their compensation for excess power limited to the utilities "avoided cost".

My objection to the proposed new Tariff is as follows:

1. National Grid is attempting to apply Net Metering rules to Qualifying Facilities. In short, anyone who wants to set up an alternative power source can then be reimbursed, by Rhode Island ratepayers collectively, at the full retail rate, which is two to three times the wholesale rate, or "avoided cost". Hence those

- developers and municipalities with access to open land and stronger coastal winds can essentially tax all other ratepayers and municipalities to support a cash income stream for their sole use. It is interesting to note that in its response to the Division's Docket no. D-10-126, National Grid referred to an earlier attempt by the Town of Portsmouth to do this as "gaming the system". Following that, the PUC wrote a letter dated August 17, 2010 to the Speaker of the House calling his attention to this problem. For some reason, the response by the General Assembly was a series of attempts to legalize this activity at the State level, in the face of Federal law that proscribed it. This Tariff filing is one of several attempts to take advantage of new legislation to actually expand a practice that, in the case of Portsmouth, appears to have been in violation of Federal law.
2. What National Grid proposes here will violate Federal law. Regardless of the clear public policy issues involved, the matter should end here on that basis alone. The background and arguments concerning where the line between Federal and State law is drawn on this subject have already been fully set forth by the Advocacy Section under D-10-126, and need only be incorporated by reference here.
 3. A Qualifying Facility is a Qualifying Facility. Period. Renaming it does not change that fact. You can't bark like a dog and look like a dog and then say you are a cat.
 4. The State of Rhode Island and the PUC are obligated to follow and administer FERC regulations. While it is unfortunate that the General Assembly has seen fit to attempt to circumvent Federal law, this is one of the reasons we have the safeguard of the PUC in place. I urge you to reject this filing in total.

Thank you.

SS// *Benjamin C. Riggs, Jr.*
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Newport