

March 20, 2020

VIA E-FILING

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

Re: The Narragansett Electric Company d/b/a National Grid – Report on Results from the Forward Capacity Auction: PUC Docket No. 4676

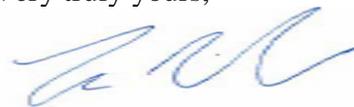
Dear Ms. Massaro:

On behalf of The Narragansett Electric Company d/b/a National Grid (the Company), enclosed for filing with the Rhode Island Public Utilities Commission (the Commission) please find a report on the results of the Company bidding capacity of solar photovoltaic resources from its Distributed Generation Standard Contracts and its Renewable Energy Growth programs into the ISO New England Inc. Forward Capacity Auction. This report was originally due by March 15, 2020, but the deadline was extended one week by the Chief of Legal Services for the Commission.

Consistent with the instructions issued by the Commission on March 16, 2020, this filing is being made electronically only. Hard copies will be submitted after the termination of the State of Emergency.

If you have any questions, please contact me at: 781-907-2126. Thank you for your time and attention to this matter.

Very truly yours,



Laura C. Bickel
RI Bar # 10055

Enclosures

cc: Docket No. 4676 Service List

Docket No. 4676 National Grid – Forward Capacity Market Proposal
Service List updated 12/22/16

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**The Narragansett Electric Company d/b/a National Grid
Results from the Forward Capacity Auction -- Annual Report
submitted March 20, 2020**

This is the report of The Narragansett Electric Company d/b/a National Grid (National Grid or the Company) to the Rhode Island Public Utilities Commission (Commission) on the results of the Company bidding capacity of solar photovoltaic resources from its Distributed Generation Standard Contracts (DG Standard Contracts) and its Renewable Energy Growth (RE Growth) programs into the ISO New England Inc. (ISO-NE) Forward Capacity Auction (FCA). As directed by the Commission,¹ the Company is including the following information in its annual report:

1. Description of the facilities that the Company bid into the FCA;
2. Description of such facilities that received a Capacity Supply Obligation (CSO); and
3. The clearing price.

The most recent FCA was FCA-14, which occurred on February 3, 2020. FCA-14 cleared at a price of \$2.000 per kilowatt-month for the Rest-of-Pool zone, which includes Rhode Island.

A total of 27 Company-bid existing resources qualified in an earlier FCA, cleared the auction, and obtained a CSO in FCA-14. Thus, these 27 resources will earn this payment rate for the months of June 2023 through September 2023 (see Table 1).

According to ISO-NE, ten (10) existing resources did not meet the minimum size requirement of 0.100 megawatts (MW) of qualified capacity, and they were disqualified from FCA-14 (see Table 2). If the future performance of these resources justifies a qualified capacity value greater than 0.100 MW, the Company may seek to qualify them in a future FCA.

Another ten (10) new resources qualified for FCA-14 but the Company did not submit Renewable Technology Resource (RTR) exemption requests and, thus, these resources were unable to clear in the auction (see Table3).² A process error resulted during the transfer of FCA enrollment work to an outside vendor. Although these new resources did not clear in FCA-14, by qualifying for FCA-14, they are eligible to bid their full qualified capacity into the monthly reconfiguration auctions for the summer months of June through September in 2020 through 2023. Because of certain changes to the FCA rules, the RTR exemption has largely expired and the business opportunity offered by the FCA is shrinking, therefore, the Company does not intend to offer these resources in a future FCA, and it will focus on the reconfiguration auctions instead.

¹ A bench decision by the Commission at a hearing on February 17, 2017 in Docket No. 4676, as confirmed by PUC Order 23289 issued October 4, 2018, requires the Company to file: (1) an annual report every March containing its FCM auction results; and (2) an annual report every July detailing the performance of the Company facilities in the FCM.

² The RTR exemption allows new resources to offer capacity during the auction at prices lower than the Internal Market Monitor-assigned Offer Review Trigger Price, within certain limits. In FCA-14, the cap on the RTR exemption was exceeded, resulting in a 44 percent proration of exempt capacity across all RTR participants. Consequently, if these 10 new resources had received the RTR exemption, ISO-NE would have assigned them a qualified capacity (QC) of 44 percent of the values reflected in this report. However, because ISO-NE requires resources to bid at least 0.100 MW of QC, only five (5) of the ten (10) resources could have participated in future auctions, although their QC also would have been capped at the RTR proration amount.

