

**State of Rhode Island and Providence Plantations**

**Public Utilities Commission**

**Minutes of Open Meeting Held on December 20, 2018 @ 10:00 A.M.**

An Open Meeting of the Public Utilities Commission was held on December 20, 2018 at 10:00 A.M. in Hearing Room A, 89 Jefferson Boulevard, Warwick, Rhode Island to discuss, deliberate and/or vote on the following dockets.

Present: Chairperson Margaret Curran, Commissioner Marion Gold, Commissioner Abigail Anthony, Cynthia Wilson Frias, Margaret Hogan, John Harrington, Todd Bianco, Alan Nault, Sharon Colby Camara and Luly Massaro.

- I. Chairperson Curran called the Open Meeting to order at 10:00 A.M. A quorum was present.
- II. **Docket No. 4879 – City of Woonsocket Water Division** – There being objection received, Chairperson Curran moved to grant Woonsocket Water’s Motion for Exemption from Public Disclosure and Protective Treatment of response to PUC Data Request No. 1-2. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**
- III. **Docket No. 4898 – Narragansett Bay Commission (NBC)** – NBC submitted a tariff filing to change the frequency of its billing for consumption charges for effect January 1, 2019. Chairperson Curran moved to suspend the effective date of the tariff change to continue discovery into the proposal. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**
- IV. **Docket No. 4606 - Block Island Power Co.** – BIPCo submitted on November 16, 2018, a Petition for Exemption pursuant to Rhode Island General Laws 39-1- 2(26). The company sought continued exemption to allow the Company to file a rate case and cost of service study. Division submitted a position supporting BIPCo's Petition and recommending that the PUC grant BIPCo's request for an extension to complete its cost of service study and file a full rate case until ninety days (90) of the closing of the sale of BIPCo's assets to the Utility District and the resolution of the related McGuinness litigation. After review, Chairperson Curran moved to grant the request. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**
- V. **Docket No. 4894 – Pascoag Utility District** – After review of the record, Chairperson Curran moved to approve Pascoag Utility’s proposed 2019 Demand Side Management Program and instructed the utility to work closely with the Office of Energy Resources. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**
- VI. **Docket No. 4895 – Pascoag Utility District** – This docket relates to the PUC’s review of the utility’s reconciliation of its tariff adjustment provisions for the Standard Offer Service Rate, Transition Service Charge and Transmission Service

- Charge and proposed rate changes. After review of the record, Chairperson Curran moved to approve the proposed rate changes submitted by Pascoag Utility in its November 30, 2019 addendum filing. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.** The PUC agreed to schedule a technical session to further review the arrangement between Pascoag Utility and Tangent.
- VII. Docket No. 4903 – Review to Determine the Adequacy of Renewable Energy Supplies Pursuant to R.I. Gen. Laws Sec. 39-26-6(d)** – After review of the comments received, Chairperson Curran moved that there is adequate supply of renewable energy to meet the increase in percentage requirement of energy from the renewable energy supplies to go into effect 2020. Commissioner Anthony concurred noting that there is adequate supply from the Renewable Energy Program, long-term contracts from renewable energy projects, current and anticipated purchase power agreements. Commissioner Anthony seconded the motion and motion was unanimously passed. **Vote 3-0.**
- VIII. Docket No. 4684 – System Reliability Procurement for Rhode Island Pursuant to R.I. Gen. Laws Sec. 39-1-27.7** – The PUC discussion related to Sections 1.3, 1.4, 1.5, 2.4, 2.5 and 2.6 of the Least Cost Procurement (LCP) Standards, particularly with respect to the timing and content of the Energy Efficiency and System Reliability Procurement filings. The PUC agreed to re-open the LCP Standards and solicit comments from stakeholders and will hold a technical session in the future. No votes were taken.
- IX. Docket No. 3476 – National Grid** – The PUC acknowledged receipt of the Company’s FY 2019 Gas Service Quality Plan, First Quarterly Report dated October 31, 2018. The report provides performance results for its gas operations under the Service Quality Plan established in the docket. National Grid reports no penalties due for the first quarter. The filing was placed in the docket. No votes were taken.
- X. Docket No. 4719 – National Grid** – The PUC acknowledged receipt of the Company’s November 20, 2018 monthly filing of the gas costs and gas cost revenue data, the Deferred Monthly Report for the period November 1, 2017 through October 31, 2018. National Grid reports an under-recovery of \$27.4 million, which is an increase of approximately \$2.9 million compared to the projected deferred cost of \$24.6 million from the September 2018 report. The filing was placed in the docket. No votes were taken.
- XI. Docket No. 4781 – National Grid** – The PUC acknowledged receipt of the Company’s November 14, 2018 filing regarding the FY 2019 Gas Infrastructure, Safety and Reliability (ISR) Plan, Second Quarterly Report for the period ending September 30, 2018. The report provides updates on the progress of the Company’s Gas ISR programs. The filing was placed in the docket. No votes were taken.
- XII. Docket No. 4290 – R.I. Dept. of Human Services (DHS) and The Narragansett Electric Co. d/b/a National Grid** – The PUC reviewed the record relating to DHS’ proposal to keep the current Low-Income Home Energy Assistance Program

(LIHEAP) Enhancement Charge rate of \$0.81 for the calendar year 2019, applicable to all National Grid's gas and electric customers. The Division submitted a memorandum recommending a monthly LIHEAP Enhancement Charge rate of \$0.80 effective January 1, 2019 for both gas and electric customers. After review, Chairperson Curran moved to accept the recommendation of the lower LIHEAP Charge. Commissioner Gold seconded the motion. Commissioner Anthony supported to reduce the LIHEAP charge noting that the proposed charge would result in a surplus in the LIHEAP fund balance. Commissioner Anthony disagreed with the majority. **Vote 2-1.**

