



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Rhode Island Division of  
Public Utilities and Carriers  
89 Jefferson Blvd.  
Warwick RI 02888  
(401) 941-4500

November 15, 2019

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

**IN RE: Petition of The Episcopal Diocese of Rhode Island's For Declaratory  
Judgment on R.I. Gen. Laws § 39-26.4  
The Net Metering Act**

Dear Luly,

Please find the State of Rhode Island Division of Public Utilities and Carriers, (the "Division") comments in the above captioned matter for filing with the State of Rhode Island Public Utilities Commission.

I appreciate your anticipated cooperation in this matter.

Very truly yours,

  
Jon G. Hagopian  
Deputy Chief Legal Counsel

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PUBLIC UTILITIES COMMISSION**

**IN RE: PETITION OF THE EPISCOPAL DIOCESE  
OF RHODE ISLAND’S FOR DECLARATORY JUDGMENT ON R.I. GEN. LAWS § 39-26.4  
THE NET METERING ACT**                      **DOCKET NO. 4982**

**THE DIVISION OF PUBLIC UTILITIES AND CARRIERS REPLY COMMENTS TO  
THE EPISCOPAL DIOCESE OF RHODE ISLAND’S PETITION FOR DECLARATORY  
JUDGMENT DATED OCTOBER 9, 2019**

**INTRODUCTION**

On October 9, 2019, the Episcopal Diocese of Rhode Island (“Diocese”) filed a Petition for Declaratory Judgement (Petition) with the Rhode Island Public Utilities Commission (“Commission”) seeking an order declaring that its proposed renewable energy generating facilities paired with battery storage is eligible for the net metering program according to R.I. Gen. Laws § 39-26.4 et seq. of the Net Metering Act. The Rhode Island Division of Public Utilities and Carriers (“Division”) hereby submits its reply comments to the Petition.

**OVERVIEW OF THE FILING**

The Diocese is proposing to build a solar generating facility coupled with battery storage pursuant to R.I. Gen. Laws § 39-26.4 et seq., whereby: 1) the battery storage charges only from the generating system; 2) where the customer-host does not take electrical supply service under time varying rates (“TOU”); and 3) where the generator does not claim a right to capacity payments or the value of ancillary services.<sup>1</sup>

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<sup>1</sup> In an earlier filing by Tesla and Sunrun they sought eligibility under net metering by pairing their renewable energy generating & battery storage equipment and they confined their Petition to a battery storage system that charged only from the generation system and where the customer-host does not take supply under a time varying or time of use rate.

## DISCUSSION

The notion of net metering was introduced to facilitate the ability of customers to generate most or all of their electricity supply from on-premises, behind-the-meter, renewable energy resources. It has transformed from a scenario which enables solar energy system owners to feed excess electricity back to the grid, and receive a credit for the amount of electricity they feed back into the grid and evolved into virtual net metering which enables among others, non-profits, hospitals, educational institutions, quasi-governmental authorities to generate solar power in one place and use it in a another place. Technological advances are now allowing for the efficient storage of electricity and as such we must address this in a regulatory manner.

The issue present here is whether the Net Metering Act contemplates electrical storage as part of a net metering system which may receive corresponding net metering credits. According to R.I. Gen. Laws §39-26.4-2, "Eligible net-metering system" means a facility generating electricity using an eligible net-metering resource that is reasonably designed and sized to annually produce electricity in an amount that is equal to, or less than, the renewable self-generator's usage at the eligible net-metering-system site measured by the three-year (3) average annual consumption of energy over the previous three (3) years at the electric-distribution account(s) located at the eligible net-metering-system site. While the total annual output of a net metered renewable energy resource may approximate the host customer's total annual energy consumption, output and consumption occur at different times throughout the year. Solar and wind generators will produce electricity when weather conditions permit, while customer usage occurs around the clock. Net metering allows surplus renewable generation to be exported to the

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*See*, Petition of Tesla, Inc. & Sunrun, Inc. for Declaratory Judgment Pursuant to R.I. Gen. Laws § 39-26.4 et seq., Docket No. 4743.

grid when output exceeds consumption and allows power to be taken from the grid when output is less than consumption.

Although, R.I. Gen. Laws §39-26.4-1 *et seq.* does not specifically reference storage systems, its intended purpose provides *inter alia* as follows:

***§ 39-26.4-1 Purpose. The purpose of this chapter is to facilitate and promote installation of customer-sited, grid-connected generation of renewable energy; to support and encourage customer development of renewable generation systems; to reduce environmental impacts; to reduce carbon emissions that contribute to climate change by encouraging the local siting of renewable energy projects; to diversify the state's energy generation sources; to stimulate economic development; to improve distribution system resilience and reliability; and to reduce distribution system costs.***

The Division believes that allowing solar plus storage systems greater than 25kW to qualify for net metering will not deter the achievement of the purpose of the statute here. Therefore, the Division recommends that the Commission determine at this time that adding battery storage systems greater than 25kW of certain solar net metering resources under the requirements proposed in the Petition will not affect such project's eligibility for net metering status. This recommendation is expressly conditioned on the fact that the battery storage system be prohibited from being charged from the grid and other conditions, as discussed further in the remainder of this memorandum.

