



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
Department of Administration
DIVISION OF LEGAL SERVICES
One Capitol Hill, 4th Floor
Providence, RI 02908-5890

Tel: (401) 222-8880
Fax: (401) 222-8244

February 17, 2016

Via U.S. Mail & Email

Amy D'Alessandro, Esq.
Public Utilities Commission
89 Jefferson Blvd.
Warwick, Rhode Island 02888

RE: 2017 Renewable Energy Growth Program – Ceiling Price Services

Dear Ms. D'Alessandro:

In accordance with R.I. Gen. Laws § 39-26.6-4(b), we write to request approval from the Public Utilities Commission (“PUC”) to perform the 2017 ceiling price studies which will be conducted in connection with the Renewable Energy Growth Program (“REG Program”). In addition, we seek approval from the PUC to receive Eighty Five Thousand Dollars (\$85,000.00) representing the anticipated costs to perform the 2017 ceiling price studies.

As way of background, R.I. Gen. Laws § 39-26.6-4(b) authorizes the Office of Energy Resources (“OER”), in consultation with the Rhode Island Distributed Generation Board (“Board”), “to hire the services of qualified consultants to perform ceiling price studies subject to [PUC] approval.” The cost of the ceiling price studies “shall be recoverable through the rate reconciliation provisions of the electric-distribution company set forth in § 39-26.6-25, subject to [PUC] approval.” See R.I. Gen. Laws § 39-26.6-4(b). OER and the Board have utilized the reconciliation process the last two years and is seeking PUC approval for the 2017 ceiling price studies.

On January 19, 2016, the Board directed OER to submit a budgetary request of Eighty Five Thousand Dollars (\$85,000.00) to perform the 2017 ceiling price studies. Please note that this request exceeds the Sixty Five Thousand Dollars (\$65,000.00) that was approved for the 2016 REG Program. The requested increase in funding is due to the additional services that will be performed in 2016 for the 2017 REG Program including additional presentations and meetings by the selected contractor responsible for developing the ceiling prices; possible inclusion of zonal incentives; potential dynamics at the federal level with renewable energy policies; and the additional time that will be committed by the selected contractor to docket proceedings and data requests.

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Andrew S. Marcaccio
Legal Counsel
Department of Administration
on behalf of the Office of Energy Resources

cc: Kenneth Payne, Chairperson, Rhode Island Distributed Generation Board
Christopher Kearns, Chief Program Development, Office of Energy Resources
Luly E. Massaro, Clerk, Public Utilities Commission