

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

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REVIEW OF ELECTRIC DISTRIBUTION )  
DESIGN PURSUANT TO R.I. GEN. LAWS )  
§ 39-26.6-24 )

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Docket No. 4568

**GREEN DEVELOPMENT, LLC  
dba WIND ENERGY DEVELOPMENT, LLC's  
FIRST SET OF DATA REQUESTS  
TO NATIONAL GRID**

By its attorneys, Green Development, LLC dba Wind Energy Development, LLC

(WED), makes the following data requests to National Grid.

**WED 1-1** Please describe whether and how your proposal considered the benefits of distributed generation as required by R.I. Gen. Laws § 39-26.6-24(b)(1)?

**WED 1-2** Is R.I. Gen. Laws § 39-26.6-24(b) internally inconsistent in requiring the consideration of “equitable ratemaking principles regarding the allocation of the costs of the distribution system and cost causation principles” and the benefits of distributed generation (i.e., do current, industry-standard ratemaking principles on cost allocation and cost causation principles provide for the consideration of the benefits of distributed generation)? If so, how can that be resolved in the context of this docket?

**WED 1-3** Is it possible to consider the benefits of distributed generation and meet the general assembly’s legislative purposes for the distributed-generation growth program while proposing to design new rates for electric distribution in a revenue neutral context (i.e., one designed to produce the same amount of revenue as current rates are designed to generate)? If so, how? If not, how do you propose to proceed in this docket?

**WED 1-4** On page 2, bullet 6 of the cover letter submitted with your proposal, what do you mean by the following statement: “In addition, the Company proposes that DG facilities no longer be allowed to net their station service usage against the amount of electricity generated by the DG facility, unless they are specifically enrolled in net metering”? Please identify where and how that is addressed in the specifics of the proposal.

**WED 1-5** Page 17 of the testimony states “In the event the customer’s generator tripped off-line due to a failure within the generator system, the amount of electricity needed from the distribution system would increase very quickly since all of the customer’s energy requirements would now have to be

met by the distribution utility, even for a short period of time. Therefore, the proper cost allocation and rate design must recognize the cost responsibility of the customer for the total of its electricity needs, including when the generator's output exceeds the customer's usage on-site, and when the generator is not operating at all." What is the basis of this assumption about the "proper cost allocation and rate design?" How is it consistent with the purposes of the statute, especially as set out in R.I. Gen. Laws § 39-26.6-24(b)(1) and (6)? How does the cost of providing reserve power relate to the peak shaving and energy security and other benefits discussed in the Study and the Plan? Given that balance, does the cost of providing reserve power warrant the allocation of more costs to DG customers?

**WED 1-6** On Page 19 of your testimony you state that "DG customers may contribute significantly less to support the distribution system as a result of their reduced kWh usage, thereby shifting the recovery of distribution system costs to all non-DG customers. Establishing the appropriate level of contribution toward these fixed costs by all customers – those with DG and those without DG – is essential to ensuring that the distribution system can be built, operated, and maintained in a manner that allows for DG interconnection in a safe and reliable manner to achieve the clean energy goals of the Act." What does safety and reliability have to do with the allocation of cost in this context? In reaching this conclusion have you also weighed the conclusions from the State Energy Plan regarding the importance of diversifying our electricity supply for energy security? Given that balance, do safety and reliability issues warrant the allocation of more costs to DG customers?

**WED 1-7** On page 31 of your testimony, you state that "the distribution system is sized and constructed to accommodate the maximum demand on the system at a single point in time. Therefore, a customer's maximum kWh usage during a 12-month period reflects the customer's contribution to total system demand and, therefore, the customer's cost responsibility." Is the level of demand on the system (and the consequent cost to customers) reduced at all by the introduction of efficiency and distributed generation? Is the cost to customers reduced accordingly? Is such benefit irrelevant in a revenue-neutral proceeding?

**WED 1-8** Page 40 of your testimony points out that "One of the legislative goals of the RE Growth Program is to encourage the growth of renewable DG. Therefore, any new rates proposed by the Company should not be designed to discourage implementation of DG." Explain how the proposed tiered customer charges and access fees encourage the growth of renewable DG.

**WED 1-9** On page 60 of your testimony you conclude that "proper cost allocation and cost recovery should recognize demand that results from either inflows or outflows of energy." Should proper cost allocation and cost recovery also recognize the benefits that result from inflows or outflows of energy?

**WED 1-10** On page 61 of your testimony you state that "The availability capacity factors for wind, anaerobic digestion, and hydro are still to be determined through further analytics and will be provided in a revised Access Service Agreement at a later date." Can you provide additional details on how and when this analysis will occur? Will it be consistent with the RI DG Boards methodology?

**WED 1-11** On page 61 of your testimony in answer to a question about how net metered customers are billed you reference that the “current method of billing stand-alone DG facilities does not provide adequate contribution towards recovery of the costs that the DG facilities use of the system causes the company to incur.” In the context of a remote net-metered customer utilizing remote net metering from a stand-alone DG facility aren’t customers already paying for the “use of the system” at their other facilities? Since billing true up is done on a monetary basis rather than a kWh basis and customer facilities won’t see a reduction in monthly kWh equal to the stand alone DG facilities generation wouldn’t they actually be overcharged using the monthly kWh methodology outlined on page 31? Under this scenario wouldn’t a stand-alone charge for generation combined with a charge for facility consumption result in double charging?

**WED 1-12** In response to your testimony on pages 62-63 regarding the burden of ISO requirements, does your analysis supporting the proposal consider the cost DG developers incur to comply with ISO requirements and the benefits such compliance provides to the regional energy management system, including for the evaluation of transmission investments?

**WED 1-13** Is “The Integrated Grid” the only secondary source you used to evaluate the costs and benefits of distributed generation? If not, please list any other resources you relied on. Are you aware of other resources that would inform this process (please include those that do not or might not support your position)?