May 14, 2026

VIA EMAIL (sen-zurier@rilegislature.gov)

Senator Samuel D. Zurier
Chair, Special Legislative Commission to Study
the Successful Implementation of the Act on Climate
Rhode Island State House
Providence, RI 02903
sen-zurier@rilegislature.gov

Re: Special Legislative Commission to Study the Successful Implementation of the Act on Climate; May 4, 2026 Hearing -- Responses to Follow-up Questions

Dear Chairman Zurier:

I write to you in your capacity as the Chair of the Senate Special Legislative Commission to Study the Successful Implementation of the Act on Climate (the "Commission") and to respond to your follow-up questions raised during my testimony at the Commission's May 4, 2026 hearing. During that hearing, you asked that I supplement my presentation to provide the following information: (1) Revity's savings analysis of the Governor's Budget Amendment 7 ("GBA 7"); (2) Revity's response to Slide 16 of the Governor's February 10, 2026 presentation to the Senate Finance Committee titled "FY2027 Ratepayer Relief/Other Energy Proposals" regarding the growth of the net-metering program; and (3) Revity's response to Slide 18 of the Governor's February 10, 2026 presentation to the Senate Finance Committee titled "FY2027 Ratepayer Relief/Other Energy Proposals" regarding other states' compensation programs.

As an initial matter, Revity genuinely appreciates the Governor's willingness to revisit his original net-metering proposal and Revity supports many of the aspects of GBA 7 (including the 19-cent rate lock) which will produce meaningful savings from net-metering for the ratepayer. Revity objects to GBA 7 cutting the capacity limit for future net-metering projects from 275 MW to 125 MW. Revity will fully support GBA 7 if the proposal is further amended to restore the capacity limit and § 39-26.4-3(f)(4) is amended to include the following sentence: "The tariff shall state that a certificate of participation shall be issued to an eligible net-metering system owner

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electing to participate in the tariff and that certificate shall constitute a binding contract between the system owner and the utility company."[1]

1. Savings analysis of GBA 7.

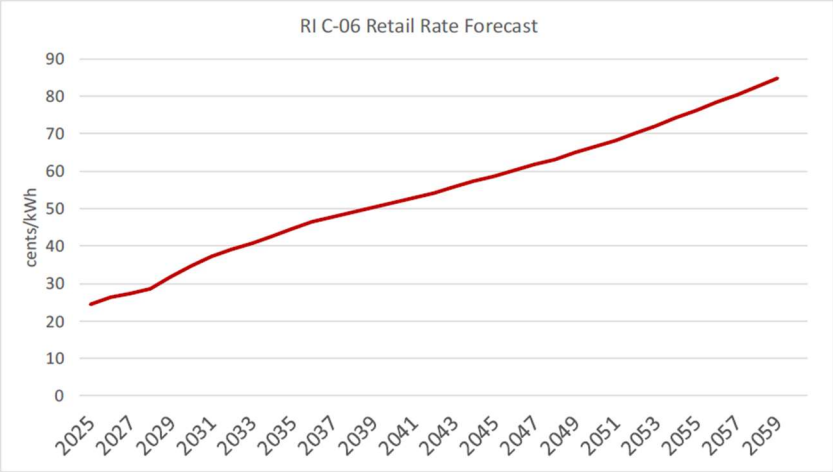
Analyzing the savings derived from reducing and locking the net-metering credit rates requires one to estimate the future growth in the net-metering rate calculated based on existing law and comparing that growth to the proposed rate lock for credits. The savings are found in the delta and so the higher you predict the escalation of the net-metering rate as currently calculated, the more savings will be achieved by locking the rate. Over the last five years (from April of 2021 to April of 2026), the net-metering credit rate has increased, year over year, by an average of 4.9%. Over the past year, from April of 2025 to April of 2026, the average net-metering credit rate was 19.57 cents per kilowatt hour. Accordingly, Revity's savings analysis compares the 19-cent credit lock increasing at 2.75% annually against the current net-metering credit beginning in 2027 at 20.55 cents (19.57 increased by 5%) and increasing at 5% annually for 5 years. Furthermore, the Governor's proposal gives developers the option to elect to opt-in to the rate-locked tariff. The more projects that opt-in, the greater the savings. Both the Governor's and Revity's analyses assume that 100% of projects opt into the rate-locked tariff to reflect the maximum possible savings. While Revity is confident that a substantial majority of projects will opt-in in favor of the legal security of tariff-based credits, this is an assumption that needs to be acknowledged.

