

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

**IN RE: THE NARRAGANSETT ELECTRIC CO.           :**  
**d/b/a RHODE ISLAND ENERGY                 :**           **DOCKET NO. 22-45-EL**  
**LONG-TERM CONTRACTING FOR                 :**  
**RENEWABLE ENERGY RECOVERY FACTOR       :**

**ORDER**

On November 15, 2022, The Narragansett Electric Company d/b/a Rhode Island Energy (“RIE” or “Company”) filed with the Public Utilities Commission (PUC) its Long-Term Contracting for Renewable Energy Recovery (“LTCRER”) Factor for the period January 2023 through July 2023.<sup>1</sup> Pursuant to the provisions of Chapters 39-26.1 and 39-26.2, RIE is permitted to recover the above-market costs and required to credit the below-market costs of certain long-term renewable energy contracts and distributed generation contracts, net of, or including proceeds from the ratepayers’ share of revenue from the sale of forward capacity revenue from the applicable distributed generation contracts, plus related administrative costs. In its filing, RIE estimated that the six-month contract cost for thirty-eight renewable energy contracts, which included distributed generation contracts and non-distributed generation contracts, would be \$47,184,318.<sup>2</sup>

The market value for the energy, Renewable Energy Certificates (RECs), and capacity procured under the contracts is projected to be \$52,201,057 for the same period.<sup>3</sup> The difference between the estimated contract costs minus the market value of the energy, RECs, and capacity is expected to be a credit of \$5,016,739.<sup>4</sup> The estimated customer share of the forward capacity

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<sup>1</sup> National Grid’s Long-Term Contracting for Renewable Energy Recovery Factor Filing (Nov. 15, 2022) (Filing); [http://www.ripuc.ri.gov/eventsactions/docket/5201-NGrid-%20LTC%20Recovery%20Factor%20\(11-15-2021\).pdf](http://www.ripuc.ri.gov/eventsactions/docket/5201-NGrid-%20LTC%20Recovery%20Factor%20(11-15-2021).pdf).

<sup>2</sup> Filing at Attach. 1, at 1.

<sup>3</sup> Twelve of the projects under contract through the Long-Term Contracting Standard are expected to cost less than the projected market value of the energy for the period. Filing at Attach. 1, at 4.

<sup>4</sup> *Id.* at Attach. 1, at 5.

market revenue is expected to be \$13,501 and the estimated related administrative costs are expected to be \$15,766. Netting this revenue and related administrative cost against the total below-market cost of \$5,016,739 leaves a total of \$5,014,474 for recovery from ratepayers. The rate billed to customers is calculated by dividing this net value by RIE's forecasted kilowatt hour (kWh) deliveries for the upcoming six-month period and adjusting for uncollectibles and the current reconciliation factor. RIE proposed a credit factor of \$0.00267 per kWh.<sup>5</sup> When compared to the current credit factor in effect of \$0.00131, this results in a net rate decrease of \$0.00136 per kWh.

After issuing discovery, on December 8, 2022, the Division of Public Utilities and Carriers (Division) filed with the PUC a memorandum summarizing the filing and recommending approval of the proposed factor for effect on January 1, 2023. Division Assistant to Chief Accountant Joel Munoz indicated that the Company's calculations were correct and that the filing was in accordance with the PUC's order in Docket No. 4676, which approved the Long Term Contracting for Renewable Energy Resources Provision.<sup>6</sup>

At an Open Meeting on December 20, 2022, the Commission reviewed the filing, responses to discovery issued by the Division and Commission, the Division's recommendation, and approved the factor as filed.

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<sup>5</sup> Filing at Attach. 1.

<sup>6</sup> Mem. of Joel Munoz; <http://www.ripuc.ri.gov/eventsactions/docket/5201%20Division%20Memo.pdf>.

Accordingly, it is hereby

(24615) ORDERED:

The Narragansett Electric Company d/b/a Rhode Island Energy's Long-Term Contracting for Renewable Energy Recovery Credit Factor of \$0.00267 per kWh for electricity consumed on and after January 1, 2023, is hereby approved.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2023 PURSUANT TO AN OPEN MEETING DECISION ON DECEMBER 20, 2022. WRITTEN ORDER ISSUED MARCH 3, 2023.

PUBLIC UTILITIES COMMISSION



*Ronald T. Gerwatowski*

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Ronald T. Gerwatowski, Chairman

*Abigail Anthony*

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Abigail Anthony, Commissioner

*John C. Revens, Jr.*

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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.