

February 23, 2017

BY HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: National Grid's Motion to Amend its 2016 and 2017 Renewable Energy Standard
Procurement Plans
Docket Nos. 4556 and 4605**

Dear Ms. Massaro:

Pursuant to Rule 1.15(a) of the Rhode Island Public Utilities Commission's Rules of Practice and Procedure, I have enclosed 10 copies of National Grid's¹ Motion to Amend its 2016 and 2017 Renewable Energy Standard Procurement Plans (RES Plans). As explained in the enclosed Motion, the Company requests approval to amend the RES Plans so the Company may use renewable energy certificates from the RE Growth Program to satisfy its RES obligations for standard offer service customers.

Thanks for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 4556 Service List
Docket 4605 Service List
Steve Scialabba, Division
Leo Wold, Esq.

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

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
RHODE ISLAND PUBLIC UTILITIES COMMISSION**

**Docket 4556 - 2016 Renewable Energy Standard
Procurement Plan and
Docket 4605 - 2017 Renewable Energy Standard
Procurement Plan**

**NATIONAL GRID'S MOTION TO AMEND ITS 2016 AND 2017
RENEWABLE ENERGY STANDARD PROCUREMENT PLANS**

Pursuant to Rule 1.15(a) of the Rhode Island Public Utilities Commission's (PUC) Rules of Practice and Procedure, National Grid¹ respectfully requests that the PUC approve the Company's request to amend its 2016 and 2017 Renewable Energy Standard (RES) Procurement Plans (RES Plans), as described fully below. Specifically, the Company requests approval to amend the RES Plans so it may use Renewable Energy Certificates (RECs) from the Renewable Energy (RE) Growth Program to satisfy its RES obligations for Standard Offer Service (SOS) customers. As grounds for this Motion, the Company states as follows:

1. The Company has discussed this Motion with the parties in this docket (Rhode Island Division of Public Utilities and Carriers (Division) and Rhode Island Office of Energy Resources (OER)). Although the Division and the OER did not object to this Motion, both parties reserve their rights to respond to the Motion once the Company files it with the PUC.
2. To comply with the RE Growth Program, codified at R.I. Gen. Laws § 39-26.6-1 *et seq.*, the Company enrolls eligible renewable energy resources and pays these resources a fixed price for their generation. Under the RE Growth Law, the Company receives title

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or the Company).

to the RECs for all projects that participate in the RE Growth Program. See R.I. Gen. Laws § 39-26.6-21(a).

3. According to 2016 amendments to the RE Growth Law, which became effective on June 27, 2016, the Company shall either sell the RECs created through the RE Growth Program or use them to serve SOS customers. See R.I. Gen. Laws § 39-26.6-21(3) (emphasis added) (“The electric-distribution company shall: (1) Sell any products acquired and credit them to the reconciliation account specified in §39-26.6-25; and/or (2) Use such products to serve customers and establish a price to be credited by customers using such products based on recent and near-term projections of market prices”).
4. In or around July 2016, the Company received title to RE Growth RECs for distributed generation projects that participated in the program in the first quarter of 2016. Since these RECs were created after the above-described 2016 amendment to the RE Growth law, the Company believes that its request to amend the RES Plans to satisfy its RES obligations is legally permissible.
5. Similar to how it used RECs from the Distributed Generation Standard Contracts Act and Long-Term Contracting Standard for Renewable Energy Programs (Long-Term Renewable Contracts), the Company proposes to use the RE Growth RECs to satisfy its new RES requirements for the SOS load. The Company believes that SOS customers will benefit from this approach because it will minimize transaction expenses.
6. When reconciling the RE Growth Factor, the Company will determine the actual value of the RE Growth RECs by using the same procedure established and approved in PUC Docket No. 4338, which involved the reconciliation of the Long Term Contract

Recovery Factor. The Company will determine the market costs for reconciliation of the RECs from the RE Growth Program by using the most representative data sources, such as recent solicitation results, broker sheets, and market indices. This market cost will be charged to SOS customers for their RES obligations, and the same amount will be credited to delivery customers.

7. Subject to PUC approval, in its 2017 RES Charge and annual reconciliation,, which the Company will file with the PUC on February 24, 2017, the Company has included the value of the 2016 RECs as a charge in the reconciliation and a credit in the Long-Term Contracting for Renewable Energy Recovery Factor and Renewable Energy Growth Cost Recovery reconciliations for the same period.
8. The Company has updated the original graphs it included in the 2016 and 2017 RES Plans to include a forecast of RE Growth RECs. See Attachment A.

