

NESCOE Submission Regarding Transmission Needs Driven by State and Federal Public Policy Requirements

May 1, 2020

Pursuant to Section 4A.1 of Attachment K of the ISO New England Inc. ("ISO-NE") Open Access Transmission Tariff (the "OATT"), the New England States Committee on Electricity ("NESCOE") hereby provides this submission to ISO-NE regarding transmission needs driven by state and federal Public Policy Requirements ("PPRs"). The Tariff defines a PPR as "a requirement reflected in a statute enacted by, or a regulation promulgated by, the federal government or a state or local (e.g., municipal or county) government."²

NESCOE has carefully considered the input that members of the ISO-NE Planning Advisory Committee (the "Stakeholders") have provided regarding state or federal public policy-driven transmissions needs.³ Two Stakeholders, National Grid and the Episcopal Diocese of Rhode Island (the "Diocese"), identified PPRs or other actions that, in their view, drive transmission needs.

NESCOE is not requesting that ISO-NE initiate a Public Policy Transmission Study for the current planning cycle.⁴ For the reasons discussed in this submission, there are no Stakeholder-identified state or federal PPRs "driving transmission needs relating to the New England Transmission System" at this time.⁵

As part of this submission, in accordance with Section 4A.1, NESCOE explains why Stakeholder-identified transmission needs should not be evaluated for potential solutions. While not required under Section 4A.1, given Stakeholders' focus on individual state laws, the explanation regarding those state laws is provided in the form of responses from a NESCOE manager of each New England state. These responses, which are attached,

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The OATT is Section II of the ISO-NE Transmission, Markets, and Services Tariff (the "Tariff"). Capitalized terms not defined herein are intended to have the meaning given to such terms in the Tariff.

² Section I.2.2.

ISO-NE has posted submissions from Stakeholders at https://www.iso-ne.com/static-assets/documents/2020/03/2020 public policy requirements stakeholder submittals combined.pdf.

⁴ This communication does not reflect NESCOE's perspective or the perspective of any NESCOE Manager in connection with any particular project proposal(s). Moreover, this communication should not be read as foreclosing transmission developed pursuant to various state laws but rather as a response that there are no Stakeholder-identified PPRs that at this time warrant the study of regionalized, customer-supported transmission solutions.

⁵ Section 4A.1.

are hereby incorporated into and made a part of this NESCOE submission. No Stakeholder identified a federal PPR as driving a transmission need.

Stakeholder-identified state PPRs driving a transmission need

For the reasons each state provides in the attached responses, there are no state PPRs "driving transmission needs relating to the New England Transmission System" for the current planning cycle pursuant to Section 4A.1.

Stakeholder-identified federal PPRs driving a transmission need

Stakeholders identifying PPRs that drive a transmission need submit a public policy input form that specifies the statutes, regulations, or other actions underlying such a need.⁶ For this 2020 planning cycle for public policy-driven transmission needs, no Stakeholder identified that any federal law currently drives a transmission need.⁷ Accordingly, there is no Stakeholder request for NESCOE, or ISO-NE,⁸ to consider regarding federal PPRs driving transmission needs.

While no Stakeholder identified a federal PPR as driving a transmission need, the Diocese cited in its public policy input form to the Federal Energy Regulatory Commission's ("FERC") Order No. 1000,9 OATT Schedules 11 and 12, and Section 3.04(a)(iv) of the Transmission Operating Agreement ("TOA").¹⁰ NESCOE takes the opportunity to address the Diocese's reference to Order 1000 as well as provisions contained in the OATT and the TOA.

In its submission, the Diocese stated that it is seeking to develop a 2.2 megawatt solar project in Rhode Island.¹¹ The Diocese stated that the Narraganset Electric Company ("Narraganset") has delayed the interconnection of the project to the distribution system pending the outcome of a transmission system impact analysis and that Narraganset has informed the Diocese that it may be responsible for the costs of transmission system

See Memorandum from Brent Oberlin, Director of Transmission Planning, ISO New England, to Planning Advisory Committee, Public Notification for Public Policy Requirements Submittals, Jan. 14, 2020 (providing instructions and link to template), available at https://www.iso-ne.com/static-assets/documents/2020/01/2020 public policy announcement-final.pdf.

See National Grid, Public Policy Input Form, at Columns C, H-I; Diocese, Public Policy Input Form, at Columns C, H-I.

Section 4A.1.1 provides Stakeholders the opportunity to request that ISO-NE reconsider NESCOE's response regarding identified *federal PPRs* "that may drive transmission needs relating to the New England Transmission System[.]"

Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities, Order No. 1000, 76 Fed. Reg. 49,841 (2011) ("Order 1000"), order on reh'g, Order No. 1000-A, 77 Fed. Reg. 32,184 (2012) ("Order 1000-A"), order on reh'g and clarification, Order No. 1000-B, 77 Fed. Reg. 64,890 (2012), aff'd sub nom. S.C. Pub. Serv. Auth. v. FERC, 762 F.3d 41 (D.C. Cir. 2014) ("South Carolina").

Diocese, Public Policy Input Form, at Columns J-K, M.

¹¹ Letter from the Diocese to the Planning Advisory Committee, Feb. 28, 2020 ("Diocese Letter"), at 1.

upgrades depending on the outcome of the analysis.¹² Under Sections I.3.9 of the Tariff, certain projects require study "to ensure that the proposed system change does not have a significant adverse impact on the regional power system."¹³ Section I.3.10 provides that a project "determined to have a significant adverse effect upon the reliability or operating characteristics of the" system will not be allowed to proceed unless transmission system upgrades of other actions are taken "as [ISO-NE] determines to be reasonably necessary to avoid such adverse effect."

The Diocese referenced a proceeding before the Rhode Island Public Utilities Commission ("RI PUC") where it petitioned the RI PUC "for a declaratory judgment that the Diocese cannot and should not be held accountable for transmission system upgrade costs under federal and state law and policy and that the interconnection of its project should not be further delayed but authorized to proceed" while the impact study is being completed. Through its submission as part of the Section 4A process, the Diocese appears to be requesting that any transmission system upgrades arising out of the Section I.3.9 impact study be considered Public Policy Transmission Upgrades and that those costs be regionalized rather than allocated to the Diocese. ¹⁵

NESCOE recognizes and appreciates the laudatory objectives of the proposed project, which is intended to promote the Diocese's mission of serving its community. ¹⁶ NESCOE takes no position on the merits of the issues that the Diocese raises regarding Sections I.3.9 and I.3.10 of the Tariff and in the proceeding before the RI PUC, which are beyond the scope of these public policy transmission planning procedures.

