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October 11, 2018

Via Electronic Mail and Hand Delivery

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

**RE: Docket 4755 – 2018 Energy Efficiency Program Plan
Responses to Division Data Requests – Set 4**

Dear Ms. Massaro:

I have enclosed ten copies of National Grid's¹ responses to the second set of data requests issued by the Rhode Island Division of Public Utilities and Carriers (Division) in the above-referenced docket. Due to its size, Attachment DIV 4-1 is being provided electronically on a thumb drive, and only one copy of that thumb drive has been provided.

This filing also contains a Motion for Protective Treatment of Confidential Information in accordance with Rule 1.2(g) of the Public Utilities Commission's (PUC) Rules of Practice and Procedure and R.I. Gen. Laws § 38-2-2(4)(B). National Grid seeks protection from public disclosure of certain confidential and privileged information, which is contained in Attachment DIV 4-1. In compliance with Rule 1.2(g), National Grid has provided the PUC with one complete, unredacted copy of the confidential materials in a sealed envelope marked "**Contains Privileged and Confidential Materials – Do Not Release**", and has included redacted copies of the materials for the public filing.

¹ The Narragansett Electric Company d/b/a National Grid (National Grid or Company).

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Thank you for your attention to this filing. If you have any questions concerning this matter, please contact me at 401-457-5164.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Adam M. Ramos".

Adam M. Ramos

Enclosures

cc: Docket 4755 Service List
Jon Hagopian, Esq.

Docket No. 4755 - National Grid – Energy Efficiency Program Plan for 2018
Docket No. 4756 - National Grid – 2018 System Reliability Procurement
Report (SRP)
Service list updated 7/9/18

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COPY

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
BEFORE THE PUBLIC UTILITIES COMMISSION

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2018 OCT 11 PM 1:50
PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGANSETT ELECTRIC COMPANY)
d/b/a NATIONAL GRID – ELECTRIC AND GAS)
DISTRIBUTION RATE FILING)

Docket No. 4755

**THE COMPANY’S MOTION
FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

The Company¹ respectfully requests that the Rhode Island Public Utilities Commission (PUC) provide confidential treatment and grant protection from public disclosure of certain confidential and proprietary information submitted in this proceeding, as permitted by PUC Rule 1.2(g) and R.I. Gen. Laws. § 38-2-2(4)(B). The Company also requests that, pending entry of that finding, the PUC preliminarily grant the Company’s request for confidential treatment pursuant to Rule 1.2(g)(2).

I. BACKGROUND

On October 11, 2018, the Company filed its responses to the Rhode Island Division of Public Utilities and Carriers’ (the Division) Fourth Set of Data Requests in Docket 4755 from the Division of Public Utilities to National Grid dated July 23, 2018 (Division Set 4). Division Set 4 consisted of a single data request, Data Request Division 4-1, which sought “copies of all correspondence and communications (including, without limitation, any paper, email or other electronic communications) between the Company and the Navy that were transmitted in connection with the Company's evaluation of the CHP project and the negotiation of the incentive.” The Company’s response to Data Request Division 4-1 includes Attachment DIV 4-

¹ The Narragansett Electric Company d/b/a National Grid (the Company).

1, which contains copies of emails and attachments to those emails that include confidential and proprietary information that the Company ordinarily would not disclose to the public. Specifically, some of the communications included in Attachment DIV 4-1 contain customer account information, personally identifiable confidential information, confidential and proprietary models owned by third parties, and information describing the precise location of electrical interconnections at Naval Station Newport. Therefore, the Company is providing both a redacted public version and an unredacted confidential version of Attachment DIV 4-1, and the Company requests that, pursuant to Rule 1.2(g), the PUC afford confidential treatment to the confidential version of Attachment DIV 4-1.

