

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

IN RE: THE OFFICE OF ENERGY RESOURCES :
BUDGET REQUESTS TO PERFORM CEILING : **DOCKET NO. 4604**
PRICE SERVICES OR STUDIES FOR THE :
RENEWABLE ENERGY GROWTH PROGRAM :

ORDER

On May 31, 2023, the Public Utilities Commission approved the Office of Energy Resources (OER) and Distributed Generation Board (DG Board)'s joint request for funding to retain a consultant to develop ceiling prices for the 2024 Renewable Energy Growth (REG) Program and to otherwise participate in PUC proceedings related to the REG Program.¹ Subsequently, statutory amendments were enacted in June 2023.² These amendments affected the scope of work for the consultant. As a result, OER in collaboration with SEA made a request for an increase in funding of \$215,811 to fund the expanded scope of SEA's services as allowed by R.I. Gen. Laws §39-26.6-4(b).³ The total not-to-exceed budget resulting from the originally approved request and this supplemental request would be \$294,931.⁴

In a memorandum provided by the consultant, Sustainable Energy Advantage (SEA) described the expanded scope of work and provided its expected cost.⁵ This request included \$44,865 to develop multi-year ceiling prices beyond the 2024 REG Program Year; \$88,605 to develop multi-year ceiling prices for newly created sola class sizes; \$41,322 to develop incentive payment adders for large projects located on site requiring remediation; \$37,316 for incremental stakeholder engagement/regulatory activities; and \$3,703 for addition project management costs.⁶

¹ Order No. . 24751; <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-07/4604-OER-Ord24751%207-20-23.pdf>.

² 2023 P.L. 301 (June 24, 2023); <http://webservice.rilin.state.ri.us/PublicLaws/law23/law23301.htm>.

³ OER Supp. Funding Request (Aug. 25, 2023); https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-10/4604-OER-BudgetRequest_8-23-23.pdf.

⁴ *Id.* at SEA Mem., final page.

⁵ *Id.*

⁶ *Id.* at SEA Mem.

On September 26, 2023, the Division of Public Utilities and Carriers, filed through legal counsel, a recommendation to approve the request as reasonable. Specifically, the Division indicated that SEA had provided a comprehensive analysis of the required tasks relative to the statutory changes. Division counsel advised that while the supplemental request represented a substantial increase in costs, “these incremental costs are a direct result of the program’s legislative expansion and not the failure of the DG Board or OER’s advance planning earlier this year when they filed the original request.”⁷

At an Open Meeting on October 12, 2023, the PUC reviewed the record and approved the supplemental budget request, finding it to be consistent with R.I. Gen. Laws § 39-26.6-4(b) and to be reasonable based on the legislative changes made after the Commission’s earlier decision. Any funds not spent will be available to the following year’s funding request or otherwise credited to ratepayers through the RE Growth reconciliation process.⁸

Accordingly, it is hereby,

(24843) ORDERED:

The Rhode Island Office of Energy Resources’ supplemental request for to increase funding to expand the scope of its consultant’s work to develop ceiling prices for the 2024 Renewable Energy Growth Program, including multi-year ceiling prices, and otherwise participate in PUC proceedings related to the Renewable Energy Growth Program in an incremental amount \$215,811, for a total budget not to exceed \$294,931 is approved.

⁷ Div. Mem. (Sept. 26, 2023); https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-09/4604-DIV-Memo_9-26-23.pdf.

⁸ Approval of the budget request does not result in a rate change. That is addressed as part of RI Energy’s REG Factor filing which reconciles costs to revenues. Because the 2023 REG Factor has already been approved, the costs associated with this approval will be included in the 2024 REG Factor filing, in a manner similar to what the Commission typically authorizes for reconciliation filings when costs exceed revenue collected from a rate that was based on a forecast of estimated cost incurrence.

EFFECTIVE AT WARWICK, RHODE ISLAND, PURSUANT TO AN OPEN MEETING DECISION ON OCTOBER 12, 2023. WRITTEN ORDER ISSUED OCTOBER 16, 2023.

PUBLIC UTILITIES COMMISSION



Ronald T. Gerwatowski, Chairman



Abigail Anthony, Commissioner



John C. Revens, Jr., Commissioner

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 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 or order.