Based on these assumptions, Revity's analysis estimates that the Governor's proposal to rate lock net-metering credits will save $77.6 million in the first 5 years and $1.7 billion over 25 years:

Period	Year	Contract Rate 2.75%	C-06 Rate Projection 5.00%	MWs 450 kWks	Period	C-06 Rate Projection 5.00%	Contract Rate 2.75%	Annual Savings	Cumulative Savings
1	2027	$0.1900	$0.2055	596,250,000	1	$122,529,375	$113,287,500	$9,241,875	$9,241,875
2	2028	$0.1952	$0.2158	593,268,750	2	$128,012,565	$115,820,892	$12,191,673	$21,433,548
3	2029	$0.2006	$0.2266	590,302,406	3	$133,741,127	$118,410,936	$15,330,190	$36,763,738
4	2030	$0.2061	$0.2379	587,350,894	4	$139,726,042	$121,058,901	$18,667,141	$55,430,879
5	2031	$0.2118	$0.2498	584,414,140	5	$145,978,783	$123,766,081	$22,212,702	$77,643,581
6	2032	$0.2176	$0.2623	581,492,069	6	$152,511,333	$126,533,800	$25,977,534	$103,621,115
7	2033	$0.2236	$0.2754	578,584,609	7	$159,336,215	$129,363,412	$29,972,804	$133,593,918
8	2034	$0.2297	$0.2892	575,691,686	8	$166,466,511	$132,256,301	$34,210,210	$167,804,128
9	2035	$0.2361	$0.3036	572,813,227	9	$173,915,887	$135,213,883	$38,702,005	$206,506,133
10	2036	$0.2425	$0.3188	569,949,161	10	$181,698,623	$138,237,603	$43,461,020	$249,967,153
11	2037	$0.2492	$0.3347	567,099,415	11	$189,829,637	$141,328,941	$48,500,695	$298,467,849
12	2038	$0.2561	$0.3515	564,263,918	12	$198,324,513	$144,489,410	$53,835,103	$352,302,952
13	2039	$0.2631	$0.3690	561,442,599	13	$207,199,535	$147,720,554	$59,478,981	$411,781,932
14	2040	$0.2703	$0.3875	558,635,386	14	$216,471,714	$151,023,955	$65,447,759	$477,229,691
15	2041	$0.2778	$0.4069	555,842,209	15	$226,158,823	$154,401,228	$71,757,595	$548,987,286
16	2042	$0.2854	$0.4272	553,062,998	16	$236,279,431	$157,854,026	$78,425,405	$627,412,691
17	2043	$0.2933	$0.4486	550,297,683	17	$246,852,935	$161,384,036	$85,468,899	$712,881,589
18	2044	$0.3013	$0.4710	547,546,194	18	$257,899,604	$164,992,987	$92,906,617	$805,788,206
19	2045	$0.3096	$0.4946	544,808,463	19	$269,440,611	$168,682,643	$100,757,969	$906,546,175
20	2046	$0.3181	$0.5193	542,084,421	20	$281,498,079	$172,454,808	$109,043,270	$1,015,589,445
21	2047	$0.3269	$0.5453	539,373,999	21	$294,095,118	$176,311,329	$117,783,789	$1,133,373,233
22	2048	$0.3359	$0.5725	536,677,129	22	$307,255,874	$180,254,091	$127,001,783	$1,260,375,016
23	2049	$0.3451	$0.6011	533,993,743	23	$321,005,574	$184,285,023	$136,720,551	$1,397,095,568
24	2050	$0.3546	$0.6312	531,323,775	24	$335,370,574	$188,406,097	$146,964,477	$1,544,060,045
25	2051	$0.3643	$0.6628	528,667,156	25	$350,378,407	$192,619,328	$157,759,079	$1,701,819,123

[1] This language matches the current language of Section 3.1.2 of the Renewable Energy Growth Program Tariff.

The Governor's analysis estimates that GBA 7 will save $259 million over 5 years. This estimate is predicated on the following baseline rate forecast for the retail C-06 rate to which the net-metering credit rate is currently attached:



Assumptions re: long-term growth rate significantly impact relative savings from VNM alternatives involving fixed credit growth

Average CAGR by period	
2026-2030	7.3%
2031-2035	5.3%
2036-2045	2.7%
2046-2060	2.7%
2026-2060	3.8%

[2]

Notably, if these estimates are true, commercial ratepayers in Rhode Island will be paying 50 cents per kilowatt hour within the next decade. These estimates are predicated on two key assumptions. First, the Governor's analysis assumes that the net-metering credit (under current law) will be approximately 27 cents per kilowatt hour next year. The historical average value of the net-metering credit (using the Fixed C-06 rate) since 2018 are as follows:

