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February 20, 2015

### Via Electronic Mail and Hand Delivery

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

Re: Docket No. 4539 – Electric Infrastructure, Safety and Reliability Plan for FY16

Dear Ms. Massaro:

Enclosed for filing in the above-referenced matter are an original and nine (9) copies of the following documents:

- (1) Entry of Appearance (for Adam M. Ramos);
- (2) The Narragansett Electric Company d/b/a National Grid's Objection to the Motion to Intervene by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, & WED Coventry Six, LLC;
- (3) The Narragansett Electric Company d/b/a National Grid's Motion to Strike the Objection by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, & WED Coventry Six, LLC; and
- (4) Memorandum of Law in Support of The Narragansett Electric Company d/b/a National Grid's (1) Objection to the Motion to Intervene by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, & WED Coventry Six, LLC, and (2) Motion to Strike the Objection by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, & WED Coventry Six, LLC.

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Luly E. Massaro, Commission Clerk February 20, 2015 Page 2

Adam Mc Laws / DAW

Thank you for your attention to this filing. If you have any questions, please feel free to contact me at (401) 457-5164.

Very truly yours,

Adam M. Ramos

AMR:cw Enclosures

cc: Docket No. 4539 Service List (electronically only)

### Certificate of Service

## Docket No. 4539 National Grid's FY 2016 Electric Infrastructure, Safety and Reliability Plan - Service List as of 1/8/15

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NATIONAL GRID'S ELECTRIC INFRASTRUCTURE, SAFETY AND RELIABILITY PLAN FOR FY 2016

**DOCKET NO. 4539** 

### **ENTRY OF APPEARANCE**

In the above referenced proceeding, I hereby appear for and on behalf of The

Narragansett Electric Company d/b/a National Grid.

Respectfully submitted,

The Narragansett Electric Company d/b/a National Grid,

By its Attorney,

/s/ Adam M. Ramos

Adam M. Ramos (#7591) Hinckley, Allen & Snyder LLP 50 Kennedy Plaza, Suite 1500 Providence, Rhode Island 02903 Tel. (401) 274-2000 Fax (401) 277-9600 aramos@hinckleyallen.com

Dated: February 20, 2015

NATIONAL GRID'S ELECTRIC INFRASTRUCTURE, SAFETY AND RELIABILITY PLAN FOR FY 2016

**DOCKET NO. 4539** 

# THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID'S OBJECTION TO THE MOTION TO INTERVENE BY WED COVENTRY ONE, LLC, WED COVENTRY TWO, LLC, WED COVENTRY THREE, LLC, WED COVENTRY FOUR, LLC, WED COVENTRY FIVE, LLC, & WED COVENTRY SIX, LLC

National Grid<sup>1</sup> objects to the Motion to Intervene by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, and WED Coventry Six LLC (collectively, WED). For the reasons in the accompanying memorandum of law, WED should not be permitted to intervene in this docket. National Grid, therefore, respectfully requests that the Rhode Island Public Utilities Commission deny WED's motion to intervene.

Respectfully submitted,

The Narragansett Electric Company d/b/a National Grid,

By its Attorney,

/s/ Adam M. Ramos

Adam M. Ramos (#7591)
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Dated: February 20, 2015

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<sup>&</sup>lt;sup>1</sup> The Narragansett Electric Company d/b/a National Grid (the Company of National Grid).

NATIONAL GRID'S ELECTRIC INFRASTRUCTURE, SAFETY AND RELIABILITY PLAN FOR FY 2016

**DOCKET NO. 4539** 

# THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID'S MOTION TO STRIKE THE OBJECTION BY WED COVENTRY ONE, LLC, WED COVENTRY TWO, LLC, WED COVENTRY THREE, LLC, WED COVENTRY FOUR, LLC, WED COVENTRY FIVE, LLC, & WED COVENTRY SIX, LLC

National Grid<sup>1</sup> moves the Rhode Island Public Utilities Commission (the PUC) to strike the Objection by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, and WED Coventry Six LLC (collectively, WED). For the reasons in the accompanying memorandum of law, WED's objection is improper. National Grid, therefore, respectfully requests that the PUC strike WED's objection.