WHEREFORE, for the foregoing reasons, the Company respectfully requests that the PUC grant its Motion to amend its 2016 and 2017 RES Plans so the Company may use renewable energy certificates from the RE Growth Program to satisfy its RES obligations for standard offer service customers.

Respectfully submitted,

NATIONAL GRID

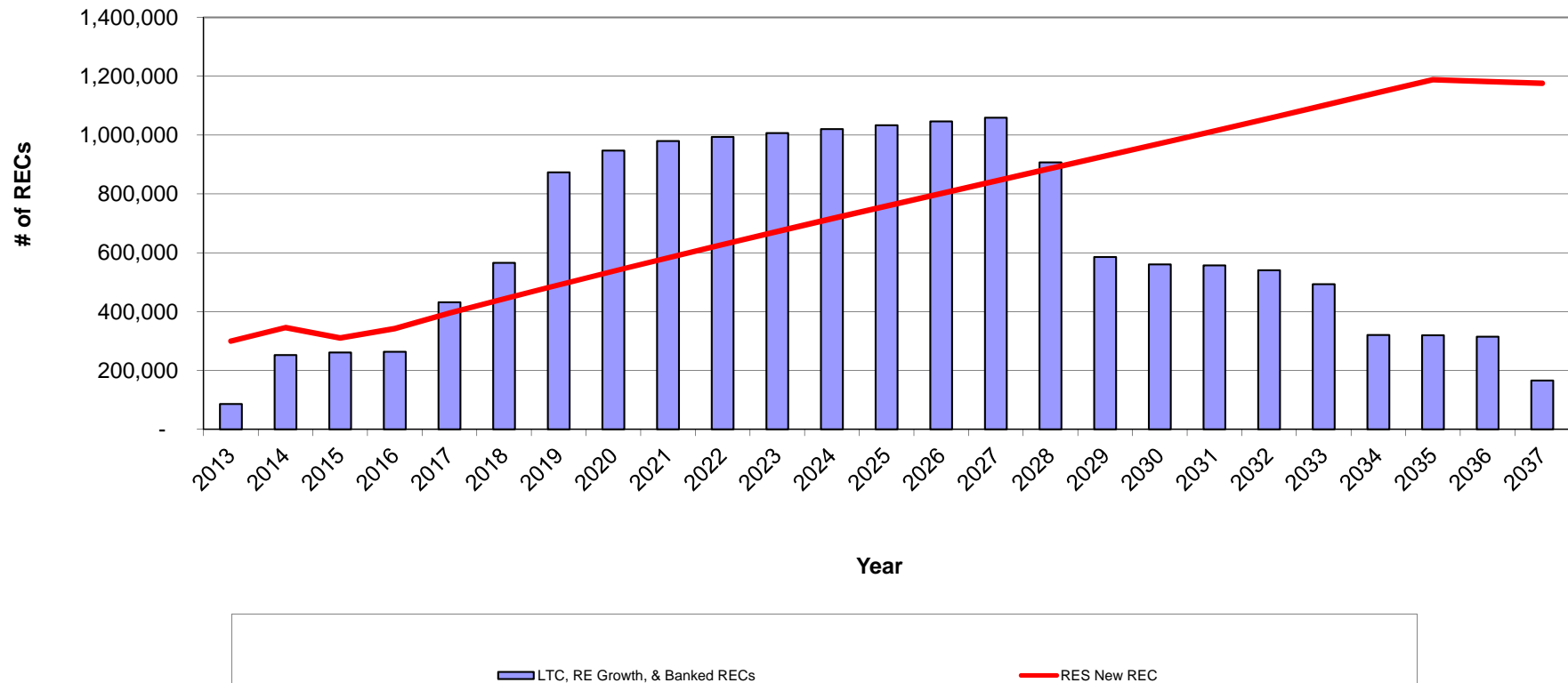
By its attorney,



Raquel J. Webster, RI Bar # 9064
National Grid
40 Sylvan Road
Waltham, MA 02451
(781) 907-2121

Dated: February 23, 2017

RES Requirement for The Narragansett Electric Company and Forecast of New RECs supplied under LTC and RE Growth Program



Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Joanne M. Scanlon

February 23, 2017

Date

**Docket No. 4556 - National Grid – 2016 Standard Offer Service (SOS) and Renewable Energy Standard (RES) Procurement Plans
Service List updated 6/13/16**

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**Docket No. 4605 - National Grid – 2017 Standard Offer Service (SOS) and
2017 Renewable Energy Standard (RES) Procurement Plans
Service List updated 10/16/16**

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