



**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**

**Department of Administration**  
DIVISION OF LEGAL SERVICES  
One Capitol Hill, 4<sup>th</sup> Floor  
Providence, RI 02908-5890

Tel: (401) 222-8880  
Fax: (401) 222-8244

**Daniel W. Majcher, Esq.**

March 27, 2020

**SENT VIA ELECTRONIC MAIL ONLY [Luly.Massaro@puc.ri.gov]:**

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

**RE: Docket No. 4604 - The Office of Energy Resources (OER) - Budget Requests to Perform 2021 Renewable Energy Growth Program Development**

Dear Ms. Massaro:

In accordance with R.I. Gen. Laws § 39-26.6-4(b), the Rhode Island Office of Energy Resources (“OER”), in consultation with the Rhode Island Distributed-Generation Board (“DG Board”), is requesting approval from the Public Utilities Commission (“PUC”) to perform program and ceiling price development for the 2021 Renewable Energy (“RE”) Growth Program year. OER and the DG Board are respectfully requesting approval from the PUC to receive \$261,810.00. Please note that the DG Board formally approved the submission of this request at its past meeting on Monday, March 23, 2020.

Please see attached memo with budget breakdown and associated tasks attached as Appendix A. If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Daniel W. Majcher  
Legal Counsel  
Department of Administration  
on behalf of the Office of Energy Resources

DWM/njr

Enclosure

c. Docket #4604 Service List

# Appendix A



# Sustainable Energy Advantage, LLC

161 Worcester Rd, Suite 503, Framingham, MA 01701 • 508.665.5850 • www.seadvantage.com

## Memorandum

To: Rhode Island Office of Energy Resources and Distributed Generation Board  
From: Jim Kennerly and Jason Gifford  
Date: March 17, 2020  
Re: 2021 Renewable Energy Growth Support Budget

With this memorandum, we share a budget estimate (developed in conjunction with the Office of Energy Resources (OER)) for Sustainable Energy Advantage's (SEA's) support to OER and the Distributed Generation Board during the development of the 2021 Renewable Energy Growth (REG) Ceiling Price and program development process. These tasks break down as follows:

- Task 0: Current Contracted Scope of REG Ceiling Price Development Support;
- Task 1: Evaluation of 2020 Program Year Carport Solar Pilot Program;
- Task 2: Support of Zonal and Other Incentive Payments (RIGL 39-26.6-22);
- Task 3: Development and Evaluation of Incentives for Pilot Programs;
- Task 4: Stakeholder Engagement;
- Task 5: Incremental (to Task 0) Public Utilities Commission Engagement Associated with Public Policy Adders; and
- Task 6: Project Management/Client Meetings.

### Task 0: Current Contracted Scope of REG Ceiling Price Development Support

Under this task, SEA will complete its current scope of work in support of developing Ceiling Prices for the 2021 Program Year. This work includes a mixture of market research (including outreach to project developers and National Grid), financial modeling and analysis, stakeholder engagement and support for the approval process at the Public Utilities Commission (PUC). The effort under this task also includes Ceiling Price revisions associated with late-year changes in federal policy (if any were to occur) during the final months of 2020 following the submission of the Ceiling Prices to the PUC.

The budget amount for this task (which has been approved by the PUC in several prior years) is **\$65,000**, with all labor and travel included. Tasks 1-6 represent incremental effort as requested by OER in developing this budget estimate.

### Task 1: Evaluation of 2020 Program Year Carport Solar Pilot Program

Under this task, SEA proposes to evaluate the 2020 Program Year Carport Solar Pilot Program as directed by the Public Utilities Commission (PUC).

- Task 1.1: Develop evaluation methodology in collaboration with OER and National Grid. The evaluation methodology should define the research question(s) being evaluated, the technical method proposed to answer the research question(s), data needed for the evaluation along with sampling protocol(s), and a Gantt-style timeline of the full evaluation process.
- **Deliverable:** Draft and final technical memo describing evaluation methodology and data request(s) (e.g., for National Grid, for OER/the Board, and municipalities).

- Task 1.2: Develop survey instrument. The survey will target developers and include questions on permitting processes, interconnection processes, project economics, and perceptions of the carport pilot program.
  - **Deliverable:** Draft and final survey instrument.
- Task 1.3: Collect data needed for evaluation, and administer survey (via up to 6-8 in-depth phone surveys)
  - **Deliverable:** An anonymized synopsis of the responses to protect developer confidentiality (an approach consistent with current contracted scope under Task 0).
- Task 1.4: Conduct analysis using methodology developed in Task 1.1.
  - **Deliverable:** Presentation on results to OER/the Board and National Grid.
- Task 1.5: Develop evaluation report (described below).
  - **Deliverable(s):** One-page graphical executive summary for a public audience; a concise executive report describing the research question(s), methods, data, findings, and discussion of findings; and a technical appendix with details on the methodology, data, and ancillary analysis not included in the executive report.
- Task 1.6: Presentation on work conducted under this task during a Public Utilities Commission Technical Session.
  - **Deliverables:** Draft and final slide deck, and travel to 89 Jefferson Boulevard, Warwick, RI.

