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January 23, 2020

SENT VIA FIRST CLASS MAIL AND ELECTRONIC MAIL:

Luly E. Massaro
Commission Clerk
Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

RE: Docket No. 4983: The Office of Energy Resources (OER) response to Commission's Second Set of Data Requests directed to the Office of Energy Resources.

Dear Ms. Massaro:

Enclosed for filing on behalf of the Rhode Island Office of Energy Resources ["OER"] is an original and ten (10) copies of the *Commission's Second Set of Data Requests* directed to the Office of Energy Resources (Issued January 7, 2020).

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

Sincerely,

Daniel W. Majcher

DWM/njr

Enclosure

c. Docket 4983 Service List

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

IN RE: 2020 RENEWABLE ENERGY GROWTH – CLASSES, CEILING PRICES AND CAPACITY TARGETS AND 2020 RENEWABLE ENERGY GROWTH PROGRAM – TARIFFS AND SOLICITATION AND ENROLLMENT PROCESS RULES	:	**DOCKET NO. 4983**

COMMISSION'S SECOND SET OF DATA REQUESTS
DIRECTED TO THE OFFICE OF ENERGY RESOURCES
(Issued January 7, 2020)

Responses due January 23, 2020

Add on residential systems

2-1. Accepting the premise that it is possible for a residential customer to simultaneously enroll a net metering and REG facility up to the three-year usage limit, does OER believe such a design would allow for use of Renewable Energy Development Fund (REF) grants for the net metering system?

Yes, OER believes that it is appropriate for a customer to receive a REF grant for the additional net metered system. The REF incentive program is designed on a cost per watt basis and thus receives an incentive for the total system size up to the program cap. Additionally, the incentive is based on a per meter basis. The REG program is structured to be a production-based incentive program and is not based on system size. The REG project and net metered system must be metered separately. Due to this, one customer cannot take advantage of both programs at the same time without independent interconnection and metering processes. The current REF program design does not consider whether the customer already has a REG system installed or plans to add a new REG system. If the project meets the REF's program requirements, it is eligible for a grant.

For details on the eligibility of the REF Small Scale program please visit: https://commerceri.com/wp-content/uploads/2019/05/Small-Scale-Solar-Requests-for-Projects-12.30.19.pdf. For details on the eligibility of the REF Commercial Scale program please visit: https://commerceri.com/wp-content/uploads/2019/05/Commercial-General-Requests-12.30.19.pdf

Response prepared by Shauna Beland, OER

Solar Carport Incentive (Carport Incentive)

2-2. The prefiled direct testimony of Jim Kennerly (Kennerly testimony) at lines 6 through 7 on Bates page 60, the witness says "Given that OER aims to mitigate the risk that local siting disputes could undermine the effectiveness of the REG program and encourage solar siting on disturbed parcels..."

a. Are these aims of the Carport Incentive?

The goal of the carport adder is to help address local siting concerns and foster effective tools to help address tension between clean energy growth and land use policies by providing reasonable and well-informed market incentives promoting renewable development on disturbed parcels.

Response prepared by Chris Kearns, OER

b. If the answer to part a is "yes," please provide the locations (e.g. municipalities) in which OER is basing its aim to mitigate risk of local siting disputes.

Over the past two years, OER has engaged with numerous stakeholders and municipal officials across the State that have expressed interest in finding new means by which the state can promote balance between continued solar development and land use concerns. OER believes that promoting solar development opportunities within parking lots will help reduce some of the dynamics and risks with local siting and constituents, especially in the Washington County and Kent County areas of the State.

OER anticipates that promotion of solar development on disturbed parcels, such as parking lots, will help in this effort and have the effect of reducing the number and/or scope of siting disputes raised by constituents/stakeholders and local Zoning and Planning Boards.

Response prepared by Chris Kearns, OER

c. If the answer to part a is "yes," please provide any REG projects on which OER is basing its aim to mitigate risk of local siting disputes.

One example that OER can provided is a 3-4-megawatt project that was awarded a tariff during the 2016 or 2017 REG program year that has faced resistance within the Town of Charlestown. OER doesn't have any specific list of REG projects relating to mitigating local risks, as the local siting disputes can be a range of issues beyond the greenspace subject that are raised by local planning and zoning board or local constituents, including differing local perspectives on the appropriate size

of a solar system or the aesthetic visual of a ground and roof mounted system associated the REG or other state renewable programs.

Response prepared by Chris Kearns, OER

2-3. Please provide

a. OER's definition of the problem(s) the Carport Incentive addresses, please include

i. Commercial and Large Solar projects that were not able to get siting and zoning permits due to local siting concerns,

OER does not municipal application records associated with REG applications and the reasons for why a local permit for a REG or other state renewable program associated project was denied by a local Planning and/or Zoning Board.

OER understanding is that when a REG tariff is terminated by a renewable developer with National Grid, the developers is not required to disclose the reasoning for the termination of the tariff, which could be because of local siting issues and local permits being denied; unexpected interconnection costs; denial/approval of a state agency (DEM) that requires a change to the system size; or the project is no longer being pursued due to changes in a town or city council after an election that then changes the local composition and individuals of a local Zoning or Planning Board.

