

June 9, 2021

Chairperson Ronald T. Gerwatowski Commissioner Abigail Anthony Commissioner John C. Revens, Jr. Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, Rhode Island 02888

RE: Docket 5080 – System Reliability Procurement 2020 Year-End Report

## **Dear Commissioners:**

The Rhode Island Office of Energy Resources (OER) submits these comments regarding National Grid's 2020 System Reliability Procurement (SRP) Year-End Report (the Report), as filed on June 1, 2021. OER agrees with National Grid's assessment of the status of each commitment, as described in Table 2, with the exception of engagement on forecasting. OER also offers comments on the development of the non-pipes alternative (NPA) program below.

## **Comments on Forecasting Engagement:**

National Grid notes in Table 2 that it will 'implement robust stakeholder engagement and discussion on the electric forecasting process', which is an 'ongoing, perpetual commitment'. OER does not agree that there was robust stakeholder engagement on electric forecasting in 2020. In fact, there were <u>no</u> stakeholder meetings related to electric forecasting in 2020. OER reiterates comments from our letter on the 2021-2023 SRP Three-Year Plan<sup>2</sup>:

- Forecasting (Section 11.2) National Grid commits to holding a single "annual stakeholder meeting at the beginning of each calendar year to review the electric forecast released in Q4 of the previous calendar year and to discuss the forecast and details for the next forecast release." This does not adequately satisfy the Power Sector Transformation recommendation to improve forecasting, nor does it provide sufficient opportunity for meaningful engagement with stakeholders. Forecasting methods and forecasting inputs are two critical areas ripe for development on which OER is keen to engage. Key questions include:
  - O How can/should National Grid incorporate local knowledge of load growth, such as from municipal planning boards and permit applications?
  - How should uncertainty in load forecasting be presented and operationalized in grid planning?
  - O How should current methodology based on time-trend regression models be updated to account for new trends in solar, storage, electric heat, and electric transportation adoption and use behavior?

<sup>&</sup>lt;sup>1</sup> SRP Technical Working Group Meetings that included electric forecasting on the agenda were held on 11/21/2019 and 2/17/2021.

<sup>&</sup>lt;sup>2</sup> Docket 5080: http://www.ripuc.ri.gov/eventsactions/docket/5080-OER-Comment%202-23-21.pdf



- To what extent should DER forecasting methodology include spatial correlation models for solar adoption?
- What is the value of hosting capacity forecasting (e.g. to anticipate DER-driven developer-financed upgrades to the distribution system)?

## **Comments on Non-Pipes Alternatives:**

National Grid discusses non-pipes alternatives (NPA) in Section 7 of the Report. OER supports National Grid's approach to developing an NPA program and agrees that their non-wires alternative program is a strong foundation upon which to build. National Grid has hosted several presentations and discussions with stakeholders within the forum of the SRP Technical Working Group. OER is pleased with these discussions so far and commends National Grid's team for considering stakeholder input.

The NPA definition, screening criteria, and evaluation process described in the Report are generally strong and likely to lead to a robust NPA program. OER notes two considerations: (1) the operational use and value of distinguishing between small and large NPA projects is not yet compelling - OER will continue to engage in discussions to better understand this proposal and (2) OER encourages full transparency of evaluation criteria weighting to ensure bidders are as responsive as possible.<sup>3</sup> OER looks forward to continued discussions about NPA program development to address these considerations and build out a successful program.

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Thank v	vou tor	vour	consideration.

Sincerely,

Nicholas S. Ucci Commissioner

<sup>3</sup> State purchasing regulations describe requirements and recommendations for ensuring fair and competitive bid

(Section 5.11.D.2) and "the evaluation of offers, including the weight assigned to various aspects of the offerors, and all award determinations, including the reasons for a selection recommendation, shall be fully documented" (Section 5.11.D.5).

processes, which National Grid may consider for guidance regarding transparency of evaluation coring criteria weighting. See for example: Competitive Bid and Competitive Sealed Bid Review and Source Selection (220-RICR-30-00-5): "Solicitations shall be prepared in a manner and form which enables suppliers to submit fully responsive and knowledgeable offers, and which clearly define the criteria to be used in evaluating responses" (Section 5.4.C) where "'proposal evaluation criteria' means factors, usually weighted, relating to management capability, technical capability, manner of meeting performance requirements, price and other considerations used to evaluate which proposer in a competitive negotiations has made the most advantageous offer" (Section 5.1.N). Furthermore, "wherever possible, the Request for Proposal... shall set forth specific criteria to be utilized in evaluation of offers"