

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: RULES AND REGULATIONS GOVERNING :  
LONG-TERM CONTRACTING STANDARDS FOR : DOCKET NO. 4069  
RENEWABLE ENERGY :**

**NOTICE OF RULEMAKING AND PUBLIC HEARING**

Pursuant to the provisions of R.I.Gen.Laws §§ 39-1-1 et seq., 39-26.1 et seq. and 42-35-3, the Public Utilities Commission (“Commission”) will conduct a public hearing on **Tuesday, September 29, 2009, at 9:30 a.m.**, in the first-floor hearing room of the Commission’s office located at 89 Jefferson Boulevard, Warwick, Rhode Island, for the purpose of adopting rules and regulations to establish Rules and Regulations Governing Long-Term Contracting Standards for Renewable Energy (“Rules”) pursuant to R.I.G.L § 39-26.1 et. seq.

The proposed Rules are designed to implement the Long-Term Contracting Standard for Renewable Energy set forth in R.I.G.L. § 39-26.1 et. seq. R.I.G.L. § 39-26.1-3(a) requires each electric distribution company to annually solicit proposals from renewable energy developers and, provided commercially reasonable proposals have been received, enter into long-term contracts with terms of ten (10) to fifteen (15) years or longer subject to Commission approval. Each electric distribution company’s timetable and methodology for solicitation and execution of such contracts shall be subject to Commission approval. All contracts entered into by the electric distribution company shall also be subject to Commission approval.

R.I.G.L. § 39-26.1-5(e) requires the Commission to promulgate regulations that shall, as a condition of contract approval, require all approved projects, regardless of their location, to provide other direct economic benefits to Rhode Island, such as job creation, increased property tax revenues or other similar revenues, deemed substantial by the Commission.

R.I.G.L. § 39-26.1-5(f) states: “The electric distribution company shall file tariffs which the Commission for Commission review and approval that net the cost of payments made to projects under the long-term contracts against the proceeds obtained from the sale of energy, capacity, Renewable Energy Certificates or other attributes. The difference shall be credited or charged to all distribution customers through a uniform fully reconciling annual factor in distribution rates, subject to review and approval of the Commission. The reconciliation shall be designed so that customers are credited with any net savings resulting from the long-term contracts and the electric distribution company recovers all costs incurred under such contracts, as well as, recovery of the financial remuneration and incentives specified in section 39-26.1-4.

The only electric distribution company in Rhode Island subject to this law is Narragansett Electric Company d/b/a National Grid. Other affected parties include National Grid’s ratepayers and developers of newly developed renewable energy resources. Small businesses will only be affected to the extent that they are ratepayers of National Grid’s electric distribution company.

The proposed rules and regulations are on file at Commission Clerk's Office at 89 Jefferson Boulevard, Warwick, Rhode Island. Copies of the proposed rules and regulations may be obtained in person, by mail by calling 780-2107 or accessed under the Commission's Docket Menu, Docket No. 4069 at [www.ripuc.org](http://www.ripuc.org).

Interested persons wishing to offer data, views, or arguments on the proposed rules and regulations may do so either orally, on the day of the hearing, or in writing, by submitting an original and nine (9) copies of their comments to the following address not later than 4:00 P.M., October 5, 2009:

Luly E. Massaro, Commission Clerk  
Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, Rhode Island 02888

Reference is also made to R.I.General.Laws Chapters 42-35, 39-1, 39-26.1 et seq., specifically, §§ 42-35-1, 42-35-2, 42-25-3, 42-35-4, 42-35-5, 39-1-15 and 39-26.1-3(e) and 39-26.1-5(e).

The Commission is accessible to the handicapped. Individuals requesting interpreter services for the hearing impaired must notify the Commission's office by calling 941-4500, ext. 107, seventy-two (72) hours in advance of the hearing date.

Luly Massaro  
Commission Clerk  
September 4, 2009