However, the Diocese request appears to reflect confusion about the Tariff process for ISO-NE to designate a project as a Public Policy Transmission Upgrade. Under the structure that FERC required for considering public policy-driven transmission needs, no project can be designated as a Public Policy Transmission Upgrade until ISO-NE has administered its two-part Tariff process for (1) identifying policies that drive transmission needs, and (2) evaluating potential solutions to meet those needs. ¹⁷ Sections 4A.1 and 4A.1.1 govern the first part of the process (policy identification) and the

See ISO New England, The Growth of Distributed Generation: ISO New England's Role in the Interconnection Review Process, Oct. 2019, at 2 (describing I.3.9 process), available at https://www.iso-ne.com/static-assets/documents/2019/10/iso_new_england_interconnection_review_process_information_resource_october_2019_final.pdf.

¹² *Id*.

¹⁴ Diocese Letter at 1.

See id. at 2; see also Diocese, Public Policy Input Form, at Columns J-K, M.

¹⁶ Diocese, Public Policy Input Form, at Column O.

See Order 1000 at P 205 ("by considering transmission needs driven by Public Policy Requirements, we mean: (1) the identification of transmission needs driven by Public Policy Requirements; and (2) the evaluation of potential solutions to meet those needs."); Order 1000-A at P 321 (clarifying that FERC was "not requiring anything more than what we directed in Order No. 1000, namely, the two-part identification and evaluation process.").

remainder of Section 4A concerns the second part of the process (solution evaluation) including the criteria ISO-NE applies in selecting a project for placement in the Regional System Plan. The Diocese request would end a process that has barely begun, moving straight to project selection before ISO-NE, states, and regional stakeholders have had an opportunity to consider a range of potentially cost-effective and efficient solutions to meet policy-driven needs. The Tariff that FERC approved does not allow for such an outcome. Moreover, for the reasons set forth in Rhode Island's response to the Diocese request (see Attachment A), none of the state PPRs that the Diocese identified as driving transmission needs warrant the evaluation of potential solutions at this time.

In addition, to the extent the Diocese contends that Order 1000 requires as a matter of law that its interconnection-related costs be designated as a Public Policy Transmission Upgrade, NESCOE does not agree. Order 1000 "merely require[d] regions to establish *processes* for identifying and evaluating public policies that might affect transmission needs." It did not prescribe substantive outcomes, such as mandating that certain project types or categories of transmission costs would be public policy-driven upgrades. In fact, Section 4A does not require that ISO-NE select any project for inclusion in the Regional System Plan following its evaluation of potential solutions, and ISO-NE can cancel its request for proposed solutions at any time while also having the ability to remove a public policy-driven project from the Regional System Plan.

Without further elaboration, the Diocese also appears to assert that OATT Schedules 11 and 12 and Section 3.04(a)(iv) of the TOA require that transmission system upgrades identified in the Section I.3.9 impact study be considered Public Policy Transmission Upgrades and that the costs of those upgrades be more broadly allocated. Schedule 11 provides rules governing cost responsibility for generator interconnection-related upgrades and elective transmission interconnection-related upgrades. Schedule 12 sets forth the cost allocation rules for categories of transmission facilities, including Public Policy Transmission Upgrades. Section 3.04(a)(iv) of the TOA relates to a Participating Transmission Owner's authority under Section 205 of the Federal Power Act to make rate filings with FERC for certain transmission facilities. Nothing in Schedules 11 and 12 of the OATT or Section 3.04(a)(iv) of the TOA contravenes or overrides the process prescribed in Section 4A for ISO-NE to select a project as a Public Policy Transmission Upgrade. Moreover, these provisions do not meet the definition of a PPR under the Tariff.

¹⁸ South Carolina at 91 (emphasis in original).

¹⁹ See Order No. 1000 at P 12.

²⁰ See Emera Maine v. FERC, 854 F.3d 662, 673 (D.C. Cir. 2017).

²¹ See OATT, Attachment K, Sections 3.6(c) and 4A.10.

Conclusion

NESCOE appreciates ISO-NE's efforts in initiating the 2020 planning cycle for considering public policy-driven transmission needs. NESCOE looks forward to continuing to work with ISO-NE and regional stakeholders in evaluating electric power system needs and, as appropriate, implementing competitive processes that seek to select projects that deliver meaningful consumer benefits while driving down costs.



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May 1, 2020

To: Heather Hunt, Executive Director, NESCOE

Re: Connecticut's Response to Planning Advisory Committee Members' Comments Regarding State and Federal Policy Requirements Identified as Driving Transmission Needs Relating to the New **England Transmission System**

Pursuant to Section 4A.1 of Attachment K of the ISO-NE, Inc. (ISO-NE) Transmission, Markets and Services Tariff (Tariff), the State of Connecticut is informing the New England Committee on Energy (NESCOE) that none of the federal or Connecticut state statutes and regulations identified by members of the Planning Advisory Committee as Public Policy Requirements (PPRs) drive transmission needs. 1 Additionally, Connecticut is informing NESCOE that, at this time, there is no federal or Connecticut State "public policy-related transmission need" that should be evaluated pursuant to Section 4A.1 of Attachment K.²

A PPR is defined in Section I of the Tariff as "a requirement reflected in a statute enacted by, or a regulation promulgated by, the federal government or a state or local government." See also, Emera Maine et. al v. FERC, 854 F. 3d 662, 672 (D.C. Cir. 2017) ("Public policy requirements that could give rise to transmission needs include "enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level." (Internal citations omitted). A PPR identified under Section 4A.1 must drive a transmission need; it is not a public policy that *could* be met by through transmission upgrades.³ See Emera Maine, 854 F. 3d at 674 ("ISO-NE has no role in setting public policy for the states" such as "public policy requirements chosen by . . . state officials.").

Pursuant to the process laid out in Section 4A.1 of Attachment K of the Tariff, ISO-NE initiated the Public Policy Transmission Study process on January 14, 2020 by requesting input from stakeholders on potential state, federal, and local PPRs that drive transmission needs. In response to the ISO's request, two entities⁴ submitted input and comments on or by the submission deadline. For the reasons detailed below, none of the PPRs identified by stakeholders establish a need for ISO-NE study at this time.

¹ NESCOE explains in its transmittal to ISO-NE that no stakeholder identified a federal PPR that drives a transmission need and that an ISO-NE study on the basis of a federal PPR is not warranted at this time.

² Under Section 4A.1 of Attachment K, a PPR is distinct from the much broader term "public policy-related transmission needs" which allows the states to request a public policy transmission study, for example, to evaluate if a transmission upgrade is appropriate to address a state policy that can be met through means other than transmission.

³ See id.

⁴ Comments were submitted by the following entities: National Grid and the Episcopal Diocese of Rhode Island.

Response to Stakeholder-Identified Connecticut Public Policy Requirements

1. National Grid

National Grid cites Governor Lamont's Executive Order No. 3, Connecticut's participation in the Transportation and Climate Initiative (TCI) and the Multi-State Zero Emission Vehicle (ZEV) Task Force, and Public Act 18-82, An Act Concerning Climate Change Planning and Resiliency as support for the conclusion that Connecticut policies establish a valid PPR driving transmission needs. To the contrary, neither the programs nor the statute cited by National Grid create a public policy that *must* be met through a transmission upgrade for Connecticut. Accordingly, National Grid has not identified a public policy related transmission need for Connecticut, as discussed below.

