

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

DISTRIBUTED GENERATION
BOARD'S BUDGET REQUEST TO PERFORM
SOLAR QUALITY ASSURANCE STUDY

DOCKET NO. 4536-B

ORDER

I. Introduction

On June 30, 2014, Governor Lincoln D. Chafee signed legislation creating the Renewable Energy Growth Program.¹ The Renewable Energy Growth Program is a modification and expansion of the state's distributed generation program established in 2011.² The distributed generation program was originally based on a statutory mandate that required National Grid to enter into contracts with distributed generation facilities for an aggregate nameplate capacity of 40 MW during years 2011 through 2014.³ The Renewable Energy Growth Program changes the distributed generation program from a contract-based program to a tariff based program administered by National Grid and increases the required aggregate nameplate capacity from 40MW to 160 MW by 2019. The costs of implementing the Renewable Energy Growth Program are to be financed through performance based incentives paid by National Grid to renewable energy developers. The incentives and all other costs of administering the Renewable Energy Growth Program will be recovered from National Grid ratepayers through a fully reconciling, fixed monthly program charge.⁴

¹ P.L. 2014, Ch. 200; R.I. Gen. Laws §§39-26.6-1 to 25.

² Distributed Generation Standard Contracts Act, R.I. Gen. Laws §§39-26.2-1 to 14.

³ R.I. Gen. Laws. §39-26.2-4.

⁴ The fixed monthly charge may vary by rate class in order to reasonably and equitably spread the program costs across all customer classes. R.I. Gen. Laws §39-26.6-25(a).

II. Distributed Generation Board's Budget Request

On August 14, 2015, the Distributed Generation Board (Board) filed a request for approval of funding in an amount not to exceed \$125,000 to perform a Solar Quality Assurance Study and Report for the Renewable Energy Growth installations in 2016. The Board reported that it intended to select a consultant through a competitive solicitation administered by the State Division of Purchases. The amount of funding requested is based on similar studies conducted for Renewable Energy Fund installations in 2014 and 2015.⁵ According to the Board, the cost of those studies were approximately \$100,000 each.⁶ The Board represented that it would only receive reimbursement from National Grid for actual costs incurred.⁷

The Board is seeking a consultant to enter into a two-year contract with the state to perform this quality assurance study.⁸ The contract period is estimated to begin in November of 2015 and end in November of 2017.⁹ The consultant is expected to monitor and evaluate the effectiveness of the Renewable Energy Growth Program and report its findings to the Board prior to the development of the 2017 ceiling prices and as requested.¹⁰ The consultant's work will include, among other things, site inspections for solar PV projects installed pursuant to the Renewable Energy Growth Program. At the heart of this request is the paramount concern of National Grid, the Board, and Office of Energy Resources that all installations are safe, high quality, performing as expected, and in conformance with the stated specifications.¹¹

III. Decision

⁵ Board Response to Comm 1-1.

⁶ Id.

⁷ Id.

⁸ Request for Proposals issued 08/18/15 (RFP #7549810).

⁹ Board Response to Comm 1-2.

¹⁰ Id. at 7.

¹¹ Id. at 5.

The PUC unanimously approved the Board's funding request at an open meeting held on October 16, 2015. The Commission found the request to be reasonable and prudent in light of the proliferation of solar installations expected from the recently established Renewable Energy Growth Program. The Commission felt it was appropriate for the Board to ensure installations are safe, high quality, performing as expected, and in conformance with stated specifications. The Commission further found the cost of the study to be reasonable in light of the comparable nature and cost of studies performed by the Renewable Energy Fund. In finding the cost reasonable, the Commission noted that only the actual cost of the consulting services would be reimbursed by National Grid and recovered from ratepayers.

Accordingly, it is

(22180) ORDERED:

1. The Distributed Generation Board's budgetary request for an amount not to exceed \$125,000 to fund a Solar Quality Assurance Study and Report is hereby approved.
2. A copy of the consultant's final report shall be filed with the Public Utilities Commission upon completion.

PUBLIC UTILITIES COMMISSION



Handwritten signature of Margaret E. Curran in cursive script.

Margaret E. Curran, Chairperson

Handwritten signature of Paul J. Roberti in cursive script.

Paul J. Roberti, Commissioner

Handwritten signature of Herbert F. DeSimone in cursive script.

Herbert F. DeSimone, Commissioner

NOTICE OF RIGHT OF APPEAL: Pursuant to R.I. Gen. Laws §39-5-1, any person aggrieved by a decision or order of the PUC may, within seven (7) days from the date of the order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or order.