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## STATE OF RHODE ISLAND

## **Public Utilities Commission**

Chairman Ronald T. Gerwatowski Commissioner Abigail Anthony Commissioner John C. Revens, Jr.

March 21, 2024

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

Re: House Bill 7811 – 2024 Energy Storage Act

Dear Chair Solomon:

On behalf of the Public Utilities Commission (PUC), I am submitting the following comments on HB 7811 - 2024 Energy Storage Act. There are three parts to this bill: (1) creation by the Office of Energy Resources (OER) of an incentive program to procure a fixed quantity (MW) of energy storage; (2) development of rate design for storage; and (3) long-term contracting standard for energy storage. The PUC is unclear about how the OER program would be funded, but if not funded with ratepayer dollars, the PUC has no comment at this time. However, with respect to the development of energy storage rate design, the PUC offers the following comments.

With respect to the bill's storage rate design proposal, the PUC notes that in its Storage Report, (linked below) issued on October 18, 2023, the PUC has recommended a framework for the development of an energy storage tariff that addresses the ability of storage resources to charge from and discharge to the electric distribution system. The PUC also recommended a process for the development of an interconnection tariff framework to address differences between the interconnection of distributed generation resources and more flexible storage. Support for the PUC process together with funding to support the process would be appreciated.

The PUC looks forward to discussing these issues further with the sponsor to develop a comprehensive, least-cost approach to integrating storage into the electric system. 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

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<sup>&</sup>lt;sup>1</sup> PUC Storage Report (Oct. 18, 2023).