

March 5, 2020

BY HAND DELIVERY AND ELECTRONIC MAIL

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

RE: Docket 4983 - 2020 Renewable Energy Growth Program Tariff and Rule Changes Responses to Post-Hearing Data Requests – Set 2

Dear Ms. Massaro:

On behalf of National Grid,¹ I have enclosed the Company's responses to the PUC's Second Set of Post-Hearing Data Requests in the above-referenced docket.

The Company's response to PUC Post-Hearing Data Request 2-4 is pending.

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 4983 Service List
Leo Wold, 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

March 5, 2020

Date

Docket No. 4983– Renewable Energy Growth Program for Year 2020
RI Distributed Generation Board and National Grid
Service List updated 2/26/2020

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Post-Hearing PUC 2-1

Request:

Is the PBI value for a residential customer the same as the ceiling price? If not, why not?

Response:

Pursuant to the Renewable Energy Growth Program for Residential Customers tariff (Residential Tariff), and in the RE Growth statute, the compensation rate for residential customers is referenced as the Standard Performance-Based Incentive, which is a fixed rate per kWh. The Standard PBI remains in effect for the period of the customer's enrollment in the Residential Tariff.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 4983
In Re: 2020 Renewable Energy Growth Program
Responses to Commission's Second Set of Post-Hearing Data Requests
Issued on March 3, 2020

Post-Hearing PUC 2-2

Request:

Assume an A-16 customer is enrolled in the Renewable Energy Growth Program. Assume usage for that month is 580 kWh (the volumetric charges are truncated, total charges are rounded to the nearest 5 cents, and taxes are excluded). The output from the rooftop solar installation that month was 580 kWh.

| | Rate | 580 kWh | 600 kWh | 560 kWh |
|--------------------------------------|-----------|----------|----------|----------|
| Customer Charge | 6.00 | \$6.00 | \$6.00 | \$6.00 |
| LIHEAP Enhancement Charge | 0.80 | \$0.80 | \$0.80 | \$0.80 |
| Distribution Energy Charge | 0.05/kWh | \$29.00 | \$30.00 | \$28.00 |
| EE Charge | 0.015/kWh | \$8.70 | \$9.00 | \$8.40 |
| Renewable Energy Distribution Charge | 0.006/kWh | \$3.50 | \$3.60 | \$3.35 |
| Transmission Charge | 0.03/kWh | \$17.40 | \$18.00 | \$16.80 |
| Transition Charge | 0.00/kWh | \$0.00 | \$0.00 | \$0.00 |
| RE Growth Program | 2.00 | \$2.00 | \$2.00 | \$2.00 |
| SOS | 0.10/kWh | \$58.00 | \$60.00 | \$56.00 |
| Total Bill | | \$125.40 | \$129.40 | \$121.35 |
| Total volumetric charges | 0.20/kWh | | | |

- a. What is the customer's bill credit that month under each of the following scenarios – please show your work?
 1. PBI is \$0.20/kWh
 2. PBI is \$0.18/kWh
 3. PBI is \$0.16/kWh
- b. What is the customer's bill that month – please show your work?
 1. PBI is \$0.20/kWh
 2. PBI is \$0.18/kWh
 3. PBI is \$0.16/kWh
- c. What is the cash payment to the customer?

Response:

Please see Attachment PUC 2-2. Part a. is shown on line (22), part b. is shown on line (26) and part c. on line (25).

| | (a) | (b) | (c) | (d) |
|---|---------------------------|-----------|----------|----------|
| Rate A-16 - Renewable Energy Growth Program Customer - Standard Offer Service | | | | |
| (1) Basic Residential Rate A-16 | Monthly On Site Use | 580 | 580 | 580 |
| (2) | Customer Charge | \$6.00 | \$6.00 | \$6.00 |
| (3) | LIHEAP Enhancement Charge | \$0.80 | \$0.80 | \$0.80 |
| (4) | Distribution Energy Chg | \$0.050 x | \$29.00 | \$29.00 |
| (5) | Energy Efficiency Prgrms | \$0.015 x | \$8.70 | \$8.70 |
| (6) | Renewable Egy Dist Chg | \$0.006 x | \$3.50 | \$3.50 |
| (7) | Transmission Adj | \$0.030 x | \$17.40 | \$17.40 |
| (8) | Transition Charge | \$0.000 x | \$0.00 | \$0.00 |
| (9) | REGrowth Program | \$2.00 | \$2.00 | \$2.00 |
| (10) | Standard Offer Service | \$0.100 x | \$58.00 | \$58.00 |
| (11) | Total Bill | | \$125.40 | \$125.40 |

