# STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: THE NARRAGNSETT ELECTRIC CO

d/b/a/ NATIONAL GRID'S TARIFF ADVICE : DOCKET NO. 4790

FILING TO AMEND NET METERING PROVISION

#### REPORT AND ORDER

## I. Introduction

On January 26, 2018, the Narragansett Electric Company d/b/a National Grid (National Grid or Company) submitted a Tariff Advice Filing with the Public Utilities Commission (Commission or PUC) to amend the Company's Net Metering Provision, RIPUC 2169 (Net Metering Tariff or Tariff). The Tariff amendments were necessary to implement changes to the Net Metering statutes, R.I. Gen. Laws §39-26.4 and §39-26.4-3, which were signed into law in June 2017. The statutory amendments expanded the eligibility for community remote net metering to include educational institutions, hospitals, and nonprofit corporations. They also removed the 30 MW cap on aggregate community net metering systems for net metering financing arrangements involving public entity facilities, multi-municipal collaborative facilities, educational institutions, the federal government, hospitals, and nonprofits. The Company additionally sought to modify several definitions in the Tariff for consistency.

On February 21, 2018, the Office of Energy Resources (OER) moved to intervene. On March 2, 2018, the Coalition for Community Solar Access (CCSA) moved to intervene, seeking

<sup>&</sup>lt;sup>1</sup> All filings in this docket are available at the PUC offices located at 89 Jefferson Boulevard, Warwick, R.I. or at http://www.ripuc.org/eventsactions/docket/4790-NGrid-NetMetering-TariffAdvice2018 %201-26-18.pdf.

<sup>&</sup>lt;sup>2</sup> For a history of the Net Metering Statute and prior statutory changes, see the Commission's decision in Docket No. 4631, Order No.23005, issued on January 16, 2018. <a href="http://www.ripuc.org/eventsactions/docket/4631-NGrid-Ord23005">http://www.ripuc.org/eventsactions/docket/4631-NGrid-Ord23005</a> 1-16-18.pdf.

<sup>&</sup>lt;sup>3</sup> Letter from Jennifer Brooks Hutchinson at 2 (Jan. 26, 2018).

additional Tariff provisions to address solar development permit delays that are beyond the control of the solar developer.<sup>4</sup> Thereafter, OER engaged in negotiations with the Company, the Division of Public Utilities and Carriers (Division), and CCSA to address the concerns about permitting delays, resulting in proposed protective language to be included in the Tariff.<sup>5</sup> At an Open Meeting on July 31, 2018, the PUC unanimously approved the proposed changes to the Tariff.<sup>6</sup> On August 9, 2018, the Company made its compliance filing.<sup>7</sup>

## II. Statutory Changes to Net Metering and Tariff Changes

The Net Metering Law was changed to include educational institutions, hospitals, and nonprofits as eligible credit recipients, eligible to receive net-metering credits from a community net metering system. Educational institutions were defined as "public, and private schools at the primary, secondary and post-secondary levels." Hospitals and nonprofits were defined as otherwise set forth in statutes. The definition of a public entity under the Net Metering Law was amended to include the federal government. The law was also modified to exempt net metering financing arrangements involving public entities, multi-municipal collaborative facilities, educational institutions, the federal government, hospitals, and non-profits from the 30

\_

<sup>&</sup>lt;sup>4</sup> Coalition for Community Solar Access's Motion to Intervene (Mar. 2, 2018); <a href="http://www.ripuc.org/eventsactions/docket/4790-CCSA-Intervene(3-2-18).pdf">http://www.ripuc.org/eventsactions/docket/4790-CCSA-Intervene(3-2-18).pdf</a>.

<sup>&</sup>lt;sup>5</sup>See supplemental Tariff language (Apr. 27, 2018); http://www.ripuc.org/eventsactions/docket/4790-NGrid-SuppTariffPgs(4-27-18).pdf.

<sup>&</sup>lt;sup>6</sup> July 31, 2018 Minutes; <a href="http://www.ripuc.org/eventsactions/minutes/Minutes%20July%2031,%202018.pdf">http://www.ripuc.org/eventsactions/minutes/Minutes%20July%2031,%202018.pdf</a>.

<sup>&</sup>lt;sup>7</sup> National Grid's compliance filing; <a href="http://www.ripuc.org/eventsactions/docket/4790-NGrid-Net%20Metering-compliance(8-9-18).pdf">http://www.ripuc.org/eventsactions/docket/4790-NGrid-Net%20Metering-compliance(8-9-18).pdf</a>.

<sup>&</sup>lt;sup>8</sup> R.I. Gen. Laws § 36-26.4-2(3)(iii).

<sup>&</sup>lt;sup>9</sup> "Hospital" means a person or governmental entity licensed in accordance with this chapter to establish, maintain, and operate a hospital. R.I. Gen. Laws § 23-17-2 (10).

<sup>&</sup>lt;sup>10</sup> "Nonprofit corporation" means a corporation of which no part of the income or profit is distributable to its members, directors, or officers, except as otherwise expressly permitted by this chapter.

