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May 9, 2024

Ms. Luly Massaro, Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

Re: Docket No. 23-37-EL- Narragansett Electric Company, d/b/a Rhode Island Energy – Petition For Acceleration Due To DG Project – Tiverton Projects

Dear Ms. Massaro:

Enclosed please find an original and five copies of the following documents:

- 1. Motion For Summary Disposition By Green Development, LLC; and,
- 2. Entry of Appearance As Co-Counsel of Attorney Joseph A. Keough Jr.

Please note that electronic copies of these documents have been provided to the service list, and I would ask that you add me to the service list in this Docket as co-counsel for Green Development, LLC.

With regard to the Motion, it would be Green Development LLC's preference to have this motion heard prior to the evidentiary hearings in this matter, but we recognize that this may not be possible under the procedural schedule. However, we thought it important to raise this issue now so as to give the other parties a chance to respond, and we obviously defer to the Commission on any procedural matters.

Thank you for your attention to this matter.

Sincerely,

Jough all of fr

Joseph A. Keough, Jr.

cc: Service List (via electronic mail)

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STATE OF RHODE ISLAND PUBLIC UTILITIES COMMISSION

PETITION FOR ACCELERATION DUE TO DG PROJECT – TIVERTON PROJECTS

Docket No. 23-37-EL

MOTION FOR SUMMARY DISPOSITION BY GREEN DEVELOPMENT, LLC

I. INTRODUCTION

By its attorneys, Green Development, LLC ("Green") hereby moves for summary

disposition of the Petition for Acceleration Due to DG Project for the Tiverton Projects pursuant

to Rule 1.16 of the Rhode Island Public Utilities Commission's Rules of Practice and Procedure.

Green has consulted with the parties pursuant to Rule 1.16(b) and the Narragansett Electric

Company, d/b/a Rhode Island Energy, ("Company") is considering its position and the Rhode

Island Division of Public Utilities and Carriers ("Division") opposes the motion.

The resolution of this motion is warranted in this Docket for four reasons:

- Rhode Island law and the interconnection tariff do not allow the cost of system improvements ("System Improvements") that the Company has planned to benefit other customers to be assessed to interconnecting renewable energy customers, and there is, and can be, no dispute that the work at issue in this petition was System Improvements. In fact, all parties in this Docket acknowledge that fact.
- 2. State law requires that the Company reimburse Green for all of the costs incurred for System Improvements that the Company had planned and put in its approved Electric Infrastructure Safety and Reliability plan to benefit its other customers, which in this case were substantial.
- 3. Precedent supports Green's motion.
- 4. State and public policy supports the granting of summary disposition.

Therefore, Green respectfully requests summary disposition and an order that it be

reimbursed for its cost of constructing System Improvements.

II. STANDARD OF REVIEW

Pursuant to Rule 1.16 of the Commission's Rules of Practice and Procedure:

The Division or any intervenor may file a motion for summary disposition of all or part of the rate tariff filing. If the Commission determines that there is no genuine issue of fact material to the decision, it may summarily dispose of all or part of the rate tariff filing.

This Rule is akin to a Motion for Summary Judgment pursuant to Rule 56 of the Rhode

Island Superior Court Rules of Civil Procedure, which allows for the entry of judgment where no

genuine issue of material fact needs to be resolved and the moving party is entitled to judgment

as a matter of law. Holliston Mills, Inc. v. Citizens Trust Co., 604 A.2d 331 (R.I. 1992). In this

Docket, there is no genuine factual dispute, and Green is entitled to a finding in its favor as a

matter of law.

III. FACTS

A summary of the applicable undisputed facts in this matter are as follows:

- 1. In early 2019, Green applied to the Company to interconnect a photovoltaic system located 390 Brayton Road, 14 Tiverton RI 02878 ("Tiverton Projects"). (Green Direct Testimony of Matthew Ursillo ("Green Direct"), p. 5)
- 2. The Company informed Green that in order to interconnect the Tiverton Projects, it would also be responsible for additional System Improvements necessary to serve future load customers and other customers. (Green Direct, p. 5)
- 3. Green contested this request because the added System Improvements were not needed to interconnect the Tiverton projects and Green could fund a much less complicated system modification to serve its own project. (Green Direct, p. 6)
- However, the Company notified Green that the Tiverton Projects must be built as specified and designed by the Company, which included the System Improvements at issue in this Docket, or its interconnection would risk getting cancelled. (Green Direct, p. 22)

- 5. Green already had significant investment as well as standing agreements associated with the Tiverton Projects interconnecting in 2023 and was not in a position to have the interconnection cancelled. (Green Direct, p. 22)
- Thus, due to concerns about affordability and potential delays, Green requested and was approved to self-construct the project and include the provisions for future load customers subject to reimbursement of the cost of System Improvements. (Green Direct, p. 6)
- 7. Green agreed to self-perform these System Improvements subject to the Company's commitment that Green would be reimbursed for its costs, and after a lengthy back and forth about proper allocation, auditing, and timing of reimbursement, RIE and Green largely agreed on the cost allocation that has been presented in this petition for Commission approval. (Green Direct, pp. 6-7)
- 8. On October 17, 2023, the Company filed a so-called "Petition for Acceleration Due to DG Project" in this Docket.
- 9. The Company's cover letter indicated that "The Petition is being filed in accordance with R.I. Gen. Laws § 39-26.3-4.1."
- 10. The petition itself stated:

The PUC possesses the authority to grant the relief sought through this Petition pursuant to R.I. Gen. Laws § 39-26.3-4.1 (the "Interconnection Statute") and Section 5.4 of RIPUC No. 2258 entitled The Narragansett Electric Company Standards for Connecting Distributed Generation ("Interconnection Tariff").

