Review of Administrative Issues Related to the Interconnection Process DOCKET NO. 5206

Agenda – October 31, 2022 9:30 a.m. – 1:00 p.m.

- I. Welcome and Introductions
 - a. We will need to get through the first four items on the agenda fairly quickly because the issues in item V are time-sensitive.
 - b. Documents to be familiar with PUC 4-1 and PUC Set 5 (5-3, 5-5, 5-6, 5-7).
- II. Update on RI Energy's progress toward the ISA cost format change, with a template
- III. Update on Dan Glenning's suggestion that RI Energy may be able to provide project progression and cost updates to developers periodically
- IV. Staff's Suggested Concepts
 - a. Customers should pay for the costs they cause and not pay for the costs they don't cause.
 - i. General ratemaking principle
 - ii. Interconnection system modification vs. system improvement
 - b. Everyone benefits from an efficient market.
 - i. The purpose of a well-designed market is to send the right price signal to those who make the investment decisions to ensure the most cost-effective projects get built.
 - 1. Decision makers should have sufficient information to make cost-effective decisions to pursue the most cost-effective investments.
 - a. Others' decisions that affect you should be transparent.
 - 2. The decision maker should bear some risk of their decisions.
 - a. Utility, developers, and load customers are all decisionmakers to some extent. For this exercise, we are focused on the utility and DG developers as decision-makers.
 - 3. Cost savings are a benefit. Transferring costs from one set of customers to another is not cost savings.
 - ii. If someone makes a decision that can lower costs for the same outcome, they should be better off and not worse off.
 - 1. Developers should be in a position to self-build civil work if they can save money.
 - 2. If they are successful, they should not be in a worse financial situation than if the Company would have constructed the same scope of work.
 - c. Transparency will benefit decision-makers
 - i. There should be a transparency to RI Energy's design/construction standards and to the extent they deviate from that design/construction standard, RI Energy should have the burden of showing why such a deviation is necessary.
 - ii. The granularity of transparency of utility decisions when considering planning and investment for the entire system may be different than if the customer is responsible for the cost.

- 1. Something that is a minor cost for a utility may be a barrier to interconnection.
- 2. There may be a reason to provide more transparency to generation than to new load interconnections.
- V. Review of the law and tariff and identification of areas where there could be interpretation as to timing
 - a. Scenarios may be presented by RI Energy for discussion
 - b. Tiverton Project identified as a project that includes potential acceleration and cost contribution, necessitated by DG investment and reliability needs for load.
 - c. Identification of issues most important to developers and where there are ratemaking decision points that will need to be considered by the Division and Commission in various proceedings.
 - d. Process for Commission review
- VI. Next Steps