Respectfully submitted,

The Narragansett Electric Company d/b/a National Grid,

By its Attorney,

/s/ Adam M. Ramos

Adam M. Ramos (#7591) Hinckley, Allen & Snyder LLP 50 Kennedy Plaza, Suite 1500 Providence, Rhode Island 02903 Tel. (401) 274-2000 Fax (401) 277-9600 aramos@hinckleyallen.com

Dated: February 20, 2015

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<sup>&</sup>lt;sup>1</sup> The Narragansett Electric Company d/b/a National Grid (the Company of National Grid).

NATIONAL GRID'S ELECTRIC INFRASTRUCTURE, SAFETY AND RELIABILITY PLAN FOR FY 2016

**DOCKET NO. 4539** 

MEMORANDUM OF LAW IN SUPPORT OF THE NARRAGANSETT ELECTRIC COMPANY D/B/A NATIONAL GRID'S (1) OBJECTION TO THE MOTION TO INTERVENE BY WED COVENTRY ONE, LLC, WED COVENTRY TWO, LLC, WED COVENTRY THREE, LLC, WED COVENTRY FOUR, LLC, WED COVENTRY FIVE, LLC, & WED COVENTRY SIX, LLC, AND (2) MOTION TO STRIKE THE OBJECTION BY WED COVENTRY ONE, LLC, WED COVENTRY TWO, LLC, WED COVENTRY THREE, LLC, WED COVENTRY FOUR, LLC, WED COVENTRY FIVE, LLC, & WED COVENTRY SIX, LLC

National Grid<sup>1</sup> submits this memorandum of law in support of its (1) objection to the Motion to Intervene by WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Three, LLC, WED Coventry Four, LLC, WED Coventry Five, LLC, and WED Coventry Six LLC (collectively, WED), and (2) motion to strike the Objection by WED in this docket. For the reasons stated herein, there is no basis to permit WED to intervene in this docket, and WED's objection is improper.<sup>2</sup>

### I. INTRODUCTION

National Grid and the Division spent months working collaboratively to prepare National Grid's Electric, Infrastructure, Safety and Reliability Plan for FY 2016 (the ISR Plan). The result of those months of negotiations and discussions is a proposed ISR Plan that conforms with all the statutory requirements set forth in the revenue decoupling statute, R.I. Gen. Laws § 39-1-27.1.1. Now, WED seeks to intervene and object to the ISR Plan to try and serve its own

<sup>&</sup>lt;sup>1</sup> The Narragansett Electric Company d/b/a National Grid (the Company of National Grid).

<sup>&</sup>lt;sup>2</sup> National Grid also joins in the Division of Public Utilities and Carriers' (the Division) Objection to Wed's Motion to Intervene and Division's Motion to Strike and hereby incorporates the arguments in the Division's Memorandum of Law in Support of its Objection to WED's Motion to Intervene and Division's Motion to Strike.

interests, seeking to have the PUC require that National Grid include system upgrades in the ISR Plan specifically designed to reduce the costs for WED to interconnect its proposed renewable energy projects.<sup>3</sup> The ISR Plan, however, is not the place for WED to push its interests. Rather, the requirements of the ISR Plan are clearly set forth in the revenue decoupling statute, and those requirements do not include the interests WED purports to serve in its objection. The PUC should not permit WED to use this docket as a vehicle to try and change the established law that developers of distributed generation projects must pay for their own interconnection costs.

National Grid, therefore, respectfully requests that the PUC deny WED's motion to intervene and grant National Grid's motion to strike WED's objection.

#### II. BACKGROUND

The revenue decoupling statute sets forth the requirements for National Grid in preparing and submitting a proposed ISR Plan, and the statute also sets forth the process for the PUC to follow when determining whether to approve the proposed ISR Plan. National Grid has an obligation to: (1) develop a proposed plan; (2) submit that plan to the Division; (3) cooperate in good faith with the Division to try reach an agreed-upon plan with the Division; and (4) submit a plan to the PUC for approval, whether agreed-upon with the Division or not. R.I. Gen. Laws § 39-1-27.1.1(d). The proposed ISR Plan must include proposals for: "(1) capital spending on utility infrastructure; (2) . . . operation and maintenance expenses on vegetation management; (3) . . . operation and maintenance expenses on system inspection, including expenses from expected

