

April 24, 2025

The Honorable Joseph J. Solomon, Chairman, House Corporations Committee Rhode Island State House Providence, Rhode Island 02908

## RE: H5580 - An Act Relating to Public Utilities and Carriers - Net Metering

Dear Chairman Solomon and members of the Committee,

I am writing to express **PosiGen's support for H5580**. We are in strong support of removing the 3-year sizing restriction for net metering systems that is well-intended, but problematic in practice. We believe that removing the 3-year sizing restriction should happen this session regardless of other changes to the net metering statute.

The existing requirement to size a solar system to the home's 3-year average historical usage has been one of the biggest pain points for Rhode Islanders and solar installers. This is primarily because it has required Rhode Island Energy to utilize their own internal "sizing calculator" in order to check compliance with this statutory requirement, but that sizing calculator has always been fundamentally flawed and inaccurate. The sizing calculator does not account for any system-specific shading factors and, up until a few years ago, didn't even account for which direction the panels were facing. The predictable result has been that solar systems installed in Rhode Island are often undersized to the customer's actual electricity needs or preferences.

Unsurprisingly, this often frustrates customers who do not understand why the utility cannot let them install a system to meet their needs. In the worst cases, the difference between the solar system's expected production modeled by the installer and the production estimated by Rhode Island Energy's calculator can be 30% or more. It is also challenging for installers to navigate and adds costs and friction to the process because receiving utility rejections due to a system being "oversized" are fairly common, particularly when the current homeowner does not have a full 3 years of usage and thus the prior homeowner's usage is taken into account. At a time when we need to reduce costs and increase the adoption of solar and home electrification technologies, we cannot continue to have these artificial and unnecessary obstacles in place.

We do not have a strong preference regarding the proposed change to the value of excess net metering credits to be the wholesale electricity rate instead of the Last Resort Service. We believe that the Last Resort Service rate is fair and still provides a strong economic disincentive for oversizing a system if the 3-year historical usage restriction is removed, and it benefits from being an easily understood term for our customers. We are concerned that the administrative burden of determining the wholesale electricity rate and then updating it may not be worthwhile. On the other hand, we do appreciate the efforts to reduce costs where possible to address the energy affordability challenges facing Rhode Island.



We appreciate the opportunity to provide this testimony in support of H5580 and we look forward to continuing to participate in the discussion regarding H5580 as it moves forward. Please feel free to contact me at <a href="mailto:kwallace@posigen.com">kwallace@posigen.com</a> if you have any questions.

Respectfully, Kyle Wallace VP, Public Policy & Government Affairs PosiGen, PBC

PosiGen, PBC is a certified B corp that provides rooftop solar and energy efficiency services with a focus on serving low-and-moderate income communities. PosiGen expanded to Rhode Island in 2023 and was selected as the solar provider for Rhode Island's Affordable Solar Access Pathways Program, which launched in January 2024. We are able to deliver on making "Solar For All" a reality through our unique solar lease which makes solar affordable and accessible. We underwrite our customers based on expected savings, not FICO score or income, making solar available to every homeowner.