

January 18, 2019

BY HAND DELIVERY AND ELECTRONIC MAIL

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

RE: Docket 4892 - Proposed 2019 Renewable Energy Growth Program Tariff and Rule Changes
Responses to PUC Data Requests – Set 1

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed the Company's responses to the Public Utilities Commission's (PUC) First Set of Data Requests in the above-referenced docket.

Thank you for your attention to this matter. If you have any questions, please contact me at 781-907-2121.

Very truly yours,



Raquel J. Webster

Enclosures

cc: Docket 4892 Service List
Christy Hetherington, Esq.
Jon Hagopian, Esq.
John Bell, Division

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

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

The paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Joanne M. Scanlon

January 18, 2019

Date

**Docket No. 4892 – Renewable Energy Growth Program for Year 2019
RI Distributed Generation Board and National Grid**

Service List updated 11/9/2018

Parties' Name/Address	E-mail	Phone
Raquel Webster, Esq. Celia O'Brien, Esq. National Grid 280 Melrose Street Providence, RI 02907	Raquel.webster@nationalgrid.com;	781-907-2121
	Brooke.skulley@nationalgrid.com;	
	Joanne.scanlon@nationalgrid.com;	
	Ian.springsteel@nationalgrid.com;	
	Omar.Muneeruddin2@nationalgrid.com;	
	Robin.pieri@nationalgrid.com;	
	Adam.crary@nationalgrid.com;	
	Jorge.sousa@nationalgrid.com;	
Andrew Marcaccio, Esq. Dept. of Administration Division of Legal Services One Capitol Hill, 4 th Floor Providence, RI 02908	Andrew.Marcaccio@doa.ri.gov;	401-222-8880
	Carol.Grant@energy.ri.gov;	
	Christopher.Kearns@energy.ri.gov;	
	Nicholas.ucci@energy.ri.gov;	
	Shauna.Beland@energy.ri.gov;	
Jim Kennerly Danielle Burns (617) 673-7169 Matt Piantadosi (617) 673-7102 Tyler Orcutt	jkennerly@seadvantage.com;	
	Danielle.Burns@cadmusgroup.com;	
	Matt.Piantadosi@cadmusgroup.com;	
	Tyler.Orcutt@cadmusgroup.com;	
Jon Hagopian, Sr. Counsel Division of Public Utilities and Carriers	Jon.hagopian@dpuc.ri.gov;	401-784-4775
	John.bell@dpuc.ri.gov;	
	Macky.McCleary@dpuc.ri.gov;	
	Jonathan.Schrag@dpuc.ri.gov;	
	Al.mancini@dpuc.ri.gov;	
	Dmacrae@riag.ri.gov;	
File an original & 9 copies w/ Luly E. Massaro, Commission Clerk Cynthia Wilson-Frias, Commission Counsel	Luly.massaro@puc.ri.gov;	401-780-2107
	Alan.nault@puc.ri.gov;	
	Todd.bianco@puc.ri.gov;	

Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888	Cynthia.WilsonFrias@puc.ri.gov ;	
	John.harrington@puc.ri.gov ;	
Doug Sabetti	doug@newportsolarri.com ;	
Fred Unger	unger@hrtwd.com ;	
Paul Raducha	paul@pvdenergy.com ;	
Mark DePasquale, Wind Energy Development	md@wedenergy.com ;	
Jerry Elmer, Esq., CLF	jelmer@clf.org ;	401-351-1102
Charlie Grant, Essex Capital Partners	cgrant@essexcapitalpartners.com ;	
Danny Musher	dmusher@eastlightpartners.com ;	240-888-7567
Seth Handy, Esq.	seth@handylawllc.com ;	
Stephen Lassiter of Sunrun Beren Argetsinger, Keyes & Fox LLP	stephen.lassiter@sunrun.com ;	
	bargetsinger@kfwlaw.com ;	

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4892
In Re: 2019 Renewable Energy Growth Program
Responses to the Commission's First Set of Data Requests
Issued on December 27, 2018

PUC 1-1

Request:

Please provide an estimated and itemized 2019 Program Budget that will be considered in a future Renewable Energy Growth Program factor filing. This should include, at a minimum, the costs associated with all new proposals in this docket.

Response:

Please see Attachment PUC 1-1 for the requested 2019 Program Budget estimate. This is the current view on the updated needs for RE Growth program O&M expenses, which may change by June 2019 when the RE Growth Recovery Factor and Reconciliation filing is made which provides for recovery of actual revenue requirements associated with the program. This also includes the amounts expected to be capitalized for billing system improvements, but not the revenue requirement associated with those investments. The alternations to the nCAP portal related to tariff changes proposed in this proceeding are expected to be *de minimus* with \$10,000 estimated for potential external vendor cost.