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<sup>&</sup>lt;sup>3</sup> WED's attempt to intervene in this docket is the latest of WED's repeated attempts to avoid or change the established and approved process that requires developers of renewable energy distributed generation projects to pay for the costs of interconnecting those projects to National Grid's electric distribution system, including the costs of any system upgrades that are needed only to accommodate the additional electricity generated by the project. Currently, WED is attempting to assert its position in at least four other dockets before the PUC. *See* Docket 4277/4288 (WED's objection to National Grid's compliance filing for the third enrollment in the 2014 Distributed Generation program); Docket 4483 (WED's petition for dispute resolution related to several aspects of Tariff No. RIPUC 2078, The Narragansett Electric Company Standards for Connecting Distributed Generation (the Interconnection Tariff); Docket 4536A (WED has objected to National Grid's proposed Renewable Energy Growth Program tariff); and Docket 4547 (another petition for dispute resolution under the Interconnection Tariff).

resulting repairs; and (4) any other costs relating to maintaining safety and reliability that are mutually agreed upon by the division and the company." *Id.* Once the ISR Plan is filed with the PUC, the PUC has 90 days to review and approve the ISR Plan. *Id.* If the PUC concludes that the spending proposed in the ISR Plan is "reasonably needed to maintain safe and reliable distribution service over the short and long-term," the PUC "shall . . . approve the plan[.]" *Id.* There is no language in the revenue decoupling statute about providing for spending to accommodate renewable energy distributed generation in the ISR Plan.

With respect to this docket, National Grid and the Division worked together for months to develop a proposed ISR Plan that meets the criteria in the revenue decoupling statute. As a result, National Grid submitted a proposed ISR Plan to the PUC, and National Grid understands that the Division agrees with most (though not all) aspects of it.

WED now seeks to intervene in this docket and object to the ISR Plan. WED contends that its "interests are directly affected by this proceeding" and that it "will advocate for positions that are consistent with the public interest[.]" See WED Motion to Intervene at ¶¶ 6-7. In its objection, WED contends that the proposed ISR Plan should include "improvements to provide energy source diversification from the interconnection of renewable energy." See WED Objection at 5. WED's purported interests are not the proper subject of this docket, nor are WED's arguments in its objection applicable to the PUC's consideration of the proposed ISR Plan.

#### III. ARGUMENT

### A. WED Does Not Have A Right Of Intervention In This Docket

Rule 1.13(b) of the PUC's Rules of Practice and Procedure sets forth the requirements for a party to intervene in a docket. A party may intervene if the party: (1) has a statutory right to do so; (2) has an interest affected by the docket that "is not adequately represented by existing parties and as to which movants may be bound by the Commission's action in the proceeding[;]"or (3) has an interest that would serve the public interest. (Emphasis added.)
WED does not satisfy any of these requirements.

First, it is undisputed that WED does not have a statutory right of intervention.

Second, WED does not have an interest in this proceeding; nor could WED be bound by the Commission's action in this proceeding. The only statement that WED makes in its motion to intervene that could be construed as expressing an interest in this proceeding is its complaint that it received an impact study that estimated a cost to WED of \$13 million, including a significant amount for "capacity improvements to National Grid's distribution system" to interconnect its 10 proposed wind turbines. This purported interest, however, is not an interest that relates in any way to this docket.

The revenue decoupling statute requires a proposed ISR Plan that addresses proposed spending necessary for the safety and reliability of National Grid's electric distribution system. It is not a mechanism for addressing the promotion of renewable energy generation interconnection. The process for interconnecting renewable energy distributed generation, like what WED proposes, is already set forth in the Interconnection Tariff. The Interconnection Tariff is clear and unambiguous in its requirement that owners of distributed generation projects

must pay the costs for electrical system upgrades – System Modifications<sup>4</sup> – that are necessary only because of the proposed interconnection of the new distributed generation project. *See* Interconnection Tariff, Sheet 39, § 5.3. The estimated costs for WED's interconnection all fall within this clear and unambiguous rule. The ISR Plan is concerned with the safety and reliability of providing electric service to all National Grid's customers. The estimated interconnection costs National Grid has provided to WED are not necessary to provide service to National Grid's customers; they are necessary only to support the additional electrical load that will be carried by the system if the WED wind turbines are interconnected to the system.

This docket is not the forum for WED to question the PUC-approved process for interconnecting distributed generation of renewable energy. WED is already pursuing those interests in other dockets, such as the Renewable Energy Growth Program Docket and the multiple dockets in which it has petitioned for dispute resolution under the Interconnection Tariff. This docket is for the PUC to determine whether the spending in the proposed ISR Plan submitted by National Grid after months of negotiation and discussion with the Division is "reasonably needed to maintain safe and reliable distribution service over the short term and long-term." In other words, the statute calls for the consideration of whether all the proposed spending is necessary and appropriate – not whether National Grid should be required to spend additional amounts.