Year	**Average NMC Rate (Fixed C-06)**
2018	.17814
2019	.19235
2020	.16469
2021	.16405
2022	.19828
2023	.22408
2024	.20659
2025	.20075

[3]

Second, the Governor's savings estimate assumes that, over the next 5 years, the net metering credit rate will increase by 7.3% per year. As described above, over the past five years, the net-metering credit rate has increased by 4.9% per year. Since 2018, the net-metering credit rate has

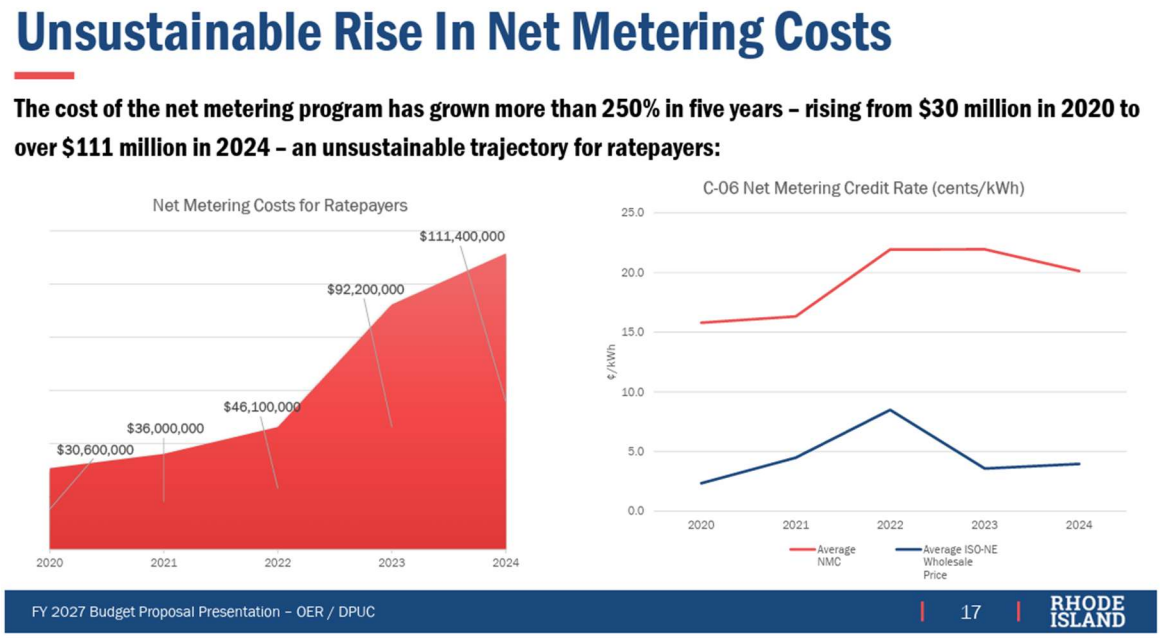
[2] SEA April 29, 2026 Analysis of Virtual Net Metering (VNM) Alternative Proposals – Forecasted Ratepayer Cost and Savings Results at Slide 11.
[3] https://portalconnect.rienergy.com/RI/s/article/Net-Metering-in-Rhode-Island

increased 2.2% per year (admittedly, this figure was substantially impacted by COVID-era rates in 2020 and 2021).

The Governor estimates that GBA 7 will save the ratepayer $84 million more than his original net-metering budget proposal. By any objective measure, the Governor's original proposal was more draconian than GBA 7. The original proposal would have locked rates for all projects at the net-metering credit rate as of July 1, 2026, with no annual escalation. The average net-metering rate in July since 2018 has been 16.98 cents. The net-metering rate in July of 2025 was 17.12 cents. GBA 7 will rate lock credits at 19 cents with a 2.75% escalator. The original proposal required project owners to pay a grid access fee which would have totaled about $19 million per year to be reimbursed to the ratepayer. The grid access fee would have bankrupted existing projects and so GBA 7 eliminates the grid access fee. The Governor estimated that his original proposal would have saved $175 million over 5 years. While Revity appreciates the Governor's willingness to listen to and adopt the development community's concerns about the original proposal, it is entirely unclear how the far more modest GBA 7 is estimated to save $84 million more than its more severe predecessor.

2. Revity's response to Slide 16 of the Governor's February 10, 2026 presentation to the Senate Finance Committee titled "FY2027 Ratepayer Relief/Other Energy Proposals."

