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January 29, 2018

BY HAND DELIVERY AND ELECTRONIC MAIL

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

Re: Docket No. 4780 - The Narragansett Electric Co. d/b/a National Grid's Proposed Power Sector Transformation (PST) Vision and Implementation Plan

Dear Ms. Massaro:

On behalf of Direct Energy Business, LLC, Direct Energy Services, LLC, and Direct Energy Solar (collectively, "Direct Energy"), enclosed please find an original and nine copies of Direct Energy's Petition to Intervene in the above-captioned proceeding as well as a Notice of Appearance of Counsel.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Very truly yours,



Craig R. Waksler

CRW/vcr

Enclosures

cc: Docket 4780 Service List (*via electronic mail*)

**STATE OF RHODE ISLAND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

)	
IN RE: REVIEW OF THE NARRAGANSETT)	
ELECTRIC CO. D/B/A NATIONAL GRID)	
PROPOSED POWER SECTOR)	DOCKET NO. 4780
TRANSFORMATION VISION AND)	
IMPLEMENTATION PLAN)	
)	

NOTICE OF APPEARANCE OF COUNSEL

Pursuant to Rule 1.4 of the Rhode Island Public Utilities Commission’s Rules of Practice and Procedure, please enter my appearance on behalf of Direct Energy Business, LLC, Direct Energy Services, LLC, and Direct Energy Solar.

Respectfully submitted,

**DIRECT ENERGY BUSINESS, LLC,
DIRECT ENERGY SERVICES, LLC,
AND DIRECT ENERGY SOLAR,**

By their attorney,

/s/ Craig R. Waksler

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CERTIFICATE OF SERVICE

I hereby certify that on January 29, 2018, I sent a true copy of the above document by electronic mail to the PUC and the Service List and filed the original pleading and 9 photocopies with the PUC.

/s/ Craig R. Waksler _____
Craig R. Waksler

**STATE OF RHODE ISLAND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION**

IN RE: REVIEW OF THE NARRAGANSETT)
ELECTRIC CO. D/B/A NATIONAL GRID)
PROPOSED POWER SECTOR)
TRANSFORMATION VISION AND)
IMPLEMENTATION PLAN)

DOCKET NO. 4780

**MOTION TO INTERVENE BY DIRECT ENERGY BUSINESS, LLC,
DIRECT ENERGY SERVICES, LLC & DIRECT ENERGY SOLAR**

Direct Energy Business, LLC, Direct Energy Services, LLC, and Direct Energy Solar (collectively, “Direct Energy”) hereby moves to intervene in the above-captioned proceeding pursuant to the Rhode Island Public Utilities Commission (“PUC” or “Commission”) Rules of Practice and Procedure 1.13(a) and (b). In support of its request, Direct Energy states as follows:

1. On November 27, 2017, The Narragansett Electric Co. d/b/a National Grid (“National Grid”) filed with the Commission its proposed Power Sector Transformation (“PST”) Vision and Implementation Plan (“PST Plan”) in addition to an application for authority to implement an increase in electric and gas base distribution rates pursuant to Rhode Island General Laws §§ 39-3-10 and 39-3-11. The Commission bifurcated the original docket (Docket No. 4770) and created this separate docket to address the PST Plan filed by National Grid.

2. Pursuant to PUC Rule 1.13(b), “any person claiming . . . an interest of such nature that intervention is . . . appropriate may intervene in any proceeding before the Commission.” Section 1.13(b)(1) of the PUC Rules provides that such an interest may be “[a]n interest which may be directly affected and which is not adequately represented by existing parties and as to which movants may be bound by the Commission’s action in this proceeding.”

3. Direct Energy is a national retail electricity and natural gas supplier licensed to serve residential, small commercial and large commercial and industrial customers in Rhode Island. Direct Energy is one of the world's leading integrated energy companies, and the number one home services provider in North America. Direct Energy has approximately 6,000 employees, and approximately 6 million customer relationships. Direct Energy serves a substantial number of electricity and natural gas customers in the National Grid service territory in Rhode Island. It is also an active participant in the renewable or clean energy generation market in Rhode Island, including in the National Grid service territory.

4. Direct Energy, as an integrated, international energy company, has extensive experience in matters related to energy efficiency, distributed and grid-scale clean and renewable energy, as well as the implementation of state policy, regulation, and laws affecting these resources and the companies that provide them.

5. Direct Energy was an active participant in Docket No. 4600, Investigation into the Changing Electric Distribution System which produced a framework for evaluating the benefits and costs of investments in traditional utility infrastructure, energy efficiency, demand response, renewable energy, and innovative technologies. Direct Energy actively participated as a member of the stakeholder committee, where Direct Energy contributed input and viewpoints from the competitive retail market perspective. Many of the issues in this proceeding will be examined by the Commission in Docket No. 4770 and Docket No. 4780.

