

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-1. Does having two net metering policies violate the provisions of R.I.G.L. § 39-2-2 concerning rate discrimination. If not, why?

RESPONSE:

No. The PUC previously found that it was reasonable and not discriminatory for an electric distribution company to maintain two different net metering policies.

In Docket No. 2710, the PUC approved the continuation of Narragansett Electric Company's prior net metering policy for existing customers, while simultaneously approving a new net metering policy for new installations. *See* PUC Order 15705, issued October 28, 1998 ("Customers being net metered as of the date of the filing will be allowed to continue under the previous policy.").¹

This is also consistent with findings and orders of other state public utilities commissions. For example, the Public Service Commission of Utah approved a "reasonable grandfathering period for existing net metering customers that is consistent with the grandfathering periods through the country." *See* Order Approving Settlement Stipulation in Docket No. 14-035-114, issued September 29, 2017.² The Public Utilities Commission of the State of California found that grandfathering periods are reasonable when customers have installed certain technologies, such as solar systems, that are difficult to change once configured and installed. *See* Decisions D.15-07-001³ and D.16-01-044.⁴

Prepared by: Leah J. Donaldson, Legal Counsel

¹ Link: https://clerkshq.com/RIPUC?docId=15705&path=PUC_Orders1998%2C15705%2C

² Link: <https://pscdocs.utah.gov/electric/14docs/14035114/29703614035114oass9-29-2017.pdf>

³ Link: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M153/K110/153110321.pdf>

⁴ Link: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M158/K181/158181678.pdf>

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

- 1-2. Does BIUD believe that the proposed new policy in conjunction with keeping the old policy for current net metering participants does not unnecessarily create a cost shift to those who do not net meter? Please explain why.

RESPONSE:

The tariff being proposed attempts to eliminate any cost shift to those who do not net meter. That was the goal of the tariff development. BIUD members voiced their concerns with a cost shift in our public meetings. The BIUD Board of Commissioners worked hard to develop a system that fairly compensates a net metering member with a fair credit based on BIUD's "avoided cost" for production while limiting any cost shift to those who don't net meter.

The current net metering policy does create a cost shift because the net metering member offsets consumption by consuming their electric production first, avoiding purchasing their electricity from BIUD. Up until recently, the historical metering of net-metered systems has been with a single meter. This allows "behind the meter" consumption, and banking of credits for excess production to further offset their consumption.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

- 1-3. Please explain why BIUD believes those on the existing policy should be allowed to remain on that policy? Does BIUD believe that there will be a disincentive for existing projects to modify or upgrade so that they do not have to move to the new policy? Can BIUD state what changes those on the existing policy will see due to the new policy?

RESPONSE:

The existing policy has been in place for decades, and those members who enrolled in that program based their system's return on investment on the economics of that program. BIUD does not feel it is appropriate to change the economics for those in the existing program.

Additionally, the existing systems are physically wired into the home electric panels. To change the metering of those systems would be an inconvenience to those members in the best case. In the worst case, it may not even be possible without a significant wiring change in the home.

We feel that changing the economics and forcing wiring changes in the member's homes would be met with strong resistance.

We believe that as the existing systems age, they will be replaced or upgraded and will then move over to the new tariff.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

- 1-4. Please provide for the two most recent years of actual information, a comparison of the total net metering credit provided to customers under the existing tariff versus what the net metering credit would have been if the credit was calculated in accordance with the proposed tariff. Does BIUD expect the dollar difference provided in response to the first part of this question to approximate the difference on a going forward basis? If not, please provide an estimate of the difference.

RESPONSE:

Because nearly all of the net metering generation produced in the existing policy is “behind the meter” BIUD has no accurate way to calculate the actual credits in a way that can be compared to the proposed credits to be given to those enrolled in the new tariff. One good way to compare the cost of each program is to compare the avoided retail rate of those existing systems enrolled in the current policy compared to the avoided cost credit for those that will be enrolled in the new program.