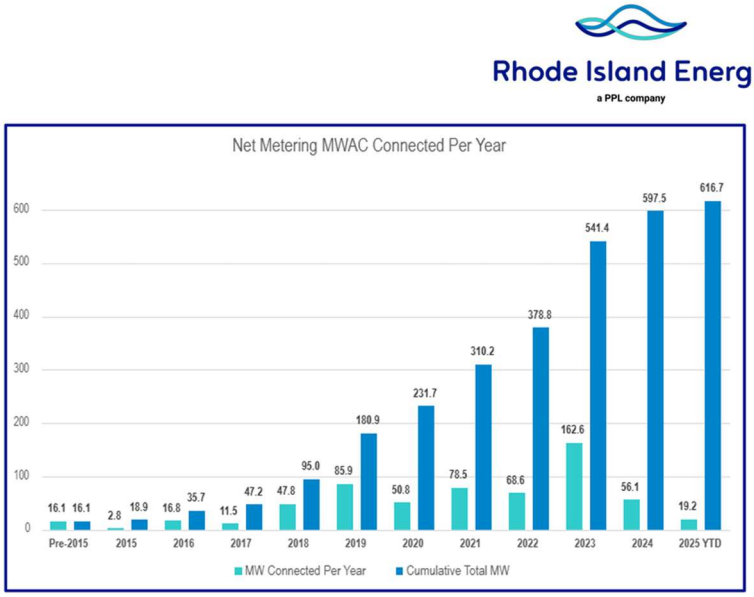
With respect to the second inquiry regarding Slide 16 of the Governor's February 10, 2026 presentation to the Senate Finance Committee, that slide appears as follows:



[4]

[4] https://rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/02.10.26_Senate%20Finance%20Presentation_the%20Rise.pdf

The chart on the right shows the net-metering credit values from 2020 to 2024 and would suggest that net-metering credit rates spiked from 16 cents in 2020 and 2021 to over 20 cents in 2022. However, in 2019, the net-metering credit was valued over 19 cents and so the more reasonable conclusion is that 2020 and 2021 represented a temporary deflation in the value of the credit—perhaps due to the once-in-a-century global pandemic. The credit rate certainly spiked in 2022 before resettling within one cent of its pre-pandemic rate. Next, the chart on the left side of the Slide 16 shows the costs of the net-metering program from 2020 to 2024 to establish that the cost of the program has increased 250% over that period. Combining these two charts may invite the conclusion that a spike in rates is responsible for the spike in programmatic costs. Rates, however, are not the reason the program costs have expanded. On May 29, 2025, Rhode Island Energy presented to the Senate Renewable Energy Program Commission the following chart of net-metering development:



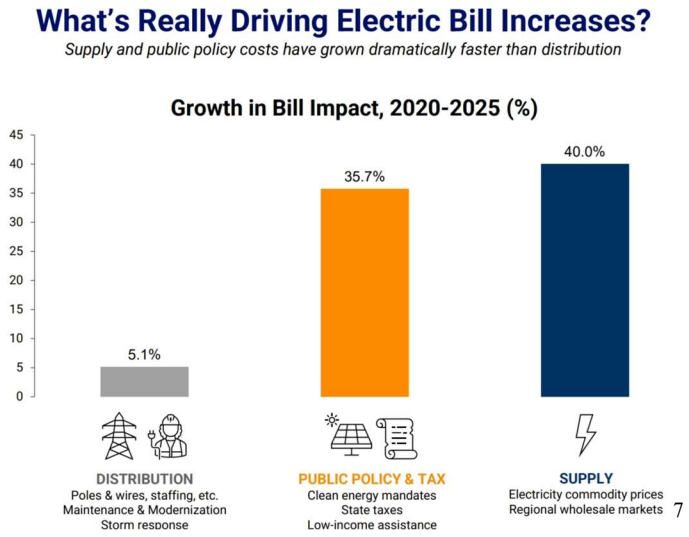
[5]

Program costs have increased because developers built significantly more renewable energy resources in 2021, 2022 and 2023 than they had prior to 2020. In these three years, developers constructed systems which generate 410 million kilowatt hours of renewable electricity, enough to power over 41,000 Rhode Island households. The statutory purpose of net-metering is "to facilitate and promote installation of customer-sited, grid-connected generation of renewable energy" and "to support and encourage customer development of renewable generation systems."[6] These charts show the net-metering program *working*.

