

Rhode Island Office of Energy Resources
One Capitol Hill, 4th Floor
Providence, RI 02908



STATE OF RHODE ISLAND
**OFFICE OF
ENERGY RESOURCES**
Commissioner Carol J. Grant

December 18, 2018

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

Re: Docket #4903 Review to Determine the Adequacy of Renewable-Energy Supplies Pursuant to R.I. Gen. Laws Sec. 39-26-6(d)

Dear Ms. Massaro:

The Rhode Island Office of Energy Resources (OER) has reviewed National Grid's December 6, 2018 assessment of renewable energy standard obligations under RIGL §39-26, et. seq. and the interplay between forecasted renewable energy certificate (REC) supply and demand.

Based upon information filed by the utility and its general understanding of current and projected market conditions, OER believes that projected New REC supplies in Rhode Island and regionally will be sufficient to satisfy statewide RES obligations in 2020. National Grid – the state's largest load-serving entity – is projected to meet its 2020 obligations from RECs procured from state renewable energy programs and initiatives alone. Importantly, to meet their 2020 RES obligations, the utility, as a supplier of Standard Offer Service, and third-party retail electric suppliers maintain the ability to procure New RECs from resources located throughout New England and adjacent control areas (if qualified) and/or leverage previously-banked RECs. In the alternative, these load-serving entities may also make Alternative Compliance Payments (ACPs) consistent with statute.

Looking ahead, National Grid's analysis suggests that New RECs generated by projects procured pursuant to state renewable energy programs and initiatives "could satisfy the RES obligations for all the Company's distribution customers" in 2021 and "is forecasted to continue to do so through 2040."

OER joins the Division of Public Utilities & Carrier in recommending that the Commission find renewable energy supplies are adequate to meet the increase in the percentage requirement of energy from renewable energy resources.

Regards,

A handwritten signature in black ink, appearing to read "Andrew S. Marcaccio".

Andrew S. Marcaccio, Esq.
On behalf of the Office of Energy Resources