

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

NOTICE OF FILING, PUBLIC HEARING, PROCEDURAL CONFERENCE AND REQUEST FOR COMMENTS

D.P.U. 17-117

October 12, 2017

Petition of Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid for approval by the Department of Public Utilities of ten long-term contracts for procurement of renewable energy and renewable energy certificates from ten individual renewable energy projects, pursuant to St. 2012, c. 209, § 36, and 220 CMR 21.00.

On September 20, 2017, Massachusetts Electric Company and Nantucket Electric Company, each d/b/a National Grid ("National Grid" or "Company") filed a petition with the Department of Public Utilities ("Department") seeking approval, pursuant to Section 83A of An Act Relative to Green Communities, St. 2008, c. 169, § 83A ("Section 83A") and 220 CMR 21.00, of ten long-term contracts to purchase renewable energy and associated renewable energy certificates ("RECs"). Section 83A was added to An Act Relative to Green Communities by An Act Relative to Competitively Priced Electricity in the Commonwealth, St. 2012, c. 209, § 36. Table 1 provides a summary of the proposed 20-year contracts, including the Company's allocated share of the renewable energy and RECs purchased under each contract, of which nine are for solar power and one is for wind power.

Section 83A requires each electric distribution company to jointly solicit proposals for long-term contracts of 10 to 20 years in duration from renewable energy developers at least twice during the period from January 1, 2013 through December 31, 2016, and, if the proposals received are reasonable, to enter into cost-effective long-term contracts to facilitate the financing of renewable energy generation. St. 2012, c. 209, § 36; 220 CMR 21.00. A long-term contract must be approved by the Department before it can become effective. St. 2012, c. 209, § 36; 220 CMR 21.03(3). The Department must take into consideration both the potential costs and benefits of such contracts and shall approve a contract only upon a finding that it is a cost-effective mechanism for procuring low-cost renewable energy on a long-term basis taking into account the factors outlined in Section 83A. St. 2008, c. 169, § 83A; 220 CMR 21.05.

Table 1

Project Name	Contract Counterparty	Location (State)	Commercial Operation Date	Capacity (MW)	Allocation of Energy and RECs
Candlewood Solar Project	Candlewood Solar LLC	Connecticut	September 30, 2019	20	47.02%
Cassadaga Wind Project*	Cassadaga Wind, LLC	New York	December 31, 2020	126	19.98%
Scituate Solar Project*	Scituate RI Solar, LLC	Rhode Island	December 31, 2019	10	23.51%
Hope Farm Solar Project*	Hope Farm Solar, LLC	Rhode Island	December 31, 2019	10	23.51%
Woods Hill Solar*	Woods Hill Solar, LLC	Connecticut	December 31, 2019	20	19.98%
Sanford Airport Solar Project	Sanford Airport Solar, LLC	Maine	November 1, 2019	49.36	19.98%
Chinook Solar Project	Chinook Solar, LLC	New Hampshire	November 1, 2019	30	19.98%
Farmington Solar Project	Farmington Solar, LLC	Maine	November 1, 2019	49.36	19.98%
Quinebaug Solar Project	Quinebaug Solar, LLC	Connecticut	November 1, 2019	49.36	19.98%
Simsbury Solar Farm	DWW Solar II, LLC	Connecticut	December 31, 2018	26.4	47.02%

* Under the terms of the contract for this project, each party retains the right to terminate the contract if the contract is not approved by each regulatory authority in Massachusetts, Connecticut and Rhode Island.

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In accordance with Section 83A, the electric distribution companies and the Department of Energy Resources ("DOER"), in conjunction with stakeholders from Connecticut and Rhode Island, jointly developed a request for proposals ("RFP") for the procurement of renewable electric energy and RECs. The RFP is therefore referred to as the Three-State RFP. On October 26, 2015, the Department approved the method of soliciting and executing long-term contracts, as well as the timetable, contained in the Three-State RFP. Long-Term Contracts for Renewable Energy, D.P.U. 15-84 (2015). On November 12, 2015, the electric distribution companies, together with the DOER, jointly issued the RFP. The electric distribution companies state that the ten projects compare favorably on price and non-price factors to the range of renewable energy resources available and thus are low-cost, cost-effective contracts.

Pursuant to Section 83A and 220 CMR 21.07, the Company proposes to collect an annual remuneration equal to 2.75 percent of the annual payments under the contracts to compensate the Company for accepting the financial obligation of the long-term contracts. According to the Company, if its petition is approved, it estimates that the bill of an average Massachusetts Electric Company and Nantucket Electric Company residential customer (R-1 rate class) using 600 kilowatt-hours of electricity per month would decrease by 15 cents, which is a 0.1 percent decrease relative to current rates, based on the current market environment.