Renewable Energy Growth Program
Estimated Administrative Costs
for the Program Year Ending March 31, 2020

Summary of Estimated Annual Administrative Expenses

(1) Billing System Modifications - Total Capitalized Costs	\$1,454,000
(2) Billing System Modifications - FY19 O&M Budget Estimate for Additional Modifications	\$29,000
(3) Incremental Labor Resources	\$1,337,033
(4) Estimated Solar Marketplace Implementation/Support Costs	\$90,000
(5) DG Board Expense	\$210,575
(6) Revenue Requirement - Meter Investment	TBD
(7) O&M Related to nCAP modifications	\$10,000
(8) Total	\$3,120,608

- (1) Estimated amount to be capitalized which will result in a revenue requirement in addition to existing revenue requirement.
(2) Additional O&M for implementing billing changes that will not be capitalized.
(3) Note (A) below;
(4) Per Company budget estimates of \$90,000 for Marketplace outreach program, website revisions and program O&M, which reflects a halt in Marketplace spend in July 2018 (Program closed), and resumption in February 2019 for a lower 2018 PY spend of estimated \$45,000
(5) \$65,000 for Ceiling Price consultant and \$145,575 budget for Cadmus quality assurance program continuation
(6) Will be updated based on actual and estimated meter installation
(7) Specific modifications related to tariff changes in this proceeding on application portal
(8) Sum of Lines (1) through (7) without TBD items

(A) Detail of Incremental Labor Resources	Accounts Processing (a)	Customer Solutions (b)	Billing Implementation/Support (c)	Billing Implementation/Support (d)	DG Customer Facilitator (e)	Interconnection Consultant (f)	FCM Administration (g)	Energy Procurement (h)	Total (i)
(1) Full Time Employees	1	3	1	1	1	2	2	1	12
(2) Average Salary	\$45,365	\$73,130	\$182,500	\$73,171	\$70,000	\$105,000	\$80,000	\$130,000	
(3) Percent Dedicated to RE Growth	<u>100.00%</u>	<u>100.00%</u>	<u>83.00%</u>	<u>50.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>56.25%</u>	<u>30.00%</u>	
(4) Estimated Labor Expense - through March 31, 2020	\$45,365	\$219,390	\$151,475	\$36,585	\$70,000	\$210,000	\$90,000	\$39,000	\$861,815
(5) Overhead rate	66.90%	66.90%		66.90%	66.90%	66.90%	66.90%	66.90%	
(6) Total Estimated FY19 Incremental Labor Resource Expense	\$75,714	\$366,162	\$151,475	\$61,061	\$116,830	\$350,490	\$150,210	\$65,091	\$1,337,033

- (1) Estimated
(2) Estimated
(3) Estimated
(4) Line (2) x Line (3)
(5) Company Labor Overheads, excluding pension & PBOP; Column (c) is a contractor position which excludes overheads
(6) Line (4) x (1 + Line (5))

PUC 1-2

Request:

Please define carport.

- a. Does a carport need to be a completely new structure to qualify for the Renewable Energy Growth Program or can it be on an existing structure?
- b. Does the carport need to be developed on property that has already been developed to qualify for the Renewable Energy Growth Program?
- c. How does a carport differ from a canopy?
- d. How does a carport differ from a standalone structure that would not qualify for the Renewable Energy Growth Program?

Response:

- a. A solar carport is a *newly-built single story structure, attached to a foundation in the ground or to a building, designed solely to support solar panels and associated wiring and equipment, which is built over a parking lot, and has installed upon such structure at least 85% of the total solar PV capacity on the parcel that is seeking enrollment in the RE Growth Program.* Please see also the Company's response to PUC 1-3.

Yes, a carport solar installation must be an entirely new structure built to support the installed solar PV panels, wiring, and other equipment associated with the solar PV installation on a new or existing parking lot.

- b. No, a solar carport array does not need to be built on property that has already been developed. They may be located on a property that is newly developed, such as at a new office complex or shopping mall that is newly developed.
- c. The DG Board and OER have used the terms "carport" and "canopy" interchangeably in the past. The definition provided by the Company in PUC 1-3 will use "carport."
- d. A carport structure should not serve any other structural purpose except to safely support the solar PV array over a parking lot. Please see the Company's response to PUC 1-3.

PUC 1-3

Request:

Did the National Grid include a definition of carport in its Enrollment Rules or Renewable Energy Growth Program tariffs? Why or why not?

Response:

No, National Grid did not include a definition of carport in either its Enrollment Rules or Renewable Energy Growth Program tariffs. When the Company initially developed the Enrollment Rules and tariffs, it was not clear whether the DG Board would approve the inclusion of a carport class. Subsequent to the DG Board's decision to add a carport class, such a definition could have been added, but it was not.

The Company would propose a definition of Solar Carport that will be added to the Non-Residential RE Growth Tariff and an explanatory text in the Enrollment Rules document for medium and larger solar and other technologies. In this definition, the Company is seeking to clarify that a Solar Carport system will not be considered separately from other solar on the property due to the anti-segmentation provisions that are an established component of the RE Growth tariff and statute (see R.I. Gen. Laws § 39-26.6-9, Project segmentation prohibition).

