



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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December 14, 2015

SENT VIA FIRST CLASS MAIL AND ELECTRONIC MAIL:

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

Re: Rhode Island Distributed Generation Board Report and Recommendation
Regarding 2016 Renewable Energy Growth Classes, Ceiling Prices and
Targets [Docket No. 4589-B]

Dear Ms. Massaro:

Enclosed for filing is an original and ten (10) copies of the Office of Energy Resources and Distributed Generation Board testimony related to the above mentioned docket. Based on my conversation with Amy D'Alessandro today, this is to confirm that next year the testimony will be filed simultaneously with the Report and Recommendations regarding Renewable Energy Growth Classes, Ceiling Prices and Targets.

Sincerely,

Daniel W. Majcher, Esq.

DWM/njr

Enclosure

c. Kenneth Payne
Christopher Kearns
Docket List - 4589-B

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: R.I. DISTRIBUTED GENERATION
BOARD (DG BOARD) REPORT AND
RECOMMENDATION REGARDING 2016
RENEWABLE ENERGY GROWTH CLASSES,
CEILING PRICES AND TARGETS

DOCKET 4589-B

DIRECT TESTIMONY

OF

JASON GIFFORD

DECEMBER 11, 2015

1 Direct Testimony of Jason Gifford – Sustainable Energy Advantage

2 I, Jason Gifford, hereby testify under oath as follows:

3 **1. Please state your name, employer and title?**

4 My name is Jason Gifford. I am a Senior Director at Sustainable Energy Advantage, LLC
5 (“SEA”).

6 **2. Can you please provide your background related to renewable energy technologies?**

7 I have over seventeen (17) years of experience in the development of renewable energy
8 policy, market, and financial analysis. My practice with SEA focuses on policy, strategy
9 and financial advisory services to a broad range of both public and private sector clients.

10 **3. Can you please provide SEA’s background related to renewable energy technologies?**

11 Sustainable Energy Advantage has been a national leader on renewable energy policy
12 analysis and program design since 1998. In that time, SEA has supported the decision-
13 making of more than two hundred (200) clients—including more than forty (40)
14 governmental entities— through the analysis of renewable energy policy, strategy,
15 finance, projects and markets. SEA is known and respected widely as an independent
16 analyst, a reputation earned through the firm’s ability to identify and assess all
17 stakeholder perspectives, conduct analysis that is objective and valuable to all affected,
18 and provide advice and recommendations that are in touch with market realities and
19 dynamics.

20 **4. What was SEA’s role in the Renewable Energy Growth program?**

21 Since 2011, SEA has served as a technical consultant to the Office of Energy Resources
22 (“OER”) and, beginning in 2014, to the Distributed Generation Board (“DG Board”) in

1 their implementation of the DG Standard Contracts and Renewable Energy Growth
2 (“REG”) programs. SEA’s role is to help the OER and DG Board to make informed
3 recommendations with respect to technology-, ownership-, and size-specific ceiling
4 prices based on detailed research and analysis. SEA has also acted as a joint facilitator
5 of a lengthy process, each year, to request, gather and analyze cost and performance
6 data from stakeholders. This process also solicits stakeholders’ empirical evidence
7 regarding market trends and practices, and offers multiple opportunities for interested
8 parties to submit written comments – both in general and in response to draft ceiling
9 price recommendations. Interviews with active market participants and regulators were
10 also conducted. SEA utilizes National Renewable Energy Laboratory’s (“NREL”) CREST
11 model to generate recommended ceiling prices through multiple rounds of analysis.

12 **5. What was SEA’s role in the development of the 2016 Renewable Energy Growth**
13 **program?**

14 SEA’s role is to conduct detailed research and analysis in support of calculations for each
15 of the technology-, ownership- and size-specific ceiling price categories identified, and
16 to recommend associated ceiling prices to the OER and DG Board.