Executive Order 3:

On September 3, 2019, Governor Ned Lamont issued Executive Order No. 3. Executive Order No. 3 expands the responsibilities of the Governor's Council on Climate Change (GC3). As a threshold matter, Executive Order No. 3 is not a statute or regulation that drives transmission needs for Connecticut relating to the New England transmission system. The GC3 is charged with monitoring and reporting on Connecticut's progress on the implementation of carbon mitigation strategies, as well as the development and implementation of adaptation strategies to assess and prepare for the impacts of climate change. Executive Order No. 3 directs the Department of Energy and Environmental Protection to analyze pathways and recommend strategies for achieving a 100 zero carbon target for the electric sector by 2040 in the Integrated Resources Plan (IRP) pursuant to sections 16a-3a and 16a-3b of the Connecticut General Statutes. The work of the GC3 (available at https://portal.ct.gov/DEEP/Climate-Change/GC3/Governors-Council-on-Climate-Change) and the IRP (available at https://www.dpuc.state.ct.us/DEEPEnergy.psf/%Energy.View) are ongoing and will help guide

http://www.dpuc.state.ct.us/DEEPEnergy.nsf/\$EnergyView) are ongoing and will help guide Connecticut's policies to address the existential threat of climate change while spurring innovation and economic development. Until the IRP and related planning efforts are complete, it is premature to consider whether, and when a PPR, might be pursued to meet Connecticut's policy objectives. Connecticut recognizes that the transition to a clean economy will require significant and fundamental changes to the electric grid over time, but the 2040 target is two decades away and we have in place appropriate planning processes to consider the optimal mechanisms for effectuating this transition. Recent Connecticut initiatives that are meaningfully contributing to reducing electric sector emissions have included energy efficiency investments and long-term contracting to prevent the retirement of the Millstone nuclear units, both of which do not require incremental transmission investments.

Connecticut's participation in the Transportation and Climate Initiative and the Multi-State Zero Emission Vehicle (ZEV) Task Force

Connecticut is a participant in both the Transportation and Climate Initiative (TCI) and the Multi-state Zero Emission Vehicle Task Force (ZEV Task Force). TCI is a regional collaboration of 12 Northeast and Mid-Atlantic states and the District of Columbia that seeks to improve transportation, develop the clean energy economy and reduce carbon emissions from the transportation sector. TCI released a draft Memorandum of Understanding in December 2019 and received public comment on a draft proposal for a regional program to establish a cap on global warming pollution from transportation fuels and invest millions annually to achieve additional benefits through reduced emissions, cleaner transportation, healthier communities, and more resilient infrastructure. Pursuant to the ZEV Task Force, Connecticut has joined nine other states as signatories to a memorandum of understanding committing to coordinated

action to ensure the successful implementation of their state zero-emission vehicle (ZEV) programs. Collectively, these states are committed to having at least 3.3 million ZEVs operating on their roadways by 2025.

Connecticut appreciates that National Grid is supportive of the Connecticut and the other New England states' "efforts to address climate change through electrification." Connecticut agrees with National Grid that electrification of the transportation sector is likely to have an impact on the electric grid infrastructure. However, as National Grid notes, ISO-NE has already begun planning for the grid changes. Accordingly, at this time, Connecticut's participation in TCI and the ZEV Task Force are not a statute or regulation that drives transmission needs for Connecticut relating to the New England transmission system.

Public Act 18-82, An Act Concerning Climate Change Planning and Resiliency:

Public Act 18-82 amended several statutes to require many of the Connecticut's planning documents to consider the emission reduction goals set forth in Section 22a-200a of the General Statutes: it added an interim economy wide goal of reducing greenhouse gas emissions at least 45% below the level emitted in 2001, provided a definition of sea level rise for planning and set standards for flood proofing infrastructure. In addition to participation in TCI and the ZEV Task Force, Connecticut has advanced numerous forward-thinking public policies, legislative initiatives, programs, and groundbreaking regional initiatives to reduce GHG emissions. Connecticut's efforts include:

- Participation in the multi-state, market-based program known as the Regional Greenhouse Gas Initiative (RGGI).
- Investment of hundreds of million dollars in energy efficiency programs as a way to reduce the demand for electricity and the amount of fuel needed to generate power.
- Connecticut's two investor owned electric utilities have contracted with over 700 MW of grid-scale solar and 1.100 MW of offshore wind to reduce our reliance on fossil fuels.
- The state's two electric distribution utilities also entered into a contract to purchase approximately 50% of Millstone's output over the next 10 years, which was approved by the Connecticut Public Utility Regulatory Authority in September 2019. Absent this contract, Millstone was in danger of shutting down, which would have increased greenhouse gas emissions by 25% across New England.
- Connecticut established the first-in-the-nation Green Bank to leverage public and private funds to accelerate the growth of green energy in Connecticut. The Green Bank continues to play a key role in this through innovative financing that is attracting private capital to leverage scarce public dollars.
- Governor Lamont's very first Executive Order calls for an expansion of the Executive Branch's Lead by Example program for the efficient use of energy, materials and water and reductions in GHG emissions and produced waste from state government facilities and operations.
- Connecticut is also developing an *Electric Vehicle Roadmap*, to identify and prioritize regulatory tools and other polices the state should adopt to accelerate the deployment of electric vehicles, including addressing transportation equity, purchasing incentives, consumer education, charging infrastructure, consumer protection, integration of electric vehicles into the electric grid, utility investment and rate design. This effort is being complemented by the Connecticut Public Utilities

⁵ See e.g., Update on the 2020 Transportation Electrification Forecast, November 18, 2019 available at https://www.iso-ne.com/static-assets/documents/2019/11/p2 transp elect fx update.pdf

- Regulatory Authority's proceeding on zero emission vehicles, Docket No. 17-12-03REO4, which will explore EV rate structures and associated tariffs based on the recommendations from the EV Roadmap.
- Connecticut is also leading by example in terms of the composition of its light duty fleet. Pursuant to section 93 of Public Act 19-117, 50% of all light duty vehicles purchased by the State of Connecticut must be electric vehicles by 2030. By this same date, 30% of all transit buses must be zero emission electric buses.

Connecticut's policies have demonstrated that significant reductions in carbon pollution can be achieved affordably and reliably. Between 2005 and 2017, Connecticut reduced gross CO2 emissions from the power sector by 32%, and per capita emissions by 23%. Between 2005 and 2011, Connecticut's emissions of harmful criteria pollutants dropped precipitously; overall emissions of nitrogen oxides (NOx) and sulfur oxides (SOx) decreased by 80% and 91% respectively. According to the 2017 Connecticut Greenhouse Gas Emissions Inventory, the economy wide GHG emissions of CO2 were 10.5% below 1990 levels and 17.4% below the levels in 2001.