BIUD’s full retail rate per kWh is equal to Power Supply (Last Resort) + Transmission + Plant & Distribution. The following chart shows the rates based on each billing period compared to the proposed net metering credit. This illustrates the difference in avoided full retail from consuming self-generation compared to the proposed net metering credit that would be credited in the new program.

RESIDENTIAL RATES	OFF-PEAK	SHOULDER	PEAK
Plant & Distribution	\$0.0895	\$0.1425	\$0.2850
Power Supply Service	\$0.0740	\$0.0740	\$0.0740
Transmission	\$0.0852	\$0.0852	\$0.0852
FULL RETAIL RATES PER SEASONAL PERIOD	\$0.2487	\$0.3017	\$0.4442
PROPOSE NET METERING CREDIT	(\$0.1260)	(\$0.1260)	(\$0.1260)
DIFFERENCE	\$0.1227	\$0.1757	\$0.3182

For those enrolled in the existing program, there are a small number of excess credits each month that are rolled into the member’s next bill and used. That rate is currently \$0.1592 (Power Supply + Transmission). We are proposing to make all net metering credits the same which is \$0.1260 (Calculated in Schedule DGB-1).

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-5. Given that you state BIUD's primary reasons for moving to a two-meter system is so the Company can control the level of solar generation to prevent feedback and ensure system stability as discussed on p. 6, l. 4-7 of Mr. Wright's testimony, why is BIUD not moving the existing projects to the same meter system?

RESPONSE:

For the reasons stated in BIUD's response to data request 1-3.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-6. Does BIUD have any community remote net-metering participants as defined in R.I.G.L.
§ 39-26.4-2(1)?

RESPONSE:

No.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-7. Will BIUD be including the eight projects owned by local non-profits in your new total cap calculations?

RESPONSE:

Yes. The new cap of 10% includes all existing and new projects.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

- 1-8. Why does BIUD believe their rooftop solar array should be exempt from the cap amount, especially given that if included it would be close to 20% of the cap?

RESPONSE:

We have taken the BIUD rooftop into account when determining the cap of 10%. We hope to increase the cap further after a pause, during which we will evaluate the system impacts from all local renewable intermittent generation. The Block Island members support cost-effective renewable and local generation, and BIUD wants to do everything possible to maximize local renewable energy. The 10% pause will give us the opportunity to evaluate how we are managing the system at this level of solar penetration. I suspect we will raise the cap further in the future.

Additionally, BIUD's system is not defined as net-metered and is quickly shut off by BIUD when needed. We currently shut the BIUD rooftop solar array system down when we are running on the diesel generators under the advice of generator manufacturer Milton Cat and our controls engineers.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-9. What has been the maximum generation output (kW peak) that has been seen from BIUD's rooftop solar array?

RESPONSE:

BIUD does not track solar production from its rooftop arrays in kW. The four different meters that meter the seven arrays are not associated with an electric account, therefore we do not include the rooftop arrays in our meter data management (MDM) system and only record daily indexes.

The day of highest production was May 25, 2021. The total generation for that day was 611.00 kWh. There are several other days that are consistent with this value which seems to be the max output during the best time of the year for solar production.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-10. How did you determine that 125% of the member's annual consumption history was the appropriate limit for the estimated net metering production per member?

RESPONSE:

We carried the 125% value forward from the previous policy. We also believe it to be consistent with the other Rhode Island tariffs as shown below in the RI-OER website.



The screenshot shows the website for the State of Rhode Island Office of Energy Resources. The header includes the state logo, the office name, a search bar, and social media icons. A navigation menu lists various categories like Home, Electric, Energy Efficiency, Renewable Energy, Heating & Cooling, Transportation, Major Initiatives, and Resources. The breadcrumb trail indicates the current page is 'HOME / RESOURCE LIBRARY / PROGRAMS & INCENTIVES / NET METERING AND VIRTUAL NET METERING OVERVIEW'. The main content area is titled 'Net Metering and Virtual Net Metering Overview' and contains two paragraphs of text explaining the programs.

