

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: NARRAGANSETT ELECTRIC COMPANY :
d/b/a NATIONAL GRID’S LONG-TERM CONTRACTING : **DOCKET NO. 5201**
FOR RENEWABLE ENERGY RECOVERY FACTOR :

ORDER

On May 13, 2022, The Narragansett Electric Company d/b/a National Grid (National Grid or Company) filed with the Public Utilities Commission (PUC) its Long-Term Contracting for Renewable Energy Recovery Factor (factor) for the period July 2022 through December 31, 2022.¹ Pursuant to the provisions of Chapters 39-26.1 and 39-26.2, National Grid is permitted to recover the above-market costs and required to credit the below-market costs of certain long-term renewable energy contracts and distributed generation contracts, net of, or including proceeds from the ratepayers’ share of revenue from the sale of forward capacity revenue from the applicable distributed generation contracts, plus related administrative costs. In its filing, National Grid estimated that the six-month contract cost for thirty-eight renewable energy contracts, which included distributed generation contracts and non-distributed generation contracts, would be \$48,692,487.²

The market value for the energy, Renewable Energy Certificates (RECs), and capacity procured under the contracts is projected to be \$48,959,289 for the same period.³ The difference between the estimated contract costs minus the market value of the energy, RECs, and capacity is

¹ National Grid’s Long-Term Contracting for Renewable Energy Recovery Factor Filing (May 13, 2022) (Filing); <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2022-06/5201-NGrid%20LTC%20Recovery%20-%20July%201%2C%202022%20%2805-13-2022%29.pdf>.

² Filing at Attach. 1, at 2.

³ Eight of the projects under contract through the Long-Term Contracting Standard are expected to cost less than the projected market value of the energy for the period. Filing at Attach. 1, at 4.

expected to be (\$266,803).⁴ The estimated customer share of the forward capacity market revenue is expected to be \$78,145 and the estimated related administrative costs are expected to be \$16,205.⁵ Netting this revenue and related administrative cost against the total below-market cost of \$266,803 leaves a total of \$328,743 to be credited to ratepayers. The rate billed to customers is calculated by dividing this net value by National Grid's forecasted kilowatt hour (kWh) deliveries for the upcoming six-month period and adjusting for uncollectibles and the current reconciliation factor. National Grid proposed a credit factor of \$0.00008 per kWh.⁶ When compared to the current credit factor in effect of \$0.00123, this results in a net rate decrease of \$0.00175 per kWh.

After a review of the filing and RI Energy's responses to the PUC's discovery, on July 13, 2022, the Division of Public Utilities and Carriers (Division) filed with the PUC a memorandum summarizing the filing and recommending approval of the proposed factor for effect on July 1, 2022. Division Assistant to Chief Accountant Joel Munoz indicated that the Company's calculations were correct and that the filing was in accordance with the PUC's order in Docket No. 4676, which approved the Long Term Contracting for Renewable Energy Resources Provision.⁷

At an Open Meeting on June 21, 2022, the Commission reviewed the filing, responses to discovery issued by the Division and Commission, the Division's recommendation, and approved the factor as filed.

Accordingly, it is hereby

(24576) ORDERED:

⁴ *Id.* at Attach. 1, at 4.

⁵ Filing at Attach 1, at 1.

⁶ Filing at Attach. 1.

⁷ Mem. of Joel Munoz (July 13, 2022); https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2022-06/5201-Division%20Memo%20%286-13-22%29_1.pdf.

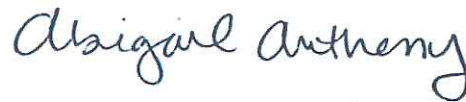
The Narragansett Electric Company d/b/a National Grid's Long-Term Contracting for Renewable Energy Recovery Credit Factor of \$0.00008 per kWh for electricity consumed on and after July 1, 2022, is hereby approved.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JULY 1, 2022 PURSUANT TO OPEN MEETING DECISIONS ON JUNE 21, 2022. WRITTEN ORDER ISSUED JANUARY 27, 2023.

PUBLIC UTILITIES COMMISSION



Ronald T. Gerwatowski, Chairman



Abigail Anthony, Commissioner



John C. Revens, Jr., Commissioner



NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws § 39-5-1, any person aggrieved by a decision or order of the PUC may, within seven days from the date of the order, petition the Rhode Island Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.