



P R E S E N T A T I O N   T O

# Rhode Island Senate Commission

On the Successful Implementation of the Act on Climate

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**Nicholas L. Nybo**

Revity Energy LLC

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# What we'll cover today

01

## About Revity Energy

Who we are and what we've built in Rhode Island

02

## DG programs and the Act on Climate

How REG, Net Metering, and Long-Term Contracting deliver compliance

03

## Where the REG and Net Metering programs stand today

Capacity built, savings delivered, and pricing trends

04

## Governor's Revised Net Metering Proposal

Proposes to change the rate structures of net metering credits and reduce the capacity of future development

05

## The energy storage gap

Statutory targets, current capacity, and regulatory bottlenecks

# Rhode Island's leading utility-scale solar developer

Revity Energy is a Rhode Island–based developer of utility-scale solar projects, supplying renewable electricity and net-metering credits to municipalities, hospitals, universities, and businesses across the state.

**27**

**PROJECTS  
DEVELOPED**

*operational across RI*

**147 MW**

**OPERATING  
CAPACITY**

*direct current, on-line today*

**48 MW**

**UNDER  
CONSTRUCTION**

*across 4 active sites*

**~26,000**

**HOUSEHOLDS  
POWERED**

*from 250M kWh / year*

*Source: Revity project portfolio, April 2026.*

W H Y T H I S M A T T E R S

68%

**of the Renewable Energy Certificates**  
needed for Rhode Island to comply with the  
Renewable Energy Standard in 2033

*are expected to come from the State's three primary Distributed Generation programs:*

**Renewable Energy Growth**  
R.I. Gen. Laws § 39-26.6

**Net Metering**  
R.I. Gen. Laws § 39-26.4

**Long Term Contracting**  
R.I. Gen. Laws § 39-26.1

*Source: Sustainable Energy Advantage April 7, 2023 Evaluation of RI Distributed General Policies Stakeholder Workshop #4: Proposed Benefit-Cost Analysis Categories, Assumptions and Inputs at Slide 5.*

# Rhode Island's Distributed Generation Programs

REG

## Renewable Energy Growth

**136 MW**

of solar installed\*

Statutory feed-in tariff. Developers are paid cash for each kilowatt hour produced by the system. Successful applicants receive a 20-year cash award per kWh, with RECs being transferred to RIE to meet the Renewable Energy Standard.

NM

## Net Metering

**413 MW**

of solar developed\*

Generation offsets the system owner's own electricity consumption through bill credits. The system owner keeps the RECs and may sell them to RES-obligated entities.

