

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY :
d/b/a NATIONAL GRID TARIFF ADVICE TO ADD LED :
STREETLIGHTS TO THE COMPANY-OWNED :
STREETLIGHTING TARIFF : DOCKET NO. 4628

ORDER

On July 5, 2016, the Narragansett Electric Company d/b/a National Grid (National Grid or Company) filed with the Public Utilities Commission (PUC or Commission) a Tariff Advice to amend three of the Company’s streetlighting tariffs: the Decorative Street and Area Lighting Service Provision,¹ the Limited Service – Private Lighting Provision,² and General Street and Area Lighting Service Provision³ (collectively the Streetlighting Tariffs).⁴ The amendments to the Streetlighting Tariffs would allow National Grid to offer a selection of Light Emitting Diode (LED) fixtures that would be owned and maintained by the Company.⁵ At the request of the customer, the LED fixtures would replace existing incandescent, mercury vapor, and high pressure sodium (HPS) lighting at current locations or would be installed in new locations on new poles.⁶ The Company is also proposing a cap of 10% per year on the number of LED fixtures it replaces for municipal, governmental, or public entity customers.⁷ The Company asserted that the cap is necessary to ensure that replacing existing lighting with LED fixtures will not have “a detrimental impact on providing, maintaining, and restoring electric service to non-streetlighting customers.”⁸

¹ RIPUC No. 2110 (Rate S-06).

² RIPUC No. 2111 (Rate S-10).

³ RIPUC No. 2112 (Rate S-14).

⁴ Tariff Advice Filing; [http://www.ripuc.org/eventsactions/docket/4628-NGrid-LEDStreetlighting\(7-5-16\).pdf](http://www.ripuc.org/eventsactions/docket/4628-NGrid-LEDStreetlighting(7-5-16).pdf).

⁵ Tariff Advice Filing Cover Letter.

⁶ *Id.*

⁷ Joint Prefiled Direct Testimony of Raymond J. Sheridan III, Jeanne A. Lloyd, and Robin E. Pieri at 9-11 [hereinafter *Joint Direct Testimony*].

⁸ *Id.* at 10.

Further, the Company concluded that, based on its proposed pricing for LED fixtures, the conversion of existing streetlighting to LED luminaries would provide annual bill savings to customers.⁹

On September 23, 2016, following an exchange of discovery with National Grid, the Division of Public Utilities and Carriers (Division) filed with the Commission a request to suspend the effective date of the tariff filing to allow additional discovery regarding the costs of the LED fixtures, the lack of advanced lighting controls, and the coordination between the Streetlighting Tariffs and the Company's 2017 Energy Efficiency Program Plan.¹⁰ At an Open Meeting held on September 29, 2016, the Commission approved the Division's request to suspend the tariff filing.¹¹ The PUC applauded the approach taken by the Division and its consultant, Synapse Energy Economics, Inc. (Synapse), to take this opportunity to "encourage all streetlighting customers to adopt all cost-effective efficiency technologies and practices. Together, the Customer- and Company-owned LED Streetlighting Tariffs and the Energy Efficiency Plans can accomplish the State's efficiency goals in a holistic, integrated way."¹²

On November 15, 2016, following a second round of discovery with National Grid, the Division filed a memorandum recommending approval of the proposed tariffs, noting that the Company's filing includes a selection of LED luminaries that mostly result in bill savings and that

⁹ *Joint Direct Testimony* at 15-16.

¹⁰ Memorandum of Jennifer Kally, Synapse Energy Economics, Inc. (Sept. 23, 2016) [hereinafter *Synapse Memorandum*]; http://www.ripuc.org/eventsactions/docket/4628-DPU-SynapseMemo_9-23-16.pdf. On August 15, 2016, the Washington County Regional Planning Council & the Partnership for RI Streetlight Management (collectively "PRISM") submitted a letter indicating that it would not intervene in the docket and raised concerns regarding the proposed costs of LED conversions, the failure to offer control units to provide part-time or dimmed operations, and a 10% cap on conversions means "a community will not benefit from full LED conversion as it would if it owned its own lights." PRISM asserted that providing LED lighting to National Grid owned streetlights is not economical for municipalities. [http://www.ripuc.org/eventsactions/docket/4628-%20WCRPC-PRISM-Comments\(8-12-16\).pdf](http://www.ripuc.org/eventsactions/docket/4628-%20WCRPC-PRISM-Comments(8-12-16).pdf).

