

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

IN RE: THE NARRAGANSETT ELECTRIC :
COMPANY d/b/a NATIONAL GRID REVIEW : DOCKET NO. 4929
OF POWER PURCHASE AGREEMENT :
PURSUANT TO R.I. GEN. LAWS § 39-31-1 TO 9 :

**THE OFFICE OF ENERGY RESOURCES RESPONSES TO THE PUBLIC UTILITIES
COMMISSION'S FIRST SET OF DATA REQUESTS**

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PUC 1-1 to OER

- 1-1. On Bates page 13 of National Grid’s filing, National Grid witnesses Brennan and DiDomenico state “The Revolution Wind project will add another 400 MW toward Governor Raimondo’s ‘1,000 MW by 2020’ goal, more than doubling the state’s progress since last year.”

PUC 1-1(a) to OER

- a. Please indicate the baseline used to determine whether the 1,000 MW goal has been met.**

In March 2017, Governor Raimondo announced an ambitious, but achievable strategic goal to increase the state's clean energy portfolio ten-fold by the end of 2020 – achieving a total of 1,000 MW of clean energy projects. The baseline year for the 1,000 MW goal was 2016, when Rhode Island had approximately 100 MW of clean energy in its portfolio.

OER maintains information on the 1,000 MW clean energy goal at: <http://www.energy.ri.gov/renewable-energy/governor-clean-energy-goal.php>. Progress toward achieving the goal is updated by OER on a quarterly basis.

PUC 1-1(b) to OER

- b. Please indicate what counts toward the 1,000 MW goal (i.e., projects under contract, projects enrolled in a utility-sponsored program, projects that have achieved commercial operation versus projects that have received interconnection services agreements, etc.)**

The projects that are counted toward the goal include eligible renewable energy resources as specified in state law. Generally, these include:

- Solar;
- Small hydro;
- Wind, both offshore and onshore; and
- Landfill gas/anaerobic digestion.

A clean energy project is only counted toward advancing this goal when one of the following events has occurred:

- The clean energy project is interconnected to the electric grid. This set of projects includes projects that use one of the state renewable energy programs, including the Renewable Energy Growth Program and Net Metering; or

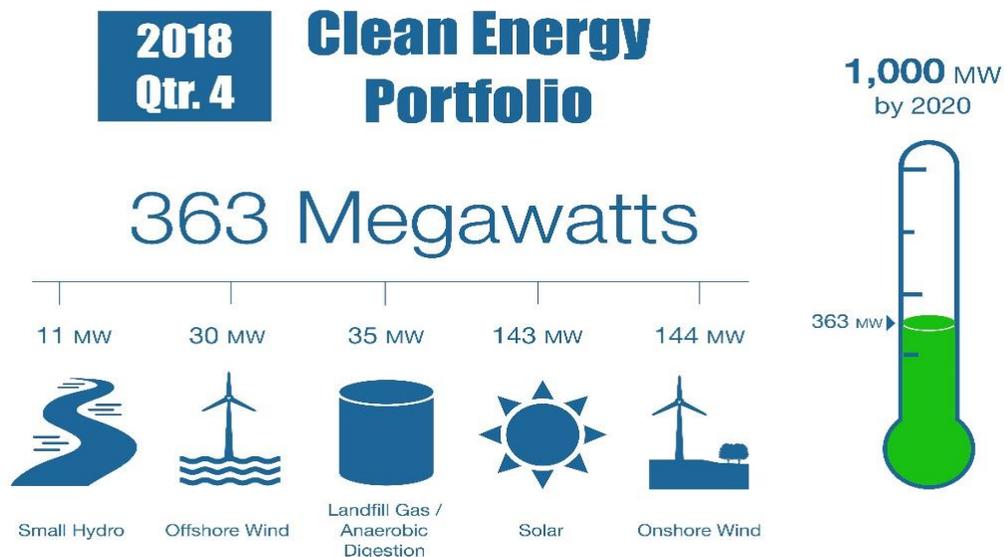
- The project has a long-term contract or Power Purchase Agreement (PPA) approved by the Rhode Island Public Utilities Commission (PUC). Projects in this category are generally larger scale projects which have been selected under a competitive bid process, negotiated a PPA with the utility, and had the PPA reviewed and approved by the PUC. The construction and initial operation of those projects may occur after 2020, but they will be counted toward the goal if the contract is approved by the end of 2020.

PUC 1-1(c) to OER

- c. Please provide a table showing what counts toward the 1,000 MW goal (i.e., long-term contracts for renewable energy, distributed generation standard contracts, Renewable Energy Growth Program, net metering projects (both behind the meter and remote), etc.), and where the state is currently without the proposed project.

Please see OER’s response to question 1-1(b). Clean energy projects that are advanced pursuant to state programs and statutes, such as those listed, are helping to accelerate Rhode Island’s adoption of clean energy resources. Therefore, OER counts them toward achievement of the 1,000 MW goal.

As of the end of 2018, OER counted 363 MW of clean energy generation capacity toward the 1,000 MW goal. Of that 363 MW total, 144 MW is onshore wind, 143 MW is solar, 35 MW is landfill gas/anaerobic digestion, 30 MW is offshore wind and 11 MW is small hydroelectric power. See the figure below.