II. LEGAL STANDARD

PUC Rule 1.2(g) provides that access to public records shall be granted in accordance with the Access to Public Records Act (APRA), R.I. Gen. Laws § 38-2-1, *et seq.* Under the APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a “public record,” unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I. Gen. Laws § 38-2-2(4). Therefore, to the extent that information provided to the PUC falls within one of the designated exceptions to the public records law, the PUC has the authority under the terms of the APRA to deem such information to be confidential and to protect that information from public disclosure.

In that regard, R.I. Gen. Laws § 38-2-2(4)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where disclosure of information would be likely either to (1) impair the Government's ability to obtain necessary information in the future; or (2) cause substantial harm to the competitive position of the person from whom the information was obtained. Providence Journal Company v. Convention Center Authority, 774 A.2d 40 (R.I. 2001). Disclosure of information would impair the Government's ability to obtain such information in the future when: (a) information is provided voluntarily to the governmental agency, and (b) that information is of a kind that customarily would not be released to the public by the person from whom it was obtained. Providence Journal, 774 A.2d at 47.

III. BASIS FOR CONFIDENTIALITY

The information unredacted information contained in the confidential version of Attachment DIV 4-1 falls within the exceptions under the APRA. Specifically, this unredacted confidential version of Attachment DIV 4-1 contains information that, if made public, would: (1) reveal confidential, personal identifying information of individuals, (2) disclose customer account numbers and electric and gas consumption information about specific customers, (3) disclose proprietary models subject to trade secret protection, and (4) identify information about utility infrastructure that would create vulnerabilities to the Company's system. This type of information is not made available to the general public. The Company, therefore, is providing the unredacted confidential version of Attachment DIV 4-1 to the PUC on a voluntary basis to assist the PUC with its decision-making in this proceeding, but respectfully requests that the PUC provide confidential treatment to this attachment.

IV. CONCLUSION

Accordingly, the Company respectfully requests that the PUC grant protective treatment to the unredacted confidential version of Attachment DIV 4-1.

WHEREFORE, the Company respectfully requests that the PUC grant this Motion for Protective Treatment.

Respectfully submitted,

THE NARRAGANSETT ELECTRIC COMPANY

By its attorney,



Adam M. Ramos, Esq. (RI #7591)
Hinckley, Allen & Snyder LLP
100 Westminster Street, Suite 1500
Providence, RI 02903-2319
(401) 457-5164

Dated: October 11, 2018

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4755
In Re: 2018 Energy Efficiency Plan
Notification of an Energy Efficiency Incentive Greater Than \$3,000,000
Responses to the Division's Fourth Set of Data Requests
Issued on July 23, 2018

Division 4-1

Request:

Please provide copies of all correspondence and communications (including, without limitation, any paper, email or other electronic communications) between the Company and the Navy that were transmitted in connection with the Company's evaluation of the CHP project and the negotiation of the incentive.

Response:

Please see Attachment DIV 4-1 for copies of all correspondence and communications between the Company and the Navy – as well as its contractors – in connection with the Company's evaluation of the CHP project and the negotiation of the incentive.

Because of the large volume of emails, and to facilitate the Division's review of these communications, the Company has prepared the following timeline of key emails, meeting notes or documents relating to the cost effectiveness screening of the CHP project and discussions that led to the incentive in the January 2018 Offer letter, all of which are included in Attachment DIV 4-1, unless otherwise specified in the timeline.

On August 16, 2016, the Navy and the Rhode Island Office of Energy Resources (OER) requested a meeting with National Grid to discuss the potential for a large CHP.

On October 6, 2016, the Company met with the Navy and BQ to have a high-level conversation regarding the feasibility of a CHP. The Company explained the CHP incentive tiers, as described in the 2016 EE Plan. The Company explained that when designing a system, a customer should aim for the highest efficiency possible and that a system at 60% overall energy efficiency (OEE) or more would qualify for an incentive of \$1000 per kW. The parties also discussed the existence of the higher tier incentive (up to \$1250 per kW based on past energy efficiency projects). The Company did not promise any particular incentive level at this meeting, and the parties did not know at the time for what, if any, incentive level the Navy qualified. The Navy and BQ said they were considering a 7 MW system but were not yet sure of the size.