- 11. The petition further stated that "... the Tiverton Projects have accelerated the need for the installation of the System Improvements", which were identified as "...the construction of a dedicated circuit (33F6) out of the Tiverton Substation and the installation of approximately 21,000 feet of a manhole and duct system with 3 conductor 1000 kcmil SCU EPR cable ("System Improvements")."
- 12. The petition also noted "That the System Improvements required to interconnect the Tiverton Projects will benefit both the Interconnecting Customer and the Company's distribution customers;"
- 13. The Company's direct testimony acknowledged that the Interconnecting Customer (i.e. Green) is not responsible for the cost of any System Improvements:

"Q. Based on your understanding, is Section 5.2 of the Interconnection Tariff applicable?

A. Yes. Section 5.2 states:

The Interconnecting Customer shall be responsible for all costs associated with the installation and construction of the Facility and associated interconnection equipment on the Interconnecting Customer's side of the PCC, **less any System Improvements**." (Direct Testimony of Erica J. Russell Salk and Stephanie A. Briggs ("Company Direct"), p. 8, emphasis added)

14. The Company also acknowledged that costs for System Improvements (as defined by the Tariff) must be treated differently from costs for System Modifications (as defined by the Tariff):

"Q. Does the Company interpret the Interconnection Statute and Interconnection Tariff as allowing the Company to collect costs from an Interconnecting Customer for a System Modification that benefits both an Interconnecting Customer and distribution customers and then reimburse that Interconnecting Customer for such costs?

A. Yes. As noted above, the Interconnection Tariff states that any "system modifications" benefiting other customers shall be included in rates as determined by the public utilities commission. The Interconnection Tariff provides additional detail regarding separation of costs by separately defining:

(a) "System Modifications" as "Modifications or additions to Company facilities that are integrated with the Company's [Electric Distribution System] for the benefit of the Interconnecting Customer; and

(b) "System Improvements" as "Economically justified upgrades determined by the Company in the Facility study phase for capital investments associated with improving the capacity or reliability of the [Electric Distribution System] that may be used along with System Modifications to serve an Interconnection Customer."

The Interconnection Tariff also implements the principle of separation of costs in Section 5.2 by requiring the Interconnecting Customer to be responsible for all costs associated with the installation and construction of its Facility and associated interconnection equipment on the Interconnecting Customer's side of the Point of Common Coupling, less any System Improvements." (Company Direct, pp. 10-11)

15. The Company's direct testimony also acknowledges that the costs it seeks to reimburse to Green are for System Improvements, and not System Modifications:

"As described in the Tiverton Area Study which is attached hereto as Exhibit EJRS-3, the addition of a new feeder position and extension of the 33F6 would solve issues with thermal limits, contingency response capability, and voltage issues in the area. The scope of work that will benefit the Company's distribution customers meets the definition of a "System Improvement" provided in the

Company's Interconnection Tariff. The Company's Petition seeks findings relating to the up-front payment of costs by Green Development for the System Improvement, and the repayment to Green by the Company of such costs, subject to the terms of the Interconnection Statute and Interconnection Tariff." (Company Direct, p. 15)

- 16. The System Improvement reimbursements identified by the Company include \$13.638M of direct line work, as well as the \$1.022M breaker and feeder work.¹ (Green Direct, p.17)
- 17. The Division's direct testimony also refers to System Improvements rather than System Modifications. For instance:

"My analysis, testimony and recommendations are presented on behalf of the Division and are intended to assess the system improvement that is the subject of this Petition, and to equitably apply the tariff in order to protect the integrity of the tariff and the ratepayers." (Division Direct, p. 3)

"The system improvement identified in the Company's Tiverton Area Study is a new circuit 33F6 proposed to interconnect a DG customer which the Company would then extend and utilize to address several area issues." (Id., p. 10)

- All the work associated with these System Improvements has been completed and is available for use as needed by Green's project and the Company's other customers. (Green Direct, p.22)
- 19. Thus, Green is to be reimbursed for the cost of System Improvements that were planned and would have been made without the modifications required for Green's project. (Green Direct, p.17)

IV. ARGUMENT

1. Rhode Island Law and The Applicable Tariffs Do Not Allow Assessment of System Improvement Costs To Interconnecting Renewable Energy Customers

Rhode Island law is clear that the cost of System Improvements are not to be charged to

interconnecting renewable energy customers. "The electric distribution company may only

charge an interconnecting, renewable energy customer for any system modifications to its

¹ Green did perform upgrades that serve its project only, but those System Modifications are not at issue in this Docket, and are not part of the Company's request to reimburse Green or the subject of this Docket. (Green Direct, p. 21)

electric power system specifically necessary for and directly related to the interconnection." R.I

Gen. Laws §§ 39-26.3-4.1(a), (b). If an improvement is needed to benefit other customers, the

renewable energy customer is not responsible for the cost of that improvement. In keeping with

that law, the Narragansett Electric Company Standards for Connecting Distributed Generation,

RI PUC No. 2258 (the "Tariff") reads:

5.3 System Modification Costs

The Interconnecting Customer shall *only pay* for that portion of the interconnection costs resulting *solely from* the System Modifications required to allow for safe, reliable parallel operation of the Facility with the Company EDS; provided, however, the Company may *only charge* an Interconnecting Customer for System Modifications *specifically necessary for and directly related to the interconnection*, excluding modifications required on the Transmission infrastructure. (Tariff §5.3,emphasis added)

The Tariff distinguishes "System Improvements" from "System Modifications," making

it clear that only "System Modifications" needed to interconnect a renewable energy project are

recoverable from that renewable energy customer.