17 **6. Can you please explain the Cost of Renewable Energy Spreadsheet Tool (“CREST”)**
18 **model?**

19 The CREST model is a discounted cash flow analysis tool published by the NREL. The
20 CREST model is available to the public without charge, and is fully transparent (that is,
21 all formulas are visible to all users). CREST was developed for use by policymakers in the
22 development of cost-based renewable energy incentives, and has been peer reviewed

1 by both the public and private sectors. The model is designed to calculate the cost of
2 energy, or minimum revenue per unit of production, necessary for the modeled project
3 to cover its expenses, service its debt obligations (if any), and meet its equity investors'
4 assumed minimum required after-tax rate of return. CREST was developed in Microsoft
5 Excel, so it offers the user a high degree of transparency, including full comprehension
6 of the underlying equations and model logic. Beginning in 2015, NREL released a CREST
7 model that is not only transparent, but also allows the user to edit the model without
8 limit. SEA was the primary architect of the CREST model, which was developed under
9 contract to NREL.

10 **7. Were the CREST models made available to stakeholders?**

11 Yes. The CREST models are always available to the public. Any stakeholder may
12 download a CREST model from NREL's website, without charge, and enter any number
13 of different input configurations – including all inputs used by SEA during the ceiling
14 price analysis. During the 2016 ceiling price development process, several stakeholders
15 asked SEA to share the CREST models, populated with then-current inputs. SEA
16 distributed these models by email. SEA also provided CREST modeling support by phone
17 to assist several stakeholders with the use of the model and their own analysis.

18 **8. How many public meetings did SEA participate in during the development of the 2016**
19 **ceiling prices?**

20 Three. The first two public meetings (held on August 17th and September 21st,
21 respectively) were used to explain the data collection and analysis processes, and
22 discuss two (2) sets of draft ceiling price recommendations. The final public meeting

1 (held October 19, 2015) was a DG Board meeting, for the purpose of presenting the final
2 draft ceiling price inputs and results to the DG Board.

3 **9. Is it your understanding that SEA was contracted by the Board to conduct research,**
4 **collect and review stakeholder data and comments, and recommend 2016 ceiling**
5 **prices for each renewable energy category?**

6 Yes. SEA conducted this research and analysis in order to support the OER, DG Board
7 and Commission's informed decision-making with respect to 2016 ceiling prices.

8 **10. Are those recommendations reflected in the Report and Recommendation submitted**
9 **to the Commission?**

10 Yes.

11 **11. Were there any SEA recommendations that were not included in the Report?**

12 No. SEA's research and analysis was compiled into a single set of recommendations to
13 the DG Board. After public meeting and discussion, the Board recommended this set of
14 proposed ceiling prices to the Commission.

15 **12. Can you verify the ceiling prices included in the Report and Recommendations?**

16 Yes. The ceiling price for each technology category and federal incentive regime is
17 presented below. The recommended 2016 ceiling prices include a 30% ITC for solar less
18 than or equal to 25 kW, and a 10% ITC for solar greater than 25 kW. The recommended
19 2016 ceiling prices include no PTC (or ITC in lieu thereof) for all other technologies.

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Technology & Class	2016 Proposed Ceiling Prices (¢/kWh)			
	With 30% ITC	With 10% ITC	With PTC	Without ITC or PTC
Small Solar I, Host Owned (15-yr Tariff)	37.65	N/A	N/A	45.25
Small Solar I, Host Owned (20-yr Tariff)	33.45	N/A	N/A	39.85
Small Solar I, 3rd Party Owned (15-yr Tariff)	29.90	N/A	N/A	34.95
Small Solar I, 3rd Party Owned (20-yr Tariff)	26.10	N/A	N/A	30.25
Small Solar II	26.15	30.15	N/A	N/A
Medium Solar	24.40	29.55	N/A	N/A
Commercial Solar	20.25	23.15	N/A	N/A
Large Solar	15.75	18.35	N/A	N/A
Wind I	N/A	N/A	21.45	24.45
Wind II	N/A	N/A	20.45	23.45
Wind III	N/A	N/A	19.70	22.65
Anaerobic Digestion I	N/A	N/A	20.80	21.20
Anaerobic Digestion II	N/A	N/A	20.80	21.20
Small Scale Hydropower I	N/A	N/A	19.45	21.00
Small Scale Hydropower II	N/A	N/A	18.25	19.75
Pilot Program				
Small-Scale Solar, Res. or Non-profit master metered single unit building (15-yr Tariff)	N/A	N/A	N/A	45.25
Small-Scale Solar, Res. or Non-profit master metered single unit building (20-yr Tariff)	N/A	N/A	N/A	39.85
Small Scale Solar, Res., Small Comm., or Non-profit master metered multi-unit building (2-4 tenant units)	N/A	N/A	N/A	30.15
Medium Solar, Non-profit or multi-unit (5 or more tenant units) master metered building	N/A	N/A	N/A	29.55