Over the next few months, BQ and the Navy began to make decisions about the project, including size and run time. At a meeting on February 17, 2017, National Grid reiterated the criteria for the CHP incentive levels and attached a CHP guidelines and incentives summary based on the RI energy efficiency plans. At this time, the Navy was considering a 4.5 MW

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system. On February 28, 2017, National Grid looked at one high level tab from the BQ \model for both a 4.5 MW and 7 MW system.

On March 23, 2017, the Company discussed internally the status of the CHP project as it transferred from one sales person to another and worked to guide the Navy and BQ to meet or exceed 55% OEE. The Navy was deciding the size of the CHP system and the hours of operation. The parties discussed that running the CHP system in the summer would reduce the OEE below the 55% threshold.

On April 27, 2017, the Navy requested an incentive estimate, and the Company responded that it could not provide one until it had reviewed the BQ energy model. The Company submitted high-level questions to assist the Navy in making a decision.

In May 2017, the Company, Navy and BQ began meeting every two weeks to discuss the high level questions.

On May 30, 2017 the Company evaluated CIAC requirements (see Attachment Division 6-1-1 Gas Bill & Margin Calculator and Attachment DIV 6-3-2 for RI Gas CIAC Model) and found that zero CIAC would be required.

Throughout May, June, and July, BQ exchanged a lot of preliminary information from their model verbally, and National Grid began high level screening to determine whether the preliminary information demonstrated that the project was cost effective. National Grid requested BQ's energy model.

In July, National Grid and BQ focused on summer operation hours, which were decreasing the OEE. On July 17, 2017, BQ shared a high-level PDF output from their model. On July 21, 2017, the parties discussed options for running during summer superpeak.

On August 7, 2017, the Navy requested a waiver of the 55% OEE, and the Company responded by suggesting ways to increase the OEE above 55%, including whether the planned solar field can be screened as part of a holistic project because it will reduce summer peak.

On August 18, 2017, BQ provided a PDF model demonstrating that the project could meet the 55% OEE at a 7 MW size running in winter-only. On August 22, 2017, National Grid estimated that the incentive for the project would be \$900 per kW due to efficiency. The Navy also declined to run the system for 4 hours in summer (to increase the OEE).

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From August through October, 2017, the Company investigated other costs and benefits for the project, including the lease payment, resiliency, and tax credits. In early October 2017, National Grid requested a copy of the lease agreement from BQ. Upon BQ's request, the Navy provided the Company with a memo instead of the actual lease. See Attachment DIV 7-9.

On October 30, National Grid requested an NDA to share the energy model. On November 30, National Grid reviewed the energy model. See the Company's response to Data request DIV 7-6. On January 5, 2018, BQ Energy summarized their view of the TA Study.

On January 30, 2018, National Grid extended an offer to the Navy. See Attachment DIV 7-8 (a). The offer includes the Minimum Requirements Document (MRD). The Navy then requested that the Company revise the offer letter so that it was directed to BQ. See the Company's response to Data Request DIV 7-7. The Company made this revision and, on April 12, 2018, extended the offer letter to BQ. See Attachment DIV 7-8 (b).

In July and August 2018, the Company clarified cost information on various assumptions in the energy model with BQ's engineering consultants. The information updated cost-effectiveness assumptions included as Attachment Corrected DIV 1-3 and described in DIV 6-14 and DIV 7-6. On July 31, 2018, the Company initiated discussions with the Navy and BQ on the 52 HDD firm service requirements in order to meet the needs of the customer and the Company.

As of October 2018, the Company is currently discussing interconnection questions, the gas service agreement, modifying the CHP completion date to March 2020, modifying insurance bond language, and other topics as they arise. As more information becomes available, for example, the actual costs and purchased equipment specifications, the cost effectiveness screening will continue to be updated per the MRD.