Payments for Participation in Renewable Energy Growth Program

Performance Based Incentive Payment

| | | | | |
|------|-------------------------------------|----------|----------|---------|
| (12) | Performance-Based Incentive Rate | \$0.20 | \$0.18 | \$0.16 |
| (13) | Generation | 580 | 580 | 580 |
| (14) | Performance-Based Incentive Payment | \$116.00 | \$104.40 | \$92.80 |

Allocation of Performance Based Incentive Payment

Bill Credit

| | | | | |
|----------------------|--------------------------|-----------|----------|----------|
| (15) | Bill Credit kWh | 580 | 580 | 580 |
| (16) | Distribution Energy Chg | \$0.050 x | \$29.00 | \$29.00 |
| (17) | Energy Efficiency Prgrms | \$0.015 x | \$8.70 | \$8.70 |
| (18) | Renewable Egy Dist Chg | \$0.006 x | \$3.50 | \$3.50 |
| (19) | Transmission Adj | \$0.030 x | \$17.40 | \$17.40 |
| (20) | Transition Charge | \$0.000 x | \$0.00 | \$0.00 |
| (21) | Standard Offer Service | \$0.100 x | \$58.00 | \$58.00 |
| (22) Part (a) | Total Bill Credit | | \$116.60 | \$116.60 |

Cash Payment

| | | | | |
|----------------------|-------------------------------------|------------|------------|------------|
| (23) | Performance-Based Incentive Payment | \$116.00 | \$104.40 | \$92.80 |
| (24) | Total Bill Credit | (\$116.60) | (\$116.60) | (\$116.60) |
| (25) Part (c) | Residual PBI Payment - Cash payment | \$0.00 | \$0.00 | \$0.00 |

| | | | | |
|----------------------|------------|--------|--------|--------|
| (26) Part (b) | Amount Due | \$8.80 | \$8.80 | \$8.80 |
|----------------------|------------|--------|--------|--------|

- | | |
|--|---|
| (a) Rates applicable | (13) Monthly Generation |
| (b) PBI at \$0.20/kWh | (14) Line (12) x Line (13) |
| (c) PBI at \$0.18/kWh | (15) If Line (13) > Line (1) then Line (1) else Line (13) |
| (d) PBI at \$0.16/kWh | (16) - (21) Line (15) x current line column (a) |
| (1) On Site Usage | (22) Sum of lines (16) through (21) |
| (2), (3), (9) Per bill charges | (23) Line (14) |
| (4) - (8); (10) Line (1) x current line column (a) | (24) Line (22) |
| (11) Sum of lines (2) through (10) | (25) If Line (23) > Line (24) then Line (23) - Line (24) else 0 |
| (12) PBI Rate | (26) Line (11) + Line (22) |

Post-Hearing PUC 2-3

Request:

Assume now that the customer's usage was 600 kWh.

- a. What is the customer's bill credit that month under each of the following scenarios – please show your work?
 1. PBI is \$0.20/kWh
 2. PBI is \$0.18/kWh
 3. PBI is \$0.16/kWh
- b. What is the customer's bill that month – please show your work?
 1. PBI is \$0.20/kWh
 2. PBI is \$0.18/kWh
 3. PBI is \$0.16/kWh
- c. What is the cash payment to the customer?

Response:

Please see Attachment PUC 2-3. Part a. is shown on line (22), part b. is shown on line (26) and part c. on line (25).

| | (a) | (b) | (c) | (d) |
|---|---------------------------|-----------|----------|----------|
| Rate A-16 - Renewable Energy Growth Program Customer - Standard Offer Service | | | | |
| (1) Basic Residential Rate A-16 | Monthly On Site Use | 600 | 600 | 600 |
| (2) | Customer Charge | \$6.00 | \$6.00 | \$6.00 |
| (3) | LIHEAP Enhancement Charge | \$0.80 | \$0.80 | \$0.80 |
| (4) | Distribution Energy Chg | \$0.050 x | \$30.00 | \$30.00 |
| (5) | Energy Efficiency Prgms | \$0.015 x | \$9.00 | \$9.00 |
| (6) | Renewable Egy Dist Chg | \$0.006 x | \$3.60 | \$3.60 |
| (7) | Transmission Adj | \$0.030 x | \$18.00 | \$18.00 |
| (8) | Transition Charge | \$0.000 x | \$0.00 | \$0.00 |
| (9) | REGrowth Program | \$2.00 | \$2.00 | \$2.00 |
| (10) | Standard Offer Service | \$0.100 x | \$60.00 | \$60.00 |
| (11) | Total Bill | | \$129.40 | \$129.40 |