VNM

## Virtual Net Metering

**261 MW**

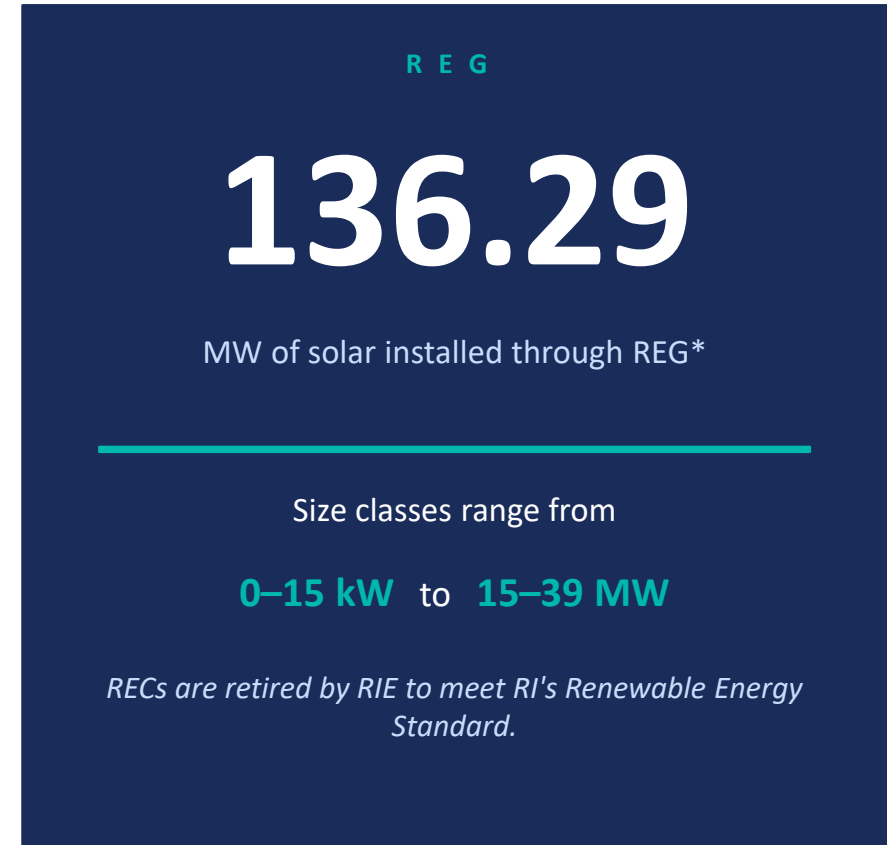
of solar (subset of NM)\*

Allows large, front-of-meter projects to transfer credits to third-party offtakers — municipalities, hospitals, universities, and businesses — at a discount.

*\*Capacity figures as of April 2025. April 24, 2025 Letter from the Division to Public Utilities & Carriers to House Corporations Committee*

# Renewable Energy Growth (REG)

- 1 Annual ceiling prices and MW allocations**  
PUC and OER set per-kWh ceiling prices and capacity caps each year, by size class (0–15 kW small solar through 15–39 MW large solar).
- 2 Competitive bidding into the cap**  
Developers bid at or below the ceiling; RIE selects the most competitive offers up to the year's allocation.
- 3 20-year cash award**  
Successful projects receive a 20-year per-kWh cash payment for generation. Title to RECs transfers to RIE for retirement against the RES.



\*April 2025 (April 24, 2025 Letter from the Division to Public Utilities & Carriers to House Corporations Committee)

# Net Metering

## NET METERING

# 412.92

MW of solar developed under the Net Metering Program\*

### Behind-the-Meter

(typical of residential): one meter; net consumption is billed, net generation is compensated with credits to be used on future bills.

### Front-of-Meter

(typical of ground-mounted): generation and consumption are separately metered and credits can be transferred to third party offtakers to offset their electricity bills.

## How the program works

### Compensation in credits, not cash

The system owner receives a credit for each kilowatt hour of electricity generated in lieu of cash, applied against the owner's electricity bill.

### Credit value

Calculated by combining last-resort service, distribution, transmission, and transition charges.

### RECs retained by owner

The system owner keeps title to the RECs and may sell them to RES-obligated entities.

\*April 2025 (April 24, 2025 Letter from the Division to Public Utilities & Carriers to House Corporations Committee). Includes Virtual Net Metering capacity.

# Virtual Net Metering

Utility-scale solar generates more than any single system owner can consume. Rhode Island law allows those projects to transfer their net-metering credits to third-party offtakers (at a discount) and reduce those offtakers' utility bills.

- This 21.3 MW system generates 28 million kilowatt hours per year and, at last year's average net-metering rate of 19.4¢ would generate \$5.4 million in credits. The system owner can sell those credits to an offtaker (a City, for example) at a 30% discount. The offtaker receives \$5.4 million in electricity credits, it pays the developer \$3.8 million for those credits and, thus, saves \$1.6 million on its electricity bills for the year.

**\$6.7M**

saved by Revity offtakers in 2025

**20–35%**

typical discount on credits

**22**

RI institutions served\*

**261 MW**

VNM solar built statewide



21.3 MW (DC) — Cranston, RI

\*5 municipalities, 5 universities, 5 hospitals, and 7 local businesses (2025).

# REG ceiling prices vs. Virtual Net Metering rates

## REG ceiling prices (2026)

Class	Size	MW alloc.	¢/kWh
Small Solar I	0–15 kW	3	31.55
Small Solar II	>15–25 kW	—	28.65
Medium Solar	>25–250 kW	6	31.35
Commercial I	>250–500 kW	10	28.35
Commercial II	>500 kW–1 MW	9.5	23.55
Large Solar I	>1–<5 MW	20	17.85
Large Solar II	5–<10 MW	20	17.25
Large Solar III	10–<15 MW	15	17.25
Large Solar IV	15–<39 MW	0	17.25

## VNM credit rates (Jan 2025 – Apr 2026)

Month	¢/kWh
Jan-25	23.31
Apr-25	17.61
Jul-25	17.12
Oct-25	22.26
Jan-26	21.48
Apr-26	19.05

*Selected months shown for clarity.*

### WHAT THIS MEANS

VNM credit rates have ranged **17.1¢ – 23.3¢/kWh**.