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2 **13. Are these the same ceiling prices that were developed through the CREST modeling in**
3 **conjunction with stakeholders and OER, and recommended to the Board?**

4 Yes.

5 **14. How were these ceiling prices developed and what factors were considered in developing**
6 **them?**

7 The ceiling prices were developed through a collaborative process between SEA, OER, the
8 DG Board and stakeholders. Through a formal data request, OER, the DG Board and SEA

1 implored all interested parties to provide market data (including sources) with respect to
 2 the cost, performance and financing assumptions related to each of the technologies and
 3 sub-categories being evaluated. Stakeholders were afforded just over three (3) weeks (July
 4 10th through August 3rd) to assemble and submit these data. Follow-up interviews were
 5 also conducted. Recent transactions in ISO-NE, bid pricing received during the DG Standard
 6 Contracts program, bid prices received in the first enrollment of the Renewable Energy
 7 Growth Program and other publicly available reports and data sources were also considered
 8 in SEA’s review and analysis. The Lawrence Berkeley National Laboratory (LBNL) provided
 9 solar cost data for all of New England, New York and selected Mid-Atlantic states. The
 10 Massachusetts Clean Energy Center (MassCEC) provided detailed cost data for solar projects
 11 participating in the MA solar carve-out program. Three pricing iterations were shared with
 12 stakeholders and discussed at public meetings before recommendations were submitted to
 13 OER and the DG Board.

14 **15. How many stakeholder comments were received in response to the formal data request?**

15 Over the approximate three week period that the data request was outstanding, SEA
 16 received completed data requests from only four (4) unique parties. These four (4) parties
 17 commented on nine different technology and size categories as follows:

Technology	# of responses submitted, by category
Solar	(1) 140 kW system, (2) 500 kW commercial systems, and (2) 1.5 MW systems
Wind	(1) 1.65 MW system, (1) 3.3 MW system, and (1) 4.95 MW system
Anaerobic Digestion	(1) 750 kW system

18

1 **16. Please summarize the subject matter on which stakeholders commented. How were**
2 **these comments incorporated into the process and ceiling price recommendations to the**
3 **Commission?**

4 Comments were received regarding solar, wind and anaerobic digester systems. No
5 comments were received regarding hydroelectric systems. With respect to solar,
6 stakeholders commented on project cost (both installed and operating), performance
7 (capacity factor), and financing assumptions. During the public meetings and associated
8 follow-up, particular attention was given to installed costs and financing assumptions for
9 the medium solar category. Stakeholder comments serve as a partial basis for the proposed
10 change in the ceiling prices between 2015 and 2016. In the case of the medium solar
11 category, stakeholder data, discussion and SEA's additional research led to the
12 recommendation not to change the ceiling price for this category for 2016. With respect to
13 wind, stakeholder comments and data regarding interconnection costs were the primary
14 focus. Comments were also received regarding installed costs, operating costs and
15 production expectations (capacity factor). Interconnection costs represent a material
16 uncertainty for all technologies. Actual historic data, additional research and discussion
17 with National Grid, and stakeholder comments were used to make recommended changes
18 to interconnection cost assumptions. Anaerobic digester comments focused on parasitic
19 load, installed costs, operating costs and financing. SEA followed up on these issues with
20 the commenting party, who did not participate in the public meetings.

