

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE RHODE ISLAND OFFICE OF :
ENERGY RESOURCES' REQUEST FOR :
FUNDING TO HIRE A CONSULTANT FOR : DOCKET NO. 4604
THE 2018 RENEWABLE ENERGY :
GROWTH YEAR :

**OFFICE OF ENERGY RESOURCES' RESPONSES TO THE PUBLIC UTILITIES
COMMISSION'S FIRST SET OF DATA REQUESTS ISSUED MARCH 15, 2017**

1-1. Please provide a detailed itemization of the Board's anticipated costs for the 2018 ceiling price studies.

Response: The following chart provides a breakdown in the services and estimated budget for the 2018 ceiling price studies:

<u>Task</u>	<u>Estimated Allocation</u>	<u>Estimated Budget Allocation</u>
Research & data gathering	30%	\$17,280
Ceiling price analysis & modeling – multiple iterations (for 2018, includes 3 carport ceiling prices)	20%	\$11,520
Review stakeholder comments; conduct follow-up calls and research; modeling iteration	10%	\$5,760
Public presentations and facilitated stakeholder discussion – multiple meetings	15%	\$8,640
Prepared ceiling price recommendations	10%	\$5,760
Participate in hearing, discovery and proceedings before the Public Utilities Commission (“PUC”)	15%	\$8,640
Total Budget		\$57,600

While the Distributed Generation Board (“Board”) has always tried to remain within an estimated annual budget and under an approved budget, the requested \$68,000 will provide the Board some level of flexibility in the event that the consultant becomes more heavily involved in the development of zonal incentives, makes additional public presentations in the design of the 2018 Renewable Energy Growth (“REG”) Program or performs more activities during docketed proceedings (additional data requests, hearings, etc.). As in past years, the Board will only draw down on the funding that is utilized and will not necessarily be using the full amount requested.

1-2. Does the Board anticipate considering and/or developing zonal and temporal incentives? If yes, does the Board expect to take the lead on developing zonal and temporal incentives?

Response: National Grid would be the lead on developing zonal incentives and not the Board. The Office of Energy Resources (“OER”) on behalf of the Board has begun conversations with the Division of Public Utilities and Carriers (“DPUC”) and National Grid on examining the opportunities to include a zonal incentive as part of the 2018 REG Program. The Board, OER, DPUC and National Grid will be working together on this topic over the next 4-6 months and then will discuss and make a determination on whether to recommend a zonal incentive as part of the 2018 REG Program recommendations that the Board will vote on in October and file with the PUC in November. However, any such zonal incentive program details and recommendations, if pursued, would be reflected in National Grid’s annual REG filing to the PUC.

1-3. Does the consultant expect to devote time toward consideration and/or development of zonal and temporal incentives? If yes, how many hours does the consultant expect to devote toward consideration and/or development of zonal and temporal incentives?

Response: The consultant’s possible involvement in the zonal incentive development process will be dependent on the internal review of possible zonal incentives by the Board, OER, National Grid and DPUC. The possible time that the consultant would commit to the zonal incentive topic wouldn’t be known until the spring/summer timeframe, after National Grid has performed their internal review of the topic and requests any interaction or coordination with the Board’s consultant.

1-4. Please provide a final invoice, final accounting, or other written documentation showing an itemization of the consultant’s services relative to the 2017 ceiling price studies, as well as an itemization of payments made to the consultant for such services. Such written documentation should clearly demonstrate whether the 2017 budget of \$85,000 over- or under- compensated the consultant for his or her work performed relative to the 2017 ceiling prices.

Response: The total budget for the 2017 ceiling price services was \$65,000. Please see invoices from the consultant attached hereto as Exhibit A.

1-5. Please explain the decrease in the current request for funds (\$68,000) and last year’s request (\$85,000).

Response: Ultimately, the Board requests a reconciliation budgetary amount each year to carry out the design and development of the annual ceiling prices and any new possible elements to the annual program. In 2016, the Board requested additional funding for the possibility of the consultant developing possible zonal incentives, but that program design responsibility is with National Grid to prepare and therefore the

funding request is reduced from the 2017 funding request. As the PUC is aware from past filings by the Board, the reconciliation funding requested isn't necessarily fully used each year and that the Board only utilizes the funds needed.