Large Solar REG ceilings now sit at **17.25¢/kWh**.

*The two compensation mechanisms now overlap for utility-scale projects — meaning REG and VNM are economic substitutes, not complements.*

Sources: PUC/OER 2026 REG Tariff; RIE Virtual Net-Metering Credit Rate Filings (2025–2026).

# Article 11, Section 10

## CURRENT VNM LAW

1. Utility scale virtual net metering projects are compensated with credits valued at the prevailing C-06 rates. Last year, the weighted average VNM rate was 19.4¢/kWh and, over the last 5 years, rates have increased at 5%.
2. Under existing law, there is a capacity limit for new virtual net-metering projects of 275 MW.

## GOVERNOR'S PROPOSAL

1. Utility scale solar developers can elect to continue to receive net metering credits valued at the C-06 rate *or* opt-in into a tariff which will lock the value of the credits at 19.0¢/kWh, increasing annually at 2.75%.
2. The 275 MW capacity limit for new net-metering projects would be reduced to 125 MW.

## Evaluation of Governor's Proposal

- It has been reported that the Governor's proposal will save ratepayers \$259M in the first 5 years. Revity's analysis reflects \$72M in savings over 5 years. And those savings will only materialize if all projects opt-in to the tariff.
- Cutting the capacity limit for future net-metering projects will hinder the State's ability to meet Act on Climate goals as well as the State's ability to meet rising electricity demands and take jobs out of the clean energy industry.

# Energy Storage & the Act on Climate

*“[A]s penetration of intermittent resources increases in New England, energy storage may become necessary to balance generation output of these facilities with customer demand for electricity. Without the ability to balance load and generation in the future as renewable penetration increases, incremental renewable nameplate capacity will generate fewer and fewer incremental RECs to meet the RES and the Act on Climate. This issue represents a possible physical constraint that storage could mitigate or resolve.”*

October 18, 2023 RIPUC Report to the Rhode Island Senate in Response to Res. 416  
at. pp. 38-39.

# Rhode Island is starting from zero

## WHAT'S DEPLOYED

# 3 MW

*a single utility-scale facility (Pascoag Utility District), plus a handful of much smaller batteries. The 3 MW Pascoag Utility District battery alone saved ratepayers \$12M in transmission and distribution charges.*

**47<sup>th</sup>** in the country for energy storage development

## WHAT THE LAW TARGETS

*Rhode Island Energy Storage Act (2024)*

By Dec 31, 2026

**90 MW**

By Dec 31, 2028

**195 MW**

By Dec 31, 2033

**600 MW**

Source: R.I. Energy Storage Act of 2024; U.S. Energy Information Administration; Pascoag Utility District (Jan. 2026).

# Why the gap: a regulatory bottleneck, not a market one

## 01

### No model tariffs

The Energy Storage Act of 2024 directed the PUC to commence a stakeholder process to produce a model interconnection and compensation tariff by **May 1, 2025**. To date, no model tariffs have been released.

## 02

### No by-right zoning

There is currently **no zoning ordinance** in Rhode Island that recognizes utility-scale energy storage as a by-right use, leaving every project subject to discretionary local approval.

## 03

### No sales-tax parity

Energy storage systems are **not included** in the existing sales-tax exemption for renewable energy products under R.I. Gen. Laws § 44-18-30(57).

*The market is ready to deploy storage; the regulatory framework is not. Massachusetts has storage interconnection and compensation tariffs and has deployed 482.2 MW of energy storage.*

# Siting and Tax Parity for Energy Storage Systems

**H 8294 / S 2800**

## By-right siting on brownfields and abandoned properties

Categorize energy storage systems as a by-right use on contaminated brownfields and properties adjudicated as abandoned by the R.I. Superior Court (R.I. Gen. Laws § 34-44-1, et seq.).

**WHY IT MATTERS:** *Addresses the zoning prohibition bottleneck on the parcels best suited for storage.*

**H 7807 / S 2449**

## Sales-tax parity for energy storage

Include energy storage systems in the sales-tax exemption for renewable energy products under R.I. Gen. Laws § 44-18-30(57).

**WHY IT MATTERS:** *Aligns storage with the tax treatment of the renewables it supports.*

**Together, these bills begin to build a path to the Storage Act's 195 MW target by year-end 2028.**

# Thank you

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*We welcome your questions.*

FOR MORE INFORMATION

**Nicholas L. Nybo**

Revity Energy LLC  
nick@revityenergy.com