If the proposed contract with Revolution Wind is approved by the PUC, an additional 400 MW of clean energy will be added, bringing the total to more than 700 MW.

PUC 1-1(d) to OER

- d. Please provide a table showing what counts toward the 1,000 MW goal (i.e., long-term contracts for renewable energy, distributed generation standard contracts, Renewable Energy Growth Program, net metering projects (both behind the meter and remote), etc.), and where the state is projected to be in 2020 without the proposed project.**

Please see OER's response to 1-1(c).

OER has not projected where the state will be if the proposed project is not approved by the PUC. The uncertain growth rate within underlying programs/initiatives, much of which is dependent upon fluctuating customer demand, siting, permitting, interconnection, and other project-related variables, makes such a projection untenable.

However, we do know that state programs such as the Renewable Energy Growth Program and net metering continue to facilitate growth in local zero-carbon energy resources. While we cannot forecast with precision, some clean energy growth will continue regardless of the outcome in this docket. OER will continue to update progress on the 1,000 MW goal quarterly reflecting newly-interconnected renewables. Moreover, in Docket 4822, the PUC approved National Grid's issuance of a competitive RFP for up to 400 MW of newly developed renewable energy resources. Submitted bids are now under evaluation by the utility and any resulting contracts will be filed with the PUC later in the year. Any long-term power purchase agreements filed with and approved by the PUC would also count toward achieving the 1,000 MW goal.

PUC 1-1(e) to OER

- e. Note 4 of witnesses Brennan and DiDomenico's testimony, on Bates page 13 of National Grid's filing is a link to a webpage on OER's website that indicates, "The 1000 MW goal is not just about energy, but [clean energy jobs](#) too... The Governor has set a goal to reach a total of 20,000 clean energy jobs by 2020." Please indicate if and how the project will contribute to meeting the jobs goal.**

The state's 2018 Clean Energy Jobs Report can be accessed at: <http://www.energy.ri.gov/cleanjobs/2018/2018%20RI%20Clean%20Energy%20Industry%20Report.pdf>.

It is unclear how much of a *direct* effect the Revolution Wind project will have on clean energy jobs by 2020; OER anticipates a ramping of project-specific construction job impacts one year later in 2021. However, it is important to recognize that Revolution Wind, like the 30 MW Block Island Wind Farm before it, will further catalyze an entirely new clean tech industry along the shores of Southern New England. Offshore wind development-driven job growth is likely to accelerate in the coming decade,

driven by recent (and planned) offshore wind procurements in Rhode Island, Massachusetts, Connecticut, New York, and other northeastern jurisdictions. The Ocean State is poised to capitalize on its industry leadership position and serve as a strategic epicenter for new investment activity.

As the cover letter for the [2018 Clean Energy Jobs Report](#) notes, the Revolution Wind Project “is expected to create more than 800 direct construction jobs and 50 permanent jobs; however, it holds even greater potential for establishing Rhode Island and Southern New England as a hub for the nascent United States offshore wind industry.”

The [2018 Clean Energy Jobs Report](#) also states that the 30 MW Block Island Wind Farm “employed more than 300 local workers during its construction. Revolution Wind is more than ten times the size of the Block Island farm and is again expected to employ Rhode Island workers, especially in construction and offshore wind support services. While manufacturing activity has and will be initially exported to more mature European markets, the manufacturing sector will begin to play a larger part in revitalizing port communities in Quonset and Providence as economic volume of offshore wind activity increases.”

PUC 1-1(f) to OER

f. Do jobs associated with energy efficiency and demand response count toward the Governor’s jobs goal? If so, does energy efficiency and demand response count toward the 1000 MW goal, and if not, why not?

Yes; jobs associated with energy efficiency and other clean energy investments throughout Rhode Island count toward expanding the state’s burgeoning clean energy jobs sector. For more information, please see <http://www.energy.ri.gov/cleanjobs/>.

The 1,000 MW goal is strategic, not statutory, and was designed to track the state’s acceleration of renewable energy resource portfolio growth. Energy efficiency and demand response are not being counted toward achievement of that specific goal. However, these important demand side tools are being aggressively pursued and tracked elsewhere through Rhode Island’s nation-leading energy efficiency investment plans.

OER recognizes that a sustainable, affordable, no-to-low carbon energy future for Rhode Island will require a wide array of clean energy technologies and investments; the 1,000 MW goal should not be seen as “excluding” some resources from others, but viewed as a complementary strategic goal working in parallel to other substantial initiatives now underway in the Ocean State, including robust energy efficiency investments and innovation through Power Sector Transformation.

Date: March 4, 2019

Respondent: Nicholas Ucci, Deputy Commissioner

PUC 1-2 to OER

1-2 Please explain of whether or not OER expects any of the costs associated with the Delivery Facility and any necessary system upgrades will be considered a Public Policy Transmission Upgrade per Section II of the ISO New England Inc. (ISO-NE) Transmission, Markets, and Services Tariff (Open Access Transmission Tariff or OATT).

OER is not aware of any intention to seek such treatment for the proposed transmission facilities.

Date: March 4, 2019

Respondent: Nicholas Ucci, Deputy Commissioner