21 **17. Why are ceiling price recommendations not based exclusively on stakeholder input?**

1 While stakeholder input is extremely important to understanding the local landscape, it
2 would be difficult to explain and defend a contract price based solely on the self-reported
3 assumptions of the entities seeking such contracts – particularly if inputs and comments are
4 received only from one project developer in a particular technology or size category. The
5 recommended ceiling prices take other recent data sources into account – particularly with
6 respect to cost and financing trends – in order to encourage projects in Rhode Island that
7 can be demonstrated to be competitive with similar projects in the region. For other
8 assumptions, namely capacity factor for wind and solar, Rhode Island-specific estimates or
9 actual historic data (provided by stakeholders) were used, even where these values
10 deviated from regional experience.

11 **18. Did the Board allow SEA to have direct communication with the stakeholders on the**
12 **development of the ceiling prices, including by email, phone calls and face to face**
13 **meetings?**

14 Yes. The Board and OER encouraged stakeholders to ask questions of SEA directly by
15 phone, email or in person. As a result, SEA held in-person meetings, phone calls and email
16 exchanges with a range of participants on a range of topics.

17 **19. Did SEA give presentations regarding the 2016 REG Program?**

18 Yes. SEA gave three presentations. SEA presented the results of the data request, its
19 supplementary research, and the first draft of proposed ceiling price inputs and results for
20 all technology categories in a public meeting on August 17, 2015. The second draft of
21 proposed inputs and results were presented in a public meeting on September 21, 2015,
22 and the final ceiling price recommendations for all technology categories were presented at

1 the DG Board meeting on October 19, 2015. SEA received feedback, discussed market
2 dynamics and stakeholder experiences, and answered questions posed by the Board, OER
3 and/or stakeholders, as applicable, in each of these meetings.

4 **20. Are those presentations attached to the Report and Recommendation?**

5 Yes.

6 **21. Did SEA, on behalf of the Board, consider all of the stakeholder feedback given in the**
7 **development of recommended 2016 ceiling prices?**

8 Yes. Stakeholder feedback was solicited, considered, and incorporated throughout the entire
9 process. SEA's presentation of multiple draft ceiling prices, and associated explanation of
10 changes, substantiates this fact.

11 **22. Were adjustments made by SEA to the proposed 2016 ceiling prices from their 2015**
12 **values and what were those adjustments?**

13 Yes. First, it is important to emphasize that all technology, ownership and size categories
14 were evaluated for potential adjustment for the 2016 REG Program. The aforementioned
15 data request, research, analysis and stakeholder discussion pertained to all categories. As
16 the market evolves, changes in some modeling components exert downward pressure on
17 ceiling prices, while others exert upward pressure. In the 2016 ceiling price analysis, the net
18 result differed by technology. Total installed cost, capacity factor, property tax and
19 financing term are among the primary ceiling price drivers. In one case – Medium Solar –
20 the research and modeling suggested that a downward ceiling price adjustment may be
21 possible. Based on the market's slow adoption rate (not only in Rhode Island but also in

1 Massachusetts) as well as the long sales cycle for this size category, however, SEA
 2 recommends that the 2016 ceiling price for Medium Solar remain at its 2015 level.
 3 Separately, it is important to note that a new wind category (Wind III) as well as small solar
 4 (<= 25 kW) and medium solar (26 – 250 kW) non-profit property and income-eligible
 5 projects were included for the first time in the 2016 price ceiling recommendations. As a
 6 result, no comparisons to 2015 values are possible for these categories.
 7 Adjustments were made to all ceiling price categories except for medium solar. Solar and
 8 hydro ceiling prices decreased. Wind and anaerobic digester ceiling prices increased. The
 9 2015 final ceiling price values, 2016 proposed ceiling price values, and the percentage
 10 change in ceiling prices from 2015 final to 2016 proposed values are summarized below.