Response prepared by Chris Kearns, OER

ii. recent moratoriums that would prevent Commercial and Large Solar development in the upcoming program year,

As of December 2019, OER is aware of the City of Cranston and Town of Tiverton who have temporary moratoriums in place. Both Cranston and Tiverton previously had a residential and commercial solar ordinance, but both are in the process of updating their respective solar ordinances in the first half of 2020.

Response prepared by Chris Kearns, OER

iii. **any other recently-adopted ordinances spurred by local siting concerns that would prevent Commercial and Large Solar development in the upcoming year,**

OER is not aware of any recently adopted solar ordinances or pending ordinances that would outright prevent commercial and large solar development with the state's renewable energy programs. Solar ordinances will generally define the zoned lots (residential, commercial, industrial) that commercial or large solar projects would be allowed and then establishing different criteria (setbacks, buffer, lot coverage restrictions) for each zoned area. Local Zoning and Planning Boards have different perspectives on what they may view as a commercial and large solar project.

Response prepared by Chris Kearns, OER

b. how the Carport Incentive directly addresses the problem(s),

The carport adder will not address *all* local renewable siting concerns but does help provide an incentive to the solar marketplace to begin to develop projects in disturbed lots less likely to conflict with local land use comprehensive plans and solar ordinances.

Response prepared by Chris Kearns, OER

c. what alternatives were considered to address the problem(s), and

Beyond the proposed carport adder as part of the 2020 REG program, OER has been working with Commerce RI's Renewable Energy Fund (REF) to provide an incentive for commercial scale solar development in parking lots.

The REF provides a $0.55 cost/watt carport incentive adder with the Commercial Scale program. Because of limited funding and the incentive level structure, OER expects this program will work for projects that are less than 750kW in size. OER's goal is to gather carport application and interconnection data from both the REF and REG programs in 2020 to inform the development of the ceiling prices and carport adder with the 2021 REG program.

As of this filing, only one carport project application has been submitted. The project is a 225 kW carport solar system that will be located in the parking lot of the Valley Country Club in Warwick.

Response prepared by Shauna Beland, OER

d. **how, specifically, OER will measure whether the Carport Incentive was able to address the problem(s).**

As it relates to the subject of local siting issues, OER will be monitoring the following:

- The geographic and county (Kent, Washington, Providence, Bristol, Newport) distribution of carport related applications submitted and observing the reaction to such applications by local Zoning and Planning Boards with these types of solar projects being new to local Zoning and Planning Boards;

- If carport applications will advance through local Zoning and Planning boards at a greater pace than compared to traditional commercial and large solar applications that may be proposed in developed or undeveloped commercial, industrial and residential lots.

- The number of carport related applications that receive local permit approvals by the end of 2020 and the number of potential projects that remain in National Grid's interconnection queue that would be looking to submit an application with the 2021 REG program.

Response prepared by Chris Kearns, OER

2-4. Has OER analyzed the cost to purchase the land or development rights of land in the locations with siting disputes, such as through real estate information or through the cost of conservation procurements made by DEM or other conservation entities in these municipalities? If so, please provide the analysis and the average cost per acre for such procurement in these areas.

No. OER is not involved with and doesn't collect data associated with development rights of land or purchasing of land for conservation purposes. Locations such as open space that have legal protections through contract agreements that are associated with state or municipal bonds, federal funds or purchasing through conservation non-profits groups cannot have ground mounted renewable energy systems installed, whether REG or another state renewable program.

Response prepared by Chris Kearns, OER

2-5. Please provide the statute under which the MA SMART carports adder was created.

The bulk of the implementation details of the MA SMART program (including as the Canopy adder) were not enumerated in a single statute and were instead a product of a guiding piece of legislation and two separate and subsequent regulatory processes managed separately by the MA Department of Energy Resources (MA DOER) and the MA Department of Public Utilities (MA DPU).

Chapter 75 of the Acts of 2016 – An Act Relative to Solar Energy, as enacted, authorized the MA Department of Energy Resources (DOER) to create a successor program, which eventually became the Solar Massachusetts Renewable Target (SMART, or MA SMART) program. The enabling regulations for the MA SMART program are contained in 225 CMR 20.00 – Solar Massachusetts Renewable Target (SMART) program. The joint SMART Provision is the tariff approved by the MA DPU that governs the activities of the electric distribution companies (EDCs, including Massachusetts Electric Company (d/b/a National Grid) under the program.

Response prepared by Jim Kennerly, SEA

2-6. Does the MA SMART program have price adders for systems that achieve other public policy objectives, or are carports the only incrementally incentivized facilities?

At present, the MA SMART program offers a wide variety of Location-Based, Offtaker-Based and Energy Storage Compensation Rate Adders, which are described in detail in the documents linked in the response to 2-5. The volume of capacity currently qualified to receive said adders can be found at masmartsolar.com, the program's website.

As of September 2019, DOER has also proposed several changes to the SMART program via a 400 MW Program Review. Revised regulations based on this review are expected to be issued during Q1 2020, after which time the EDCs will submit a revised version of the joint SMART Provision described above.

Response prepared by Jim Kennerly, SEA