

State of Rhode Island

Public Utilities Commission

Minutes of Open Meeting Held on July 27, 2021

An Open Meeting of the Public Utilities Commission (Commission or PUC) was held on Tuesday, July 27, 2021 at 1:30 P.M. in Hearing Room A, 89 Jefferson Boulevard, Warwick, Rhode Island to discuss, deliberate, and/or vote on the following dockets.

In attendance: Chairman Ronald Gerwatowski, Commissioner Abigail Anthony, Commissioner John Revens, Cynthia Wilson-Frias, Alan Nault, Rudolph Falcone, Todd Bianco and Luly Massaro.

I. Charmain Gerwatowski called the Open to order at 1:30 P.M. A quorum was present.

II. **Consent Agenda** – All items listed within the Consent Agenda are to be considered routine by Commission and will ordinarily be enacted by one motion. The following table lists compliance filings made for rates that took effect July 1, 2021 and Terms and Conditions that took effect pursuant to prior Commission decisions as noted in the table below. Chairman Gerwatowski moved to approve all items listed on the Consent Agenda. The motion was seconded by Commissioner Revens and the motion unanimously passed. **Vote 3-0.**

Docket #	Docket Name	Title of Filing	Date of Filing(s)
4994	Providence Water Supply Board - Compliance Filing for Second (2 nd) Step-Rate Increase	Compliance Tariffs and Schedules to reflect adjustments ordered by the PUC at the June 29, 2021 Open Meeting	6/30/21
5161 & 5133	Kent County Water Authority – Pass Through Wholesale Rate Increase & Tariff Change	Compliance Tariffs and Schedules to reflect PUC’s order on June 29, 2021 Open Meeting in both dockets	7/1/21
5058	National Grid – Terms and Conditions for Municipal Aggregators	Compliance Filing in conformance with PUC’s Open Meeting Decision on May 26, 2021	7/16/21
5059	National Grid – Terms and Conditions for Nonregulated Power Producer	Compliance Filing in conformance with PUC’s Open Meeting Decision on May 26, 2021	6/28/21

III. **2426 – Teleport Communications America L.P. (Company) -**. The Company submitted on July 9, 2021, a tariff filing to make changes to the Company’s

Access and Interconnection Services Tariff to comply with an FCC mandate. The Company requested for an effective date of less than 30 days for good cause under R.I. Gen. Laws § 3-3-12 in order to mirror the FCC effective date of July 31, 2021. The Division of Public Utilities and Carriers had no objection to the Company's request. After consideration, Chairman Gerwatowski moved to find that good cause was shown to have the tariff go into effect in less than 30 days. Commissioner Anthony seconded the motion and the motion unanimously passed. **Vote 3-0.**

IV. Docket No. 5088 - The Narragansett Electric Co. d/b/a National Grid (Company)- National Grid filed for approval of Certificates of Eligibility (COEs) of Commercial-Scale Solar, Large-Scale Solar, Community Remote Distributed Generation Commercial Solar and Hydropower projects that were selected in the Company's First 2021 Open Enrollment for participation in the Renewable Energy Growth Program. This includes the first combined rooftop solar and carport project located in Warwick. Chairman Gerwatowski noted that once this project is completed, the actual nameplate may change. The Company may have to change the COE or submit a final COE when the project goes online. Commissioner Gerwatowski moved to approve the COEs listed in the filing subject to the Company making a compliance filing regarding the final COE for the combined project. Commissioner Revens seconded the motion and the motion unanimously passed. **Vote 3-0.**

V. Docket No. 4770 - The Narragansett Electric Co. d/b/a National Grid (Company)- The Company submitted a tariff advice to request approval of revisions to the Company's Direct Current Fast Charging Discount Pilot Provision (DCFC Tariff), effective August 1, 2021. The Division of Public Utilities and Carriers and Office of Energy Resources submitted responsive pleadings. After a summary of issues relating to the filing, the following motions were taken:

Chairman Gerwatowski moved to suspend the request for an extension of the program beyond Rate Year 3 to provide time for the PUC to evaluate the request. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Chairman Gerwatowski moved to direct National Grid to file a compliance tariff filing which changes the expiration the of the current tariff to August 31, 2021. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Chairman Gerwatowski moved to direct National Grid, in accordance with a procedural schedule to be established by the PUC, to file testimony 1) supporting the request for the extension beyond, 2) explaining why there has been such a significant underspending in the electric transportation program which resulted a significant balance in the deferral account, and 3) addressing why the PUC should or should not credit ratepayers the balance in the deferral balance now as forecasted in Rate Year 4 rather than waiting for the Company to file its next rate case. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

- VI. **Docket No. 5073 – Retail Energy Supply Association (RESA)** – This docket relates to the PUC’s review of RESA’s Petition for Implementation of a Purchase of Receivables (POR) Program submitted September 16, 2020. A Settlement Term Sheet regarding the terms and conditions of the POR Program was entered between RESA and National Grid on June 2, 2021. The Commission discussed the statute that applies to the POR program and reviewed the record.

