

**State of Rhode Island**

**Public Utilities Commission**

**Minutes of Open Meeting Held on March 29, 2023**

An Open Meeting of the Public Utilities Commission (Commission or PUC) was held Wednesday, March 29, 2023, at 12:30 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, John Harrington, Cynthia Wilson Frias, Patricia Lucarelli, Emma Rodvien, Todd Bianco, Alan Nault and Christopher Caramello.

I. Chairman Gerwatowski called the Open Meeting to order at 12:30 P.M. A quorum was present

II. **Renewable Energy Resource Eligibility Applications** – The Commission reviewed the applications for eligibility as a Renewable Energy Resource submitted in the following dockets. PUC consultant recommended approval of the applications.

- **Docket No. RES-23-02 – Captona-Lippit Ave-Cranston, LLC** applied for eligibility of the Gold Meadow Farms – Cranston Solar Facility, a 16.250 MW AC (21.2901 MW DC) located in Cranston, Rhode Island.
- **Docket No. RES-23-03 – Captona-Plainfield Pike-Johnston, LLC** applied for eligibility of the Plainfield Pike- Johnston Solar Facility, a 2.01 MW AC (2.7374 MW DC) located in Johnston, Rhode Island.
- **Docket No. RES-23-04 – Captona-West Shore Rd-Warwick, LLC** applied for eligibility of the West Shore Road - Warwick Solar Facility, a 0.780 MW AC (1.03806 MW DC) located in Warwick, Rhode Island.
- **Docket No. RES-23-05 – Captona-Kilvert St-Warwick, LLC** applied for eligibility of the Kilvert Street Solar facility, a 4.992 MW AC (6.27181 MW DC) located in Warwick, Rhode Island.

Commissioner Anthony moved to accept the consultant’s recommendation and Commissioner Revens seconded the motion. The motion was unanimously passed. **Vote 3-0.**

III. **Docket No. 22-39-REG - Narragansett Electric Co. d/b/a Rhode Island Energy**  
This docket relates to the 2023 Renewable Energy Growth Program (RE Growth) submitted pursuant to R.I. Gen. Laws 39-26.6-1 et seq. Rhode Island Energy submitted a compliance filing in conformance with the March 13, 2023 Open Meeting in this docket. Commissioner Anthony moved to approve the compliance filing and Commissioner Revens seconded the motion. The motion was unanimously passed. **Vote 3-0.**

IV. **Docket No. 5073 & 23-06-EL - Narragansett Electric Co. d/b/a Rhode Island Energy** - This docket relates to the implementation of a Purchase of Receivables (POR) program for competitive electric supply. Rhode Island Energy submitted on February 27, 2023, the Purchase of Receivables Program filing which will calculate

the Standard Complete Billing Percentage (SCBP) to be applied to the purchase of the competitive electric suppliers' receivables. The filing also included a reconciliation of over or under recovery; and historical payment periods for effect April 1, 2023. No objection was received. After review, Commissioner Anthony moved to approve Rhode Island Energy's SCBPs, reconciliation, and payment periods as presented in this filing for effect April 1, 2023. Commissioner Revens seconded and the motion was unanimously passed. **Vote 3-0.**

**V. Docket No. 23-04-EL - Narragansett Electric Co. d/b/a Rhode Island Energy –** On February 13, 2023, Rhode Island Energy submitted a tariff filing to make clarification changes to the Company's electric tariff entitled Transmission Service Cost Adjustment Provision. The first change is to remove reference to the New England Power Company in the tariff provision. This change is not required but will help avoid confusion when identifying the entities that bill the Company for transmission costs. The second clarification is to add the interest rate that is applied when calculating the Transmission Service Cost Adjustment Factor as the customer deposit rate. This change reflects the Company's practice of applying interest at the customer deposit rate to any over- or under-recoveries of transmission costs incurred during the prior year. The Division of Public Utilities (Division) filed a memorandum recommending approval of the tariff filing. Commissioner Anthony moved to approve the Company's tariff filing. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**VI. Docket No. 23-01-EL - Narragansett Electric Co. d/b/a Rhode Island Energy –** On January 19, 2023, the Company filed base Last Resort Service (LRS) rates for the Residential Group and Commercial Group for the period of April 2023 through September 2023, and Industrial Group for the period of April 2023 through June 2023. The Division submitted a memorandum finding that Rhode Island Energy's proposed Last Resort Service rates are correctly calculated, comply with the approved Last Resort Procurement Plan on July 23, 2020 and recommended approval of the LRS rates as filed.