State of Rhode Island
Office of Energy Resources

Search

Home Electric Energy Efficiency Renewable Energy Heating & Cooling Transportation Major Initiatives Resources

HOME / RESOURCE LIBRARY / PROGRAMS & INCENTIVES / NET METERING AND VIRTUAL NET METERING OVERVIEW

Net Metering and Virtual Net Metering Overview

Net metering requires electric distribution companies to credit power produced by renewable energy systems installed behind a customer meter. Net Metering allows customers with eligible renewable energy systems to receive bill credits for all power generated up to 125 percent of the on-site consumption during a billing period. To participate in net metering, a renewable energy system must be sited on the customer's premises. Eligible customer-sited net metering systems must be sized to meet on-site loads, based on a three-year average of electricity consumption at the property.

Virtual Net Metering allows eligible customers to connect their electric load regardless of whether the renewable system is located on the customers properties. Eligible Virtual Net Metering customers include state agencies, quasi-state agencies, municipalities, public housing authorities, public schools, private schools, non-profits, federal government and hospitals. Virtual Net Metering projects are eligible up to 10 MW per project site. The state Net Metering and Virtual Net Metering law was enacted in 2011.

Historically, it has proven to be an appropriate method to size net metering systems. It allows the members to maximize their renewable investment while taking into consideration capacity factors, and the equipment's slow degradation over time. It has not yet resulted in what we feel is overproduction in relation to the member's consumption.

Prepared by: Jeffery M. Wright

STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

1-11. Please provide the formula for calculating the net metering credit under the existing policy.

RESPONSE:

The formula to calculate a member's bill is equal to

Customer Charge + ("Consumed" x Plant & Distribution + "Consumed" x Power Supply + "Consumed x Transmission) – ("Delivered" x Power Supply + "Delivered" x Transmission).

We meter the "Consumed" and "Delivered" indexes. Each month we net the difference of the indexes and apply the appropriate Plant & Distribution, Power Supply and Transmission rates.

- Example 1: If "Consumed" exceeds the "Delivered," the member has a bill and owes BIUD that amount due. See Attachment JMW 1-11 (1).
- Example 2: If the "Delivered" exceeds the "Consumed" index, that member carries a Credit into the next month. The credit is applied to the bill as a negative Transmission and Last Resort dollar amount, which credits the account and is carried forward. See Attachment JMW 1-11 (2).
- Example 3: If "Consumed" and "Delivered" are equal, then the bill is \$10.00, which is BIUD's Customer Charge.

Please disregard the 'total due' in the attachments provided, as the member is a BIUD employee who has asked for a payroll deduction that we hold to pay the electric bills.

Prepared by: Jeffery M. Wright



**BLOCK ISLAND
POWER COMPANY**

100 Ocean Avenue P.O. Box 518
Block Island, Rhode Island 02807

Customer Service: 401-466-5851

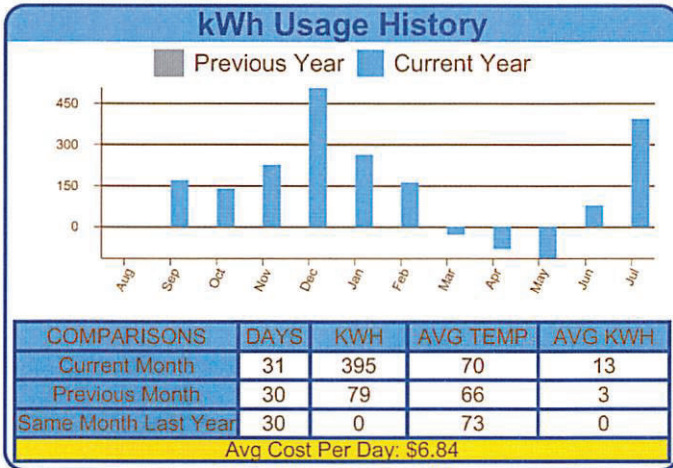
Statement Date	08/02/2021
Account Number	[REDACTED]
Payment Due	08/25/2021

