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April 30, 2015

<u>SENT VIA FIRST CLASS MAIL</u> <u>AND ELECTRONIC MAIL [Cynthia.WilsonFrias@puc.ri.gov]</u>:

Cynthia Wilson-Frias
Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

RE: Docket No. 4513 - Street Light Metering Pilot

Dear Ms. Wilson-Frias:

In a memorandum dated April 8, 2015, the Rhode Island Public Utilities Commission ("Commission") requested the Office of Energy Resources ("OER") to clarify its position related to National Grid's proposed street light metering pilot ("Pilot"). Specifically, the Commission requested OER's position on several aspects of the proposed Pilot, including:

- The inclusion of a municipal customer in the pilot;
- The method of Pilot cost recovery; and
- Whether the Pilot is biased toward ultimate meter ownership by the utility.

Generally, the OER believes that National Grid's proposed revised Pilot represents a significant improvement over its original proposal, reflecting months of negotiation amongst the stakeholders. However, it is OER's opinion that the continued inclusion of a municipality in the Pilot would not provide a significant benefit beyond what can be achieved from collecting and studying street light metering data derived from identified Department of Transportation ("DOT") project sites, especially when considering the added cost to including a municipality. The OER believes the DOT projects will be sufficient to meet the technical objectives of the Pilot, while reducing the overall cost burden associated with the Pilot and allowing for Pilot completion within a reasonable timeframe.

Although the municipalities have proposed to scale back the Pilot scope to include just the 154 fixtures included in the DOT Phase 1 project, OER believes that the Pilot should include street lights installed as part of the DOT Phase 1 and Phase 2 projects, as described in Section 6.4 of the proposed Pilot. This expanded universe will encompass an estimated 1,700 fixtures and provide National Grid with enough installations to perform the necessary field testing at a reasonable cost. DOT Phase 2 will include new programmable controls with improved metering accuracy. While National Grid has proposed to include DOT's Park and Ride project as a test location, OER cannot determine any additional value derived from the inclusion of this location beyond what can be achieved from simply utilizing the DOT Phase 1 and Phase 2 locations. As a result, OER believes the DOT Park and Ride project should be removed from the Pilot.

In the event that the Commission finds municipal field testing to be a critical component of any final Pilot design, OER urges further consideration of the Randolph, Massachusetts opportunity to help reduce overall Pilot costs ultimately paid for by Rhode Island municipalities.

Cynthia Wilson-Frias, Esq. April 30, 2015 Page Two

In regards to the proposed cost recovery methodology, OER cannot offer any reasonable alternative to National Grid's proposal and does not have any significant concern with its design at this time.

Finally, in regards to the meter ownership issue, OER recognizes that the nature of the technology dictates that the metering mechanism is in the same device (node) with the control equipment. The ownership and management of this equipment is the sole responsibility of the municipality. It is not clear to OER how the proposed Pilot is biased toward ultimate meter ownership by the utility.

If you have any questions, please let me know.

Sincerely,

Daniel W. Majcher, Esq.

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