5.4 Separation of Costs

a. The Company may combine the installation of System Modifications with System Improvements to the Company's EDS to serve the Interconnecting Customer or other customers, *but shall not include the costs of such System Improvements in the amounts billed to the Interconnecting Customer for the System Modifications required pursuant to this Interconnection Tariff.* Interconnecting Customers shall be directly responsible to any Affected System operator for the costs of any System Modifications necessary to the Affected Systems. (Tariff §5.4, emphasis added)

The Tariff defines System Improvements as:

Economically justified upgrades *determined by the Company in the Facility study phase for capital investments associated with improving the capacity or reliability of the EDS* [Electric Distribution System] that may be used along with System Modifications to serve an Interconnection Customer. (Id. at §1.2 (emphasis added))

In contrast, it defines "System Modifications" as "Modifications or additions to Company

facilities that are integrated with the Company EDS for the benefit of the Interconnecting

Customer." Id. (emphasis added). The cost of System Improvements must not be assessed to

interconnecting renewable energy customers by law or the Tariff.

As set forth above, there is no dispute that the upgrades put before the Commission in this docket are "System Improvements." Furthermore, in repeated ISR filings, the Company has identified the need to construct a new feeder position and extension of the 33F6 to serve its customers. As the Company acknowledge in its direct testimony:

"The System Modifications benefit distribution customers, too. As described in the Tiverton Area Study which is attached hereto as Exhibit EJRS-3, the addition of a new feeder position and extension of the 33F6 would solve issues with thermal limits, contingency response capability, and voltage issues in the area. The scope of work that will benefit the Company's distribution customers meets the definition of a "System Improvement" provided in the Company's Interconnection Tariff. . . The construction of a new 12.47kV feeder position out of Tiverton Substation and extension south to serve distribution customers to address thermal limits, contingency response capability, and voltage issues meet the definition of a System Improvement. . . The Area Study identified thermal issues, contingency response capabilities, and voltage issues on the existing Tiverton circuits. The least cost option would be to create a new circuit and extend it south to serve load. This is the same proposed circuit that Green is constructing for the Tiverton Projects." (Company Direct, pp. 15-18)

Again on page 18, the Company states:

"Had this DG project not moved forward, the scope of the distribution line work would have differed. The scope of work would have been to extend the 33F6 circuit from the Tiverton Substation underground on Fish Road to the intersection of Rt. 177, where the circuit would rise up and double circuit the existing 33F4 with 477 spacer cable and continue down Brayton Road. In other words, a portion of the job would be overhead instead of underground, and with a different cable type/rating. The Company estimated the scope of this work which came to \$13.638M. The incremental cost associated with the customer DG project to go underground (i.e. the cost beyond \$14.660M) is borne by the DG customer.)" (Company Direct, p. 18, emphasis added).

The Company also responded to PUC 4-1 as follows:

If the DG project does not proceed, this 33F6 circuit will still be needed to address the area contingency loading concerns, and the same route would be followed as the least-cost solution. However, the new 33F6 will need to be extended past the proposed DG site to address the contingency load-at-risk issue. Since the DG project is on a different schedule, which is earlier than the Company's recommended plan, the DG developer will

be responsible for the costs to serve their project. Cost sharing will apply to this portion of work once the 33F6 circuit is being used to serve load as per the Standards.

The Company's direct testimony makes clear that all of Green's costs at issue in this

Docket are System Improvements.

"The estimated total cost of the System Improvement that will be charged to Green is approximately \$14.660M. This can be broken out into two categories: substation work and distribution line work. The estimate for the substation work to install a new breaker and feeder position is \$1.022M. The estimate for the distribution line work, which includes both civil and electrical, is \$13.638M. The scope of the distribution line work for Green Development's interconnection consisted entirely of an underground manhole and duct system along Fish Road, Route 177, and Brayton Road to accommodate the 11.7MW size." (Company Direct, pp. 17-18)

There is no dispute that all of the work for which Green is to be reimbursed by this Petition was

for System Improvements.

What's more, these planned System Improvements were reviewed and approved by the

Commission. The plan including them was first filed with the Commission in the 2022 ISR,

Docket No. 5098 (December 18, 2020). The same System Improvements at issue in this Petition

were also included in the 2024 ISR filing, Docket No. 22-53-EL (December 22, 2022). Both ISR

plans were fully adjudicated in proceedings before the Commission that included the Division as

a party and were then approved in Orders 54560 and 24873. In response to PUC 1-3, the

Company states:

The scope of work included in the FY 2024 ISR Filing Attachment 3c Second Supplemental – Five Year Budget with Details totaling \$4,566,000 (under both Asset Condition and System Capacity & Performance spending rationales) from FY 2024 to FY 2028 is different than the work included in the estimate listed in Schedule SAB-1 totaling \$14,660,000. The scope of work included in the petition was not budgeted for in the FY 2024 filing. The Company was in the process of completing the estimates associated with the reimbursement to the developer at the time the FY 2024 ISR Plan was filed.

In fact, the Company has planned to address this need since as far back as 2012. This area has seen a decline in commercial electricity use and an increase in residential electricity use,

causing the Company to seek solutions, including incentivization of west-facing solar arrays to moderate the peak demand, among others. Thus, in PUC Docket 23-48-EL (Proposed FY 2025 Electric Infrastructure, Safety, and Reliability Plan), in section 2 of the Electric Capital Plan, attachment 5, the Company reported on a non-wires alternative pilot contemplated for execution in Tiverton from 2011 through 2016 in collaboration with RI OER. That plan had a \$2.9 million budget to accomplish load reduction by installation of a battery system. However, that project was indicated as "closed." The same attachment 5 indicated active consideration of a new feeder for Tiverton in 2017 which project was discontinued because of equipment delays and cost.

