

State of Rhode Island and Providence Plantations

Public Utilities Commission

Minutes of Open Meeting Held May 4, 2017

Attendees: Chairperson Margaret Curran, Commissioner Herbert DeSimone, Commissioner Marion Gold, Cynthia Wilson-Frias, Linda George, Alan Nault, Sharon Colby Camara, Todd Bianco and Luly Massaro.

Chairperson Curran called the Open Meeting to order at 10:00 A.M. in the first-floor hearing room of the Public Utilities Commission (PUC). A quorum was present.

Minutes of Open Meetings held on April 12, 2017 and April 27, 2017 – Chairperson Curran moved to approve the minutes. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

4618 - Providence Water Supply Board - Bristol County Water Authority (BCWA) filed on April 6, 2017 a Motion for Relief From Order pursuant to Rule 1.28. BCWA seeks relief from the PUC's Order at its February 10, 2017 Open Meeting related to the allocation of Central Operations Facility costs to wholesale customers. Responsive pleadings were submitted by the Division, Providence Water Supply Board and Kent County Water Authority. After review, the PUC agreed that BCWA's motion was not ripe for review under Rule 1.28. Even if considered as a motion to reopen under Rule 1.28(a), it will still fail. BCWA makes the same arguments that have been considered and addressed prior to the February 10 open meeting. There are no facts showing material changes. After review, Commissioner DeSimone moved to deny BCWA's motion. Chairperson Curran seconded the motion and the motion unanimously passed. **Vote 3-0.**

4294 & 3663 – Budget PrePay, Inc. – Budget PrePay's submitted a request to relinquish its Eligible Telecommunications Carrier (ETC) Designation in the State of Rhode Island (Docket 4294) and a request to cancel its authority as a telecommunications carrier (Docket 3363). Budget PrePay intends to cease operations in the State. After consideration, Chairperson Curran moved to grant both requests submitted by Budget PrePay. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

4694 – Sky Renewable Energy Rhode Island, LLC – Sky Renewable Energy filed on March 15, 2017 a Petition for Declaratory Judgment for the purpose of entering into a Public Entity Net Metering Financing Arrangement as defined in R.I. Gen. Laws 39-26.4-2(16)(i). National Grid submitted a motion to intervene, did not oppose the petition and offered comments. After review, Commissioner DeSimone moved to grant the Petition. Commissioner DeSimone also moved to find that the exemplar ground lease and easement agreement submitted by the Petitioner satisfies the requirement of the statute and perhaps that can serve as a template in future cases. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

4610 – The Narragansett Electric Company d/b/a National Grid – National Grid submitted tariff filings requesting to add three environmental sites to the List of Eligible Sites in its Environmental Response Fund Provision Tariff No. 2164. The three sites include the Admiral Street Site, the Wakefield No. 17 Substation Site and the Lakewood No. 57 Substation Site. The Division filed a memorandum summarizing its review and recommending approval of National Grid’s proposed tariff modification request. After consideration, Chairperson Curran moved to approve National Grid’s tariff filings as submitted. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

4600 - Investigation Into the Changing Electric Distribution System – The PUC discussed and reviewed the Report submitted by the stakeholder group on April 5, 2017 and summarized the comments offered by the various stakeholders at the April 28, 2017 Technical Session. After deliberation, the following motions were made:

1. Chairperson Curran moved to formally accept the Stakeholder Report. Commissioner Gold seconded the motion. The motion unanimously passed. **Vote 3-0.**
2. Chairperson Curran moved to adopt the goals set forth in Section 1.3 of the stakeholder report, the rate design principles listed in Section 3.1 of the stakeholder report, and the Rhode Island Benefit-Cost Framework, recognizing that further work needs to be done on the Framework.

A guidance document is an agency statement of general applicability and future effect that sets forth a policy on a statutory, regulatory or technical issue. So in the context of this item, the guidance document will provide direction on how the PUC will apply the principles set forth in R.I. Gen. Laws § 39-26.6-24(b).

Once adopted, direct staff to prepare a guidance document for public comment that includes those pieces.

Once the guidance document has been drafted, it will be made public for comments.

Commissioner Gold seconded the motion. The motion unanimously passed. **Vote 3-0.** While voting in the affirmative, Commissioner DeSimone did raise a note of concern that some of the principles and goals will lead to increased rates.

3. Chairperson Curran moved to require National Grid to submit, within the upcoming electric rate case, a re-examination of the design of the low income rate in accordance with the rate design principles and goals adopted by the PUC earlier today and which will be contained in the Guidance Document. In doing so, National Grid shall refer to the low income/customer protections listed in Section 3.4 of the Report.

While this docket relates only to electric rate design, specifically, National Grid should also review the design of its two low income rates in the gas case. This is not

meant to suggest the rates should have an identical design, but a fresh review should be conducted nonetheless.

Commissioner Gold seconded the motion. The motion unanimously passed. **Vote 3-0.**

4. Additionally, related to Section 3.4 of the Report, the PUC directs staff to collect and report on data relative the points listed in Section 3.4 as part of the PUC's report to the General Assembly on low income energy programs which is due in November 2018.
5. Chairperson Curran moved to request the Division to develop methodologies needed to populate the missing information in the Benefit-Cost Framework, and submit these proposed methodologies to the PUC in this docket. The first step should be based on currently deployed technologies. Commissioner Gold seconded the motion. The motion unanimously passed. **Vote 3-0.**
6. Chairperson moved to request the Division to file a report on a set of functionalities that are desirable on the electric system to achieve a better accounting and allocation of costs and benefits that would support the consensus goals in Section 1.3 of the Report. Where possible, the study should also identify candidate technologies needed to achieve these functionalities. Commissioner Gold seconded the motion. The motion unanimously passed. **Vote 3-0.**
7. Chairperson Curran moved to request the Division to investigate the level of benefits that have been achieved through various programs and the cost of these programs, including identifying how National Grid currently recovers costs and receives incentives to execute these programs. We believe the review should consider not just direct payments to National Grid from a program, but how one program may make it easier to earn money in other activities. Commissioner Gold seconded the motion. The motion unanimously passed. **Vote 3-0.**

The Open Meeting adjourned at 10:56 A.M.