

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION

IN RE: NARRAGANSETT ELECTRIC COMPANY  
d/b/a/ NATIONAL GRID'S PROPOSED REVISIONS  
TO DISTRIBUTED GENERATION ENROLLMENT  
APPLICATION AND PROCESS RULES AND  
DISTRIBUTED GENERATION STANDARD  
CONTRACTS

DOCKET NO. 4277, 4288

**ORDER**

WHEREAS, during the 2013 legislative session, the R.I. General Assembly passed several revisions to the Distributed Generation ("DG") Standard Contracts Act ("Act");<sup>1</sup> and,

WHEREAS, the Act changes the size limits of small and large DG projects and expands the range of projects eligible for participating in annual DG enrollments.<sup>2</sup> The Act requires that DG projects submit quarterly progress reports to National Grid and the Office of Energy Resources ("OER"). It repeals the first come, first serve enrollment rule previously established for small projects and mandates that DG contracts be awarded to small projects based on the lowest competitive bid and other non-price scoring criteria, similar to the solicitation process already established for large DG projects. The General Assembly also revised the output demonstration provision to require DG projects to demonstrate ninety percent (90%) of the output proposed in its application within eighteen (18) months of contract execution;<sup>3</sup> and,

WHEREAS, on August 7, 2013, National Grid proposed revisions to its Distributed Generation Enrollment Application and Process Rules and Distributed Generation Standard Contracts.<sup>4</sup> The Company stated that it filed these revisions in order to ensure that its DG

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<sup>1</sup> P.L. 2013, Ch.167 entitled "An Act Relating to Public Utilities and Carriers-Distributed Generation Standard Contracts", signed by Governor Lincoln Chafee on July 11, 2013.

<sup>2</sup> Large DG Projects

<sup>3</sup> Eligible small-scale hydropower distributed generation facilities have forty-eight (48) months after contract execution to demonstrate 90% of proposed output. P.L. 2013, Chapter 167.

<sup>4</sup> The Narragansett Electric Company d/b/a National Grid ("National Grid" or "Company")

Enrollment Application/Process Rules and DG Standard Contracts were consistent with recent amendments to the Distributed Generation Standard Contracts Act.<sup>5</sup> The Company represented that at the time of the filing, the second DG enrollment for 2013 had been completed, but no contracts had been executed as a result of the enrollment. The Company stated that it would allow parties that had submitted applications before the conclusion of the two week enrollment period to update and resubmit their application with competitive pricing where applicable;<sup>6</sup> and,

WHEREAS, on August 15, 2013, the Office of Energy Resources (“OER”) filed a letter in support of the Company’s filing; and,

WHEREAS, on August 16, 2013, the Division of Public Utilities and Carriers (“Division”) filed a memorandum stating that it had no objection to the Company’s filing. The Division noted that a competitive bidding process for small DG projects would promote the lowest price for DG standard contracts which is in the best interest of ratepayers.<sup>7</sup>

WHEREAS, the Division also noted that Section 2.12 of the Company’s filing was not mandated by P.L. 2013, Ch. 167. Section 2.12 read as follows,

“Following the submission of applications, National Grid may request additional information from Applicants at any time during the process. Applicants that are not responsive to such information requests may be eliminated from further consideration. Unless otherwise prohibited, National Grid may, at any time up to execution of Standard Contracts, postpone, withdraw and/or cancel this enrollment; alter, extend or cancel any due date; and/or, alter, amend, withdraw and/or cancel any requirement, term or condition of this enrollment, any and all of which shall be without any liability to National Grid. By submitting an Application, an Applicant agrees that the sole recourse that it may have with respect to the conduct of this enrollment is by submission of a complaint or similar filing to the RI PUC in a relevant docket pertaining to this Open Enrollment.”<sup>8</sup>

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<sup>5</sup> P.L. 2013, Chapter 167.

<sup>6</sup> Letter of Thomas Teehan, Esq., p. 2.

<sup>7</sup> Letter of Jon Hagopian, Esq., dated August 16, 2013.

<sup>8</sup> National Grid’s Revised Enrollment Application and Enrollment Process Rules and Standard Contracts, Attachment 1A, p. 8 of 12.

WHEREAS, the Division took no position regarding the enforceability of Section 2.12, and the Company formally withdrew Section 2.12 from its proposal on August 22, 2013, stating that it would include this clause for consideration in its annual DG Enrollment Application and Process Rules filing in October; and,

WHEREAS, National Grid's proposal to revise its DG Enrollment Application/Process Rules and DG Standard Contracts was assigned to the Commission's open meeting agenda on August 29, 2013, after notice was duly provided in accordance with R.I. General Laws; and,

WHEREAS, the Commission found that National Grid's proposed revisions to its Distributed Generation Enrollment Application and Process Rules and Distributed Generation Standard Contracts were both reasonable and supported by the OER and the Division.

WHEREAS, the Commission approved National Grid's proposed revisions to DG Enrollment Application/Process Rules and DG Standard Contracts, with the exception of Section 2.12, which the Company had formally withdrawn as noted above.

Accordingly, it is hereby

(21167) ORDERED:

1. National Grid's Revised Distributed Generation Enrollment Application/Process Rules and Distributed Generation Standard Contracts filed with the Commission on August 7, 2013, and modified on August 22, 2013 to exclude Section 2.12, is hereby approved.
2. In accordance with R.I.G.L. §39-26.2-6, National Grid shall file its 2014 Distributed Generation Enrollment Process Rules on or before October 15, 2013.

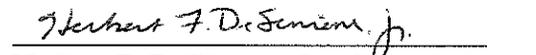
EFFECTIVE AT WARWICK, RHODE ISLAND ON AUGUST 29, 2013  
PURSUANT TO AN OPEN MEETING DECISION ON AUGUST 29, 2013. WRITTEN  
ORDER ISSUED SEPTEMBER 30, 2013.

PUBLIC UTILITIES COMMISSION



  
Margaret E. Curran, Chairperson

  
Paul J. Roberti, Commissioner

  
Herbert F. DeSimone, Jr., Commissioner