The Company has explained that necessary capital investments are identified in an ISR even when not included in the five-year budget. In response to Division request 1-9, the Company states:

As identified in the Tiverton Area Study, the System Improvements were recommended not only to serve load but also to mitigate thermal (capacity) limits, contingency response capability, and voltage issues identified on the existing Tiverton circuits.

There is no dispute that the upgrades at issue in this docket were "determined by the Company in the Facility study phase for capital investments associated with improving the capacity or reliability of the EDS" and are, therefore, by definition, "System Improvements."

As noted above, the Division has also acknowledged that the upgrades at issue here are System Improvements. Its pre-filed direct testimony expressly states that the Tiverton Project upgrades are System Improvements, not System Modifications. The Division's direct testimony consistently refers to the Tiverton projects as a "System Improvements."². The Division identifies the subject of the analysis as "system improvements considered in this Petition," and discusses the need for "system improvements" and the "system improvements in

² Pre-filed Direct Testimony of Gregory L. Booth, (Division Direct), pp. 4-13

the Tiverton Area."³ On page 5, Mr. Booth testifies that "The Company's Tiverton Area Study performed in 2021 identified the need for a new circuit 33F6, a portion of which is part of the accelerated system improvement in this Petition."⁴ Again, on page 10, Mr. Booth admits that "[t]he system improvement identified in the Company's Tiverton Area Study is a new circuit 33F6 proposed to interconnect a DG customer which the Company would then extend and utilize to address several area issues."⁵

2. State Law And The Company's Tariff Require Complete Reimbursement Of Green's Costs For System Improvements

Given the fact that the upgrades in question are undisputedly System Improvements, the appliable law clearly mandates that Green be fully reimbursed.⁶ If there is any confusion on this point, it may have its genesis in the process the Company followed, and even the differing titles of the Company's petition. The Company evidently filed its petition in this Docket because it believed that the policy on acceleration of system modifications was the only means to get reimbursement of developer funded and conducted System Improvements. Thus, the cover sheet of the Company's October 17, 2023, filing is entitled "Petition For Acceleration Due to DG Project – Tiverton Project." The petition itself is entitled "Petition of the Narragansett Electric Company for Acceleration of a System Modification Due to an Interconnection Request." The Company's direct testimony states:

"The Interconnection Tariff does not precisely address this process. As noted above, Sections 5.4(b) and (c) of the Interconnection Tariff describe a process for accelerated "System Modifications" but does not use the term "System Improvements." As described herein, in this instance, the System Improvements that have been accelerated by the Interconnection

³ Id., p. 4.

⁴ <u>Id</u>., p. 5.

⁵ <u>Id</u>., p. 10.

⁶ Although the Interconnection Tariff does not allow for the depreciation of System Improvements, Green is not challenging the Company's calculation of the reimbursement owed to Green, which does include depreciation.

Customer's Tiverton Projects are System Modifications that benefit the Interconnection Customer and distribution customers. As such, among other findings, the Company seeks PUC approval to apply the provisions of Section 5.4(b) and Section (c) of the Interconnection Tariff that address "System Modifications" to the "System Improvements" described herein." (Company Direct, pp. 11-12)

It is true that the Tariff does not expressly address assessment of costs for accelerated "System Improvements" to interconnecting renewable energy customers. That is because the law and the Tariff are clear that interconnecting renewable energy customers are not to be assessed the cost of System Improvements in the first place. The Company's planned improvements are not costs to be borne by any interconnecting renewable energy customers. The form of the filing cannot override the law, and whether or not the Company ever needed to file a petition in the first place, the law and Tariff clearly distinguish System Improvements from System

Modifications.

The Company cites to R.I.G.L. § 39-26.3-4.1 (the "Interconnection Statute") and Section

5.4 of the Tariff as the legal pillars of its petition. Rhode Island's Interconnection Statute says

that "System Modifications" may be accelerated but still ultimately require reimbursement to the

interconnecting renewable energy customer. It reads:

If the public utilities commission determines that a specific **system modification** benefiting other customers has been accelerated due to an interconnection request, it may order the interconnecting customer to fund the **modification** subject to repayment of the depreciated value of the **modification** as of the time the **modification** would have been necessary as determined by the public utilities commission. Any **system modifications** benefiting other customers shall be included in rates as determined by the public utilities commission. (emphasis added)

Section 5.4 of the Tarriff then provides that the Company must separate System Improvements

and System Modifications and costs associated with each must be treated differently:

5.4 Separation of Costs

a. The Company may combine the installation of System Modifications with System Improvements to the Company's EDS to serve the Interconnecting Customer or other customers, **but shall not include the costs of such System Improvements in the amounts billed to the Interconnecting Customer for the System Modifications required pursuant to this Interconnection Tariff.** Interconnecting Customers shall be directly responsible to any Affected System operator for the costs of any System Modifications necessary to the Affected Systems. (emphasis added)

This mandatory separation of costs for System Improvements and System Modifications has two important effects on this Docket: (1) it does not allow for the treatment of System Improvements as System Modifications just because the Company did not build them; and, (2) it does not allow the Division to contest the reimbursement owed to Green.

First, and contrary to the Company's position, the "acceleration policy" cannot be used to require interconnecting renewable energy customers to "pre-fund" System Improvements, and then go through an approval process for accelerated System Improvements. In the Company's petition, the "Relief Sought" includes:

(b) That the Company may apply each of the provisions of Section 5.4 of the Interconnection Tariff to derive the methodology to collect costs from the interconnecting Customer for System Improvements associated with the interconnection of the Tiverton Projects and then reimburse the depreciated value of such System Improvements to the Interconnecting Customer; (Petition at §4(b))

The Petition proposes to repay Green for System Improvements, using the acceleration clause for System Modifications as a guide. This is contrary to the Tariff's language, which clearly states that costs for System Improvements and costs for System Modifications must be separated, and the Interconnecting Customer is not responsible for System Improvement costs. Clearly, had the Company funded the System Improvements in question, they could not have been billed to Green at all. This analysis cannot change simply because Green funded and constructed the System Improvements.