The Division has said in the past, the issue of grid charging is an important one. For example, if a net metered solar plus storage system is allowed to be charged from the grid, it could cause the solar plus storage system to be in violation of the statute that requires the net metering system to be sized approximately equal to or less than the host customer's consumption. The Division recognizes that there may be situations where it would be beneficial

to have the ability to charge from the grid. The Division would recommend that National Grid explore an anti-gaming solution short of all out prohibition to grid charging by placing some other control in place. The Division recommends that the storage system contain a setting that will prohibit charging from the grid. The Division further recommends that the storage system to be configured to allow The Narragansett Electric Company d/b/a National Grid (National Grid) to independently verify that charging from the grid does not occur.

The Division therefore recommends that the Commission approve the Solar Storage system as described in the Petition as eligible for net-metering conditioned upon the following:

- the solar power generating system is greater than 25 kW;
- the battery storage system charges only from the solar generating system;
- National Grid shall have the right to inspect such solar storage system to ensure that no grid charging occurs; and
- Any violations of these provisions would cause the customer host to lose its net metering credits.

State of Rhode Island  
Division of Public Utilities and  
Carriers

By his attorney,



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Jon G. Hagopian, Esq. (#4123)  
Deputy Chief Legal Counsel  
State of Rhode Island  
Division of Public Utilities and Carriers  
89 Jefferson Blvd  
Warwick, R.I. 02888  
Tel.401-941-4500

Date: November 15, 2019

**CERTIFICATE OF SERVICE**

I hereby certify that on the 15<sup>th</sup> day of November, 2019, that I transmitted an electronic copy of the within Comments to the attached service list and to Luly Massaro, Commission Clerk via electronic mail and regular mail.

  
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**Docket No. 4982 - Episcopal Diocese of RI – Petition for Declaratory Judgment on R.I.G.L. 39-26.4, the Net Metering Act  
Service List Updated 10/28/2019**

<b>Name/Address</b>	<b>E-mail</b>	
Seth H. Handy, Esq. HANDY LAW, LLC 42 Weybosset Street Providence, RI 02903	<a href="mailto:seth@handylawllc.com">seth@handylawllc.com</a> ;	401-626-4839
	<a href="mailto:helen@handylawllc.com">helen@handylawllc.com</a> ;	
Jim Kurtz Burton Dennis	<a href="mailto:jkurtz@rerenergygroup.com">jkurtz@rerenergygroup.com</a> ;	
	<a href="mailto:dennis@episcopalri.org">dennis@episcopalri.org</a> ;	
<b>National Grid</b> John K. Habib, Esq. Matthew Stern, Esq. Keegan Werlin LLP 99 High Street, Suite 2900 Boston, MA 02110	<a href="mailto:jhabib@keeganwerlin.com">jhabib@keeganwerlin.com</a> ;	617-951-1354
	<a href="mailto:Mstern@keeganwerlin.com">Mstern@keeganwerlin.com</a> ;	
Raquel Webster, Esq. <b>National Grid</b> 280 Melrose Street Providence, RI 02907	<a href="mailto:Raquel.webster@nationalgrid.com">Raquel.webster@nationalgrid.com</a> ;	781-907-2121
	<a href="mailto:Joanne.Scanlon@nationalgrid.com">Joanne.Scanlon@nationalgrid.com</a> ;	
	<a href="mailto:Brooke.Skulley@nationalgrid.com">Brooke.Skulley@nationalgrid.com</a> ;	
	<a href="mailto:John.Kennedy@nationalgrid.com">John.Kennedy@nationalgrid.com</a> ;	
<b>Division of Public Utilities</b> Jon Hagopian, Division of Public Utilities & Carriers	<a href="mailto:Jon.hagopian@dpuc.ri.gov">Jon.hagopian@dpuc.ri.gov</a> ;	
	<a href="mailto:Jonathan.Schrag@dpuc.ri.gov">Jonathan.Schrag@dpuc.ri.gov</a> ;	
	<a href="mailto:Linda.george@dpuc.ri.gov">Linda.george@dpuc.ri.gov</a> ;	

Luly E. Massaro, Commission Clerk <b>Public Utilities Commission</b> 89 Jefferson Blvd. Warwick, RI 02888	<a href="mailto:Luly.massaro@puc.ri.gov">Luly.massaro@puc.ri.gov;</a>	401-780-2017
	<a href="mailto:Cynthia.WilsonFrias@puc.ri.gov">Cynthia.WilsonFrias@puc.ri.gov;</a>	
	<a href="mailto:Todd.bianco@puc.ri.gov">Todd.bianco@puc.ri.gov;</a>	
	<a href="mailto:Margaret.Hogan@puc.ri.gov">Margaret.Hogan@puc.ri.gov;</a>	
	<a href="mailto:Alan.nault@puc.ri.gov">Alan.nault@puc.ri.gov;</a>	
<b>Office of Energy Resources</b> Andrew Marcaccio, Esq. Carol Grant Nick Ucci Chris Kearns Shauna Beland Carrie Gill	<a href="mailto:Andrew.Marcaccio@doa.ri.gov">Andrew.Marcaccio@doa.ri.gov;</a>	401-222-8880
	<a href="mailto:Carol.Grant@energy.ri.gov">Carol.Grant@energy.ri.gov;</a>	
	<a href="mailto:Christopher.Kearns@energy.ri.gov">Christopher.Kearns@energy.ri.gov;</a>	
	<a href="mailto:Shauna.Beland@energy.ri.gov">Shauna.Beland@energy.ri.gov;</a>	
	<a href="mailto:Nicholas.ucci@energy.ri.gov">Nicholas.ucci@energy.ri.gov;</a>	
	<a href="mailto:Carrie.Gill@energy.ri.gov">Carrie.Gill@energy.ri.gov;</a>	