Connecticut's significant advancement toward the requirements of Public Act 18-82 have been accomplished so far without any transmission project needs and, at this time, does not drive transmission needs relating to the New England transmission system.

2. Episcopal Diocese of Rhode Island

The Episcopal Diocese of Rhode Island submitted information regarding a proposed 2.2 MW solar project in Rhode Island interconnecting to the Rhode Island distribution system. It appears that the interconnection will require upgrades to the bulk transmission system that may make the economics of the proposed project unfeasible. The Diocese, however, did not cite to any Connecticut statutes, regulations or policies that drive transmission needs relating to the New England transmission system.

Sincerely,

Sincerely,

Sincerely,

Sincerely,

Sincerely,

Sincerely,

Katie S. Dykes, NESCOE Manager

MEMORANDUM

TO: Heather Hunt, Executive Director of the New England States Committee

on Electricity (NESCOE)

FROM: Philip L. Bartlett II, Maine MESCOE Manager

SUBJECT: NESCOE Submission Regarding Transmission Needs Driven by Public

Policy Requirements

DATE: April 21, 2020

This Memorandum constitutes Maine's response to stakeholder comments regarding Public Policy Requirements submitted in accordance with section 4A.1 of Attachment K of the ISO New England Inc. (ISO-NE) Open Access Transmission Tariff (OATT).

ISO-NE compiled information and documentation from the two stakeholders who provided input on Public Policy Requirements. The two submittals were from National Grid and the Episcopal Diocese of Rhode Island. This memorandum responds to those submittals in connection with stakeholder identification of Maine Public Policy Requirements.

I. Attachment K Process

Attachment K sets forth the process for identification of transmission needs driven by Public Policy Requirements. Pursuant to the Attachment K process, stakeholders have an opportunity to identify transmission needs driven by state, federal and local Public Policy Requirements. NESCOE may submit a communication to ISO-NE that includes a response to stakeholders that identified federal and state Public Policy Requirements that drive a transmission need related to the New England system. The submittal may indicate there are no transmission needs driven by Public Policy Requirements identified by stakeholders and in such a case the submittal will contain an explanation of why such Public Policy Requirements identified by stakeholders do not drive transmission needs.

II. Stakeholder-Identified Maine Public Policy Requirements Do Not Drive Transmission Needs

A. National Grid Submittal

In its submittal National Grid argues that New England state policies regarding decarbonization of the transportation sector require studying the impact of electric vehicle (EV) ultra-fast charging on the regional transmission system. National Grid asserts that the addition of these charging stations may require transmission upgrades "to ensure that the region meets its ambitious climate commitments."

National Grid cites to statutes in Maine and other New England states that mandate emissions reductions. Specifically, National Grid states:

Each of the six New England states has enacted legislation or otherwise set targets for greenhouse gas reductions 80 percent or more below 1990 levels by 2050. Massachusetts, Rhode Island, Connecticut, and Maine have statutory mandates for emissions reductions, and Vermont and New Hampshire have established similar public commitments.

These goals can only be reached by addressing emissions in the transportation sector, which has overtaken electricity production as the nation's largest GHG source. Fortunately, the member states of ISO-NE have recognized this priority.

In particular, National Grid points to the State of Maine being a member of the Transportation and Climate Initiative (TCI) and the Multi-State Zero Emission Task Force. National Grid also points to ISO-NE's "RSP19," which describes strategic electrification initiatives including National Grid electrification of the transportation sector, that will likely increase demand for electricity across the region.

In addition, National Grid states:

Infrastructure upgrades to accommodate electrification, particularly on interstate highways, present a need for which a regional study is appropriate, and where drivers in one state benefit from available charging infrastructure in another. No one state can meet its policy goals without other states also providing infrastructure to support interstate EV travel.²

According to ISO-NE's Tariff, a Public Policy Requirement must be a "a requirement reflected in a statute enacted by, or a regulation promulgated by, the

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¹ National Grid Submittal to Brent Oberlin, ISO-NE (Feb. 28, 2020) at 1.

² *Id.* at 4.

federal government or a state or local (e.g., municipal or county) government."³ The authorities National Grid cites in its letter fall short of this definition.

TCI is a "regional collaboration of 12 Northeast and Mid-Atlantic states and the District of Columbia that seeks to improve transportation and develop the clean energy economy and reduce carbon emissions from the transportation sector." Maine is one of the states working with TCI, which is developing a Memorandum of Understanding through which the states would work to further efforts to reduce greenhouse gas emissions through transportation policies. A draft MOU, however, has no force of law and therefore does not qualify as a Public Policy Requirement. Similarly, possible products of the Multi-State Zero Emission Task Force would not have the force of law and therefore would not qualify as a Public Policy Requirement.

National Grid's reliance on ISO-NE's RSP19 is also unavailing. ISO-NE's Regional System Plan summarizes forecasts and planning activities for the region in accordance with Tariff requirements. It does not mandate performance measures on the State of Maine.

In support of its submittal, National Grid cites to 38 M.R.S. § 576-A(3). This provision updated Maine's goals such that greenhouse gas emissions will be reduced 45% from 1990 gross annual emissions levels as of 2030, and then to 80% of such levels by 2050.⁵

Putting aside the question of whether the statute's carbon reduction goal is a Public Policy Requirement, the carbon reduction goal does not drive a transmission need at this time. Section 576-A requires the Maine Department of Environmental Protection (DEP) to adopt rules by September 2021 to ensure compliance with the carbon reduction goal and allows the Department of Transportation to adopt rules as necessary to ensure compliance with the stated carbon reduction levels. The compliance path that Maine will take to reduce carbon emissions is still under development and, accordingly, the statute does not provide a basis to conclude that it drives a transmission need at this time.

Maine does not agree with National Grid's perspective regarding the policies it identifies as driving transmission needs in our state.

National Grid also points to Maine's Renewable Portfolio Standards as a driver of transmission needs. Maine's Legislature enacted "An Act To Reform Maine's Renewable Portfolio Standard" during its last legislative session. The amended version

⁴ https://www.transportationandclimate.org/content/about-us.

³ OATT, § I.2.2.

⁵ P.L. 2019, ch. 476, § 6 (repealing 38 M.R.S. § 576) and § 7(replacing it with 38 M.R.S. § 576-A).