The mandatory separation of System Improvement costs and System Modification costs also does not allow the Division to seek an outright denial of Green's reimbursement. The Division uses the process chosen by the Company as its opening to seek an outright denial of reimbursement to Green. The Division acknowledges that the projects in question were System Improvements, but then conducts an analysis that is only applicable to System Modifications, arguing that the investments in question were not going to happen or would not have happened within five years and, therefore, are not subject to reimbursement at all.⁷ However, the Tariff does not require renewable energy customers to fund System Improvements at all, no matter when they occur.⁸ Again, Green had no choice in this matter but to fund the System Improvements. Green cannot be forced to incur System Improvement charges that could never be charged to it under the law or the Tarriff, and then be denied reimbursement.

3. Precedent Supports the Granting of This Motion

As it has stated before, Green appreciates and does not oppose the Company's interest in reimbursing Green for the System Improvements costs as intended by its petition. However, it is not clear to Green why the Company felt that it had to get such reimbursement approved through this process.

In Docket 4973, a dispute arose between the Company and the Episcopal Diocese of Rhode Island over interconnection of a solar project. The Diocese disputed certain "System Modification" charges issued by the Company and argued that the costs were actually for "System Improvements" that could not be charged to the Diocese. The parties participated in

⁷ Division Direct, p.7.

⁸ The Division's argument further errs because the statute does not even require System Modifications to be planned within five years of the project's system impact study – that argument is based on Tariff language that is clearly inconsistent with the governing statute (R.I. Gen. Laws § 39-26.3-4.1(b)) and, therefore, clearly cannot be enforced. *See Olamuyiwa v. Zebra* <u>Atlantek, Inc.</u>, 45 A.3d 527, 536 (R.I. 2012) (No rule of statutory construction allows the reading of an unexpressed exclusion into a rule of general applicability).

mediation, and the Company eventually admitted that work assigned to the Diocese's renewable energy project through its interconnection process was actually going to benefit other customers. When the Commission's mediator discovered, through data requests, that the proposed work would benefit the Company's other customers, it urged the Company to remove charges for that work from the Diocese's interconnection bill and include them as "System Improvements" in the

Company's next ISR filing.

22. In discovery responses, on November 22, 2019, the Company had identified \$34,201 in costs that were being recategorized as system improvement costs not allocable to the Diocese.

23. In response to questions from the mediator, the Company reviewed the distributed generation interconnected or about to be interconnected on the feeder. Between the time of the July 11, 2019 Draft Impact Study and the November 25, 2019 meeting, the feeder distributed generation on the feeder had increased from 652 kW to 1452 kW, with the minimum load on the feeder at 1953 kW.

29. The December 3, 2019 Draft Impact Study also removed allocation of costs associated with 3V0. In response to the mediator's inquiry noted above in paragraph 24, the Company stated:

The Company has re-evaluated its existing 3V0 program list and has determined that the Chopmist Substation, including the proposed Episcopal Diocese projects, qualifies as a candidate for inclusion in the FY 2021 IRS investments. The Company has also determined that the investment list can be reprioritized so that Chopmist can be included in the FY21 capital plan without negatively impacting other customers or stations that are of higher priority on the list. Therefore, the cost of 3V0 has been removed out of the study project estimate. The Diocese will still be subject to scheduling timeframes. While the Diocese's expected operational dates is still unclear, the Company will do its best to meet required in service timelines, with a potential option of utilizing a MA mobile 3v0 unit as a temporary solution until the permanent protection scheme can be installed. ⁹

The Company evidently believed that the upgrades at issue in this Docket similarly

needed the Commission's blessing as planned improvements before their cost could be

⁹ Exhibit 1, Mediator's Interim Report (Eastern Array Impact Study – Claim 3), <u>https://ripuc.ri.gov/sites/g/files/xkgbur841/files/eventsactions/docket/4973-Mediator-Report-12-30-19.pdf</u>, at ¶22-29.

reimbursed to Green. However, this case is fundamentally distinct from the issue addressed in Docket 4973 in one essential way. The upgrades at issue in this Docket were included in the ISR to begin with. The ISR was previously approved by the Commission – it does not need or warrant any reconsideration or reapproval. Beyond that, it is clearly inappropriate for the Division to be using a quasi "reapproval process" to second guess an ISR approval in which it participated. It is also wrong to treat "System Improvements" as "System Modifications" to argue that these planned upgrades might not have ever happened or might not have happened within five years of the project impact study.

4. <u>State and Public Policy Support the Grant of Summary Disposition</u>

The stated objective of Rhode Island's interconnection law is that "the expeditious completion of the application process for renewable distributed generation is in the public interest. For this reason, certain standards and other provisions for the processing of applications are hereby set forth to assure that the application process assists in the development of renewable generation resources in a timely manner." R.I Gen. Laws §§ 39-26.3-1. The purposes can only be served by enforcement of the law's requirement that interconnecting renewable energy customers are not responsible for the cost of planned System Improvements.