¹¹ RIPUC Open Meeting Minutes (Sept. 29, 2016); <http://www.ripuc.org/eventsactions/minutes/092916.pdf>.

¹² *Id.*

account for maintenance cost savings.¹³ Additionally, the Division expressed satisfaction with the level of coordination between the Streetlighting Tariffs and the Company's Energy Efficiency Plan.¹⁴ The Division found reasonable the Company's decision to omit lighting controls in the tariffs because the metering pilot is not complete.¹⁵ Finally, the Division did not oppose the annual 10% LED replacement cap per municipality on grounds that this limit is discretionary.¹⁶ While supportive of the changes to the tariffs, the Division requested that the Company keep the Division informed regarding the implementation of the Streetlighting Tariffs, specifically requesting: (1) updates for Customer- and Company-Owned LED streetlight conversions, including the proportion of towns participating and the proportion of existing streetlights in each town that are replaced with LED fixtures; (2) updates on the ongoing evaluation of the pilot metering program for Customer-Owned LED Streetlighting and whether the evaluation would support an amendment to the Company-Owned Streetlighting Tariffs to include advanced lighting controls; and (3) updates of proposed solutions, should the Division notify the Company of complaints regarding the LED conversion cap.¹⁷

On December 20, 2016, at an Open Meeting, the PUC unanimously approved the amendments to the three Streetlighting Tariffs as outlined in National Grid's filing. Based on the evidence in the record the Commission concluded that the rate and bill savings calculations are reasonable and consistent with inputs to other filings. Specifically, the Commission relied upon the Division's finding to that effect. The PUC noted that the Partnership for RI Streetlight

¹³ *Synapse Memorandum, supra* note 10, at 2.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.* See National Grid's Response to DIVISION 2-3; <http://www.ripuc.org/eventsactions/docket/4628-NGrid-DR-DPU2.pdf>.

¹⁷ Division Memorandum (November 15, 2017) at 3.

Management (PRISM) submitted a letter to the PUC raising concerns over the proposed costs of LED conversions, but chose not to intervene in the docket.

The Commission emphasized the importance of implementing the LED conversions in an effective and efficient manner that is fair to all municipalities that have company owned streetlights. Noting the thorough vetting and analysis conducted by the Division and their consultant Synapse, the Commission found that the Company's justification for not including advanced lighting controls in the tariff at this time is reasonable. Nonetheless, the PUC cautioned that its position regarding the lighting controls may change, based on review of the ongoing evaluations of the metering pilot. The Commission will continue to monitor the rollout of LED conversions and the metering pilot and concurs with the Division's recommendations regarding updates from the Company. The PUC directed the Company to provide these updates to the Commission as well as to the Division on a quarterly basis, for the next five years.

Accordingly, it is hereby

(22672) ORDERED:

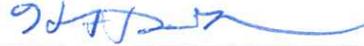
1. The Narragansett Electric Company d/b/a National Grid's Tariff Advice Filing filed on July 5, 2016 to amend Tariffs RIPUC Nos. 2110, 2111, and 2112 is hereby approved.
2. The Narragansett Electric Company d/b/a National Grid shall provide to the Division and the Commission quarterly updates as outlined in this Order, for a period of five years, commencing on the date this Order is issued.
3. The Narragansett Electric Company d/b/a National Grid shall comply with all other findings and instructions contained in this Order.

EFFECTIVE AT WARWICK, RHODE ISLAND PURSUANT TO AN OPEN MEETING
DECISION ON DECEMBER 20, 2016. WRITTEN ORDER ISSUED FEBRUARY 20, 2017.

PUBLIC UTILITIES COMMISSION



Margaret E. Curran, Chairperson



Herbert F. DeSimone, Jr., Commissioner



Marion S. Gold, Commissioner

Notice of Right of Appeal: Pursuant to R.I. Gen. Laws § 39-5-1, any person aggrieved by a decision or order of the PUC may, within 7 days from the date of the Order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or Order.