⁶ P.L. 2019, ch. 477, § 1, now codified at 35-A M.R.S.A § 3210(1-A).

of the statute provides that by 2030, 80% of retail sales of electricity must come from Class IA renewable resources, and by 2050, it must be 100%.⁷ The Act also provides for an "alternative compliance payment," which allows suppliers to satisfy portfolio requirements by making specified payments into the Energy Efficiency and Renewable Resource Fund in lieu of compliance with the Class I and Class IA resource requirement.⁸

The amended statute requires the Maine Public Utilities Commission to conduct two competitive solicitations to procure Class IA resources⁹ in an amount that is equal to 14% of the retail electric sales in the state during 2018, which is 1.715 million MWh.¹⁰ In accordance with the statute, on February 14, 2020, the Commission commenced the first round of the procurement, seeking to acquire at least 7% but not more than 10% of the Class 1A resources.¹¹ Pursuant to the amended statute, any contracts entered into as a result of this procurement must be executed by the end of 2020.¹² The statute requires the Commission to initiate the second round no later than January 15, 2021, to procure the remaining portion of the 14% total set forth in the statute.¹³

The procurement process for the additional renewable resources has just commenced and will not be complete until sometime in 2021. The statute requires the Commission to report to the Legislature by March 31, 2023, and biennially thereafter, regarding the status of contracts entered into through this procurement for Class IA resources. These reports must include, among other things, the benefits and costs of the contracts and how to stimulate investment in Class IA resources or to achieve ratepayer benefits from such resources. Because the procurement process is ongoing, and the first report analyzing costs and benefits of the contracts will not be issued until

⁷ *Id*.

⁸³⁵⁻A M.R.S. § 3210(9).

⁹ The statute defines a Class I resource as a "new renewable capacity resource." 35-A M.R.S. § 3210(2)(A-2). The amended version of the statute defines a Class IA resource as a "Class I resource other than a Class I resource that for at least 2 years was not operated or was not recognized by the New England independent system operator as a capacity resource and, after September 1, 2005, resumed operation or was recognized by the New England independent system operator as a capacity resource." P.L. 2019, ch. 477, § 1, now codified at 35-A M.R.S. § 3210(2)(A-3).

¹⁰ P.L. 2019, ch. 477, § 2, now codified at 35-A M.R.S. § 3210-G(1)(A).

¹¹ Maine Public Utilities Commission Request for Proposals for the Sale of Energy or Renewable Energy Credits from Qualifying Renewable Resources Pertaining to Emera Maine and Central Maine Power, Docket No. 2020-00033, Order on Request for Proposals (Me. P.U.C. Feb. 14, 2020).

¹² P.L. 2019, ch. 477, § 2, now codified at 35-A M.R.S. § 3210-G(1)(A).

¹³ *Id.* § 3210-G(1)(A)(2).

¹⁴ *Id.* § 3210-G(3).

¹⁵ *Id*.

2023, it is premature to consider whether the amended statute will drive transmission need in Maine.

B. Episcopal Diocese of Rhode Island Submittal

In its submittal, the Diocese seeks a study of interconnection issues associated with a proposed 2.2 MW net metered solar project. The Diocese does not argue that there is a Public Policy Requirement arising under Maine law that would warrant a study. Thus, Maine does not provide a response on the Diocese submittal.



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

MEMORANDUM

TO: Heather Hunt, Executive Director, NESCOE

FROM: Matthew H. Nelson, Chair, Massachusetts Department of Public Utilities

and Massachusetts NESCOE Manager

RE: Response to Stakeholder Comments Regarding Public Policy

Requirements

DATE: May 1, 2020

On January 14, 2020, ISO New England Inc. ("ISO-NE") issued a public notification to provide an opportunity for members of the Planning Advisory Committee to identify transmission needs driven by public policy requirements ("PPRs") pursuant to Section 4A.1 of Attachment K of ISO-NE's Open Access Transmission Tariff ("OATT"). Two stakeholders – National Grid and the Episcopal Diocese of Rhode Island – submitted comments identifying purported PPRs driving transmission needs. The states, through NESCOE, are provided the opportunity to review and respond to these stakeholder submissions. As only the National Grid submittal identifies PPRs perceived as resulting from Massachusetts statutes and regulations, the following comments address only that proposal.

Upon review of the stakeholder comments and relevant statutes and regulations, Massachusetts does not request that ISO-NE initiate a Public Policy Transmission Study in the current planning cycle. The policies that National Grid identified do not drive public policy transmission needs subject to the FERC Order 1000 planning process at this time.

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ISO-NE's tariff defines a PPR as "a requirement reflected in a statute enacted by, or a regulation promulgated by, the federal government or a state or local (<u>e.g.</u>, municipal or county) government."

I. NATIONAL GRID SUBMITTAL

In its February 28, 2020 submittal, National Grid identified state commitments to the decarbonization of the transportation sector as requiring study of the impact of electric vehicle ("EV") ultra-fast charging on the regional transmission system. Given that emissions from the transportation sector have overtaken electricity production as the nation's largest source of greenhouse gases ("GHG"), National Grid asserts that states including Massachusetts can only achieve their emissions reductions goals by addressing the transportation sector specifically. National Grid posits that this may require transmission upgrades to ensure that the New England states meets their ambitious climate commitments.

National Grid states that encouraging consumer adoption of EVs sufficient to meet public policy targets will entail building public charging infrastructure, and that while current Level 1 (120 V) and Level 2 (240 V) charges do not pose an obvious risk to transmission and distribution reliability, widespread consumer adoption of EVs rests on adoption of direct current fast-charging ("DCFC") Level 3 chargers. National Grid suggests deployment of such high-capacity, ultrafast DCFC chargers may risk regional electricity system reliability absent transmission upgrades, presenting particular load management challenges along highways and at service areas at or near peak consumption times. National Grid concludes that drivers may be less likely to adopt EVs if investment in charging infrastructure is delayed or impeded by reliability concerns, making it difficult for states to meet their transportation decarbonization targets.

National Grid identifies a combination of state-level GHG reduction public policies and commitments in multi-state bodies as constituting a public policy driving transmission needs, including Massachusetts' statutory GHG reduction targets and participation in the Transportation and Climate Initiative ("TCI") and Multi-State Zero Emission Vehicle ("ZEV") Task Force.

A. Greenhouse Gas Emissions Initiatives

The Global Warming Solutions Act of 2008² ("GWSA") requires a reduction of GHG emissions in Massachusetts of 25 percent below the 1990 statewide emissions level by 2020, and a reduction in GHG emissions of 80 percent below 1990 levels by 2050. See G.L. c. 21N, § 3 ("Climate Protection and Green Economy Act"). In December 2018, the Massachusetts Executive Office of Energy and Environmental Affairs ("EEA") published its GWSA 10-Year Progress Report, which reviews the progress made in implementing the policies of the Clean Energy and Climate Plan ("CECP") toward the GWSA's 2020 target.

² St. 298, Acts of 2008.

The most recent GHG inventory estimates that 2017 GHG emissions in Massachusetts were 22.4 percent below the 1990 baseline level.³

Massachusetts is actively pursuing policies to pursue decarbonization and reduction of emissions in the transportation sector. Under the GWSA, however, GHG emissions reductions are achieved through investments in various sectors, including the transportation sector, the gas distribution system, and energy efficiency. This holistic approach is flexible and iterative by design. It is consistent with this intentional policy flexibility that neither the Climate Protection and Green Economy Act nor the Clean Energy Standard (310 CMR 7.75) expressly require the construction of transmission infrastructure.⁴ While decarbonization is an integral part of the Commonwealth's pursuit of its carbon reduction goals, there is no specific directive regarding transmission at this time.

