



settlement agreement. The terms of the settlement agreement provided that in exchange for ISM making a \$3,300 monthly payment to Pascoag for each month ISM's proposed project is in operation, Pascoag would support ISM's connection to National Grid's distribution system. Pascoag agreed to assist ISM in obtaining permission to trim the large trees along Broncos Highway to decrease shading. In addition to approval of the agreement with Pascoag, ISM sought Commission support for its appeal to the Distributed Generation Board for a reasonable locational incentive and to have the Commission order National Grid to expedite its review of ISM's interconnection.

On May 16, 2017, National Grid filed a Motion to Remove Certain Requirements in its Renewable Energy Growth Tariff (tariff).<sup>2</sup> National Grid's motion provided that it had no objection to ISM's participation in its programs provided it was assured cost recovery for such participation. The motion specified that National Grid, Pascoag, and ISM agreed that the waiver was specific to this matter, not intended as precedent to be relied on in the future, and not a guarantee that ISM's project will be accepted for participation in National Grid's Programs. Pascoag and ISM also signed the motion.

The Commission deliberated on National Grid's motion at a May 25, 2017 Open Meeting. In approving the request to waive the tariff requirement that ISM's project be located in National Grid's service territory, the Commission considered a number of factors. First, the Commission considered the language in the statute that describes the purpose of the Renewable Energy Program. That statute provides that the intent of the financing program is to continue "the development of renewable-energy distributed

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<sup>2</sup> RIPUC 2152-C, Section 2(n), Sheet 2 of the tariff defines a distributed generation project as being located in National Grid's service territory. R.I. Gen. Laws §39-26.6-2 provides for renewable energy distributed generation in the load zone of the electric distribution company.

generation in the load zone of the electric distribution company.” R.I. Gen. Laws § 39-26.6-2.

However, the term load zone is not defined in the statute. According to ISO-NE,<sup>3</sup> all of Rhode Island is within the Southeastern Massachusetts load zone. Thus, National Grid, as well as Pascoag, are located in the same load zone. It is only the language in the tariff that limits connection to participants within the service area of the utility. While the Commission understands that the legislature may have intended that statutory language be interpreted to limit participation of National Grid’s Renewable Energy Programs to projects in its own service territory, the language is not clear. Because the language refers to load zone, the Commission will not assume that the legislature intended to limit participation to only those within National Grid’s service territory. If the legislature intended otherwise, it can amend the statute to reflect that intention.

The Commission also considered that its decision results in no adverse effect on Pascoag’s ratepayers. Pascoag’s ratepayers will be the beneficiaries of the revenue received from ISM as a new station service customer as well as of \$3,300 per month in fixed revenue for allowing ISM to operate in its service territory despite being connected to National Grid’s electric power system. National Grid’s ratepayers will have the benefit of the renewable energy generated by ISM. Additionally, the Commission considered the close proximity of the proposed ISM site to the interconnection point on the National Grid system.

The Commission further provided that its decision has no precedential value and that it does not guarantee ISM eligibility to participate in National Grid’s Renewable Energy Programs. The Commission also ordered that National Grid be provided full cost

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<sup>3</sup> ISO-NE, or ISO New England Inc., is the independent, not-for-profit power system operator for New England.

recovery for ISM's participation in the Renewable Energy Growth Programs. After deliberation, the Commission voted unanimously to approve National Grid's request for a waiver with the conditions as set forth above.

ACCORDINGLY, it is hereby

(22876) ORDERED:

1. National Grid's Motion to Remove Certain Requirements in its Renewable Energy Growth Tariff is approved.
2. National Grid shall be entitled to full cost recovery for ISM Solar Development, LLC's participation in the National Grid Renewable Energy Growth Programs.

EFFECTIVE AT WARWICK, RHODE ISLAND ON MAY 25, 2017  
PURSUANT TO AN OPEN MEETING DECISION ON MAY 25, 2017. WRITTEN  
ORDER ISSUED ON SEPTEMBER 22, 2017.

PUBLIC UTILITIES COMMISSION



Margaret E. Curran, Chairperson

\*Herbert F. DeSimone, Jr., Commissioner

Marion S. Gold, Commissioner

\*Commissioner DeSimone concurs with this decision but is unavailable for signature.

**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 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.