The Chairman noted that the Division filed a very helpful document with their Memorandum, referred as Attachment AM-1, on March 16, 2023. The attachment summarized the underlying rate changes which reflects the LRS base charge (proposed in this docket), LRS administrative factor (in Docket 23-03-EL) and the renewable energy standard charge (in Docket 22-43-EL) for effect April 1, 2023. The Chairman summarized the ultimate charges for the residential, commercial and industrial class. The rates reflect a decrease from the current rates. Commissioner Anthony moved to approve the LRS rates as filed and recommended by the Division in Attachment AM-1. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**VII. Docket No. 23-03-EL - Narragansett Electric Co. d/b/a Rhode Island Energy -** Rhode Island Energy submitted its Annual Retail Rate Filing on February 15, 2023 and subsequent corrected schedules submitted on March 20, 2023. The retail rate filing consists of proposed rate adjustments arising out of the reconciliations of the Company's Last Resort Service (LRS), LRS administrative costs, the non-bypassable transition charge, transmission service, the transmission-related uncollectible

expense, the Net Metering charge, and the Long Term Contracting (LTC) for Renewable Energy Recovery Factor. The Company proposed these rate changes take effect April 1, 2023. The Commission addressed and approved the LRS Administrative factor in previous discussion in Docket 23-01-EL.

After review of the rate adjustments proposed in the docket, the following motions were made:

- Chairman Gerwatowski moved to approve the proposed net metering charge subject to refund and pending an examination of the Company's administration of the Net Metering Program ongoing in Docket 23-05-EL. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**
- Chairman Gerwatowski moved to approve all the factors, charges and adjustments as filed in the corrected schedules filed by the Company on March 20, 2023 for effect April 1, 2023. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**VIII. Docket No. 4978- Narragansett Electric Co. d/b/a Rhode Island Energy** - At an Open Meeting on September 23, 2022, the Commission directed the Company to defer the customer charge to mitigate the increased Last Resort Service during the winter season (October 2022 -March 2023). On December 13, Rhode Island Energy filed a proposal to recover the deferred customer charge by doubling the customer charge during the period of April 1, 2023, through September 30, 2023. The Division, the RI Attorney General and the George Wiley Center submitted comments to the Company's proposal. The Commission discussed the various proposals and scenarios presented by the parties to reinstate the deferral charge.

After discussion and review of the record, Commissioner Anthony moved that the Commission adopt Rhode Island Energy's proposal to recover the customer charge of \$12 for the period April 1 – September 30, 2023. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

**IX. Docket No. 22-43-EL - Narragansett Electric Co. d/b/a Rhode Island Energy** - Rhode Island Energy filed proposed Renewable Energy Standard (RES) Procurement Plan for 2023 and proposed RES Charge of \$0.00833 per kWh and reconciliation filing for effect April 1, 2023. The Division submitted a memorandum summarizing their review of both filings and recommended approval. The Commission addressed and approved the RES Charge of \$0.00833 per kWh in previous discussion in Docket 23-01-EL.

After review, Commissioner Anthony moved to approve the Company's RES Plan as filed on November 2, 2022. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

X. At 12:55 P.M., the Chairman recessed the Open Meeting until 1:45 P.M. to discuss Docket Nos. 22-52-NG and 22-53-EL.

XI. The Chairman reconvened the Open Meeting at 1:45 P.M. A quorum was present.

XII. **Docket No. 22-54-NG - Narragansett Electric Co. d/b/a Rhode Island Energy** - This docket relates to Rhode Island's proposed Gas Infrastructure, Safety and Reliability (ISR) Plan for FY 2024 submitted December 22, 2022. The Gas ISR Plan is designed to maintain and improve the safety and reliability of the Company's gas distribution system. The ISR Plan includes a budget that is collected through implementation of ISR rates. After the filing was made and discovery was had, the Division and the Company agreed to modifications to the Company's proposal and the Plan was adjusted. The Commission discussed and reviewed the record and deliberated on the outstanding issues:

Proactive Main Replacement Program - Chairman Gerwatowski moved that the Company adjust the proactive main replacement program downward from the settlement position by \$7,294,000 associated with 4.5 miles of main across all main replacement categories reducing the proposed installation miles to 60 miles. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Other Issues Identified by the Division - Chairman Gerwatowski moved that:

- The Company continue to closely monitor any increase in leaks and closely scrutinize any trend upward,
- The Company continue to evaluate the effectiveness of its replacement programs to ensure the riskiest mains and services are being replaced so that the metrics around leak rates trend downward, and
- The discrepancies in data concerning the quantity of leaks and leak-prone infrastructure be addressed to ensure that the Company fully maintains sufficient knowledge of its system to perform the integrity management functions as required by regulations.

Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Infrastructure, Safety and Reliability Plan - Commissioner Anthony moved to approve the proposed FY24 Infrastructure, Safety and Reliability Plan subject to the adjustments made in the motions earlier. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Tariff Language - Commissioner Revens moved to deny the Company's tariff language presented in PRB-1. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

XIII. **Docket No. 22-53-EL - Narragansett Electric Co. d/b/a Rhode Island Energy** – This docket relates to Rhode Island Energy's proposed Electric Infrastructure, Safety and Reliability (ISR) Plan for FY 2024 submitted December 22, 2022. The Electric ISR Plan is designed to maintain and improve the safety and reliability of the Company's electric distribution system. The ISR Plan includes a budget that is

collected through implementation of ISR rates. The Commission discussed and reviewed the record and deliberated on the outstanding issues:

ISR Program Budget:

Commissioner Anthony moved that the Commission direct the Company to reallocate \$1.3 million from the Grid Mod category to Asset Condition category for the replacements of 18 reclosers, and that the Commission disallow the remaining Grid Mod budget. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Major Project Asset – Commissioner Anthony moved to direct the company to reduce the budget for major projects in the Asset category by \$10 million. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Proactive Investments - Commissioner Anthony moved to reduce the capacity and performance category by \$9,504,000 to remove the new main line recloser program. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Chairman Gerwatowski moved to approve an ISR capital budget reflected in NEC Ex. 18 subject to adjustments made in prior motions; and approve the O&M expenses as shown in Section 5, Second, Supplemental Filing, Attachment 1, page 1 of 35 in the category of O&M expenses. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Tariff Language

Chairman Gerwatowski moved to deny the proposed changes to the ISR tariff which is reflected in attachment PRB-1; Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Motion for Protective Treatment

Chairman Gerwatowski moved to grant RI Energy's request for confidential treatment of the Company's response to Division Data Request 1-20 which are the area studies. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Reporting Requirements

There were various recommendations made by the Division in the past. This year, the Company also provided their own recommendations in response to the Division's witness. Commissioner Anthony declined to adopt either set of recommendations. Her expectation is that in next year filing, the Division and the Company can mutually agree upon recommendations, including recommendation with respect to the long-range plans, and come to an understanding of whether the Company has provided the long-range plan as envisioned by the Division and Commission. One area she directs the company to provide is data on the Vegetation Management Program. With the understanding that the company is combining the cycle pruning and enhanced hazard tree program into one program, she would like to direct the company to file a plan, within a reasonable time, on how they would collect and report on data for cycle

prune and hazard tree to evaluate the programs separately so to compare the efficacy of these programs against past performance, and to understand how much investments will be needed in each of these programs. Commissioner Anthony moved to direct the Company to file a plan for how Rhode Island Energy will collect data on their vegetation management program that will allow for disaggregation of cycle pruning and enhanced hazard tree management program. Commissioner Revens amended the motion with the caveat to give the Company 45 days to file the plan. Chairman Gerwatowski seconded. Commissioner Anthony accepted the amendment to the motion. The amended motion was unanimously passed. **Vote 3-0.**

Commissioner Anthony moved to adopt reporting requirements that will include directing the Company to track feeders and include the reporting requirements in our order. Commissioner Revens seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Counsel Wilson--Frias summarized the reporting requirements that have previously been included in the Commission's Order: The Commission has previously required the Company 1) that in quarterly reports and reconciliation, the Company provide a report and explain any budgets variance greater than 10%, 2) that the Company provide as part of its FY 2024 Electric ISR filing, details on individual projects where costs differs from the budget by more than 10% and whether the difference caused by over or under spending or timing, and 3) contemporaneously with its FY 2025 Electric ISR Plan, the Company shall file a benefit analysis consistent with the Guidance Document issued Docket No. 4600A. Commissioner Revens moved to adopt the reporting requirements as summarized by Counsel Wilson-Frias. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

Chairman Gerwatowski moved that Rhode Island Energy shall not reflect in any filings, any changes to its capitalization policies that will impact rate base, operating expense, and/or the company's earnings reports prior to the filing of its next base rate case. Commissioner Anthony seconded the motion and the motion was unanimously passed. **Vote 3-0.**

At a future Open Meeting, the Commission will address the outstanding issue of how to treat projects that were never approved in a prior ISR but the Company made investments and the company indicated that it intends to seek approval for rate recovery in subsequent ISR reconciliations.

- XIV. There being no further business to discuss, the Chairman adjourned the meeting at 3:35 P.M.

A web video of the discussion regarding Rhode Island Energy's Gas ISR Docket No. 22-54-NG and Electric ISR Docket No. 22-53-EL can be viewed at <https://video.ibm.com/recorded/132680266>.

Web video discussion of all other dockets (the first part of this Open Meeting) can be view at <https://video.ibm.com/recorded/132679832>.