



**Memorandum**

**From:** Seth Handy

**To:** PUC

**Date:** August 2017

**Regarding:** Comments on Docket 4600 Guidance

This memo responds to your request for comment on the guidance development for implementation of docket 4600 stakeholder report. I comment individually as a citizen, not as counsel for any other interest(s).

I. I strongly support the guidance, based on unanimous stakeholder resolution, and approve of its implementation as promptly as possible.

II. On page 2, I question whether it is appropriate to indicate that this guidance document is designed only to implement principles set forth in RIGL §39-26.6-24(b). My understanding of the context is that the utility proposed a rate proceeding under that section that was addressed in Docket 4568 and that rate review proceeding was closed with the voluntary withdrawal of NGrid’s proposal and the issuance of the PUC’s order. The Order in Docket 4568 referred to the interest in a separate rate review proceeding and indicated that “nothing prohibits the PUC from a further review of rate design in future cases. In fact, the law anticipates that the PUC will apply these rate design principles in the future.” The PUC’s preliminary memo and request for stakeholder feedback in Docket 4600, dated March 1, 2016, confirmed on page 2 that the rate proceeding contemplated in RIGL §39-26.6-24(b) would be closed upon issuance of the final order in docket 4568. Then, the notice of commencement of docket 4600 indicated a much broader (and stronger) source of authority for the investigation and goals of docket 4600.

Pursuant to the provisions of Sections 39-1-1, 39-1-27.3, 39-1-27.7, 39-1-27.7.1, 39-1-38, 39-2-1, 39-2-1.2, 39-3-11, 39-4-2, 39-26-1 to 7, 39-26.1-1 to 9, 39-26.2-1 to 14, 39-26.3-1 to 6, 39-26.4-1 to 5, and 39-26.6-1 to 25 of the Rhode Island General Laws, as amended, the Public Utilities Commission (PUC) hereby gives notice that on March 3, 2016, the PUC opened an investigation into the changing distribution system and the modernization of rates in light of the changing distribution system. The purpose of the docket will be to develop a report that will guide the PUC’s review of the Narragansett Electric Company d/b/a National Grid’s (National Grid) rate structure in future proceedings. In order to determine the factors necessary for determining rates pursuant to the Renewable Energy Growth Program, and to improve consistency within and across programs, the PUC needs to develop an improved understanding of the costs and benefits caused by various activities on the system.

I support this broader and stronger view of the jurisdictional basis for Docket 4600 and its stakeholder recommendations and guidance. I submit that the guidance is proposed pursuant to the Commission’s broad jurisdiction over rates, programs and policies affecting customers, the

distribution system and Rhode Island citizens, which includes but is not limited to implementation of RIGL §39-26.6-24(b). That approach is more in keeping with the fundamental goal of this proceeding to implement least cost (now, better known as “best value”) procurement across Rhode Island rates, policies and programs.

III. On page10, I am surprised and sad that the Commission proposes to exempt specified, current proceedings from the implementation of the stakeholder’s recommendations and the guidance. I understand that we are refining the results of Docket 4600 and that those responsible for proposing standard offer service, the renewable energy growth ceiling prices and the LIHEAP plan would be addressing a bit of a moving target at this point. But, many of those entities participated in 4600, closely followed its developments and have long been aware of the stakeholder consensus on these issues. The principles and recommendations of 4600 should be acted upon to the extent feasible in all processes and proposals pending now. Allowing the right to proceed without such consideration/implementation is effectively deferring benefits that those filing these plans could offer (and arguably owe) to Rhode Island customers, our distribution system and to our society. I would hope the plan proponents themselves would be eager to achieve such benefits to the extent possible in their planning and implementation processes.

Thank you for your consideration of these comments.