STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

RE: THE NARRAGANSETT ELECTRIC COMPANY D/B/A RHODE ISLAND ENERGY TARIFF ADVICE TO AMEND THE NET METERING PROVISION - PROPOSAL FOR ADMINISTRATION OF EXCESS NET METERING CREDITS

DOCKET NO. 23-05-EL

MOTION TO INTERVENE <u>BY</u> MASSAMERICAN ENERGY LLC dba GRIDWEALTH DEVELOPMENT

By its attorneys, MassAmerican Energy LLC dba Gridwealth Development (Gridwealth), hereby moves to intervene in the above-captioned proceeding pursuant to Rule 1.14 (a) and (b) of the Rhode Island Public Utilities Commission (PUC) Rules of Practice and Procedure (Rules). In support of this motion, Gridwealth states:

- Gridwealth is a full spectrum renewable energy developer, financier and long-term operator of Distributed Energy Resources. Gridwealth's target market consists of commercial and industrial sites for solar photovoltaic and battery electricity storage systems.
- Established by career renewable energy and finance professionals with a collective longevity in excess of 50 years deploying, owning, operating and maintaining renewably-powered electric generating facilities.
- Gridwealth has over 17MW DC of distributed generation solar projects under development in Rhode Island. All of those projects intend to participate in Rhode Island's net metering program.
- 4. Rule 1.14(B)(2) allows intervention for any interest which may be directly affected and which is not adequately represented by existing parties and as to which movants may be bound by the

Commission's action in the proceeding. It specifically notes that "[t]he following may have such an interest: consumers served by the applicant, defendant, or respondent. . ."

- 5. Rule 1.14(B)(3) also provides for intervention of "any other interest of such nature that movant's participation may be in the public interest."
- 6. Gridwealth's interest in the method of valuing renewable net metering credits and excess renewable net metering credits is directly affected by this proceeding. Among other specific interests, Gridwealth has interest in:
 - a. greater transparency of recording and accessing the consumption and generation at accounts over the monthly, semi-annual and annual periods in question so that it can verify and ensure proper accounting and proactively manage accounts to avoid excess generation and the proposed billing charges;
 - b. consistency in the administration and accounting for net metering credits. An annual volumetric reconciliation that assess a billing charge to net metering customers for excess production of electricity over a year but still values the credits on a monthly basis is fundamentally inequitable. Monthly rates vary seasonally as impacted by the monthly time-varying value of electricity driven by demand for natural gas, largely for thermal energy. Thus our electric rates are highest in winter months (when most net metering systems produce less) despite that peak electricity use is in the summer (when most net metering systems produce less). Without levelling those rates to an annual average, net metering customers are compensated too little in high production season and charged too much in winter low production season. The failure to reconcile to an annual average rate does not properly account for the impact net metering customers have

2

on the reduction of natural gas demand specifically in the electricity sector. The value of the credits must be reconciled on an annual basis to best reflect their value to the electrical system and electric ratepayers. This can and should be done through a uniform credit rate based on an annual average price of electricity that reconciles value fluctuations over the one- year period. Reconciling volume without reconciling pricing distorts proper valuation policy to the detriment of the net metering customer and, thereby, to the detriment of Rhode Island public policy;

- c. independent third-party oversight of the administration of the net metering credit to ensure proper crediting and accounting practices for these customers, given the complexities and past experience to be evidenced in this proceeding.
- 7. Gridwealth's interests in these administrative and accounting practices for net metering are not otherwise represented by any other parties. No other existing party raises Gridwealth's specific interests/concerns. No other party shares Gridwealth's commercial interests. Gridwealth has a distinct private interest which the government could have no interest in protecting. <u>State of Maine v. U.S. Fish & Wildlife Service</u>, 262 F.3d 13, 20 (1st Cir. 2001) (citing <u>Cotter v. Mass.</u> <u>Ass'n of Minority Law Enforcement Officers</u>, 219 F.3d 31, 34-37 (1st Cir. 2000), cert. denied, 531 U.S. 1072 (2001)); <u>In re Narragansett Elec. Co. (d/b/a National Grid) Proposed Standard Offer Service Rate Reduction</u>, PUC Docket 3739, Order 18794, 2006 WL 4070740, at 15–16 (R.I. Pub. Utils. Comm'n Dec. 27, 2006).
- 8. Gridwealth's advocacy in this docket is also in the public interest per rule 1.14(B)(3), in many ways. Advocating that net metering credits are properly administered and accounted for helps

ensure that net metering customers are and will be properly compensated for the value of the electricity they provide. That interest accords with:

- a. the guiding principles adopted by the PUC in docket 4600 (Order 22851, July 31, 2017), as more specifically noted in italics:
 - *i.* ensuring safe, reliable, affordable, and environmentally responsible electricity service today and in the future; *[undervaluing net metering credits by annual accounting that does not true up the actual value of the electricity generated for the electrical system and electric ratepayers despite the seasonal pressure of thermal energy needs on natural gas pricing undermines the availability of safe, reliable, affordable, and environmentally responsible electricity service today and in the future]*
 - ii. promoting economic efficiency over the short and long term;
 [undervaluing net metering credits by any annual accounting that does not true up the actual value of the electricity generated for the electrical system and electric ratepayers despite the seasonal pressure of thermal energy needs on natural gas pricing undermines economic efficiency over the short and long term]
 - iii. providing efficient price signals that reflect long-run marginal cost;
 [undervaluing net metering credits by any annual accounting that does not true up the actual value of the electricity generated for the electrical system and electric ratepayers despite the seasonal pressure of thermal energy needs on natural gas pricing results in inefficient price signals that do not reflect long-run marginal cost]