Respondent: Christopher Kearns, Office of Energy Resources
Date: March 24, 2017

Exhibit A

Sustainable Energy Advantage, LLC

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Framingham, MA 01701

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Fax # 508-665-5858

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Invoice

Date	Invoice #
6/30/2016	3718



Bill To

DOA-CS State Energy Office
Terri Brooks
One Capitol Hill, 2nd Floor
Smith St.
Providence, RI 02908

Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	7/30/2016
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 July 2016, Invoice #1, per payment schedule outlined in the Professional Services Agreement June: •Design/update Data Request for stakeholders •Design new (and incremental) stakeholder survey intended to gather qualitative information on market participant experience and recommendations •Update stakeholder distribution list •Distribute Data Request and Survey July: •Define contacts and script for supplemental interviews •Conduct supplemental interviews •Conduct supplemental research •Collect, review and summarize Data Request and Survey responses •Draft presentation for Public Meeting #1 •Prepare and present at Public Meeting #1			9,285.71	9,285.71
Total				\$9,285.71

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Date	Invoice #
7/31/2016	3743



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Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	8/30/2016
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 August 2016, Invoice #2, per payment schedule outlined in the Professional Services Agreement August • Conduct supplemental interviews • Conduct supplemental research and analysis in support of first draft ceiling prices • Modeling of first draft ceiling prices • Summarize first draft ceiling prices, inputs and issues in PPT format • Review first draft ceiling prices with OER and DG Board • Circulate first draft ceiling prices • Receive comments from stakeholders regarding first draft ceiling prices • Be available for phone conversations with stakeholders regarding draft ceiling price analysis, assumptions and methodology • Draft presentation for Public Meeting #2			9,285.71	9,285.71
			Total	\$9,285.71

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Invoice

Date	Invoice #
9/1/2016	3770



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Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	10/1/2016
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 September 2016, Invoice #3, per payment schedule outlined in the Professional Services Agreement September •Review stakeholder comments in response to first draft Ceiling Prices •Conduct stakeholder calls regarding 1st draft CP comments •Prepare for 2nd stakeholder meeting •Present draft CPs at second stakeholder meeting; discuss stakeholder comments to draft Ceiling Prices •Supplemental research in response to stakeholder comments •Supplemental analysis in response to stakeholder comments •Modeling for second draft Ceiling Prices •Receive comments on 2nd draft of Ceiling Prices •Discuss second draft comments with stakeholders •Modeling for Final draft Ceiling Price recommendations			9,285.71	9,285.71
			Total	\$9,285.71

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Date	Invoice #
10/1/2016	3800



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Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	10/31/2016
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 October 2016, Invoice #4, per payment schedule outlined in the Professional Services Agreement October •Review final stakeholder comments from 9/28/16 public meeting •Conduct stakeholder calls •Additional analysis in response to stakeholder comments •Modeling for proposed final draft Ceiling Prices •Submit proposed Ceiling Prices to OER & DG Board •Attend DG Board meeting •Support drafting of OER/DG Board Ceiling Price recommendations to PUC •Draft pre-filed written testimony for PUC hearing			9,285.71	9,285.71
			Total	\$9,285.71

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Invoice

Date	Invoice #
10/31/2016	3837



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Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	11/30/2016
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 November 2016, Invoice #5, per payment schedule outlined in the Professional Services Agreement November: •Finalize CRDG Ceiling Prices •Support DG Board/OER filing at PUC •Finalize pre-filed written testimony •Respond to National Grid and Stakeholder questions •Respond to PUC questions			9,285.71	9,285.71
Total				\$9,285.71

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Date	Invoice #
11/30/2016	3876



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Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	12/30/2016
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 December 2016, Invoice #6, per payment schedule outlined in the Professional Services Agreement December 1.Support OER filings before RI PUC 2.Draft pre-filed testimony before RI PUC 3.Respond to PUC and Division discovery and other requests 4.Prepare for hearing/working session on 2017 Ceiling Prices 5.Regular correspondence with RI OER			9,285.71	9,285.71
Total				\$9,285.71

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Invoice

Date	Invoice #
12/31/2016	3919



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Customer Contract ID	SEA Client Job Code	Project Description	Terms	Due Date
PO#3424670-2	62.1.1	RI DG Standard Offer	30 Days	1/30/2017
Description		Qty	Rate	Amount
Renewable Energy 2017 Ceiling Price Development Solicitation # 7549511 January 2017, Invoice #7, per payment schedule outlined in the Professional Services Agreement 1.Support OER filings before RI PUC 2.Participate in RI PUC Technical Session 3.Finalize pre-filed testimony before RI PUC 4.Respond to PUC and Division discovery and other requests 5.Prepare for hearing on 2017 Ceiling Prices 6.Participate in RI PUC hearing 7.Regular correspondence with RI OER			9,285.74	9,285.74
Total				\$9,285.74