Additionally, WED will not be bound by any decision by the PUC in this docket.

National Grid has submitted a proposed ISR Plan, and if it is approved, National Grid will be obligated to follow the plan. WED, however, will not be impacted at all by the PUC decision.

There is nothing in the proposed ISR Plan that requires WED to take any actions, or that calls for

<sup>&</sup>lt;sup>4</sup> As that term is defined in the Interconnection Tariff.

National Grid to take any action with respect to WED. Consequently, WED does not meet the second potential basis for intervention in Rule 1.13(b).

Third, WED's assertion that its intervention is in the public interest is baseless. As an initial matter, and as the Division sets forth in its memorandum, WED has not and could not establish that the public interest WED claims it would serve is not adequately served by the Division. *See* Division Memorandum at 5-8. Moreover, the purported public interests WED claims it will represent if permitted to intervene in this docket are not at issue in this docket. The purpose of this docket is for the PUC to determine whether the proposed spending in the ISR Plan is "reasonably needed." WED claims that it will advocate for "job creation, stable energy pricing, reduced energy costs, a sustainable Rhode Island economy and environmental benefits." None of those interests, however worthy, is at issue in this docket. WED's motion to intervene does nothing to explain how the PUC's consideration of whether National Grid's proposed ISR Plan spending is reasonably needed could impact those interests. Consequently, WED does not meet the third potential basis for intervention under Rule 1.13(b).

In *In Re: Island Hi-Speed Ferry, LLC*, 746 A.2d 1240, 1246 (R.I. 2000), the Rhode Island Supreme Court's decision suggested that the PUC should be more conservative when determining whether intervention is appropriate. The PUC recognized this in Order 18794 in *Narragansett Electric Company d/b/a National Grid Proposed Standard Offer Service Rate Reduction*, Docket 3739, at 12 (2006). Every docket is not an appropriate forum to address every conceivable issue related to National Grid's electric distribution service. The scope of each docket is circumscribed by the statutory and/or rule-based reasons for the docket. In this case, the revenue decoupling statute carefully defines the scope of this docket. That scope does

not include any of the purposes for which WED seeks to intervene. National Grid, therefore, respectfully requests that the PUC deny the motion to intervene.

### B. The Arguments in WED's Objection are Irrelevant

Much of the objection WED filed consists of: (1) general statements about the statutory authority and purpose of the PUC; (2) quoted excerpts from the Rhode Island State Energy Plan; (3) statements regarding the purpose of the revenue decoupling statute; and (4) arguments that the Interconnection Tariff should be revised with respect to its requirement that developers of distributed generation renewable energy projects pay for the costs of interconnecting those projects. None of these arguments bears any relation to the PUC's consideration of the proposed ISR Plan. Rather, there are other dockets in which WED is already being heard on each of the arguments it raises. Moreover, National Grid's proposed ISR Plan includes a significant amount of proposed infrastructure work to improve the safety, efficiency, and reliability of the electric distribution system.

National Grid and the Division should not have to undo the significant work that went into the negotiated budget to accommodate WED's complaint that the ISR should make system improvements to facilitate the interconnection of distributed generation renewable energy projects. The revenue decoupling statute calls for inclusion in the ISR Plan of "costs relating to maintaining safety and reliability that are mutually agreed upon by the division and the company." R.I. Gen. Laws § 39-1-27.1.1(d). The Division and National Grid conferred regarding the ISR Plan for months. The statute does not contemplate that a third-party like WED (asserting its own interest) has the ability to demand that additional costs should be included in the ISR Plan.

### IV. CONCLUSION

For the foregoing reasons, as well as those set forth in the Division's memorandum,

National Grid respectfully requests that the PUC deny WED's motion to intervene and grant

National Grid's motion to strike WED's objection.

Respectfully submitted,

The Narragansett Electric Company d/b/a National Grid,

By its Attorney,

/s/ Adam M. Ramos

Adam M. Ramos (#7591) Hinckley, Allen & Snyder LLP 50 Kennedy Plaza, Suite 1500 Providence, Rhode Island 02903 Tel. (401) 274-2000 Fax (401) 277-9600 aramos@hinckleyallen.com

Dated: February 20, 2015