



April 1, 2025

VIA EMAIL (HouseCorporations@rilegislature.gov)

Representative Joseph J. Solomon, Jr.
Chair, House Corporations Committee
Rhode Island State House
Providence, RI 02903
rep-solomon@rilegislature.gov

Re: Comment on H 5819; An Act Relating to Public Utilities and Carriers -- Net Metering

Dear Representative Solomon:

I write to you in your capacity as the Chair of the House Corporations Committee and with regards to H 5819, a bill pending before your Committee which would amend R.I. Gen. Laws § 39-26.4-2 to reduce the value of the excess net metering credit from the “last resort service rate” to the “wholesale rate.” I write in my capacity as Senior Legal Counsel for Revity Energy LLC and its affiliates (“Revity”) to provide Revity’s comment regarding H 5819. Revity is a Rhode Island-based utility-scale solar developer which has successfully developed twenty-six (26) photovoltaic solar energy system (“PSES”) facilities in Rhode Island with total nameplate capacity of 128.6 megawatts, direct current (MWDC) producing approximately 164,566,180 kilowatt hours of electricity per year (enough to service approximately 16,720 Rhode Island households annually). In any given year, Revity employs between 75 and 100 IBEW 99 union electricians to construct its facilities.

As the Committee knows, the State’s net-metering program provides compensation to renewable energy generation developers in the form of net-metering credits which can be used to offset a ratepayer’s monthly Rhode Island Energy bill. The program permits developers to sell those credits to larger ratepayers (hospitals, universities, municipalities, and commercial/industrial customers) at a discount thereby allowing the developer to monetize its electricity generation and the ratepayer to save money on its electricity bill. The program is designed to incentivize developers to match credit allocation to the ratepayer’s actual electricity consumption. It does this by valuing the credits up to 100% of the ratepayer’s actual consumption at the highest rate (last resort service charge plus distribution charge plus transmission charge plus transition charge), valuing credits over 100% but under 125% of consumption at a lower rate (only the last resort service charge) and valuing credits over 125% of consumption at zero.¹

¹ On January 12, 2024, in Docket No. 23-05-EL, the Rhode Island Public Utilities Commission (“RIPUC”) issued a decision interpreting the State’s excess net-metering provisions. The RIPUC had identified an issue

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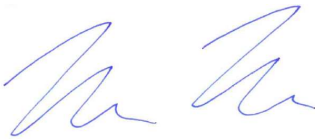
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Over the last few years, some have laid the State's high electricity costs at the feet of the State's renewable energy industry. While the connection between high retail rates and renewable energy has been overstated, the renewable energy compensation programs do impose some marginal financial burden on the ratepayer and so Revity understands that the General Assembly has, over the past few sessions, explored steps to reduce the compensation structures set forth in the State's net metering program. Two years ago, the General Assembly passed H 5853-A/S 0684-A (which Revity supported) which, among other revisions, amended R.I. Gen. Laws § 39-26.4-2(22) to cut the value of the net-metering credit by 20%. H 5819 seeks to further reduce compensation in the net metering program by reducing the value of the excess net-metering credit from the last resort service rate (approx. 8-10 cents/KWh) to the wholesale rate (approx. 2 cents/KWh).

Revity does not oppose H 5819; however, Revity respectfully asks the Committee to consider H 5580 as the better mechanism to reduce the excess net-metering credit. H 5580 reduces the value of the excess net-metering credit in the same fashion as H 5819 but H 5580 makes other important revisions to improve the administration of the net-metering statute. Revity supports H 5580. If the Committee has any questions regarding the positions taken in this correspondence, please feel free to contact my office.

Regards.



Nicholas L. Nybo
Senior Legal Counsel
REVITY ENERGY LLC AND AFFILIATES

Copy:

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with the administration of the net-metering program for remote renewable energy generation facilities (i.e., facilities not located behind the same meter as the associated consumption). More specifically, because credits are issued on a monthly basis and the 100% allocation-to-consumption question is evaluated on an annual basis, it is impossible to properly value the credits when they are issued. The RIPUC ruled that, in order to properly value excess credits, Rhode Island Energy should impose a year-end billing charge on the developer in cases where the allocation exceeds consumption.