The Act on Climate is also clear that Green should be fully reimbursed for its costs of installing System Improvements. As the Company testifies:

The 2021 Act on Climate, R.I. Gen. Laws §42-6.2-1 et seq., mandates a statewide, economy-wide 45% reduction in greenhouse gas emissions by 2030 relative to 1990 emissions levels, 80% by 2040, and shall be net-zero emissions by 2050. The Company has assessed that approval of this Petition positively influences the Act on Climate mandates by reasonably charging Interconnection Customers only for incurred costs solely due to their project, and incentivizing continued development of distributed generation connections. (Company Direct, pp. 23-24)

It would be entirely inconsistent with the Act on Climate to assess interconnecting renewable energy customers any costs of the Company's planned System Improvements intended to benefit its other customers. Any such assessment artificially inflates the cost of developing renewable energy projects in a way that inherently makes them less competitive as to alternative supply options that emit substantially more greenhouse gases. Moreover, Green's actions in performing the construction of these System Improvements not only benefit the Company's load customers, they will also benefit other renewable energy projects looking to interconnect to this circuit, which, in turn, substantially benefits Rhode Island's efforts to implement the Act on Climate. This is especially true given the anticipated need for more and more clean electricity given the call to electrify our thermal energy and modes of transportation.

The Act on Climate precludes the Division's position in this Docket. It reads:

Addressing the impacts on climate change shall be deemed to be within the powers, <u>duties</u>, <u>and obligations</u> of all state departments, agencies, commissions, councils, and instrumentalities, including quasi-public agencies, and <u>each shall exercise among its</u> <u>purposes in the exercise of its existing authority, the purposes set forth in this chapter</u> <u>pertaining to climate change mitigation, adaptation, and resilience in so far as climate</u> <u>change affects its mission, duties, responsibilities, projects, or programs</u>. Each agency shall have the authority to promulgate rules and regulations necessary to meet the greenhouse gas emission reduction mandate established by § 42-6.2-9. (R.I. Gen. Laws § 42-6.2-8) (emphasis added).

The Division's position that Green should be held accountable for the cost of System Improvements that were planned to benefit other customers is in direct contravention of the law, the Tariff and of the Division's obligations under the Act on Climate.

The State Energy Plan, Energy 2035, calls for reduction in the soft costs that burden

development of the local distributed generation of renewable energy, which serves to reduce

cost, enhance security and reduce emissions of our electric supply.¹⁰ The RI Office of Energy Resources Systems Integration Rhode Island (SIRI) study included the following foundational recommendations:

Achieving Rhode Island's energy goals is anticipated to involve significant changes in the electric sector, which will become more distributed and will converge with the thermal and transportation sectors. The SIRI team notes the following foundations relative to utilities and utility regulation as existing processes and systems are evaluated:

• Enable Customers: Customers will be viable sources of energy resources ("prosumers") through a proper balance of both utility regulation and markets. Rhode Island will embrace cost-effective customer/distributed energy solutions as integral elements of the vision for its energy system.

• Manage Costs: Clean energy goals and desired services will cost no more to achieve than necessary.

• Reveal, Monetize Value: Processes and systems will motivate value-based resource investments from customers and the utility.

• Minimize Barriers: Decision-makers will work to improve the existing regulatory process if it proves to be an obstacle to effective investments by the utility and customers, while still protecting the public interest.¹¹

Charging interconnecting renewable energy customers for the costs of System Improvements

planned to benefit other customers clearly would not jibe with the goals of Energy 2035 or SIRI.

In Docket 4600, the Commission itself established guiding principles for energy decision-

making. Those principles include the foundational goals to "[a]ppropriately compensate

distributed energy resources for the value they provide to the electricity system, customers, and

society' and to "[a]ppropriately charge customers for the cost they impose on the grid." Public

Utilities Commission's Guidance on Goals, Principles and Values for Matters Involving the

¹⁰ See Energy 2035: Rhode Island State Energy Plan,

http://www.planning.ri.gov/documents/LU/energy/energy15.pdf.

¹¹ Systems Integration Rhode Island Vision Document, Regulatory Assistance Project for RI Office of Energy Resources (January 2016).

Narragansett Electric Company d/b/a National Grid (October 27, 2017). It called for rate design that "[e]nsures that all parties should provide fair compensation for value and services received and should receive fair compensation for value and benefits delivered." <u>Id</u>. at p. 5. Reimbursement of Green's investment on System Improvements planned to benefit other customers is consistent with all of these policies.

Article I, section 17 of the Rhode Island Constitution also applies to this Docket. That article states that Rhode Island citizens:

shall be secure in their rights to the use and enjoyment of the natural resources of the state with due regard for the preservation of their values; and it shall be the duty of the general assembly to provide for the conservation of the air, land, water, plant, animal, mineral and other natural resources of the state, and to adopt all means necessary and proper by law to protect the natural environment of the people of the state by providing adequate resource planning for the control and regulation of the use of the natural resources of the state and for the preservation, regeneration and restoration of the natural environment of the state. (R.I. Const., Art. 1, § 17)

The courts have held that Article 1, section 17 is to be "carried into effect by legislative regulation, such regulation having for its object to secure to the whole people the benefit of the constitutional declaration, and being necessary for that purpose." <u>Windsor et al. v. Coggeshall</u>, 169 A. 326, 327 (R.I. 1933) citing <u>State v. Cozzens</u>, 2 R. I. 561 (R.I. 1850). Our general assembly has effectuated these constitutional rights through much legislation pertinent to the law and policy addressed in this filing.¹² It recently and boldly did so through its Act on Climate, R.I. Gen. Laws § 42-6.2-1 et seq.

¹² Most pertinent to this case, RI. Gen. Laws § 39-26.4.1-1 (purpose of interconnection law to assist in the development of renewable generation resources in a timely manner); but see also R.I. Gen. Laws § 42-140-3(1) (Office of Energy Resources to provide energy resources that enhance economic well-being, social equity, and environmental quality); R.I. Gen. Laws § 39-26-3 (renewable energy standard passed in part to create jobs in the renewable energy sector).