Service Summary	
Previous Balance	\$506.64 CR
Payment Received 07/08/2021	\$25.00 CR
Payment Received 07/14/2021	\$25.00 CR
Payment Received 07/21/2021	\$25.00 CR
Payment Received 07/26/2021	\$25.00 CR
Balance Forward	\$606.64 CR
Current Charges	\$211.90
Total Amount Due	\$394.74 CR
Do Not Pay - Credit Balance	



Account Number: [REDACTED] Service Location : NO ADDR TO CONVERT Rate : Net Meter

Meter Number	Read Type	Services		Days	Readings		Meter Multiplier	Power Factor	Usage	Units
		From	To		Previous	Present				
62220771	Consumed	07/01/21	07/31/21	30	36244	36737	1	0.0	493	KWH
62220771	Delivered	07/01/21	07/31/21	30	1695	1793	1	0.0	98	KWH
62220771	Net	07/01/21	07/31/21	30	1330	1725	1	0.0	395	KWH



Current Service Charges

CURRENT CHARGES	RATE	BILLED USE	AMOUNT
Customer Charge			\$10.00
System Charge			\$25.00
Plant & Distribution Charge	0.285	395	\$112.58
Transmission Charge (TMC)	0.0852	395	\$33.65
Power Supply Service	0.074	395	\$29.23
Efficiency Charge	0.00333	395	\$1.32
RI Renewable Fund	0.0003	395	\$0.12
Summary		Current Service Total	\$211.90
		Total Charges	\$211.90

KEEP SEND IF YOU HAVE NOT PAID YOUR PREVIOUS BALANCE, BALANCES MAY BE SUBJECT TO PENALTIES/INTEREST & DISCONNECTION, BILLS ARE DUE WHEN RENDERED, PAYMENTS MUST BE RECEIVED BY BLOCK ISLAND POWER COMPANY NO LATER THAN THE DUE DATE TO AVOID LATE PAYMENT FEES AND DISCONNECTION NOTICES. PLEASE ALLOW SEVEN (7) DAYS PRIOR TO DUE DATE FOR PROCESSING TIME.
Please do not staple or paperclip.



Account Number	[REDACTED]
Total Due 08/25/2021	-\$394.74 CR

Please fill in amount paid \$ _____
DO NOT SEND CASH

PAYMENT OPTIONS

- Mail: Include this coupon with payment.
- In Person at: 100 Ocean Ave, Block Island, RI
- Pay By Phone: Call 1-844-749-3053
- Pay Online: <https://blockisland.smarthub.coop>
- Please check here and complete the appropriate section on the reverse side to update your Mailing Address, Phone Numbers, or Email.

Make checks payable to:

Block Island Power Company
PO BOX 518
Block Island, RI 02807-0518





BLOCK ISLAND POWER COMPANY

100 Ocean Avenue P.O. Box 518
Block Island, Rhode Island 02807

Customer Service: 401-466-5851

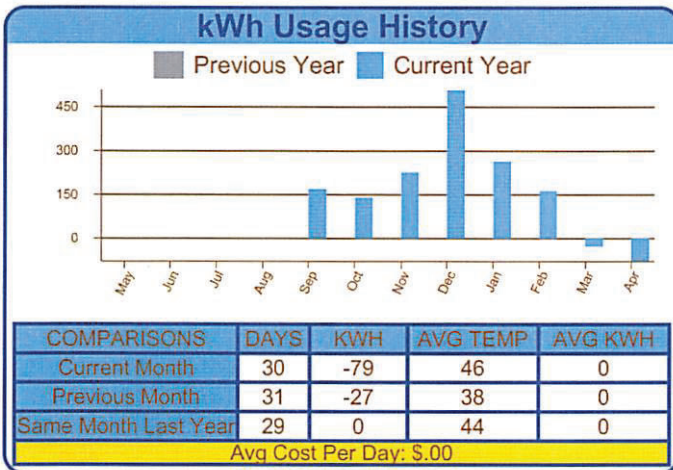
Statement Date	05/01/2021
Account Number	[REDACTED]
Payment Due	05/25/2021