Furthermore, while not a PPR, work is currently underway to develop the 2050 Roadmap, which will identify cost-effective and equitable strategies and implementation pathways to ensure Massachusetts reduces GHG emissions by at least 80 percent by 2050. The 2050 Roadmap also will inform the Secretary of EEA in setting the 2030 emissions limit and the development of the CECP for 2030. In 2020, a GHG emissions limit for 2030 will be set and be accompanied by a CECP for 2030, which will outline policies and strategies for achieving the 2030 limit. In his January 2020 State of the State address, Governor Charlie Baker announced a commitment to achieve net zero GHG emissions by 2050. The Secretary of EEA intends to set the 2050 emissions limit in 2020 to align with the Governor's net-zero GHG emissions commitment. Given that the 2050 Roadmap is currently being developed and anticipated by the end of 2020, we find it is premature to request a Public Policy Transmission Study.

B. <u>Transportation and Climate Initiative and Multi-State Zero Emission Vehicle</u> Task Force

As National Grid notes, Massachusetts has continued to pursue policies on the forefront of reducing GHG emissions, and has engaged with regional partners to address the

See MassDEP Emissions Inventories (https://www.mass.gov/lists/massdep-emissions-inventories#2).

The Clean Energy Standard requires retail sellers to make 40 percent of their sales with clean generation attributes by 2030 and 80 percent by 2050. 310 CMR 7.75. Those obligations may be met Alternative Compliance Payments. 310 CMR 7.75(5)(c) referencing 225 CMR 24.08(3)(a)).

^{5 &}lt;u>See Massachusetts Decarbonization Roadmap (https://www.mass.gov/info-details/madecarbonization-roadmap).</u>

specific challenges of pursuing emissions reductions in the transportation sector. Massachusetts is a participant in the TCI and Multi-State ZEV Task Force.

The TCI⁶ represents a significant regional effort undertaken by 13 Northeast and Mid-Atlantic jurisdictions to improve transportation, develop the clean energy economy, and reduce emissions from transportation. In 2018, Massachusetts along with eight states and Washington, DC undertook a collaboration to design a regional low-carbon transportation policy proposal that would cap and reduce carbon emissions from transportation fuels through a cap-and-invest program or other pricing mechanism.⁷ TCI has released the framework for a draft regional policy proposal⁸ and continues to seek stakeholder input on its goals. These goals include not only reduction of the climate impacts of vehicles and fuels but, for Massachusetts, also a particular focus on delivering benefits to communities that are under-served by current transportation options and disproportionately burdened by pollution. However, TCI does not constitute a PPR, and an ISO-NE transmission study would not at this time help to promote the collaborative regional work that is ongoing to support this initiative.

Likewise, the Multi-State ZEV Task Force⁹ serves as a vehicle for participating states to commit to coordinated action to ensure the successful implementation of their ZEV programs. While participating states collectively commit to having at least 3.3 million ZEVs operating on the roadways by 2025, there again is no statutory or regulatory requirement that could constitute a PPR. The ZEV Task Force promotes multiple technologies including pure battery-electric vehicles, plug-in hybrid electric vehicles, and hydrogen fuel cell electric vehicles. This broad and flexible regional commitment to fostering a robust market for ZEVs does not drive a specific transmission need. Like TCI, the ZEV Task Force does not meet the standard for identification as a PPR, and it does not at present drive a transmission need.

⁶ See https://www.transportationandclimate.org/.

Transportation and Climate Initiative Statement, December 18, 2018 (https://www.georgetownclimate.org/files/Final_TCI-statement_20181218_formatted.pdf).

^{8 &}lt;u>https://www.mass.gov/info-details/transportation-and-climate-initiative-tci.</u>

⁹ See https://www.zevstates.us/about-us/.

II. <u>OTHER POLICIES</u>

At this time, Massachusetts has not identified any other state statutes or policies that constitute PPRs and drive a need for transmission.

STATE OF NEW HAMPSHIRE

CHAIRWOMAN Dianne Martin

COMMISSIONERS Kathryn M. Bailey Michael S. Giaimo

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1770

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April 16, 2020

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To Heather Hunt NESCOE Executive Director, and interested parties:

This letter is New Hampshire's official statement of position made in response to recent comments regarding so-called Public Policy Requirements (PPRs) submitted by ISO-New England (ISO-NE) Planning Advisory Committee (PAC) members in accordance with Section 4A of Attachment K to the ISO-NE Open Access Transmission Tariff (OATT). I present this statement of position pursuant to my authority as the New Hampshire Manager for the New England States Committee on Electricity (NESCOE), directly appointed by our State's Governor. If there is any implication of conflict between the NESCOE transmittal letter and this statement of position, for the purposes of establishing New Hampshire's own position, this statement controls.

On January 14, 2020, ISO-NE issued a public solicitation pursuant to Section 4A.1 for PAC members to identify any existing PPRs that, in their opinion, would potentially drive so-called "public policy" transmission needs.² Comments were submitted by the following entities: the Episcopal Diocese of Rhode Island,³ and National Grid. These comments are available at the ISO-NE website here: https://www.iso-ne.com/static-assets/documents/2020/03/2020 public policy requirements stakeholder submittals combined. pdf.

¹ Section 4A of Attachment K of the ISO-NE OATT details the region's Public Policy Transmission Study process pursuant to the Federal Energy Regulatory Commission's (FERC) Order No. 1000. (*Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000, 76 Fed. Reg. 49,841 (Aug. 11, 2011), *order on reh'g*, Order No. 1000-A. 77 Fed. Reg. 32,184 (May 31, 2012)). FERC has defined "Public Policy Requirements" as requirements established by state or federal laws and regulations, meaning "enacted statutes (i.e., passed by the legislature and signed by the executive) and regulations promulgated by a relevant jurisdiction, whether within a state or at the federal level," and including "duly enacted laws or regulations passed by a local governmental entity, such as a municipal or county government." Order No. 1000-A at P 319 (footnote omitted) (quoting Order No. 1000). (*Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities*, Order No. 1000-A, 77 Fed. Reg. 32,184 (May 31, 2012)).

² Memo from Brent Oberlin, ISO-NE Director of Transmission Planning to PAC, January 14, 2020, available at: https://www.iso-ne.com/static-assets/documents/2020/01/2020 public policy announcement-final.pdf

National Grid, as detailed below, expressed its opinion that New Hampshire and the other New England states have state policies that may drive the need for transmission upgrades, warranting a public policy transmission study. The Episcopal Diocese of Rhode Island identified a specific project, and requested that any related transmission upgrades be addressed through the Order 1000 PPR process. New Hampshire does not agree. As discussed below, there is no basis to claim that New Hampshire PPRs drive transmission needs at this time.