<sup>&</sup>lt;sup>11</sup> R.I. Gen. Laws § 39-26.4-2 (17).

MW maximum aggregate limit.<sup>12</sup> The Company's filing incorporated all these statutory changes into the Tariff.

## III. CCSA and the Division

CCSA describes itself as a business-led trade organization comprising over forty member companies that work to expand access to clean, local, affordable energy nationwide through community solar. CCSA's mission is to empower energy consumers, including renters, homeowners, businesses, and households of all socio-economic levels, by increasing their access to reliable clean energy.<sup>13</sup> CSSA serves as a central voice for the national solar community in developing vibrant and sustainable markets for community solar and has been actively engaged in the Rhode Island community solar programs.<sup>14</sup>

CSSA intervened in this docket seeking an amendment to the community remote net metering Tariff provisions to allow community projects more forgiveness for project delays beyond their control, as has been allowed as a matter of administrative discretion in Rhode Island's Renewable Energy Growth program. <sup>15</sup> CSSA contended that because the community net metering program was capped at 30 MW, there resulted an unfortunate administrative need to manage competing claims to eligibility. <sup>16</sup> CSSA explained that it had been directly involved in the development of the community net metering Tariff, and that it provided input on the cap allocation requirements, including the mandate that projects not operating within twenty-four months of program allocation forfeit their eligibility. CSSA noted that it has since been brought to its

<sup>&</sup>lt;sup>12</sup> R.I. Gen Law § 39-26.4-3 (a) (1) (ii).

<sup>&</sup>lt;sup>13</sup>CSSA's Motion to Intervene; http://www.ripuc.org/eventsactions/docket/4790-CCSA-Intervene(3-2-18).pdf.

<sup>&</sup>lt;sup>14</sup> *Id*.

<sup>&</sup>lt;sup>15</sup> *Id*.

<sup>&</sup>lt;sup>16</sup> CSSA's Position Statement at 2 (Mar. 2, 2018).

attention that inflexible development deadlines, which do not allow for delays beyond the control of the project developer, inhibit access to financing. It indicated that deadline extensions are common features of other community solar programs, including those in Maryland, New York, Colorado, Oregon, and Minnesota.<sup>17</sup> CSSA's proposed amendment sought to permit solar developers flexibility for one additional year and for specified delays beyond their control, including interconnection delays or delays resulting from legal challenges regarding permitting.<sup>18</sup>

CSSA contended that the proposed flexibility was consistent with the latitude granted to developers under Rhode Island's Renewable Energy Growth Program tariff. CSSA further asserted that the proposed flexibility was simply good public policy. CSSA noted that because the solar industry was still in its infancy in Rhode Island, build-out and permitting delays are not uncommon.<sup>19</sup> CSSA explained that developers simply cannot afford to invest in resolving all development contingencies before applying for a cap allocation, and that Rhode Island policy should not expect lenders or investors to accept a funding risk that is beyond the solar developer's control. CSSA opined that affording flexibility to solar developers in meeting deadlines will better equip Rhode Island in meeting its goal of developing 30 MW of community remote net metering projects.<sup>20</sup>

On March 3, 2018, OER filed a letter supporting CSSA's position. On March 12, 2018, National Grid indicated that it was not opposed to CSSA's intervention for the limited purpose of addressing this discreet tariff issue. Thereafter, the Company engaged in discussions and

<sup>17</sup> *Id*.

<sup>&</sup>lt;sup>18</sup> *Id*.

<sup>&</sup>lt;sup>19</sup> *Id*.

<sup>&</sup>lt;sup>20</sup> *Id.* at 3.

negotiations with CSSA, OER, and the Division and, on April 28, 2018, submitted additional tariff revisions that addressed CSSA's concerns.

On June 5, 2018, the Division submitted a memorandum opining that the proposed tariff changes were reasonable and necessary, based upon the amendments to the Net Metering Law. Additionally, the Division found that the negotiated additional revisions to the Tariff, addressing permitting delays experienced by solar developers, were also reasonable.

## V. Commission's Findings

At an Open Meeting on July 31, 2018, the PUC found that the proposed revisions, a product of the collative effort among stakeholders, effectively implemented the legislative amendments to the Net Metering Law.

Accordingly, it is hereby

(23859) ORDERED:

The Narragansett Electric Company d/b/a National Grid's proposed Tariff revisions are approved.

EFFECTIVE AT WARWICK, RHODE ISLAND, ON AUGUST 1, 2018 PURSUANT TO AN OPEN MEETING DECISION ON JULY 31, 2018. WRITTEN ORDER ISSUED ON JULY 2, 2020.

PUBLIC UTILITIES COMMISSION

Margaret E. Curran, Chairperson

Maron A Gold

Marion S. Gold, Commissioner

Abigail Anthony, Commissioner

Alsigarl anthony

## 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 Rhode Island Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision of order.

