



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Rhode Island Division of  
Public Utilities and Carriers  
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August 16, 2013

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

**In Re: National Grid's Compliance Filing Relating to Legislative Amendments to  
Distributed Generation Contract Statute R.I. Gen. Laws § 39-26.2-1 et seq.  
Docket No. 4277 & 4288**

Dear Luly,

On August 7, 2013 National Grid<sup>1</sup> filed proposed revisions to the Distributed Generation Standard Contract Application and Enrollment Process Rules to reflect legislative amendments to the Distributed Generation ("DG") contract statute set-forth at R.I. Gen. Laws §§ 39-26.2-1 et seq. The Division of Public Utilities and Carriers, (the "Division") submits the following comments for consideration by the Commission in its review of the proposals of National Grid in the above captioned docket .

National Grid has noted in its filing here that prior to recent legislative amendments to Chapter 26.2 which became law on July 11, 2013, that a qualified small DG project was not required to submit competitive prices in order to be awarded a contract under the DG contract statute. A project under the former statutory scheme would receive the applicable ceiling price on a first come, first-serve basis. The amendment of R.I. Gen. Laws §§ 39-26.2-6 (b) now mandates that National Grid award a contract to a small DG project based upon the lowest price proposal submitted.

The Division has been informed by National Grid that it has begun its second of three annual enrollments for 2013 under the DG contact program, received applications, but has not awarded any contracts as of the present time. The Division believes that it is in the best interests of all ratepayers to receive the lowest price for DG standard contracts and that this is best

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid.

attained through a competitive process. For this reason, the Division does not object to National Grid allowing all parties who have submitted applications for small DG projects that are pending to update their applications to fulfill the mandates of the amended DG contract statute.

Similarly, the Division has no objection to National Grid revising the enrollment rules and applications to reflect legislative amendments to decrease the size of large DG projects from 5MW to 3MW and to adjust the size ranges for small DG projects. The Division concurs with National Grid's revisions to current standard contracts to include reporting requirements and revision of project output demonstration provisions to reflect the recent legislative amendments to R.I. Gen. Laws § 39-26.2-7.

Finally, the Division wishes to notify the Commission of the insertion of a new exculpation of liability provision in the enrollment rules<sup>2</sup>, which limits an applicant's remedies to relief before the Commission for acts of those including National Grid in the course of the application and enrollment process. The Division is not aware of any statutory amendment to Chapter 26.2 mandating the provision of a limitation of liability clause. The Division was not aware of the proposed addition of this limitation clause to the enrollment rules prior to this filing and takes no position as to the enforceability of the provision.

I appreciate your anticipated cooperation in this matter.

Very truly yours,



Jon G. Hagopian  
Senior Legal Counsel

cc: Thomas F. Ahern, Administrator  
Stephen Scialabba, Chief Accountant

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<sup>2</sup> See, DG Revised Enrollment Application & Process Rules, p. 8, § 2.12.