11

Technology & Class	Year	2015 Final and 2016 Proposed Ceiling Prices (¢/kWh)			
		With 30% ITC	With 10% ITC	With PTC	Without ITC or PTC
Small Solar I, Host Owned (15-yr Tariff)	2015	37.65			45.25
	2016	41.35 (-9%)			49.85 (-9%)
Small Solar I, Host Owned (20-yr Tariff)	2015	33.45			45.05
	2016	37.75 (-11%)			39.85 (-12%)
Small Solar I, 3rd Party Owned (15-yr Tariff)	2015	37.60			43.40
	2016	29.90 (-20%)			34.95 (-19%)
Small Solar I, 3rd Party Owned (20-yr Tariff)	2015	32.95			37.65
	2016	26.10 (-21%)			30.25 (-20%)
Small Solar II	2015	29.80	34.40		
	2016	26.15 (-12%)	30.15 (-12%)		
Medium Solar	2015	24.40	29.55		
	2016	No Change	No Change		
Commercial Solar	2015	20.95	24.65		
	2016	20.25 (-3%)	23.15 (-6%)		
Large Solar	2015	16.70	19.40		
	2016	15.75 (-6%)	18.35 (-5%)		
Wind I	2015			19.85	22.75
	2016			21.45 (+8%)	24.54 (+8%)
Wind II	2015			19.45	22.35

	2016			20.45 (+5%)	23.45 (+5%)
Wind III*	2015			N/A	N/A
	2016			19.70	22.65
Anaerobic Digestion I	2015			20.20	20.60
	2016			20.80 (+3%)	21.20 (+3%)
Anaerobic Digestion II	2015			20.20	20.60
	2016			20.80 (+3%)	21.20 (+3%)
Small Scale Hydropower I	2015			19.80	21.35
	2016			19.45 (-2%)	21.00 (-2%)
Small Scale Hydropower II	2015			18.55	20.10
	2016			18.25 (-2%)	19.75 (-2%)
Pilot Program					
Small-Scale Solar, Res. or Non-profit master metered single unit building (15-yr Tariff)*	2015				N/A
	2016				45.25
Small-Scale Solar, Res. or Non-profit master metered single unit building (20-yr Tariff)*	2015				N/A
	2016				39.85
Small Scale Solar, Res., Small Comm., or Non-profit master metered multi-unit building (2-4 tenant units)*	2015				N/A
	2016				30.15
Medium Solar, Non-profit or multi-unit (5 or more tenant units) master metered building*	2015				N/A
	2016				29.55
*New price ceiling category for 2016 REG, so no comparison to 2015 values are possible.					

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23. Does SEA believe that the importance of both policy objectives and cost effectiveness were considered in its recommendations?

Yes. SEA believes that the recommended ceiling prices represent a balance among all of the policy objectives of Rhode Island law.

24. Does SEA believe that the ceiling prices approved by the Board in its vote on October 19, 2015 and recommended to the Commission are reasonable and are in the best interests of the State of Rhode Island?

Yes.

25. Does this conclude your testimony?

Yes.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
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IN RE: R.I. DISTRIBUTED GENERATION
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CEILING PRICES AND TARGETS

DOCKET 4589-B

DIRECT TESTIMONY
OF
CHRISTOPHER KEARNS

DECEMBER 11, 2015

1 Direct Testimony of Christopher Kearns – RI Office of Energy Resources

2 I, Christopher Kearns, hereby testify under oath as follows:

3 **1. Please state your name, employer and title?**

4 Chris Kearns, Office of Energy Resources (“OER”), Chief of Program Development

5 **2. What is your role in the development of the 2016 Renewable Energy Growth**
6 **Program?**

7 In accordance with R.I. Gen. Laws § 39-26.2-11, the Commissioner of the OER serves as
8 the Executive Secretary and Executive Director of the Distributed Generation Board
9 (“Board”). I represent the OER in staffing and assisting the Distributed Generation
10 Board (“Board”) with the development of the 2016 Renewable Energy Growth (“REG”)
11 program recommendations.

12 **3. What is your experience with the Distributed Generation Standard Contracts program**
13 **over the last four (4) years?**

14 I was involved in the direct oversight of the Distributed Generation Standard Contracts
15 (DG) and REG program implementation in coordination with National Grid over the past
16 5 years. I have viewed the projects/locations being proposed; the different renewable
17 energy technologies and systems sizes submitted; the price per kWh of the DG and REG
18 applications; and arranging public outreach and presentations on the DG and REG
19 programs. I was directly involved in the DG and REG program filings before the Public
20 Utility Commission (Commission).