Task	Total
Task 1: Evaluation of Carport Solar Pilot Program 2020 Program Year	\$33,826

### Task 2: Support of Zonal and Other Incentive Payments (RIGL 39-26.6-22)

*This task is in response to Decision #4 in Docket No. 4983 – 2020 Renewable Energy Growth Program – February 18, 2020 – Open Meeting Decisions by Cindy Wilson-Frias.*

- Task 2.1: Research and summarize how public policy objectives are incorporated into feed-in tariff program design (more broadly, programs that entail a fixed payment stream in exchange for a bundled purchase of wholesale market products and environmental attributes) with an emphasis on New England states plus New York.
  - **Deliverables:** Draft and final memo on findings with summary comparison table.
- Task 2.2: Technical analysis support including but not limited to market assessment, consumer adoption, development of incentive levels, and review of assumptions utilized in cost-benefit analysis.
  - **Deliverables:** Draft and final report on analysis that includes methods, data, findings, and discussion of findings.
- Task 2.3: Presentation on work conducted under this task during a Public Utilities Commission Technical Session.
  - **Deliverables:** Draft and final slide deck, and travel to 89 Jefferson Boulevard, Warwick, RI.
- Task 2.4: Full and independent cost-benefit analysis utilizing the Docket 4600 Benefit-Cost Framework (if requested by DG Board). The purpose of this task would be to calculate zonal value of deploying REG projects utilizing the Docket 4600 Benefit-Cost Framework.
  - **Deliverables:** Full analysis plus report on results.

Task	Total
Task 2: Support of Zonal and other Incentive Payments (RIGL 39-26.6-22)	\$105,294

### Task 3: Development and Evaluation of Incentives for Pilot Programs

*This Task assumes development and evaluation of up to three incentives (adders, subtractors, or other) for pilot programs.*

- Task 3.1: Develop methodology for analysis used to develop the incentive structure and/or level, including required data for analysis.

- **Deliverable:** draft and final technical memo describing evaluation methodology and data request(s).
- Task 3.2: Develop survey instrument and/or key assumptions. Deliverable: draft and final survey instrument and/or memo on assumptions. Collect data.
- **Deliverable:** raw and cleaned data sets in Excel format.
- Task 3.3: Conduct analysis using methodology from Task 3.1, including utilizing CREST as appropriate and consistent with prior related work.
- **Deliverable:** presentation on results to OER/the Board and National Grid.

Task	Total
Task 3: Development/Evaluation of Adder(s) for Pilot Proposals	\$30,336

#### Task 4: Stakeholder Engagement

This task represents the incremental effort beyond the amount required for the stakeholder engagement work undertaken in Task 0.

- Task 4.1: Work with OER/the Board and National Grid to hold up to three stakeholder engagement sessions regarding adder values, throughout the remainder of calendar year 2020.<sup>1</sup>
- **Deliverable:** draft and final materials for each session, including but not limited to presentations and agendas.
- Task 4.2: Solicit, collect, and summarize stakeholder comments on behalf of the DG Board.
- **Deliverable:** Memorand(a) synthesizing themes of stakeholder comments and including actual comment language, as appropriate.

Task	Total
Task 4: Stakeholder Engagement	\$11,806

#### Task 5: Incremental Public Utilities Commission Engagement Associated with Public Policy Adders

This task represents the incremental effort beyond the amount required for the PUC engagement work undertaken in Task 0.

- Task 5.1: Develop and submit testimony regarding 2020 pilot evaluation (Task 1) and 2021 pilot proposal(s) (Task 3).
- **Deliverable:** Written testimony.
- Task 5.2: Respond to data requests regarding 2020 pilot evaluation (Task 1) and 2021 pilot proposal(s) (Task 3).
- **Deliverable:** Draft and final data request responses.
- Task 5.3: In-person verbal testimony, as needed.
- Task 5.4: Additional follow-up analysis or post-hearing data requests, as needed.

Task	Total
Task 5: Incremental PUC Engagement Associated with Public Policy Adders	\$11,325

<sup>1</sup> Effort assumes separate stakeholder meetings from Task 0 stakeholder meetings. Greater efficiencies may be achieved if meetings can be combined or held remotely/virtually.

### Task 6: Project Management/Client Meetings

Under this task, SEA would hold 12 1-hour meetings (with 30 minutes of prep) associated with public policy adder developments with OER once every two weeks.

<b>Task</b>	<b>Total</b>
Task 6: Project Management/Client Meetings	\$4,223

### Total Projected Costs

The table below contains expected costs for all above-described tasks. SEA will charge its hourly rates based upon incremental work authorized by OER and the DG Board, not to exceed the totals listed below:

<b>Task</b>	<b>Total</b>
Task 0: Current Contracted Scope of REG Ceiling Price Development Support	\$65,000
Task 1: Evaluation of Carport Solar Pilot Program 2020 Program Year	\$33,826
Task 2: Support of Zonal and other Incentive Payments (RIGL 39-26.6-22)	\$105,294
Task 3: Development/Evaluation of Adder(s) for Pilot Proposals	\$30,336
Task 4: Stakeholder Engagement	\$11,806
Task 5: Incremental PUC Engagement Associated with Public Policy Adders	\$11,325
Task 6: Project Management/Client Meetings	\$4,223
<b>Grand Total</b>	<b>\$261,810</b>