



State of Rhode Island and Providence Plantations

DEPARTMENT OF ATTORNEY GENERAL

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Peter F. Kilmartin, Attorney General

October 25, 2011

Luly Massaro, Clerk
Rhode Island Public Utilities Commission
89 Jefferson Blvd.
Warwick, RI 02888

Re: Tariff Advice Filing to Amend R.I.P.U.C. No. 2035-Docket No. 4268

Dear Ms. Massaro,

Enclosed for filing with the Commission are an original and Nine (9) copies of the Division of Public Utilities and Carriers (the "Division") Memorandum of Law in the above-captioned matter.

Thank you for your attention to this matter.

Very truly yours,

Jon G. Hagopian
Special Assistant Attorney General

cc: Service List (e-mail only)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

NATIONAL GRID TARIFF ADVICE :
TO AMEND R.I.P.U.C NO. 2035 : DOCKET NO. 4268
QUALIFYING PURCHASE POWER RATE :

THE DIVISION OF PUBLIC UTILITIES AND CARRIERS
MEMORANDUM RELATING TO ISSUE POSED BY
THE PUBLIC UTILITIES COMMISSION

I. ISSUE PRESENTED

- (iii) Referencing proposed R.I.P.U.C. No. 2075, Sheet 4, under Terms and Conditions, is there any conflict between paragraphs three (3) and four (4) regarding checks and credits. If so, how could the paragraphs be reconciled?

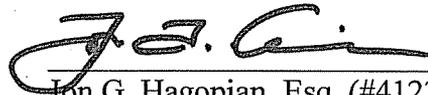
Proposed R.I.P.U.C. No. 2075, Sheet 4, paragraph 3 provides among other things that "[t]he Company may elect but is not required to issue checks to any net metering customer in lieu of billing credits or carry forward charges to the next billing period." Further, Sheet 4, paragraph 4 provides that "If the electricity generated by an Eligible Net Metering System during a billing period is equal to or less than the Net Metering Customer's usage during the billing period for Net Metered Accounts at the Eligible Net Metering System Site, the customer shall receive Renewable Net Metering Credits, which shall be applied to offset the Net Metering Customer's usage on Net Metered Accounts at the Eligible Net Metering System Site."

The Division sees no conflict between paragraphs three (3) and four (4) on Sheet 4. It appears that in the event that a customer is entitled to a credit by reason of either paragraph that the Company may elect, at its option, to issue a check in lieu of a credit. The Company option to issue a check emanates directly from the statute, at 39-26.2-3(3)(ii): *“The electric distribution company also may elect (but is not required) to issue checks to any net metering customer in lieu of billing credits or carry forward credits or charges to the next billing period.”* The statutory language providing for the Company to issue a check does not appear to be limited. The fact that the statutory language regarding checks is included in paragraph 3, but not repeated in paragraph 4 does not preclude the Company from issuing checks if it so chooses, in accordance with the law. The Division is not aware of any FERC order or case which prohibits the payment of money for the purchase of a QF’s generation. See e.g., Southern California Edison Co., 133 FERC 61,059 (2010) (feed in tariff allowing payment for direct feeds of distributed generation into the electric grid). Southern California Edison appears to support such a purchases.

Respectfully submitted,

Thomas Ahern, Administrator
State of Rhode Island
Division of Public Utilities and
Carriers

By his attorney,



Jon G. Hagopian, Esq. (#4123)
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150 South Main Street
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Dated: October 25 2011

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the within was sent via e-mail to the following
on this 25th day of October, 2011.