Service Summary	
Previous Balance	\$198.51 CR
Payment Received 04/07/2021	\$25.00 CR
Payment Received 04/14/2021	\$25.00 CR
Payment Received 04/19/2021	\$25.00 CR
Payment Received 04/26/2021	\$25.00 CR
Balance Forward	\$298.51 CR
Current Charges	\$5.00 CR
Total Amount Due	\$303.51 CR
Do Not Pay - Credit Balance	



Account Number: [REDACTED] Service Location : NO ADDR TO CONVERT Rate : Net Meter

Meter Number	Read Type	Services		Days	Readings		Meter Multiplier	Power Factor	Usage	Units
		From	To		Previous	Present				
62220771	Consumed	04/01/21	04/30/21	29	35589	35772	1	0.0	183	KWH
62220771	Delivered	04/01/21	04/30/21	29	926	1188	1	0.0	262	KWH
62220771	Net	04/01/21	04/30/21	29	1444	1365	1	0.0	-79	KWH



Current Service Charges

CURRENT CHARGES	RATE	BILLED USE	AMOUNT
Customer Charge			\$10.00
Transmission Charge (TMC)	0.0896	-79	\$7.08 CR
Standard Offer Charge (SOC)	0.1	-79	\$7.90 CR
RI Renewable Fund	0.0003	-79	\$0.02 CR
Summary		Current Service Total	\$5.00 CR
		Total Charges	\$5.00 CR

KEEP SEND IF YOU HAVE NOT PAID YOUR PREVIOUS BALANCE, BALANCES MAY BE SUBJECT TO PENALTIES/INTEREST & DISCONNECTION, BILLS ARE DUE WHEN RENDERED, PAYMENTS MUST BE RECEIVED BY BLOCK ISLAND POWER COMPANY NO LATER THAN THE DUE DATE TO AVOID LATE PAYMENT FEES AND DISCONNECTION NOTICES. PLEASE ALLOW SEVEN (7) DAYS PRIOR TO DUE DATE FOR PROCESSING TIME.
Please do not staple or paperclip.

Account Number	[REDACTED]
Total Due 05/25/2021	-\$303.51 CR

Please fill in amount paid \$ _____
DO NOT SEND CASH

PAYMENT OPTIONS

- Mail: Include this coupon with payment.
- In Person at: 100 Ocean Ave, Block Island, RI
- Pay By Phone: Call 1-844-749-3053
- Pay Online: <https://blockisland.smarthub.coop>

Please check here and complete the appropriate section on the reverse side to update your Mailing Address, Phone Numbers, or Email.

Make checks payable to:

Block Island Power Company
PO BOX 518
Block Island, RI 02807-0518



STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION

IN RE: BLOCK ISLAND UTILITY DISTRICT - :
TERMS AND CONDITIONS FOR NET METERING : DOCKET NO. 5192

DIVISION OF PUBLIC UTILITIES AND CARRIERS FIRST SET OF DATA REQUESTS
DIRECTED TO BLOCK ISLAND UTILITY DISTRICT (BIUD)
(Issued December 22, 2021)

- 1-12. Please clarify whether the net metering formula provides for differences between rate classes that the net metering credit will be available to. If so, please explain how and why.

RESPONSE:

The Solar Credit will be the same for all rate classes.

The Solar Credit is based on the formula provided in my pre-filed testimony and is based on BIUD's Last Resort (Power Supply) and Transmission charges. Those charges are the same across all rate classes.

Prepared by: Jeffery M. Wright