6. The Docket No. 4600 Stakeholder Report states, “[w]hen comparing or evaluating resources, planners and policy makers will have to account for the fact that in a market environment some [Distributed Energy Resource (“DERs”) initiatives] will be deployed and operated by customers and/or third parties and that they will do so based upon their perceptions of

their own costs and benefits and in response to specific rate designs, incentives, and/or compensation mechanisms.” If permitted to intervene, Direct Energy will advocate for ensuring that the details of utility-driven plans are competitively neutral and not designed or funded in a manner unduly disadvantageous to retail electricity suppliers or other third-party suppliers, especially around DER initiatives, such as, energy storage, renewable energy, and energy saving or management devices for commercial and residential use, as supported by Docket No. 4600.

7. Direct Energy will further address the following issues if permitted to intervene which were raised in Docket No. 4600:

- a. **Supplier Consolidated Billing:** Third parties, in addition to utilities, should be permitted to provide consolidated bills that could break down customer usage by end use, suggest targeted energy savings improvements, and other related services (e.g., on-bill financing). Further, Supplier Consolidated Billing could significantly promote enhanced energy management at the end use customer level by the facilitation of new and innovative technologies provided by third party suppliers, thus advancing a key public policy goal in the state. The Docket No. 4600 Working Group acknowledged that this would require numerous changes, and recommended that the Commission investigate this further.
- b. **Future Grid Functionality and Pathways:** New opportunities to achieve utility system efficiency and enabled customers to depend on deployment of customer- and grid-facing technologies. Stakeholders in Docket No. 4600 recommended development of the business cases for application of various kinds of information and communications technologies to the electric grid to achieve a designated degree of grid connective functionality. Evaluation of the costs and benefits of these technologies is complex because the technologies often function as an integrated package and because current capabilities must allow for future technology evolution. It is important to include clear standards and communications protocols and rules to govern third party access and participation. Direct Energy’s engagement in this proceeding will help to ensure the development of these clear standards and communications protocols and rules.
- c. **Distribution System Planning:** Utilities play a critical role in identifying the value of investments made by the utility itself and by third parties on the distribution system. The Benefit-Cost Framework (“Framework”) delineated in Docket 4600 provides the conceptual framework to compare diverse distributed resources to each other and to conventional utility infrastructure solutions in the context of meeting overall power system, customer, and societal needs. However, the question of how the utility can best apply the Framework within updated planning and

investment decision-making processes that leverage programmatic investments and third-party market activity to yield a least-cost, optimized overall portfolio, is still very much an open question. Direct Energy's engagement in this proceeding will contribute to the Commission's understanding of this new and emerging Framework as well as its application to Utilities and third-party suppliers alike.

8. As Direct Energy does business throughout National Grid's service territory in Rhode Island, Direct Energy has a direct interest in the proceeding and will be substantially and specifically affected by the PUC's decision regarding National Grid's proposed increases in distribution rates in this proceeding. National Grid has made many proposals that could directly and substantially affect Direct Energy and its ability to provide competitive energy and distributed energy resources to customers in the National Grid service territory.

9. To the best of Direct Energy's knowledge, no other parties to this case will adequately represent its interest in these issues, as Direct Energy's interests are unique to its business structure and strategy. Direct Energy's dual status as a national competitive retail electricity supplier as well as a leading solar and clean energy developer gives it a unique perspective that is likely to benefit the Commission as it reviews National Grid's PST Plan. Furthermore, given Direct Energy's extensive experience in retail markets throughout the Northeast, including the competitive retail market in New England, including Rhode Island, as well as throughout other restructured energy markets and provinces in the United States and Canada that have extensively investigated grid modernization and the best approach to the deployment of smart meters, Direct Energy's participation in this proceeding will significantly assist the Commission in its review of National Grid's proposed grid modernization, energy storage, and related issues in this proceeding.

WHEREFORE, for the reasons stated herein, Direct Energy respectfully requests that the Commission grant this motion and allow Direct Energy to intervene in this matter.

Direct Energy respectfully requests that copies of all correspondence, notices, and pleadings be directed to Direct Energy in care of the following:

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Respectfully submitted,

**DIRECT ENERGY BUSINESS, LLC,
DIRECT ENERGY SERVICES, LLC,
AND DIRECT ENERGY SOLAR,**

By their attorney,

/s/ Craig R. Waksler

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Dated: January 29, 2018

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/s/ Craig R. Waksler

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