

RI PUC HEARING - 2/8/18 COMMENTS

I AM KATE LEONARD, NEWPORT CITY COUNCILOR FOR ALMOST 20 YEARS. I AM HERE AS AN ADVOCATE FOR MY CONSTITUENTS.

I REALIZE THAT THE PUC HAS AS PART OF ITS RESPONSIBILITIES TO HOLD INVESTIGATIONS AND HEARINGS INVOLVING CHARGES FOR GAS AND ELECTRIC DISTRIBUTIONS, AS WELL AS OTHERS.

SETH MAGAZINER, GENERAL TREASURER OF RI, AND OTHERS HAVE SPOKEN OUT AGAINST THE NEW RATE INCREASES BEING PROPOSED BY NATIONAL GRID. THESE INCREASES ARE ON TOP OF OTHERS THAT WERE IMPLEMENTED IN RECENT MONTHS.

THE NEWPORT CITY COUNCIL ON JANUARY 10, 2018, UNANIMOUSLY PASSED A RESOLUTION THAT YOUR BODY DO ITS DUE DILIGENCE ON LESSENING THE IMPACT OF THESE UTILITY COST INCREASES BY ADVOCATING FOR THE PUBLIC AND CONSIDERING REALLOCATING NECESSARY INCREASES INTO THE POWER PORTION OF THE ELECTRIC AND GAS BILLS WHERE THEY BELONG. WE ALSO ASKED THE PUC TO EXPLAIN SPECIFICALLY WHAT THE EXACT SOURCES OF THESE COST INCREASES ARE ATTRIBUTED TO, AND THAT FERC (THE FEDERAL ENERGY REGULATORY COMMISSION ALSO REVIEW THESE PROPOSED RATE INCREASES.

I AM HERE TO TELL YOU THAT MANY RI FAMILIES AND BUSINESSES ARE NEGATIVELY IMPACTED BY THESE HUGE INCREASES. RI HAS BEEN DEEMED TO BE A STATE THAT IS UNFRIENDLY TO BUSINESSES AND CERTAINLY ONE OF THE HIGHEST TAX STATES IN THE USA.

FORBES MAGAZINE ARTICLES AND TODAY'S PROVIDENCE JOURNAL EDITORIAL ASK PERTINENT QUESTIONS ABOUT THE POWER SUPPLY NEEDED IN RI TO ENSURE THAT THERE ARE NO BLACKOUTS. THE SUPPLY IS DWINDLING. THE COSTS ARE SOARING. AND THERE SEEMS TO BE NO PROTECTION TO ENSURE THAT BLACKOUTS CAUSED BY LACK OF SUPPLY. THIS IS NOT GOOD, PARTICULARLY IN RI.

I HAVE SOME QUESTIONS FOR THE PUC TONIGHT. MY QUESTIONS TO YOU ARE AS FOLLOWS:

1. DOESN'T THE FEDERAL POWER ACT TAKE PRECEDENCE OVER STATE LAW IN ADMINISTERING INTERSTATE PURCHASE AND SALE OF GAS AND ELECTRICITY?

2. AS SUCH, ISN'T IT TRUE THAT DEEPWATER POWER IS SOLD INTO THE INTERSTATE MARKET, AND THAT THE \$650 MILLION IN ABOVE MARKET COST OVER 20 YEARS IS BEING BILLED TO RI RATEPAYERS THROUGH THE DISTRIBUTION CHARGE VS THE POWER CHARGE? DON'T ALL CITIZENS HAVE THE RIGHT UNDER FEDERAL LAW TO PURCHASE POWER FROM OUT OF STATE? BUT IT SEEMS THAT HERE IN RI, THIS CANNOT REALLY HAPPEN BECAUSE THE EXTRA COST IS PUT IN THE DISTRIBUTION CHARGE? WHY IS THAT? WHY HAS THE RIPUC ALLOWED NATIONAL GRID TO PUT THESE COST INCREASES INTO THE DISTRIBUTION CHARGES RATHER THAN THE POWER CHARGES LIKE OTHER STATES?

PEOPLE CANNOT AFFORD THESE INCREASES. THEY WILL BE FORCED TO MAKE SACRIFICES THAT MAY COME DOWN TO WHETHER TO KEEP WARM OR EAT, AMONG OTHER THINGS.

I AM ASKING YOU, ON BEHALF OF MY CONSTITUENTS, AND MYSELF TO ACT AS ADVOCATES FOR THE PUBLIC AND THOROUGHLY INVESTIGATE WHERE INCREASES SHOULD GO AND WHETHER THE INCREASES BEING REQUESTED ARE JUSTIFIED.

I AM CONSIDERING A PETITION TO FERC TO RULE ON THE LEGALITY OF THE PROPOSED INCREASES BEING PUT INTO THE DISTRIBUTION CHARGES, RATHER THAN THE POWER CHARGES.