New Hampshire disagrees with both commenters' arguments. On the basis of our own interpretation of New Hampshire's statutes, we do not see any PPRs arising from New Hampshire state statutory authorities or regulations, nor have we identified any local laws or regulations that would drive transmission needs. Each commenter's remarks that argued in favor of a New Hampshire-relevant PPR will be addressed in turn.

Episcopal Diocese of Rhode Island

The Episcopal Diocese of Rhode Island intends to develop a 2.2 MW solar project in Glocester, RI. Its submittal to the PAC does not identify any statutes or regulations that would drive the need for transmission upgrades related to that project. There is no basis for a claim that transmission upgrades associated with the project, if any, are driven by a PPR in New Hampshire.

National Grid

National Grid argues that the emission reduction targets of the six New England states will require the decarbonization of each state's transportation sector. In particular, National Grid argues that the widespread installation of direct current fast-charging (DCFC) "Level 3" chargers will encourage the adoption of electric vehicles. The deployment of DCFC chargers may, according to National Grid, require transmission upgrades.

New Hampshire has not enacted a statute that requires emissions reductions that would necessitate the widespread adoption of electric vehicles. The 2009 New Hampshire Climate Action Plan, identified by National Grid as the source of New Hampshire's carbon reduction goals, contained a recommendation "that New Hampshire strive to achieve a long-term reduction in greenhouse gas emissions of 80 percent below 1990 levels by 2050." That document, however, does not represent a PPR under the Order No. 1000 planning process because it is not an enacted statute or regulation. While the Climate Action Plan contained a recommendation that the state reduce emissions, the New Hampshire legislature did not codify that goal.

National Grid additionally identifies the Transportation and Climate Initiative (TCI) and the Multi-State Zero Emission Vehicle Task Force as PPRs driving the need for vehicle electrification. Notably, New Hampshire is not a participant in either initiative. The TCI and Multi-State ZEV Task Force are not PPRs in New Hampshire.

Further, to the extent DCFC chargers may have an impact on system reliability, as National Grid contends, ISO-NE has existing planning processes to identify reliability needs. National Grid's claims about system reliability impact are at this time speculative and do not support the need for a public policy transmission study.

Sincerely,

Kathup M Bailey Kathryn M. Bailey NESCOE Manager

New Hampshire



April 16, 2020

Ms. Heather Hunt Executive Director New England States Committee on Electricity 655 Longmeadow Street Longmeadow, Massachusetts 01106

Re: Response Regarding Stakeholder Input on Rhode Island Public Policy Requirements for the 2020 Planning Cycle

Dear Ms. Hunt:

On behalf of the Rhode Island Office of Energy Resources (OER) and pursuant to my designation as state manager to the New England States Committee on Electricity (NESCOE), this letter constitutes Rhode Island's response to stakeholder comments identifying a Rhode Island Public Policy Requirement (PPR) submitted in accordance with Section 4A of Attachment K to the ISO-New England (ISO-NE) Open Access Transmission Tariff (OATT).¹

On January 14, 2020, ISO-NE issued public notification for stakeholders to identify PPRs that they perceive drive transmission needs consistent with FERC Order 1000 and Section 4A of the OATT.² Each New England state, through NESCOE, is provided the opportunity to review stakeholder-submitted federal and state PPRs and respond to whether such requirements presently drive transmission needs that are ultimately subject to ISO-NE study, evaluation, and project selection. In the event that a transmission project is selected by ISO-NE pursuant to the public policy transmission planning process, that project would be included in the Regional System Plan, and its costs would be borne by New England consumers.

Two entities³ submitted input and comments on or by the submission deadline. For the reasons detailed below, none of the perceived Rhode Island PPRs identified by stakeholders in this planning cycle establish a need for ISO-NE study under Section 4A at this time.

Response to Stakeholder-Identified Rhode Island Public Policy Requirements

Transmission Upgrades to Address EV Charging

National Grid's February 28, 2020 submittal to ISO-NE states that New England's "commitments to the decarbonization of the transportation sector requires studying the impact of electric vehicle (EV) ultra-fast charging on the regional transmission system." Further, National Grid notes that the New England states – including Rhode Island – have set targets for economy-wide greenhouse gas (GHG) emission reductions

¹ Section 4A details the region's Public Policy Transmission Study process pursuant to the Federal Energy Regulatory Commission's (FERC) Order 1000. The OATT is Section II of the ISO-NE Transmission, Markets, and Services Tariff (Tariff). A PPR is defined in Section I of the Tariff as "a requirement reflected in a statute enacted by, or a regulation promulgated by, the federal government or a state or local (e.g., municipal or county) government."

² Memo from Brent Oberlin, Director of Transmission Planning, ISO-NE to Planning Advisory Committee, January 14, 2020.

³ Comments were submitted by the following entities: National Grid and the Episcopal Diocese of Rhode Island.

and most have joined the Transportation & Climate Initiative (TCI).⁴ The utility explains that "current Level 1 (120 V) and Level 2 (240 V) chargers do not pose an obvious risk to transmission and distribution reliability." Rhode Island's experience to date confirms this point; the state is now in the process of nearly doubling the number of Level II stations available to local drivers and OER is not aware of any significant transmission or distribution system challenges. National Grid goes on to claim that:

widespread consumer adoption of EVs rests on adoption of direct current fast-charging (DCFC) Level 3 chargers. Range anxiety and long charging times pose obstacles to EV share of the consumer market and resolving these will require alleviating driver concerns about the availability of recharging services through high capacity, ultra-fast DCFC.⁵

OER concurs that a regional network of DCFC chargers, particularly along major travel corridors, may support long-term adoption of EVs. In fact, OER has been working through its Electrify RI program (in coordination with National Grid) to expand DCFC availability across the Ocean State. We anticipate that continued regional collaboration around clean transportation efforts through TCI will also unlock new opportunities for more sustainable mobility options.

However, TCI does not meet the criteria for a PPR and National Grid's request would expand the scope of regulatory activities covered under Section 4A of the process contained in ISO-NE's Tariff. Efforts in connection with TCI are currently reflected in a *draft* memorandum of understanding (MOU) and no stakeholder identified any specific Rhode Island statutes or regulations in connection with its TCI participation. Therefore, it is premature to identify TCI as a PPR driving a transmission need under Rhode Island law. Contrary to any suggestion, regional collaboration should not be conflated with a PPR reflected in statute or regulation.

National Grid also identifies the state's Resilient Rhode Island Act of 2014 as requiring GHG reductions that may drive transmission investment. More specifically, the company states that "(e)ach of the [New England] states has [sic] set GHG reduction goals that cannot be met without substantially reducing transportation sector emissions." At this time, there does not exist a Rhode Island statute or regulation mandating rates of EV adoption and/or deployment of charging infrastructure. Moreover, Rhode Island is well-suited to weigh the comparative costs and benefits of various emission reduction pathways across its major energy sectors (including transportation), and determine which mitigation options most appropriately balance its economic, energy, and environmental priorities.