Attorney General Maura Healey ("Attorney General"), through the Office of Ratepayer Advocacy, may intervene, appear and participate in Department proceedings on behalf of any group of consumers in connection with any matter involving rates of an electric company or gas company. On October 10, 2017, the Attorney General submitted a notice of intervention on behalf of the Company's ratepayers in this case. Further, pursuant to G.L. c. 12, § 11E(b), the Attorney General filed a notice of retention of experts and consultants to assist in her investigation of the Company's filing. The Attorney General has requested Department approval to spend up to \$150,000. Pursuant to G.L. c. 12, § 11E(b), the costs incurred by the Attorney General relative to her retention of experts and consultants may be recovered by the Company in its rates.

The Department will conduct a public hearing to receive comments on the Company's filing on Wednesday, November 29, 2017 at 2:00 p.m. at the Department's offices, One South Station, 5th Floor, Boston, Massachusetts. Persons interested in commenting on the Company's filing may do so at the public hearing or may file written comments by the close of business (5:00 p.m.) on Wednesday, November 29, 2017. The public hearing will be followed by a procedural conference.

Persons interested in participating in the evidentiary phase of this proceeding must file a written petition for leave to intervene with the Department no later than the close of business (5:00 p.m.) on **Monday, November 27, 2017.** A petition filed late may be disallowed as untimely, unless good cause is shown for waiver under 220 CMR 1.01(4).

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Receipt by the Department, not mailing, constitutes filing and determines whether a petition has been timely filed. A petition for leave to intervene must satisfy the substantive requirements of 220 CMR 1.03. To be allowed, a petition under 220 CMR 1.03(1) must satisfy the standing requirements of G.L. c. 30A, § 10. Responses to petitions to intervene must be filed with the Department no later than the close of business (5:00 p.m.) on **Tuesday, November 28, 2017.** Any person who seeks to intervene in this matter and also desires to comment on the Attorney General's notice of retention of experts and consultants must file such comments no later than the close of business (5:00 p.m.) on **Monday, November 27, 2017**.

The original of all documents must be filed with Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts, 02110. In addition, one (1) copy of all documents filed with the Department must be sent to Alan Topalian, Hearing Officer, Department of Public Utilities, One South Station, 5th Floor, Boston, Massachusetts 02110. One (1) copy of all documents filed with the Department must also be sent to: (1) National Grid's counsel, Laura C. Bickel, Esq., 40 Sylvan Road, Waltham, Massachusetts 02451, and John K. Habib, Esq., Keegan Werlin LLP, 265 Franklin Street, Boston, Massachusetts 02110; (2) Elizabeth Mahony, Assistant Attorney General, Office of Ratepayer Advocacy, One Ashburton Place, Boston, Massachusetts 02108; and (3) the service list.

All documents must also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to <u>dpu.efiling@state.ma.us</u> and the Hearing Officer, <u>alan.topalian@state.ma.us</u> or (2) on a CD-ROM. The text of the e-mail, or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 17-117); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: <u>http://www.mass.gov/dpu</u>.

Copies of the Company's filing and the Attorney General's notice of retention of experts and consultants are available for inspection during regular business hours at the Company's offices at 40 Sylvan Road, Waltham, Massachusetts 02451, and on the Company's website: <u>www.nationalgrid.com</u>. Copies are also available for inspection during regular business hours at the Department's offices, One South Station – 5th Floor, Boston, Massachusetts 02110, and on the Department's website, <u>http://www.mass.gov/dpu</u>, by accessing the File Room link.

Reasonable accommodations at public or evidentiary hearings for people with disabilities are available upon request. Contact the Department's ADA coordinator at DPUADACoordinator@state.ma.us or (617) 305-3642. Include a description of the accommodation you will need, including as much detail as you can. Also include a way the Department can contact you if we need more information. Please provide as much advance

notice as possible. Last minute requests will be accepted, but may not be able to be accommodated. In addition, to request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), contact the Department's ADA coordinator at DPUADACoordinator@state.ma.us or (617) 305-3642.

For further information regarding the Company's filing, please contact the Company's counsel, Laura Bickel at (781) 907-2126 or John K. Habib at (617) 951-1400. For further information regarding this notice, please contact the Department Hearing Officer assigned to this case, Alan Topalian, at (617) 305-3500.