21 **4. What is the role of the OER and Commissioner in assisting the Board?**

1 In accordance with R.I. Gen. Laws § 39-26.2-11(a), the Commissioner of OER serves as
2 the Executive Secretary and Executive Director of the Board and is also a non-voting
3 member of the Board. The OER provides assistance to the Board in the development of
4 the annual program plan, including contracting with the Board's selected contractor
5 performing the ceiling price analysis. The OER provides recommendations on the ceiling
6 price process, eligible renewable energy technologies and how to allocate the megawatt
7 capacity amongst the different technologies.

8 **5. How many public meetings were organized by the OER and the Board for the**
9 **development of the 2016 REG program recommendations?**

10 The OER and the Board hosted five (5) public meetings on the development of the 2016
11 REG program.

12 **6. Was public notice posted on the Secretary of State's website for those meetings?**

13 Yes.

14 **7. Was additional notice sent to stakeholders regarding the public meetings?**

15 Yes. In addition to posting the meetings on the Secretary of State website, the OER also
16 sent out reminder email notifications about the upcoming 2016 REG program
17 development public meetings.

18 **8. Did the Board hire Sustainable Energy Advantage ("SEA") to develop and recommend**
19 **the 2016 ceiling prices on behalf of the Board, including collecting and reviewing**
20 **stakeholder inputs into the development of the ceiling prices for the eligible**
21 **renewable energy technologies?**

22 Yes.

1 **9. Why was SEA hired?**

2 SEA was hired due to their extensive experience in the renewable energy market and
3 the development of projects. SEA was also one of the co-authors of the Cost of
4 Renewable Energy Spreadsheet (“CREST”) modeling tool.

5 **10. How many years has SEA been involved with the development of the annual ceiling
6 prices?**

7 This will be SEA’s sixth (6th) year being involved with the annual ceiling prices for the DG
8 program. SEA had developed the ceiling prices for the four (4) years of the DG program
9 and first year of the REG program using the CREST model.

10 **11. How and when did the Board/OER/SEA solicit input from stakeholders to establish the
11 ceiling prices/allocation?**

12 The Board through SEA solicited input from stakeholder through requests for
13 information starting in September. The OER distributed the request for information to
14 stakeholders on the Board’s behalf. SEA presented three drafts of the 2016 ceiling
15 prices at public meetings, and also collected additional feedback and comments from
16 stakeholders at those meetings. Through the Board’s approval, SEA was made available
17 to stakeholders by phone or email.

18 **12. Did the OER and SEA on behalf of the Board consider all of the stakeholder feedback
19 given in the development of the DG program?**

20 Yes.

21

1 **13. Does OER believe a balance was provided in providing the most cost effective ceiling**
2 **prices for the eligible renewable energy technology classes to encourage development**
3 **and meet the policy objectives of the REG law?**

4 Yes, the OER believes a balance was struck in the development of the 2016 REG program
5 recommendations, including the ceiling prices for the eligible renewable energy
6 technologies, and meeting the policy objectives.

7 **14. Does this conclude your testimony?**

8 Yes.

9

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: R.I. DISTRIBUTED GENERATION
BOARD (DG BOARD) REPORT AND
RECOMMENDATION REGARDING 2016
RENEWABLE ENERGY GROWTH CLASSES,
CEILING PRICES AND TARGETS

DOCKET 4589-B

DIRECT TESTIMONY

OF

KENNETH PAYNE

DECEMBER 11, 2015

1 Direct Testimony of Kenneth F. Payne, PhD – Chairperson of Distributed

2 Generation Board

3 I, Kenneth F. Payne, hereby testify under oath as follows:

4 **1. Please state your name, employer and title?**

5 My name is Kenneth F. Payne, I am principal of Systems Aesthetics LLC and Chairperson
6 of the Distributed Generation Board.