Any overcharging of renewable energy customers for their interconnection discourages local development of clean renewable energy. To discourage development of clean, local electricity inherently perpetuates its alternative; continued overreliance on natural gas, the fuel for our current, dominant supply of electricity. Allowing interconnecting renewable energy customers to be penalized by paying costs not properly attributed to them cannot possibly be consistent with Article I, section 17 the Rhode Island Constitution.

V. CONCLUSION

For these reasons, Green respectfully asks the Commission to grant its Motion for Summary Disposition and order the following relief:

- a. Order that Green Development, LLC be reimbursed in the amount of \$13,038,604 for System Improvements pursuant to R.I. Gen. Laws § 39-26.3-4.1 and Section 5.4 (a) of the Tariff.
- b. Grant all other relief the Commission deems just and warranted.

Respectfully submitted,

GREEN DEVELOPMENT, LLC By its attorneys,

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CERTIFICATION

I hereby certify that on May 9, 2024, I sent a copy of the within to all parties set forth on the attached Service List by electronic mail and copies to Luly Massaro, Commission Clerk, by electronic mail and regular mail.

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EXHIBIT 1



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

PUBLIC UTILITIES COMMISSION 89 Jefferson Boulevard Warwick, Rhode Island 02888 (401) 941-4500 Chairperson Margaret E. Curran Commissioner Marion S. Gold Commissioner Abigail Anthony

December 30, 2019

Ms. Luly E. Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Blvd. Warwick, RI 02888

Re: Docket. No. 4973 – Petition of the Episcopal Diocese of Rhode Island for Dispute Resolution - Mediator's Interim Report

Dear Luly:

Attached for the Public Utilities Commission's (Commission) review is a Mediator's Report on the progress made by the parties to date on the Episcopal Diocese's Claim 3 which stated:

[Narragansett] has failed to demonstrate that the costs it has quoted the Diocese for interconnection are not for [Narragansett's] own system improvements that benefit other customers and are truly solely for system modifications to its electric power system that are specifically necessary for and directly related to the interconnection of the project.

No action is required by the Commission on the attached Mediator's Report. I am continuing to work on proposed recommendations to the parties on all other outstanding claims, with the exception of the Affected System Operator study dispute currently before the Commission in Docket No. 4981. The recommendations will be subject to the parties' acceptance or rejection. In the event of rejection, those recommendations will go before the Commission for its determination.

Please advise me if there are any questions.

Very truly yours,

Cynthia G. Wilson-Frias Chief of Legal Services

Enclosure

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: PETITION OF THE EPISCOPAL DIOCESE : DOCKET NO. 4973 OF RHODE ISLAND FOR DISPUTE RESOLUTION :

MEDIATOR'S REPORT (Eastern Array Impact Study – Claim 3)

- 1. The Episcopal Diocese of Rhode Island (Diocese) seeks to develop two solar projects on its property in the Glocester, Rhode Island.
- 2. The Diocese, a nonprofit entity, intends to enroll the projects in net metering to allocate net metering credits from the projects to various Diocese electric accounts.
- For purposes of this proceeding, the two projects are called the Eastern Array and Western Array.
- 4. The Diocese applied to The Narragansett Electric Company d/b/a National Grid (Narragansett) for interconnection of the Eastern Array and Western Array through separate interconnection applications.
- 5. The Eastern Array was assigned Case Number RI-25728432 by Narragansett.
- 6. A dispute arose between Narragansett and the Diocese and that could not be resolved.
- On September 12, 2019, the Diocese filed a Petition with the Public Utilities Commission (Commission) for Dispute Resolution (Petition) pursuant to Section 9 of Narragansett's Standards for Interconnecting Distributed Generation (Tariff).
- 8. On September 27, 2019, Narragansett submitted a Response to the Petition.
- The Diocese and Narragansett agreed, pursuant to Section 9.2.b to engage the assistance of Commission staff (mediator).
- 10. Meetings between the Diocese, Narragansett and the mediator were held on October 4, 2019, November 25, 2019, and December 18, 2019.

- 11. The Diocese and Narragansett have provided responses to information requests to the mediator.
- 12. The Diocese's Petition included six stated claims for dispute resolution and five specific requests for relief.¹
- 13. Mediated discussions between Narragansett and the Diocese have been productive.
- 14. This report only addresses the Diocese' claim number 3 on page 4 of its Petition related to

the Eastern Array:

[Narragansett] has failed to demonstrate that the costs it has quoted the Diocese for interconnection are not for [Narragansett's] own system improvements that benefit other customers and are truly solely for system modifications to its electric power system that are specifically necessary for and directly related to the interconnection of the project."²

- 15. There are still many other outstanding issues that need to be resolved or decided which are not addressed herein.
- 16. The Eastern Array was originally proposed by the Diocese as a 2.4 MW facility. Following the results of a 20-business day meeting and subsequent meetings, the Diocese has reduced the size of its project to 2.2 MW.
- 17. The Diocese originally disputed that the feeder Narragansett studied (Chopmist 34F2 feeder which feeds into the Chopmist substation) was the right feeder to study.
- 18. At the October 4, 2019 meeting, Narragansett provided the Diocese with other potential feeders and substations that could be studied along with high level costs.

¹ Following discussion at the October 4, 2019 meeting during which the mediator opined that she could not provide a ruling on one of the claims, the Diocese filed a Declaratory Judgment petition which was docketed by the Commission as Docket No. 4981 – In re: Petition of the Episcopal Diocese of Rhode Island for Declaratory Judgment on Transmission System Costs and Related "Affected System Operator" Studies.

² This report does not settle the second part of this claim related to transmission studies or upgrades.