Solar Carport: "A newly-built single story structure, attached to a foundation in the ground or to a building, designed solely to support solar panels and associated wiring and equipment, which is built over a parking lot, and has installed upon such structure at least 85% of the total solar PV capacity on the parcel that is seeking enrollment in the RE Growth Program."

The Rules and Tariff will make it clear that separate solar PV systems applied for at the same time or in the 24-month window established in the anti-segmentation rules would be assessed in regards to those rules. As such, the customer would have the option to a) enroll another facility under the Net Metering Provision, b) size any other solar on the parcel to be 15% or less of the total solar PV capacity, or c) wait 24 months after enrollment to apply for an additional RE Growth solar PV system to enroll.

PUC 1-4

Request:

How does National Grid treat projects that have a size that falls between class sizes (ex: 10.99kW)?

Response:

National Grid treats the size of a system class sizes in whole kilowatts, so that the 1-10 kW bracket of the Small Scale Solar 1-10 kW class includes projects up to 10.99 kW. This sizing protocol was developed in consultation with the DG Board and OER early on in the launch of the program.

PUC 1-5

Request:

Referencing pages 17 and 18 of 23 of the DG Board Report and Recommendations, OER will perform a check on some of the projects to determine if a contractor's license number was provided and follow up with any that did not provide the number. On page 11 of National Grid's Enrollment Rules, Section 3.3 states that "Renewable energy firms, or their subcontractor or agent conducting installation work must hold a Rhode Island General Contractors License and provide their license registration number on the approved Solar Permit or building permit for a project as a condition of final approval to enroll."

- a. Are these two provisions addressing the same issue?
- b. If a contractor's license is required for enrollment in the project, what is the purpose of OER's review?
- c. What are the penalties to a contractor or customer if a project is not installed by a licensed contractor outside of the Renewable Energy Growth Program?

Response:

- a. Yes, these two provisions address the same issue.
- b. The OER reviews reports on solar installations for accuracy and completeness. The OER may also use the data in the course of other Quality Assurance assessments and analysis.
- c. Please see Distributed Generation Board's response to PUC 1-20(c) in Docket 4892.

PUC 1-6

Request:

Please indicate what is included in the estimated total project development cost.

Response:

The Company and OER agree that additional, clear guidance should be provided to applicants, which will differ based on whether the application is for the Small-Scale Solar class, or for larger scale classes and other technologies. The two definitions of “total project development cost” that will be provided to applicants are as follows:

Medium and Larger Scale Solar and Other Technologies: “The expected all-in project capital cost, which should include all hardware, balance of plant, design, construction, permitting, interconnection, metering, development (including developer fee), interest during construction, financing costs and reserves. This figure should not account for any tax incentives, grants, or other cash incentives, which will be accounted for separately. This figure should not include O&M expenses or replacement costs. All other upfront capital costs must be included.”

Small-Scale Solar Class: “The total cost of the solar equipment, design, development, construction, interconnection, permitting, financing (if known), and labor necessary to install the solar PV project. This figure should not account for any tax incentives, grants, or other cash incentives. Additional costs, indirectly related to the solar project, such as roofing work, should not be included.”

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4892
In Re: 2019 Renewable Energy Growth Program
Responses to the Commission's First Set of Data Requests
Issued on December 27, 2018

PUC 1-7

Request:

How are OER and National Grid going to protect customer privacy regarding providing estimated total project development cost?

Response:

National Grid provides the total project development cost data, along with other customer and system data, on a monthly basis to OER as privileged information that is protected under Non-Disclosure Agreement (NDA) between National Grid and OER, and between OER and Sustainable Energy Advantage, to whom the information is provided annually. In addition, National Grid provides the package of information to Lawrence Berkeley National Laboratory under NDA at the request of OER for its research purposes.

PUC 1-8

Request:

Please explain why National Grid is not the lead developer of minimum technical requirements for the Renewable Energy Growth Program.

Response:

National Grid is not the lead party developing technical installation guidance for solar facilities in the RE Growth Program because the Company does not have jurisdictional authority to approve or reject any aspect of a solar facility aside from the limited aspects of the system that interface with the Company's distribution assets.

Moreover, the Company does not have or maintain internal expertise on the specifics of solar facility installation best practices beyond the limited areas of its interface with the customer's solar installation. These areas of interface includes specific requirements for the establishment of a meter socket that houses the Company's RE Growth generation meter and the connection of the system with the service drop to the property, which are covered by the Company's existing Electric Service Bulletins and the Standards for Connecting Distributed Generation.

National Grid welcomes the OER and the DG Board, with the input of their consultant, to create a guidance document for installers and customers that will share knowledge of high-quality installation practices. However, the document should not be termed a "Minimum Technical Requirement," because neither the Company nor OER will be able to review or enforce adherence with the guidance, and there would be no penalty for not following the guidance. If an installed facility is audited by the OER's solar inspection program after enrollment and found out of compliance with the Guidance, OER's consultant will inform the installer and OER of any issues that should be remediated.