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No. 2018-01

- WHEREAS, Newport residents, as well as residents of other Communities have received new electric and gas bills that are giving them anxiety and sticker shock due to huge increases; AND
- WHEREAS, the new Distribution charges are increasing bills by huge percentages and are compromising residents' ability to pay necessary life expenses for rent, food, medical needs; AND
- WHEREAS, the RI PUC's decision to put the significant increase in renewable power costs from off-shore wind and net metering into the Distribution charge and not the Power Charge so that consumers cannot opt to purchase equivalent power from outside Rhode Island as provided by law; AND
- WHEREAS, utility bills in the Northeast affect the health and safety of residents and their families; AND
- WHEREAS, the RI PUC granted National Grid recent huge increases and will be reviewing a new request by National Grid for greater increases; AND
- WHEREAS, Public Hearings will be held regarding the new Rate Filing request by National Grid; AND
- WHEREAS, National Grid is a Scottish company operating in the U.S.; NOW, THEREFORE BE IT
- RESOLVED, that the City Council of Newport requests that the RI PUC do its due diligence on lessening the impact of these huge utility cost increases by advocating for the Public and considering reallocating necessary increases into the Power portion of electric bills where they belong; AND BE IT FURTHER

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RESOLVED, that the RI PUC explain specifically what the exact sources of these cost increases are attributed to; AND BE IT FURTHER

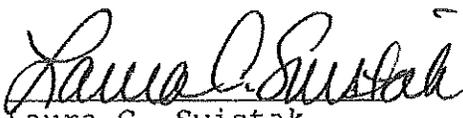
RESOLVED, that the RI Legislature and Congressional Delegation look at ways to lessen the financial burden on families; AND BE IT FURTHER

RESOLVED, that this Resolution be sent to the RI PUC Clerk to be distributed to the PUC to be entered into the hearing records/minutes during the public commentary period that is being scheduled soon; AND BE IT FURTHER

RESOLVED, copies be sent to the Federal Energy Regulatory Commission (FERC) and RI Public Utilities Commission (RI PUC) and the City of Newport requests that the town Councils of Middletown and Portsmouth support this Resolution and send their approvals to National Grid, the State Legislature and the Governor's office.

KATHRYN E. LEONARD
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IN COUNCIL
READ AND PASSED
JANUARY 10, 2018



Laura C. Swistak
City Clerk

Opinion

Editorial: A warning of coming blackouts

Posted Feb 7, 2018 at 5:43 PM

Updated Feb 7, 2018 at 5:43 PM

There are many moving parts in the system that brings electricity to homes, schools and businesses throughout New England, and each plays an important role. But the reliability of that system, or lack thereof, revolves largely around one factor: the ability of the region's power plants to get the fuel they need to produce electricity.

As a report released last month by ISO New England, the nonprofit manager of the region's energy grid, makes clear, this is New England's weak link.

Yes, wind and solar — aided by significant taxpayer subsidies — play a small but growing role in producing the region's electricity, and advances in energy storage may one day help them to play a much larger role. But that doesn't change the fact that natural gas is used to produce about half of the region's electricity, and will be needed in the foreseeable future. Therein lies the problem.

While our reliance upon natural gas has grown dramatically — it accounted for just 15 percent of the region's electricity production in 2000 — our ability to get natural gas has barely budged. The United States has plentiful, cheap supplies just to our south and west, notably in Pennsylvania, but New England is literally at "the end of the pipeline."

Activists have helped block pipeline expansions that would have brought more natural gas to the region. Meanwhile, with the closure of plants that run on oil, coal and nuclear power, the region's need for natural gas is growing.

The results are already bad. The short supply of natural gas during the winter months forces some plants to shift from natural gas to oil and coal, which cause much more pollution. The short supply has also resulted in brutally high prices for natural gas and electricity — as anyone who has looked at his or her energy bill lately can confirm. The New England region,

burdened with the highest electricity prices in the continental United States, also faced the highest spot prices for natural gas in the *world* during the recent December-to-January cold spell.

But the worst is yet to come, according to the ISO New England report.

As demand for natural gas continues to grow, New England is expected to suffer rolling blackouts during cold spells. Even “significant increases” in shipments of liquefied natural gas and the increased use of renewables will not meet the demand, the 56-page report warns. Imagine having no electricity and trying to keep your family warm during a fierce cold spell.

In short, our leaders are playing a dangerous and cowardly game when they put politics ahead of reality, in appeasing well-funded, vocal activists and BANANAs (Build Absolutely Nothing Anywhere Near Anyone). We yearn for the day when we can get the energy we need without using any fossil fuels. But it’s suicidal to simply pretend we are already there.

To protect the public, leaders must expand the region’s pipeline capacity. While that is being done, they must also increase the supply of liquefied natural gas and imported electricity. Magical thinking will not pay our bills or keep our children warm at night.

As the report notes: “The health and safety of New England’s 14 million residents and the vibrancy of its economy depend on a reliable power supply, and that requires fuel security — that is, a reliable supply of the various fuels used to generate the region’s electricity.”



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