4

- iv. identifying future rates and rate structures that appropriately address
 "externalities" that are not adequately counted in current rate structures;
 [undervaluing net metering credits by any annual accounting that does not
 true up the actual value of the electricity generated for the electrical system
 and electric customers despite the seasonal pressure of thermal energy
 needs on natural gas pricing has the effect of inappropriately overlooking
 externalities in rate structures]
- v. empowering consumers to manage their costs; [undervaluing net metering credits by any annual accounting that does not true up the actual value of the electricity generated for electrical system and electric rtatepayers despite the seasonal pressure of thermal energy needs on natural gas pricing impedes consumers management of their costs]
- vi. ensuring that all parties provide fair compensation for value and services received and receive fair compensation for value and benefits delivered; *[undervaluing net metering credits by any annual accounting that does not true up the actual value of the electricity generated for the electrical system and electric ratepayers despite the seasonal pressure of thermal energy needs on natural gas pricing does not provide fair compensation for value and services received or fair compensation for value and benefits delivered]*
- vii. being transparent and understandable to all customers; [Gridwealth's advocacy for greater transparency of recording and accessing the consumption and generation at accounts over the monthly, semi-annual

5

and annual periods in question so that it can verify and ensure proper accounting and proactively manage accounts to avoid excess generation and the proposed billing charges is consistent with the goal of being transparent and understandable to all customers, as is the appointment of independent oversight, as is the proper accounting for the true value of net metered electricity despite seasonal price fluctuations for natural gas]

- *viii.* providing opportunities to reduce energy burden and address low income and vulnerable customers' needs; [proper accounting for the full value of net metered electricity better enables self-generation of electricity at costs below the retail rate which inherently produces better opportunities to reduce energy burden and address low income and vulnerable customers' needs]
- ix. being consistent with policy goals such as environmental protection, addressing climate change and the Resilient Rhode Island Act, energy diversity, competition, innovation, power/data security, and least cost procurement; [properly valuing net metering credits by an annual accounting that trues up the actual value of the electricity generated to the electrical system and electric ratepayers despite the seasonal pressure of thermal energy needs on natural gas pricing is consistent with policy goals such as environmental protection, addressing climate change and the Resilient Rhode Island Act, energy diversity, competition, innovation, power/data security, and least cost procurement];

- x. evaluating rate structures on whether they encourage or discourage appropriate investments that enable the evolution of the future energy system; [properly valuing net metering credits by an annual accounting that trues up the actual value of the electricity generated to the electrical system and electric ratepayers despite the seasonal pressure of thermal energy needs on natural gas pricing properly evaluates rate structures on whether they encourage or discourage appropriate investments that enable the evolution of the future energy system]
- b. the purpose of Rhode Island's net metering law as set out in § 39-26.4-1.

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.

- c. Rhode Island's State Energy Plan, Energy 2035, which calls for policies that support development of local distributed generation of renewable energy to enhance energy security and reliability, provide economic benefits like job creation and stable energy pricing, and provide environmental benefits including the reduction of greenhouse gas emissions.
- 9. Precedent supports the allowance of Gridwealth's intervention in this proceeding. In prior proceedings to amend the net metering tariff developers relying on the net metering tariff for the development and operation of their renewable energy projects have been allowed intervention. For example, in docket 4790, the Coalition for Community Solar Access, a "business-led trade organization comprising over forty member companies that work to expand access to clean, local, affordable energy nationwide through community solar," was allowed intervention in a net

metering tariff amendment proceeding. In docket 4568, Narragansett's proposed access charge on net metering customers, the PUC allowed intervention for: Conservation Law Foundation, Acadia Center, Wal-Mart Stores East, LP and Sam's East, Inc., Northeast Clean Energy Council, Green Development, LLC dba Wind Energy Development, LLC, The Alliance for Solar Choice, the US Dept. of Navy, Energy Development Partners, LLC, Narragansett Bay Commission, Hectate Energy LLC and CME Energy, and Forbes Street Solar LLC. In docket 4549, WED Coventry One, LLC, WED Coventry Two, LLC, WED Coventry Six, LLC, and WED Portsmouth 1, LLC were allowed intervention.

10. Gridwealth conferred with the other current parties about whether they oppose this motion in accordance with Rule 1.16, but has not received any responsive position as of this filing. It is difficult to review these proceedings with clients, engage with them, draft intervention pleadings and confer with the other parties on the motion when there are only eight days between the procedural notice and the intervention deadline.

11. Please direct service of any correspondence or pleadings in connection with this proceeding to:

A. Quincy Vale, Esq. Massamerican Energy LLC dba_Gridwealth 490A Boston Post Rd Sudbury, MA 01776 (617) 694-5181 (m) quincy@gridwealth.com

and

Seth H. Handy Handy Law, LLC 42 Weybosset Street Providence, RI 02903 Phone: (401) 626-4839 E-mail <u>seth@handylawllc.com</u> WHEREFORE, Gridwealth asks that the PUC grant its motion to intervene.

Respectfully submitted,

MASSAMERICAN ENERGY LLC dba GRIDWEALTH DEVELOPMENT,

By its attorney,

Seth H. Handy (#5554) HANDY LAW, LLC 42 Weybosset Street Providence, RI 02903 Tel. 401.626.4839 E-mail seth@handylawllc.com

CERTIFICATE OF SERVICE

I hereby certify that on May 5, 2023, I sent a true copy of the document by electronic mail to the PUC and the service list and filed the original pleading and 9 photocopies with the PUC.

Seth H. Handy