Chairman Gerwatowski observed that if we assume the discount rate is established properly, his reading of the evidence indicates that there is no additional cost to ratepayers since the discount rate should provide the utility recovery of both incremental and administrative costs and the costs associated with uncollectibles. That’s a neutral finding of no harm depending on whether the discount rate is established correctly. The Settlement indicates that the cost responsibility falls on suppliers. The evidence also indicates that removing the risk of uncollectibles accounts from suppliers should have the effect of allowing suppliers to offer better pricing. Whether they do or not, remains to be seen but certainly it does open that opportunity which could be define as a benefit to ratepayers. The program presents potential benefit to help municipal aggregation. The Chairman found that the statutory requirement is met for implementation of the POR.

Commissioner Anthony noted that the concept overall meets the threshold requirement. It is not obvious that is going to provide enormous benefits or cost savings to ratepayers and is also not obvious that it is going to be harmful. There is the possibility that there will be a more competitive market. In theory, a competitive market can drive lower prices and that could be a clear benefit to ratepayers. It meets the standards of that it may provide benefits to customers. Commission Anthony also expressed concern that the POR could essentially be gamed and abused by someone who sets a high price, then leaves the market and subsequently all other suppliers leave the market leaving all ratepayers with uncollectible debt

Commissioner Revens questioned whether nonregulated power producers (NPPs) really provide any value to most consumers. On a global basis most people don’t win when they go into this program in terms of savings. If this program is adopted, maybe more NPPs will offer power which will create competition and develop over time. Then that will be a benefit to consumers. He concurred with fellow commissioners that there is no harm to ratepayers and a slight benefit to ratepayers.

The following motions were taken:

- 1) Chairman Gerwatowski moved to modify language in Section D(2)(a) of the Term Sheet to add the phrase “unless otherwise determined by the Commission” at the end of the sentence. Commissioner Anthony seconded the motion. The motion was unanimously passed. **Vote 3-0.** As modified, it will read “The uncollectible percentage for the customer class, based on actual data for the most recent period for which data is available unless otherwise determined by the Commission.”

- 2) Chairman Gerwatowski moved to modify language in Section B(3) of the Term Sheet to add a phrase “the EDC will file a tariff whereby it will” in the first sentence and add a sentence at the end paragraph “This agreement is subject to further review by the Commission during the tariff proceeding.” As modified, it will read: “Under the POR program agreed upon by the parties, the EDC will file a tariff whereby it will purchase the suppliers’ accounts receivables, including existing receivables, at discount rates, regardless of whether the EDCs have collected the owed monies from customers. This agreement is subject to further review by the Commission during the tariff proceeding.” Commissioner Anthony seconded the motion. The motion was unanimously passed. **Vote 3-0.**
- 3) Chairman Gerwatowski moved to modify Section E(5) of the Term Sheet to add at the beginning “The EDC shall file a tariff whereby” and add a sentence at the end paragraph “This agreement is subject to further review by the Commission during the tariff proceeding.” As modified, it will read: “The EDC shall file a tariff whereby [e]xisting receivables for generation services will be purchased by the EDC when the program is implemented, using transition rates based on historical data. These rates will be subject to reconciliation of uncollectible expenses actually experienced versus discounted supplier payments. This agreement is subject to further review by the Commission during the tariff proceeding.” Commissioner Anthony seconded the motion. The motion was unanimously passed. **Vote 3-0.**
- 4) Based on the consensus discussion and agreement reached, Chairman Gerwatowski moved to approve the Settlement Term Sheet subject to the modifications made at this meeting today. Commissioner Anthony seconded the motion. The was unanimously passed. **Vote 3-0.**
- 5) Chairman Gerwatowski moved to direct National Grid to file a tariff reflecting the modifications made by the Commission at this meeting. The tariff shall be filed within 30 days from this meeting. Commissioner Anthony seconded the motion. The was unanimously passed. **Vote 3-0.**

Regarding Paragraph D, in the Settlement Term Sheet, the reconciliation of costs to be recovered, Chairman Gerwatowski noted that the order will include language addressing his concern relating to the transaction that is to take place between The Narragansett Electric Company and PPL, the impact of that transaction to administrative costs and system modification costs that will flow in the discount rate.

- VII. There being no further business to discuss, Chairman Gerwatowski adjourned the Open Meeting at 2:40 P.M. A web video of the Open Meeting discussion can be accessed at <https://video.ibm.com/recorded/130739171>