As the state's Greenhouse Gas Emissions Reduction Plan notes, Rhode Island is at "the beginning, not the end, of an ongoing conversation to advance Rhode Island's GHG mitigation priorities, policies and actions." Rhode Island will continue to be informed by on-going analyses and evaluation of potential GHG emission reduction strategies and technologies. Such work, along with any associated policy outcomes, can be taken into account by Rhode Island in future public policy transmission planning cycles. OER commends National Grid's commitment to fostering innovative, lower-carbon solutions for its customers and for its consideration of the opportunities and challenges associated with widescale EV adoption. While we do not believe that a public policy transmission study is warranted at this time, other planning processes exist within the Tariff that could be utilized to more fully scope the potential mid- and long-term demands of economy-wide decarbonization and accelerated integration of renewable energy resources. For instance, consideration could be given to developing a collaborative

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⁴ The Transportation and Climate Initiative (TCI) is a voluntary, regional collaboration of twelve Northeast and Mid-Atlantic states and the District of Columbia that seeks to improve transportation, develop the clean energy economy and reduce carbon emissions from the transportation sector. For more information, please visit: www.transportationandclimate.org/.

⁵ National Grid letter to Brent Oberlin, Director of Transmission Planning, ISO-NE, February 28, 2020.

request among NESCOE, National Grid, and other stakeholders for an economic study to explore these issues further.

Request by the Episcopal Diocese of Rhode Island

The Diocese's February 28, 2020 letter to the Planning Advisory Committee outlines interconnection issues associated with a proposed 2.2 MW net metered solar project in Glocester, Rhode Island. This project would be connected to the local distribution system and not, directly, to the interstate transmission system. According to the Diocese's representative, "The Diocese has not been able to proceed with its project, lacking authorization to interconnect and information needed to budget its interconnection."

OER applauds the Diocese for exploring clean energy opportunities that meet its organizational needs, particularly in service of local young people. However, the Diocese has not demonstrated that the Rhode Island laws identified in its letter drive a transmission need for the current planning cycle. The Diocese's submission provides no specificity regarding how the perceived PPRs identified drive the need for regional transmission. Also, while it is possible that the Diocese's project may result in the need for transmission system modifications to allow for its *specific* interconnection, that does not mean a regional transmission solution is needed to meet broader state renewable energy goals. We note that many other local, carbon-free distributed generation projects are now under development across the state and many others have been recently interconnected.

Rhode Island's Public Utilities Commission (PUC), which holds jurisdiction over distribution system matters and the utility's interconnection tariff, is the appropriate forum for the issues raised by the Diocese. The PUC has considered the Diocese's arguments in Docket 4981, a process that the Diocese acknowledges in its submission. The PUC has also rendered its decision on these matters through a dulynoticed Open Meeting and written order (issued April 14, 2020). There also exists under state law an opportunity for judicial review of the PUC's decision.

Sincerely,

Nicholas S. Ucci

Acting Energy Commissioner



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Heather Hunt Executive Director New England States Committee on Electricity 655 Longmeadow Street Longmeadow, MA 01106

Re: Vermont Response to Order 1000 Public Policy Stakeholder Comments

Dear Ms. Hunt:

On January 14, 2020, ISO New England Inc. (ISO-NE) initiated the stakeholder process required by Attachment K to the ISO-NE Open Access Transmission Tariff (OATT) for consideration of policy-driven transmission needs. The Federal Energy Regulatory Commission (FERC) approved this process as consistent with FERC Order 1000. As Governor Scott's designee as a manager of the New England States Committee on Electricity, I provide the following response as to stakeholder-identified Vermont policies that drive the need for transmission. As explained further below, stakeholders have not identified any Vermont laws that currently drive the need for transmission, nor has Vermont identified any other state policies that drive the need for transmission at this time.

National Grid

National Grid contends that "state commitments to the decarbonization of the transportation sector requir[e] studying the impact of electric vehicle (EV) ultra-fast charging on the regional transmission system." In support of this statement, National Grid notes that Vermont has established a "public commitment" to significant reductions in greenhouse gas emissions and that reductions in emissions from the transportation sector are necessary to meet this goal.

Vermont fully agrees that encouraging EVs is an important component of Vermont's 2016 Comprehensive Energy Plan (CEP),² which sets a goal of 90% of Vermont's energy needs

¹ National Grid stakeholder submittal at 1.

² The Department of Public Service is required to develop a Comprehensive Energy Plan at least once every six years that implements state energy policy and carbon reduction goals. *See*, 30 V.S.A. § 202b. The 2016 Vermont CEP, the most recently completed, is available at: https://publicservice.vermont.gov/publications-resources/publications/energy plan.

coming from renewable energy by 2050. In addition to EVs, Vermont's CEP also cites to the importance of several other measures in meeting this goal, including energy efficiency, weatherization, biomass heating, cold climate heat pumps, and numerous other strategies. In short, electrification of the transportation sector is one mechanism for getting the State to the renewable and carbon reduction goals set forth in the Vermont CEP. Moreover, Vermont notes that a targeted goal does not meet the criteria set forth in ISO-NE's tariff for defining a Public Policy Requirement.

Further, while Vermont's CEP includes general illustrative pathways for meeting carbon reduction goals in the transportation sector, there are no specific mandates as to the quantity of EVs and charging infrastructure to deploy. Such specific mandates are counter to sound planning practices, as reductions in carbon emissions might be better achieved through increased public transportation, bicycling and pedestrian programs, and ridesharing programs rather than EV deployment.

Similarly, the Transportation Climate Initiative (TCI) relates to reduction of carbon emissions, not specific mandates as to the amount of EVs to deploy. Further, there is currently no Memorandum of Understanding in place in support of TCI.

Vermont's statutory energy policy requires regulators to balance sustainability, affordability, and reliability, with the guiding principle that objectives should be met in a least-cost manner.³ Achieving carbon reductions in the transportation sector is a goal of Vermont; however, sound policy requires that the State identify the lowest cost pathways to reach that goal, and there are no specific requirements related to the amount of EVs or charging infrastructure to be deployed. In short, neither Vermont's statutes nor Vermont's CEP constitute Public Policy Requirements that drive the need for transmission related to EVs.

Episcopal Diocese of Rhode Island

The Diocese submitted information regarding a proposed net metering project that may require transmission upgrades in order to interconnect. The Diocese did not cite to any Vermont statute or Vermont-specific Public Policy Requirement in its submittal; consequently, Vermont does not address the Diocese's comment individually and instead supports the analysis conducted by the New England States Committee on Electricity regarding the application of FERC Order 1000 and the ISO-NE OATT to the Diocese's proposed net metering project.

Other Vermont Policies

Vermont has not identified any other State statutes or policies that drive the need for transmission at this time.

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³ See, 30 V.S.A. §§ 202a, 218c.

/s/ June E. Tierney
June E. Tierney
Commissioner, Vermont Department of Public Service