**XIII. Docket No. 4774 – National Grid** – National Grid submitted a request for approval of four (Commercial-Scale, DCDG Commercial Solar and CRDG Large Solar) projects that have been selected by and awarded Certificate of Eligibility (COEs) in the Company's Second 2018 Renewable Energy Growth Program Open Enrollment Report date September 18, 2018. After review, Chairperson Curran moved to grant the request for approval. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

**XIV. Docket No. 4899 – The Narragansett Electric Co. d/b/a National Grid** – National Grid submitted its proposed Long-Term Contracting for Renewable Energy Recovery Factor (LTC Recovery Factor) for the period January 1, 2019 through June 30, 2019. National Grid proposes a recovery factor of 0.684¢ per kilowatt-hour (kWh), applicable to all customers, effective January 1, 2019. The Division submitted a memorandum recommending approval of National Grid's LTC Recovery Factor of \$0.00684 per kWh, effective January 1, 2019. Chairperson Curran moved to accept the proposed LTC Recovery Factor. Commissioner Gold seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**XV. Docket No. 4888 - National Grid** – The PUC reviewed the record relating to the Settlement of the Parties requesting approval of National Grid's Energy Efficiency Program Plan for 2019, budget and associated Energy Efficiency Charge. After review, Commissioner Anthony moved to approve the Settlement with modest modifications. Chairperson Curran seconded the motion and the motion unanimously passed. **Vote 3-0.** The modifications included 1) to remove the budget for assessments from the eligible spending budget for the calculation of the shareholder incentive and that National Grid shall submit by March 1, 2019, a compliance filing that includes a standardized set of definitions and terms; and 2) that \$500 million transfer of funds to RIIB fund may be conditionally included in the shareholder incentive budget subject to discovery and examination into the RIIB funds.

**XVI. Docket No. 4889 - National Grid** – The PUC reviewed the record relating to National Grid's request for approval of the Company's proposed 2019 System Reliability Procurement Report (2019 SRP Report), associated budget and associated Energy Efficiency Charge for effect January 1, 2019. After deliberation, the following motions were made:

1) Commissioner Anthony moved to reject the proposed RI System Data Portal

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

2) Commissioner Anthony moved to reject the Marketing and Engagement Plan and that National Grid be required to file a new budget, which removes the portions of the marketing budget involving Renewable Growth program, Energy Efficiency, Demand Response, and net metering, and new tariff that reflects this decision. Commissioner Gold seconded the motion and the motion passed. **Vote 3-0.**

3) Commissioner Anthony moved to reject the \$30,000 requested to evaluate the RFP responses for the South County East (SCE) non-wires alternatives (NWA) project. Commissioner Gold seconded the motion and the motion passed. **Vote 3-0.**

4) Commissioner Anthony moved to deny the request of the South County East NWA action-based incentive. Commissioner Gold seconded the motion and the motion passed. **Vote 3-0.**

5) Commissioner Anthony moved to reject Phase I of the Customer-Facing Enhancement Study. Commissioner Gold seconded the motion and the motion passed. **Vote 3-0.**

6) With regards to Rhode Island Locational Incentives, Commissioner Anthony moved to clarify that the Commission will review the costs and sharing incentive when it receives requests for funding. Commissioner Gold seconded the motion and the motion unanimously passed. **Vote 3-0.**

7) The effect on the SRP charge of eliminating funding of \$175,000 for CES and \$30,000 for SCE NWA is an increase of \$0.0002 to the proposed SRP credit factor. Adding an additional credit of \$0.00002 to the proposed credit factor of \$0.00003 yields a net SRP credit factor of \$0.00005. Commissioner Anthony moved to approve the revised SRP credit factor of \$0.00005 and its resultant impact on the EEP charge. Chairperson Curran seconded the motion and the motion passed. **Vote 3-0.**

XVII. Review and rule on the eligibility applications submitted in the following dockets. Attached is the PUC Consultant's recommendation to approve all the applications as submitted except for the Copenhagen Wind Farm's application. Conditional approval is recommended for Copenhagen Wind Farm; applicant shall be required to provide documentation when commercial operation is achieved.

- a. **Docket No. 4854 – Steve Thurston's** application for eligibility certification of the Thurston Sails Inc. generation unit, a 0.345 MW AC (0.04 MW DC) solar facility located in Bristol, Rhode Island, as a New Renewable Energy Resource.
- b. **Docket No. 4856 – Kekin A. Shah's** application for eligibility certification of the Shanix, Inc. generation unit, a 0.046 MW AC (0.06 MW DC) solar facility located in Cranston, Rhode Island, as a New Renewable Energy Resource.

- c. **Docket No. 4874 – Tracey Beck’s** application for eligibility certification of the KB Surfaces, LLC generation unit, a 0.216 MW AC (0.306 MW DC) solar facility located in Slatersville, Rhode Island, as a New Renewable Energy Resource.
- d. **Docket No. 4886 – Blue Sky West, LLC’s** application for eligibility certification of the Guilford – Bingham Wind generation unit, a 184.8 MW wind facility located in Mayfield Township, Maine, as a New Renewable Energy Resource.
- e. **Docket No. 4887 – Evergreen Wind Power II, LLC’s** application for eligibility certification of the Oakfield – Oakfield Wind generation unit, a 147.6 MW wind facility located in Oakfield, Maine, as a New Renewable Energy Resource.
- f. **Docket No. 4896 – Copenhagen Wind Farm, LLC’s** application for eligibility certification of the Copenhagen Wind Farm, LLC’s generation unit, a 79.9 MW wind facility located in Copenhagen, New York, as a New Renewable Energy Resource.

XVIII. Chairperson Curran adjourned the Open Meeting at 11:40 A.M.