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STATE OF RHODE ISLAND

Public Utilities Commission

Chairman Ronald T. Gerwatowski
Commissioner Marion S. Gold
Commissioner Abigail Anthony

March 2, 2021

The Honorable Joseph J. Solomon, Jr.
Chair, House Committee on Corporations
State House
Providence, RI 02903

Re: House Bill 5327 – Expansion of Community Remote Net Metering

Dear Chair Solomon:

I am submitting the following comments on behalf of the Public Utilities Commission (PUC) on House Bill 5327, which expands the community remote net metering pilot from 30 MW to 90 MW with some conditions.

If the bill becomes law, it will be the PUC's responsibility to implement it consistent with the legislative intent. In the regard, the PUC is concerned that the bill lacks defined terms and includes a co-location provision that does not meet the conservation goals that may be the intention of some stakeholders.

First, the PUC recommends the bill define "previously disturbed site." Prior legislation has shown that there can be many different definitions. Absent a definition in the law, the PUC will define the term when National Grid files for approval of the program.

Second, the PUC recommends the bill define low- and moderate-income households. The current net metering law references "low- or moderate-income housing" accounts that are associated with federal funding but has no definition of low- and moderate-income households. Absent a definition in the law, the PUC will define the term when National Grid files for approval of the program.

Third, there is no requirement that the projects maintain 20% enrollment by low- and moderate- income households following enrollment in the program, nor is there a consequence for falling below the 20%.

Fourth, the prohibition on co-location of projects continues to allow multiple 10-MW renewable energy projects on contiguous properties if they are not under common ownership, but common ownership is not defined. As written, this provision will not limit the development of multiple 10-MW projects on contiguous properties and does not address conservation concerns.

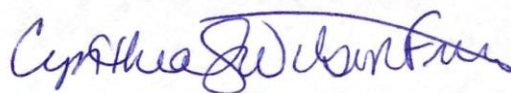
Finally, the State has expressed a desire to reach impressive renewable energy goals within the next ten years, together with achievement of local economic benefits and social and environmental equity. There are various ways to achieve these goals, and the recent report issued by the Office of Energy Resources suggests a portfolio approach, which can include the potential expansion of Community Remote Net Metering. While many pathways will achieve the same incremental benefits, the ratepayer impact of achieving those goals varies between pathways. Of course, all designs will put upward pressure on electric rates, but some will increase electric rates more than others.

From the PUC's perspective, where we have the responsibility to assure that rates are just and reasonable, we believe it is critical for policy makers to understand ratepayer impacts associated with all of the choices available in Rhode Island to achieve our clean energy goals. In the long run, electric rates send signals to customers for the economic choices they make, including decisions to convert to clean energy technologies. For example, higher electric rates discourage switching to electric technologies, such as heating and electric vehicles.

The PUC is available to provide a deeper explanation of the various ratepayer-funded programs already in place to help inform the renewable energy policy decisions.

Please feel free to contact me with any questions at 401-780-2147 or cynthia.wilsonfrias@puc.ri.gov.

Sincerely,



Cynthia G. Wilson-Frias
Chief of Legal Services

cc: Committee Members
Representative Potter