Payments for Participation in Renewable Energy Growth Program

Performance Based Incentive Payment

| | | | | |
|------|-------------------------------------|----------|----------|---------|
| (12) | Performance-Based Incentive Rate | \$0.20 | \$0.18 | \$0.16 |
| (13) | Generation | 580 | 580 | 580 |
| (14) | Performance-Based Incentive Payment | \$116.00 | \$104.40 | \$92.80 |

Allocation of Performance Based Incentive Payment

Bill Credit

| | | | | |
|----------------------|--------------------------|-----------|----------|----------|
| (15) | Bill Credit kWh | 580 | 580 | 580 |
| (16) | Distribution Energy Chg | \$0.050 x | \$29.00 | \$29.00 |
| (17) | Energy Efficiency Prgms | \$0.015 x | \$8.70 | \$8.70 |
| (18) | Renewable Egy Dist Chg | \$0.006 x | \$3.50 | \$3.50 |
| (19) | Transmission Adj | \$0.030 x | \$17.40 | \$17.40 |
| (20) | Transition Charge | \$0.000 x | \$0.00 | \$0.00 |
| (21) | Standard Offer Service | \$0.100 x | \$58.00 | \$58.00 |
| (22) Part (a) | Total Bill Credit | | \$116.60 | \$116.60 |

Cash Payment

| | | | | |
|----------------------|-------------------------------------|------------|------------|------------|
| (23) | Performance-Based Incentive Payment | \$116.00 | \$104.40 | \$92.80 |
| (24) | Total Bill Credit | (\$116.60) | (\$116.60) | (\$116.60) |
| (25) Part (e) | Residual PBI Payment - Cash payment | \$0.00 | \$0.00 | \$0.00 |

| | | | | |
|----------------------|------------|---------|---------|---------|
| (26) Part (b) | Amount Due | \$12.80 | \$12.80 | \$12.80 |
|----------------------|------------|---------|---------|---------|

- | | |
|--|---|
| (a) Rates applicable | (13) Monthly Generation |
| (b) PBI at \$0.20/kWh | (14) Line (12) x Line (13) |
| (c) PBI at \$0.18/kWh | (15) If Line (13) > Line (1) then Line (1) else Line (13) |
| (d) PBI at \$0.16/kWh | (16) - (21) Line (15) x current line column (a) |
| (1) On Site Usage | (22) Sum of lines (16) through (21) |
| (2), (3), (9) Per bill charges | (23) Line (14) |
| (4) - (8); (10) Line (1) x current line column (a) | (24) Line (22) |
| (11) Sum of lines (2) through (10) | (25) If Line (23) > Line (24) then Line (23) - Line (24) else 0 |
| (12) PBI Rate | (26) Line (11) + Line (22) |

Post-Hearing PUC 2-5

Request:

For the purpose of comparing the value of net metering credits to the value of the performance-based incentive in a billing month, is the Company calculating net metering credits per R.I. Gen. Laws § 39-26.4-2 or as if the customer does not have two meters? In other words, is the Company comparing the PBI value to the total retail rate or is it comparing the PBI value to the statutory renewable net metering credit value? Why?

Response:

The Company is calculating the bill credit pursuant to its RE Growth tariffs and also in response to R.I. Gen. Laws § 39-26.6-18, Utility Right to Separately Meter. In implementing the RE Growth Program, the Company has elected its right to install a second meter on distributed generation (DG) facilities in order to measure the generation output of such projects. Bill credits in the RE Growth program are only provided up to the amount of usage in the month by the customers and are meant to be economically equivalent to the displaced energy value under the Net Metering Provision. When the Net Metering Provision was initially approved, the Company proposed a single meter solution to net metering that is used throughout the country. With a single meter, there is no ability to distinguish the amount generated separately from the amount consumed. Therefore, any use on site that is displaced by onsite generation is effectively worth the full volumetric retail rate. To ensure that the installation of the second meter under the RE Growth tariff does not take away the economic benefit of displaced energy that net metering would have provided the customer who has one meter under net metering, the bill credit is defined in the RE Growth tariffs based on the total per-kWh retail rate multiplied by the lesser of the kWh generated or the kWh on-site use. The cash payment is the difference between the Performance Based Incentive Payment (PBI rate multiplied by kWh generated) less the bill credit calculated pursuant to the applicable RE Growth tariff.

In addition, the bill credit of RE Growth and the value of net metering are linked as a result of R.I. Gen. Laws § 39-26.6-20(e)(2) and § 39-26.6-20(f)(2). These two sections define the forms of compensation to RE Growth participants based on the value of net metering in defining the bill credit to appear on their electric service bill. Therefore, while the value of the bill credit may be the same as the value of net metering with respect to value of displaced energy (not the value of renewable net metering credits), the bill credit is a unique defined term pursuant to the RE Growth tariffs.