7 **2. Can you please provide your background in the area of renewable technologies?**

8 I have been actively involved in renewable energy issues in Rhode Island for more than a
9 decade. As senior policy advisor to the Rhode Island Senate, I was directly involved in
10 drafting the Renewable Energy Standard Act of 2004, the Comprehensive Energy
11 Conservation, Efficiency, and Affordability Act of 2006, and the Net Metering
12 Amendments of 2007. In late 2007, I joined the research faculty of the University of
13 Rhode Island (“URI”); while at URI I helped organize the Energy Fellows, oversaw the
14 Fellows’ first major research project. In 2010, I was appointed to lead the Office of
15 Energy Resources (“OER”). During 2011, I represented the Chafee Administration in
16 drafting the comprehensive overhaul of the State’s renewable energy financing laws,
17 the package of bills included the Distributed Generation Standard Contracts Act; and as
18 Administrator I oversaw the development of the distributed generation contracts,
19 ceiling prices and allocation plan. I have been a member and the Chairperson of the
20 Distributed Generation Standard Contracts Board, now called the Distributed
21 Generation Board (“DG Board”), since 2013.

1 **3. What was your role in the development of the 2016 Renewable Energy Growth (REG)**
2 **Program?**

3 I was, and am, a member and the chairperson of the DG Board. In that capacity, I
4 presided at DG Board meetings and represented the Board interactions with the
5 consultant retained by the OER and the DG Board.

6 **4. Did the Board participate in the retention of Sustainable Energy Advantage (“SEA”) to**
7 **develop and recommend the 2016 REG Program ceiling prices on behalf of the Board?**

8 Yes, the Board supported the use of a competitive bid process to select a consultant to
9 do the ceiling price work. The competitive process was administered by the Department
10 of Administration, Division of Purchases. The DG Board was represented on the review
11 team that made its recommendation to the Division of Purchase to retain SEA.

12 **5. In a public meeting on October 19, 2015, did the Board vote to approve the**
13 **recommended ceiling prices and allocation plan for the 2016 REG Program?**

14 Yes.

15 **6. Did the DG Board have a quorum?**

16 Yes.

17 **7. Were there any dissenting votes?**

18 No.

19 **8. Are recommendations voted on by the DG Board reflected in the Report and**
20 **Recommendation submitted to the Commission?**

21 Yes.

22

1 **9. Is it your understanding that the OER and SEA on behalf of the DG Board considered**
2 **and reviewed the stakeholder feedback given in the during the period of the**
3 **development of the 2016 REG Program recommendations prior to the Board voting**
4 **on the recommendations?**

5 Yes. The DG Board held meetings and workshops on a monthly basis for sixth months
6 (May through October) to hear directly from stakeholders. At the October 19, 2015, DG
7 Board meeting the proposed recommendations were presented by OER, SEA, and
8 National Grid, reviewed and discussed section by section with opportunities for public
9 comment, recommendations for amendments were invited, none were offered, and the
10 proposed recommendations were adopted.

11
12 **10. Can you please provide the DG Board’s reasoning for adopting the recommendations**
13 **for the various ceiling prices and allocations of renewable energy technologies?**

14 The DG Board reached a collective understanding that these recommendations should
15 be made to the Commission. The DG Board discussed the requirements and
16 implications of the requirements of the REG Program statute, looked at prior actual
17 experience with the Distributed Generation Standard Contracts program and first year
18 of the REG program, received recommendations from OER staff, and took extensive
19 input from SEA on what the CREST model runs showed. The DG Board, or SEA on behalf
20 of the Board, received and discussed public and renewable energy developer comments,
21 and the Board reached consensus that these recommendations for 2016 REG Program
22 should be submitted to the Commission for its consideration and approval. The process

1 was conducted with public meetings and public comment was allowed and welcomed at
2 all meetings.

3 **11. Did the renewable energy business community and the public have sufficient time to**
4 **know what the 2016 ceiling prices would be for a renewable energy class?**

5 The timetables effectively created by the statute are aggressive not leisurely. Data from
6 the current enrollment year is important. If the DG Board were stretch out its work and
7 give more time for input and deliberations, the statutory expectations could not be met.

8 What the DG Board is committed to is maintaining an open, public flow of information.

9 The DG Board holds more meetings and public in-put sessions than required by statute,
10 and at these meetings the shares what it knows and talks public in-put, including from
11 the developer community.

12 **12. Does this conclude your testimony?**

13 Yes.

14