[5] https://www.rilegislature.gov/commissions/REPC/commdocs/05-29-2025---Presentation--RIE_Net%20Metering.pdf

[6] R.I. Gen. Laws § 39-26.4-1.

Furthermore, with respect to the claim that the costs of the net-metering program have increased by 250% over the last five years, on March 3, 2026, Rhode Island Energy gave a presentation to the House of Representatives, during which the utility company presented this chart:

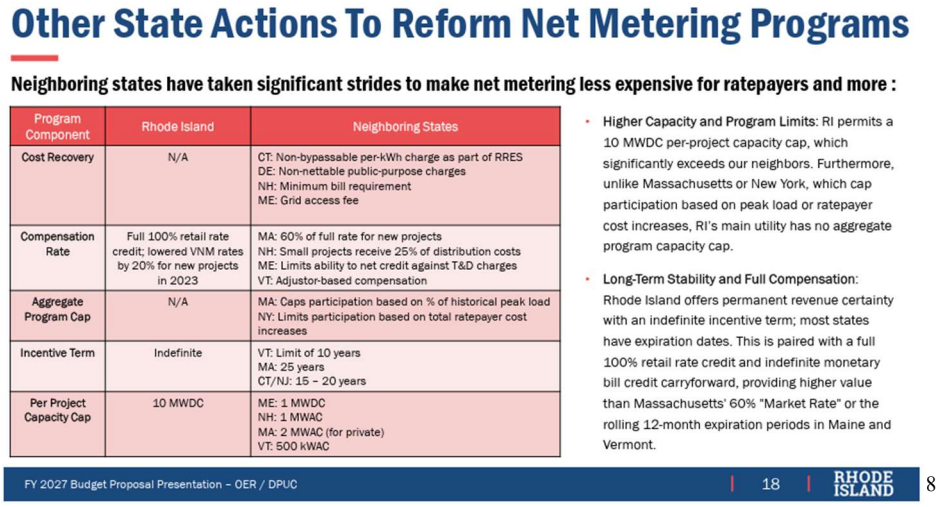


[7]

According to Rhode Island Energy, actual ratepayer costs of all public policies and taxes (including "clean energy mandates") have increased by 35.7% over the last 5 years.

3. Revity's response to Slide 18 of the Governor's February 10, 2026 presentation to the Senate Finance Committee titled "FY2027 Ratepayer Relief/Other Energy Proposals" regarding other states' compensation programs.

Lastly, the Commission asked that Revity respond to the following Slide 18 comparing Rhode Island's net-metering program to those of neighboring states:



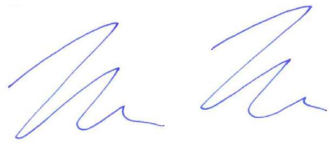
[8]

[7] https://capitoltvri.cablecast.tv/show/11783 at Minute 10:30.
[8] https://rilegislature.gov/Special/comdoc/Senate%20Finance%205212020/02.10.26_Senate%20

Certainly, the state-by-state differences in the renewable energy programs are undeniable. Last year, Maine enacted LD 1777 reducing rates and imposing grid access fees which drew federal court lawsuits from over 100 solar developers challenging LD 1777 as an unconstitutional exaction and a taking in violation of the fifth and tenth amendments of the United States Constitutions.[9] Alternatively, just this month in Connecticut, the General Assembly passed HB 5340 which expands and extends that state's renewable energy distributed generation programs. Furthermore, if we are going to compare Rhode Island's renewable energy programs, we should also compare the results of the respective programs. Last year, Rhode Island ranked 35th in the country for solar development[10] and, in 2021, was ranked 25th in the country.[11] Delaware was ranked 45th, Vermont was ranked 42nd and New Hampshire was ranked 43rd.[12] Massachusetts and New York have developed significantly more solar capacity than Rhode Island and have done so with more conservative compensation programs. Those states are likely aided by the fact that they both have seven times the land mass of Rhode Island.

Revity appreciates the invitation to provide testimony to your Commission and if you or any of your colleagues have any further questions, please feel free to contact my office.

Regards.



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Finance%20Presentation_the%20Rise.pdf

[9] *Gray Yarmouth Road Solar LLC, et al. v. Maine Public Utilities Commission, et al.*, Case No. 1:25-cv-000592-SDN; *Berwick Solar, LLC, et al. v. Maine Public Utilities Commission, et al.*, Case No. 1:26-cv-00012-SDN.

[10] https://seia.org/solar-state-by-state/

[11] http://seia.org/research-resources/solar-market-insight-report-q2-2023/

[12] https://seia.org/solar-state-by-state/