



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Rhode Island Division of
Public Utilities and Carriers
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Warwick RI 02888
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March 23, 2015

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

RE: Docket 4549 – Tariff Advice Filing to Amend R.I.P.U.C. No 2099, Net Metering Provision

Dear Luly,

On February 19, 2015 National Grid¹, (“National Grid or the Company”) filed a tariff advice to amend the Company’s Net Metering Provision R.I.P.U.C. No. 2099 (the “Net Metering Provision”). The primary purpose of the instant tariff advice is to amend the Net Metering Provision to comply with statutory amendments to the mandates set-forth in R.I. Gen. Laws § 39-26.4-1 *et seq.* The Division of Public Utilities and Carriers, (the “Division”) submits the attached comments for consideration by the Commission in its review of the proposed amendments to Net Metering Provision offered by National Grid in the above captioned docket.

Legislative Amendments to R.I. Gen. Laws §§ 39-26.4-1 *et seq.*

R.I. Gen. Laws § 39-26.4-3-Net Metering-

The following amendments to Section 3 of Chapter 26.4 known as the Net Metering Provision offered by National Grid properly reflect the legislative changes by the Rhode Island General Assembly after its 2014 session. Section 3 of Chapter 26.4 was amended in the 2014 legislative session to remove the cap on the aggregate amount of net metering authorized for

¹ The Narragansett Electric Company d/b/a National Grid.

procurement from eligible net metering systems in the State of Rhode Island with two exceptions. Prior to the recent amendment of R.I. Gen. Laws § 39-26.4-3, this section stated *inter alia* that “[that the aggregate amount of net metering in Rhode Island shall not exceed three percent (3%) of peak load...”. This section as amended eliminates this three percent (3%) cap on net metering procurements by National Grid. However as applied to the service territories of the Block Island Power Company and Pascoag Utility District, R.I. Gen. Laws § 39-26.4-3 now provides in pertinent part “[t]he aggregate amount of net metering in the Block Island Power Company and the Pascoag Utility District shall not exceed three percent (3%) of peak load for each utility district”.

R.I. Gen. Laws § 39-26.4-2- Definitions-

The Definitions section set forth in R.I. Gen. Laws § 39-26.4-2 was also amended in the 2014 legislative session of the Rhode Island General Assembly. Section 2 of Chapter 26.4 was amended to insert the term “Public Entity”. According to this amendment, “Public Entity” “means the state of Rhode Island, municipalities, wastewater treatment facilities, public transit agencies or any water distributing plant or system employed for the distribution of water to the consuming public within this state including the water supply board of the City of Providence”. The Division interprets the intent of this section is to include agencies of the State of Rhode Island including quasi public entities of the state, for example, the Rhode Island Resource Recovery Corporation, the Rhode Island Airport Corporation, and the Rhode Island Bridge and Turnpike Authority, who are capable of demonstrating similar indicia and characteristics to the bodies enumerated in Section 2 of the statute here. The basis for this interpretation is that R.I. Gen. Laws § 39-26.4-4 provides that “[t]his chapter shall be construed liberally in aid of its declared purposes”. To exclude all other agencies and quasi public corporations other than those enumerated in section 2 would be a narrow and strict interpretation, rather than a liberal construct required by section 4 *supra*.

New language also appears in Section 2 defining “Public entity net metering financing arrangement”, a transaction which facilitates the private ownership and operation of a net metering system on behalf of a public entity. This language supplants the original reference to “municipal net metering financing arrangement” which has been subsumed within the meaning of public entity here.

Revision to Conform with the Renewable Energy Growth Statute

The Division recognizes the necessity of the Company to make at least two revisions to the Net Metering Provision to provide consistency with the Renewable Energy Growth Statute and the Company’s proposed tariff R.I.P.U.C No. 2152. The first is an insertion of the requirement that net metering systems with a nameplate capacity in excess of 25 kW comply with the requirements of the New England Power Pool and Independent System Operator of New England, Inc. (ISO-NE) for purposes of facilitating the sale of electric output in ISO-NE markets. The second revision to the Net Metering Provision requires systems larger than 25kW to install a bi-directional interval meter.

Finally, the Division has no objection to the proposed revisions to Schedule B and the requirement that customers provide necessary information to the Company to facilitate the receipt of revenues from the ISO-NE related to net metering transactions.

I appreciate your anticipated cooperation in this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Jon G. Hagopian", with a long horizontal flourish extending to the right.

Jon G. Hagopian
Senior Legal Counsel

cc: Thomas F. Ahern, Administrator
Stephen Scialabba, Chief Accountant