- 19. After the exchange of additional information and a discussion between the Diocese and Pascoag Utility District, on November 8, 2019, the Diocese advised the mediator that it agreed the Eastern Array should continue to be studied on the 34F2 feeder leading into the Chopmist substation.
- 20. In August 2019, Narragansett provided the Diocese with a draft impact study for the Eastern Array (July 11, 2019 Draft Impact Study) and advised the Diocese that the cost to interconnect the Eastern Array sized at 2.2 MW to the distribution system, before considering any potential additional system upgrades resulting from the Affected System Operator study, was \$1,496,586.
- 21. At the November 25, 2019 meeting, the Diocese and Narragansett reviewed the July 11,2019 Draft Impact Study with the mediator.
- 22. In discovery responses, on November 22, 2019, the Company had identified \$34,201 in costs that were being recategorized as system improvement costs not allocable to the Diocese.
- 23. In response to questions from the mediator, the Company reviewed the distributed generation interconnected or about to be interconnected on the feeder. Between the time of the July 11, 2019 Draft Impact Study and the November 25, 2019 meeting, the feeder distributed generation on the feeder had increased from 652 kW to 1452 kW, with the minimum load on the feeder at 1953 kW.
- 24. As a result of the change in the level of distributed generation saturation on the 34F2 feeder, the mediator requested Narragansett review the substation to determine if it would be subject to reprioritization for 3V0 investment through the FY 2021 Electric Infrastructure, Safety, and Reliability budget. Narragansett also agreed to refresh its estimates.

- 25. Following the November 25, 2019 meeting, Narragansett provided to the mediator and the Diocese an updated draft impact study for the Eastern Array dated December 3, 2019.(December 3, 2019 Draft Impact Study).
- 26. The December 3, 2019 Draft Impact Study included the following language:

The Interconnecting Customer's project requires additional analysis and/or study by Affected System operators (1) to evaluate the impact of this interconnection on the electric power system of the Affected System operator(s) and (2) to determine if there are any Affected System operator requirements or system modifications (and, if so, the estimated cost thereof) as a result. The Interconnecting Customer shall be responsible for any resulting Affected System operator(s) costs for its requirements, including, without limitation, modifications to the electric power system of the Affected System operator(s), operation and maintenance costs, and any costs for modified or additional Company studies and/or system modifications necessitated as a result of the Affected System operator requirements.

- 27. Narragansett has not issued a final impact study for the Eastern Array.
- 28. In developing the December 3, 2019 Draft Impact Study, Narragansett investigated whether one System Modification identified in the July 11, 2019 Draft Impact Study was triggered by the Diocese's proposed projects or was to address a pre-existing condition. Narragansett identified that a project ahead of the Diocese proposed project had reduced its size. This eliminated the need for certain System Modifications previously identified in the July 11, 2019 Draft Impact Study.
- 29. The December 3, 2019 Draft Impact Study also removed allocation of costs associated with
 - 3V0. In response to the mediator's inquiry noted above in paragraph 24, the Company

stated:

The Company has re-evaluated its existing 3V0 program list and has determined that the Chopmist Substation, including the proposed Episcopal Diocese projects, qualifies as a candidate for inclusion in the FY 2021 ISR investments. The Company has also determined that the investment list can be reprioritized so that Chopmist can be included in the FY21 capital plan without negatively impacting other customers or stations that are of higher priority on the list. Therefore, the cost of 3V0 has been removed out of the study project estimate. The Diocese will still be subject to scheduling timeframes. While the Diocese's expected operational date is still unclear, the Company will do its best to meet required in service timelines, with a potential option of utilizing a MA mobile 3V0 unit as a temporary solution until the permanent protection scheme can be installed.

- 30. At the December 18, 2019 meeting, Narragansett indicated that the permanent 3V0 will be in FY 2021 construction schedule and should be completed by March 31, 2021.
- 31. At the December 18, 2019 meeting, Narragansett also advised that there is only one mobile 3V0 unit available at the necessary voltage. While Narragansett cannot guarantee its availability, it will use best efforts to borrow the mobile unit if the permanent 3V0 solution is not constructed in time for the Diocese's required in-service date.
- 32. The Diocese continues to dispute cost responsibility for any transmission or distribution system upgrades resulting from the transmission study. That is the subject of Docket No. 4981.
- 33. If the Diocese is required to pay for system modifications and a subsequent renewable energy or commercial customer relies on those modifications to connect to the distribution system within ten (10) years of the Diocese's payment, Narragansett will require that the subsequent customer make a prorated contribution toward the cost of the system modifications and will credit such amount to the Diocese as determined by the Commission.

This report is being submitted to the Commission per Section 9.2.b of the Tariff as a resolution of the discrete issue set forth in paragraph 14. The mediator finds that this document represents the facts and agreements related to the costs of the System Modifications related to the proposed Eastern Array as identified in the December 3, 2019 Draft Impact Study. It provides as much

certainty as is possible at this time to allow the Diocese to make a decision of whether to proceed with the Eastern Array. The agreements contained herein do not require Commission action.

Mediat anto

Assented to: Episcopal Diocese of Rhode Island

12/26/19 Date Seth Handy, Esq.

The Narragansett Electric Company d/b/a National Grid

John K. Habib, Esq.

Date

certainty as is possible at this time to allow the Diocese to make a decision of whether to proceed with the Eastern Array. The agreements contained herein do not require Commission action.

This Mediator's Report may be assented in counterparts, each of which shall be deemed an original and all of which together shall constitute one in the same document and will be binding on each party when the counterparts have been executed.

Conduction Frida

Cynthia G. Wilson-Frias, Mediator December 23, 2019

Assented to: Episcopal Diocese of Rhode Island

Seth Handy, Esq.

Date

The Narragansett Electric Company d/b/a National Grid

John K. Habib, Esq. Date