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April 11, 2016

Ms. Debra A. Howland **Executive Director** New Hampshire Public Utilities Commission 21 S. Fruit Street, Suite 10 Concord, NH 03301-7319

> RE: Investigation into Grid Modernization

> > Docket No. IR 15-296

On behalf of the Energy Freedom Coalition of America, LLC ("EFCA"), and in accordance with Order No. 25,877, issued in the above-captioned docket on April 1, 2016, please accept this letter as EFCA's notice of interest in fully participating in the Working Group described in that order. As described in this letter, as a full participant EFCA will help the Working Group develop recommendations to the Commission on the issues and questions outlined in Order No. 25,877.

EFCA is a national advocacy group that promotes the use of distributed energy resources ("DERs") to modernize our electric grid. EFCA represents a broad range of DER product and services providers; EFCA members provide residents, businesses, and institutions a variety of DERs, including the financing and/or installation of residential, commercial and utility scale solar facilities, as well as research, development and deployment of energy storage and demand response products. EFCA's current members include Silevo, LLC, SolarCity Corporation, NRG Energy, Inc., and ZEP Solar, LLC, some of whom have centers of operation and employees who live and work in New Hampshire.

As a full participant in the Working Group, EFCA will help the Working Group develop recommendations to the Commission on the issues and questions outlined in Order No. 25,877. EFCA's full participation in the Working Group will be consistent with the Order's directive that the Working Group "include membership based on knowledgeable, diverse, and comprehensive stakeholder organization interests", and will assist the Commission in discharging its responsibility to ensure that the electric utilities provide safe, reliable electricity services at just and reasonable rates.

EFCA members possess strong interests in ensuring that regulatory proceedings regarding electric grid modernization utilize the integration of distributed energy resources (DERs) and technologies, which help provide system benefits and reduce utility costs over time. These goals coincide with the Commission's belief as expressed in Order No. 25,877 "that grid

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modernization can spur the development of cost-effective distributed energy resources, including energy efficiency, demand response, distributed generation, storage technologies, and more."

In particular, EFCA participants employ a number of former utility grid engineers and economists who offer an informed and unique perspective on how grid modernization may impact the distributed energy resources markets in which they engage. Beyond deep business experience, many EFCA members also engage in research and development aimed at constantly improving DER product and services. One member employs a dedicated Grid Engineering Solutions team, made up primarily of former utility grid engineers who not only understand how the current power system works, but are also unlocking innovative solutions through a crossfunctional approach of evaluating engineering, technological, economic and policy considerations side-by-side. Through this team, EFCA offers the Working Group and the Commission an informed and unique perspective on how DER can aid in achieving the Commission's goals for this investigation of grid modernization, as well as how potential Commission actions may impact DER markets.

EFCA expects it can aid the Working Group and the Commission in evaluating opportunities for grid modernization. EFCA members have quantified the potential for intelligent deployment of distributed generation to reduce the costs of grid modernization. For example, an EFCA member recently released a report that quantifies the net benefits of DER – including both distributed generation and other distributed resources such as smart inverters, storage, energy efficiency and controllable loads – and shows they are a cost-effective approach to grid modernization, with the potential to provide net benefits of \$1.4 billion annually in California. EFCA will also offer information on the interaction between tariffs and other price signals and customer adoption of DER services. Given the business experience and expertise of its members, EFCA is uniquely equipped to provide information on the potential contribution DER can make towards grid modernization in New Hampshire.

EFCA is also well suited to provide information on the benefits of storage and DER, as well as on the price signals that will help to incentivize investment therein, and how these resources are a cost-effective means of increasing grid reliability, reducing system costs, producing new jobs, and furthering grid sustainability. Importantly, EFCA represents developers with a keen understanding of how energy storage fits into a modernized grid, especially behind-the-meter storage. The full participation of developers of behind-the-meter energy storage is particularly important in grid modernization dockets because behind-the-meter energy storage is the final step in DERs providing their full value to the grid, as well as providing improved reliability to customers. For example, the Rocky Mountain Institute points out that only energy

¹ The Report, A Pathway to a Distributed Grid, is available at http://www.solarcity.com/sites/default/files/SolarCity_Distributed_Grid-021016.pdf

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storage deployed behind the customer's meter can provide 13 categories of services to three stakeholder groups, including customer services, utility services and ISO/RTO services.²

Finally, EFCA will speak to how DER generally, and distributed energy storage in particular, are uniquely able to aid in achieving New Hampshire's grid modernization objectives. EFCA expects it will provide the Working Group recent studies that conclude storage can provide vital backup power to customers and critical facilities when the grid goes down; that by reducing transmission congestion, storage can reduce system and customer costs; that the use of storage allows utilities to avoid or defer costly investments; that storage and distributed generation can facilitate integration; and that the emerging storage industry can provide a great number of jobs. As a full participant, EFCA, its members and experts will be available to the Working Group for presentation, dialogue, research and analysis.

In particular, EFCA has a special command of customer-facing technologies and services, as well as of grid-facing technologies, how policy decisions on grid modernization affect customer engagement with DERs, and how to address anti-competitive concerns when utilities propose systems to integrate more DERs. EFCA would bring these resources to bear as a full participant in the Working Group.

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² Fitzgerald, Garrett, James Mandel, Jesse Morris, and Hervé Touati. The Economics of Battery Energy Storage: How multi-use, customer-sited batteries deliver the most services and value to customers and the grid. Rocky Mountain Institute, October 2015. Available at http://www.rmi.org/electricity_battery_value

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Thank you for your consideration of EFCA for inclusion in the Working Group. Please do not hesitate to contact me if you have any questions.

Very truly yours,

Todd J. Griset

Counsel to Energy Freedom Coalition of America, LLC