Results from the Forward Capacity Auction -- Annual Report on FCA-14

Table 1: Existing Resources that Qualified for FCA-14 and Received a CSO						
Program		Town	Zip Code	DC Nameplate (in MW)	Qualified Capacity (in MW)	Capacity Supply Obligation (in MW)
1	DG Standard Contract	Middletown, RI	02842	0.495	0.101	0.101
2	DG Standard Contract	West Greenwich, RI	02817	2.15886	0.828	0.828
3	DG Standard Contract	East Providence, RI	02914	3.61872	1.348	1.348
4	DG Standard Contract	North Kingstown, RI	02852	2.33508	0.838	0.838
5	DG Standard Contract	Cumberland, RI	02864	0.498375	0.201	0.201
6	DG Standard Contract	Portsmouth, RI	02871	0.49764	0.132	0.132
7	DG Standard Contract	Providence, RI	02907	1.499685	0.524	0.524
8	DG Standard Contract	Cumberland, RI	02864	0.4992	0.187	0.187
9	DG Standard Contract	Providence, RI	02907	0.298595	0.118	0.118
10	DG Standard Contract	Cumberland, RI	02864	0.499895	0.19	0.19
11	DG Standard Contract	North Kingstown, RI	02852	0.33099	0.117	0.117
12	DG Standard Contract	North Smithfield, RI	02816	1.083665	0.41	0.41
13	DG Standard Contract	Johnston, RI	02919	1.49511	0.436	0.436
14	DG Standard Contract	Richmond, RI	02836	0.49973	0.194	0.194
15	DG Standard Contract	North Kingstown, RI	02852	0.4941	0.198	0.198
16	DG Standard Contract	Foster, RI	02857	1.24821	0.438	0.438
17	DG Standard Contract	Exeter, RI	02822	1.24992	0.44	0.44
18	DG Standard Contract	North Smithfield, RI	02896	1.2426	0.454	0.454
19	RE Growth	North Kingstown, RI	02852	1.20156	0.342	0.342
20	RE Growth	Hopkinton, RI	02832	0.49982	0.14	0.14
21	RE Growth	North Kingstown, RI	02852	0.98952	0.264	0.264
22	RE Growth	Providence, RI	02825	2.5916	0.702	0.702
23	RE Growth	Exeter, RI	02822	0.9984	0.377	0.377
24	RE Growth	North Kingstown, RI	02852	1.248	0.464	0.464
25	RE Growth	Hopkinton, RI	02833	0.26103	0.1	0.1
26	RE Growth	Richmond, RI	02892	0.26103	0.1	0.1
27	RE Growth	North Smithfield, RI	02896	0.999495	0.177	0.177
			Total	29.09583	9.82	9.82

Table 2: Existing Resources that Did Not Qualify for FCA-14					
	Program	Town	Zip Code	DC Nameplate (in MW)	Qualified Capacity (in MW)
1	DG Standard Contract	Cranston, RI	02920	0.405625	0.088
2	RE Growth	Little Compton, RI	02837	0.2499	0.099
3	RE Growth	Smithfield, RI	02917	0.25071	0.088
4	RE Growth	Glocester, RI	02814	0.25071	0.093
5	RE Growth	Glocester, RI	02814	0.2574	0.064
6	RE Growth	Tiverton, RI	02878	0.24816	0.059
7	RE Growth	Glocester, RI	02857	0.2499	0.045
8	RE Growth	Cranston, RI	02831	0.24885	0.048
9	RE Growth	Cranston, RI	02831	0.24885	0.047
10	RE Growth	Glocester, RI	02857	0.24885	0.047
			Total	2.658955	0.678

Table 3: New Resources that Qualified for FCA-14 but Did Not Clear the Auction					
	Program	Town	Zip Code	DC Nameplate (in MW)	Qualified Capacity (in MW)
1	RE Growth	Scituate, RI	02857	2.69297	0.82
2	RE Growth	Wyoming, RI	02898	1.5732	0.563
3	RE Growth	Glocester, RI	02814	0.9988	0.439
4	RE Growth	Johnston, RI	02919	0.24885	0.115
5	RE Growth	Smithfield, RI	02917	0.4515	0.215
6	RE Growth	Shannock, RI	02875	0.2496	0.116
7	RE Growth	Hopkinton, RI	02833	0.2496	0.122
8	RE Growth	Shannock, RI	02875	0.2496	0.12
9	RE Growth	Richmond, RI	02812	2.496	0.953
10	RE Growth	Ashaway, RI	02804	1.5246	0.648
			Total	10.73472	4.111